

**GOVERNMENT OF TAMILNADU
COMMERCIAL TAXES DEPARTMENT**

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

ACAAR No.123/2015-16.
(Acts Cell-II/7499/2016)

Dated:25.05.2016

- Present:**
1. Thiru. S.K.Prabakar, I.A.S.,
Principal Secretary & Commissioner of Commercial Taxes.
 2. Thiru. A.Sarvar Allam,
Additional Commissioner (CT), (Public Relations)(FAC)
 3. Thiru. K.Mahalingam,
Additional Commissioner (CT), (Revision Petitions)

1	Name and address of the Applicant	: Tvl. Enixs Technology India Pvt Ltd, Plot No:29, SIDCO Industrial Estate, Phase III, Valavanthan Kottai, Trichy - 620015
2.	Registration Certificate No.	: TIN.No. 33423444573 CST.928775
3.	Assessment Circle	: Thiruverumbur Assessment Circle
4.	Date of application	: 22-03-2016
5.	Date of receipt of application	: 22-03-2016
6.	Clarification sought for	: Rate of Tax on " Scientific Equipment's and Instruments " when sold to Educational Institutions/Research Facility under (i) CST Sale and (ii) Local VAT Sale".
7.	Date of Personal Hearing	: 13-04-2016
8.	Represented by	: Thiru. R.B. Raveendranath (V.P Sales)

ORDER

Tvl.Enixs Technology India Pvt Ltd, Plot No:29, SIDCO Industrial Estate, Phase III, Valavanthan Kottai, Trichy - 620015 (TIN.No.33423444573), registered dealers in the files of Thiruverumbur Assessment Circle, Trichy 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 Tamil Nadu Value Added Tax Rules, 2007 (TNVAT Rules, 2007).

2. The applicant-dealers have stated that they are engaged in the process of manufacturing and supply of Embedded, VLSI, DSP and Test Measurement Equipment's to premier research institutes like Indian Institute of Technology, National Institute of Technology and other recognized Universities and Research facilities in India. The applicant-dealers have stated that they are dealing in scientific equipment such as electronic IC/micro assemblies, cathode ray oscilloscope, spectrum analyzer, signal generator and analyzer. They have filed an acknowledgement issued by the Department of Industries and Commerce, Government of Tamil Nadu, wherein the main manufacturing activity of the applicants is listed. They have also filed certificates issued by various Education Institutes, Universities and Research facilities recognized in India to support the claim that they are dealing in scientific equipment. The applicant-dealer have requested the Authority for Clarification and Advance Ruling to clarify the rate of tax applicable on the products dealt by them when sold to Educational Institutions/Research Facility under local and inter-State sale.

3. The applicant-dealers sought for personal hearing and accordingly they were heard on 13.04.2016. Thiru. R.B. Raveendranath (V.P Sales) appeared for hearing and filed written statements along with documentary evidences.

4. This committee considered the above application and the documents filed along with the application and the contentions made by the authorized representative at the time of hearing carefully and examined the issue with reference to the Schedules and provisions of TNVAT Act, 2006 and notifications issued under the Act. The applicant dealers have sought for clarification on rate of tax for "Scientific Equipment and Instruments". There is no Entry in the Schedule of TNVAT Act matching the above goods. However, they are manufacturing the products electronic IC/micro assemblies, cathode ray oscilloscope, spectrum analyzer, signal generator and analyzer, which they claim as scientific instruments. These are products have been enumerated under Information Technology products under Entry 68 of Part-B of I Schedule to TNVAT Act by Government Notification issued in G.O Ms. No.3 CT&R (B1) dated 01/01/2007. The products dealt by the applicants would fall under the following items of the Notification.

Sl.No.	Products dealt by the dealers	Sub-item under Entry 68 of Part-B of First Schedule to TNVAT Act, 2006
1	Electronic Integrated Circuits/Micro Assemblies.	17
2	Cathode Ray Oscilloscope, Spectrum Analyzer & Signal Analyzers	23
3	Signal Generator and Analyzer	18

5. In view of the above facts, it is therefore clarified that Electronic Integrated Circuits/Micro Assemblies, Cathode Ray Oscilloscope, Spectrum Analyzer & Signal Analyzers and Signal Generator & Analyzer are liable to tax at 5% under Entry 68 of Part-B of First Schedule to TNVAT Act, 2006 if sold within the State. Inter-State sale of the products covered by Form-C would attract CST liability at 2% under Sec. 8(1) of

CST Act, 1956 and if the inter-State sale is not covered by Form-C, the local rate of 5% is applicable under Sec. 8(2) of CST Act, 1956.

Dated this the Twenty Fifth day of May 2016.

Sd/- A. Sarvar Allam,
Additional Commissioner (PR)(FAC)

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

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

To
Tvl. Enixs Technology India Pvt Ltd,
Plot No:29, SIDCO Industrial Estate,
Phase III, Valavanthan Kottai,
Trichy - 620015

Copy to:
The Assistant Commissioner (CT),
Thiruverumbur Assessment Circle.

The Joint Commissioner (CT),
Trichy 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//

K. S. Narayanan
Commercial Tax Officer