

**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. Thiru.Shiv Das Meena, 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 19/ 2011-12
D.Dis.Acts Cell II/41131/2011

Dated 15 .05.2012

Ref: Application of Tvl.Wipro Limited, 85, TTK Road, Chennai – 600 018.

ORDER

Tvl.Wipro Limited, 85, TTK Road, Chennai – 600 018. (TIN: 33390820109) have filed an application and sought clarification under section 48-A of TNVAT Act, 2006, read with rule 12-A of TNVAT Rules, 2006.

2. They sought clarification on the following in column 4 of Form 'VV':

“VAT rate for switches and routers”.

3. The issue has been examined in detail with reference to provisions of the TNVAT Act and Rules.

4. In accordance with the decision taken by the authority in the meeting held on 29.03.2012, the applicant appeared in person on 23.04.2012 for the personal hearing and for submission of additional facts.

5. The applicant reiterated the stand taken by them that switches and routers are taxable at 5% only as products of information technology and accordingly requested for clarification.

6. The Tamil Nadu Value Added Tax (Second Amendment) Act, 2011 came into force on 27.09.2011, by inserting a new section 48-A for the constitution of a State Level Authority for Clarification and Advance Ruling to clarify any point concerning the rate of tax.

7. The applicant sought clarification on **“switches and routers”**. The applicant claimed that Switches and routers will fall under entry 68 of Part-B to First Schedule taxable at 5% as Information Technology products. Sub heading 24 and 29 of entry 68 relates to their products.

8. Entry 68 of Part-B to First Schedule enumerates several products as Information Technology products. Sub section 24 to entry 68 reads as follows:

"Switches, Connectors, Relays for upto 5 amps".

9. A careful reading of the entries found in item 68 of Part-B to First Schedule specifies Switches, Connectors, Relays for upto 5 amps. Therefore, there is a specific entry for Switches upto 5 amps used in IT sector which are classified as IT products. Therefore, Switches upto 5 amps are taxable at 5% under Entry 68 (14) of Part-B to First Schedule.

10. The ruling is therefore that Switches upto 5 amps are taxable at 5% as Information Technology products under Entry 68 (14) of Part-B to First Schedule under TNVAT Act, 2006.

11. The dealer had also sought clarification on Routers, another commodity. However, as per Note-2 to Form VV, separate application should be filed for each goods. Since the applicant had filed a single application seeking clarification for two items, the first item appearing in the application is given clarification (i.e.) Switches upto 5 amps.

Sd/- R.Chandramohan
Additional Commissioner (PR)
To

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

Sd/- Shiv Das Meena,
Commissioner of Commercial Taxes

To
Tvl.Wipro Limited,
85, TTK Road,
Chennai – 600 018.

Copy to:

Assistant Commissioner (CT), Alwarpet Assessment Circle.

Joint Commissioner (CS) To host in Department Website

The Secretary to Government, Commercial Taxes and Registration

Department , Secretariat, Chennai – 9.

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

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.

All Additional Commissioners, Deputy Commissioners, Assistant Commissioners,
Commercial Tax Officers in CCT 's Office

Personal Clerk to the CCT

Stock file / Acts Cell II / Spare-5

//forwarded by order//


Commercial Tax Officer 4/5/11