

Payments and Refunds under GST

CMA Yogesh Chatwani,

Practicing Cost Accountant, IP and RV (SFA),

Ahmedabad – Gujarat.

Email: ybchatwani2310@gmail.com



The Institute of Cost Accountants of India

Relevant Sections related to Payments under CGST Act

Section	Section Heading
49	Payment of Tax, interest, penalty and other amounts
49A	Utilisation of input tax credit subject to certain conditions
49B	Order of utilisation of input tax credit
50	interest on delayed payment of tax
51	Tax deduction at source
52	Collection of tax at source
53	Transfer of input tax credit
53A	Transfer of certain amounts

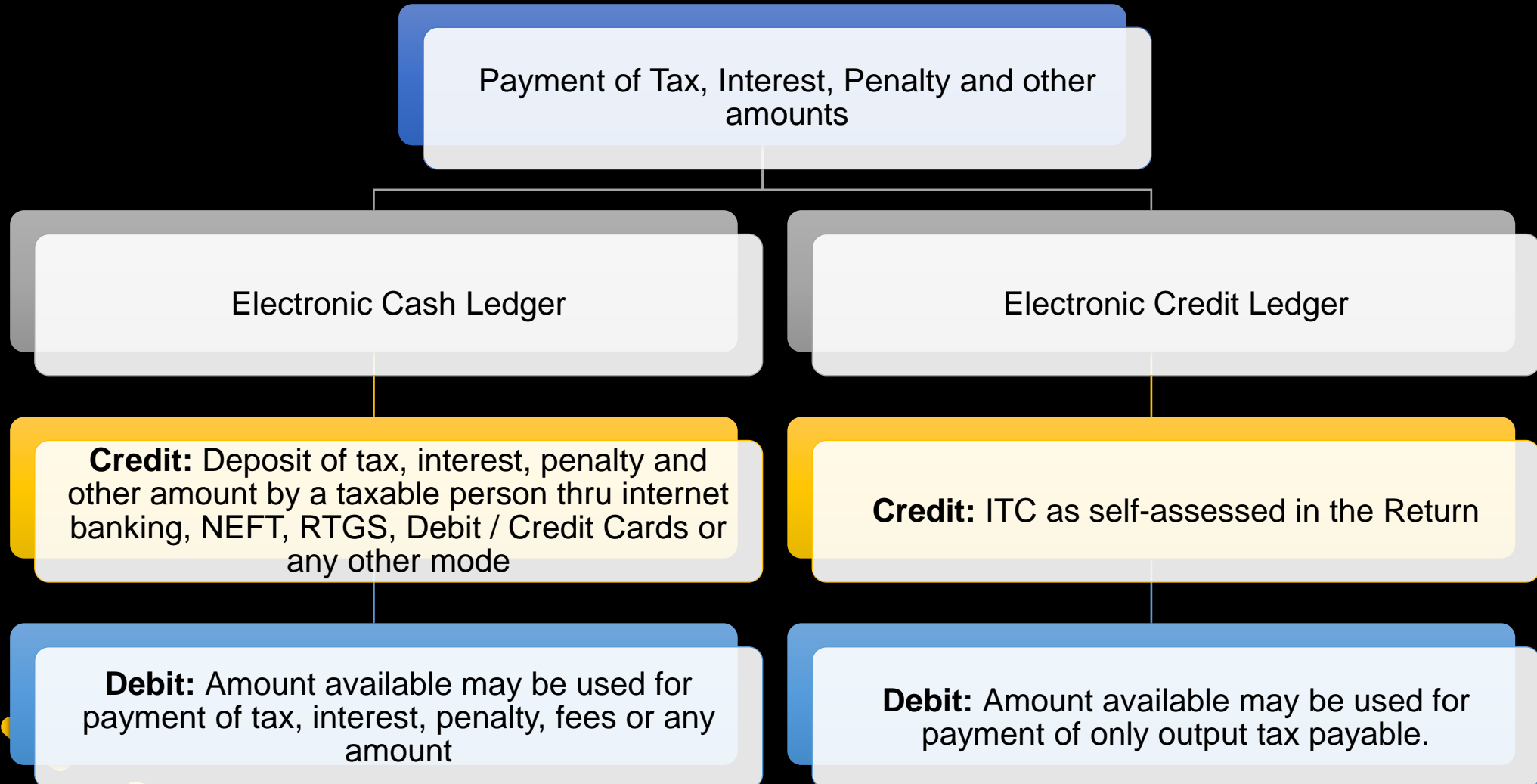
Relevant Rules related to Payments under CGST Rules

Rule	Rule Heading
85	Electronic Liability Register
86	Electronic Credit Ledger
86A	Conditions of use of amount available in electronic credit ledger
86B	Restrictions on use of amount available in electronic credit ledger
87	Electronic Cash Ledger
88	Identification of number of each transaction
88A	Order of utilisation of input tax credit
88B	Manner of calculating interest on delayed payment of tax

Form prescribed under GST law related to Payments

Form	Form Name
Form-GST-PMT-01	Electronic Liability Register of Registered Person
Form-GST-PMT-02	Electronic Credit Ledger of Registered Person
Form-GST-PMT-03	Order for re-credit of the amount to cash or credit ledger on rejection of refund claim
Form-GST-PMT-04	Order for re-credit of the amount to cash or credit ledger on rejection of refund claim
Form-GST-PMT-05	Electronic Cash Ledger
Form-GST-PMT-06	Challan for deposit of goods and service tax
Form-GST-PMT-07	Application for intimating discrepancy relating to payment
Form-GST-PMT-09	Transfer of amount from one account head to another in electronic cash ledger
Form-GST-PMT-03A	Order for re-credit of the amount to electronic credit ledger

Section 49 - Procedure for payment



Cross Credit Utilisation in Electronic Credit Ledger – Section 49(5), 49(A), 49(B), Rule 88A and Circular No.98/17/2019-GST dated 23/04/2019

Input tax credit on account of	Output liability account Integrated tax	tax on liability of account Central tax	Output tax on liability of account of State tax / UT tax
Integrated Tax	(I)	(II) in any order and proportion.	
(III) Input Tax Credit on account of integrated tax to be completely exhausted mandatorily			
Central Tax	(V)	(IV)	Not permitted
State Tax / UT Tax	(VII)	Not permitted	(VI)

Illustration on the order of utilisation of ITC as per Rule 88A of CGST Rules

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Head	Output Liability	Input Tax Credit
Integrated Tax	10000	13000
Central Tax	3000	2000
State Tax / UT Tax	3000	2000
Total	16000	17000

Illustration on the order of utilisation of ITC as per Rule 88A of CGST Rules – Option 1

ITC on account of	Discharge of output liability on account of IGST	Discharge of output liability on account of CGST	Discharge of output liability on account of SGST / UGST	Balance of ITC
IGST	10000	2000	1000	0
CGST	0	1000	0	1000
SGST / UGST	0	0	2000	0
Total	10000	3000	3000	1000

Illustration on the order of utilisation of ITC as per Rule 88A of CGST Rules – Option 2

ITC on account of	Discharge of output liability on account of IGST	Discharge of output liability on account of CGST	Discharge of output liability on account of SGST / UGST	Balance of ITC
IGST	10000	1000	2000	0
CGST	0	2000	0	0
SGST / UGST	0	0	1000	1000
Total	10000	3000	3000	1000

Electronic Cash Register

Similar to PLA in Excise regime, consists of (a) Cash deposits through specified modes; (b) TDS deducted from payments (c) TCS collected from payments

Cash payment to be made through banking channels including internet banking / credit card / debit cards / NEFT / RTGS/other prescribed modes such as over the counter- Cash/DD/Cheque etc.

