PUBLIC NOTICE NO. 32/2018

Subject: IGST Export Refunds- extension in SB005 alternate mechanism and revised processing in certain cases including disbursement of compensation cess.

Attention of Exporters, Custom Brokers and all members of trade is invited to Circular No. 40/2018-Customs dated 24.10.2018 wherein it has been communicated that even after implementation of IGST refund process for more than one year, it has been observed that exporters have committed many errors which have hampered sanctioning of IGST refund. CBIC has introduced several options and alternative mechanisms through which various mismatch errors between the Shipping Bill (SB) and GSTR 1 data can be handled in the system.

2. CBIC has issued circulars 05/2018-Customs dated 23.02.2018, 08/2018-Customs dated 23.03.2018, 15/2018-Customs dated 06.06.2018 and 22/2018-Customs dated 18.07.2018 respectively wherein an alternative mechanism with an officer interface to resolve invoice mismatches (SB005 error) was provided for the shipping bills filed till 30.06.2018. Although the number of cases having SB005 error has come down, yet representations have been received from exporters / associations that some exporters had, due to lack of familiarity/awareness, committed the same mistake. As a result their IGST refunds are stuck and they have requested for extension of date. Issue has been examined and it has been observed that exporters are committing same mistakes again and again in spite of several sensitisation/outreach programmes. In order to accord high priority to the interests of exporters, it has been decided by the Board to extend the rectification facility to Shipping Bills filed up to 15.11.2018. However, it is being reiterated that the exporters shall have to take care to ensure that the details of invoice, such as invoice number, IGST paid etc. under GSTR 1 and shipping bill match with each other since the same transaction is being reported under GST laws and Customs Act.

3. It may be noted that SBs which have not been scrolled due to the IGST paid amount erroneously declared as ‘NA’ are already being handled through officer interface as per Board’s Circular 08/2018 - Customs dated 23.03.2018. However, no such provision was hitherto available in respect of those SBs which were successfully scrolled, albeit with a lesser than eligible amount.

4. CBIC has been receiving representations where the refund scroll has been generated for a much lesser IGST amount than what has actually been paid against the exported goods. Broadly, this has happened due to: a. Error made by the exporter/CHA in declaring the IGST paid amount in SB or, b. Cases where Compensation Cess paid amount was not entered by the exporter in the
SB along with the IGST paid amount or the same details were not transmitted by GSTN, and the scroll consequently got generated only for the IGST amount or, c. Typographical mistake by the customs officer while sanctioning the refund through officer interface.

5. In a bid to provide relief to exporters in respect of categories indicated at Para 4 above, Directorate of Systems has now provided a facility in ICES for the processing and sanctioning of the eligible differential IGST refund. The facility would be officer interface based and is similar to the procedure for processing certain SB005 refund claims (refer Circular No 05/2018-Customs dated 23.02.2018). This facility would be available only for cases where Shipping Bills have been filed till 15.11.2018. However, exporters need to be cautious while filing details in Shipping Bill as such facility may not be available in future for the same mistake for referred shipping bill. Also, Customs Officers while processing claims using officer interface should exercise due diligence so that mistakes are not repeated again.

6. In order to claim the differential amount, the exporter who has made exports through ICD Tughlakabad, New Delhi is required to submit a duly filled and signed Revised Refund Request (RRR) annexed to this circular to Miss Arathi A. Nair, Assistant Commissioner (Drawback). A scanned copy of the RRR may also be mailed to arathi.nair@gov.in and icdtkddrawback@gmail.com. A.C (Drawback) will then proceed to sanction the revised amount after due verification through the option provided in ICES. Once the revised amount is approved by the designated AC/DC in the system, a fresh scroll will be generated for the differential amount only.

7. It may be noted that only those SBs which have already been scrolled shall be eligible for this facility. Further, this facility can be used only once for each eligible SB to sanction the revised IGST amount. Thus, utmost care may be taken by the exporter while submitting the RRR as well as by the sanctioning officer while sanctioning the revised amount as no further provision will be available for revising the refund sanction again.

(Avinash Pushkarna)
Additional Commissioner,
ICD Tughlakabad Export, New Delhi

Copy forwarded to:
1. The 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/ SIIB/ 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, Nirvat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital, Research & Referral, New Delhi-110057.
16. All India Garments Exporters Common Cause Guild, 44, Community Centre, East of Kailash, New Delhi-110065.
18. Guard File

[Signature]
Assistant Commissioner (Drawback)
ICD Tughlakabad Export, New Delhi

VIII/ICD/TKD/DBK/GST Refund/131/2018