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राजस्व विभाग / Department of Revenue
सीमा शुल्क आयुक्त कार्यालय / Office of the Commissioner of Customs
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TRADE NOTICE NO. 01/2017

Sub: Refund of IGST paid on export of goods under Rule 96 of CGST Rules 2017

Attention of all Exporters /Importers/Custom Brokers/ Clearing Agents / Steamer Agents/Shipping agents/MLO/Line Operators/ Trade and Industry and Public is invited to the Instruction No. 15/2017-Cus dated 09.10.2017 issued by CBEC on the above cited subject. The Board's above instruction is also available in the CBEC Website.www.cbec.gov.in. Important aspects of the above Circular are highlighted below:

2. Rule 96 of the CGST Rules 2017 deals with refund of Integrated Tax paid on goods exported out of India. It provides that the shipping bill filed by an exporter shall be deemed to be an application for refund of integrated tax paid on the goods exported out of India once export general manifest (EGM) and valid return in Form GSTR-3 or Form GSTR-3B, as the case may be, has been filed. Once these conditions are met, the Customs System shall process the claim for refund and an amount equal to the integrated tax paid in respect of each shipping bill or bill of export shall be electronically credited to the bank account of the applicant mentioned in his registration particulars and as intimated to the Customs authorities.

Export General Manifest

3. Filing of correct EGM is a must for treating shipping bill or bill of export as a refund claim. It has come to the notice that EGM for number of shipping bills are not filed and for many shipping bills the EGM is filed with error. In the case of ICD, cases which remain in EGM error due to any reason, should be followed up to ensure that the records are updated at the gateway port. Hence all the carriers/their agents are requested to file the EGM in time and take efforts to address EGM errors immediately to resolve the issue of pending claims of refund IGST paid on exports. Exporters are advised to follow up with their carriers to ensure that correct EGM/export reports are filed in a timely manner.

Details of export supplies in Table 6A of GSTR-1

4. The details of zero rated supplies declared in Table 6A of return in Form GSTR-1 are matched electronically with the corresponding details available in Customs Systems as per details provided in shipping bills/bill of export. Thus exporters must file their GSTR-1 very carefully to ensure that all relevant details match. For their convenience, the details available in the Customs System have been made available for viewing in their ICEGATE login.

4.1 Exporters who have not filed their GSTR-1 for month of July 2017 are advised to do so immediately.

4.2 For month of August 2017 and subsequent months, facility of filing GSTR-1 has not been made available by GSTN at present. In order to facilitate processing of refunds, GSTN is making available a separate utility for filing details in Table 6A of GSTR-1 on the GSTN Web portal. Exporters are advised to submit the requisite details once GSTN develops the utility.

Valid return in Form GSTR-3 or Form GSTR-3B

5. Filing of valid return in GSTR-3 or GSTR-3B is another pre-condition for considering shipping bill/Bill of export as claim for refund. Exporters are advised that they must file these returns expeditiously without waiting for the last date, to ensure that their refund is processed in a timely manner.

Bank account details

6. As per Rule 96 of CGST Rules 2017, the refund is to be credited in the bank account of the applicant mentioned in his registration particulars. As a practice, exporters have been declaring details of bank account to Customs for the purpose of drawback etc. There is a possibility that bank account details available with the Customs do not match with those declared in the GST registration form. In order to ensure smooth processing and payment of refund of IGST paid on exported goods, it has been decided that said refund amount shall be credited to the bank account of the exporter registered with Customs even if it is different from the bank account of the applicant mentioned in his registration particulars. However, exporters are advised to either change the bank account declared to Customs to align it with their GST registration particulars or add the account declared with Customs in their GST registration details.

6.1 Further, as the refund payments are being routed through the PFMS portal, the bank account details need to be verified and validated by PFMS. The status of validation of bank account with PFMS is available in ICES. Exporters are advised that if the account has not been validated by PFMS, they must get their details corrected in the Customs system so that their bank account gets validated by PFMS. Exporters are also advised not to change their bank account details frequently to avoid delay in refund payment.

Processing of refund claims

7. Deputy/Assistant Commissioner (IGST Refunds) generates a payment scroll of eligible IGST refunds in the same manner as RoSL scrolls are generated. The scroll will be

transmitted electronically to PFMS system for onward payment into the bank accounts of the exporter.

Handling of cases under Rule 96(4)(a)

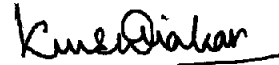
8. As per Sub rule 4a of aforesaid Rule 96, refund will be withheld if a request is received from the jurisdictional Commissioner of central tax, State tax or Union territory tax to withhold the payment of refund in accordance with the provisions of sub-section (10) or sub-section (11) of section 54. In such cases, the proper officer of integrated tax at the Customs station will intimate withholding of refund to the applicant and the concerned jurisdictional Commissioner and a copy of such intimation will be transmitted to the common portal.

Exports in violation of the provisions of the Customs Act, 1962

9. In case where proper officer determines that the goods were exported in violation of the provisions of the Customs Act, 1962, IGST refund will be withheld in terms sub rule 94(4)(b) of aforesaid Rule 96.

10. Guidelines and procedures for filing and processing of refunds of IGST paid on export goods for exports made under manual (non-EDI) shipping bills shall be communicated separately.

11. Difficulty faced in this regard, if any, may be brought to the notice of this office.



(के.वी.वी.जी. दिवाकर/K.V.V.G. DIWAKAR)

आयुक्त / COMMISSIONER

C.No.VIII/48/06/2016-Cus.Pol.
Customs Policy Section,
Custom House, Tuticorin.
Date: 27 .10.2017

To
As per Mailing List I, II and III.
Notice Board,
EDI Section, Custom House, Tuticorin - for uploading in the website

Copy Submitted to:-
The Chief Commissioner of Customs (Preventive), Trichy.