

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

**ACAAR No.033/2014-15.**  
**(Acts Cell – II/19436/2014)**

Dated 24.12.2014

**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. Universal Lead Alloys No.181, Senganatham Road, Rangapuram, Vellore – 632 009.
2.	Registration Certificate No.	:	TIN:33114320896 / CST:565390
3.	Date of application	:	18.06.2014
4.	Date of receipt of application	:	20.06.2014
5.	Clarification sought for	:	Rate of Tax on "Scrap Battery"
6.	Date of Personal Hearing	:	----
7.	Represented by	:	----

**ORDER**

Tvl. Universal Lead Alloys No.181, Senganatham Road, Rangapuram, Vellore – 632 009, (TIN:33114320896), the registered manufacturer of Lead and Lead Alloys in the files of Vellore (Rural), Vellore, 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 the rate of tax on "**Scrap Battery and Lead based Scrap**"

3. The applicant-dealers have stated that they are manufacturers of Lead and Lead alloys, by Extracting the lead from the scrap batteries and lead based scrap. Since some of their suppliers demand tax @ 14.5 %, the applicant-dealers have prayed that the rate of tax applicable for scrap batteries and lead based scraps may be clarified.

4.1. The issue has been examined in detail with reference to the provisions of TNVAT Act, 2006 and Rules, 2007 and the relative entries in both first and Fourth Schedules 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.

4.2. The applicant-dealers have sought for clarification regarding rate of tax on **"Scrap Batteries and Lead based Scraps"**

5. There is a relative Entry 67-A (ag) in Part-B of First Schedule to the TNVAT Act, 2006, which reads, "Scraps of all Kinds". It has also been clarified already in ACAAR No.82/2012-13 dated 11.02.2013, that the Scrap Battery sold either by the manufacturer or dealer is taxable at 5 % under Entry 67-A(ag) of Part-B of First Schedule to the TNVAT Act, 2006. Section 48-A(3) of the Act categorically specifies that the order of the Authority shall be binding - ,

- (i) on the applicant-dealer who has sought for clarification;
- (ii) in respect of the goods in relation to which the clarification was sought; and
- (iii) on all the officers working under the control of the Commissioner of Commercial Taxes.

Thus it is evident from clause (ii) of section 48-A(3) of the Act that the clarification in respect of rate of tax once advanced on request by a registered dealer is applicable to that commodity or class of commodities for which the rate of tax has been clarified and to all the dealers who deals such commodity or class of commodity.

6. It is therefore reiterated that the **"Scrap Batteries and lead based scraps" is taxable at 5 % under Entry 67-A(ag) of Part-B of Part-B of First Schedule to the TNVAT Act, 2006.**

Dated this the 24<sup>th</sup> day of December 2014.

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

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

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

To

Tvl. Universal Lead Alloys  
No.181, Senganatham Road,  
Rangapuram,  
Vellore – 632 009.

Copy to:  
The Assistant Commissioner (CT)  
Vellore (Rural) Assessment Circle

The Joint Commissioner (CT),  
Vellore 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)