



सीमा शुल्क (निवारक) के आयुक्त का कार्यालय

OFFICE OF THE COMMISSIONER OF CUSTOMS (PREVENTIVE)

55-17-3, सी-14, 2 तल, औद्योगिक एस्टेट, ऑटो नगर, विजयवाड़ा – 520 007

55-17-3, C-14, 2nd Floor, Road No.2, Industrial Estate, Autonagar, Vijayawada – 520 007

फोन / Phone : 0866-2551261

फैक्स / Fax : 0866-2551156

C. No. VIII/09/01/2017-Cus.Tech. (PF-I)

Date : 06-06-2018

**PUBLIC NOTICE No. 29 / 2018 - Customs**

Subject : Customs - Sanction of pending IGST refund claims where the records have not been transmitted from the GSTN to DG Systems – certain guidelines - Regarding.

\*\*\*\*\*

Attention of all the Importers, Exporters, Customs Brokers, Steamer Agents, Custodians/Customs Cargo Service Providers, Trade Associations/Chamber of Commerce, Members of the RAC/PGC and the Public is invited to the Circular No. 12/2018-Customs dated 29.05.2018 issued from F. No.450/119/2017 by Central Board of Indirect Taxes and Customs communicating procedure / guidelines for sanction of pending IGST refund claims where the records have not been transmitted from GSTN to DG Systems. The said procedure / guidelines are as below:

A number of representations have been received from the exporters / trade associations seeking resolution of problems which have hindered sanction of refund of IGST paid on exports. From time to time, Board has provided solutions to a number of issues because of which refunds were held up. However, there is still one major hindrance because of which GSTN could not transmit data to Customs EDI system and consequently refunds could not be sanctioned. A validation has been introduced in the GSTN system to ensure that the IGST paid on the export goods in any particular month [3.1(b)] is not less than the refund claimed by the exporter [Table 6A]. However, data provided by GSTN has revealed that this validation has failed in number of cases.

2. Representations received from trade / exporters coupled with the analysis of data received from GSTN indicates that the exporters have committed mistakes while filing GSTR-1 and GSTR-3B. It has been observed that the exporters have inadvertently mis-

declared IGST paid on export supplies as IGST paid on interstate domestic outward supplies while filing GSTR-3B. The exporters have also in certain cases short paid IGST vis-à-vis their liability declared in GSTR1. As a result of these mismatches in the amount of IGST paid on export goods between GSTR-1 and GSTR-3B, the transmission of records from GSTN to Customs EDI system has not happened and consequently IGST refunds could not be processed. The problem is compounded by the fact that the facility to adjust GSTR-3B in subsequent months is not available in all cases.

3. In view of the above following procedure is being prescribed to overcome the problem of refund blockage. This would be an interim solution subject to undertakings/ submission of CA certificates by the exporters as given below and post refund audit scrutiny. The proposed procedure is as under:

**A. Cases where there is no short payment:**

- (i) The Customs policy wing would prepare a list of exporters whose cumulative IGST amount paid against exports and interstate domestic outward supplies, for the period July' 2017 to March' 2018 mentioned in GSTR-3B is greater than or equal to the cumulative IGST amount indicated in GSTR-1 for the same period. Customs policy wing shall send this list to GSTN.
- (ii) GSTN shall send a confirmatory e-mail to these exporters regarding the transmission of records to Customs EDI system.
- (iii) The exporters whose refunds are processed/ sanctioned would be required to submit a certificate from Chartered Accountant before 31<sup>st</sup> October, 2018 to the Customs office at the port of export to the effect that there is no discrepancy between the IGST amount refunded on exports and the actual IGST amount paid on exports of goods for the period July' 2017 to March' 2018. In case there are exports from multiple ports, the exporter is at liberty to choose any of the ports of export for submission of the said certificate.
- (iv) A copy of the certificate shall also be submitted to the jurisdictional GST office (Central/ State). The concerned Customs zone shall provide the list of GSTINs who have not submitted the CA certificate to the Board by the 15<sup>th</sup> November 2018.



- (v) Non submission of CA certificate shall affect the future IGST refunds of the exporter.
- (vi) The list of exporters whose refunds have been processed as above shall be sent to DG (Audit)/ DG (GST) by the Board.

**B. Cases where there is short payment:**

- (i) In cases where there is a short payment of IGST i.e. cumulative IGST amount paid against exports and interstate domestic outward supplies together, for the period of July' 2017 to March' 2018 mentioned in GSTR-3B is less than the cumulative IGST amount indicated in GSTR-1 for the same period, the Customs policy wing would send the list of such exporters to the GSTN and all the Chief Commissioner of Customs.
- (ii) e-mails shall be sent by GSTN to each exporter referred in para (i) above so as to inform the exporter that their records are held up due to short payment of IGST. The e--mail shall also advise the exporters to observe the procedure under this circular.
- (iii) The exporters would have to make the payment of IGST equal to the short payment in GSTR 3B of subsequent months so as to ensure that the total IGST refund being claimed in the Shipping Bill/GSTR-1(Table 6A) is paid. The proof of payment shall be submitted to Assistant/Deputy Commissioner of Customs in charge of port from where the exports were made. In case there are exports from multiple ports, the exporter is at liberty to choose any of the ports of export.
- (iv) Where the aggregate IGST refund amount for the said period is upto Rs. 10 lacs, the exporter shall submit proof of payment (self-certified copy of challans) of IGST payment to the concerned Customs office at the port of export.

However, where the aggregate IGST refund amount for the said period is more than Rs. 10 lacs, the exporter shall submit proof of payment (self-certified copy of challans) of IGST to the concerned Customs office at the port of export along with a certificate from chartered Account that the shortfall amount has been liquidated.

