Value Added Tax Act, 2003

Section 51 - Power to Withhold Refund in Certain Cases

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(1) Where an order giving rise to a refund is the subject matter of an appeal or any other proceedings under this Act, the prescribed authority may, if, to the best of its judgement it is of the opinion that the grant of a refund is likely to prejudice the public revenue, withhold the refund until such time as it deems proper.

(2) The dealer shall be paid interest under sub-section (1) of Section 50 on the amount of refund ultimately determined to be due to the dealer as a result of such proceedings for the period commencing from the expiry of thirty five days from the date of the order referred in sub-section (1) to the date of refund.