Cash payment can be of tax /interest/ penalty / fee / other amounts

Date of credit to government account to be deemed to be the date of deposit in electronic cash ledger

Balance in cash ledger to be used for making payment towards tax / interest/ penalty / fee / other amounts

Balance in cash ledger after payment refundable in terms of Section 54 (after debit of equivalent amount)

Balance in cash ledger transferable from one head to another (IGST, CGST, SGST etc

Electronic Credit Ledger

Similar to Cenvat credit register in Excise regime, consists of the amount of input tax credit available to a registered person

Transitional credit carried forward from previous regime also credited to electronic credit ledger

Balance in credit ledger to be used for making payment towards output tax

Balance in credit ledger after payment refundable in terms of Section 54 (after debit of equivalent amount): only in specific situations provided under Section 54

In case of rejection of refund, amount to be reccredited

Balance in credit ledger to be used for making payment towards arrears of Central Excise/ Service Tax and pre-deposit thereof:

Circular No. 42/16/2018-GST dated 13.04.2018 and Circular No. 58/32/2018-GST dated 04.09.2018

Electronic Credit Ledger

Rule 86A: Blocking of electronic credit ledger: (a) Reasons to believe; (b) Fraudulent ITC (c) Blocking to be in force for maximum of one year.

Rule 86B: Balance in electronic credit ledger to be utilized for payment of output tax liability upto maximum of 99% of such output tax liability, where value of taxable supply (excluding exempt supply and zero-rated supply) exceeds 50 Lakh rupees.

Electronic Liability Register

To record and maintain all liabilities of a taxable person;

Tax and other dues to be discharged in following manner:

(a) Self-assessed tax and other dues, related to returns of previous tax periods;

(b) Self-assessed tax and other dues, related to returns of current tax period;

(c) Any other amount payable including demand under Section 73 / 74;

Register to be debited by:

(a) Amount payable as tax/interest/ penalty/ late fee/ other amount as per return;

(b) Amount payable as tax/interest/ penalty/ late fee/ other amount pursuant to any proceedings;

(c) Amount of tax / interest payable due to mismatch under Section 42/ 43 or Section 50;

(d) Amount of interest accruing otherwise;

Liability in register to be credited by debiting electronic credit ledger/ cash ledger;

Any demand debited in the register to be reduced to the extent of any relief given by appellate forums;

Person paying tax deemed to have passed on incidence of such tax to recipient - unjust enrichment.

Electronic Liability Register – Rule 85 of CGST Rules

- (1) The **electronic liability register** specified under **sub-section (7) of section 49** shall be maintained in **FORM GST PMT-01** for each person liable to pay tax, interest, penalty, late fee or any other amount on the common portal and all amounts payable by him **shall be debited to the said register**.
- (2) The **electronic liability register** of the person shall be debited by-
- (a) the amount payable towards tax, interest, late fee or any other amount payable as per the return furnished by the said person;
 - (b) the amount of tax, interest, penalty or any other amount payable as determined by a proper officer in pursuance of any proceedings under the Act or as ascertained by the said person; or
 - (c) Omitted
 - (d) any amount of interest that may accrue from time to time.
- (3) Subject to the provisions of **section 49, section 49A and section 49B**, payment of every liability by a registered person as per his return shall be made by debiting the electronic credit ledger maintained as per rule 86 or the electronic cash ledger maintained as per rule 87 and the electronic liability register shall be credited accordingly.

Electronic Liability Register – Rule 85 of CGST Rules

(4) The amount deducted under section 51 , or the amount collected under section 52 , or the amount payable on reverse charge basis, or the amount payable under section 10 , any amount payable towards interest, penalty, fee or any other amount under the Act shall be paid by debiting the electronic cash ledger maintained as per rule 87 and the electronic liability register shall be credited accordingly.

(5) Any amount of demand debited in the electronic liability register shall stand reduced to the extent of relief given by the appellate authority or Appellate Tribunal or court and the electronic tax liability register shall be credited accordingly.

(6) The amount of penalty imposed or liable to be imposed shall stand reduced partly or fully, as the case may be, if the taxable person makes the payment of tax, interest and penalty specified in the show cause notice or demand order and the electronic liability register shall be credited accordingly.

*(7) A registered person shall, upon noticing any discrepancy in his electronic liability ledger, communicate the same to the officer exercising jurisdiction in the matter, through the common portal in **FORM GST PMT-04** .*

Electronic Credit Ledger – Rule 86 of CGST Rules

(1) *The electronic credit ledger shall be maintained in **FORM GST PMT-02** for each registered person eligible for input tax credit under the Act on the common portal and every claim of input tax credit under the Act shall be credited to the said ledger.*

(2) *The electronic credit ledger shall be debited to the extent of discharge of any liability in accordance with the provisions of section 49 [or section 49A or section 49B].*

(3) *Where a registered person has claimed refund of any unutilized amount from the electronic credit ledger in accordance with the provisions of section 54 , the amount to the extent of the claim shall be debited in the said ledger.*

(4) *If the refund so filed is rejected, either fully or partly, the amount debited under sub rule (3), to the extent of rejection, shall be re-credited to the electronic credit ledger by the proper officer by an order made in **FORM GST PMT-03**.*

(4A) *Where a registered person has claimed refund of any amount paid as tax wrongly paid or paid in excess for which debit has been made from the electronic credit ledger, the said amount, if found admissible, shall be re-credited to the electronic credit ledger by the proper officer by an order made in **FORM GST PMT-03**.*

Electronic Credit Ledger – Rule 86 of CGST Rules

(4B) Where a registered person deposits the amount of erroneous refund sanctioned to him, -

(a) under sub-section (3) of section 54 of the Act, or

*(b) under sub-rule (3) of rule 96 , in contravention of sub-rule (10) of rule 96, along with interest and penalty, wherever applicable, through **FORM GST DRC-03** , by debiting the electronic cash ledger, on his own or on being pointed out, an amount equivalent to the amount of erroneous refund deposited by the registered person shall be re-credited to the electronic credit ledger by the proper officer by an order made in **FORM GST PMT-03A**.*

(5) Save as provided in the provisions of this Chapter, no entry shall be made directly in the electronic credit ledger under any circumstance.

*(6) A registered person shall, upon noticing any discrepancy in his electronic credit ledger, communicate the same to the officer exercising jurisdiction in the matter, through the common portal in **FORM GST PMT-04** .*

Explanation. - *For the purposes of this rule, it is hereby clarified that a refund shall be deemed to be rejected, if the appeal is finally rejected or if the claimant gives an undertaking to the proper officer that he shall not file an appeal.*

Conditions for use of amount available in electronic credit ledger – Rule 86A of CGST Rules

(1) The Commissioner or an officer authorised by him in this behalf, not below the rank of an Assistant Commissioner, having reasons to believe that credit of input tax available in the electronic credit ledger has been fraudulently availed or is ineligible in as much as

a) the credit of input tax has been availed on the strength of tax invoices or debit notes or any other document prescribed under rule 36 -

i. issued by a registered person who has been found non-existent or not to be conducting any business from any place for which registration has been obtained; or

ii. without receipt of goods or services or both; or

b) the credit of input tax has been availed on the strength of tax invoices or debit notes or any other document prescribed under rule 36 in respect of any supply, the tax charged in respect of which has not been paid to the Government; or

c) the registered person availing the credit of input tax has been found non-existent or not to be conducting any business from any place for which registration has been obtained; or

Conditions for use of amount available in electronic credit ledger – Rule 86A of CGST Rules

d) the registered person availing any credit of input tax is not in possession of a tax invoice or debit note or any other document prescribed under rule 36,

may, for reasons to be recorded in writing, not allow debit of an amount equivalent to such credit in electronic credit ledger for discharge of any liability under section 49 or for claim of any refund of any unutilised amount.

(2) The Commissioner, or the officer authorised by him under sub-rule (1) may, upon being satisfied that conditions for disallowing debit of electronic credit ledger as above, no longer exist, allow such debit.

(3) Such restriction shall cease to have effect after the expiry of a period of one year from the date of imposing such restriction.

