

**GOVERNMENT OF TAMIL NADU
COMMERCIAL TAXES DEPARTMENT**

**OFFICE OF THE COMMISSIONER OF COMMERCIAL TAXES
EZHILAGAM, CHENNAI – 600 005**

**PRESENT: DR. T.V. SOMANATHAN, I.A.S.,
ADDITIONAL CHIEF SECRETARY /
COMMISSIONER OF STATE TAX**

**Circular No.87/2019-TNGST
(PP6/35622/2019)**

dated: 20.12.2019

Sub:	Procedure to claim refund in FORM GST RFD-01 subsequent to favourable order in appeal or any other forum – regarding
Ref:	Circular No 111/30/2019-GST, dated 03.10.2019 issued by the Department of Revenue, Ministry of Finance, Government of India, New Delhi.

Doubts have been raised on the procedure to be followed by a registered person to claim refund subsequent to a favourable order in appeal or any other forum against rejection of a refund claim in **FORM GST RFD-06**. The matter has been examined and in order to clarify this issue and to ensure uniformity in the implementation of the provisions of the law across field formations, the Commissioner, in exercise of his powers conferred by section 168 of the Tamil Nadu Goods and Services Tax Act, 2017 (hereinafter referred to as "TNGST Act") hereby clarifies the issues raised as below:

2. Appeals against rejection of refund claims are being disposed offline as the electronic module for the same is yet to be made operational. As per rule 93 of the Tamil Nadu Goods and Services Tax Rules, 2017 (hereinafter referred to as "TNGST Rules"), where an appeal is filed against the rejection of a refund claim, re-crediting of the amount debited from the electronic credit ledger, if any, is not done till the appeal is finally rejected. Therefore, such rejected amount remains debited in respect of the particular refund claim filed in **FORM GST RFD-01**.

3. In case a favourable order is received by a registered person in appeal or in any other forum in respect of a refund claim rejected through issuance

of an order in **FORM GST RFD-06**, the registered person would file a fresh refund application under the category "Refund on account of assessment/provisional assessment/appeal/any other order" claiming refund of the amount allowed in appeal or any other forum. Since the amount debited, if any, at the time of filing of the refund application was not re-credited, the registered person shall not be required to debit the said amount again from his electronic credit ledger at the time of filing of the fresh refund application under the category "Refund on account of assessment/provisional assessment/appeal/any other order". The registered person shall be required to give details of the type of the Order (appeal/any other order), Order No., Order date and the Order Issuing Authority. The registered person would also be required to upload a copy of the order of the Appellate or other authority, copy of the refund rejection order in **FORM GST RFD 06** issued by the proper officer or such other order against which appeal has been preferred and other related documents.

4. Upon receipt of the application for refund under the category "Refund on account of assessment/provisional assessment/appeal/any other order" the proper officer would sanction the amount of refund as allowed in appeal or in subsequent forum which was originally rejected and shall make an order in **FORM GST RFD 06** and issue payment order in **FORM GST RFD 05** accordingly. The proper officer disposing the application for refund under the category "Refund on account of assessment/provisional assessment/appeal/any other order" shall also ensure re-credit of any amount which remains rejected in the order of the appellate (or any other authority). However, such re-credit shall be made following the guideline as laid down in para 4.2 of Circular no. 37/2018 – TNGST dated 05.04.2019.

5. The above clarifications can be illustrated with the help of an example. Consider a registered person who makes an application for refund of unutilized ITC on account of export to the extent of Rs.100/- and debits the said amount from his electronic credit ledger. The proper officer disposes the application by allowing refund of Rs.70/- and rejecting the refund of Rs. 30/. However, he does not re-credit Rs.30/- since appeal is preferred by the claimant and accordingly **FORM GST RFD 01B** is not uploaded. Assume that the appellate authority allows refund of only Rs.10/- out of the Rs. 30/- for which the registered person went in appeal. This Rs.10/- shall be claimed afresh under the category "Refund on account of assessment/provisional assessment/appeal/any other order" and processed accordingly. However, subsequent to processing of this claim of Rs.10/- the proper officer shall re-credit Rs.20/- to the electronic credit ledger of the claimant, provided that the registered person is not challenging the order in a higher forum. For this

purpose, **FORM GST RFD 01B** under the original ARN which has so far not been uploaded will be uploaded with refund sanctioned amount as Rs.80/- and the amount to be re-credited as Rs. 20/-. In case, the proper officer who rejected the refund claim is not the one who is disposing the application under the category "Refund on account of assessment/provisional assessment/appeal/any other order", the latter shall communicate to the proper officer who rejected the refund claim to close the ARN as above only after obtaining the undertaking as referred in para 4.2 of Circular no. 37/2018 – TNGST dated 05.04.2019.

Sd/- T.V.Somanathan
Commissioner of State Tax
Tamil Nadu

To,

All the Joint Commissioners (ST) (Territorial) in the State including LTU

Copy to:-

1. Principal Secretary to Government, CT & R Department, Chennai 600 009
2. All Additional Commissioners, O/o the CCT, Ezhilagam, Chennai 600 005
3. The Joint Commissioner (CS) to host in the departmental website
4. The Director, CT Staff Training Institute, Chennai
5. The Secretary, TNSTAT, Chennai 104
6. All the Joint Commissioners (ST) (Intelligence) in the State
7. All Deputy Commissioners (ST) in the State including Intelligence
8. All the Heads of Assessment Circles

//forwarded / by / order//


Assistant Commissioner


23/12/19