

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

**ACAAR No.070/ 2014-15.**  
**Acts cell-II/28535/2014**

Dated 23.10.2014

- 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)

1.	Name and address of the Applicant	:	Tvl. Havells India Ltd., Sigapi Achi Building, No.18/3, 6 <sup>th</sup> Floor, Rukmani Lakshmi pathy Road, Egmore, Chennai - 600 008.
2.	Registration Certificate No.	:	TIN: 33770641129 / CST:838218
3.	Date of application	:	09.09.2014
4.	Date of receipt of application	:	10.09.2014
5.	Clarification sought for	:	Rate of Tax for "1100V High Voltage Cables" for Industrial purpose
6.	Date of Personal Hearing	:	14.10.2014
7.	Represented by	:	Thiru. N.Sri Prakash Advocate and Counsel for the Applicants.

**ORDER**

Tvl. Havells India Ltd., at Sigapi Achi Building, No.18/3, 6<sup>th</sup> Floor, Rukmani Lakshmi pathy Road, Egmore, Chennai - 8, (TIN: 33770641129), the registered dealers in Electrical goods in the files of Egmore-I Assessment Circle, Chennai, 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. The applicant-dealers have sought for clarification concerned with rate of tax for PVC Insulated "**1100v High Voltage Industrial Cables**"

3.1. The applicant-dealers have sought for personal hearing. The Authority for Clarification and Advance Ruling have convened a meeting for hearing on 14.10.2014 and the applicant-dealers were informed in writing to appear before the Authority on 14.10.2014. Thiru. N. Sri Prakash, Advocate and Counsel for the applicant-company has represented before the Authority on 14.10.2014 and placed the facts relating to the clarification sought for by the applicant-dealers.

3.2. The applicant-dealers have stated that they are manufacturing PVC insulated Industrial High Voltage industrial cables of 1100 volts, under BIS specifications IS:694 and marketing the same under the brand Names "HAVELLS" and "STANDARD". The applicant-dealers have pointed out that they are in need of clarification regarding rate of tax for High Voltage Cables, though the Entry 66 of Part-B of First Schedule to the TNVAT Act, 2006 reads, "Industrial Cables (High Voltage Cables, XLPE cables, Jelly filled Cables, Optical fibre cables)", as there is no technical specifications in respect of the High voltage cables. Regarding the technical specifications of High Voltage Cables, the applicant-dealers have drawn reliance from decision of the Honourable Delhi High Court in the case of Anchor Electricals (P) Ltd. vs. Commissioner, Sales Tax vide its order on ST.APPL. No.45/2012 dated 20.03.2014, with reference to the Entry 40 of Third Schedule to the Delhi VAT Act, 2005 of the similar description.

3.3. The applicant-dealers have also relied on the provisions under Indian Electricity Rules 1956 and Notification F.No. CEA/PLG/LG/9/40/07 Dated 10.04.2007 by Central Electricity Authority for technical specifications relating to the terms, "voltage", "high voltage" and "cables". The applicant-dealers have stated that "High Voltage" as per Rule 2 (av) of Indian Electricity Rules 1956 and section 2(2) of Central Electricity Authority (Furnishing of Statistics, Returns and Information) Regulations, 2007, means the Electric Potential where exceeds 650 volts and does not exceed 33000 volts and transmission cables which bear the capacity to transmit electricity with the voltage exceeding 650 volts up to 33000 volts are high Voltage cables. The PVC Insulated Industrial High Voltage Cables of 1100 Volt grade manufactured and marketed by them would comply with the technical specification under the aforesaid Electricity Rules 1956 and Regulations 2007 and therefore fall under Entry 66 in Part-B of First Schedule to the Act.

3.4. The learned Counsel for the applicant-dealers has also briefly reiterated all the facts as put forth in the annexure to their application. Besides, the learned Counsel has furnished a type set of papers containing the copies of the Advance Rulings advanced in respect of the rate of tax on the PVC insulated Industrial High Voltage Cables of 1100 volt grade by such Authorities in several other States as under the VAT Laws of the respective States for reference. The learned Counsel has finally prayed that the clarifications may be advanced accordingly.

4. The issue has been examined in detail with reference to the provisions of TNVAT Act, 2006 and Rules, 2007, the relative entries under First and Fourth Schedules to the TNVAT Act, 2006. The citations relied on by the applicant-dealers, the type set of papers and brochure furnished along with the application and other documents furnished at the time of personal hearing are also perused carefully. The applicant-dealers have sought for clarification regarding rate of tax on PVC Insulated Industrial **"1100V High Voltage Cables"**

5. It is also pertinent to bring to the notice of the applicant-dealers that it has already been clarified on application by Tvl. Anchor Electrical Pvt. Ltd, vide Proceedings of the Authority for Clarification and Advance Ruling in ACAAR No.69/2014-15 (Acts Cell-II/28102/2014) dated 04.10.2014, as extracted below:

**Industrial Cables which are High Voltage Cables with application above 650 volts are taxable @ 5 % under Entry 66 with the description, "Industrial Cables (High Voltage Cables, XLPE Cables, Jelly Filled Cables, Optical Fibre Cables) in Part-B of First Schedule to the TNVAT Act, 2006**

6. The said clarification in respect of the Industrial High Voltage cables **in ACAAR No.69/2014-15 (Acts Cell-II/28102/2014) dated 04.10.2014 stands applicable to the applicant-dealers and also all other dealers in this line of manufacture and trade, i.e., the dealers whoever deals the Industrial High Voltage cables of rating above 650 volts, as provided under section 48-A(3)(b) of the TNVAT Act, 2006 read with Rule 2(av) of Indian Electricity Rules, 1956.**

Dated this, the 23<sup>rd</sup> Day of October, 2014.

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

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

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

To  
Tvl. Havells India Ltd.,  
Sigapi Achi Building,  
No.18/3, 6<sup>th</sup> Floor,  
Rukmani Lakshmi pathy Road,  
Egmore, Chennai – 600 008.

Copy to:

The Assistant Commissioner (CT)  
Egmore-I Assessment Circle

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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 File3 / Acts Cell-II / Spare – 5.

//Forwarded/By order//

  
Additional Commissioner (PR)