

**GOVERNMENT OF TAMILNADU
COMMERCIAL TAXES DEPARTMENT**

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

ACAAR No.27/2016-17
Acts cell-II/15147/2016

Dated: 25.04.2018

- 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. Thiru C. Palani,
Additional Commissioner (ST), (Revision Petitions)(FAC)

1.	Name and address of the Applicant	:	Tvl.Greenway Grameen Infra Pvt Ltd, 230, Adinath Trade Complex, 200 ft, Ring Road, Madhavaram, Chennai - 600 060.
2.	Registration Certificate No.	:	TIN:33836322386
3.	Assessment Circle	:	Madhavaram Assessment Circle
4.	Date of application	:	--
5.	Date of receipt of application	:	13-06-2016
6.	Clarification sought for	:	Rate of tax on " Energy saving choolas(stove) "
7.	Date of Personal Hearing	:	--
8.	Represented by	:	--

ORDER

Tvl.Greenway Grameen Infra Pvt Ltd, 230, Adinath Trade Complex, 200 ft, Ring Road, Madhavaram, Chennai - 600 060 (TIN: 33836322386), the registered dealers in the files of Madhavaram 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 Tamil Nadu Value Added Tax Rules, 2007 (TNVAT Rules, 2007).

2. The applicant-dealers have sought clarification regarding rate of tax on "**Energy saving choolas(stove)**". The dealer also stated that

the nomenclature adopted in the invoice or sale bill for the goods is 'Stove' and contends that the goods manufactured by them are to be classified under Entry 26(i) of Part-B of Fourth Schedule and is exempted from VAT liability. In order to support their claim the applicant-dealers have enclosed letter No.3/3/2009-R&D & SPCS dated 04.07.2012 issued by Ministry of New and Renewable Energy, Government of India explaining the performance of cookstove model "Greenway smart stove" for perusal. The dealer have also enclosed brochure along with the application.

3. The issue has been examined in detail with reference to the provisions of TNVAT Act, 2006 and Rules 2007 and the related 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.

4.1. The brochure submitted along with the application reveals that Greenway Stoves form modern replacements for traditional mud stoves (chulhas/choolas) delivering 65% fuel savings and 70% smoke reduction while working on all solid biomass fuels. It is also revealed from Lr.No. 3/3/2009-R&D & SPCS dated 04.07.2012 issued by Ministry of New and Renewable Energy, Government of India that the product has a thermal efficiency of 25.27%. Hence it is construed that the product dealt by the applicant-dealers is Energy saving choolas. Entry 26-(i) of Part-B of Fourth Schedule reads as "**Energy saving choolas**".

4.2. Though the product dealt by the applicant-dealer is "Greenway stoves", as per the application in form VV, against S.No.4(a), the product for which clarification/Advance ruling sought is for the commodity "Energy Saving choolas". When there is a specific entry in Part B of Fourth Schedule to TNVAT Act, 2006, the clarification is not at all required.

5. However, it is clarified that "**Energy saving choolas**" is exempt from Value Added Tax as per Entry 26(1) of Part B of Fourth Schedule to the TNVAT Act, 2006.

Dated this the twenty fifth day of April 2018.

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

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

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

To
Tvl.Greenway Grameen Infra Pvt Ltd,
230, Adinath Trade Complex,
200 ft, Ring Road, Madhavaram,
Chennai - 600 060

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

The Joint Commissioner (ST),
Chennai(North) 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//

[Handwritten Signature]
State Tax Officer
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