

Office of the
Commissioner of State Tax,
(GST), Maharashtra State,
8th floor, GST Bhavan,
Mazgaon, Mumbai-400010.

TRADE CIRCULAR

To,

.....
.....

No. JC/HQ-I/GST/Refund/2017-18/01/ADM-08

Mumbai, Date 01/01/2018

Trade Cir. No. 1 T of 2018

Subject : Manual filing and processing of claim of refund of excess balance in electronic cash ledger.

Ref. : (1) Order of Distribution of cases No. 1/2017-GST/Maharashtra dated the 22nd November 2017.
(2) Trade Circular No. 49 of 2017 dated the 28th November 2017
(3) Trade Circular No. 52 of 2017 dated the 11th December 2017.

Sir/Gentlemen/Madam

1. Background:

- 1.1. Your attention is invited towards the Trade Circular No. 49 of 2017 dated 28th November 2017 which explains the manual filing and processing of refund claims related to zero-rated supply of goods or services or both as also the Trade Circular No. 52 of 2017 dated 11th December 2017.
- 1.2. Due to the non-availability of the refund module on the common portal, it has been decided by the competent authority, on the recommendations of the Council, that the applications /documents /forms pertaining to refund claims on account of excess balance in electronic cash ledger shall be filed and processed manually till further orders. In this regard, the undersigned, in exercise of powers conferred

under section 168 (1) of the Maharashtra Goods and Services Tax Act, 2017 (hereinafter referred to as the “MGST Act”) hereby clarifies that the contents of the Trade Circular No. 49 of 2017 dated 28th November 2017 shall also be applicable to the refund claims on account of excess balance in electronic cash ledger inasmuch as they pertain to the method of filing of the refund claim and its processing which is consistent with the relevant provisions of the MGST Act, 2017 and Maharashtra Goods and Services Tax Rules, 2017 (hereafter referred to as the “MGST Rules”)

1.3. It is clarified that refund claims on account of excess balance in electronic cash ledger shall be filed for a tax period on a monthly basis in **FORM GST RFD-01A**.

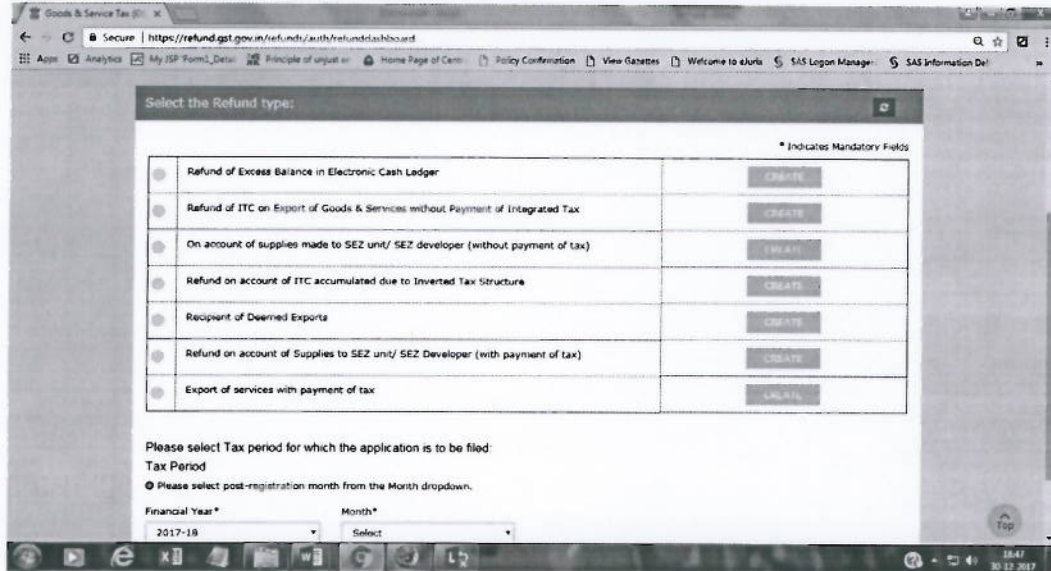
2. PREPARATION OF APPLICATION FOR REFUND:

2.1. The registered taxable person who desires to get the refund of excess balance in the electronic cash ledger is required to file application manually in **FORM GST RFD-01A** (as notified in the MGST Rules vide notification No. 55/2017 –State tax dated 15.11.2017. All the details in the said form is to be filled appropriately.

