

**IN THE COMMERCIAL TAX TRIBUNAL,  
UTTARAKHAND, DEHRADUN**

**Present:** Malik Mazhar Sultan, H.J.S ..... President.

Anjali Benjwal..... Member.

**Second Appeal No. 44 / 2025 {2015-2016.....}**

**Commissioner- Commercial Tax, Uttarakhand, Dehradun.**

**Appellant.**

**Versus**

**M/s. Godrej Consumer Products Ltd. 79, Naranjanpur, Dehradun.**

**Respondent.**

For Appellant: Shri Vijay kumar

State-Representative.

For Respondent: Shri Anoop Narula, & Shri Shreyas Shrivastava

Ld. Advocate.

**Assessment year - 2015-16**

**First Appeal No- 73/2025**

**Amount of disputed tax - Rs. 1,61,34,247/-**

**J U D G M E N T**

**Malik Mazhar Sultan .....President,**

This Second appeal is filed against order dated 21.05.25 passed by Ld. Joint Commissioner (Appeal) in first appeal no 73/2025, Assessment year 2015-16. By means of impugned order, setting aside the assessment order dated 18.03.2024 passed under section 25(7) of UVAT Act first appellate authority allowed the first appeal of the respondent/dealer. The amount of tax disputed in this appeal is Rs. 1,61,34,247/-

2. The facts necessary for the disposal of this appeal are that the respondent M/s Godrej Consumer Products Ltd., alongwith other commodities carry out the

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business of household insecticides namely Mosquito repellents, coils, refills, mats, hit etc. under the brand name Good Night. For the assessment year of 2015-16 a show cause notice was issued against the respondent/dealer alleging therein that the respondent/ dealer is paying tax on the sale of impugned product at the rate of 5 % while on the sale of impugned product the Trader/respondent is required to pay tax at the rate of 13.5% because the impugned product is not classified under any Schedule of the Act. The dealer / respondent was called upon to show cause why a tax at the rate of 13.5% should not be levied against the sale of the impugned product. Contesting the demand proposed to be recovered respondent/dealer proceeded to file the reply against this show cause notice. By means of order dated 18.03.2024 passed u/s 25(7) of UVAT Act rejecting the dealer/respondents contentions it was held by the assessing authority that the impugned products are not covered under Entry 27 of Schedule II (B) and in term of Section 4 (2) (b) (i) (d) they are taxable at the rate of 13.5% under the residuary entry. Ld assessing authority ordered to pay the tax accordingly alongwith interest.

3. Against the assessment order dated 18.03.2024 passed under Section 25(7) of the Act respondent/dealer preferred first appeal u/s 51 of the UVAT Act before the Joint Commissioner (Appeal) which was registered as first appeal no 73/2025. This first appeal was allowed by the impugned order dated 21.05.25. Placing Reliance on the various Judgement of different Hon'ble High Courts and Hon'ble Supreme Court it was held by the first appellate authority that being insecticide impugned

product is classifiable under Entry 27 of Schedule II (B) of the UVAT Act and the same is taxable at the rate of 5 %. Consequently the demand of balance tax raised by the assessing authority was dropped.

4. Impugned order dated 21.05.25 passed by first appellate authority is challenged in this second appeal filed by the department through Commissioner of sales tax. Contesting the demand dropped against the respondent this appeal is filed by the department on the ground that the impugned judgement is against law. Supporting the order of the assessing authority passed u/s 25(7) of the Act it is stated by the appellant that there is no ground to interfere in the order of assessing authority. It is alleged that the impugned product does not contain the insecticide property it can't therefore be termed as insecticide. It is further stated that Entry 27 of Schedule II (B) of UVAT Act is related only to the agriculture insecticides. The impugned products are house hold insecticides hence not covered under any entry of Schedule II B of the Act. It is further argued that under Entry 41 of Schedule II (B) Mosquito repellent in any form is excluded. Relying upon M/s Raekitt Benckiser (India) Ltd. Vs Commissioner taxes and others it is further stated that in the above mentioned case law it has been held by the Hon'ble Supreme Court that Mosquito coils, mats etc. are not insecticide. It is thus clear that impugned good are falling under residuary entry and in terms of Section 4 (2) (b) (i) (d) of the Act the tax payable is at the rate of 13.5%.

Heard the Ld. Counsel for the parties and perused the record.

5. Supporting the order of Assessing Authority passed u/s 25(7) of the Act Ld. representative of appellant reiterated the grounds mentioned in memo of appeal. Challenging the impugned order it is vehemently argued on behalf of the appellant that impugned product is not classified in any Entry of Schedule II (B) and in term of Section 4 (2) (b) (i) (d) the same falls under residuary Entry hence taxable accordingly at the rate of 13.5%. It is stated that the term “insecticide” mentioned under Entry 27 of Schedule II (B) of the Act pertains to agricultural related insecticide while the impugned goods has nothing is do with the agricultural. In support of his arguments Ld. State representative relied on the above mentioned case Law of The Hon’ble Supreme Court pronounced in Raekitt Benckiser case.

