

**ORDER OF CLARIFICATION UNDER SECTION 56(3) OF HVAT ACT,2003 ON THE APPLICATION OF M/S NESTLE INDIA LIMITED, NESTLE HOUSE, JACARANDA MARG, M-BLOCK, DLF CITY, PHASE-1, GURGAON.**

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M/S Nestle India Limited ( hereinafter referred to as the applicant), Gurgaon have moved an application in the prescribed manner seeking clarification from the State Government under section 56 (3) of HVAT Act, 2003 (hereinafter referred to as the Act) on the following issue:-

whether fruit “n” milk and fruit ‘n” Dahi are covered by entries 3 and 59 of schedule ‘B’ appended to Haryana Value Added Tax Act,2003 and exempt from tax.

The issue has been examined at length by the Government. Contentions submitted on behalf of the applicant have been duly considered.

It is noticed that **fruit “n” milk** which is brand name of the product manufactured by the applicant, is prepared by a sophisticated mechanical process involving mixing of milk, fruits, essence and preservatives. The mixture so prepared is put into a sealed container. Similarly, **Fruit “n” Dahi** which is the brand name for the product of the applicant, emerges as a result of the mechanical process involving Curd, Water, Fruits and Preservatives etc.. Both the items which are sold under specific brand names, do not figure in entries 3 and 59 of schedule ‘B’ of the Act respectively. These are infact commodities commercially different from ordinary milk and curd appearing in entries 3 and 59 of schedule ‘B’ of the Act. It must be mentioned here that common parlance names , viz., milk and curd can not be applied to the commodities, that is, fruit “n” milk and fruit “n” Dahi being processed and manufactured by the applicant on a commercial scale.

Since **fruit “n” milk and fruit “n” Dahi** are commodities commercially different from milk and curd, exemption from tax under the Act of 2003 will, therefore, not be available. Let this clarification be issued to the applicant.

This clarification shall also be uploaded on the official website.

(L.S.M.Salins)

Financial Commissioner & Principal Secretary to  
Govt., Haryana, Excise and Taxation Department.