

**GOVERNMENT OF TAMILNADU
COMMERCIAL TAXES DEPARTMENT**

**PROCEEDINGS OF THE AUTHORITY FOR CLARIFICATION AND
ADVANCE RULING**

ACAAR No.07/2015-16
Acts cell-II/11543/2015

Dated:23.09.2015

Present: 1.Thiru. K.Rajaraman, I.A.S.,
Principal Secretary / Commissioner of Commercial Taxes.

2.Thiru. R.Vayanaperumal,
Additional Commissioner (CT), (Public Relations)

3.Thiru. K.Mahalingam,
Additional Commissioner (CT), (Revision Petitions)

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|----|-----------------------------------|---|---|
| 1. | Name and address of the Applicant | : | Tvl. Coastal Plastochem (P) Ltd, No.231, Dr. Rajivi Towers, Door No.8, IInd Floor, Purasawalkam High Road, Chennai - 600007 |
| 2. | Registration Certificate No. | : | TIN.No.33270483294 CST. 871863 |
| 3. | Assessment Circle | : | Purasawalkam Assessment Circle, Chennai |
| 4. | Date of application | : | 10.04.2015 |
| 5. | Date of receipt of application | : | 10.04.2015 |
| 6. | Clarification sought for | : | Rate of Tax on "Calcium Carbide" |
| 7. | Date of Personal Hearing | : | Personal Hearing Not Requested |
| 8. | Represented by | : | R.K.Lunia, Director/Authorised Signatory |

ORDER

Tvl. Coastal Plastochem (P) Ltd., Chennai - 600007 (TIN.No. 33270483294), the registered dealers in the files of Purasawalkam Assessment Circle have preferred application in Form 'VV' and sought clarification under Section 48-A (1) of the TNVAT Act, 2006, read with Rule 12-A of TNVAT Rules, 2007.

2.1. The applicant-dealers have sought for clarification on the following:

Rate of Tax on "**Calcium Carbide**"

2.2. The applicant-dealer stated that they were chemical manufacturers and the Calcium Carbide is used in Generation of Acetylene gas, which is used for welding.

3. The issue has been examined in detail with reference to the provisions of TNVAT Act, 2006 and Rules 2007 and the relative entries regarding the commodities classified under the First and Fourth Schedule to the TNVAT Act, 2006. Section 48-A of TNVAT Act, 2006 provides for clarification on any point concerned with rate of tax for commodities.

4. The applicant dealer had sought for clarification regarding rate of tax on "**Calcium Carbide**". There is no specific/relevant entry in any of the schedules to the TNVAT Act, 2006, relating to **Calcium Carbide**. The "**Calcium Carbide**" is a chemical compound with the chemical formula of CaC_2 . Its main use industrially is in the production of acetylene and calcium cyanamide. Hence it is construed that the "**Calcium Carbide**" can be classified under Entry in S.No.1 with the description "Acid and chemicals of all kinds other than those specified elsewhere in the schedule" of Part-B of First Schedule to the TNVAT Act, 2006 and are liable to tax @ 5%.

5. It is therefore clarified that "**Calcium Carbide**" is liable to tax at 5% as a "**Chemical**" under Entry 1 of Part-B of First Schedule to the TNVAT Act, 2006.

Dated this the Twenty Third day of September 2015.

Sd/- R. Vayanaperumal,
Additional Commissioner (PR)

Sd/- K. Mahalingam,
Additional Commissioner (RP)

Sd/- K. Rajaraman,
Principal Secretary/
Commissioner of Commercial Taxes

To
Tvl. Coastal Plastochem (P) Ltd,
No.231, Dr. Rajivi Towers,
Door No.8, IIInd Floor,
Purasawalkam High Road,
Chennai – 600007

Copy to:

The Assistant Commissioner (CT)
Purasavakkam Assessment Circle

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

The Joint Commissioner (CS)

To host in the Department Website

The Principal 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 File 3/ Acts Cell-II /Spare – 5.

//Forwarded/By order//


Additional Commissioner (PR)