6. Adversely, Ld. Counsel for the respondent Shri Anoop Narula, & Shri Shreyas Shrivastava supporting the impugned order argued that Entry 27 relating to insecticides in Schedule II (B) of the UVAT Act can not be restricted merely in reference of plant/agriculture. It is vehemently argued on behalf of the respondent that the specific entry as “insecticides” under Entry 27 of Schedule II (B) of the Act shall prevail over the residuary Entry. It is further argued that the impugned products are understood as insecticides in common parlance. The impugned products are sold by the respondent after obtaining the requisite licence under the Insecticides Rule 1971. Ld. Council for the respondent relied upon various case laws which will be discussed in the body of this judgment.

In view of the rival contention of the parties the point of determination involved in this appeal is as under.

Whether the Impugned product traded by the respondent that is Mosquito Coils, refills, mats, hit under the brand name of Good Knight is classified/classifiable under Entry 27 of Schedule II (B) of the Act. In other words, whether the impugned product will come within the preview of “insecticides” as enumerated under Entry 27 of Schedule II (B) of the Act.

7. In this matter the following facts are undisputed-

(I) The chemical composition of the impugned product is D-Trans Allethrin, Transfluthrin and Pallethrin. All these Chemicals have been enumerated in the Schedule to the Insecticides Act 1968 as “insecticides”.

(II) The respondent possess the license issued to him by the Govt. of India under Rule 10 (4A) (1) of the Insecticides Rule 1971 granting him permission to sale or distribute the impugned product.

8. Entry 27 of the schedule is reproduced as under-

Chemical Fertilizers, micronutrients & plant growth promoters / regulators and their herbicides, rodenticide, insecticides, weedicides, and pesticides.

The term ‘and their’ after the term “plant growth promoter/ regulator” was added by means of amendment after notification number 237/ xxvii(8)/2006 dated 3.5.2007. Prior to this amendment Entry 27 was as follows-

Chemical Fertilizers, Bio-Fertilizer, Micronutrients and plant growth promoters and regulators, Herbicides, Rodenticide, Insecticides, Weedicides and Pesticides.

9. By means of order passed under section 25 (7) of the Act the assessing authority observed that the term “and their” as added by way of amendment after the term “plant growth promoters/regulator” in the concerned Entry signify that the term “insecticides” refers to the agriculture insecticides and not as regard household insecticides. Holding that the impugned products are household insecticide which are not covered under Entry 27 of Schedule II (B) or under any other Entry of the Schedule hence liable to be charged at the rate of 13.5 % tax. According to assessing authority the term “insecticides” mentioned in Entry 27 is restricted merely to the insecticides used for the protection of plant in the course of agriculture.

10. Setting aside the assessment order passed under section 25 (7) of UVAT Act first appellate authority relying upon various case laws hold that being insecticides the impugned products comes within the purview of Entry 27 of Schedule II B and liable to be charged at lower rate of tax, that is 5%. It was observed by the first appellant authority that in Entry 27 of Schedule II (B) each term after coma “,” is independent. The term “Chemical Fertilizer”, “Rodenticides”, “Insecticides” “Weedicides” and “Pesticides” are different and independent in itself and the term “micronutrient and plant growth promoter/regulator and there herbicides” is a single and independent entry in itself which refer to the plant/agriculture. On the basis of above it was observed by the first appellate

authority that the product in question is insecticide as mentioned under entry 27 of Schedule II (B).

11. Having gone through the insecticide Act 1968 it transpires that the production, sale, transport and distribution of insecticide is regulated by the Insecticide Act 1968 read with Insecticide Rules 1971. According to Section 3(c) of Insecticide Act all types of chemicals which are enumerated in the schedule to the Insecticide Act are considered as insecticides. Undisputedly, the chemical composition of the impugned product is D-trans Allethrin, Transfluthrin as active ingredient and these chemicals are enumerated in Schedule to the Insecticide Act. It is also undisputed that the respondent was granted licence under Rule 10(4A)(1) of Insecticide Rule by the government of India for trading the impugned product. It is thus clear that impugned product that is, Mosquito Coils, mat and refill are household insecticides.

Now the question is whether household insecticides comes within the purview of Entry 27 of Schedule II (B) of the UVAT Act or not. In other words whether the term Insecticide as used in Entry 27 refer only to plant/agriculture related insecticides or all kind of insecticides.

