

F. No. 116/40/2021-CX-3
Government of India
Ministry of Finance
Department of Revenue
(Central Board of Indirect Tax & Customs)
(Central Excise Wing)

Room No. 263E, North Block,
New Delhi, dated: 10th November, 2021

INSTRUCTION

To,

The Principal Chief Commissioner/ Chief Commissioner of CGST & CE (All),
The Principal Commissioner/ Commissioner of CGST & CE (All),
Webmaster.cbic@icegate.gov.in

Sir/Madam,

**Subject: Procedures for refund of excise duty on purchase of petrol/diesel/fuel oil by
Diplomatic Missions and their officers for their official /personal use -
regarding.**

Please refer to the above mentioned subject. It may be seen that instructions have been issued from time to time regarding refund of excise duty on purchase of petrol/diesel/fuel oil by Diplomatic missions and their officers for their official /personal use. It has come to notice of the Board that at certain places, the Diplomatic Missions are facing difficulties in getting refund of excise duty paid on petrol/diesel/fuel oil, etc.

2. In this regard, it is to inform that the instructions, circulars etc. issued by the Board from time to time to grant refund of excise duty on purchase of petrol/diesel/fuel oil by diplomatic missions and their officers for their official /personal use continue to operate and post introduction of GST, these have not been withdrawn. In other words, the Diplomatic missions and their officers shall continue to be eligible for grant of refund of excise duty on petrol/diesel/fuel oil for their official/personal use.

3. The procedures required to be followed for refund of excise duty on purchase of petrol/diesel/fuel oil by the Diplomatic missions and their officers are as under:

(i) The Diplomatic Missions and their officers are required to file claims for refund of excise duty on purchase of petrol/diesel to Ministry of External Affairs (MEA) and thereafter MEA after due

verification shall forward the claim with its recommendation to the jurisdictional Assistant/Deputy Commissioner of Central Excise for the purpose of processing/verification/sanction of the same.

(ii) Such claims should be supported by certificates and cash memos issued by the supplying firms as proof of the actual purchase.

(iii) The statutory time limit for making the refund claim would be one year from the date of purchase of the goods by the Diplomatic mission or Consular Office, as per the provisions of section 11 B of the Central Excise Act, 1944. The time limit of one year of filing refund claim would be the date of filing of claim with the authorized officer of MEA.

(iv) Further, a refund claim is required to be sanctioned within three months of receipt of claim and in case of delay in payment of refund beyond three months, interest is required to be paid by the department under section 11BB of the Act. Vide Circular No. 853/11/2007-CX dated 13.08.2007, the statutory time limit of three months for sanction of refund (beyond which interest is payable) would start from the date of receipt of copy of refund application by the MEA. However, in order to ensure that the jurisdictional Central Excise Officer has sufficient time to process/verify the claim, a time limit of **30 days has been fixed for MEA** to forward such refund claims to the concerned Assistant/Deputy Commissioner of Central Excise along with its recommendation. In case, there is delay in forwarding of such applications by the MEA beyond 30 days, which in turn results in the sanction of refund claim beyond three months, then MEA shall have to bear the incidence of interest payable to the diplomatic missions or their officers in terms of Section 11BB of the Act. The interest payable by the MEA shall be limited to the number of days beyond the initial thirty days, taken by MEA to forward the said claim to the jurisdictional AC/DC of Central Excise.

(v) The sanctioning authority in all such excise duty refund claims upto a limit of Rs. 5000/- shall be Deputy/Assistant Commissioner of Central Excise (Technical) and in case of the claims above Rs. 5000/- shall be Additional/Joint Commissioner (P& E) / (P&V) of the Commissionerate.

4. It is, therefore, requested to review the working of the structure for grant of refund of excise duty on purchase of petrol/diesel/fuel oil to Diplomatic missions and their officers within your jurisdiction to ensure that they do not face any difficulty in receiving refunds. Difficulty experienced, if any in processing refund claim filed by the Diplomatic missions as per the aforesaid instructions, may be brought to the notice of the Board.

Yours faithfully,

(Rubal Saroha)
Under Secretary (CX-3)