भारत सरकार GOVERNMENT OF INDIA
वित्त मंत्रालय MINISTRY OF FINANCE
राजस्व विभाग DEPARTMENT OF REVENUE
केन्द्रीय अप्रत्यक्ष कर और सीमा शुल्क बोर्ड
CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS
आयुक्त का कार्यालय
OFFICE OF THE COMMISSIONER
केन्द्रीय कर एवं केन्द्रीय उत्पाद शुल्क
CENTRAL TAX & CENTRAL EXCISE
कोच्चि,KOCHI
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सीसं/C.No. IV/16/09/2017-Tech दिनांक /Date: 29.11.2018

Trade Facility No: 16 /2018 Central Tax

Subject: Recovery of arrears of wrongly availed CENVAT credit under the existing law and inadmissible transitional credit — regarding

Ref: Circular No. 58/32/2018-GST dated 4th September, 2018 [F. No. CBEC- 20/16/04/2018-GST]

Kind attention is invited to Board's Circular No. 58/32/2018-GST dated 4th September, 2018 on the above mentioned subject. Various representations have been received seeking clarification on the process of recovery of arrears of wrongly availed CENVAT credit under the existing law and CENVAT credit wrongly carried forward as transitional credit in the GST regime. In order to ensure uniformity in the implementation of the provisions of the law across the field formations, the Board, in exercise of its powers conferred under section 168 **(1)** of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the `CGST Act'), hereby specifies the process of recovery of the said arrears and inadmissible transitional credit in the succeeding paragraphs.

2. The Board vide Circular No. 42/16/2018-GST dated 13th April, 2018, has clarified that the recovery of arrears arising under the existing law shall be made as central tax liability to be paid through the utilization of the amount available in the electronic credit ledger or electronic cash ledger of the registered person, and the same shall be recorded in Part II of the Electronic Liability Register **(FORM GST PMT-01).**

3. Currently, the functionality to record this liability in the electronic liability register is not available on the common portal. Therefore, it is clarified that as an alternative method, taxpayers may reverse the wrongly availed CENVAT credit under the existing law and inadmissible transitional credit through Table 4(B)(2) of **FORM GSTR-3B.** The applicable interest and penalty shall apply on all such reversals which shall be paid through entry in column 9 of Table 6.1 of **FORM GSTR-3B.**

4. All the Trade Associations are requested to bring the contents of this Trade Notice to the attention of their members in particular and the trade in general.

29.XI.18

K.R. Uday Bhaskar
Commissioner

To,

As per DL-I & II of Cochin Commissionerate

Copy Submitted to:

The Chief Commissioner's Office.