Restrictions on use of amount available in electronic credit ledger – Rule 86B of CGST Rules

Notwithstanding anything contained in these rules, the registered person shall not use the amount available in electronic credit ledger to discharge his liability towards output tax in excess of ninety-nine per cent. of such tax liability, in cases where the value of taxable supply other than exempt supply and zero-rated supply, in a month exceeds fifty lakh rupees:

Provided that the said restriction shall not apply where -

- (a) the said person or the proprietor or karta or the managing director or any of its two partners, whole-time Directors, Members of Managing Committee of Associations or Board of Trustees, as the case may be, have paid more than one lakh rupees as income tax under the Income-tax Act, 1961(43 of 1961) in each of the last two financial years for which the time limit to file return of income under subsection (1) of section 139 of the said Act has expired; or*
- (b) the registered person has received a refund amount of more than one lakh rupees in the preceding financial year on account of unutilised input tax credit under clause (i) of first proviso of sub-section (3) of section 54 ; or*

Restrictions on use of amount available in electronic credit ledger – Rule 86B of CGST Rules

(c) the registered person has received a refund amount of more than one lakh rupees in the preceding financial year on account of unutilised input tax credit under clause (ii) of first proviso of sub-section (3) of section 54 ; or

(d) the registered person has discharged his liability towards output tax through the electronic cash ledger for an amount which is in excess of 1% of the total output tax liability, applied cumulatively, upto the said month in the current financial year; or

(e) the registered person is -

(i) Government Department; or

(ii) a Public Sector Undertaking; or

(iii) a local authority; or

(iv) a statutory body:

Provided further that the Commissioner or an officer authorised by him in this behalf may remove the said restriction after such verifications and such safeguards as he may deem fit.

Electronic Cash ledger – Rule 87 of CGST Rules

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(1) The electronic cash ledger under sub-section (1) of section 49 shall be maintained in **FORM GST PMT-05** for each person, liable to pay tax, interest, penalty, late fee or any other amount, on the common portal for crediting the amount deposited and debiting the payment therefrom towards tax, interest, penalty, fee or any other amount.

(2) Any person, or a person on his behalf, shall generate a challan in **FORM GST PMT-06** on the common portal and enter the details of the amount to be deposited by him towards tax, interest, penalty, fees or any other amount:

Provided that the challan in **FORM GST PMT-06** generated at the common portal shall be valid for a period of fifteen days.

(2) Omitted

(3) The deposit under sub-rule (2) shall be made through any of the following modes, namely:-

(i) Internet Banking through authorised banks;

(ia) Unified Payment Interface (UPI) from any bank;

(ib) Immediate Payment Services (IMPS) from any bank;]

(ii) Credit card or Debit card through the authorised bank;

(iii) National Electronic Fund Transfer or Real Time Gross Settlement from any bank; or

(iv) Over the Counter payment through authorised banks for deposits up to ten thousand rupees per challan per tax period, by cash, cheque or demand draft:

Electronic Cash ledger – Rule 87 of CGST Rules

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Provided that the restriction for deposit up to ten thousand rupees per challan in case of an Over the Counter payment shall not apply to deposit to be made by -

(a) Government Departments or any other deposit to be made by persons as may be notified by the Commissioner in this behalf;

(b) Proper officer or any other officer authorised to recover outstanding dues from any person, whether registered or not, including recovery made through attachment or sale of movable or immovable properties;

(c) Proper officer or any other officer authorised for the amounts collected by way of cash, cheque or demand draft during any investigation or enforcement activity or any ad hoc deposit:

Provided further that a person supplying online information and database access or retrieval services from a place outside India to a non-taxable online recipient referred to in section 14 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017) may also make the deposit under sub-rule (2) through international money transfer through Society for Worldwide Inter bank Financial Telecommunication payment network, from the date to be notified by the Board.

Electronic Cash ledger – Rule 87 of CGST Rules

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Explanation . - For the purposes of this sub-rule, it is hereby clarified that for making payment of any amount indicated in the challan, the commission, if any, payable in respect of such payment shall be borne by the person making such payment.

(4) Any payment required to be made by a person who is not registered under the Act, shall be made on the basis of a temporary identification number generated through the common portal.

(5) Where the payment is made by way of National Electronic Fund Transfer or Real Time Gross Settlement, 3 [or Immediate Payment Service] mode from any bank, the mandate form shall be generated along with the challan on the common portal and the same shall be submitted to the bank from where the payment is to be made:

Provided that the mandate form shall be valid for a period of fifteen days from the date of generation of challan.

(6) On successful credit of the amount to the concerned government account maintained in the authorised bank, a Challan

Identification Number shall be generated by the collecting bank and the same shall be indicated in the challan.

(7) On receipt of the Challan Identification Number from the collecting bank, the said amount shall be credited to the electronic cash ledger of the person on whose behalf the deposit has been made and the common portal shall make available a receipt to this effect.

Electronic Cash ledger – Rule 87 of CGST Rules

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(8) *Where the bank account of the person concerned, or the person making the deposit on his behalf, is debited but no Challan Identification Number is generated or generated but not communicated to the common portal, the said person may represent electronically in **FORM GST PMT-07** through the common portal to the bank or electronic gateway through which the deposit was initiated.*

(9) *Any amount deducted under section 51 or collected under section 52 and claimed 2 [****] by the registered taxable person from whom the said amount was deducted or, as the case may be, collected shall be credited to his electronic cash ledger.*

(10) *Where a person has claimed refund of any amount from the electronic cash ledger, the said amount shall be debited to the electronic cash ledger.*

(11) *If the refund so claimed is rejected, either fully or partly, the amount debited under sub-rule (10), to the extent of rejection, shall be credited to the electronic cash ledger by the proper officer by an order made in **FORM GST PMT-03**.*

Electronic Cash ledger – Rule 87 of CGST Rules

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(12) A registered person shall, upon noticing any discrepancy in his electronic cash ledger, communicate the same to the officer exercising jurisdiction in the matter, through the common portal in **FORM GST PMT-04**. **Explanation 1** .-The refund shall be deemed to be rejected if the appeal is finally rejected.

Explanation 2 . - For the purposes of this rule, it is hereby clarified that a refund shall be deemed to be rejected, if the appeal is finally rejected or if the claimant gives an undertaking to the proper officer that he shall not file an appeal.

(13) A registered person may, on the common portal, transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under the Act to the electronic cash ledger for integrated tax, central tax, State tax or Union territory tax or cess in **FORM GST PMT-09** .

(14) A registered person may, on the common portal, transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under the Act to the electronic cash ledger for central tax or integrated tax of a distinct person as specified in sub-section (4) or, as the case may be, sub-section (5) of section 25, in **FORM GST PMT-09** :

Provided that no such transfer shall be allowed if the said registered person has any unpaid liability in his electronic liability register.

Identification number for each transaction – Rule 88 of CGST Rules

(1) A unique identification number shall be generated at the common portal for each debit or credit to the electronic cash or credit ledger, as the case may be.

(2) The unique identification number relating to discharge of any liability shall be indicated in the corresponding entry in the electronic liability register.

(3) A unique identification number shall be generated at the common portal for each credit in the electronic liability register for reasons other than those covered under sub-rule (2).

Order of utilisation of input tax credit – Rule 88A of CGST Rules

Input tax credit on account of integrated tax shall first be utilised towards payment of integrated tax, and the amount remaining, if any, may be utilised towards the payment of central tax and State tax or Union territory tax, as the case may be, in any order:

Provided that the input tax credit on account of central tax, State tax or Union territory tax shall be utilised towards payment of integrated tax, central tax, State tax or Union territory tax, as the case may be, only after the input tax credit available on account of integrated tax has first been utilised fully.

Manner of calculating interest on delayed payment of tax – Rule 88B of CGST Rules

(1) In case, where the supplies made during a tax period are declared by the registered person in the return for the said period and the said return is furnished after the due date in accordance with provisions of section 39 , except where such return is furnished after commencement of any proceedings under section 73 or section 74 in respect of the said period, the interest on tax payable in respect of such supplies shall be calculated on the portion of tax which is paid by debiting the electronic cash ledger, for the period of delay in filing the said return beyond the due date, at such rate as may be notified under sub-section (1) of section 50 .

