

**GOVERNMENT OF TAMILNADU
COMMERCIAL TAXES DEPARTMENT**

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

ACAAR No.121/2015-16
Acts cell-II/5592/2016

Dated: 17.05.2018

- Present:**
1. Dr.T.V. Somanathan, I.A.S.,
Principal Secretary / Commissioner of Commercial Taxes.
 2. Thiru M. Parameswaran,
Additional Commissioner (ST), (Public Relations)(FAC)
 3. Dr. C. Palani,
Additional Commissioner (ST), (Revision Petitions)(FAC)

1	Name and address of the Applicant	:	Tvl. Zebronics India Private Limited, No.6C, Valliammal Road, Vepery, Chennai- 600 007.
2.	Registration Certificate No.	:	TIN.No. 33770482049 CST No. 690911
3.	Assessment Circle	:	Purasawalkam Assessment Circle
4.	Date of application	:	01.03.2016
5.	Date of receipt of application	:	04.03.2016
6.	Clarification sought for	:	Rate of tax on sale of " Video door phone "
7.	Date of Personal Hearing	:	--
8.	Represented by	:	--

ORDER

Tvl. Zebronics India Private Limited, No.6C, Valliammal Road, Vepery, Chennai-600 007 (TIN 33770482049), 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 Tamil Nadu Value Added Tax Act, 2006 (TNVAT Act, 2006), read with Rule 12-A of the Tamil Nadu Value Added Tax Rules, 2007 (TNVAT Rules, 2007).

2. The applicant-dealers have sought for clarification for the rate of tax on "**Video door phone**". The applicant-dealers have stated that it allows one to communicate safely with visitors without any need for physical interaction with them. They further stated that it consists of both outside and indoor elements viz, a outdoor panel on the outside, an electronic lock release and an indoor monitor. They further stated that it incorporates micro phone to pick up their voice and a speaker to reproduce the voice of the occupant indoors. It is installed in doors with additional facility of push buttons to call the homes or offices and a camera to capture the street scene.

3. The issue has been examined in detail with reference to the provisions of the TNVAT Act, 2006 and TNVAT Rules, 2007 and the related entries in all the Schedules to the TNVAT Act, 2006. Section 48-A of the TNVAT Act, 2006 provides for clarification on any point concerned with rate of tax for commodities.

4.1. As per the documentary evidence filed, the commodity comprises an indoor unit, outdoor unit, Rain cover, Wedge, adapter, Bracket for indoor unit and Silicone Cap with 10 metres cable. The indoor unit comprises Monitor, Electric unlock, outdoor gate unlock and microphone. The outdoor unit comprises rain cover, microphone, Night vision light, Camera, Speaker and Doorplate tablet. The system has CPU (Central Processing unit) with an android application along with an audio and video in compression format with 1 MP resolution and Lens. Some added features like Alarm, Wifi are also available in updated models.

4.2. As per sub entry 2 of entry 68 of Part-B of the First Schedule to the TNVAT Act 2006, Microphones, Multimedia Speakers, Headphones are information technology products taxable at 5%. These goods dealt about the audible part of any instrument and nothing related to Video related aspects. Though the commodity Video Door Phone has certain characteristics of computer like monitor, speaker, CPU, it cannot qualify the status of Computers and Peripherals as the functionality of the Computer systems is something more and cannot be compared with under any circumstances. Therefore, the commodity Video Door Phone cannot be fitted anywhere in the list of Information Technology Products listed out in Entry 68 of Part-B of the First Schedule to the TNVAT Act,2006.

4.3. Under Part-C of the First Schedule to the TNVAT Act, 2006, there is an entry 51 that dealt about photographic cameras and enlargers, flash light apparatus, photo blocks, lenses, films including X-ray films and film packs and plates, photo albums, photo frames, photo mounts. Another entry that dealt about video and audio related goods found in entry 17 of Part C of the First Schedule namely Cinematographic equipments including video cameras, projectors, over-head projectors, enlargers, plates and cloth required for use therewith, sound-recording and re-producing equipments, parts and accessories thereof and lenses, exposed films, film-strips, arc or cinema carbons, cinema slides.

4.4. The commodity for which clarification sought namely Video Door Phone has features comprising both audio and video which enables the person who installed it, has an opportunity to view the visitor standing the other side and to interact with them easily that ensures home security. Since the video related features other than Computers are not finding place anywhere in the Information Technology products, the entry that encompasses camera, speaker, transmission and communicable device will be an appropriate one to decide the rate of tax. The goods referred above in entry 17 and 51 of Part C of the First Schedule though has certain features possessed by the commodity for which clarification sought, it cannot be fitted against it. Thus, there is no specific entry for the commodity Video Door Phone in any of the Schedules to the TNVAT Act 2006. Since the Commodity "Video Door Phone" is not specifically classified under any of the Schedules to the TNVAT Act 2006, it has to be classified as unclassified item of commodity under Entry 69 of Part-C of the First Schedule to the Act and therefore liable to tax at 14.5%.

5. In view of the above, it is clarified that **"Video Door Phone" is generally taxable @ 14.5%, within the State of Tamil Nadu as being the unclassified commodity under Entry 69 of Part-C of the First Schedule to the TNVAT Act 2006.**

Dated this the seventeenth day of May 2018.

Sd/- M. Parameswaran,
Additional Commissioner (PR)(FAC)

Sd/- C. Palani,
Additional Commissioner (RP) (FAC)

Sd/- T.V. Somanathan,
Principal Secretary/
Commissioner of Commercial Taxes

To

Tvl. Zebronics India Private Limited,
No.6C, Valliammal Road,
Vepery, Chennai- 600 007.

Copy to:
The Assistant Commissioner (ST),
Purasawalkam Assessment Circle.

The Joint Commissioner (ST),
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 (ST) including Enforcement, LTU, MOU and
ISIC.

All Deputy Commissioners (ST), 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//


State Tax Officer
22/05/18
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