

**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 7/ 2013-14

Dated 05.06.2013

Ref: Application of Tvl.Metco Roof Private Limited,
No.33, Chakrapani Street Extension, West
Mambalam, Chennai – 600 033, dated NIL.

Tvl.Metco Roof Private Limited, No.33, Chakrapani Street Extension, West Mambalam, Chennai – 600 033 (TIN: 33074701643) 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:

“Iron Steel Structural (C-Purlin/Z-Purlin)”.

3. The dealer had sought for personal hearing. The Authority for Clarification and Advance Ruling convened a meeting on 04.06.2013 and the dealers were given intimation in writing to appear before the Authority on 04.06.2013. Accordingly Thiru. V.Thirumaran, Chief Executive – Operations appeared on 04.06.2013 and also filed written submissions.

4. It was stated that G.I. Sheets or H.R Sheets are brought into the State through imports or direct purchases and such sheets are bent / punched to various standard sizes and sold without any fabrication or welding undertaken on those sheets. Such purlins are sold with primer coated or as bare sheets and hence such products are nothing but steel sheets without transformation into a new and different commodity and hence such Iron Steel Structural (C-Purlin/Z-Purlin) are to be classified as Declared Goods only taxable at 5% under Entry 41 of the First Schedule to the TNVAT Act read with Section 14 of CST Act.

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 "**Iron Steel Structural (C-Purlin/Z-Purlin)**".

8. Entry 41 of Part B of the First Schedule contains "Declared Goods". The goods of special importance in inter-state trade or commerce have been enumerated under Section 14 of the CST Act which are called Declared Goods. The various articles that fall under iron and steel are enumerated in Entry (iv) of Section 14.

9. The dealers procure G.I sheets / H.R sheets by imports or from outside the State or within the State and such sheets are bent / punched to various standard sizes without any fabrication or welding being undertaken on those sheets. The H.R. steel sheets / G.I sheets are bent by passing between ridged rollers by a rollforming machine. The bent steel sheets are thus nothing but steel sheets which are curved for the purposes of making them more rigid and giving them increased stiffness and strength. The processes of bending involves one of alternation of shape and it does not make steel sheet a different article or a product of steel. The steel sheets procured are sold after bending / punching only without any further processes to make it a different and distinct commodity commercially. Iron Steel Structural (C-Purlin/Z-Purlin) therefore still remains iron and steel only and that iron steel structurals are merely iron in another sheet and continued to retain the character of iron in the absence of any manufactured end product.

10. Sub-clause (v) to Entry (iv) in Section 14 of CST Act reads as follows:

"Steel Structural (angles, joists, channels, tees, sheet piling sections, Z-sections or any other rolled sections)".

11. Steel Structural (C-Purlin/Z-Purlin) sold by the dealers therefore fits into the description given under Sub-clause (v) to Entry (iv) in Section 14 of CST Act. Therefore, Iron Steel Structural (C-Purlin/Z-Purlin) are Declared Goods as provided under Entry 41 of Part B of the First Schedule read with Entry (iv) of Section 14 of CST Act since there is a specific mention about the commodity Iron Steel Structural.

12. The clarification therefore is that **Steel Structural** (C-Purlin/Z-Purlin) are taxable at 5% under Entry 41 of Part B of the First Schedule to the TNVAT Act, 2006.

Sd/- R. Chandramohan
Additional Commissioner (PR)

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

Sd/- K. Manivasan
Commissioner of Commercial Taxes

To

Tvl.Metco Roof Private Limited,
No.33, Chakrapani Street Extension,
West Mambalam,
Chennai – 600 033.

Copy to:
The Assistant Commissioner (CT),
Villupuram - II Assessment Circle.

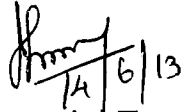
The Joint Commissioner (CT),
Vellore Division.

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 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, Commercial Tax Officers in CCT's Office.
Personal Clerk to the CCT.
Stock File / Act Cell II / Spare – 5.

/Forwarded/By Order/


14/6/13
Commercial Tax Officer