

**GIB/Goa/Springfield/29.06.2020/AAR-339**

**Advance Ruling Category :** Exemption & Rate

**State :** Goa

**Order No.:** GIB/Goa/Springfield/29.06.2020/AAR-339

**Name of Entry :**

Springfield (India) Distilleries

**Date :** 29-06-2020

**Breif Issue :**

**Facts & Issue Of The Case :**

The applicant Springfield (India) Distilleries is registered partnership firm manufacturing Hand sanitizers has filed an application under section 97 of the Goa Goods & Services Tax Act, 2017 & the Central Goods & Services Tax Act, 2017.

The applicant, seeking an advance ruling in respect of the following issue:

1. Hand Sanitizer is covered under following HSN Code & rate 30049087 – Antihypertensive drugs : Antibacterial formulations not elsewhere specified or included HS Code and Indian Harmonized System Code. Rate of GST is 12%.
2. The Ministry of Consumer Affairs, Food and Public Distribution, in a notification CG-DL-E13032020-218645 has classified Hand Sanitizers under the Essential Commodities Act, 1955 as an essential commodity and thus exempt from GST.

The applicant approached the Goa bench to seek classification of hand sanitisers supplied by the company and hand sanitiser attracted GST @ 12%. The company also sought to know if sanitisers would be exempt from GST since it is now an essential commodity.

Tax officials believe that many manufacturers and suppliers are categorising alcohol-based hand sanitiser under tariff heading 3004 whereas it should actually be under tariff heading 3808 of HSN (Harmonised System of Nomenclature). The GST rate on products under tariff heading 3004 is 12% while for those under 3808, it is 18%.

**Decision of Advance Ruling Authority :**

**Decision :**

Authority for advance ruling held that Hand Sanitizer are covered under HSN 3808 and applicable rate of GST is 18%. Authority also clarified that just because a product is covered under essential commodity it does not mean it is exempt. Notification No. 1/2017-CT(R), dt. 28.06.2017, shall be referred for exemption.