M/s. Texmo Industries

Authority for Advance Ruling — Tamil Nadu

ORDER No. 11 /AAR/2019 DATED : 27.02.2019 Dated **27.02.2019**

Q Questions Before the Authority

- Whether it is admissible to take input tax credit in respect of an input (invoice) at any time within the limitation prescribed under Section 16(4), that is, before the due date for furnishing the return under Section 39 for the September following the end of the financial year or the annual return, whichever is earlier.
- Whether, in cases of inverted duty structure as that of the Applicant, it is admissible to avail input tax credit on an input (invoice) before the period prescribed for taking credit under Section 16(4) of the GST Act.
- Whether, in cases of inverted duty structure as that of the Applicant, it is admissible to claim refund of the accumulated credit availed before the period prescribed for taking credit under Section 16(4) of the GST Act.

F Facts

Texmo Industries, a partnership firm in Coimbatore, manufactures power driven water pumps. It says its inputs attract GST at 18% to 28% while the output pumps attract 12%, so input tax credit accumulates continuously. It seeks to use the credit carried over from the pre-GST regime and to claim refund under Section 54(3)(ii) of the GST Act.

H Ruling

The Authority did not decide the three questions on their merits. On the Applicant's letter dated 15.02.2019 requesting withdrawal, the application was **dismissed as withdrawn** . The order therefore contains no ruling on the admissibility of the credit or the refund.

R Reasoning

The Applicant had been heard on 07.08.2018 and 20.11.2018 and had undertaken to file specific invoices and documents on the conditions under Sections 16 and 17. Before the final hearing listed for 25.02.2019, it requested withdrawal, and the Authority accepted that request. The disposal was procedural, so the order does not reach the substantive questions under Section 16(4), Section 39 or Section 54(3)(ii).

P Provisions Relied On

Section 98 of the CGST Act, 2017 (proceedings of the Authority for Advance Ruling)

Section 16(4) of the CGST Act, 2017 (time limit for input tax credit), as framed in the questions

Section 39 of the CGST Act, 2017 (furnishing of returns), as framed in the questions

Prepared as a reading aid. Where this summary and the original order differ, the order governs.

Section 54(3)(ii) of the CGST and TNGST Acts, 2017 (refund of unutilised credit on inverted duty structure), as cited by the A…

Sections 16 and 17 of the CGST Act, 2017 (conditions for credit), referred to in the hearing record

Section 100(1) of the CGST and TNGST Acts, 2017 (appeal to the State Appellate Authority), as noted in the order

Rule 104(1) of the CGST Rules, 2017 (application fee), as noted in the order

! For the Practitioner

This order is useful mainly as a record of the question and the hearing history, not as authority on the law. A practitioner advising an inverted-duty-structure manufacturer should not cite it for the Section 16(4) timeline or the Section 54(3)(ii) refund. It settles nothing on the merits, and the questions remain open for a fresh application or a ruling in another case.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> tn-11-aar-2019-texmo_industries.pdf

Prepared 30-10-2026.

About Patron Accounting LLP

Patron Accounting LLP is a CA and CS-led accounting and compliance firm working with businesses across India since 2019 — bookkeeping, GST, income tax, payroll, company and LLP compliance, audit and the certificates banks and regulators ask for.

Pune (HQ)
RTC Silver, B4-708, Sai Satyam Park, Wagholi, Pune, Maharashtra 412207

Mumbai
104, Rajshila Building, 597 J.S.S. Road, Marine Lines, Mumbai 400002

Delhi
3rd Floor, B-6/154-155, Sector 5, Rohini, Delhi 110085

Gurugram
Pioneer Urban Square, B109, Golf Course Ext Road, Sector 62, Gurugram…

Ahmedabad
Phoenix Tower, 1107, near Commerce Six Road, Drive In Road, Navrangp…

Talk to us: +91 94594 56700 | sales@patronaccounting.com | patronaccounting.com