

**GOVERNMENT OF WEST BENGAL
DIRECTORATE OF COMMERCIAL TAXES
14, BELIAGHATA ROAD, KOLKATA-700015**

TRADE CIRCULAR No. 07/2020

(Corresponding Central Circular No. 139/09/2020-GST)

DATED: 06. 07.2020

Subject: Clarification on refund related issues

Various representations have been received seeking clarification on the issue relating to refund of accumulated ITC in respect of invoices whose details are not reflected in the **FORM GSTR-2A** of the applicant. In order to clarify these issues and to ensure uniformity in the implementation of the provisions of law in this regard across the field formations, the Commissioner, in exercise of its powers conferred by section 168 of the West Bengal Goods and Services Tax Act, 2017 (hereinafter referred to as “WBGST Act”), hereby clarifies the issues detailed hereunder:

2. Trade Circular No. 06/2020 dated the 21st April, 2020 states that:

“5. Guidelines for refunds of Input Tax Credit under Section 54(3)

5.1 In terms of para 36 of Trade Circular No. 45/2019 dated 21.11.2019, the refund of ITC availed in respect of invoices not reflected in FORM GSTR-2A was also admissible and copies of such invoices were required to be uploaded. However, in wake of insertion of sub-rule (4) to rule 36 of the WBGST Rules, 2017 vide notification No. 1730-F.T., dated 16.10.2019, various references have been received from the field formations regarding admissibility of refund of the ITC availed on the invoices which are not reflecting in the FORM GSTR-2A of the applicant.

5.2 The matter has been examined and it has been decided that the refund of accumulated ITC shall be restricted to the ITC as per those invoices, the details of which are uploaded by the supplier in FORM GSTR-1 and are reflected in the FORM GSTR-2A of the applicant. Accordingly, para 36 of the Trade Circular No. 45/2019, dated 21.11.2019 stands modified to that extent.”

3.1 Representations have been received that in some cases, refund sanctioning authorities have rejected the refund of accumulated ITC in respect of ITC availed on Imports, ISD invoices, RCM etc. citing the above-mentioned Circular on the basis that the details of the said invoices/ documents are not reflected in **FORM GSTR-2A** of the applicant.

3.2 In this context it is noteworthy that before the issuance of Trade Circular No. 06/2020 dated the 21st April, 2020, refund was being granted even in respect of credit availed on the strength of missing invoices (not reflected in **FORM GSTR-2A**) which were uploaded by the applicant along with the refund application on the common portal. However, vide Trade Circular No. 06/2020 dated the 21st April, 2020, the refund related to these missing invoices has been restricted. Now, the refund of accumulated ITC shall be restricted to the ITC available on those invoices, the details of which are uploaded by the supplier in **FORM GSTR-1** and are reflected in the **FORM GSTR-2A** of the applicant.

4. The aforesaid circular does not in any way impact the refund of ITC availed on the invoices / documents relating to imports, ISD invoices and the inward supplies liable to Reverse Charge (RCM supplies) etc.. It is hereby clarified that the treatment of refund of such ITC relating to imports, ISD invoices and the inward supplies liable to Reverse Charge (RCM supplies) will continue to be same as it was before the issuance of Trade Circular No. 06/2020 dated the 21st April, 2020.

5. Difficulty, if any, in implementation of this Trade Circular may please be brought to the notice of the Commissioner.

6. This Trade Circular shall be deemed to have come into force with effect from the 10th day of June, 2020.

Sd/-
(Devi Prasad Karanam)
Commissioner, State Tax,
West Bengal

Date: 06. 07.2020

Memo. – 157 CT/PRO
3C/PRO/2020

Copy forwarded to the Additional CST/ISD for information and for uploading it on the official website of the Directorate for information of all concerned.

Sd/-
(Nabanita Paul)
Additional CST & PRO

