

AAR: TR-06 challan not 'prescribed document' for availing ITC of differential IGST paid on import

Jun 17, 2025

In the matter of Becton Dickinson India Private Limited [TS-538-AAR(TN)-2025-GST]

Conclusion

Tamil Nadu AAR rules that pursuant to price revision and re-assessment, Applicant is eligible for Input Tax Credit (ITC) on differential IGST paid on import of medical equipment from foreign group companies basis the re-assessed bills of entry (BoE) but not through TR-06 challans; AAR emphasizes on certain 'noticeable difference' between pre-GST era Rule 9 of CENVAT Credit Rules and Rule 36 of CGST Rules which r/w Section 16 of CGST Act prescribes conditions for availing ITC and points out that, "the dynamics involving transmission of duties of customs including IGST, Cess etc to the GSTN portal, so as to enable the same to be available for the claim of ITC was not a pre-requisite in the pre-GST era"; As regards the phrase 'such other tax paying documents', AAR holds that "a TR-06 challan cannot be considered as a document for the purpose of availment of ITC in the present GST scenario....TR-06 challan is conspicuously absent in the list of documents prescribed for availment of ITC under Rule 36 of the CGST Rules"; Applicant imported goods from 3 different ports viz (i) Chennai Sea (ii) Chennai Air-Cargo and (iii) Chennai FTWZ; When the Applicant reached out to respective field formations with regard to payment of differential duties, Chennai Sea Customs allowed re-assessment of bills of entry and payment thereof, whereas other two Customs Authorities directed Applicant to deposit the same through TR-06 challans; Rejecting Applicant's contention that TR-06 is an accepted document for availing credit, AAR looking at the 'peculiar' nature of transaction which involves re-assessment whenever upward price revision takes place between the Applicant and foreign supplier (related party), AAR finds that in terms of Special Valuation Branch (SVB) Order Applicant-importer is required to pay differential customs duties with interest in case of upward revision in invoice values; Thus, AAR observes that, "Rule 36 recognizes...documents viz. invoice, debit note, ISD invoice, ISD credit note etc....However, it is to be noted that the said clause brings in a clear-cut restriction to the effect that the said document should be 'prescribed under the Customs Act, 1962 or rules made thereunder for the assessment of integrated tax on imports....only Bill of Entry, Courier Bill of entry and other Declarations/Forms prescribed under the Customs Act, 1962....get covered under clause (d)...."; Relies on [Customs Circular](#) relating to pre-import condition for availing ITC issued in order to implement SC decision in case of [Cosmo Films](#); As for time limit prescribed in section 16 (4) for availment of ITC, AAR holds that as CGST Act is made applicable to IGST Act 'mutatis mutandis' "time limit prescribed under....Section 16(4)...applies in equal measure ..":AAR TN

Decision Summary

The ruling was delivered by Shri. Balakrishna S. (Member- Central Tax) and Shri. B. Suseel Kumar (Member- State Tax).

Mr. K. Sivarajan appeared on behalf of the Applicant.

GSTsutra Note

The issue if TR-6 is a valid document for ITC is pending for consideration before [Madras HC](#)

Case Law Information

Appellant/Applicant/Complainant Name

- Becton Dickinson India Private Limited

Counsel of Appellant/Applicant/Petitioner

- K. Sivarajan

Authority Level & Location

- Authority for Advance Ruling Tamil Nadu

Date of Pronouncement

- 2025-05-09

Ruling in favour of

- Applicant

Judges

- Shri. Balakrishna S. (Member- CGST)
- B. Suseel Kumar (Member- State Tax)