- (v) The exporter would give an undertaking they would return the refund amount in case it is found to be not due to them at a later date.
- (vi) The Customs zones shall compile the list of exporters (GSTIN only), who have come forward to claim refund after making requisite payment of IGST towards short paid amount and complied with other prescribed requirements.
- (vii) The compiled list may be forwarded to Customs policy wing, DG (Audit) and DG (GST). Customs policy wing shall forward the said list of GSTINs to GSTN. On receipt of the list of exporters from Customs policy wing, GSTN shall transmit the records of those exporters to Customs EDI system.
- (viii) The exporters whose refunds are processed / sanctioned as above would be required to submit another certificate from Chartered Accountant before 31<sup>st</sup> October, 2018 to the same Customs office at the port of export to the effect that there is no discrepancy between the IGST amount refunded on exports and the actual IGST amount paid on exports of goods for the period July' 2017 to March' 2018. A copy of the certificate shall also be submitted to the jurisdictional GST office (Central / State). The concerned Customs zone shall provide the list of GSTINs who have not submitted the CA certificate to the Board by the 15<sup>th</sup> November 2018.
- (ix) Non submission of CA certificate shall affect the future IGST refunds of the exporter.

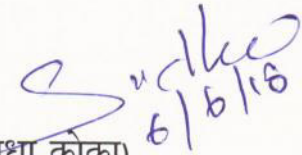
**Post refund audit**

4. The exporters would be subjected to a post refund audit under the GST law. DG (Audit) shall include the above referred GSTINs for conducting Audit under the GST law. The inclusion of IGST refund aspects in Audit Plan of those units may be ensured by DG (Audit). In case, departmental Audit detects excess refunds to the exporters under this procedure, the details of such detections may be communicated to the concerned GST formations for appropriate action.



**PUBLIC NOTICE NO. 29 / 2018**

5. DG (GST) shall send the list of exporters to jurisdictional GST officers (both Centre / State) informing that these exporters have taken benefit of the procedure prescribed in this circular. The jurisdictional GST formations shall also verify the payment particulars at their end.
6. This Circular deals only with the cases where the records have not been transmitted by GSTN to Customs EDI system. Once the records are transmitted by GSTN to Customs System based upon the above mentioned procedure, the usual procedure adopted in case of sanction of IGST refunds would have to be followed. In cases where the errors like SBO05, SBO02, SBO06 etc are encountered with the records so transmitted, the provisions of Circulars issued by Board earlier shall apply to them.
7. The officers of Kakinada & Krishnapatnam Custom Houses and ICD, MARRIPALEM, Guntur District may, therefore, take necessary steps to bring these changes to the knowledge of exporters.
8. Difficulties, if any, may be brought to the notice of the undersigned.
9. Action to be taken in terms of decisions taken in this Public Notice should be considered as **standing order** for the purpose of officers and staff.

  
(सुधा कोका) 6/6/18

SUDHA KOKA

आयुक्त

COMMISSIONER

To

All the Exporters / Customs Brokers Agencies / Customs Brokers Licensees / Customs Brokers Associations under the jurisdiction of Customs Commissionerate (Preventive), Vijayawada through the Joint Commissioner of Customs, Krishnapatnam / Kakinada Custom House and the Deputy / Assistant Commissioner of Customs, ICD, MARRIPALEM.

Copy submitted to the Chief Commissioner of Customs & Central Tax, Visakhapatnam Zone, GST Bhavan, Port Area, Visakhapatnam – 530 035 for information.

**Copy to :**

1. The Joint Commissioner of Customs, Krishnapatnam Custom House, KAPS Building, CVR Complex, Krishnapatnam Port Area, Gopalapuram, **MUTHUKURU – 524 344** S. P. S.R. Nellore District for information with a direction to give wide publicity among the importers / exporters under the jurisdiction KPCH.
2. The Joint Commissioner of Customs, Kakinada Custom House, Port Road, **Kakinada – 533 007**. East Godavari District for information with a direction to give wide publicity among the importers / exporters under the jurisdiction KKDCH.
3. The Deputy / Assistant Commissioner of Customs ,ICD, **Marripalem – 522 233**, Guntur District for information with a direction to give wide publicity among the exporters under their jurisdiction.
4. The Chief Accounts Officer, Hqrs. Office, CC(P), Vijayawada for information
5. Copy to Superintendent (Computers), CPC, Hqrs. Office, Vijayawada for display on CPC, Vijayawada website [www.apcustoms.gov.in](http://www.apcustoms.gov.in).
6. Copy to M/s. Krishnapatnam Port Company Limited (KPCL), the Custodian / Custom Cargo Service Provider of Krishnapatnam Port , Muthukur , SPSR Nellore District (Though the Joint Commissioner of Customs, Custom House, Krishnapatnam) for information with a request to display on their websites.
7. Copy to M/s. Leaap International Private Limited , the Custodian / Custom Cargo Service Provider of ICD, Marripalem, Guntur (Though Deputy / Assistant Commissioner of Customs, ICD, Marripalem, Guntur ) for information with a request to display on their websites.
8. Copy to M/s. Kakinada Sea Ports Limited, the Custodian / Custom Cargo Service Provider of Kakinada Port, Kakinada (Though the Joint Commissioner of Customs, Custom House, Kakinada) for information with a request to display on their websites.
9. Copy to the Kakinada Custom Brokers Association, Kakinada (Though the Joint Commissioner of Customs, Custom House, Kakinada) for information with a request to display on their websites
10. Notice Board.