

**GOVERNMENT OF TAMILNADU
COMMERCIAL TAXES DEPARTMENT**

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

ACAAR No.62/2016-17
Acts cell-II/4043/2017

Dated: 11.05.2018

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. Premier Combines, Plot No.4, Mohd. Hussain Colony, Kolathur, Chennai – 600 099.
2.	Registration Certificate No.	:	TIN :33131361706 CST : 720023
3.	Assessment Circle	:	Surapattu Assessment Circle
4.	Date of application	:	10.02.2017
5.	Date of receipt of application	:	10.02.2017
6.	Clarification sought for	:	Rate of Tax on “Electronic Lamp Ballast / Choke / Power Saver”
7.	Date of Personal Hearing	:	--
8.	Represented by	:	--

ORDER

Tvl. Premier Combines, Plot No.4, Mohd. Hussain Colony, Kolathur, Chennai – 600 099. (TIN 33131361706), the registered dealers in the files of Surapattu Assessment Circle, Chennai 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 on the rate of tax on **“Electronic Lamp Ballast / Choke / Power Saver”** on sale to Indian Railways located in other States.

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 regarding the commodities classified under the First and Fourth 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. The Authority for Clarification and Advance Ruling issued clarification in ACAAR No.006/2014-15(Acts Cell-II/11545/2014), dated 09.09.2014, by concluding that "CAM operated Rotary Switches and Limit Switches" fall under entry 112 of part B of first schedule to TNVAT Act, 2006 by recording the above switches are parts of Rail Coaches.

4.2 In an another clarification issued in ACAAR No.58/2013-14 (Acts Cell-II/25348/2013), dated 06.12.2013, regarding Gaskets used as parts of Rail Engines, it has been clarified that

"Gaskets as parts in Rail Engines" are taxable at 5% under Entry 112 of Part-B of First Schedule to the TNVAT Act, 2006. Gaskets used in Railway Engines as specified under Entry 112 of Part-B of First Schedule, if sold outside the State are taxable at 5% if not covered by 'C' Form. However, gaskets having use other than in railway engines are taxable at 14.5% under the appropriate Entry under Part-C of the First Schedule to the TNVAT Act, 2006.

On the same line, the Electronic Ballast, without which Rail Coaches can be operated and this being an essential one without which the entire functionality of Rail Coaches not fulfilled, it is clarified that

- (i) **"Electronic Lamp Ballast"** manufactured and supplied to Railways within the State of Tamil Nadu as per the specifications in their purchase orders for use as parts of Rail Coaches, Wagons or Engines are nothing but the parts of Rail Coaches, Wagons or Engines are taxable @ 5% with effect from 12.07.2011, under Entry 112 of Part-B of the First Schedule to the TNVAT Act, 2006.
- (ii) Inter-State sales of **"Electronic Lamp Ballast"** manufactured and supplied to Railways located in other States as per their specifications and their purchase orders are liable to CST @ 5% with effect from 12.07.2011, under section 8(2) of the Central Sales Tax Act, 1956 read with Entry 112 of Part-B of the First Schedule to the TNVAT Act, 2006.
- (iii) However, **"Electronic Lamp Ballast"** used for other applications are taxable @ 14.5% with effect from

12.07.2011 as being a class of commodity falling under Entry
69 of Part 'C' of the First Schedule to the TNVAT Act, 2006.

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. Premier Combines,
Plot No.4, Mohd. Hussain Colony,
Kolathur,
Chennai – 600 099.

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

The Joint Commissioner (ST),
Chennai (South) 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