



**PROCEEDINGS OF THE AUTHORITY FOR CLARIFICATION AND
ADVANCE RULINGS, BANGALORE.**

Present: 1.

Sri.M.D. Jain,

Additional Commissioner of
Commercial Taxes
(Head Quarters)-1, Bangalore. Chairman.

2. **Sri.H.D.Arun Kumar,**

Additional Commissioner of
Commercial Taxes (Policy &
Law), Bangalore. Member.

3. **Sri.R.Jagadish Prasad,**

Additional Commissioner of
Commercial Taxes (GST),
Bangalore. Member.

No.AR.CLR.CR.20/12-13.

Dated: 28th August, 2013

Name and address of the Applicant	M/s.Jash Industries, No.164, Hebbal Industrial Area, Mysore.
TIN	29030620359
Juris'dictional LVO on whose files the Applicant is borne	LVO-195, Mysore.
Nature of activity of the Applicant	Extraction of oil from used and waste rubber tyres.
Represented by	Exparte

ORDER UNDER SECTION 12-C OF THE K.T.E.G. ACT, 1979

1. The Applicant M/s.Jash Industries, No.164, Hebbal Industrial Area, Mysore is a registered dealer under the provisions of the KVAT Act, 2003 with TIN 29030620359 borne on the rolls of the Assistant Commissioner of Commercial Taxes, LVO-195, Mysore. The Applicant has filed an Application under Section 12-C of the KTEG Act, 1979 before this Authority for Clarification and Advance Ruling seeking clarification about the rate of entry tax leviable on the value of oil extracted from used and waste rubber tyres and whether it falls under restrictive input tax under Section 11 of the KVAT Act, 2003.

2. After receipt of the Application in Form VAT 540 from the Applicant, the Applicant was provided an opportunity of personal hearing. Accordingly, notices were issued under Rule 165(15)(e) of the KVAT Rules, 2005, posting the case for hearing on 19.10.2012 and 31.5.2013. Neither the Applicant nor his Authorized Representative, if any, appeared on these dates and represented the case. Therefore, this Authority having come to the conclusion that the Applicant has been provided with reasonable opportunity is disposing off this Application by placing the Applicant exparte.

3. We have examined the nature of goods manufactured and sold by the Applicant as submitted by the Applicant in the Application filed. With regard to the first query raised in the Application about the applicability of entry tax on the extraction and sale of oil extracted from "used and waste rubber tyre" it is observed that the oil is extracted by using "Pyrolysis process" and the resultant oil is used for re-heating furnace, boilers, etc., and it is not a petroleum based product. The oil so obtained is also known as "Green Rubber Oil" and for the first time this commodity is commercially introduced in the market, the Applicant is not sure about the applicability or otherwise of the entry tax liability on the oil so extracted. Since the Applicant is causing entry of waste and used tyres into the local area for the purposes of extraction of oil which is also known as Green Rubber Oil, the said oil is not a scheduled commodity or a notified commodity under the KTEG Act, 1979. Further, the

