

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

ACAAR No. 82/ 2013-14.
Acts cell – II/34098/2013

Dated 17.06.2014

- 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 Digital Connect Ltd. No.42, Thirumalai Pillai Road, T. Nagar, Chennai- 600 017.
2.	Registration Certificate No.	:	TIN:33271523231/ CST:693332
2.	Date of application	:	12.11.2013
3.	Date of receipt of application	:	12.11.2013
4.	Clarification sought for	:	Rate of Tax on "Solar Energy Devices, viz., Solar Camping Lantern and Solar Lighting System with Mobile Charger"
5.	Date of Personal Hearing	:	----
6.	Represented by	:	----

Tvl. Universal Digital Connect Limited, No.42, Thirumalai Pillai Road, T. Nagar, Chennai- 600 017 (TIN: 33271523231), the registered dealers in the files of T.Nagar (North) assessment circle, Chennai-17, marketing "Solar Energy Devices, viz., Solar Mobile Charger and Solar Lighting System, have preferred application in Form 'VV' and sought for 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 on the following:

Rate of tax on "Solar Energy Devices, viz., Solar Camping Lantern and Solar Lighting System with Mobile Charger"

3.1. The applicant-dealers have stated that they are trading the Solar Energy Devices, viz., Solar Camping Lantern and Solar Lighting System with Mobile Charger. The applicant-dealers have furnished along with the application the brochure of both devices containing the basic structural and functional details with diagrammatic presentation. Solar Camping Lantern with Mobile Charger is equipped with 2.2 to 4 Watts solar power panel, 5pcs 1.2 v /1.8 Ah Ni-MH rechargeable battery, 8pcs super bright LED, USB power cable for charging all kinds of mobile phones. Solar Lighting System with mobile charger is equipped with \$ Watts / 1.1 V crystalline solar power panel, 7.4 V/3000 mAh Li-ion rechargeable battery, 1 Watt super bright LED lamps. The applicant-dealers have stated that these devices are designed to draw the electric energy from solar light by way of solar power panels built in and pleaded that it may be clarified, "what is the rate of tax to be adopted on sale of the same solar energy devices".

4.1 The issue has been examined in detail with reference to the provisions of TNVAT Act, 2006 and Rules, 2007 and Section 14 of the CST Act, 1956. The clarification is given accordingly as under:

4.2. Section 48-A of TNVAT Act, 2006 provides for clarification on any point concerned with rate of tax for commodities.

4.3. The applicant-dealers have sought for clarification regarding rate of tax on

"Solar Energy Devices, viz., Solar Camping Lantern and Solar Lighting System with Mobile Charger."

5. The brochures furnished by the applicant dealers with the technical details and diagrammatic representation of the Solar Camping Lantern and Solar Lighting System with mobile chargers clearly reveal that these solar energy devices are functioning on the electricity drawn from the sun light by the Solar power panels built in the devices. Since solar energy devices are being tap the electric energy from non-conventional and non-renewable energy sources, the solar energy devices are classifiable among the non-renewable energy devices, placed under Entry 117 of Part-B of First Schedule to the TNVAT Act, 2006. The Entry 117 of Part-B of First Schedule reads as extracted as under:

"Renewable energy devices and spare parts other than those specified in the Fourth Schedule".

As per Entry 26 (ii) of Part-B of Fourth Schedule to the Act, "Solar cooker" is exempt from tax, among certain other energy saving devices. From the above, it is evident that the above said solar energy devices marketed by the applicant-dealers would attract tax at the rate of 5 % as non-renewable energy devices, under Entry 117 of Part-B of First Schedule to the Act.

6. The clarification, based on the above observations, may therefore be that **'the Solar Energy Devices, viz., Solar Camping Lantern and Solar Lighting System with Mobile Phone Charger' are taxable at 5 % as Non-renewable Energy Devices under Entry 117 of Part-B of First Schedule** to the TNVAT Act, 2006.

Dated this, the 17th day of June, 2014.

R. Vayanaperumal,
Additional Commissioner (PR)

K. Mahalingam,
Additional Commissioner (RP)

K. Rajaraman,
Principal Secretary/
Commissioner of Commercial Taxes

To
Tvl. Universal Digital Connect Ltd.
No.42, Thirumalai Pillai Road,
T. Nagar, Chennai- 600 017.

Copy to:
The Assistant Commissioner (CT)
T. Nagar (North) Assessment Circle

The Joint Commissioner (CT),
Chennai (Central) 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, Greaves Road, Chennai – 6.
The Executive Officer, Traders Welfare Board, Chennai – 5.
The Accountant General (Audit)-II, No.44, Greaves 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)