

**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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**Acts Cell-II/32079/2012**  
(A.C.A.A.R 36/ 2012-13)

**Dated 20.02.2013**

- Ref:
1. Proceedings of the Authority for Clarification and Advance Ruling in A.C.A.A.R 36/ 2012-13, dated 27.07.2012.
  2. Order of the Hon'ble High Court of Madras in W.P.No.25645 of 2012, dated 21.09.2012.

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**REVIEW ORDER:**

A clarification was given to Tvl. Chemoil Adany (P) Limited, D-34, Halls Road, Egmore, Chennai – 600 008 to the effect that Bunker Fuel - Furnace Oil is taxable at 5% under Entry 67-A(n) of Part B of the First Schedule to the TNVAT Act, 2006 on 27.07.2012 in A.C.A.A.R 36 / 2012-13.

2. Against the said clarification the dealer approached the High Court and the High Court in the order referred remitted the matter to the Authority for Clarification and Advance Ruling to consider all the issues raised by the petitioner in its application dated 13.06.2012 and to pass a speaking order giving reasons for the conclusions arrived at by the Authority after giving an opportunity of personal hearing to the dealers.

3. In accordance with the directions of the Hon'ble High Court of Madras, the dealers were summoned to appear on 02.10.2012 and again on 30.10.2012 and as the dealers did not appear on those days and also as requested by them personal hearing was given on 05.02.2013. Thiru.Jitendra Motwani, Authorized Representative appeared on 05.02.2013 and put forth the claims.

4. It was stated that the dealers are intended to start physical supply of bunker fuel to foreign going vessel at the Chennai Port. It was stated that the dealer proposes to purchase fuel from its foreign suppliers and store them at its custom bonded warehouse. Thereafter such fuel is proposed to be sold to foreign going vessels for consumption on such foreign going vessels. To fulfil the above, the dealer would import fuel into India in their own name into their bonded warehouse by filing a bill of entry for warehousing. The fuel will be stored in the custom bonded warehouses for which the relevant permission from the customs authority would be obtained. The fuel will thereafter is proposed to be sold to foreign going vessels under a custom's procedure for Bond to Bond transfer and sale. The dealer with reference to the details furnished as above has sought clarification whether the sale of fuel by the foreign vendor to the applicant and by the applicant to the foreign going vessels attracts Value Added Tax.

4. The clarification given earlier therefore was re-examined in the light of the above observations.

5. The dealer has sought clarification as to the tax liability on Bunker Fuel – Furnace Oil with reference to its import to India and for sale for foreign going vessels through the customs bonded warehouse

6. The Authority after reviewing the clarification already issued decides that the **Bunker Fuel - Furnace Oil** imported into India, stored in Customs bonded warehouse without crossing the customs frontiers for fuelling foreign bound vessels does not attract tax liability under TNVAT Act, subject to the production of documents to the satisfaction of the concerned Assessing Officer for claiming exemption.

7. The clarification issued in A.C.A.R.R.36/2012-13, dated 27.07.2012 is modified to the extent mentioned in para 7.

Sd/- R.Chandramohan  
Additional Commissioner (PR)

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

Sd/- K. Manivasan  
Commissioner of Commercial Taxes

To

Tvl. Chemoil Adany (P) Limited,  
D-34, Halls Road,  
Egmore,  
Chennai – 600 008.

Copy to:

The Assistant Commissioner (CT)  
Egmore – II Assessment Circle,  
Chennai.

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

The Joint Commissioner (CS)

To host in the Department Website

The Secretary to Government, Commercial Taxes & Registration  
Department, Chennai – 9.

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

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

All Head of Offices (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.

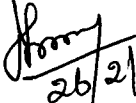
The Additional Commissioners, Deputy Commissioners, Assistant  
Commissioners,

Commercial Tax Officers in CCT's Office

Personal Clerk to the CCT.

Stock File3 / Act Cell II / Spare – 5.

//forwarded by order//

  
26/2/13  
Commercial Tax Officer.