

Ready Reference - GST Refunds

A timely tax refund is vital for any business since it liberates the blocked funds, which in turn increases the availability of working capital, the most important factor of production for any business.

During the initial years of implementation of GST (i.e., upto September, 2019), refund process under GST was partly manual and partly online. However, with the passage of time GST refund processing is made fully online. Pattern of refund claim depends upon the type of refunds.

To overcome the technical as well as operational glitches faced by tax payer and also to remove interpretational anomalies, many circulars and notifications have been issued. The refund provisions in the Act & Rules were also modified to keep the legislative intent of the refund's mechanism intact.

As taxmen, there is a need to keep ourselves updated with the constantly evolving procedures to suit the dynamics of the day. Hence, the various refund related provisions of the Act, Rules, Notifications and Circulars are enumerated as under for ready reference.

1. Sections of CGST/SGST/IGST Act, related to GST Refunds

S No	ACT	Section	Description
1	CGST/SGST	54	Refund of Tax
2	CGST/SGST	55	Refund in certain cases
3	CGST/SGST	56	Interest on delayed refunds
4	CGST/SGST	57	Consumer Welfare Fund
5	CGST/SGST	58	Utilization of Fund
6	CGST/SGST	60(5)	Interest on refunds consequent to assessment order
7	CGST/SGST	73	Determination of erroneously refunded amount
8	CGST/SGST	74	Determination of erroneously refunded amount
9	CGST/SGST	77	Refund of CGST and SGST paid wrongfully in place of IGST

S No	ACT	Section	Description
10	CGST/SGST	115	Interest on refund of amount paid for admission of appeal
11	CGST/SGST	142	Refunds related to transitional provisions
12	IGST	19	Refund of IGST paid wrongfully in place of CGST and SGST

2. Rules related to GST Refunds

S No	Rule No	Description
1	89	Application for refund
2	90	Acknowledgement
3	91	Grant of provisional refund
4	92	Order sanctioning refund
5	93	Credit of the amount of rejected refund claim
6	94	Order sanctioning interest on delayed refunds
7	95	Refund of tax to certain persons
8	95A	Refund of taxes to all retail outlets established at the departure area of an international airport beyond immigration counters making tax free supply to an outgoing international tourist.
9	96	Refund of IGST paid on goods (or services) exported out of India
10	96A	Export of goods or services under Bond or Letter of Undertaking
11	96B	Recovery of refund of unutilised input tax credit or integrated tax paid on export of goods where export proceeds not realised
12	97	Consumer Welfare Fund
13	97A	Manual filing and processing

3. Centre and State Notifications related to GST Refunds

S No	CGST Notification No. & Date	TGST G.O. Ms No. & Date	Subject
1	16/2017-Central Tax, dt. 07-07-2017	TGST Notif No 11/2017, Dt. 14-11-2017	Conditions and safeguards for furnishing a Letter of Undertaking in place of a bond for export without payment of integrated tax.
2	37/2017-Central Tax, dt. 04-10-2017	TGST Notif No 30/2017 Dt. 17-11-2017	Extension of LUT facility to all exporters

S No	CGST Notification No. & Date	TGST G.O. Ms No.& Date	Subject
3	39/2017-Central Tax, dt. 13-10-2017	G.O.Ms.No 285, Dt. 18-12-2017	Cross-empowering the State Tax officers/Central Tax Officers for processing and grant of GST refunds
4	48/2017-Central Tax, dt. 18-10-2017	G.O.Ms.No 289, Dt. 18-12-2017	Notifies certain supplies as deemed exports under section 147 of GST Act.
5	49/2017-Central Tax, dt. 18-10-2017	G.O.Ms.No 290, Dt. 18-12-2017	Notifies the evidences required to be produced by the supplier of deemed export supplies for claiming refund under rule 89(2)(g) of the CGST rules
6	10/2018-Central Tax, dt. 23-01-2018		Amended the notification No. 39/2017-Central Tax dated 13.10.2017 for cross-empowerment of State tax officers for processing and grant of refunds
7	20/2018-Central Tax, dt. 28-03-2018	G.O.Ms.No 87, Dt. 01-05-2018	Extension of due date for filing refund application under section 55 by notified agencies.
8	46/2020-Central Tax, dt. 09-06-2020	G.O.Ms No 163, Dt. 31-12-2020	Extends the period to pass order under Section 54 (7) of CGST Act.
9	56/2020-Central Tax, dt. 27.06.2020	G.O.Ms No 163, Dt. 31-12-2020	Amended the notification no. 46/2020-Central Tax in order to further extend the period to pass order under Section 54(7) of CGST Act till 31.08.2020 or in some cases, up to fifteen days thereafter.
10	05/2017-Central Tax (Rate), dt. 28-06-2017	G.O.Ms.No 110, Dt. 29-06-2017	Notifies the goods in respect of which no refund of unutilized input tax credit shall be allowed under section 54 (3).
11	06/2017-Central Tax (Rate), dt. 28-06-2017	G.O.Ms.No 110, Dt. 29-06-2017	Refund of 50% of CGST/SGST on supplies to CSD under section 55
12	15/2017-Central Tax (Rate), dt. 28-06-2017	G.O.Ms.No 110, Dt. 29-06-2017	Notifies the supplies not eligible for refund of unutilized ITC under section 54(3) of CGST Act
13	16/2017-Central Tax (Rate), dt.	G.O.Ms.No 110, Dt. 29-06-2017	Notifies the specialized agencies entitled to claim a refund of taxes paid on the notified supplies of

