



Government of Karnataka
Commercial Taxes Department

**PROCEEDINGS OF THE COMMISSIONER OF COMMERCIAL TAXES,
(KARNATAKA), BANGALORE- CLARIFICATION UNDER SECTION 59(4) OF
THE KARNATAKA VALUE ADDED TAX ACT, 2003.**

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Sub: KVAT Act, 2003 - Clarification under Section 59(4)  
regarding the rate of tax applicable on 'Powder Flame  
spray coating transactions'-reg.

Ref: Application dated: 24-12-2012 of M/s. Spraymet  
Surface Technologies Pvt Ltd., Bangalore.  
(TIN 29300067553)

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In the application cited above of M/s. Spraymet Surface Technologies Pvt. Ltd., No.A-413, 9<sup>th</sup> Main, 2<sup>nd</sup> stage, Peenya Industrial Area, Bangalore-560058 has sought clarification regarding the rate of tax applicable on 'Powder Flame Spray Coating transactions'.

2. Section 59(4) of the Karnataka Value Added Tax Act, 2003 empowers the Commissioner of Commercial Taxes to clarify the rate of tax payable under the Act, if he considers it necessary or expedient so to do, for the purpose of maintaining uniformity in the work of assessments and collection of revenue. It is examined and found that the clarification requested by the petitioner is within the scope of the aforesaid provision and it is necessary that the clarification be issued for the purpose of maintaining uniformity in the work of assessments and collection of revenue.

3. Hence the following clarification is issued.

**CLARIFICATION NO.CLR.CR.184/12-13, DATED 25-02-2013**

It is clarified that,

(i) The taxable turnover in respect of transfer of property in goods involved in the execution of works contract of powder coating (through powder flame spray coating method) of components supplied by customers, attracts tax at 5.5% under Section 4(1)(c) read with Sl.No.6 of Sixth Schedule to the Karnataka Value Added Tax Act, 2003 and

(ii) sale of unspecified components manufactured and power coated attracts tax at 14.5% under Section (4)(1)(b)(iii) of the Karnataka Value Added Tax Act, 2003.

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(YOGENDRA TRIPATHI)  
Commissioner of Commercial Taxes,  
(Karnataka), Bangalore.