

**77. PROCEEDINGS OF THE COMMISSIONER OF COMMERCIAL TAXES  
THIRUVANANTHAPURAM**

Present:-.Paul Antony. IAS

Sub:- KVAT Act 03- Clarification U/s 94- Whether supplies to 100 %  
EOU can be made without sales tax- Clarified orders issued- Reg:

Read:- Application in form no. 24 Dt. 17.07.06 filed by M/s.  
Classic Paints, Cochin

ORDER No. C7.30425/06/CT Dt. 31.08.06

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

The applicant M/s. Classic Paints, Cochin, supplies various paints  
and coatings to 100 % EOUs for use in the manufacture of their  
products. The point sought for clarification is whether supplies to 100 %  
EOU can be made without charging sales Tax.

Sales to all 100 % Export Oriental Units has not been exempted  
from VAT. But all sales to units situated in the Special Economic Zone in  
the state have been exempted from VAT.

The point sought for is clarified as above.

Sd/  
Commissioner

**PROCEEDINGS OF THE COMMISSIONER OF COMMERCIAL TAXES  
THIRUVANANTHAPURAM**

Present:-.Paul Antony. IAS

Sub:- KVAT Act-03- Clarification U/s. 94- Rectification of mistake  
U/s. 66- modified orders issued- Reg:

Ref:- This office order no. C7.30425/06/CT Dt. 31.08.06

ORDER No.C7.30425/06/CT Dt.24.11.06

As per order read above, it was clarified that all sales to units  
situated in the Special Economic Zones in the State have been exempted  
from VAT. But actually only sale of building materials, industrial inputs,  
plants and machinery including components, spares, tools, consumables  
in relation there to any developer or industrial units or establishments  
situated in any Special Economic Zone in the state for setting up the unit  
or use in the manufacture of other goods are exempted from VAT by  
virtue of section 6(7)(b) of KVAT Act, 03.

Hence order No.C7.30425/06/CT dt. 31.08.06 is modified to the  
above extent.

Commissioner.