12. After perusal of Entry 27 of Schedule II (B) we are of the considered opinion that each goods in entry after Coma ‘ , ’ is separate. In this Entry the term “Chemical Fertilizer”, “Rodenticides”, “Insecticides” “Weedicides” and “Pesticides” are independent in itself and deserve to be read separately and independently. While the entry “Micronutrient and plant growth promoter/regulator

and there Herbicides” is a single and independent entry which appears to be in reference of plant/agriculture. The above mention another independent entries such as “Chemical Fertilizer”, “Rodenticides”, “Insecticides” “Weedicides” and “Pesticides” can be used either in reference of agriculture or anywhere else. It is also pertinent to mention here that this Tribunal in second appeal number 1 & 2 M/S Navneet Traders vs Commissioner Sale Tax has adjudicated upon the same issue holding that each entry after full stop “.” or coma “,” is independent and deserve to be read separately and the term “Insecticides” should be taken to cover all kind of Insecticides as defined under Insecticide Act.

13. Ld. Counsel for the respondent relied upon the case laws pronounced by the Hon’ble High Court of Allahabad in **knight queen industry Private Limited vs state of UP and others, 2006 (145) STC 226 (Allahabad)**. In this matter dealing with the issue of classification of related product it was held by the Hon’ble Court that Mosquito Mat Coil or Refill are Insecticide. It has been held by the Hon’ble Court that D-Trans Allethrin and Pallethrin are used in manufacturing goods which have been described as household insecticides on their product as per the statutory requirement under the Insecticide Act. In the absence of any specific Entry relating to mosquito repellent/mosquito destroyer and at the same time there being an entry mentioning “insecticides” it can reasonably be said that an ordinary person will ordinary understand the product of the petitioner falling under the category of insecticide.

Ld. Counsel for the respondent further relied upon **Sonic Electronic Private Limited vs state of Orissa (1994) 92 STC 117**. In this matter it was held by the Hon'ble High Court of Orissa that Mosquito Repellent Mat are classifiable as Pesticides being Insecticides for the reason that Pesticides includes Insecticides.

In **Ashok Agencies vs state of Karnataka 2008 SCC online Karnataka 141** it was observed by the Hon'ble High Court of Karnataka that Mosquito Repellent is to be covered under the entry of Insecticides and Pesticides under the Karnataka VAT Act.

In **Tranceelectra Domestic Product Private Limited vs CTO Madras on (1993) 90 STC 436** it has been held by the Hon'ble High Court that Mosquito Mat are classifiable as Insecticides. In this matter while interpreting entries Fungicides, Herbicides, Insecticides, Pesticides, Rodenticides and combination thereof the Hon'ble Court observed that Allethrin mosquito Mats are classifiable under the aforesaid entry as Insecticide.

14. As regard the applicability of the ratio of above mentioned case laws Ld. representative of the appellant submitted that above mentioned case laws are in reference of the UP VAT Act, Orissa VAT Act, Madras VAT Act and Karnataka VAT Act. The entries pertaining to insecticides is differently worded in VAT Act of the above mentioned States. On the basic of above it is argued on behalf of appellant that these case law are not applicable to the present matter, that is in reference of the Uttarakhand VAT Act. We have gone through the relevant Entry of the above

mentioned State VAT Acts. The term “insecticide” find place in the relevant Entry of all the above mentioned state legislations and the same is also included under Entry 27 Schedule II (B) of Uttarakhand VAT Act. We are of the considered view that this argument of appellant is not sustainable.

**15.** Other contention of Ld. counsel for the appellant is that Entry 27 will not cover impugned product such as Mosquito Repellent because the same type of products were excluded from Entry 41 Schedule II (B) of Uttarakhand VAT Act. Which indicate that Mosquito Repellent was never intended to be covered under Entry 27 of Schedule II (B) of the Act.

Entry 41 is reproduced as under –

Drugs and Medicine whether patent or proprietary; as defined in section 3(a) or clause (i), (ii) and (iii) of section 3(b) of the Drugs and Cosmetics Act, 1940 (Central Act 23 of 1940) or Rule 3(dd) of the Drugs and Cosmetics Rules, 1945; including vaccines, hypodermic syringes, hypodermic needles, catguts, sutures, surgical cotton, dressings, plasters, catheters, cannulae, bandages, medicated ointments produced under drug licence, light liquid paraffin of IP grade and similar articles but not including the following medicated goods-

- (i) all kinds of oil
- (ii) tooth pastes, tooth powder and other dentifrices
- (iii) soap
- (iv) shampoo

- (v) cosmetics and toilet preparations
- (vi) talcum powder
- (vii) mosquito repellent in any form

