

**67. PROCEEDINGS OF THE COMMISSIONER OF
COMMERCIAL TAXES, THIRUVANANTHAPURAM**

Present:-.Paul Antony. IAS

Sub:- KVAT Act 03- Clarification U/s 94- Application filed by
M/s. HCL Comnet Ltd.Cochin- clarified orders- issued- Reg:

Read. 1.Application in Form No. 24 Dt. 12.04.06
2. Hearing Notice No.C7.17557/06/CT Dt. 26.04.06.

ORDER No.C7.17557/06/CT Dt. 17.07.06

M/s. HCL Comnet Ltd. Cochin has filed an application
for clarification under section 94 of KVAT Act 03, on the
following.

The applicant M/s. HCL Comnet Ltd is a registered
dealer of VSATs in the state of Kerala. The applicant claimed
that VSATs are IT Products and fall under entry 69 of 3rd
schedule to KVAT Act 03 @ 4 %.

Sri.Sreerenj, Authorised representative of the
applicant was heard. The contentions of the applicant were
examined in detail.

As per entry 69 of the 3rd schedule to KVAT Act 03
IT Products are taxable @ 4%. VSAT Terminals are not
specifically mentioned in the above entry. On the other hand,
V SAT Teminals and other satellite communication
equipments are specifically included in the list of commodities
taxable @ 12.5 % vide Sl.No. 94(7) and 94(8) with HSN
8525.20.91 and 8525.20.92 of SRO 82/06, notified by
Government as GO(P) NO. 4/06 TD Dt. 21.01.06.

Hence it is clarified that VSATs are taxable @ 12.5 % vide
SL No. 94(7) and 94(8) of SRO 82/06.

Sd/
Commissioner