(2) In all other cases, where interest is payable in accordance with sub section (1) of section 50 , the interest shall be calculated on the amount of tax which remains unpaid, for the period starting from the date on which such tax was due to be paid till the date such tax is paid, at such rate as may be notified under sub-section (1) of section 50.

(3) In case, where interest is payable on the amount of input tax credit wrongly availed and utilised in accordance with subsection (3) of section 50 , the interest shall be calculated on the amount of input tax credit wrongly availed and utilised, for the period starting from the date of utilisation of such wrongly availed input tax credit till the date of reversal of such credit or payment of tax in respect of such amount, at such rate as may be notified under said sub-section (3) of section 50 .

Manner of calculating interest on delayed payment of tax – Rule 88B of CGST Rules

Explanation.-For the purposes of this sub-rule, -

(1) input tax credit wrongly availed shall be construed to have been utilised, when the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed, and the extent of such utilisation of input tax credit shall be the amount by which the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed.

(2) the date of utilisation of such input tax credit shall be taken to be, -

(a) the date, on which the return is due to be furnished under section 39 or the actual date of filing of the said return, whichever is earlier, if the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed, on account of payment of tax through the said return; or

(b) the date of debit in the electronic credit ledger when the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed, in all other cases.

Refund under GST – Related Law Provisions

Law	Chapter	Sections
CGST Act	XI	54 - 58
IGST Act	VI	015
CGST Rules	X	89 - 97A



Relevant Sections related to Refunds under CGST Act

Section	Section Heading
54	Refund of Tax
55	Refund in certain cases
56	Interest on delayed refunds
57	Consumer Welfare Fund
58	Utilisation of Fund



Other relevant provisions under CGST Act

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Section

Section Heading

27	Casual Taxable Person / Non-Resident Taxable Person
33	Amount of tax to be indicated in tax invoice and other documents
39	Furnishing of returns
49	Payment of tax, interest, penalty and other amounts
77	Tax wrongfully collected and paid to Central Govt or State Govt

Relevant provisions under CGST Rules

Rule	Rule Heading
89	Application for refund of tax, interest, penalty, fees or any other amount
90	Acknowledgement
91	Grant of provisional refund
92	Order sanctioning refund
93	Credit of the amount of rejected refund claim
94	Order sanctioning interest on delayed refunds
95	Refund of tax to certain persons
96	Omitted
96A	Refund of integrated tax paid on goods or services exported out of India
96B	Recovery of refund of unutilised input tax credit or integrated tax paid on export of goods where export proceeds not realised.
96C	Bank account for credit of refund
97	Consumer Welfare Fund
97A	Manual filing and processing

Forms prescribed under GST Law related to Refund

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Form	Form Name
Form-GST-RFD-01	Application for refund
Form-GST-RFD-01A	Application for refund (Manual)
Form-GST-RFD-01B	Refund Order details
Form-GST-RFD-01W	Application for withdrawal of Refund Application
Form-GST-RFD-02	Acknowledgement
Form-GST-RFD-03	Deficiency Memo
Form-GST-RFD-04	Provisional Refund Order
Form-GST-RFD-05	Payment Order
Form-GST-RFD-06	Refund Sanction / Rejection Order
Form-GST-RFD-07	Order for withholding the refund
Form-GST-RFD-08	Notice for rejection of application for refund
Form-GST-RFD-09	Reply to Show Cause Notice
Form-GST-RFD-10	Application for Refund by any specialized agency of UN or any Multilateral Financial Institution and Organization, Consulate or Embassy of foreign countries, etc.
Form-GST-RFD-10B	Application for refund by Duty Free Shops / Duty Paid Shops (Retail Outlets)
Form-GST-RFD-11	Furnishing of Bond or Letter of Undertaking for export of goods or services

Incentives for Exports

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Meaning of Important terminology under EXIM Policy as defined through FTP(2015-2020)

Manufacturer Exporter: A person who exports goods manufactured by him or intends to export such goods.

Merchant Exporter: A person engaged in trading activity and exporting or intending to export goods.

Manufacture Merchant Exporter: Due to manufacturing capacity constraints, a manufacturer, to fulfill its export orders, may buy goods from another manufacturer in the DTA.

Exemption for Ocean Freight: Sunset Clause introduced vide Notification No. **2/2018(CT-Rate)** and **14/2018**.

Services by way of transportation of goods by an aircraft or vessel from customs station of clearance in India to a place outside India had been exempted for the benefit of exporters till **30.09.2022**. **No GST exemption on Outbound Ocean freight from 01/10/2022.**

Incentives for Exports

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Merchandise Exports from India Scheme (MEIS)

It is a reward computed on the FOB value of exports realized in **free foreign exchange** and the **percentage of this reward** is specified in *Appendix 3B of the Foreign Trade Policy 2015-20* – **validity extended till 31/03/2023**.

As per this scheme, **the scrips cannot be used to make payments of GST but can be used for payment of Customs Duty.**

Duty credit scrips are classified as “**goods**” under “**HSN 4907**” and they are **exempted** from the whole of GST by an amendment to Notification 2/2017-CT (R) dated **28/06/2018** by Notification 35/2017CT (R) dated on **13/10/2017**.

Service Exports from India Scheme (SEIS):

A reward eligible for notified service providers computed based on the ‘**net**’ **free foreign exchange realized** and the percentage of this reward is specified in **Appendix 3D of the Foreign Trade Policy 2015-2020**.

Incentives for Exports

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Advance Authorization (AA): ***Post introduction of*** GST, the benefits under the AA scheme is restricted to BCD, Safeguard Duty, Transitional Product Specific Safeguard Duty and Antidumping Duty in respect of goods liable to IGST and for the specified items. As a result, **the benefit is not available for the payment of GST.**

Duty Free Import Authorization under Export Promotion Capital Goods (EPCG): Post introduction of GST, **only BCD is exempt on imports** made under EPCG authorisation and Importer / Exporter **need to pay IGST on imports and take ITC for the same.**

Situations leading of Refund Claim under GST

Export of goods or services;

Supplies to SEZs units and developers;

Supply of goods regarded as Deemed Exports;

Refund of taxes on purchase made by UN or embassies etc. under Section 55 of CGST Act, 2017;

Refund arising on account of judgment, decree, order or direction of the Appellate Authority, Appellate Tribunal or any court;

Refund of accumulated Input Tax Credit on account of inverted rate structure;

Finalisation of provisional assessment;

Refund of pre-deposit;

Tax paid in excess/by mistake;

Refunds to International tourists of GST paid on goods in India and carried abroad at the time of their departure from India;

Refund of tax paid in wrong head under Section 77 of CGST Act, 2017 & Section 19 of IGST Act, 2017 (treating the supply as intra-State supply which is subsequently held as inter-State supply and vice versa);

Refund on account of any other reasons.

Process of Refund under GST

Application in Form RFD-01 for claiming refund to be filed through the GSTN portal.

An acknowledgement number would be shared with applicant via sms or email, once the application is filed electronically.

Adjustment would be made to return and cash ledger and reduce the “carry-forward input tax credit” automatically. (Where the application relates to refund of input tax credit, the electronic credit ledger shall be debited by the applicant by an amount equal to the refund so claimed).

Refund application and documents submitted shall be scrutinized within a period of 60 days of filing the refund application.

Concept of “unjust enrichment” would be examined for reach refund application. If it does not qualify, then the refund would be transferred to CWF (consumer welfare fund).

If refund claimed exceeds the predetermined amount of refund, then it will go through pre-audit process for sanctioning the refund.

Refund will be credited electronically to the account of applicant via ECS, RTGS or NEFT.

