

**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. Thiru. Hemant Kumar Sinha, I.A.S.,
Principal Secretary /
Commissioner of Commercial Taxes,
2. Thiru. R. Chandramohan, M.A.,
Additional Commissioner (PR)
3. Thiru. E. Rathinasamy, M.Sc., B.L.,
Additional Commissioner (RP) (FAC)**

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**A.C.A.A.R 15/ 2011-12
D.Dis.Acts Cell II/2775/2012**

Dated 03.04.2012

Ref: Application of Tvl.Aruchem, 252, Angappa
Naickan Street, Chennai – 600 001, Dated Nil

ORDER

Tvl.Aruchem, 252, Angappa Naickan Street, Chennai – 600 001 (TIN: 33160100156) have filed an application and sought clarification under section 48-A of TNVAT Act, 2006, read with rule 12-A of TNVAT Rules, 2006.

2. They sought clarification on the following in column 4 of Form VV:

“Industrial gasket – machinery parts. Rate of tax under CST Act without ‘C’ Form and for Government Departments outside the State (without Form ‘D’)”.

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

4. The Tamil Nadu Value Added Tax (Second Amendment) Act, 2011 came into force on 27.09.2011, by inserting a new section 48-A for the constitution of a State Level Authority for Clarification and Advance Ruling to clarify any point concerning the rate of tax.

5. Machinery parts, used in the machinery in the State for the purpose of manufacture, processing, packing or storing of goods in the course of business, is capital goods as defined under section 2(11) of TNVAT Act, 2006 and liable to tax at 5% under entry 25 of Part-B to First Schedule.

6. However, the applicant has sought clarification on rate of tax for "industrial gaskets" sold without 'C' Form and for Government Departments without 'D' Form.

7. The commodity "Industrial Gaskets" has not been specified in any of the entries in the Schedules to TNVAT Act and hence considered as unclassified item only.

8. Entry 69 of Part-C to First Schedule reads as follows:
"Any other goods, not specified in any of the schedules"

9. Therefore, "Industrial Gasket" is taxable at 14.5% under entry 69 of Part-C to First Schedule.

10. The clarification is that, industrial gaskets, if sold outside the State without 'C' Form is taxable at 14.5% under CST Act. The provision of filing of Form 'D' by Government Departments had been withdrawn with effect from 01.04.2007. Hence industrial gasket, if sold outside the State to a Government Department is taxable at 14.5% under CST Act.

Sd/- R.Chandramohan
Additional Commissioner (PR)

Sd/- E. Rathinasamy
Additional Commissioner(RP)(FAC)

Sd/- Hemant Kumar Sinha
Principal Secretary /
Commissioner of Commercial Taxes

To

1. Tvl.Aruchem,
252, Angappan Naickan Street,
Chennai - 600 001

2. Tvl. Aruchem,
79, Valmeeki Street,
Thiruvanmiyur,
Chennai - 600 041.

Copy to:

Assistant Commissioner (CT). Esplanade - I Assessment Circle.
Joint Commissioner (CS)

To host in Website

The Secretary to Government, Commercial Taxes and Registration
Department, Secretariat, Chennai - 9.

All Joint Commissioners (CT), including Enforcement, LTU, MOU and ISIC

The State Representative, Sales Tax Appellate Tribunal, Chennai-104

The Addl. State Representative, (AB) Chennai, Madurai and Coimbatore

The Director, CTSTI, Greams Road, Chennai-6.

The Executive Officer, Traders Welfare Board, Chennai-5.

The Accountant General (Audit)-II, No.44, Greams Road, Chennai-6.

The Deputy Commissioner (CT), Zone-I, Chennai

All Additional Commissioners, Deputy Commissioners, Assistant Commissioners,
Commercial Tax Officers in CCT 's Office

Personal Clerk to the CCT

Stock file / Acts Cell II / Spare-5

//forwarded by order//


Commercial Tax Officer. 2/2