

OFFICE OF THE COMMISSIONER OF COMMERCIAL TAXES  
ODISHA, CUTTACK

No. 6717/CT  
REV-32/3/2016-REV-CCT

Dt: 07.07.16

To

**DCCTs & ACCTs of all Circles**

Sub: In the matter of scrutiny of assessment order giving rise to refund

Ref: This office letter No. 16831/CT dt.08.11.16

Madam/Sir,

In continuation to this office letter referenced above, it is further prescribed as below.

<u>Scenario</u>	<u>Action to be taken</u>
<b>Assessment leading to refund of less than Rs. 10 Lakh for all previous cases as well as Fresh Cases</b>	
All assessment orders leading to refund of less than Rs. 10 lakh where refund has already been granted (Old Cases) or to be granted (Fresh Cases)	<p>(i) Assessing officers are to check whether there is excess carry forward of ITC/ Payment to the tax period subsequent to the period under assessment and whether it has been accounted for while sanctioning of refund. If such carry forward of ITC/ Excess payment has not been accounted for, then the assessing officer is to rectify the assessment order U/s 81 of the OVAT Act after giving the dealer reasonable opportunity of being heard.</p> <p>(ii) After such check, all the cases leading to refund of less than Rs. 10 Lakh are to be produced before AG Audit for scrutiny. Further steps are to be taken as per the views of the AG.</p> <p>(iii) If the case is in appeal, then the views of AG are to be transmitted along with the assessment records to the appellate authority for consideration of the same while disposing of the appeal case.</p> <p>(iv) If the case has already been disposed of in appeal, the assessing officer is to transmit the views of A.G to SR</p>

<u>Scenario</u>	<u>Action to be taken</u>
	section of Head Office for consideration of filing of 2 <sup>nd</sup> appeal against the order of the appellate authority.
<b>Assessment leading to refund of more than Rs 10 Lakh</b>	
1. Cases where refund was sanctioned prior to 01.04.2013	Cases where refund of more than Rs. 10 Lakh was sanctioned prior to 01.04.2013 do not come within the purview of CCT Circular No. 16831 dt. 08.11.2016. Therefore, all such refund cases should be placed before AG for scrutiny during AG Audit of the Circle.
2. Cases where refund has been sanctioned post 01.04.2013	Scrutiny of these refund cases is pending in the Head Office which will be disposed of by the Revenue Section of the Head Office in a phased manner by 31.10.2017.
3. Cases which are in appeal	If any assessment order giving rise to refund of Rs. 10 Lakh or more is a subject matter of appeal, then such assessment orders are not required to be sent to the Head Office for scrutiny. The 1 <sup>st</sup> Appellate Authorities will examine the admissibility of the refund.
4. Fresh cases of refund	Fresh assessment orders giving rise to refund of Rs. 10 Lakh and above shall be sent to Head Office as usual for scrutiny as per CCT Circular No. 16831 dt. 08.11.2016

Yours faithfully

**Commissioner of Commercial Taxes  
Odisha, Cuttack**

Memo No 6718 /CT, Dated 09.05.12 /

Copy forwarded to JCCTs of all Ranges for information and necessary action. They should regularly check compliance of this by the Circle Officers from time to time.

**Commissioner of Commercial Taxes  
Odisha, Cuttack**