

Client: Sir, I have exported services and have paid IGST on the same. What shall I do?

Consultant: You need to file for a refund on account of export of services with payment of tax.

Client: Do I have to file it manually or will the refund amount automatically come in my account?

Consultant: First you need to ensure that you have filed Form GSTR-1 and Form GSTR-3B of the relevant tax period for which you want to file for refund. Then, you make sure that you have received the foreign exchange payment against the export of services and the associated BRC/FIRC from the Bank. After filing the above-mentioned returns, fill the form RFD-01A at the GST Portal. After submission of form RFD-01A, the Portal will generate an ARN. After this, you are required to take prints of the submitted application and the ARN receipt, and handover the same along with supporting documents to the jurisdictional authority. Application will be processed, and refund will be disbursed manually by the jurisdictional authority.

Client: Oh God! I thought after enforcement of GST, the refund would automatically be processed.

Consultant: Yes, it would automatically be processed if relates to export of goods but not in case of export of services.

Client: Okay, Sir. I will do it.

Next day the client calls his consultant again...

Client: Sir, there is a problem. I have received the payment in advance against the export of services. How do I reflect the same?

Consultant: As per Rule 89(2)(c) of the CGST Rules 2017 you are required to accompany the refund application by a statement containing the number and date of invoices and the relevant Bank Realisation Certificates or Foreign Inward Remittance Certificates. You can reflect the details of the advance payment in the statement.

Client: Okay, Sir

After 2 hours, the client again calls the consultant...

Client: Sir, I tried to fill the details, but it shows an error as per which the date of FIRC prior to 1st July 2017 is not accepted.

Consultant: When did you receive the payment?

Client: I received the payment in the month of April 2017.

Consultant: So, you mean that the payment received in April 2017 is not being accepted by the system as it relates to the period prior to enactment of GST?

Client: Yes, Sir. What do I do?

Consultant: Why don't you, for once, try entering the date of FIRC as 1st July 2017 and see if the system accepts the same.

Client: But, Sir, my FIRC is dated April 2017. How can I enter the date as 1st July 2017?

Consultant: Let the FIRC number remain as it is but try changing just the date.

Client: Sir, please hold on. I'll just try and let you know.

After a while...

Client: Yes, Sir. The system is accepting the date as 1st July 2017.

Consultant: Then you do it.

Client: But it is wrong, Sir. How can I change the date?

Consultant: Why don't you understand that you cannot proceed to file the refund application without the statement.

Client: Do you mean that it must be submitted by giving incorrect date?

Consultant: Do you want the refund?

Client: Yes, Sir. Definitely.

Consultant: Then you must do it, there is no other way.

Client: Okay, Sir. But there is another problem.

Consultant: What is it?

Client: Sir, my invoice is dated September 2017.

Consultant: Did you export the services in September 2017?

Client: Yes, Sir.

Consultant: Okay. What is the error message?

Client: Sir, when I proceed with filling the FIRC date as 1st July 2017, the system shows an error that the payment date cannot be before the invoice date.

Consultant: Oh God!

Client: It is hell of a problem to claim the refund. I'm getting sick.

Consultant: Try one thing.

Client: Yes, Sir?

Consultant: You show the date of payment as that of invoice date.

Client: You mean September 2017?

Consultant: Yes.

Client: Sir, wouldn't it be wrong again?

Consultant: You try doing that once.

Client: Okay.

Yes, Sir. Now there is no error.

Consultant: Okay. Then you go ahead and submit it.

Client: Sir, there may be a problem as now for one FIRC, I am feeding two different dates in the system and the actual date is something else.

Consultant: Do you want the refund or not?

Client: Yes, Sir.

Consultant: Then do it and submit the print-out of the application along with the statement at the GST office.

Client: Sir, you are a genius.

After one month, the client calls the consultant and informs him that he has received the refund amount.

All lived happily ever after.