

**Refund under Rule 5 of CENVAT Credit Rules, 2004 - NOTIFICATION NO 27/2012-CX., (N.T.)**

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By Suvidha Consultants Ltd.

suvidha@suvidhaconsultants.com

suvidhatax@suvidhaconsultants.com

agarwal\_bp@hotmail.com

Earlier, Refund of CENVAT credit available under Rule 5 of the CENVAT Credit Rules,2004 was governed by Notification No.5/2006-C.E (N.T)dated 14<sup>th</sup> March, 2006.This Notification has now been superceded by Notification No.27/2012-CX., (N.T.), dated 18<sup>th</sup> June,2012. The Notification prescribes the procedure in which Refund applications shall be filed and the conditions contained therein which need to be fulfilled. The same are discussed below

**Conditions to be fulfilled.**- Refund of CENVAT Credit under Rule 5 of the said Rules, shall be subjected to the fulfillment of the following conditions:-

(a)the manufacturer or provider of output service shall submit not more than one claim of refund under this rule for every quarter *provided* that a person exporting goods and service simultaneously, may submit two refund claims one in respect of goods exported and other in respect of the export of services every quarter.

(b) the value of goods cleared for export during the quarter shall be the sum total of all the goods cleared by the exporter for exports during the quarter as per the monthly or quarterly return filed by the claimant.

(c) the total value of goods cleared during the quarter shall be the sum total of value of all goods cleared by the claimant during the quarter as per the monthly or quarterly return filed by the claimant.

(d) in respect of the services, for the purpose of computation of total turnover, the value of export services shall be determined in accordance with clause (D) of sub-rule (1) of rule 5 of the said rules.

(e) for the value of all services other than export during the quarter, the time of provision of services shall be determined as per the provisions of the Point of Taxation Rules, 2011.

(f) the amount of refund claimed shall not be more than the amount lying in the books of the claimant at the end of quarter for which refund claim is being made or at the time of filing of

the refund claim, whichever is less.

(g) the amount that is claimed as refund under rule 5 of the said rules shall be debited by the claimant from his CENVAT credit account at the time of making the claim.

(h) In case the amount of refund sanctioned is less than the amount of refund claimed, then the claimant may take back the credit of the difference between the amount claimed and amount sanctioned.

**Procedure for filing the refund claim.-**

(a) The manufacturer or provider of output service, as the case may be, shall submit an application in Form A to the Assistant/Deputy Commissioner of Central Excise as the case may be,

(b) The application in the Form A along with the enclosures contained therein shall be filed by the claimant, before the expiry of the period specified in section 11B of the Central Excise Act, 1944 (1 of 1944).

(c) The application for the refund shall be signed by (i) the individual or the proprietor in the case of proprietary firm, karta in case of Hindu Undivided Family, partner in case of a partnership firm; person authorized by the Board of Directors in case of a limited company; and in any other case, a person authorized to sign the refund application by the entity.

(d) The applicant shall file the refund claim along with the copies of bank realization certificate in respect of the services exported.

(e) The refund claim shall be accompanied by a certificate in Annexure A I, duly signed by the auditor (statutory or any other) certifying the correctness of refund claimed in respect of export of services.

(f) Thereafter, the Assistant/Deputy Commissioner may call for any document in case he has reason to believe that information provided in the refund claim is incorrect or insufficient and thereafter after satisfying himself in respect of the correctness of the claim shall allow the claim of exporter of goods or services in full or part as the case may be.

