

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. T.K. Ziaudeen
Joint Commissioner (Audit & Inspection),
Office of the Commissioner of Commercial Taxes, Thiruvananthapuram.

2. Dr. A. Bijikumari Amma.
Joint Commissioner (Law),
Office of the Commissioner of Commercial Taxes, Thiruvananthapuram.

3. V.J. Gopakumar.
Deputy Commissioner (General),
Office of the Commissioner of Commercial Taxes, Thiruvananthapuram.

Sub : KVAT Act, 2003 – Clarification U/s 94 – Rate of tax of machine made washing soaps by using coconut oil – Orders issued.

Read : Application from M/s. Limar Global Hygienics LLP, Kannothe, Kozhikode dtd. 30/10/2014.

ORDER No.C3/32594/14/CT DATED 7/4/2016.

1. M/s. Limar Global Hygienics LLP, Kannothe, Kozhikode has preferred an application U/s 94 of the Kerala Value Added Tax Act, 2003 seeking clarification on the rate of tax of machine made washing soaps by using coconut oil.

2. The applicant has requested to clarify whether they are entitled to collect VAT at the rate of 1% by virtue of Entry 2D of the Second Schedule to the Act.

3. The authorised representative of the applicant was heard in the matter and the contentions raised were examined.

4. Entry 2D of the Second Schedule to Kerala Value Added Tax Act, 2003 reads:

2D *Washing soap bars and cakes manufactured using coconut oil* ****

The Entry does not specify/differentiate between machine made/handmade soaps. All types of washing soap bars and cakes manufactured using coconut oil are included under the above said Entry.

5. In view of the facts stated supra, it is hereby clarified that the applicant's commodity i.e. machine made washing soap manufactured by using coconut oil would be exigible to VAT at the rate of 1% by virtue of Entry 2D of the Second Schedule to the w.e.f 1/4/2014.

The issues raised above are clarified accordingly.

T.K. Ziaudeen
Joint Commissioner (A&I)

Dr. A. Bijikumari Amma
Joint Commissioner (Law)

V.J. Gopakumar
Deputy Commissioner (General)

To,

Sri. M. Krishnadas,
General Manager,
M/s. Limar Global Hygienics LLP,
8/562, Kalappuram, Kannothe P.O,
Kozhikode – 673 580.