Relevant Date for claiming Refund

Situation	Relevant Date
Export by Sea / Air	The date on which the ship or the aircraft in which such goods are loaded, leaves India.
Export by Land	The date on which such goods pass the Land Customs Frontier.
Export by Post	The date of dispatch of goods by Post Office concerned to a place outside India
Deemed Export	The date on which the return relating to such deemed exports is furnished.
Export of Service	The date of: (a) receipt of payment in convertible foreign currency, where the supply of service had been completed prior to the receipt of such payment; or (b) issue of invoice, where payment for the services had been received in advance prior to the date of issue of the invoice.
Decree / Judgment	The date of communication of such judgment, decree, order or direction.
Refund of unutilised ITC	End of Financial Year.
Provisional payment of Tax	The date of adjustment of tax after the final assessment.
Other cases.	The date of payment of tax.

Refund in case of Zero- Rated Supply

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Refund in case of Zero-Rated Supply In the case of zero-rated supply of goods or services or both without payment of tax under bond or letter of undertaking, refund of input tax credit shall be granted as per the following formula –

Refund Amount =

**(Turnover of zero-rated supply of goods +
Turnover of zero-rated supply of services)
x Net ITC ÷ Adjusted Total Turnover**

Where, **Adjusted Total Turnover** means Turnover with the State/UT excluding exempted supplies.

Net ITC means ITC on Goods & Services available during the period.

Provisional Refund in case of Zero- Rated Supply

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Provisional 90% of the refund shall be paid by the **Proper Officer within 7 days of application**, if he considers that **prima facie refund is due to the applicant**.

The aforesaid provision is applicable subject to the following conditions:-

1. The person claiming refund has, during any period of five years immediately preceding the tax period to which the claim for refund relates, **not been prosecuted for any offence under the Act or under an existing law where the amount of tax evaded exceeds two hundred and fifty lakh rupees**;
2. The **GST compliance rating**, where available, of the applicant is **not less than five on a scale of ten**;
3. No proceedings of **any appeal, review or revision are pending** on any of the issues which form the basis of the refund and if pending, the same has not been stayed by the appropriate authority or court.

Refund in case of inverted Duty Structure

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In the case of zero-rated supply of goods or services or both without payment of tax under bond or letter of undertaking, refund of input tax credit shall be granted as per the following formula –

Maximum Refund Amount = {(Turnover of inverted rated supply of goods) x Net ITC ÷ Adjusted Total Turnover} - tax payable on such inverted rated supply of goods

Where,

Adjusted Total Turnover means Turnover with the State/UT excluding exempted supplies.

Net ITC means ITC on Goods & Services available during the period.

Documentary Evidence in case of Refund Claims

Scenario	Documents
Refund of Pre-deposit as per subsection (6) of section 107 and sub-section (8) of section 112 [Pre deposit is made for entertaining the appeal against the order]	Reference number of the order and a copy of the order passed by the proper officer or an Appellate Authority or Appellate Tribunal or Court resulting in such refund OR Reference number of the payment of the pre-deposit amount.
Refund on account of export of goods	A statement containing the number and date of shipping bills or bills of export and the number and the date of the relevant export invoices. Note: Insistence on the proof of realization of export proceeds for processing refund claims related to export of goods has not been envisaged in the law and should not be insisted upon [Para 12 of Circular 37/11/2018-GST dated 15-03-2018]
Refund on account of export of services	A statement containing the number and date of invoices and the relevant Bank Realisation Certificates or Foreign Inward Remittance Certificates
Refund on account of supply of goods made to a Special Economic Zone unit or a Special Economic Zone developer	A statement containing the number and date of invoices as provided in rule 46 along with the evidence regarding the endorsement by the specified officer of the Zone A declaration to the effect that the Special Economic Zone unit or the Special Economic Zone developer has not availed the input tax credit of the tax paid by the supplier of goods or services or both, in a case where the refund is on account of supply of goods or services made to a Special Economic Zone unit or a Special Economic Zone developer

Documentary Evidence in case of Refund Claims

Refund on account of supply of Service made to a Special Economic Zone unit or a Special Economic Zone Developer	A statement containing the number and date of invoices, the evidence regarding the endorsement specified in the second proviso to sub-rule (1) and the details of payment, along with the proof thereof, made by the recipient to the supplier for authorised operations as defined under the Special Economic Zone Act, 2005, in a case where the refund is on account of supply of services made to a Special Economic Zone unit or a Special Economic Zone developer A declaration to the effect that the Special Economic Zone unit or the Special Economic Zone developer has not availed the input tax credit of the tax paid by the supplier of goods or services or both, in a case where the refund is on account of supply of goods or services made to a Special Economic Zone unit or a Special Economic Zone developer
Refund on account of deemed exports (where the refund is claimed by the Recipient of Deemed Exports)	A statement containing the number and date of invoices along with further documents as may be notified. However, no document has been notified by the Government when the Recipient is claiming the Refund. It may be prudent for the Recipient to obtain an undertaking from the Supplier that he has not claimed refund of the GST paid on the Deemed Exports.
Refund on account of the rate of tax on the inputs being higher than the rate of tax on output supplies, other than nil-rated or fully exempt supplies	A statement containing the number and the date of the invoices received and issued during a tax period in a case where the claim pertains to refund of any unutilised input tax credit under sub-section (3) of section 54
Refund arises on account of the finalisation of provisional assessment	The reference number of the final assessment order and a copy of the said order
Refund as per Section 77 (tax wrongly collected and paid to the Central or state government)	A statement showing the details of transactions considered as intra-State supply but which are subsequently held to be inter-State supply

Rule 89. Application for refund of tax, interest, penalty, fees or any other amount.

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*(1) Any person, except the persons covered under notification issued under section 55 claiming refund of any balance in the electronic cash ledger in accordance with the provisions of sub-section (6) of section 49 or any tax, interest, penalty, fees or any other amount paid by him, other than refund of integrated tax paid on goods exported out of India, may file electronic cash ledger in accordance with the provisions of sub-section (6) of section 49 or subject to the provisions of rule 10B, an application electronically in **FORM GST RFD-01** through the common portal, either directly or through a Facilitation Centre notified by the Commissioner:*

Provided that in respect of supplies to a Special Economic Zone unit or a Special Economic Zone developer, the application for refund shall be filed by the -

(a) supplier of goods after such goods have been admitted in full in the Special Economic Zone for authorised operations, as endorsed by the specified officer of the Zone;

(b) supplier of services along with such evidence regarding receipt of services for authorised operations as endorsed by the specified officer of the Zone:

Rule 89. Application for refund of tax, interest, penalty, fees or any other amount.

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Provided further that] in respect of supplies regarded as deemed exports, the application may be filed by, -

- (a) the recipient of deemed export supplies; or
- (b) the supplier of deemed export supplies in cases where the recipient does not avail of input tax credit on such supplies and furnishes an undertaking to the effect that the supplier may claim the refund

Provided also that refund of any amount, after adjusting the tax payable by the applicant out of the advance tax deposited by him under section 27 at the time of registration, shall be claimed in the last return required to be furnished by him.

Explanation .—For the purposes of this sub-rule, — “specified officer” means a “specified officer” or an “authorised officer” as defined under rule 2 of the Special Economic Zone Rules, 2006.

(1A) Any person, claiming refund under section 77 of the Act of any tax paid by him, in respect of a transaction considered by him to be an intra-State supply, which is subsequently held to be an inter-State supply, may, before the expiry of a period of two years from the date of payment of the tax on the inter-State supply, file an application electronically in **FORM GST RFD-01** through the common portal, either directly or through a Facilitation Centre notified by the Commissioner:

Rule 89. Application for refund of tax, interest, penalty, fees or any other amount.

