

CA Pranav Mehta

Recently, the Hon'ble Calcutta High Court in the case of Suraj Mangar v. Assistant Commissioner of West Bengal State Tax, [2025] 176 taxmann.com 951 (Calcutta) held that the 60-day time limit prescribed under Section 54(7) of the CGST/WBGST Act, 2017 for processing refund claims is mandatory. Any order rejecting a refund application passed beyond this period is legally unsustainable. Facts of the Case: The Appellant filed a refund application on 24.12.2021 for the period Feb 2021 to Aug 2021. Acknowledgment under Rule 90(2) was issued on 10.01.2022 (2 days late, beyond 15-day limit). Show Cause Notice under Rule 92(3) was issued on 08.02.2022 fixing reply date as 23.02.2022 i.e. beyond the 60-day statutory limit for passing the refund order. Refund was rejected on 24.02.2022 citing small business premises, absence of E-way bills, and vague info from Bhutan Custo.....