S No	CGST Notification No. & Date	TGST G.O. Ms No.& Date	Subject
	28-06-2017		goods or services or both received by them under CGST Act
14	29/2017-Central Tax (Rate), dt. 22-09-2017	G.O.Ms.No 252, Dt. 22-11-2017	Amended the notification no. 5/2017- central tax (rate) dated 28.06.2017 to give effect to GST council decisions regarding restriction of refund on corduroy fabrics.
15	40/2017-Central Tax (Rate), dt. 23-10-2017	G.O.Ms.No 253, Dt. 23-11-2017	Provides for Central Tax rate of 0.05% on intra-State supply of taxable goods by a registered supplier to a registered recipient for export, subject to specified conditions.
16	20/2018-Central Tax (Rate), dt. 26-07-2018	G.O.Ms.No 171, Dt. 20-08-2018	Amended the Notification No 05/2017-Central Tax (Rate) dt. 28-06-2017 to give effect to the recommendations of the GST Council in its 28th meeting held on 21.07.2018
17	11/2019-Central Tax (Rate), dt. 29-06-2019	G.O.Ms.No 92, Dt. 13-08-2019	Specifies the retail outlets established in the departure area of an international airport, beyond the immigration counters, making tax free supply of goods to an outgoing international tourist, as class of persons who shall be entitled to claim refund.

4. Circulars related to GST Refunds

S No	Circular No	Date of Issue	Subject
1	5/5/2017	11-08-2017	Circular on Bond/LUT in case of exports without payment of integrated tax
2	8/8/2017	04-10-2017	Clarification on issues related to furnishing of Bond/LUT for exports
3	14/14/2017	06-11-2017	Procedure regarding procurement of supplies of goods from DTA by (EOU)/ (EHTP Unit /STP Unit/BTP Unit)
4	17/17/2017	15-11-2017	Manual filing and processing of refund claims in respect of zero-rated supplies.

S No	Circular No	Date of Issue	Subject
5	18/18/2017	16-11-2017	Refund of unutilized input tax credit of GST paid on inputs in respect of exporters of fabrics.
6	24/24/2017	21-12-2017	Manual filing and processing of refund claims on account of inverted duty structure, deemed exports and excess balance in electronic cash ledger- Reg
7	36/10/2018	13-03-2018	Processing of refund application for UIN entities
8	37/11/2018	15-03-2018	Clarifications on exports related refund issues
9	40/14/2018	06-04-2018	Clarification on issues related to furnishing of Bond/Letter of Undertaking for exports
10	43/17/2018	13-04-2018	Clarifying the issues arising in refund to UIN.
11	45/19/2018	30-05-2018	Clarifications on refund related issues
12	56/30/2018	24-08-2018	Clarification regarding removal of restriction of refund of accumulated ITC on fabrics
13	59/33/2018	04-09-2018	Clarification on refund related issues
14	60/34/2018	04-09-2018	Processing of refund applications filed by Canteen Stores Department (CSD)
15	63/37/2018	14-09-2018	Clarification regarding processing of refund claims filed by UIN entities
16	70/44/2018	26-10-2018	Clarification on certain issues related to refund
17	79/53/2018	31-12-2018	Clarification on refund related issues
18	88/07/2019	01-02-2019	Changes in Circulars issued earlier under the CGST Act
19	94/13/2019	28-03-2019	Clarification on certain refund related issues under GST
20	104/23/2019	28-06-2019	Processing of refund applications in FORM GST RFD-01A submitted by taxpayers wrongly mapped on the common portal
21	106/25/2019	29-06-2019	Refund of taxes paid on inward supply of indigenous goods by retail outlets established at departure area of the international airport beyond immigration counters when supplied to outgoing international tourist against foreign exchange

S No	Circular No	Date of Issue	Subject
22	110/29/2019	03-10-2019	Clarification on the eligibility to file a refund application in FORM GST RFD-01 for a period and category.
23	111/30/2019	03-10-2019	Clarification on procedure to claim refund in FORM GST RFD-01 subsequent to favorable order in appeal or any other forum.
24	125/44/2019	18-11-2019	Clarification on the fully electronic refund process through FORM GST RFD-01 and single disbursement.
25	131/01/2020	23-01-2020	Standard Operating Procedure (SOP) to be followed by exporters
26	135/05/2020	31-03-2020	Circular on Clarification on refund related issues
27	139/09/2020	10-06-2020	Clarification on Refund Related Issues
28	147/03/2021	12-03-2021	Clarification on certain refund related issues

5. Forms related to GST Refunds

S No	RFD Form	Description
1	RFD-01	Application for Refund (rule 89(1))
2	RFD-01A	Application for Refund (Manual) (rules 89(1) & 97A)
3	RFD-01B	Refund Order details - For the applications filed in RFD01A (rules 91(2), 92(1), 92(3), 92(4), 92(5) & 97A)
4	RFD-02	Acknowledgment (rules 90(1), 90(2) & 95(2))
5	RFD-03	Deficiency Memo (rule 90(3))
6	RFD-04	Provisional Refund Order (rule 91(2))
7	RFD-05	Payment Order (rules 91(3), 92(4), 92(5) & 94)
8	RFD-06	Refund Sanction/Rejection Order (rules 92(1), 92(3), 92(4), 92(5) & 96(7))
9	RFD-07	Order for Complete adjustment of sanctioned Refund (rules 92(1), 92(2) & 96(6))
10	RFD-08	Notice for rejection of application for refund (rule 92(3))
11	RFD-09	Reply to show cause notice (rule 92(3))
12	RFD-10	Application for Refund by any specialized agency of UN or any Multilateral Financial Institution and

S No	RFD Form	Description
		Organization, Consulate or Embassy of foreign countries, etc. (rule 95(1))
13	RFD-10B	Application for refund by Duty Free Shops/Duty Paid Shops (Retail outlets) (rule 95A)
14	RFD-11	Furnishing of Bond or Letter of Undertaking for export of goods or services. (rule 96A)