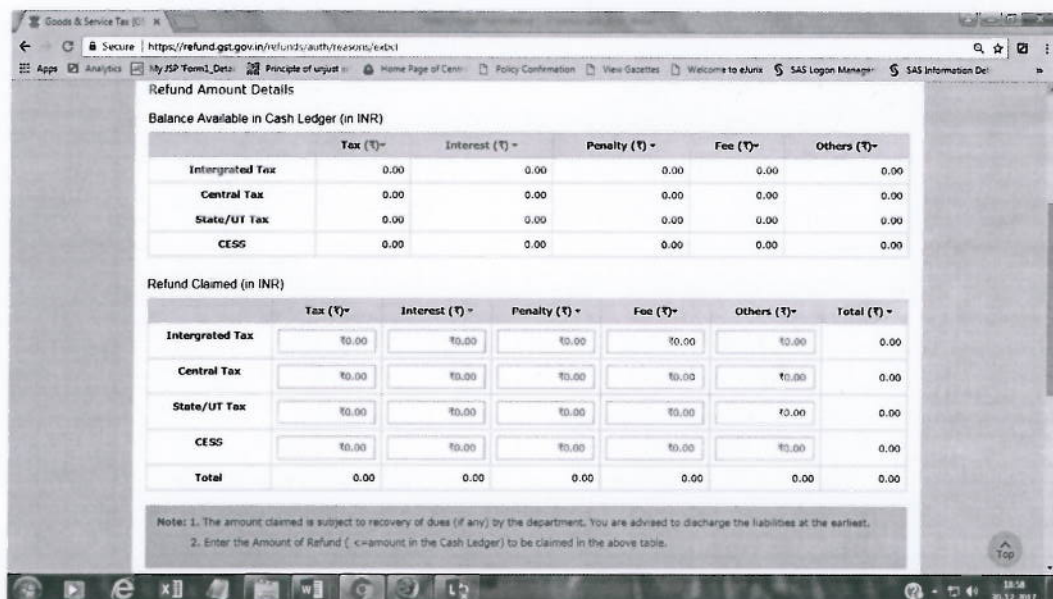
2.2. The applicant who desires to get the refund of the balance in the electronic cash ledger shall access the common portal i.e. www.gst.gov.in and fill the appropriate details, of the claim of refund of the excess balance in the Electronic Credit Ledger, in the TABLE made available on the common portal with the use of appropriate Log-in Id and password. The process flow diagram is given below:

**Login Id>password>Services>Refund> Application for Refund>
>Select the refund type>select the Create application>fill the
application>take print out>submit the printout to designated GST
Officer.**

2.3. After accessing option Services available at the common portal under “Application for refund” Tab the applicant would be directed to next screen which would appear as given below:



2.4. This screen displays the list of Refund Type(s). From the said list select the type of refund as “Refund of Excess Balance in Electronic Cash Ledger” and then press the “create” button displayed in front of the said row. This will take the applicant to the next screen where the following will appears.



- 2.5. The first TABLE as above i.e. Balance available in the Cash Ledger shows the actual cash balance in the electronic cash ledger of Integrated Tax, Central Tax, State/UT Tax and Cess, as on the date of creation of refund application.
- 2.6. In the second TABLE shown above, provided on the common portal, the applicant need to fill the details in the appropriate head for which he desires to seek the refund of the cash balance in the electronic cash ledger. After filling the desired amount in the above TABLE, the applicant shall select the Bank Account Number from the drop down list. It may be noted that for claiming he refund from the excess balance in the electronic cash ledger the selection of period of refund or the month of refund is not required.
- 2.7. In case, an applicant desires the refund amount in another preferred bank account which is not appearing in the drop down list then applicant is requested to add that bank account by filing amendment to registration record (non-core amendment) form. For this the applicant may go the >Registration>Non-core amendment> and add details including Bank Name, Branch Name, IFS Code. The facility given for choosing the Bank IFSC may be used so that no error is made while filling information about bank details. Once the Bank details are updated then the said refund amount determined as per the provisions of the law will be disbursed and credited to the said preferred Bank account.
- 2.8. Needless to say that the applicant shall first discharge the outstanding liability, if any, in respect of IGST, CGST, SGST and cess and then only seek the refund of the cash balance in the said ledger. It may also be noted that the amount claimed as refund is subject to recovery of the dues, if any, by the department. Hence, the applicant is advised to discharge any outstanding liability under IGST, CGST, SGST and cess at the earliest.

2.9. It may please be noted that,-

- 2.9.1. Once the applicant has filled all the details in given Table, please save the form before you proceed to Submit.
- 2.9.2. Please **correct any errors** occurred during preparation and do not forget to save the said FORM before proceeding to submit.
- 2.9.3. It may please be kept in mind that once "**Proceed**" button is clicked and form is submitted, **no modification will be allowed**. Therefore due care may please be taken before pressing the "Proceed" button.
- 2.9.4. The Electronic Cash ledger balance visible here is the current balance in the Electronic Cash ledger.
- 2.9.5. Application can be saved at any stage of completion for a maximum time period of 15 days. If the same is not submitted within 15 days from the date of form creation, the saved draft will be purged from the GST database. The applicant after 15 days may follow the same procedure for creation and submission of refund Application in FORM-RFD-01A.

3. UPLOAIDNG OF INFORMATION SEEKING REFUND FROM BALANCE IN THE ELECTRONIC CASH LEDGER AT GSTN PROTAL:

- 3.1. Once the aforesaid steps are followed and application is saved then the message as "Saved successfully" will appear at the top left hand side of the Table. After doing so the "PROCEED" button will get activated. Press the said button. You will be taken to the next window, where, after checking the Box for declaration the applicant is required to submit the said application with the EVC or, as the case may be, Digital Signature Certificate (DSC) wherever applicable.
- 3.2. After successful submission, refund ARN receipt will be generated. Take the printout of the same and submit to the appropriate authority as explained below.

