Subject: Standard Operating Procedure (SOP) to be followed by exporters.

Attention of all the exporters exporting goods from ICD TKD, New Delhi, Customs Brokers and other stakeholders is invited to the Circular No. 131/1/2020-GST dated 23.01.2020 issued under F.No. CBEC-20/16/07/2020-GST by Principal Commissioner (GST Policy Wing), CBIC, New Delhi regarding the above mentioned subject.

2. As you are aware, several cases of monetization of credit fraudulently obtained or ineligible credit through refund of Integrated Goods & Service Tax (IGST) on export of goods have been detected in the past few months. On verification, several such exporters were found to be non-existent in a number of cases. In all these cases it has been found that the Input Tax Credit (ITC) was taken by the exporters on the basis of fake invoices and IGST on exports was paid using such ITC.

3. To mitigate the risk, the Board has taken measures to apply stringent risk parameters-based checks driven by rigorous data analytics and Artificial Intelligence tools based on which certain exporters are taken up for further verification. Overall, in a broader time frame the percentage of such exporters selected for verification is a small fraction of the total number of exporters claiming refunds. The refund scrolls in such cases are kept in abeyance till the verification report in respect of such cases is received from the field formations. Further, the export consignments/shipments of concerned exporters are subjected to 100% examination at the customs port.

4. While the verifications are caused to mitigate risk, it is necessary that genuine exporters do not face any hardship. In this context it is advised that exporters whose scrolls have been kept in abeyance for verification would be informed at the earliest possible either by the jurisdictional CGST or by Customs. To expedite the verification, the exporters on being informed in this regard or on their own volition should fill in information in the format attached as Annexure ‘A’ to this Public Notice and submit the same to their jurisdictional CGST authorities for verification by them. If required, the jurisdictional authority may seek further
additional information for verification. However, the jurisdictional authorities must adhere to timelines prescribed for verification.

4.1 Verification shall be completed by jurisdiction CGST office within 14 working days of furnishing of information in proforma by the exporter. If the verification is not completed within this period, the jurisdiction officer will bring it to the notice of a nodal cell to be constituted in the jurisdictional Pr. Chief Commissioner/Chief Commissioner Office.

4.2 After a period of 14 working days from the date of submission of details in the prescribed format, the exporter may also escalate the matter to the Jurisdictional Pr. Chief Commissioner/Chief Commissioner of Central Tax by sending an email to the Chief Commissioner concerned (email IDs of jurisdictional Chief Commissioners are in Annexure B to this Public Notice).

4.3 The Jurisdictional Pr. Chief Commissioner/Chief Commissioner of Central Tax should take appropriate action to get the verification completed within next 7 working days.

5. In case, any refund remains pending for more than one month, the exporter may register his grievance at www.cbic.gov.in/issue by giving all relevant details like GSTIN, IEC, Shipping Bill No., Port of Export & CGST formation where the details in prescribed format had been submitted etc. All such grievances shall be examined by a Committee headed by Member GST, CBIC for resolution of the issue.

6. All Exporters, Customs Brokers and Trade Associations are requested to give wide publicity to the contents of this Public Notice among their members and trade in general.

(Sunita Tatas)
Commissioner,
ICD, TKD-Export,
New Delhi.

Copy forwarded to:

1. The Principal Chief Commissioner of Customs (DZ), New Custom House, New Delhi-110037
2. The Chief Commissioner of Customs (Preventive), New Custom House, New Delhi-110037
3. The Principal Commissioner/Commissioner of Customs, ICD, TKD (Import), New Delhi-110020.
4. The Principal Commissioner/Commissioner of Customs, ICD, Patparganj, New Delhi.
5. The Principal Commissioner/Commissioner of Customs (Preventive), New Custom House, New Delhi-110037
6. The Principal Commissioner/Commissioner of Customs (General), New Custom House, New Delhi-110037
7. The Principal Commissioner/Commissioner of Customs, ACC (Import), New Custom House, New Delhi-110037
8. The Principal Commissioner/Commissioner of Customs, ACC (Export), New Custom House, New Delhi-110037
9. The Principal Commissioner/Commissioner of Customs, IGI Airport, T-3, New Delhi-110037
10. All Additional/Joint Commissioners of Customs, ICD, TKD (Export), New Delhi-110020
11. All Deputy/Assistant Commissioners of Customs, ICD, TKD (Export), Shed/ SIHB/ BRC/Recovery/Review/ Legal/ Audit/ Adjudication/ Export Processing/Drawback, New Delhi-110020
12. The Deputy/Assistant Commissioner of Customs (Export Technical), ICD, TKD, New Delhi-110020 with the request to please get the list uploaded on the website.
14. The Federation of Indian Export Organizations, Niryat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital, Research & Referral, New Delhi-H0057.
16. All India Garments Exporters Common Cause Guild, 44, Community Centre, East of Kailash, New Delhi-1 10065.
18. Guard File

Assistant Commissioner (Technical)
ICD,TKD (Export), New Delhi