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***Provided** that the said application may, as regard to any payment of tax on inter-State supply before coming into force of this sub-rule, be filed before the expiry of a period of two years from the date on which this sub-rule comes into force.*

*(2) The application under sub-rule (1) shall be accompanied by any of the following documentary evidences in Annexure 1 in **FORM GST RFD-01** , as applicable, to establish that a refund is due to the applicant, namely:-*

(a) the reference number of the order and a copy of the order passed by the proper officer or an appellate authority or Appellate Tribunal or court resulting in such refund or reference number of the payment of the amount specified in subsection (6) of section 107 and sub-section (8) of section 112 claimed as refund;

(b) a statement containing the number and date of shipping bills or bills of export and the number and the date of the relevant export invoices, in a case where the refund is on account of export of goods, other than electricity;

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(ba) a statement containing the number and date of the export invoices, details of energy exported, tariff per unit for export of electricity as per agreement, along with the copy of statement of scheduled energy for exported electricity by Generation Plants issued by the Regional Power Committee Secretariat as a part of the Regional Energy Account (REA) under clause (nnn) of sub-regulation 1 of Regulation 2 of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010 and the copy of agreement detailing the tariff per unit, in case where refund is on account of export of electricity;

(c) a statement containing the number and date of invoices and the relevant Bank Realisation Certificates or Foreign Inward Remittance Certificates, as the case may be, in a case where the refund is on account of the export of services;

(d) a statement containing the number and date of invoices as provided in rule 46 along with the evidence regarding the endorsement specified in the second proviso to sub-rule (1) in the case of the supply of goods made to a Special Economic Zone unit or a Special Economic Zone developer;

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(e) a statement containing the number and date of invoices, the evidence regarding the endorsement specified in the second proviso to sub-rule (1) and the details of payment, along with the proof thereof, made by the recipient to the supplier for authorised operations as defined under the Special Economic Zone Act, 2005, in a case where the refund is on account of supply of services made to a Special Economic Zone unit or a Special Economic Zone developer;

[(f) a declaration to the effect that tax has not been collected from the Special Economic Zone unit or the Special Economic Zone developer, in a case where the refund is on account of supply of goods or services or both made to a Special Economic Zone unit or a Special Economic Zone developer;]

(g) a statement containing the number and date of invoices along with such other evidence as may be notified in this behalf, in a case where the refund is on account of deemed exports;

(h) a statement containing the number and the date of the invoices received and issued during a tax period in a case where the claim pertains to refund of any unutilised input tax credit under sub-section (3) of section 54 where the credit has accumulated on account of the rate of tax on the inputs being higher than the rate of tax on output supplies, other than nil-rated or fully exempt supplies;

(i) the reference number of the final assessment order and a copy of the said order in a case where the refund arises on account of the finalisation of provisional assessment;

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(j) a statement showing the details of transactions considered as intra-State supply but which is subsequently held to be inter-State supply;

(k) a statement showing the details of the amount of claim on account of excess payment of tax;

(l) a declaration to the effect that the incidence of tax, interest or any other amount claimed as refund has not been passed on to any other person, in a case where the amount of refund claimed does not exceed two lakh rupees:

Provided that a declaration is not required to be furnished in respect of the cases covered under clause (a) or clause (b) or clause (c) or clause (d) or clause (f) of sub-section (8) of section 54 ;

*(m) a Certificate in Annexure 2 of **FORM GST RFD-01** issued by a chartered accountant or a cost accountant to the effect that the incidence of tax, interest or any other amount claimed as refund has not been passed on to any other person, in a case where the amount of refund claimed exceeds two lakh rupees:*

Provided that a certificate is not required to be furnished in respect of cases covered under clause (a) or clause (b) or clause (c) or clause (d) or clause (f) of subsection (8) of section 54 ;

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Explanation. - For the purposes of this rule-

(i) in case of refunds referred to in clause (c) of sub-section (8) of section 54 , the expression "invoice" means invoice conforming to the provisions contained in section 31 ;

(ii) where the amount of tax has been recovered from the recipient, it shall be deemed that the incidence of tax has been passed on to the ultimate consumer.

(3) Where the application relates to refund of input tax credit, the electronic credit ledger shall be debited by the applicant by an amount equal to the refund so claimed.

(4) In the case of zero-rated supply of goods or services or both without payment of tax under bond or letter of undertaking in accordance with the provisions of sub-section (3) of section 16 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017), refund of input tax credit shall be granted **as per the following formula –**

Refund Amount = (Turnover of zero-rated supply of goods + Turnover of zero-rated supply of services) x Net ITC ÷ Adjusted Total Turnover

Where, -

(A) "**Refund amount**" means the maximum refund that is admissible;

(B) "**Net ITC**" means input tax credit availed on inputs and input services during the relevant period other than the input tax credit availed for which refund is claimed under sub-rules (4A) or (4B) or both;

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(C) **"Turnover of zero-rated supply of goods"** means the value of zero-rated supply of goods made during the relevant period without payment of tax under bond or letter of undertaking or the value which is 1.5 times the value of like goods domestically supplied by the same or, similarly placed, supplier, as declared by the supplier, whichever is less, other than the turnover of supplies in respect of which refund is claimed under sub-rules (4A) or (4B) or both;

(D) **"Turnover of zero-rated supply of services"** means the value of zero-rated supply of services made without payment of tax under bond or letter of undertaking, calculated in the following manner, namely:-

Zero-rated supply of services is the aggregate of the payments received during the relevant period for zero-rated supply of services and zero-rated supply of services where supply has been completed for which payment had been received in advance in any period prior to the relevant period reduced by advances received for zero-rated supply of services for which the supply of services has not been completed during the relevant period;

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(E) "Adjusted Total Turnover" means the sum total of the value of-

- (a) the turnover in a State or a Union territory, as defined under clause (112) of section 2 , excluding the turnover of services; and
- (b) the turnover of zero-rated supply of services determined in terms of clause (D) above and non-zero-rated supply of services, excluding-

- (i) the value of exempt supplies other than zero-rated supplies; and

- (ii) the turnover of supplies in respect of which refund is claimed under sub-rule (4A) or sub-rule (4B) or both, if any, during the relevant period.

(F) "Relevant period" means the period for which the claim has been filed.

Explanation. –For the purposes of this sub-rule, the value of goods exported out of India shall be taken as –

- (i) the Free on Board (FOB) value declared in the Shipping Bill or Bill of Export form, as the case may be, as per the Shipping Bill and Bill of Export (Forms) Regulations, 2017; or

- (ii) the value declared in tax invoice or bill of supply, whichever is less.

Rule 89. Application for refund of tax, interest, penalty, fees or any other amount.

(4A) In the case of supplies received on which the supplier has availed the benefit of the Government of India, Ministry of Finance, notification No. 48/2017-Central Tax dated the 18th October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3 , Sub-section (i), vide number G.S.R 1305 (E) dated the 18th October, 2017, refund of input tax credit, availed in respect of other inputs or input services used in making zero-rated supply of goods or services or both, shall be granted.

(4B) Where the person claiming refund of unutilised input tax credit on account of zero rated supplies without payment of tax has -

(a) received supplies on which the supplier has availed the benefit of the Government of India, Ministry of Finance, notification No. 40/2017-Central Tax (Rate) , dated the 23rd October, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3 , Sub-section (i), vide number G.S.R 1320 (E), dated the 23 rd October, 2017 or notification No. 41/2017 Integrated Tax (Rate) , dated the 23 rd October, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3 , Sub-section (i), vide number G.S.R 1321(E), dated the 23rd October, 2017; or

(b) availed the benefit of notification No. 78/2017-Customs, dated the 13 th October, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3 , Sub-section (i), vide number G.S.R 1272(E), dated the 13 th October, 2017 or notification No. 79/2017-Customs, dated the 13 th October, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3 , Subsection (i), vide number G.S.R 1299 (E), dated the 13 th October, 2017, the refund of input tax credit, availed in respect of inputs received under the said notifications for export of goods and the input tax credit availed in respect of other inputs or input services to the extent used in making such export of goods, shall be granted.

Rule 89. Application for refund of tax, interest, penalty, fees or any other amount.

