

cc

**GOVERNMENT OF TAMILNADU
COMMERCIAL TAXES DEPARTMENT**

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

ACAAR No.75/2015-16
Acts cell-II/29896/2015

Dated 23.10.2015

- 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. American Megatrends India Pvt. Ltd, Kumaran Nagar, Off: Old Mahabalipuram Road, Semmanchery, Chennai - 600119.
2.	Registration Certificate No.	:	TIN.No.33290923178 CST. 769489
3.	Assessment Circle	:	Kelambakkam Assessment Circle.
4.	Date of application	:	19.09.2015
5.	Date of receipt of application	:	19.09.2015
6.	Clarification sought for	:	Rate of Tax on Medical Device - "B.O.L.T"
7.	Date of Personal Hearing	:	Personal hearing not Requested
8.	Represented by	:	---

ORDER

Tvl. American Megatrends India Pvt. Ltd., Chennai - 600 119 (TIN.No. 33290923178), the registered dealers in the files of Kelambakkam Assessment Circle, Chennai (East) Division 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.

2.1. The applicant-dealers have sought for clarification on the following:

Rate of Tax on: **Medical Device - "B.O.L.T"**.

3. The applicant-dealers have stated that they were engaged in the sale of B.O.L.T, which is a wireless health monitoring medical device that measures Blood Pressure, Oxygen Saturation, Pulse, Body Temperature, Blood Sugar, Blood Cholesterol and Total Hemoglobin Count. The B.O.L.T device helps to keep track of the vitals in maintaining the Personal Health Record in to a smartphone/tablet via B.O.L.T application module. The applicant-dealer had also furnished the brochure of the above said product along with a valid wholesale license for their facility located inside the state of Tamil Nadu as issued by Drug Control Authority, Chennai - 600006.

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-dealer had sought for clarification regarding rate of tax on "**B.O.L.T**". The major component of the B.O.L.T devices are Infra-Red Ear Thermometer, Blood pressure monitor, Digital test gauge and Digital Multimeter. The above said components are primarily employed in measuring the body vital values such as temperature, blood pressure, blood sugar, blood cholesterol and Total Haemoglobin Count. Upon verifying the brochure supplied by the applicant-dealer as annexure to the application, the primary feature of this Medical device (**B.O.L.T**) is that the body vital values such as temperature, pressure, blood sugar etc., can be comfortably stored into cloud computing applications via Smartphone /Tablet and enables these values to be shared as "health records" to physicians for immediate care. Another such features includes integrating, trend monitoring as well as review progress of the body vitals. The applicant-dealer also provides a valid wholesale license issued under "**L.A. No.-197/2IV/15**" for their facility located inside the state of Tamil Nadu as issued by Drug Control Authority, Chennai - 600006. Hence, it is construed by the

Authority for Clarification and Advance Ruling, that the "**B.O.L.T**", which is primarily a medical device that helps to track and monitoring of various body related vital values viz., temperature, pressure etc., is liable to tax @ 5% and can be effectively classified to fall under Entry in S.No.81 with the description "Medical equipment's/devices and implants" of Part-B of First Schedule to the TNVAT Act, 2006.

5. It is therefore clarified that the "**B.O.L.T**", a **medical device primarily engaged in monitoring and review of the body vitals is liable to tax at 5% under Entry S.No.81 with the description "Medical equipment's/devices and implants" of entry 81 Of Part-B of First Schedule to the TNVAT Act, 2006.**

Dated this the Twentythird day of October 2015.

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

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

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

To
Tvl. American Megatrends India Pvt. Ltd, Kumaran Nagar,
Off: Old Mahabalipuram Road,
Semmanchery, Chennai – 600119.

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

The Joint Commissioner (CT),
Chennai (East) 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
23/15
Commercial Tax Officer