

**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. E. Rathinasamy, M.Sc., B.L.,
Additional Commissioner (RP) (FAC)

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A.C.A.A.R. 31/ 2013-14
(Acts Cell-II/19387/2013)

Dated 14.08.2013

Ref: Application of Tvl. Frooti Bevarages,
Mevalurkuppam Village, Thandalam Post,
Sriperumputhur-602 105 dated 26.06.2013.

An application has been filed by Tvl. Frooti Bevarages, Mevalurkuppam Village, Thandalam Post, Sriperumputhur-602 105 seeking clarification under Section 48-A of TNVAT Act, 2006 read with Rule 12-A of the TNVAT Rules, 2007.

2. The dealer is registered at Adyar-I Assessment Circle having TIN 33360862272.

3. The clarification is sought on the following in column 4 of Form V V:

“Branded Sweets and Savouries”

4. The dealer sought personal hearing and accordingly Thiru Krishnan Seshadri, Assitant Vice President-Taxation / Auhtorised Representative, appeared on 13.08.2013 before the Authority and explained the product details and the need for clarification. He also filed additional written submissions at the time of personal hearing. It was informed that TNVAT Act and Rules neither contain any definition for **“Branded Sweets and Savouries”** nor list of items covered under such category notified and raised the query whether any type of branded sweets or any type of branded savory sold in Tamil Nadu would come within the scope of the Entry **“Branded Sweets and Savouries”** attracting VAT of 5%.

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

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

7. The dealer had sought clarification on **"Branded Sweets and Savouries"**.

8. The Entries in the Schedule are part and parcel of the statute. They are equally important as Sections or Provisions of the statute. Therefore, the Entries would reveal the true, real and correct intention of the legislature. Therefore, the words used in the Entries must be construed as understood in common parlance. The words should be given their popular meaning that is in the sense in which people understand. It is true that the TNVAT Act has not listed out the items which would come within the purview of Sweets and Savouries. Sweets have pleasant taste characteristics of sugar and not salt, sour or bitter. We may refer laddu, mysorepa, jelabi as sweets, to mention a few. Savoury means snacks which are salty or spicy. However, by common parlance anything other than Sweets are called Savouries like Murukku, Seedai, Mixture to mention a few. The examples are only illustrative and not exhaustive.

9. There is a specific Entry for Branded Sweets and Savouries under Entry 19 of Part-C of the First Schedule. However, the rate of tax on branded Sweets and Savouries is reduced to 5% with effect from 12.07.2011 as per Notification No.II (1)/CT & R /12(R-29)/2011, dated 11.07.2011.

10. The clarification therefore is that **"Branded Sweets and Savouries"** are taxable at the reduced rate of 5% with effect from 12.07.2011 as per Notification No.II (1)/CT & R /12(R-29)/2011, dated 11.07.2011.

Sd/- R. Chandramohan
Additional Commissioner (PR)

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

Sd/- Dr. K. Manivasan
Commissioner of Commercial Taxes

To

Tvl. Frooti Bewarages,
Mevalurkuppam Village,
Thandalam Post,
Sriperumputhur-602 105.

Copy to:
The Assistant Commissioner (CT),
Adyar-I Assessment Circle.

The Joint Commissioner (CT),
Chennai (South) Division.

The Joint Commissioner (CS),
To host in the Department Website.

The Secretary to Government, CT & R Department, Chennai - 9.

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

All Deputy Commissioners (CT), (Territorial) and (Enforcement).

All Head of Officers (Assessment).

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.

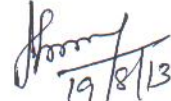
The Accountant General (Audit)-II, No.44, Greams Road, Chennai - 6.

The Additional 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/



Commercial Tax Officer