(5) In the case of refund on account of inverted duty structure, refund of input tax credit shall be granted as per the following formula:-

Maximum Refund Amount =

{(Turnover of inverted rated supply of goods and services) x Net ITC Adjusted Total Turnover} – {tax payable on such inverted rated supply of goods and services x (Net ITC ÷ ITC availed on inputs and input services)}.

Explanation : - *For the purposes of this sub-rule, the expressions -*

(a) "Net ITC" shall mean input tax credit availed on inputs during the relevant period other than the input tax credit availed for which refund is claimed under sub-rules (4A) or (4B) or both; and

"Adjusted Total turnover" and **"relevant period"** shall have the same meaning as assigned to them in sub-rule (4).

Rule 90. Acknowledgement

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(1) Where the application relates to a claim for refund from the electronic cash ledger, an acknowledgement in **FORM GST RFD-02** shall be made available to the applicant through the common portal electronically, clearly indicating the date of filing of the claim for refund and the time period specified in sub-section (7) of section 54 shall be counted from such date of filing.

(2) The application for refund, other than claim for refund from electronic cash ledger, shall be forwarded to the proper officer who shall, within a period of fifteen days of filing of the said application, scrutinize the application for its completeness and where the application is found to be complete in terms of sub-rule (2), (3) and (4) of rule 89, an acknowledgement in **FORM GST RFD-02** shall be made available to the applicant through the common portal electronically, clearly indicating the date of filing of the claim for refund and the time period specified in sub-section (7) of section 54 shall be counted from such date of filing.

(3) Where any deficiencies are noticed, the proper officer shall communicate the deficiencies to the applicant in **FORM GST RFD-03** through the common portal electronically, requiring him to file a fresh refund application after rectification of such deficiencies.

Rule 90. Acknowledgement

Provided that the time period, from the date of filing of the refund claim in FORM GST RFD-01 till the date of communication of the deficiencies in FORM GST RFD-03 by the proper officer, shall be excluded from the period of two years as specified under subsection (1) of Section 54, in respect of any such fresh refund claim filed by the applicant after rectification of the deficiencies.

(4) Where deficiencies have been communicated in FORM GST RFD-03 under the State Goods and Service Tax Rules, 2017, the same shall also deemed to have been communicated under this rule along with the deficiencies communicated under subrule (3).

(5) The applicant may, at any time before issuance of provisional refund sanction order in FORM GST RFD-04 or final refund sanction order in FORM GST RFD-06 or payment order in FORM GST RFD-05 or refund withhold order in FORM GST RFD-07 or notice in FORM GST RFD-08 , in respect of any refund application filed in FORM GST RFD-01 , withdraw the said application for refund by filing an application in FORM GST RFD-01W.

(6) On submission of application for withdrawal of refund in FORM GST RFD-01W , any amount debited by the applicant from electronic credit ledger or electronic cash ledger, as the case may be, while filing application for refund in FORM GST RFD-01 , shall be credited back to the ledger from which such debit was made.

Rule 91. Grant of provisional refund.-

(1) The provisional refund in accordance with the provisions of sub-section (6) of section 54 shall be granted subject to the condition that the person claiming refund has, during any period of five years immediately preceding the tax period to which the claim for refund relates, not been prosecuted for any offence under the Act or under an existing law where the amount of tax evaded exceeds two hundred and fifty lakh rupees.

(2) The proper officer, after scrutiny of the claim and the evidence submitted in support thereof and on being prima facie satisfied that the amount claimed as refund under sub-rule (1) is due to the applicant in accordance with the provisions of subsection (6) of section 54, shall make an order in FORM GST RFD-04, sanctioning the amount of refund due to the said applicant on a provisional basis within a period not exceeding seven days from the date of the acknowledgement under sub-rule (1) or sub-rule (2) of rule 90 :

Provided that the order issued in FORM GST RFD-04 shall not be required to be revalidated by the proper officer.

(3) The proper officer shall issue a payment order in FORM GST RFD-05 for the amount sanctioned under sub-rule (2) and the same shall be electronically credited to any of the bank accounts of the applicant mentioned in his registration particulars and as specified in the application for refund on the basis of a consolidated payment advice:

Provided that the payment order] in FORM GST RFD-05 shall be required to be revalidated where the refund has not been disbursed within the same financial year in which the said 5 [payment order] was issued.

(4) The Central Government shall disburse the refund based on the consolidated payment advice issued under sub-rule (3).



Rule 93. Credit of the amount of rejected refund claim

(1) Where any deficiencies have been communicated under sub-rule (3) of rule 90 , the amount debited under sub-rule (3) of rule 89 shall be re-credited to the electronic credit ledger.

(2) Where any amount claimed as refund is rejected under rule 92 , either fully or partly, the amount debited, to the extent of rejection, shall be re-credited to the electronic credit ledger by an order made in FORM GST PMT-03.

Explanation. - *For the purposes of this rule, a refund shall be deemed to be rejected, if the appeal is finally rejected or if the claimant gives an undertaking in writing to the proper officer that he shall not file an appeal.*



Rule 94. Order sanctioning interest on delayed refunds

Where any interest is due and payable to the applicant under section 56 , the proper officer shall make an order along with a 1 [payment order] in FORM GST RFD-05 , specifying therein the amount of refund which is delayed, the period of delay for which interest is payable and the amount of interest payable, and such amount of interest shall be electronically credited to any of the bank accounts of the applicant mentioned in his registration particulars and as specified in the application for refund.



Rule 95. Refund of tax to certain persons

Any person eligible to claim refund of tax paid by him on his inward supplies as per notification issued under section 55 shall apply for refund in FORM GST RFD-10 once in every quarter, electronically on the common portal or otherwise, either directly or through a Facilitation Centre notified by the Commissioner, along with a statement of the inward supplies of goods or services or both in FORM GSTR-11 .

(2) An acknowledgement for the receipt of the application for refund shall be issued in FORM GST RFD-02 .

(3) The refund of tax paid by the applicant shall be available if

(a) the inward supplies of goods or services or both were received from a registered person against a tax invoice;

(b) name and Goods and Services Tax Identification Number or Unique Identity Number of the applicant is mentioned in the tax invoice; and

(c) such other restrictions or conditions as may be specified in the notification are satisfied.

Rule 95. Refund of tax to certain persons

Provided that where Unique Identity Number of the applicant is not mentioned in a tax invoice, the refund of tax paid by the applicant on such invoice shall be available only if the copy of the invoice, duly attested by the authorised representative of the applicant, is submitted along with the refund application in FORM GST RFD-10 .

(4) The provisions of rule 92 shall, mutatis mutandis, apply for the sanction and payment of refund under this rule.

(5) Where an express provision in a treaty or other international agreement, to which the President or the Government of India is a party, is inconsistent with the provisions of this Chapter, such treaty or international agreement shall prevail.

Rule 96A Export of goods or services under bond or Letter of Undertaking

(1) Any registered person availing the option to supply goods or services for export without payment of integrated tax shall furnish, prior to export, a bond or a Letter of Undertaking in FORM GST RFD-11 to the jurisdictional Commissioner, binding himself to pay the tax due along with the interest specified under sub-section (1) of section 50 within a period of –

(a) fifteen days after the expiry of three months or such further period as may be allowed by the Commissioner, from the date of issue of the invoice for export, if the goods are not exported out of India; or

(b) fifteen days after the expiry of one year, or such further period as may be allowed by the Commissioner, from the date of issue of the invoice for export, if the payment of such services is not received by the exporter in convertible foreign exchange [or in Indian rupees, wherever permitted by the Reserve Bank of India.

(2) The details of the export invoices contained in FORM GSTR-1 furnished on the common portal shall be electronically transmitted to the system designated by Customs and a confirmation that the goods covered by the said invoices have been exported out of India shall be electronically transmitted to the common portal from the said system

Rule 96A Export of goods or services under bond or Letter of Undertaking

Provided that where the date for furnishing the details of outward supplies in FORM GSTR-1 for a tax period has been extended in exercise of the powers conferred under section 37 of the Act, the supplier shall furnish the information relating to exports as specified in Table 6A of FORM GSTR-1 after there turn in FORM GSTR-3B has been furnished and the same shall be transmitted electronically by the common portal to the system designated by the Customs:

Provided further that the information in Table 6A furnished under the first proviso shall be auto-drafted in FORM GSTR-1 for the said tax period.

