

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

**ACAAR No.070/2014-15.**  
**Acts cell-II/2005/2015**

Dated:11.06.2015

- 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. Havells India Ltd., Sigapi Achi Building, No.18/3,-6 <sup>th</sup> Floor, Rukmani Lakshmipathy Road, Egmore, Chennai – 600 008.
2.	Registration Certificate No.	:	TIN: 33770641129 / CST:838218
3.	Name of Assessment Circle	:	Egmore-I Assessment Circle, Chennai -
4.	Date of application	:	----
5.	Date of receipt of application	:	22.01.2015
6.	Clarification sought for	:	Review of clarification in respect of rate of tax on sale of ' <b>1100V High Voltage Industrial Cables</b> '.~
7.	Date of Personal Hearing	:	----
8.	Represented by	:	----

**ORDER**

Tvl. Havells India Ltd., at Sigapi Achi Building, No.18/3, 6<sup>th</sup> Floor, Rukmani Lakshmipathy Road, Egmore, Chennai – 8, (TIN: 33770641129), the registered dealers in Electrical goods in the files of Egmore-I Assessment Circle, Chennai, have preferred Review application as provided under Section 48-A (1) of the TNVAT Act, 2006, as aggrieved of the clarification already advanced by the Advance Ruling Authority in

respect of rate of tax on sale of **'1100V High Voltage Industrial Cables'** in its **Proceedings in ACAAR No.70/2014-15, dated 23.10.2014**.

2. It has been clarified in ACAAR No.70/2014-15, Acts Cell-II/28535/2014, dated 23.10.2014 that **Industrial Cables which are High Voltage Cables with application above 650 volts are taxable at 5% under Entry 66 with the description, "Industrial Cables (High Voltage Cables, XLPE Cables, Jelly filled Cables, Optical fiber Cables)" in Part-B of First Schedule to the Act, 2006.**

3. Section 48-A (4) enabled authority either on suo moto on application by the applicant-dealers or any other dealers in the similar line of trade to review the clarification already advanced in respect of rate of tax on particular commodity in such power vested on the authority on further clarification of the applications received from the applicant-dealers above referred have found that the applicants have sought for clarification concerned with rate of tax on '1100V High Voltage Cables'. Whereas, it has been clarified that the High Voltage Cables of Capacity 650 Volts and above are taxable at the rate of 5% under Entry 66 of Part-B First Schedule to the Act in the references above read. The Authority has therefore proposed to review the clarification as advanced to the applicant-dealers in the references above read and accordingly have issued and served a Show Cause Notice to the applicant-dealers dated 08.01.2015 calling for explanation why the clarification already advanced cannot be reviewed as provided under Section 48-A (4) of the Act and re-clarified in respect of rate of tax on high voltage cable only with the capacity 1100 volts. To the show cause notice served on them the applicant-dealers have filed their replies dated Nil have contended that as per Indian Electricity Rules, 1956, the cables of capacity from 650 volts to 33000 volts are defined to be High Voltage Cables and the cables of such capacity can used only in Industry where the electricity is distributed by such cables as transmitted from the HT to distribution system TANGEDCO. Moreover, it is also contended that the cables of capacity of 650 volts to 33000 volts cannot be used for domestic distribution of electricity and moreover the domestic electricity is done only with cables of the capacity 240 watts despite the fact that the home appliances or any commercial appliances are consuming the electricity even up to 2000 watts per hour. Therefore, they have requested that the clarification already advanced need not be reviewed and re-clarified since same is in accordance with the Indian Electricity Rules, 1956.

4. The application in original received from the applicant-dealers reveals that they have sought for clarification only in respect of rate of tax on 1100v high voltage cables, which attract tax under Entry 66 Part-B of First Schedule to the Act as Industrial cables. Since, the request is only in respect of 1100 volt cables to be clarified as Industrial cables, the authority herein decided that the clarification shall be restricted only to industrial cables of 1100 volts as industrial cables (high voltage cables) as falling under Industrial cables enumerated under Entry Part-B of First Schedule to the Act. The schedule entry 66 is very clear that only industrial cables of 3 categories are eligible for tax rate of 5% of which high voltage cables are one in simple parlance, cable used in industries for industrial purposes alone will be entitled for such benefit.

4.1 It is therefore, re-clarified that **Industrial Cables which are High Voltage Cables with the capacity of 1100 volts are taxable @ 5% as falling under Entry 66 with the description, "Industrial Cables (High Voltage Cables, XLPE Cables, Jelly Filled Cables, Optical Fibers) in Part-B of First Schedule to the TNVAT Act, 2006."**

**Dated this the 11th 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. Havells India Ltd.,  
Sigapi Achi Building,  
No.18/3, 6<sup>th</sup> Floor,  
Rukmani Lakshmipathy Road,  
Egmore, Chennai – 600 008.

Copy to:  
The Assistant Commissioner (CT)  
Egmore-I 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, 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 (PR)