

No.12-13/2018-19-EXN-GST- 23215-23223
Excise and Taxation Department
Himachal Pradesh

From

The Excise and Taxation Commissioner,
Himachal Pradesh, Shimla-9.

To

1. **The Addl./Jt. Commissioner State Tax and Excise (SZ) Shimla, (CZ) Mandi, (NZ) Palampur.**
2. **Jt. Commissioner State Tax and Excise (FS/SZ) Parwanoo, (FS/CZ) Una, (FS/NZ) Palampur.**
3. **The Dy. Commissioner State Tax and Excise, Distt. Shimla, Solan, Sirmour, Baddi, Kullu, Hamirpur, Bilaspur, Una, Chamba, Kangra, Mandi, Nurpur.**
4. **Asstt. Commissioner State Tax and Excise Kinnaur.**

Dated:

Shimla-9,

1-8-
July, 2018.

Subject: - Levy of GST on ENA.

Sir,

This is ^{with} reference to the issue raised on the captioned subject during the Video Conference held on 30.06.2018. This matter was discussed in the 20th meeting of GST Council on 05.08.17 wherein it was decided to obtain legal opinion of Attorney General of India. Attorney General of India vide reference no AGI 6/2017-Adv.C dt 03.12.18 has given following opinion on the issue:

"ENA typically contains 95% alcohol by volume and as such is not fit for human consumption. Under article 246A (1) read with 366(12A), GST cannot be levied on the supply of "alcoholic liquor for human consumption". ENA that is used for manufacture of alcoholic liquor is not supply for the purpose of human consumption as it is not consumed directly, but goes through a process of manufacture.

For the reasons above, I am of the opinion that the judgment of the court in "Bihar Distillery" does not denude the Centre or the States of the power to levy GST on ENA that is used to manufacture alcoholic liquor for human consumption."

In view of the above it is informed that GST will be applicable on the supply of ENA which is used for the manufacturing of alcoholic liquor for human consumption. Accordingly the suppliers of ENA are required to be registered under GST Act & GST is to be levied on the supply of ENA. It is further informed that as per entry no. 25 of Schedule-III of the notification no. 01/2017 State Tax (Rate) dt. 30.06.2017 & 01/2017- Central Tax (Rate) dt. 28.06.2017 the supply of ENA is exigible to be taxed @ 18% GST.

Yours faithfully,

End.

संज्ञक
OM F.No. 354/147/2017 TRU
dated 16-1-2018

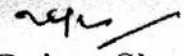


(Rajeev Sharma),
Commissioner of State Tax & Excise,
Himachal Pradesh, Shimla-09.

Endst. No. 12-13/2018-19-EXN-GST-23224 dated 1 July, 2018.

Copy forwarded to:-

Sh. Mohit Tewari, Under Secy. (TRU-I), Room No. 146 G,
North Block, New Delhi w.r.t. his Office Memorandum F.No. 354/114/2017-
TRU dated 16.01.2018 for information please.



(Rajeev Sharma),
Commissioner of State Tax & Excise,
Himachal Pradesh, Shimla-09.