

**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 89/ 2012-13

Dated 11.02.2013

Ref: Application of Tvl.Fenner (India) Limited, No.3
Madurai-Melakkal Road, Kochadai, Madurai,
dated Nil.

Tvl.Fenner (India) Limited, No.3 Madurai-Melakkal Road, Kochadai, Madurai (TIN: 33825164260) 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:

"Transmission Rubber Beltings".

3. The dealers have stated that they are manufacturers and sellers of different kinds of beltings meant for both automotive and industrial applications. Belts may be used as a source of motion to transmit power efficiently or to track relative movement. As a source of motion, a conveyor belt is one application where a belt is adapted to continuously carry a load between two points. It was further stated that there is a specific entry for beltings under Entry 16 of Part B of the First Schedule and the said entry would over-ride any other entries.

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

6. The dealer has sought clarification on Transmission Rubber Beltings.

7. The dealer is a manufacturer and seller of wide range of belts. The transmission belts are suitable for wet-grinders, oil engines, motor-vehicles etc., and come within the ambit of "beltings". There is a specific entry for "Beltings" under Entry 16 of Part B of the First Schedule which is wide enough to cover all kinds of beltings having application in Automobiles, Industries and Agricultural Equipments. It has been held in many judicial pronouncements that the commodity terms used in the Act must be construed as understood in common parlance and it must be given its popular sense meaning. In the instant case, the use of Transmission Belt is varied. The V belts are used in oil engine, motor vehicles, wet-grinders, sewing machines etc., The different kinds of beltings manufactured and sold by the dealer therefore fits into the description given under the Entry 16 of Part B of the First Schedule.

8. Incidentally, it has also been clarified earlier, by CCT in letter No.VAT Cell/22406/2007(VCC 1272), dated 19.09.2007 that various belts used in car/van/trucks are taxable at 4% (as prevailed then) under Entry 16 of Part B of the First Schedule.

9. The clarification, therefore, is that **Transmission Rubber Beltings** are taxable at 5% under Entry 16 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.Fenner (India) Limited,
No.3 Madurai-Melakkal Road,
Kochadai, Madurai

Copy to:

The Assistant Commissioner (CT)
Madurai Rural South Assessment Circle,
Madurai

The Joint Commissioner (CT),
Madurai 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.

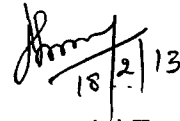
The Additional Commissioners, Deputy Commissioners, Assistant
Commissioners,

Commercial Tax Officers in CCT's Office

Personal Clerk to the CCT.

Stock File3 / Act Cell II / Spare – 5.

//forwarded by order//



Commercial Tax Officer.