

**DEPARTMENT OF COMMERCIAL TAXES, KERALA
PROCEEDINGS OF THE AUTHORITY FOR CLARIFICATION
U/S.94 OF THE KERALA VALUE ADDED TAX ACT, 2003.**

Members present are:

1. R. Rajasekharan Nair, Deputy Commissioner (Intelligence), O/o. DC (Int), Tvpm.
[Formerly Deputy Commissioner (Audit & Inspection), O/o.CCT, Tvpm]
2. A. Biji Kumari Amma, Deputy Commissioner (Legal Wing), O/o.CCT, Tvpm.
3. A. Asok Kumar, Deputy Commissioner (Internal Audit), O/o.CCT, Tvpm.

Sub: KVAT Act, 2003 – Clarification U/s.94 – Rate of tax of Orthopaedic Implants - Orders Issued.

Ref: Application from M/s. TTK Healthcare Ltd., Kochi dated 25/8/2009.

ORDER No.C3/36324/09/CT DATED 22/3/2010.

1. M/s. TTK Healthcare Ltd., Kochi has preferred an application u/s 94 of the Kerala Value Added Tax Act, 2003 seeking clarification on the rate of tax of certain orthopedic implants.

2. The applicant has requested to clarify the rate of tax of the following commodities:

1. Artificial Knee Implants/ Total Knee Replacement System and its parts.
2. Partial/Total Hip implants and its parts.
3. Artificial Joints.
4. Interlocking nail humerous, tibia and femour.
5. Cement used for the above implanting.

3. The applicant has referred the Clarification Order No. C7/4264/06/CT dated 14/12/07 and contends that the commodities 1 to 4 are exempted from Kerala Value Added Tax Act and that the HSN Codes are 9021.39.00 and 9021.31.00. The applicant further contends that Bone Re-construction Cement comes under Third Schedule with HSN Code 90159 and has requested to clarify the rate of tax of the above said commodities.

4. The authorised representative of the applicant was heard and the contentions raised were examined.

5. With regard to the commodities 1 to 4 mentioned above, the request for clarification is declined, since the same has already been clarified vide Clarification Order No. C7/4264/06/CT dated 14/12/07.

6. With regard to the commodity cement used in bone implanting, it would fall under Entry 36(24)(e) of the Third Schedule to the Act which reads *Dental cements and other dental*

fillings, bone reconstruction cements carrying HSN 3006.40.00. Hence the same would be taxable at 4%.

The issues raised above are clarified accordingly.

Deputy Commissioner (Int.)
O/o DC(I) Tvp

Deputy Commissioner (LW)
O/o CCT

Deputy Commissioner (IA)
O/o CCT

To,

Sri.K.V.P.Damodaran,
Commercial Manager,
C/o TTK Healthcare Limited,
No.42/2129, Cheruvathoor Chambers,
Cemetery Jn, Chittoor Road,
Kochi – 18.