

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NOS. 8191-8193 OF 2011

M/S HEMADRI ENTERPRISES

.....Appellant(s)

Vs.

STATE OF A.P. & ORS.

.....Respondent(s)

WITH

CIVIL APPEAL NO. 8194 OF 2011

WITH

CIVIL APPEAL NO. 8195 OF 2011

WITH

CIVIL APPEAL NO. 8196-8199 OF 2011

WITH

CIVIL APPEAL NO. 8203 OF 2011

WITH

CIVIL APPEAL NOS. 8204-8206 OF 2011

WITH

CIVIL APPEAL NO. 6614 OF 2012

WITH

CIVIL APPEAL NO. 6615 OF 2012

WITH

CIVIL APPEAL NO. 6616 OF 2012

O R D E R

The issue agitated in these appeals is whether under the provisions of the Andhra Pradesh Value Added Tax Act, 2005 (hereinafter referred to as "the Act"), the appellant is

entitled to input tax credit in respect of the transaction of purchase of used liquor recycled bottles which had suffered tax earlier.

The appellant is a registered dealer under the Act; it buys used beer/liquor bottles from hawkers and unregistered dealers and sells them to breweries and distilleries after cleaning them. It claimed input tax credit which was denied by the assessing officer. In some other proceedings, it sought an advance ruling; the authority ruled in its favour.

In assessments which had been completed the revenue held that input tax credit was inadmissible; the tribunal upset assessment orders, and the orders of the advance ruling authority. The revenue went in revision against the order of the Tribunal, which had set aside the ruling of the advance authority. The High Court in its judgment "*Sree Manasa Enterprises & Ors. vs. Commercial Tax Officer & Ors.*" [Manu/AP/0452/2009] held that the appellant was dis-entitled to input credit because a composite duty/tax of 70% had been levied on the bottles which contained the beer/liquor. The revenue had contended that the input credit was inadmissible primarily because the recycled bottles were sourced from unregistered dealers and hawkers and, therefore, did not confirm to the provision of the A.P. VAT Act and Rules (regulating admissibility of input credit) inasmuch as invoices were unavailable.

Having heard learned counsel for the parties and also having considered the provisions of the A.P. VAT Act, this

Court is of the opinion that no exception can be taken to the impugned judgments of the High Court which its ruling in "*Sree Manasa Enterprises*" followed.

The appeals are, accordingly, dismissed.

.....J.
(S. RAVINDRA BHAT)

.....J.
(DIPANKAR DATTA)

New Delhi;
March 22, 2023.

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

Civil Appeal No(s). 8191-8193/2011

M/S HEMADRI ENTERPRISES

Appellant(s)

VERSUS

STATE OF A.P. & ORS.

Respondent(s)

WITH

C.A. No. 8194/2011 (XII-A)

C.A. No. 8195/2011 (XII-A)

C.A. No. 8196-8199/2011 (XII-A)

C.A. No. 8203/2011 (XII-A)

C.A. No. 8204-8206/2011 (XII-A)

C.A. No. 6614/2012 (XII-A)

C.A. No. 6615/2012 (XII-A)

C.A. No. 6616/2012 (XII-A)

Date : 22-03-2023 These appeals were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE S. RAVINDRA BHAT

HON'BLE MR. JUSTICE DIPANKAR DATTA

For Appellant(s) Dr. M.V.K Moorthy, Adv.
Mr. Hitendra Nath Rath, AORMr. S. Nandakumar, Adv.
Ms. Deepika Nandakumar, Adv.
Mr. Anand Murthi Rao, Adv.
Mr. V. N. Raghupathy, AOR

Mr. C. Balakrishna, AOR

For Respondent(s) Ms. C. K. Sucharita, AOR

Mr. D. Mahesh Babu, AOR

M/S. Venkat Palwai Law Associates, AOR

Sriharsha Peechara, Adv.
Duvvuri Subrahmanya Bhanu, Adv.
Mr. Rajiv Kumar Choudhary, AOR

Mr. Mahfooz A. Nazki, AOR
Mr. Polanki Gowtham, Adv.
Mr. T. Vijaya Bhaskar Reddy, adv.
Ms. Rajeswari Mukherjee, Adv.
Mr. K.V. Girish Chowdary, Adv.
Ms. Niti Richhariya, Adv.

UPON hearing the counsel the Court made the following
O R D E R

The appeals are dismissed in terms of the signed order.

All pending applications are disposed of.

(NEETA SAPRA)

COURT MASTER (SH)

(Signed order is placed on the file)

(MATHEW ABRAHAM)

COURT MASTER (NSH)