

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

ACAAR No. 84/2014-15
Acts cell - II/31027/2014

Dated: 08.06.2015

- Present:**
1. Thiru. K.Rajaraman, I.A.S.,
Principal Secretary/Commissioner of Commercial Taxes.
 2. Thiru. R.Vayanaperumal,
Additional Commissioner (CT), (Public Relation)
 3. Thiru. K.Mahalingam,
Additional Commissioner (CT), (Revision Petition)

1.	Name and address of the Applicant	:	Tvl. Trichy Metals and Alloys, 22, Vaikkal Mettu Street, Palakkarai, Trichy - 620 001.
2.	Registration Certificate No.	:	TIN: 33253541230 CST: 245142
3.	Date of application	:	08.10.2014
4.	Date of receipt of application	:	08.10.2014
5.	Clarification sought for	:	Rate of tax on "Used/Scrapped/Condemned/ Unserviceable Batteries"
6.	Date of Personal Hearing	:	-----
7.	Represented by	:	-----

ORDER

Tvl. Trichy Metals and Alloys, 22, Vaikkal Mettu Street, Palakkarai, Trichy - 620 001, (TIN: 33253541230), the registered manufacturer of Lead and Lead Alloys in the files of Palakkarai-II Assessment Circle, Trichy 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 **"Used/Scrapped/Condemned/Unserviceable Batteries."**

3. The applicant-dealers have prayed that the rate of tax applicable for Used/Scrapped/Condemned/Unserviceable Batteries 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 **"Used/Scrapped/Condemned/Unserviceable Batteries."**

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 and ACAAR No.33/2014-15, dated 24.12.2014, 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 **"Used/Scrapped/Condemned/Unserviceable Batteries"** is taxable at 5% under **Entry 67-A(ag) of Part-B of First Schedule to the TNVAT Act, 2006, if sold as scrap.**

Dated this the 08th day of June 2015.

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

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

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

To

Tvl. Trichy Metals and Alloys,
22, Vaikkal Mettu Street,
Palakkarai, Trichy – 620 001.

Copy to:
The Assistant Commissioner (CT)
Palakkarai-II Assessment Circle, Trichy.

The Joint Commissioner (CT),
Trichy 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 (RP)