

GOVERNMENT OF KARNATAKA
(Commercial Taxes Department)

**PROCEEDINGS OF THE COMMISSIONER OF COMMERCIAL TAXES (KARNATAKA),
BENGALURU.**

Present: RITVIK PANDEY, IAS,
Commissioner of Commercial Taxes.
(Karnataka) Bengaluru.

Sub: KTEG Act, 1979 - Section 12 (7) – issue of clarification
on rate of entry tax on Abrasives (used for smoothening
and Polishing Granite Slabs) - reg.

Ref: Letter dated 09-03-2015 of M/s Kesar Marble & Granite Ltd.,
Bangalore, (TIN - 29740052567)

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The applicant M/s Kesar Marble & Granite Ltd., Coffee Day Square, Vittal Mallya Road, Bangalore-560001, (TIN - 29740052567) has sought clarification on the rate of Entry tax applicable on Abrasives (used for smoothening and Polishing Granite Slabs)

2. It is submitted by the applicant that he is a Manufacturer of Granite Slabs, having Industrial Unit at Nelamangala, and wants to know whether Abrasives which are used for smoothening and Polishing Granite Slabs, are included under Machinery parts and liable to Entry Tax. He is of the understanding that Abrasives are completely eroded in the process of polishing within 3 to 4 hours of continuous use and are to be treated as consumables in Granite Industry.

3. The matter is examined. It has been held in the case of *Addison & Company Ltd., Bangalore Vs State of Karnataka* cited as 2008 (64) KLJ 211 (HC) (DB): (2008) 14 VST182 (Kar) (DB), that "Twist drills, taps, cutters, dies, button bits etc., (wear parts) though do not form essential or integral parts of Machinery, they have to be classified as Accessories of Machinery falling under entry 52 of First Schedule to the KTEG Act, 1979. Goods mentioned in Entry 52 of the First Schedule and commodity description in Sl. No. 7 of Table to Notification No.FD 11 CET 2002 date: 30-03-2012 are one and the same, and read as under.

*"Machinery (all kinds) and parts and accessories thereof but
excluding agricultural machinery"*

4. In the light of the above discussion, it is to be held that Abrasive is a wear part and hence an accessory to the Polishing Machinery and not a consumable.

ORDER NO. KTEG/CLR/CR-20 /2014-15 DATED 05-06.2015

It is clarified that Abrasives are liable to Entry Tax @ 2% under the commodity description "Machinery (all kinds) and parts and accessories thereof but excluding Agricultural Machinery" vide Notification No.FD.11 CET 2002 dt.30.3.2002.


(RITVIK PANDEY)

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