

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

Present:-.Paul Antony. IAS

Sub:- KVAT Act 03- Clarification U/s.94- Rate of tax on phenyl- clarified orders issued- Reg:

Read:- 1. Application in form No.24 Dt.24..06..06 filed by M/s. Vibhava Marketing Corporation Calicut.

2.Hearing Notice No.C7.27509/06/CT Dt. 27.06.06

ORDER No.C7.27509/06/CT Dt. 17.11.06

M/s. Vibhava Marketing Corporation, Calicut has filed an application U/s. 94 of KVAT Act 03 to clarify the rate of tax applicable to Phenyl under VAT.

The applicant stated that the HSN Code of the item as per Central Excise Tariff is 3808.40 and hence the item will fall under entry 44 of 3rd schedule @ 4 %.

The applicant was given an opportunity of being heard on 11.08..06. The counsel for the applicant was heard, and the contentions raised by the applicant were examined in detail.

Entry 44 of 3rd schedule deals with pesticides, weedicides, insecticides, fungicides, herbicides, rodenticides, anti sprouting products and plant growth regulators meant for agricultural purpose, and the HSN assigned to the entry is 3808. However the HSN 3808 assigned to entry 44 has been deleted from the said entry as per Kerala Finance Act, 2006.

The item `phenyle` dealt by the applicant is a cleaning preparation, mainly used in toilets and bathrooms. Government, vide SRO 82/06 had notified list of goods taxable at the rate of 12.5 % and all cleaning preparations whether in powder or liquid form fall under entry 27(4) at the said notification.

Hence it is clarified that the item "phenyle" is classifiable under entry 27(4) of SRO 82/06 and is taxable at 12.5 %.

Sd/
Commissioner.