



**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.11/13-14.**

**Dated: 23-08-2013**

Name and address of the Applicant	<b>M/s.Sonite Corporation,</b> No.109, 7 <sup>th</sup> A Main, 3 <sup>rd</sup> Block, 4 <sup>th</sup> Stage, Basaveshwaranagar, Bangalore – 560 079.
TIN	29130069150
Jurisdictional LVO on whose files the Applicant is bornè .	LVO-070, Bangalore.
Nature of activity of the Applicant	Trading in HDPE knitted fabrics
Represented by	Sri.B.A. Manjunath, Chartered Accountant

## **ORDER UNDER SECTION 60(4) OF THE KVAT ACT, 2003**

1. The Applicant M/s.Sonite Corporation, No.109, 7<sup>th</sup> A Main, 3<sup>rd</sup> Block, 4<sup>th</sup> Stage, Basaveshwaranagar, Bangalore - 560 079 is a registered dealer under the provisions of the KVAT Act, 2003 with TIN 29130069150 borne on the files of the Assistant Commissioner of Commercial Taxes, LVO-070, Bangalore. The Applicant has filed an Application under Section 60 of the KVAT Act, 2003 before this Authority for Clarification and Advance Ruling seeking clarification on rate of tax applicable on the sale of HDPE knitted fabrics which is generally called in trade circles as Weed net, Shade net, Plastic shade net, under 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, notice dated 9.7.2013 was issued under Rule 165(15)(e) of the KVAT Rules, 2005, posting the Application for hearing on 20.7.2013. Responding to this notice, Sri.B.A.Manjunath, Chartered Accountant, duly authorized by the Applicant appeared and argued the case. The learned Chartered Accountant represented that the Applicant had obtained clarification from the Commissioner of Commercial Taxes on 22.5.2007 to the effect that HDPE plastic shade net is taxable under Section 4(1)(b) at 12.5% and Circular No.1/2012 dated 3.4.2012 is issued clarifying that the commodity is taxable at 5.5% vide Sl.No.30 of Third Schedule to the KVAT Act, 2003. However, the Applicant is under the impression that it is exempted as per Notification No.FD 135 CSL 2012 dated 1.8.2012. Hence, the learned Chartered Accountant sought for clarification about the rate of tax leviable on the sale of HDPE knitted fabrics.

3. We have given our anxious consideration to the contentions raised by the learned Chartered Accountant in the course of his arguments before us

