THE GOODS AND SERVICES TAX (REUFND) RULES, 2017

Rule	Rule Title	Form no.	Time limit for filing form	Section reference	Provision	Analysis
1	**Application for refund of tax, interest, penalty, fees or any other amount**	**GST RFD-01**		**1. Section 54 of CGST Act;** **2. Section 16(3) of IGST Act**	(1) Any person, except the persons covered by notification issued under section 55, claiming refund of any tax, interest, penalty, fees or any other amount paid by him, may file an application in **FORM GST RFD-01** electronically through the Common Portal either directly or through a Facilitation Centre notified by the Commissioner: Provided that any claim for refund relating to balance in the electronic cash ledger in accordance with the provisions of sub-section (6) of section 49 may also be made through the return furnished for the relevant tax period in **FORM GSTR-3, FORM GSTR-4 or FORM GSTR-7,** as the case may be: Provided further that in case of export of goods, application for refund shall be filed only after the export manifest or an export report, as the case may be, is delivered under section 41 of the Customs Act, 1962 in respect of such goods: Provided also 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 supplier of goods after such goods have been admitted in full in the Special Economic Zone for authorized operations, as	1. Eligible person: any person other than UNO, consulates etc mentioned under Section 55; 2. Application to be made through Common Portal accompanied by documentary evidences specified in sub-rule (2); 3. Refund claim for balance in **cash ledger** to be made in specified forms after making payment of tax, interest, penalty, fee or any other amount payable for the relevant period; 4. Application for **export** to be made **only after** export manifest or export report is delivered; 5. Application by ***supplier of goods / services*** to **SEZ unit/SEZ developer** to be made after goods are

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					endorsed by the specified officer of the Zone: Provided also 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 supplier of services along with such evidence regarding receipt of services for authorized operations as endorsed by the specified officer of the Zone: Provided also that in respect of supplies regarded as deemed exports, the application shall be filed by the recipient of deemed export supplies: 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 either in the last return required to be furnished by him or only after furnishing of the said last return. (2) The application under sub-rule (1) shall be accompanied by any of the following documentary evidences, as applicable, to establish that a refund is due to the applicant: (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	admitted in SEZ for authorized operations and in case of services, evidence regarding receipt of services for such authorized operations; 6. For **deemed exports**, application to be made by recipient; 7. In case of refund of **input tax credit,** electronic credit ledger shall be debited; 8. For refund of **zero-rated supply** of goods and/ or services, amount shall be calculated in accordance with formula specified in rule;

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					number of the payment of the amount specified in sub-section (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 date of relevant export invoices, in a case where the refund is on account of export of goods; (c) a statement containing the number and date of invoices and the relevant Bank Realization Certificates or Foreign Inward Remittance Certificates, as the case may be, in a case where the refund is on account of export of services; (d) a statement containing the number and date of invoices and the relevant Bank Realization Certificates or Foreign Inward Remittance Certificates, as the case may be, in a case where the refund is on account of export of services (e) a statement containing the number and date of invoices, the evidence regarding endorsement specified in the fourth proviso to sub-rule (1) and the details of payment, along with proof thereof, made by the recipient to the supplier for authorized operations as defined under the Special Economic Zone Act, 2005, in a case where the	

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					refund is on account of supply of services made to a Special Economic Zone unit or a Special Economic Zone developer: (f) 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; (g) a statement in Annex 1 of FORM GST RFD-01 containing the number and date of invoices received and issued during a tax period in a case where the claim pertains to refund of any unutilized input tax credit under sub-section (3) of section 54 where the credit has accumulated on account of rate of tax on inputs being higher than the rate of tax on output supplies, other than nil rated or fully exempt supplies; (h) 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 finalisation of provisional assessment; (i) 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 cases covered under clause (a) or clause (b) or clause (c) or	

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					clause (d) of sub-section (8) of section 54; (j) a Certificate in Annex 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) of sub-section (8) of section 54; Explanation.– For the purposes of this rule (i) in case of refunds referred to in clause (c) of sub-section (8) of section 54, “invoice” means invoice conforming to the provisions contained in section 31 ; (ii) (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 in an amount equal to the refund so claimed. (4) In 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	

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					provisions of sub-section (3) of section 16 of the Integrated Goods and Services Tax Act, 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; (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; (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	

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					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; (E) "Adjusted Total turnover" means the turnover in a State or a Union territory, as defined under sub-section (112) of section 2, excluding the value of exempt supplies other than zero-rated supplies, during the relevant period (F) "Relevant period" means the period for which the claim has been filed.	
2	**Acknowledgement**	**1. FORM GST RFD-02** **2. FORM GST RFD-03**		**Section 54**	(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. (2) The application for refund, other than claim for refund from electronic cash ledger, shall be forwarded to the proper officer who shall, within 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 1, 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	In case of refund application from electronic cash ledger, the acknowledgment will be issued immediately. In other cases of refund, the acknowledgement will be issued after due verification by the proper officer. Rule specifies that acknowledgement to be received on filing of refund claim application and to resubmit claim, if deficiencies are observed and intimated to the assesse in claim so filed.

