

**GOVERNMENT OF TAMIL NADU
COMMERCIAL TAXES DEPARTMENT**

**PROCEEDINGS OF THE
AUTHORITY FOR CLARIFICATION AND ADVANCE RULING**
(Under Section 48-A of TNVAT Act, 2006)

**Present: 1. Dr. K. Manivasan, I.A.S.,
Commissioner of Commercial Taxes,
2. Thiru. R. Chandramohan, M.A.,
Additional Commissioner (PR)
3. Thiru. E. Rathinasamy, M.Sc., B.L.,
Additional Commissioner (RP) (FAC)**

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A.C.A.A.R. 17/2013-14
(Acts Cell-II/15460/2013)

Dated 14.08.2013

Ref: Application of Tvl. RSG Products Private Limited, No.14/1, Rukmini Apartments, Postal Colony, 4th Street, West Mambalam, Chennai – 600 033, dated 13.03.2013.

An application has been filed by Tvl. RSG Products Private Limited, No.14/1, Rukmini Apartments, Postal Colony, 4th Street, West Mambalam, Chennai – 600 033 seeking clarification under Section 48-A of TNVAT Act, 2006 read with Rule 12-A of the TNVAT Rules, 2007.

2. The dealer is registered at Ashok Nagar Assessment Circle having TIN 33911404733.

3. The clarification is sought on the following in column 4 of Form V V:

Solatube (Energy saving product)

4. The dealer sought personal hearing and accordingly Thiru Raghavan Sundaragopalan, Managing Director appeared on 13.08.2013 before the Authority and explained the product details. It was informed that Solatube is a product manufactured in USA by Solatube International and imported by the dealer for sale in India. It was further informed that the Solatube Day Lighting Systems capture sunlight on roof tops, redirect it down a highly reflective tube and then diffuse it throughout dark interior spaces, providing an abundance of pure, clear natural lights. It was further informed that the product functions entirely using sunlight without any need for consumption of electricity from the grid and requested exemption from VAT.

5. The issue has been examined in detail with reference to the provisions of the TNVAT Act and Rules and clarification is given as under:

6. Section 48-A of the TNVAT Act, 2006 provides for clarification on any point concerning rate of tax.

7. The dealer had sought clarification on "**Solatube (Energy saving product)**".

8. Eversince the beginning of time, the wind, the sun and the water have provided infinite potential for sustainable energy. Renewable energy is energy produced by sources that are naturally renewable. Most renewable energy that is becoming popular is also clean energy. Clean energy does not emit pollutants into the atmosphere or ocean and is therefore not detrimental to the earth and all life on it. There is a minimal running cost in having a renewable energy device.

9. The product Solatube is high performance day lighting systems that use advanced optics to significantly improve the way day light is harnessed. Solatube Day Lighting Systems use a series of fresnel lenses to harvest appropriate amounts of sun lights. The Solatube Day Lighting Systems capture sunlight on roof tops, redirect it down a highly reflective tube and then diffuse it throughout dark interior spaces, providing an abundance of pure, clear natural lights. The product completely eliminate the use of electricity from the main grid for lighting purposes during the day time. From the description given for the products and the perusal of pamphlets furnished, it is seen that the product sold by the dealer is a kind of renewable energy device.

10. Entry 117 of Part-B of the First Schedule reads as follows:

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

11. Therefore "**Solatube (Energy saving product)**" fits into the description given under Entry 117 of the Part-B of the First Schedule.

12. The clarification therefore is that "**Solatube (Energy saving product)**" is taxable at 5% under Entry 117 of Part B of the First Schedule to the TNVAT Act, 2006.

Sd/- R. Chandramohan
Additional Commissioner (PR)

Sd/- E. Rathinasamy
Additional Commissioner (RP) (FAC)

Sd/- Dr. K. Manivasan
Commissioner of Commercial Taxes

To
Tvl. RSG Products Private Limited,
No.14/1, Rukmani Apartments, Postal Colony,
4th Street, West Mambalam, Chennai – 600 033.

Copy to:
The Assistant Commissioner (CT),
Ashok Nagar Assessment Circle.

The Joint Commissioner (CT),
Chennai (South) Division.

The Joint Commissioner (CS),
To host in the Department Website.

The Secretary to Government, CT & R Department, Chennai – 9.

All Joint Commissioners (CT) including Enforcement, LTU, MOU and ISIC.

All Deputy Commissioners (CT), (Territorial) and (Enforcement).

All Head of Officers (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 and Commercial Tax Officers in CCT's Office.

Personal Clerk to the CCT.

Stock File3 / Act Cell II / Spare – 5.

/Forwarded/By order/


19/8/13

Commercial Tax Officer