

PROCEEDINGS OF THE AUTHORITY FOR

CLARIFICATION AND ADVANCE RULINGS, BENGALURU

Present: 1. Sri. R. Jagadeesh Prasad,
Additional Commissioner of
Commercial Taxes,
(Goods and Service Tax), Bengaluru Chairman.

2. Sri. S.A. Manvi,
Additional Commissioner of
Commercial Taxes,
(Intelligence & Co-ordination), Bengaluru Member.

3. Sri. Sayeed Ahmed Khan,
Additional Commissioner of
Commercial Taxes,
(Head Quarters)-1, Bengaluru Member.

No. AR.CLR.CR.07/13-14

Dated: 28-03-2015.

Name and address of the Applicant	THAKRAL SERVICES (INDIA) LIMITED, 8 th Floor, 'The Estate', # 121, Dickenson Road, Bengaluru-560 042.
TIN	29670744361
Jurisdictional LVO on whose files of the Applicant is borne	LVO-045, Bengaluru
Nature of activity of the Applicant	Trading of electronic security solutions like CCTV systems.
Represented by	Sri K. R. Ravishankar, Authorised Representative.

ORDER UNDER SECTION 60(4) OF THE KVAT ACT,2003

The applicant THAKRAL SERVICES (INDIA) LIMITED, 8th Floor, 'The Estate', # 121, Dickenson Road, Bengaluru-560 042 is a registered dealer under the provisions of the KVAT Act 2003 with TIN: 29670744361 borne on the files of the Assistant Commissioner of Commercial Taxes, LVO-045 Bengaluru. The applicant is a public Limited Company engaged in the business of trading of electronic security solutions like CCTV systems.

1. The clarification sought by the applicant is regarding the rate of tax on the following goods:

Sl.No	Commodity	CET Code
a.	DVR (Digital Video Recorder)	85229000
b.	CCTV Cameras	85258090
c.	Hard Disks	84717020
d.	Monitors	84716030
e.	Cables – All types	85442010
f.	CCTV Lenses	90029000
g.	Power Adaptor	88044090
h.	BNC Connectors (Bayonet Neill-Concelman)	85366990
i.	8 Zone Control Panels/ Burglar Alarm	85311090
j.	Access Control	85437099
k.	Perimeter Protection	85437099
l.	Boom Barriers	85437099
m.	Fire Alarm System	85311020
n.	Intrusion Alarm	85311090

2. The authorized representative of the applicant Sri. K. R. Ravishankar appeared before the Authority on 28.02.2015. He was heard.

3. In the instant case, the dealer is engaged in the trading of electronic security solutions like CCTV systems and related goods as listed above. It is the understanding of the dealer that all the goods listed above are notified IT products eligible for concessional rate VAT @ 5.5% covered in the Notification No. FD 116 CSL 2006 (9) dated 31-03-2006. However, it is also admitted by the dealer that prima-facie, Digital Video Recorders, CCTV Cameras, CCTV Lenses, BNC Connectors, 8 Zone Control Panels/ Burglar Alarm, Access Control, Perimeter Protection, Boom Barriers, Fire Alarm System and Intrusion Alarm do not find a specific mention in the list of IT products notified in the above mentioned Notification. It is also mentioned by the dealer that there is a need to verify and determine whether power adapter is a UPS or part of UPS covered under Serial No. 8 in the said Notification and HSN code of hard disc, monitors and cables may be included in the Notification as IT products eligible for lower rate of VAT.

4. On verification of the Notification No. FD 116 CSL 2006 (9) dated 31-03-2006 it is noticed that none of the goods and the HSN codes mentioned by the dealer is notified as an IT (Information Technology) product liable to tax @ 5.5%. In fact, Serial No. 8 in the said Notification notifies 'Uninterrupted Power Supplies (UPS) and their parts' having HSN code of 8504 whereas 'Power Adapter' mentioned by the dealer falls under HSN code of 8804. Therefore it is clear that all goods mentioned by the dealer are not eligible for lower rate of tax of 5.5%.

5. In view of the above, the Authority hereby clarifies that all goods mentioned by the dealer for clarification of rate of tax are taxable @ 14.5% under Section 4(1)(b)(iii) of the KVAT Act,2003.


(R. JAGADEESH PRASAD)
Chairman


(S.A. MANVI)
Member


(SYEED AHMED KHAN)
Member

Clarification & Advance Ruling Authority
Gandhinagar, Bangalore-9

Clarification & Advance Ruling Authority
Gandhinagar, Bangalore-9

1. The Applicant
2. The LVO-045, Bengaluru
3. Submitted to the Commissioner of Commercial Taxes (Karnataka), Bangalore for favour of kind information.
4. Office copy.