

GOVERNMENT OF TAMIL NADU
COMMERCIAL TAXES DEPARTMENT
PROCEEDINGS OF THE
AUTHORITY FOR CLARIFICATION AND ADVANCE RULING
(Under Section 48-A of TNVAT Act, 2006)

- Present:**
- 1. Dr. K. Manivasan, I.A.S.,
Commissioner of Commercial Taxes**
 - 2. Thiru. R. Chandramohan, M.A.,
Additional Commissioner (PR)**
 - 3. Thiru. K. Mahalingam, M.Sc.,
Additional Commissioner (RP)**

A.C.A.A.R 15/2013-14
(Acts Cell-II/14770/2013)

Dated 02.12.2013

Ref: Application of Tvl. Karan Enterprises, 69, Vellala Street,
Puruswalkam, Chennai - 84 dated 03.05.2013

Tvl. Karan Enterprises, 69, Vellala Street, Puruswalkam, Chennai - 84 (TIN: 33080181971) have filed an application and sought clarification under Section 48-A of the TNVAT Act, 2006 read with Rule 12-A of the TNVAT Rules, 2007.

2. The clarification was sought on the following in column 4 of Form V V:

"Sugar Coated Sombu"

3. The issue has been examined in detail with reference to the provisions of the TNVAT Act and Rules and clarification is given as under:

4. Section 48-A of the TNVAT Act, 2006 provides for clarification on any point concerning rate of tax.

5. The dealer had sought clarification on **"Sugar Coated Sombu"**.

6. The details furnished by the dealer in the application were examined. It was stated by the dealers that Sugar Coated Sombu is manufactured by a simple process of coating with sugar evenly over it under heat condition and that sombu may not be liked by many and to make it palatable it is coated with sugar to prevent fungus or insect attacks and hence even after adding sugar, the sombu remains the same and does not shed its basic and vital characteristics and accordingly sought clarification.

7. The issue has been examined with reference to the information furnished in the application and the provisions of Act and Rules. Clarification is sought on "Sugar Coated Sombu". The dealer had claimed that sombu is not liked by many and therefore to make it palatable it is coated with sugar to

prevent fungus or insect attacks and that sombu and sugar coated sombu are one and the same and hence taxable at 5% under TNVAT Act.

8. However, sombu and sweetened sombu are visually different and distinct and sweetened sombu cannot be equated with sombu in its natural form. The sombu in its natural form undergoes a change and takes a different taste on consumption. Further, the sombu in its natural form is used for cooking purposes whereas the sweetened sombu has no application in cooking and it is rather used as a mouth freshener only. Sombu and sweetened sombu are therefore commercially different commodities. Therefore, the product sold by the dealer is classified as residuary item only in the absence of any specific description about the product in any of the Schedules to the Act.

9. Entry 69 of Part-C of the First Schedule reads as below:

"Any other goods, not specified in any of the Schedules"

10. "Sugar Coated Sombu" fits into the description given under Entry 69 of Part-C of the First Schedule.

11. The clarification therefore is that "**Sugar Coated Sombu**" is taxable at 14.5% under Entry 69 of Part-C of the First Schedule to the TNVAT Act.

Sd/- R.Chandramohan
Additional Commissioner (PR)

Sd/- K. Mahalingam
Additional Commissioner(RP)

Sd/- K. Manivasan
Commissioner of Commercial Taxes

To
Tvl. Karan Enterprises,
69, Vellala Street, Purasawalkam,
Chennai - 84
Copy to:
The Assistant Commissioner (CT),
Godown Assessment Circle, Chennai
The Joint Commissioner (CT),
Chennai (East) Division.
The Joint Commissioner (CS),

To host in the Department Website

The Principal Secretary to Government, Commercial Taxes & Registration
Department, Chennai - 9.
All Joint Commissioners (CT) including Enforcement, LTU, MoU and ISIC.
All Deputy Commissioners (CT), Territorial, and Enforcement.
All Head of Offices (Assessment).
The State Representative, Sales Tax Appellate Tribunal, (Main Bench), Chennai - 104.
The Addl. State Representative, (AB) Chennai, Madurai and Coimbatore.
The Director, CTSTI, Greams Road, Chennai - 6.
The Chief Executive Officer, Traders Welfare Board, Chennai - 5.
The Additional Commissioners, Joint Commissioners, Deputy Commissioners,
Assistant Commissioners and Commercial Tax Officers in CCT's Office.
Personal Clerk to the CCT.
Stock File3 / Act Cell II / Spare - 5.

//Forwarded by Order//


4/12/13
Commercial Tax Officer