

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

Present : Sri.Paul Antony .IAS

Sub:- KVAT Act 03- Clarification U/s. 94- rate of tax on
Dhothis, Angavasthram, Neriyathu and the like with
Golden lace- Clarified orders issued- Reg:

Read:- 1.Application in Form No. 24 Dt. 25.02.06 filed by
M/s. Sri.Venkata Rao's, Thiruvananthapuram.
2. Hearing notice no.C7.9509/06/CT Dt. 14.03.06.

ORDER No. C7.9509/06/CT Dt. 10.01.07

M/s. Sri.Venkata Rao's, Thiruvananthapuram has
sought clarification whether any tax is payable on dhothis,
angavasthram, neriyathu and the like which are woven with
golden lace, treating the same as falling under entry 40 of the
3rd schedule to KVAT Act 03.

Authorised Representative of the applicant was heard,
and the contentions of the applicant were examined in detail.
Entry 40 of the 3rd schedule, as stood during 2005-06 reads:

“40. Embroidery or zari articles that is to say. imi, zari,
kasab,saima, dabka, chumki, gota sitara, naqsi, kora, glass
bead, badia.

1. Embroidery without visible ground	5810.10.00
2. Other Embroidery of cotton	5810.91.10
3.Embroidery of manmade fibres	
a) Embroidered badges, motifs and the like	5810.92.10
b) other Embroidered articles	5810.92.90
4. Embroidery of other textile materials	5810.99.00
5. Zari articles	xxxx ”

Item (5) is given without HSN Code number. As per the
rules of interpretation of commodities, which are not given
HSN Number should be interpreted applying the common
parlance or commercial parlance test. So any item with zari

border can come under the said item. But entry 51 of the First schedule covers Cotton woven fabrics and also woven fabrics of manmade staple fibres. So even if they are zari bordered, they would come under entry 51 of the first schedule if they are woven with zari borders.

So the items Dhothis, Angavasthram, Neriyanthu and the like with golden lace will be covered by entry 51 of the first schedule to KVAT Act 03, and hence exempted from tax.

The point sought for is clarified accordingly.

Sd/-
Commissioner