

**ORDER OF CLARIFICATION MADE BY SH. RAMENDRA JAKHU,
FINANCIAL COMMISSIONER & PRINCIPAL SECRETARY,
GOVERNMENT OF HARYANA, EXCISE AND TAXATION
DEPARTMENT UNDER SECTION 56 (3) OF THE
HARYANA VAULE ADDED TAX ACT, 2003.**

Querist: M/s Satyam Enterprises,

**Subject: Clarification under section 56(3)- M/s Satyam Enterprises,
Sector-5, Palam Vihar Road, Gurgaon**

M/s Satyam Enterprises , Sector-5, Palam Vihar Road, Gurgaon is a dealer holding L-1 license and has sought clarification under section 56(3) of the Haryana VAT Act as to whether the imported liquor purchased by it from the importer L-1 BF licensee, after paying 25% VAT on such purchases, when sold to various L-2 licensees, attract further VAT @ 25% and whether the applicant is entitled to claim input tax credit on sales of such imported liquor when sold to L-2 licensees. The matter has been examined. As per entry 5 of schedule 'A' appended to the Haryana VAT Act, VAT on sale of IFL (Bottled in Origin) in the state is leviable at the 1st stage of sale in the state. 1st sale in the state, of IFL (Bottled in origin), is at the hands of L-1 BF licensee who imports the liquor in the state for the first time. Over all scheme of Haryana VAT Act and Excise Policy of the state for the year 2009-10 and 2010-11 provides for levy of VAT on imported liquor (Bottled in Origin) only at the 1st stage of sale in the state and there is no provision for levy of VAT on such imported liquor at any other stage. Hence IFL (Bottled in Origin), purchased by the L-1 licensee, the applicant querist in this case, does not attract any VAT liability at the hands of L-1 licensee when such liquor is sold by the L-1 licensee, it being a subsequent sale and not 1st sale in the state. Since the L-1 licensee has no liability to pay VAT on IFL (Bottled in Origin) sold by it to the L-2 licensee, question of claim regarding input tax credit of the tax paid by the L-1 licensee on purchases of IFL (Bottled in Origin) from the L-1 BF licensee does not comes into question. Matter is clarified accordingly.



(RAMENDRA JAKHU)

Chandigarh
Dated:

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

From

Excise & Taxation Commissioner,
Haryana, Panchkula.

To

All the Dy. Excise & Taxation Commissioner (ST),
in the State of Haryana.Memo No. 917 /ST-1,
Panchkula, dated the 22-6-2010**Subject :- Circulation of Clarification-M/s Satyam Enterprises, Sector-5, Palam Vihar
Road, Gurgaon.****MEMORANDUM**

A copy of clarification order issued by Financial Commissioner & Principal Secretary to Government Haryana, Excise & Taxation department under section 56(3) of Haryana Value Added Tax Act, 2003 sought by M/s Satyam Enterprises, Sector-5, Palam Vihar Road, Gurgaon is sent herewith for information and necessary action by all the concerned.

D. B. 18/6/10
Superintendent (Sales Tax)

for Excise & Taxation Commissioner, Haryana.

Endst. No. 918 /ST-1, Panchkula, dated the 22-6-2010
A copy alongwith copy of clarification is forwarded to the following for information and necessary action :-

- Regd. 1. Sh. Jatin Virmani, Proprietor, M/s Satyam Enterprises, Sector-5, Palam Vihar Road, Gurgaon.
2. Addl. Excise & Taxation Commissioner, Haryana Institute of Public Administration, 76 HIPA Complex, Sector-18, Gurgaon.
3. Jt. Excise & Taxation Commissioner (Division/Range) Ambala, Faridabad, Gurgaon and Hisar.
4. All Joint. Excise & Taxation Commissioners (Appeals) in the State of Haryana.
5. Senior Deputy Accountant General (Audit), Haryana, Chandigarh.
6. Dy. Excise & Taxation Commissioner (Vigilance), Haryana Vigilance Bureau, Sector - 6, Panchkula.

D. B. 18/6/10
Superintendent (Sales Tax)

for Excise & Taxation Commissioner, Haryana.

Endst. No. 919 /ST-1, Panchkula, dated the 22-6-2010
A copy alongwith copy of clarification is forwarded to the following in the Head Office for information and necessary action :-

1. All Addl. Excise and Taxation Commissioners
2. Flying Squad Officer
3. All Jt. Excise & Taxation Commissioners
4. Jt. Director (L)-I and II
5. Dy. Excise & Taxation Commissioners
6. DA-I and II
7. DDA-I & II
8. Superintendent (C) for sending E-mail to all the DETC(ST) and uploading on website.
9. ST-II only (For adding in Annual Sales Tax Circular, 2010).

D. B. 18/6/10
Superintendent (Sales Tax)

for Excise & Taxation Commissioner, Haryana.