

**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)**  
\* \* \* \* \*

**A.C.A.A.R 74/ 2012-13**

**Dated 06.02.2013**

- Ref:
1. Application of Tvl. Hindustan Colos Limited, A-9, SIPCOT Industrial Park, Irungattukottai, Kancheepuram Dist, dated 08-11-2012.
  2. CCT Letter in Acts Cell-II/35903/2012, dated 22.01.2013

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Tvl. Hindustan Colos Limited, A-9, SIPCOT Industrial Park, Irungattukottai, Kancheepuram Dist (TIN: 33501663027) 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 "Road Bond" with a request for early hearing. Accordingly the dealers were requested in writing to appear on 05-02-2013 at 11.00 A.M. to put forth their claims. However, the dealer did not appear for hearing on that date. Therefore, clarification is given with reference to the materials furnished.

3. The dealers are engaged in the manufacture of Bitumen and its derivatives including Road Bond which is only an advanced form of Bitumen used for road laying purpose. It is also stated that Road Bond is nothing but an extension of bitumen / asphalt and bituminous emulsion is a specie of the genus bitumen. The Road Bond manufactured by them is a refined form of bitumen or an advanced form of bitumen and should be

taxable at 5% under Entry 18 of Part B of the First Schedule to the TNVAT Act, 2006.

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

5. The dealer has sought clarification on "**Road Bond**".

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

7. Bitumen is an oil based substance. It is a semi solid hydro carbon product produced by removing the lighter fractions (such as liquid petroleum gas, petrol and diesel) from heavy crude oil during refining process. Bitumens are used as raw materials to manufacture mixtures (preparations) with improved handling and application characteristics or to enhance the physical properties. The dealer has classified Roadbond as bitumen. Roadbond is a mix of liquid chemicals based on cold mix technology with a blend of high quality aggregates like sand, gravel and crushed stone which substantially increases their strength and compactability. Roadbond is a chemical soil stabilizer and a compaction aid also. When mixed with soils, it has the effect of reducing shrink/swell activity of expansive clays and enhances compaction of all types of construction materials. Roadbond is also a synthetic additive to improve the durability and load carrying capacity of the construction materials.

8. There is no specific entry for Road bond in any of the Schedules under TNVAT Act.

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

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

10. Road Bond fits into the description given under entry 69 of Part C of the First Schedule.

11. The clarification, therefore, is that **Road Bond** is unclassified item taxable at 14.5% under Entry 69 of Part C 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. Hindustan Colos Limited,  
A-9, SIPCOT Industrial Park,  
Irungattukottai,  
Kancheepuram Dist  
Copy to:

The Assistant Commissioner (CT)  
Sriperumpudur Assessment Circle,

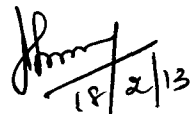
The Joint Commissioner (CT),  
Chennai (South) Division.

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/

  
18/2/13  
Commercial Tax Officer