3.3. The cases which are assigned to the State wide order of distribution of tax payer cited at Ref. (1) above, the application in FORM-GST-RFD-01A complete in all respect alongwith ARN receipt generated at common portal the printout of the same shall be submitted to the appropriate Official in the office of the concerned Joint Commissioner of State tax and in case, the office of the Joint Commissioner of State tax, does not exist then to the head of the location. The location wise list where the application is to be submitted is given in the **ANNEXURE-B** of the Trade Circular No. 49 of 2017 dated 28th November 2017.

3.4. The tax payer who is neither assigned to the State Tax Authority nor to the Central Tax Authority and who desires to submit the application for refund to the MGSTD, then under such circumstances, the refund application shall be accepted,-

(a) in case the registered place of business of the said tax payer is situated in Brihan Mumbai, then in the Office of the Joint Commissioner of State tax (MUM-VAT-F-001), Nodal-1, 5th Floor, "E-Wing", New Building, GST Bhavan, Mazgaon, Mumbai-400010.

(b) at Pune location, in the office of the Joint Commissioner of State tax (VAT-PUN-F-001), 201, 2nd Floor, Off. Golf Club, Air Port Road, Yerawada, Pune-411006.

(c) at the location other than Brihan Mumbai and Pune in the office of the Joint Commissioner of State tax where such office exists and in any other case in the office of the head of the location.

4. RECEIPT OF REFUND APPLICATION:

4.1. As explained above, the application will be received in the Office of the Joint Commissioner of State tax and in case that the office of the Joint Commissioner does not exist then to the head of the Location as given in the **ANNEXURE-B** attached to Trade Circular No. 49 of 2017 cited at Ref. (2) above. It is informed that the applicant shall submit the application in FORM-RFD-01A in duplicate so that the suitable receipt of the application is given.

4.2. After receipt of the application, it will be verified that the application is in order and requisite details as given in this Trade Circular are attached. After it is found that the application is in order and the refund ARN printout is enclosed then a receipt will be given by putting appropriate stamp and date of receipt of the application.

5. ACKNOWLEDGEMENT FOR REFUND OF APPLICATION:

5.1. The application received in the concerned office of the Joint Commissioner of State tax or, as the case may be, head of the location shall be forwarded to the concerned Nodal officer on the same day or in any case not later than next working day.

5.2. After receipt of the application, the concerned Nodal officer shall check the balance in the electronic cash ledger and verify that the refund claimed is commensurate to the balance available in the said ledger. Any liability outstanding of the MGST may first be adjusted and remaining amount of refund, if any, may be processed as per the provisions of the MGST Act.

5.3. Once the completeness in all respect is ascertained an acknowledgment in FORM-RFD-02 as given in Rule 90(1) of the MGST Rules, shall be issued within 15 days from the date of submission of application.

5.4. In case the application so submitted is found deficient in certain aspects then the concerned officer shall issue deficiency memo in FORM-RFD-03 within 15 days from the date of receipt of the application.

5.5. In other words, the concerned officer after due verification is required to issue either FORM-RFD-02 or FORM-RFD-03 not later than 15 days from the date of receipt of application. All the supervisory authorities are hereby directed that to monitor that these timelines are strictly followed.

6. ISSUANCE OF DEFECT MEMO IN CASE OF REFUND OF APPLICATION IS DEFICIENT:

- 6.1. As explained above the in case application for refund is deficient then the Deficiency Memo should be issued. It should be complete in all respects and only one Deficiency Memo shall be given. Submission of application after Deficiency Memo shall be treated as a fresh application. Re-submission of the application, after rectifying the deficiencies pointed out in the Deficiency memo, shall be made by using the ARN and debit entry number generated originally.
- 6.2. If the application is not filed afresh within thirty days of the date of receipt of communication of the deficiency memo, the concerned Nodal officer shall pass an order in FORM GST PMT-03 and re-credit the amount claimed as refund through FORM GST RFD-01B.
7. In case the refund application is found in order then the applicant shall receive the refund in the Bank account available in the registration record with common portal.
8. Needless to state that any refund amount which the applicant is not entitled or has claimed wrongly or inappropriately then it shall be recovered along with the interest or may face prosecution for the serious breach of the provisions of the MGST Act.
9. This circular is clarificatory in nature and cannot be made use of for interpretation of provisions of law. If any member of trade has any doubt, he may refer the matter to this office for further clarification.

Yours faithfully,



(Rajiv Jalota)

Commissioner of State Tax (GST)
Maharashtra State, Mazgaon,
Mumbai.

Trade Cir. No. 1 T of 2018.

Copy forwarded for information to,

- (1) The Joint Commissioner of State Tax, (MAHAVIKAS) with a request to upload this Trade circular on MSTD web-site.
- (2) Deputy Secretary, Finance Department, Mantralaya, Mumbai.
- (3) Accounts Officer, Sales Tax Revenue Audit, Mumbai and Nagpur.

(D. M. Thorat)

Joint Commissioner of State Tax
(GST), HQ-1, Maharashtra State
Mazgaon, Mumbai