

**CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
NEW DELHI.**

PRINCIPAL BENCH - COURT NO.III

Service Tax Appeal No. 51004 of 2020

[Arising out of Order-in-Appeal No.DDN/EXCUS/000/APPL/35/2020-21 dated 05.06.2020 passed by the Commissioner, CGST (Appeals), Dehradun]

Punjab National Bank,
Circle Office, Bazpur Road, Kashipur,
U.S. Nagar, Uttarakhand-262 401.

Appellant

VERSUS

Commissioner of CGST,
Dehradun,
E-157 & 158, Nehru Colony,
Dehradun, Uttarakhand-248 001.

Respondent

APPEARANCE:

Ms. Gunjan Goel, Chartered Accountant for the appellant.
Shri Rohit Issar, Authorised Representative for the respondent.

CORAM:

HON'BLE MS. BINU TAMTA, MEMBER (JUDICIAL)

FINAL ORDER NO.51813/2025

**DATE OF HEARING:21.11.2025
DATE OF DECISION:02.12.2025**

BINU TAMTA:

1. Punjab National Bank, the appellant having Service Tax registration are engaged in rendering various kinds of banking and financial services under the Finance Act, 1994. Initially, the appellant filed original ST-3 Return for the month of April 2017 to June 2017 on 14.08.2017, showing the closing balance of Cenvat Credit of service tax of Rs.0/-. Subsequently, the appellant revised ST-3 Return filed on

19.09.2017 showing the closing balance of Rs.2,61,589/-. After filing of revised return, closing balance of credit has been increased by Rs.2,61,589/- and as per the provisions of Section 142(9)(b) of Central Goods and Service Tax Act, 2017¹, the appellant filed the refund claim of Rs.2,61,589/-. The appellant once again revised ST-3 Return on 16.11.2020 with outstanding amount of Rs.2,94,188/- claiming that the amount of Rs.32,599/- was left to be included in the outstanding balance of credit. The appellant carried forward the amount of Rs.32,599/- in TRANS-1 in December 2017 but did not carry forward the amount of Rs.2,61,188/- even after showing the same as outstanding balance in the ST-3 Returns. The Range Superintendent on verification of the refund claim issued discrepancy notice that the appellant had not carried forward the balance amount in TRANS-1 filed by them. Further, as per ST-3 Return, the appellant have taken Cenvat Credit on inputs, whereas in support of claim, they submitted documents showing credit of input service only. As such the figure mentioned in ST-3 Return and the relevant supporting documents did not match with each other. On adjudication, the refund claim was rejected vide order-in-original dated 19.02.2019. On appeal, the impugned order was passed by the learned Commissioner upholding the order in original. Hence, the present appeal has been filed by the appellant before this Tribunal.

¹ CGST Act

2. Heard Ms. Gunjan Goel, learned Counsel for the appellant and Shri Rohit Issar, Authorised Representative for the Department and perused the records.

3. Ms Gunjan Goel, the learned Counsel for the appellant submitted that the issue under consideration is no longer *res integra* and has been decided in their own case by the Tribunal, whereby the refund claims have been allowed under Section 142(9)(b) of the CGST Act in favour of the appellant. The details of the case law relied on by the learned counsel are as under:-

(1) Punjab National Bank Vs. Commissioner, CGST, Customs & CE²

(2) Punjab National Bank Vs. Commissioner of Central Tax³

(3) Punjab National Bank Vs. CST, Bangalore⁴

(4) Ge Power Systems Pvt. Ltd. Vs. Commissioner, ST, Ahmedabad⁵

(5) Lupin Ltd. Vs. Commissioner of GST & Central Tax, Aurangabad⁶

4. Per contra, Shri Rohit Issar, the learned Authorised Representative for the Revenue emphasised on the mismatch of the documents. He submitted that the details in supporting documents and the information furnished in the statutory ST-3 Returns by the appellant did not tally with each other. In the ST-3 Returns, the appellants have taken Cenvat Credit on inputs whereas in support of

² CESTAT Final Order dated 16.12.2019

³ CESTAT Final Order dated 04.05.2022

⁴ CESTAT Final Order dated 07.07.2021

⁵ Final Order NO.A/12438/2024 dated 18.10.2024

⁶ Final Order No.A/85393/2024 dated 09.09.2024

their claim, they have submitted documents showing credit of input service. He accordingly, reiterated the findings of the Authorities below.

5. On perusal of the various decisions placed by the learned Counsel for the appellant, I find that on merits, the issue is decided that the appellant is entitled for cash refund in view of Section 142(9)(b) of the Act, which provides as follows:-

"a) Where return filed under the existing law is revised after the appointed day but within the time limit prescribed for revision of return under the existing law;

b) Pursuant to filing of revised return, when closing balance of cenvat credit increases as compare to closing balance of cenvat credit in original return;

c) In this case the registered person is required to file refund for the differential amount;

d) The differential amount shall be refunded to registered person in cash as per provisions of existing law;

e) Notwithstanding anything to the contrary contained in the said law other than the provisions of sub-section (2) of Section 11B of the Central Excise Act, 1944."

6. Further, no objection can be taken on the ground that the appellant had not carried forward the amount of Rs.2,61,188/- in TRANS-I though the same has been shown as outstanding balance in ST-3 Return. In the case of the appellant decided by the **Bangalore Bench vide Final Order dated 07.07.2021**, the learned Member observed that if two options are available, the assessee may choose, which is more beneficial for them and, therefore, did not find any error

where the appellant did not choose to carry forward the credit in TRANS-1 and preferred to claim cash refund as provided under Section 142(9)(b) of the Act.

7. Now, I may consider the discrepancy pointed out by the Department with reference to the supporting documents submitted by the appellant as against the ST-3 return. It is an admitted position that in the ST-3 Return, the CENVAT Credit accrued on account of inputs even in the revised returns filed on 19.09.2017, the supporting documents relates to credit of service tax paid on audit fee/input service. In the earlier case of the appellant disposed of vide Final Order dated 07.07.2021, it was noticed that the appellant had failed to furnish the original invoices which are necessary for verification of the claim of refund and, therefore, for the purpose of verification of the documents, the case was remanded back to the Original Authority. Thus, what emerges is that the appellant is required to substantiate the refund claim by submitting the requisite and correct documents. From the documents placed on record, I find that the amount of Cenvat Credit of Rs.2,61,589/- has been shown towards the audit fees. We agree with the Adjudicating Authority that the supporting documents were incompatible with the information mentioned in ST-3 Return, which were found to be mismatched. However, considering the fact that the appellant had the balance of Rs.2,61,589/- in their Cenvat Credit Account but by mistake had mentioned as towards 'input' in the ST-3 Returns though in the documents, it has been

reflected as towards 'input service'. The fact remains that the appellant had availed the cenvat credit and was therefore, entitle to claim the refund thereof. The error is not really very serious affecting the merits of the entitlement. Moreover, the appellant is a nationalized Bank and no malafides can be attributed except there has been some negligence on the part of some officer. I am, therefore, of the opinion that Authorities below have erred in denying the benefit to the appellant. The impugned order is set aside and the appeal is, accordingly allowed with consequential relief.

[Order pronounced on 2nd December, 2025]

Ckp.

**(BINU TAMTA)
MEMBER (JUDICIAL)**