

	<p><b>DIRECTORATE GENERAL OF SYSTEMS &amp; DATA MANAGEMENT</b> <b>(Chennai Zonal Unit)</b> <b>प्रणाली एवं आंकड़ा प्रबंधन प्रधान निदेशालय</b> <b>GST &amp; CENTRAL EXCISE, GST BHAVAN,</b> <b>जीएसटी और केंद्रीय उत्पाद शुल्क, जीएसटी भवन</b> <b>No. 26/1, MAHATHMA GANDHI ROAD, NUNGAMBAKKAM,</b> <b>CHENNAI -34</b> 26/1, महात्मा गाँधी रोड, नुंगंबक्कम, चेन्नई-34 <b>Tele: 044-28331101 Fax:044-28331104 Mail:</b> <b>dgschennai@icegate.gov.in</b></p>
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C.No IV/26/11/2017- Systems(S)

Date: 20.04.2021

**ADVISORY No. 8 /2021- REFUNDS**

**Sub: Implementation of PMT-03 to re-credit the ITC sanctioned as refund- Reg**

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Kind reference is invited to the notification No.16/2020-Central Tax dated 23.03.2020, vide which sub-Rule (4A) has been inserted in Rule 86 of the CGST Rules, 2017 and Para 4 of the Circular No 135/05/2020 dated 31.03.2020, wherein the procedure for refund of tax paid on supplies, other than zero rated supplies was provided.

2. As per sub-Rule 4A of Rule 86 of the CGST Rules, 2017 read with Para 4 of the Circular supra, a tax payer is entitled to refund of tax wrongly paid or paid in excess (other than zero rated supplies), in the same mode by which the tax liability was discharged, i.e., if the tax was paid by partly debiting the credit ledger and partly debiting the cash ledger, the refund shall be sanctioned in the same proportion. The cash part has to be sanctioned and credited to the bank account of the tax payer by issuance of RFD-05 and the credit part should be re-credited to the electronic credit ledger of the tax payer through PMT-03.

3. The PMT-03 functionality available at present in the online refund module is only for re-crediting of the rejected amount that has been debited at the time of filing of refunds. In order to enable the operationalisation of re-crediting of ITC sanctioned as refund towards tax wrongly paid or paid in excess by debiting the credit ledger, a new enhanced PMT-03 functionality has been developed and deployed in the system. This new functionality is applicable only to the following 4 types of refund as provided in the referred circular.

- i. Refund of excess payment of tax;
- ii. Refund of tax paid on intra-State supply which is subsequently held to be inter-State supply and vice versa;
- iii. Refund on account of assessment/provisional assessment/appeal/any other order; and
- iv. Refund on account of “any other” ground or reason.

4. The procedure to use this functionality is explained in detail in the User Manual that is attached herewith. It is requested to share this advisory and user manual with all the officers processing refunds in your jurisdiction for necessary action. Any difficulty in using the functionality and processing the applications may please be reported to helpdesk by raising tickets with [cbicmitra.helpdesk@icegate.gov.in](mailto:cbicmitra.helpdesk@icegate.gov.in).

(S. Thirunavukkarasu)  
Additional Director General

To

1. All the Pr. Chief Commissioners/Chief Commissioners of GST Zones.
2. The Member and Pr. Director General, Systems & Data Management, New Delhi.
3. The Pr. DG/DG, DGGI/DGGST/DG (Audit)/DG (TPS).
4. The Commissioner, GST (Policy Wing).
5. All the Pr. Commissioners/Commissioners of GST.
6. The ADGs of Systems, New Delhi/ Bengaluru / Kolkata/Mumbai.