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					(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 refund application after rectification of such deficiencies (4) Where deficiencies have been communicated in **FORM GST RFD-03** under the GST Rules of the State, the same shall also deemed to have been communicated under this Rule along with deficiencies communicated under sub-rule (3). **[CGST Rules]** (4) Where deficiencies have been communicated in FORM GST RFD-03 under the CGST Rules, the same shall also deemed to have been communicated under this Rule along with deficiencies communicated under sub-rule (3). **[SGST Rules]**	
3	**Grant of Provisional refund**	1. **FORM GST RFD-04** 2. **FORM GST RFD-03**		1. **Section 54 (6) of CGST Act** 2. **Section 149 of CGST Act**	(1) The provisional refund under sub-section (6) of section 54 shall be granted subject to the following conditions – (a) 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	1. Conditions/ restrictions for provisional refund for **zero rated supply** of goods and/or services: a. **Non-prosecution** for any offence under the Act for **five years** immediately preceding tax period under the Act or earlier law

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					hundred and fifty lakh rupees; (b) the GST compliance rating, where available, of the applicant is not less than five on a scale of ten; (c) no proceedings of any appeal, review or revision is 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. (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 sub-section (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 acknowledgement under sub-rule (1) or sub-rule (2) of rule 2. (3) The proper officer shall issue a payment advice 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.	where **amount of tax** evaded **exceeds 2.5 Cr**; b. **GST compliance rating** of applicant shall not be less than five out of ten; c. Any proceeding, review or revision relating to refund is **not pending**, if pending, it has **not been stayed** by Appropriate Authority/ Court 2. **Refund will be granted within period of seven days** from date of acknowledgement; 3. **Payment advice** for amount sanctioned to be received in form specified herein and amount to be credit electronically.
4	**Order Sanctioning refund**	**1. GST RFD-06**		**Section 54(5) of CGST Act**	(1) Where, upon examination of the application, the proper officer is satisfied that a refund under sub-section (5) of section 54 is due and payable to the	1. **Order** regarding refund amount, admissible/ inadmissible to be made by

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		2. GST RFD-07 **3. GST RFD-08**			applicant, he shall make an order in FORM GST RFD-06, sanctioning the amount of refund to which the applicant is entitled, mentioning therein the amount, if any, refunded to him on a provisional basis under sub-section (6) of section 54, amount adjusted against any outstanding demand under the Act or under any existing law and the balance amount refundable: Provided that in cases where the amount of refund is completely adjusted against any outstanding demand under the Act or under any existing law, an order giving details of the adjustment may be issued in **FORM GST RFD-07.** (2) Where the proper officer is satisfied, for reasons to be recorded in writing, that the whole or any part of the amount claimed as refund is not admissible or is not payable to the applicant, he shall issue a notice in FORM GST RFD-08 to the applicant, requiring him to furnish a reply in FORM GST RFD-09 within fifteen days of the receipt of such notice and after considering the reply, make an order in FORM GST RFD-06, sanctioning the amount of refund in whole or part, or rejecting the said refund claim and the said order shall be made available to the applicant electronically and the provision of sub-rule (1) shall, mutatis mutandis, apply to the extent refund is allowed: Provided that no application for refund shall be rejected without giving the applicant a	proper officer; 2. Applicant shall furnish reply for inadmissible amount of refund **within fifteen days** of receipt of such notice; 3. Accordingly, payment shall be made by proper officer.

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					reasonable opportunity of being heard. (3) Where the proper officer is satisfied that the amount refundable under sub-rule (1) or (2) is payable to the applicant under sub-section (8) of section 48, he shall make an order in FORM GST RFD-06 and issue a payment advice in FORM GST RFD-05, for the amount of refund 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. (4) Where the proper officer is satisfied that the amount refundable under sub-rule (1) or sub-rule (2) is not payable to the applicant under sub-section (8) of section 54, he shall make an order in FORM GST RFD-06 and issue an advice in FORM GST RFD-05, for the amount of refund to be credited to the Consumer Welfare Fund.	
5	**Credit of the amount of rejected refund claim**	**Form no. GST PMT-03**			(1) Where any deficiencies have been communicated under sub-rule (3) of rule 2, the amount debited under sub-rule (3) of rule 1 shall be re-credited to the electronic credit ledger (2) Where any amount claimed as refund is rejected under rule 4, 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.	The rule specifies that if amount of deficiency is debited or amount claimed as refund is rejected, it shall be re-credited to the electronic credit ledger, subject to fulfillment of conditions prescribed.

