

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

Present:- Sri.P. Mara Pandiyan,I.A.S

Sub:- KVAT Act 03- Clarification under section 94- rate of tax applicable to the Sale `10gm rectangular gold bars'- orders issued-Reg:

Read:- Application filed by State bank of India,  
Ernakulam Branch, dated 9th July, 2007

**ORDER No.C3.23036 /08/CT Dt.29.09.08**

- (1) The State bank of India, Ernakulam Branch has preferred an application under section 94 of KVAT Act seeking clarification on the rate of tax applicable to sale of '10 gram gold rectangular bars', proposed to be sold by them.
- (2) The applicant was heard on 27.09.08. The issue raised was examined with reference to the statutory provisions.
- (3) '10 gram gold rectangular bars' being semi-manufactured, would fall under the HSN Code 7108.13.00, and hence would be taxable at 4%, by virtue of entry 4(4)I the 3<sup>rd</sup> schedule of the KVAT Act.
- (4) The entry 1(2) of the 2nd Schedule of the KVAT Act bears the HSN Code 7108.12.00, and the same applies only to 'other unwrought forms of gold'.
- (5) As clarified by Order No.C3.30830/07/CT Dt.19.09.07, "Gold Coin" is specifically classified as Entry 51A (9) in the 3<sup>rd</sup> Schedule, and hence taxable at 4%.

The points raised are clarified accordingly.

Sd/-  
COMMISSIONER