



Government of India
Ministry of Finance, Revenue Department
Office of the Principal Commissioner GST, GST Bhavan
P.O. Box No. 81, Telangkhedi Road, Civil Lines,
Nagpur- 440001



TRADE NOTICE NO. 05/2018

Dated: 06/09/2018

Subject: Recovery of arrears of wrongly availed CENVAT credit under the existing law and inadmissible transitional credit - reg.

The Commissioner (GST), CBIC, GST Policy Wing, New Delhi has issued a Circular No. 58/32/2018-GST vide File No. CBEC-20/16/4/2018-GST, Dated 4th September 2018, regarding Clarification on recovery of arrears of wrongly availed CENVAT credit under the existing law and inadmissible transitional credit through Table 4(B)(2) of FORM GSTR-3B which is hereby circulated for guidance and implementation.

All the office bearers of the Trade Associations are requested to bring the contents of this trade notice to their members/ constituents in particular and trade, public in general.

sd/-
(Sanjay Rathi)
Commissioner

F.No. IV(16)30-16/GST Cell/NGP-1/2018

1732
Nagpur, Dated 06.09.2018

Copy to:

1. Chief Commissioner, CGST & CEX, Nagpur.
2. Commissioner (Appeals), CGST & CEX, Nagpur
- ✓ 3. Assistant Commissioner (Systems), CGST & CEX, Nagpur-1 to upload the same on the website.
4. Dy/Assistant Commissioner, CGST & CEX, Division- City / Hingna / Bhandara / Chandrapur , Nagpur-1.
5. Superintendent, Range- I / II / III / IV / V Division- City, Nagpur-1.
6. Superintendent, Range- Butibori- I / Butibori-II / Hingna / Umrer / Wardha , Division- Hingna, Nagpur-1.
7. Superintendent, Range- Bhandara / Tumsar / Sakoli / Gondia / Deori, Division- Bhandara, Nagpur-1.
8. Superintendent, Range- Chandrapur / Warora / Mul / Ballarpur / Gadchiroli, Division- Chandrapur, Nagpur-1.

San
(Sanjay Rathi)
Commissioner

**CBEC-20/16/4/2018-GST
Government of India
Ministry of Finance
Department of Revenue
Central Board of Indirect Taxes and Customs
GST Policy Wing

New Delhi, Dated the 4th September, 2018

To,

The Principal Chief Commissioners/Chief Commissioners/Principal Commissioners/
Commissioners of Central Tax (All)

The Principal Directors General/ Directors General (All)

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

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. It is requested that suitable trade notices may be issued to publicize the contents of this Circular.

5. Difficulty, if any, in implementation of this Circular may please be brought to the notice of the Board. Hindi version would follow.

(Upender Gupta)
Commissioner (GST)