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					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.	
6	**Order sanctioning interest on delayed refunds**	**FORM GST RFD-05**		**Section 56**	Where any interest is due and payable to the applicant under section 56, the proper officer shall make an order along with a payment advice 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 specifies credit of interest to applicant on delayed refund.
7	**Refund of tax to certain persons**	**1. GSTR RFD – 10** **2. GSTR RFD – 11**	**Once in every quarter**	**Section 55**	(1) Any person eligible to claim refund of tax paid by him on his inward supplies as per notification issued section 55 shall apply for refund in **FORM GST RFD-10** once in every quarter, electronically on the Common Portal, either directly or from a Facilitation Centre notified by the Commissioner, along with a statement of inward supplies of goods or services or both in **FORM GSTR-11**, prepared on the basis of statement of outward supplies furnished by corresponding suppliers in **FORM GSTR-1** (2) An acknowledgement for receipt of the	This rule is applicable in case of refund application by UNO, consulates etc mentioned under Section 55 1. Applicant claiming refund of input tax paid shall file prescribed form **quarterly** and refund of tax paid shall be available subject to fulfillment of conditions in sub-rule (2) 2. Provisions of treaty if any,

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					application for refund shall be issued in **FORM GST RFD-02.** (3) 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 and the price of the supply covered under a single tax invoice exceeds five thousand rupees, excluding tax paid, if any; (b) name and GSTIN or UIN of the applicant is mentioned on the tax invoice; and (c) such other restrictions or conditions as may be specified in the notification are satisfied. (4) The provisions of rule 4 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 these rules, such treaty or international agreement shall prevail.	for international transactions, shall prevail over provisions contained in these rules.
8	**Consumer Welfare Fund**	-	-	**Section 57 of CGST Act**	(1) All credits to the Consumer Welfare Fund shall be made under sub-rule (4) of rule 4. (2) Any amount, having been credited to the Fund, ordered or directed as payable to any claimant by	The refund which are eligible but are cannot be granted to person applied for the refund on account of un-just enrichment will be credited to Consumer Welfare Fund.

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					orders of the proper officer, appellate authority or Appellate Tribunal or court, shall be paid from the Fund (3) Any utilisation of amount from the Consumer Welfare Fund under sub-section (1) of section 58 shall be made by debiting the Consumer Welfare Fund account and crediting the account to which the amount is transferred for utilization (4) The [Central/State] Government shall, by an order, constitute a Standing Committee with a Chairman, a Vice-Chairman, a Member Secretary and such other members as it may deem fit and the Committee shall make recommendations for proper utilisation of the money credited to the Consumer Welfare Fund for welfare of the consumers. (5) The Committee shall meet as and when necessary, but not less than once in three months. (6) Any agency or organisation engaged in consumer welfare activities for a period of three years registered under the Companies Act, 2013 (18 of 2013) or under any other law for the time being in force, including village or mandal or samiti level co-operatives of consumers especially Women, Scheduled Castes and Scheduled Tribes, or any industry as defined in the Industrial Disputes Act, 1947 (14 of 1947) recommended by the Bureau of	Provisions related to credit and utilisation of amount to consumer welfare fund are stated in this rule.

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					Indian Standards to be engaged for a period of five years in viable and useful research activity which has made, or is likely to make, significant contribution in formulation of standard mark of the products of mass consumption, the Central Government or the State Government may make an application for a grant from the Consumer Welfare Fund: Provided that a consumer may make application for reimbursement of legal expenses incurred by him as a complainant in a consumer dispute, after its final adjudication (7) All applications for grant from the Consumer Welfare Fund shall be made by the applicant Member Secretary, but the Committee shall not consider an application, unless it has been inquired into in material details and recommended for consideration accordingly, by the Member Secretary. (8) The Committee shall have powers- (a) to require any applicant to produce before it, or before a duly authorised Officer of the Government such books, accounts, documents, instruments, or commodities in custody and control of the applicant, as may be necessary for proper evaluation of the application; (b) to require any applicant to allow entry and	

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					inspection of any premises, from which activities claimed to be for the welfare of consumers are stated to be carried on, to a duly authorised officer of the Central Government or, as the case may be, State Government; (c) to get the accounts of the applicants audited, for ensuring proper utilisation of the grant; (d) to require any applicant, in case of any default, or suppression of material information on his part, to refund in lump-sum, the sanctioned grant to the Committee, and to be subject to prosecution under the Act; (e) to recover any sum due (f) to require any applicant, or class of applicants to submit a periodical report, indicating proper utilisation of the grant; (g) to reject an application placed before it on account of factual inconsistency, or inaccuracy in material particulars; (h) to recommend minimum financial assistance, by way of grant to an applicant, having regard to his financial status, and importance and utility of nature of activity under pursuit, after ensuring that the financial assistance provided shall not be misutilised; (i) to identify beneficial and safe sectors, where investments out of Consumer Welfare Fund may be made and make recommendations, accordingly.	

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					(j) to relax the conditions required for the period of engagement in consumer welfare activities of an applicant; (k) to make guidelines for the management, administration and audit of the Consumer Welfare Fund. (9) The Central Consumer Protection Council and the Bureau of Indian Standards shall recommend to the GST Council, the broad guidelines for considering the projects or proposals for the purpose of incurring expenditure from the Consumer Welfare Fund	