

**ORDER OF CLARIFICATION MADE BY SHRI RAMENDRA JAKHU,
FINANCIAL COMMISSIONER & PRINCIPAL SECRETARY, GOVERNMENT OF
HARYANA, EXCISE AND TAXATION DEPARTMENT, UNDER SECTION 56(3) OF THE
HARYANA VALUE ADDED TAX ACT, 2003.**

Queriest **M/s Multi Techno Services, 210, Phase-IV, Udyog Vihar,
Gurgaon. TIN No. 065018163593**

M/s Multi Techno Services, Udyog Vihar, Gurgaon is a dealer registered under Haryana VAT Act holding TIN No. 065018163593 and is engaged in manufacture and sale of battery chargers, for replacement , market, dedicated to charge the small size batteries of handheld wireless sets/Transreceivers being used by police and para military forces etc. and has sought clarification under section 56(3) of the Haryana VAT Act as to whether the battery chargers manufactured and sold by the applicant, exclusively used with wireless sets/transreceivers are covered under entry 44 of schedule 'C' appended to the Haryana VAT Act. Entry 44 of schedule 'C' is reproduced as under:

Telephones, cell phones, tele-printer, wireless equipment and parts thereof, Digital Video Disc and Compact Disc, Information Technology products.....

In the statement containing the applicant's interpretation of law and facts in respect of the aforesaid question the applicant has stated that the battery chargers manufactured by him are covered under entry 44 of schedule 'C' and attract VAT @ 4% **being part of the wireless equipments**. In view of the fact that (i) these battery chargers can only be used to charge the small batteries fitted with respective handheld wireless sets/Transreceivers and find no other application. (ii) These battery chargers are Wireless set/Transreceiver Model specific. Battery charger suitable for a particular Wireless set/Transreceiver Model can not be used with other Model or Make of Wireless set/Transreceiver. For example charger

suitable for kenwood Wireless set/Transreceiver Model TK430/431(P/No KSC-18) cannot be used even with its other own Model TK-230/330 (P/No. KSC-11). Different chargers are recommended to charge batteries of different Models of Wireless sets/Transreceiver manufactured by same company M/s kenwood . Similarly in case of Wireless sets/Transreceivers manufactured by M/s Icom, they have recommended charger P/No. BM-103 for Model IC-M15 and P/No. BC-119 for Model IC-M10A/10E. The same is the case for the sets manufactured by M/s Motorola i.e. NLN 40384A is recommended for set MX300; WPLN 4138-R for set GP 3188 and MTN 9015 for their set GP-68. It has been accordingly explained that the chargers required to charge various batteries of Wireless sets/Transreceivers are dedicated/set specific and can not be interchanged and hence part of that particular Wireless set/Transreceiver. They differ in shape, size and design and are not interchangeable. (iii) these battery chargers are very light in weight/handy and are made to order w.r.t. specific Models/Make of Wireless set/Transreceiver. Model and Make is being specified by the customer at the time of placement of order. (iv) These are dedicated battery chargers and have no other application except to be used with the specific Wireless set/Transreceivers. (v) Wireless set/Transreceiver is incomplete, cannot function without battery chargers, because the battery pack fitted with the Wireless set/Transreceiver needs charging everyday.

The matter has been examined. From the facts explained by the applicant it is clear that the battery chargers manufactured and sold by the applicant are meant for batteries of particular specification only and hence are dedicated battery chargers. The same can not be used for some other wireless systems and have been made to order for specific wireless sets only. Compact Oxford Dictionary defines a part as a piece or section which is combined with

others to make up a whole Component has been further defined as part of larger whole. Lexically, component part means an article which forms an identifiable constituent of the finished product which alongwith the others goes to make up the finished product and which is identifiable visually or by a mechanical process and not by a chemical process. From all the discussions above it is clear that the dedicated battery chargers manufactured by the applicant are integral part of the wireless equipment and is vital for functional use of the same. Further the battery chargers being dedicated battery chargers there can not be any substitute for these battery chargers and hence, by any means, is component part of the wireless equipment. Accordingly the battery chargers under consideration, manufactured and sold by the applicant are the part of wireless equipment and hence are covered under entry 44 of schedule 'C' viz **Telephones, cell phones, tele-printer, wireless equipment and parts thereof, Digital Video Disc and Compact Disc, Information Technology products** and hence attract VAT @ 4%.

Matter is clarified accordingly.

Chandigarh
Dated

(RAMENDRA JAKHU)
Financial Commissioner & Principal Secretary
to Government, Haryana, Excise and Taxation Department.

Issued vide letter no.290-292/ST-1, Dated 5-3-2010