

ஆணையர் (வணிகவாரிகள்)
30 DEC 2022
எழிலகம், சென்னை-600 005.



ABSTRACT

Waiver - Commercial Taxes Department - Tax payable on the sale of Tarpaulin made of synthetic fibre under the Tamil Nadu Value Added Tax Act, 2006 and the Central Sales Tax Act, 1956 for the period from 31.05.2007 to 24.03.2008 - Waiver - Orders - Issued.

Commercial Taxes and Registration (C1) Department

G.O.(Ms.)No.187.

Dated:.09.12.2022

சுபகிருது, கார்த்திகை -23,

திருவள்ளூர் ஆண்டு 2053.

Read :

G.O.(Ms.)No.79, Commercial Taxes and Registration (B2) Department, dated 23.03.2007.

From the Commissioner of Commercial Taxes, Chennai, Letter No.VAT/CELL/20811/07/(VCC No.600) dated 31.05.2017

3. From the Additional Chief Secretary / Commissioner of Commercial Taxes Letter No.VA-5/38096/2008, dated 16.12.2019 , 10.07.2020 and 03.07.2021.
4. Government Letter No.690/C1/2020-4, Commercial Taxes and Registration Department, dated 21.10.2021.
5. From the Principal Secretary/Commissioner of Commercial Taxes, Letter No.V&A-5 (DC-II)/38096/2008, dated 28.01.2022.

ORDER:

In the Government Order first read above, an amendment were issued under the Tamil Nadu Value Added Tax Act, 2006 with effect from 01.01.2007 and noticed in the Tamil Nadu Government Gazette dated 23.3.2007. Accordingly the Commissioner of Commercial Taxes had clarified on 31.05.2007 that Tarpaulin made of synthetic fabric and canvas is exempted and tarpaulin made of LDPE and HDPE are taxable at 4%.

2. In the letter second read above, noted on the clarification of Commissioner of Commercial Taxes, Chennai, the Commercial Tax Officer, Manali Assessment Circle had issued provisional assessment notice dated 25.3.2008 to Tvl.SRF Limited for levy of tax at 12.5% on the sale of tarpaulin made of synthetic fibre, which was manufactured by them, by holding that tarpaulin made of synthetic fibre was not covered by the Notification and thus he confirmed the demand at 12.5% and passed provisional assessment orders for the months from June 2007 to February 2008 (9 months) under section 25 of the Tamil Nadu Value Added Tax Act, 2006 and under section

9(2)(A) of the Central Sales Tax Act, 1956 read with section 25 of the Tamil Nadu Value Added Tax Act, 2006.

3. Subsequently, representations were received from Tvl.SRF Limited to waive the tax on the sale of tarpaulin made of synthetic fibre for the period from 31.05.2007 to 25.03.2008 under section 31 of the Tamil Nadu Value Added Tax Act, 2006, as the members of the Association as well as Tvl.SRF Limited had not collected tax on the strength of the clarification of the Commissioner of Commercial Taxes, dated 31.05.2007.

4. In the meantime, against the provisional assessment orders, Tvl.SRF Limited had filed 18 Writ Petitions before the High Court of Madras in W.P. Nos.10012 to 10029/2008. All the above Writ Petitions along with Writ Appeal No.1152 of 2008 were disposed of by the High Court of Madras on 29.04.2010 with the directions to the petitioners to file revision petition before the statutory authority. Following the directions of the Madras High Court, Tvl.SRF Limited filed Revision Petitions before the Joint Commissioner (Commercial Taxes), Chennai (Central) Division. Against the 18 Revision Petitions filed by the dealers for the months from June 2007 to February 2008, a common dismissal order was passed on 29.10.2018 under the Tamil Nadu Value Added Tax Act, 2006 and the Central Sales Tax Act, 1956 by the Joint Commissioner(Commercial Taxes), Chennai (Central) Division.

5. In order to resolve this issue, the Principal Secretary/ Commissioner of Commercial Taxes, in the reference 3rd read above, has submitted the proposal before Waiver Committee for application of waiver of an amount of Rs.78,80,280/- under the Tamil Nadu Value Added Tax Act, 2006 and Rs.13,81,590/- under the Central Sales Tax Act, 1956 in respect of the following two dealers who had not collected any tax on the sales of tarpaulin made of synthetic fibre for the period from 31.05.2007 to 24.03.2008:-

Division	Name of the dealer Tvl.	Amount		Total
		VAT	CST	
Chennai (North)	SRF Ltd.	70,11,043.00	13,81,590.00	83,92,633.00
Trichy	Veera Traders	8,69,237.00	--	8,69,237.00
	Total	78,80,280.00	13,81,590.00	92,61,870.00

The Waiver Committee has also agreed to the said proposal.

6. The Government, after careful examination, have decided to accept the recommendations of the Waiver Committee. Accordingly, in exercise of the powers conferred under item 7 of Appendix 21 of Chapter XII of the Tamil Nadu Financial Code Volume-II and hereby waive an amount of Rs.78,80,280/- (Rupees seventy eight-lakhs eighty thousand two hundred and eighty only) under the Tamil Nadu Value Added Tax Act, 2006 and an

amount of Rs.13,81,590/- (Rupees thirteen lakhs eighty-one thousand five hundred and ninety only) under the Central Sales Tax Act, 1956, being the tax payable on the sales of tarpaulin made of synthetic fibre for the period from 31.05.2007 to 24.03.2008 by Tvl.SRF Limited, Chennai and Tvl. Veera Traders, Trichy.

7. This order does not request the concurrence of the Finance Department as per G.O.(Ms.)No.334, Finance (BG-I) Department, dated 22.10.2022.

(BY Order of the Governor)

B. JOTHI NIRMALASAMY
SECRETARY TO GOVERNMENT

To

The Principal Secretary / Commissioner of Commercial Taxes,
Chepauk, Chennai-5.

The Joint Commissioner (Administration),
Office of the Principal Secretary /
Commissioner of Commercial Taxes,
Chepauk, Chennai-5.

The Joint Commissioners (Commercial Taxes) concerned.

The Accountant General (Audit), Chennai-18.

The Accountant General (Accounts and Entitlements), Chennai-18.

(Through: The Principal Secretary / Commissioner of Commercial Taxes,
Chennai-5).

Copy to:-

The Chief Minister's Office, Chennai - 9.

The Private Secretary to Secretary,

Commercial Taxes and Registration Department, Chennai-9.

The Private Secretary to Additional Chief Secretary,
Finance Department, Chennai-9.

The Private Secretary to Chief Secretary to Government, Chennai-9.

The Special Personal Assistant to Minister (Commercial Taxes and
Registration), Chennai - 9.

The Special Personal Assistant to Minister (Finance and Human Resources
Management), Chennai - 9.

The Special Personal Assistant to Minister (Public Works), Chennai - 9.

The Special Personal Assistant to Minister (Higher Education), Chennai - 9.

The Special Personal Assistant to Minister (Co-operation), Chennai - 9.

The Special Personal Assistant to Minister (Municipal Administration),
Chennai - 9.

The Special Personal Assistant to Minister (Water Resources), Chennai - 9.

The Finance (Revenue) Department, Chennai - 9.

The Finance (Resources-I) Department, Chennai - 9.

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// Forwarded by Order //


SECTION OFFICER