

**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. K. Mahalingam, M.Sc.,
Additional Commissioner (RP)**

A.C.A.A.R 34/2013-14
(Acts Cell II/20196/2013)

Dated 03.12.2013

Ref: Application of Tvl. M. Tech Solutions (India) Private Limited, 63, First Avenue, Ashok Nagar, Chennai - 83 dated NIL.

Tvl. M. Tech Solutions (India) Private Limited, 63, First Avenue, Ashok Nagar, Chennai - 83 (TIN: 33091424778) have filed an application and sought clarification under Section 48-A of the TNVAT Act, 2006 read with Rule 12-A of the TNVAT Rules, 2007.

2. The clarification was sought on the following in column 4 of Form V V:

“Elfiq Link Balancer Product Family”

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

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

5. The dealer sought clarification on **“Elfiq Link Balancer Product Family”**.

6. The issue has been examined with reference to the information furnished in the application and the provisions of Act and Rules. It was stated by the dealer that Elfiq works as a load balancer of internet traffic between multiple Internet Service Providers (ISP). In case there is a downtime/un-available ISP, the ELFIQ device switches to other ISP automatically to ensure the connectivity for organization. A company can take multiple ISP services and deploy ELFIQ to manage the bandwidth between multiple ISP to get maximum benefit and best connectivity all time and accordingly sought clarification on the rate tax for the **“Elfiq Link Balancer Product Family”**.

7. Elfiq Link Balancer is a computer network peripheral for distributing internet bandwidth across multiple network links. The purpose of this peripheral is to minimize network downtime and to provide better network performance and uptime. Hence Elfiq Link Balancer is a computer peripheral.

8. There is a specific entry for computer peripherals under the caption "Information Technology Products". The items were enumerated under Entry 68 of Part-B of the First Schedule.

9. Entry 68 (22) of Part-B of the First Schedule reads as below:

"22. Computer systems and peripherals, Electronic Diaries
(a) Computer systems, peripherals and parts
(b) Electronic Diaries".

10. "Elfiq Link Balancer" therefore fits into the description given under the Entry 68 (22) of Part-B of the First Schedule.

11. The clarification therefore is that **"Elfiq Link Balancer Product Family"** is taxable at 5% under Entry 68 (22) of Part-B of the First Schedule to the TNVAT Act.

Sd/- R.Chandramohan
Additional Commissioner (PR)

Sd/- K. Mahalingam
Additional Commissioner (RP)

Sd/- K. Manivasan
Commissioner of Commercial Taxes

To
Tvl. M. Tech Solutions (India) Private Limited,
63, First Avenue, Ashok Nagar, Chennai – 83.

Copy to:

The Assistant Commissioner (CT),
Saligramam Assessment Circle, Chennai
The Joint Commissioner (CT),
Chennai (South) 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, and Enforcement.

All Head of Offices (Assessment).

The State Representative, Sales Tax Appellate Tribunal, (Main Bench), Chennai – 104.

The Addl. State Representative, (AB) Chennai, Madurai and Coimbatore.

The Director, CTSTI, Greams Road, Chennai – 6.

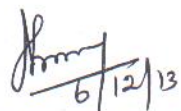
The Chief Executive Officer, Traders Welfare Board, Chennai – 5.

The Additional Commissioners, Joint 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//


6/12/13
Commercial Tax Officer