**16.** The items enumerated in this entry appears to be drugs or medicine. We are of the opinion that such kind of Mosquito Repellent which are commonly treated as medicine and sold as such are excluded from Entry 41 of the schedule II (B). Entry 41 is intended to excluded only cream based Mosquito Repellent such as Odomos. Cream based Mosquito Repellent are very different from Coil, Vaporizers and Aerosol because these are potent chemical developed to interfere with olfactory system of Mosquitoes. Further, it is settled principal of law as propounded by the Hon'ble High Court in **Hewlett Packard India Sales Private Limited vs State of Assam 2012 (56) VST 472** that mainly because a product has been excluded from one entry does not mean that it is excluded from the entire schedule. On the basis of discussion it is clear that mainly because mosquito repellent which are in the nature of drug was excluded from Entry 41 does not mean that it is excluded from Entry 27 of Schedule II (B) as well. The exclusion from this Entry pertaining to drug was intended to exclude cream based mosquito repellent which are in the nature of drug from the category of drugs and that does not mean that the impugned product are excluded entirely from the schedule.

**17.** We are of the opinion that "Insecticide" is specie and mosquito repellent products such as Mosquito Coil, mats, refills etc are nothing but different forms of

“Insecticides” such as D- terns Allthrin, Prallethrin, Transfluthrin etc. The impugned products traded by the respondent deserve to be classified as “insecticide” as appearing in Entry 27 Schedule II (B) of Uttarakhand VAT Act.

**18.** Ld. State representative relied on **M/s Raeckitt Benckiser (India) Ltd. Vs Commissioner taxes and others. Civil appeal no. 1335 of 2010. decided on 10.04.2023.** We have gone through this Rulling of Hon’ble Supreme Court. This case law relates to an entry under Kerala Vat Act. The concerned entry under Kerala Vat Act is different from the entry under consideration. We are of the considered opinion that the rulling relied upon by appellant has no applicability is the facts of present case.

**19.** The contention of the appellant is that the impugned products are classifiable under Residuary Category as the same are not specifically mentioned in any Entry of the Schedule. In this regard Ld. Counsel for the respondent asserted that specific Entry for “insecticide” under Entry 27 part II Schedule (B) would prevail our residuary entry. Ld. Counsel for the respondent relied upon **Maruti yeast India Private Limited vs state of UP & others (2008) 5 SCC 680.** In this case law it has been held by the Hon’ble Apex Court that it is now well settled principle of law that in interpreting different entries attempt should be made to find out as to whether the same answer the description of the content of basis entry and only in the event it is not possible to do so, recourse to the residuary entry should be taken by way of last resort. **It is thus well established rule of classification that a product can be**

**classified under a residual entry if the same is not classifiable under any other entry. If an item can reasonably be covered under any specific Entry in the Schedule the same should not be put under residuary category.** Undisputedly, the respondent, on his official website list out goods in questions as “household insecticide”. In common parlance also the goods are understood as insecticides.

**20.** Further, the same issue came for consideration before this Tribunal in second appeal number 1 & 2 of 2022, **M/S Navneet Traders vs Commissioner Sale Tax.** In this case the tribunal examined Entry 27 and 41 of Schedule II (B) of the Act. It has been held in this matter that impugned products are covered under Entry 27 of the Schedule under the head of “insecticide”. The tribunal in this case made it clear that all items of this Entry should be read separately and independently as per comma after each item. This fact also strengthen the claim of the respondent.

**21.** On the basis of above discussion we are of the considered opinion that Ld. first appellate Authority has rightly come to the conclusion that the impugned product is Insecticide and the same is covered under Entry 27 of the Schedule II (B) of UVAT Act. The term Insecticide as mentioned in Entry 27 of the Schedule is not restricted merely to the kind of Insecticides used for the protection of plant in the course of agriculture. The term “Insecticides” is independent and should be read separately sufficient to cover the “household insecticides” as well.

**22.** There is no illegality in impugned order dated 21.05.25 passed by first appellate authority in first appeal number 73/2025. This second appeal has no force.

The impugned order deserved to be upheld and this second appeal is liable to be dismissed.

**ORDER**

Accordingly, the impugned order dated 21.05.25 passed in first appeal no. 73/2025 is upheld and this Second appeal no 44 of 2025, Commissioner Sales Tax vs M/s Godrej Consumer Products Ltd. is hereby dismissed. Let the file be consigned.

S/d- 20/12/2025

**(Anjali Benjwal)**  
**Member,**  
**Commercial Tax Tribunal,**  
**Uttarakhand, Dehradun.**

S/d- 20/12/2025

**(Malik Mazhar Sultan)**  
**President,**  
**Commercial Tax Tribunal,**  
**Uttarakhand, Dehradun.**

**Dated : 20 December, 2025.**