(3) Where the goods are not exported within the time specified in sub-rule (1) and the registered person fails to pay the amount mentioned in the said sub-rule, the export as allowed under bond or Letter of Undertaking shall be withdrawn forthwith and the said amount shall be recovered from the registered person in accordance with the provisions of section 79.

(4) The export as allowed under bond or Letter of Undertaking withdrawn in terms of sub rule (3) shall be restored immediately when the registered person pays the amount due.

(5) The Board, by way of notification, may specify the conditions and safeguards under which a Letter of Undertaking may be furnished in place of a bond.

(6) The provisions of sub rule (1) shall apply, mutatis mutandis , in respect of zero-rated supply of goods or services or both to a Special Economic Zone developer or a Special Economic Zone unit without payment of integrated tax.

Rule 96B.
Recovery of refund
of unutilised input
tax credit or
integrated tax paid
on export of goods
where export
proceeds not
realised .

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(1) Where any refund of unutilised input tax credit on account of export of goods or of integrated tax paid on export of goods has been paid to an applicant but the sale proceeds in respect of such export goods have not been realised , in full or in part, in India within the period allowed under the Foreign Exchange Management Act, 1999 (42 of 1999), including any extension of such period, the person to whom the refund has been made shall deposit the amount so refunded, to the extent of non- realisation of sale proceeds, along with applicable interest within thirty days of the expiry of the said period or, as the case may be, the extended period, failing which the amount refunded shall be recovered in accordance with the provisions of section 73 or 74 of the Act, as the case may be, as is applicable for recovery of erroneous refund, along with interest under section 50 :

Provided that where sale proceeds, or any part thereof, in respect of such export goods are not realised by the applicant within the period allowed under the Foreign Exchange Management Act, 1999 (42 of 1999), but the Reserve Bank of India writes off the requirement of realisation of sale proceeds on merits, the refund paid to the applicant shall not be recovered.

Rule 96B.
Recovery of refund
of unutilised input
tax credit or
integrated tax paid
on export of goods
where export
proceeds not
realised .

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(2) Where the sale proceeds are realised by the applicant, in full or part, after the amount of refund has been recovered from him under sub-rule (1) and the applicant produces evidence about such realisation within a period of three months from the date of realisation of sale proceeds, the amount so recovered shall be refunded by the proper officer, to the applicant to the extent of realisation of sale proceeds, provided the sale proceeds have been realised within such extended period as permitted by the Reserve Bank of India.



Rule 96C. Bank Account for credit of refund

For the purposes of sub-rule (3) of rule 91 , sub-rule (4) of rule 92 and rule 94 , "bank account" shall mean such bank account of the applicant which is in the name of applicant and obtained on his Permanent Account Number:

Provided that in case of a proprietorship concern, the Permanent Account Number of the proprietor shall also be linked with the Aadhaar number of the proprietor

In _____ Ledger of a taxable person the deposit towards tax, penalty, interest, fee or any other amount are to be credited into?

- A. Electronic Credit Ledger;
- B. Electronic Liability Register;
- C. Electronic Cash Ledger;
- D. Electronic Input Tax Credit Register;

Answer:- C

The Input Tax Credit as self-assessed by a taxable person is credited into _____ of the following Ledgers?

- A. Electronic Credit Ledger;
- B. Electronic Liability Register;
- C. Electronic Cash Ledger;
- D. Electronic Input Tax Credit Register;

Answer:- A

The cross-utilization of credit available under IGST after utilization towards payment of IGST is done in the _____ chronological order?

- A. CGST then SGST / UTGST;
- B. SGST / UTGST then CGST;
- C. CGST, UTGST / SGST, in any order;
- D. As allowed by the Proper Officer;

Answer:- C

Input Tax Credit of CGST is first utilized for payment of _____ and the balance is utilized for payment of _____ ?

- A. CGST, SGST / UTGST;
- B. CGST, IGST;
- C. IGST, CGST;
- D. SGST / UTGST / CGST;

Answer:- B

The interest is payable on _____?

- A. Belated payment of tax;
- B. Undue or excess claim of input tax credit in case of matching of ITC;
- C. Undue / excess reduction of output tax liability;
- D. All the above;

Answer:- D

The interest is calculated _____?

- A. from the date following the day on which tax becomes due to be paid;
- B. last day such tax was due to be paid;
- C. the period not specified under the law;
- D. from the date when input tax credit taken by the taxpayer;

Answer:- A

The deduction of tax by the Deductor under Section 51 of CGST Act is at the rate of _____?

- A. 1 per cent;
- B. 2 per cent;
- C. 3 per cent;
- D. 4 per cent;

Answer:- A

The amount of tax deducted by the deductor has to be paid to the credit of the appropriate Government within _____ days after the end of the month in which such deduction is made?

- A. 5 days;
- B. 10 days;
- C. 15 days;
- D. 20 days;

Answer:- B

The deductee can claim credit of the remittance made by the deductor in his _____?

- A. Electronic Credit Ledger;
- B. Electronic Cash Ledger;
- C. Electronic Input Tax Credit Ledger;
- D. Electronic Liability Register;

Answer:- B

If excess or erroneous deduction has been made by the Deductor and this amount is credited to electronic cash ledger of the deductee, the refund can be claimed by _____?

- A. Deductor;
- B. Deductee;
- C. Either Deductor or Deductee;
- D. Both Deductor and Deductee;

Answer:- B

Tax Deduction need to be made if _____?

- A. a contract is for an amount exceeding Rs. 25.00 lakhs;
- B. a supplier supplies goods or services or both exceeding Rs. 2.5 lakhs in a year;
- C. a recipient receives goods or services or both exceeding Rs. 2.5 lakhs in a year;
- D. a supplier supplies goods or services or both exceeding Rs. 5 lakhs in a year;

Answer:- B

Tax Collection at source under Section 52 of the CGST Act shall be made at the rate of not exceeding _____?

- A. 0.5 percent;
- B. 1.0 percent;
- C. 1.5 percent;
- D. 2.0 percent;

Answer:- B

The amount of tax collected by the e-commerce operator need to be paid to the credit of the appropriate Government within _____ days after the end of the month in which such TCS is made?

- A. 5 days;
- B. 7 days;
- C. 10 days;
- D. 15 days;

Answer:- C

An e-commerce operator shall file _____ returns?

- A. monthly;
- B. quarterly;
- C. annual;
- D. monthly as well annual;

Answer:- D

As per the provisions under GST Law, the relevant date for refund claim on account of excess payment of GST due to mistake is _____?

- A. date of payment of GST;
- B. last day of the financial year in which the mistake happened;
- C. date of supply of goods or provision of service;
- D. date of tax invoice;

Answer:- A

As per the provisions under GST Law, interest U/S 56 of the CGST Act is applicable on delayed payment of refunds issued under _____?

- A. Section 45 of the CGST Act;
- B. Section 44 of the CGST Act;
- C. Section 41 of the CGST Act;
- D. Section 54 of the CGST Act;

Answer:- D

As per the provisions under GST Law, the overall objective of the Consumer Welfare Fund is _____?

- A. to facilitate a simplified refund mechanism;
- B. to promote and protect the welfare of the consumers and strengthen the consumer movement in the country;
- C. to boost the overall growth of the economy;
- D. to facilitate grant of refund in a time bound manner;

Answer:- B



**RISE UP
START FRESH
SEE THE BRIGHT
OPPORTUNITY
IN EACH
NEW DAY**

This PPT is prepared purely for academic and knowledge sharing purpose based on information / material freely available on internet.

Thanks for your Attention!!!

Any Questions???