



MINISTRY OF FINANCE :: DEPARTMENT OF REVENUE
OFFICE OF THE COMMISSIONER OF CUSTOMS
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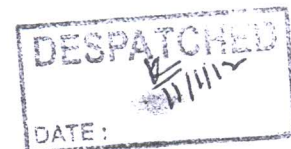
PUBLIC NOTICE No. 01 / 2012

Subject: Service Tax Refund to exporters through the Indian Customs EDI Services(ICES) – Procedure thereof – Regarding.

Attention is invited to Board's Circular No. 149/18/2011-ST dated 16.12.2011. A simplified scheme for electronic refund of service tax to exporters on lines of duty drawback is being introduced. With the introduction of this new scheme, the exporters now have a choice; either they can opt for electronic refund through ICES system, which is based on the 'schedule of rates' or they can opt for refund on the basis of documents, by approaching the Central Excise/Service Tax formations.

2. To obtain benefit under the new electronic STR scheme, which is based on the 'schedule of rates', an exporter: (i) should have a bank account and also a central excise registration or service tax code number and the same should be registered with Customs ICES 1.5 using 'Annexure –A' Form;(ii) should declare his option to avail STR on the electronic shipping bill while presenting the same to the proper officer of Customs.

3. In the 'schedule of rates', to be notified shortly, rates are specified for goods of a class or description. An exporter, who wishes to obtain electronic STR, should express his option by mentioning in the shipping bill, chapter/subheading number at the first two digits or four digit levels specified in the schedule of rates, as applicable to the export goods declared in the shipping bill. This chapter/sub heading number should tally with RITC code mentioned in the Shipping Bill against the export goods. Eligible refund amount of service tax paid on the specified services used for export of goods declared in the shipping bill will be calculated electronically by the ICES system, by applying the rate specified in the schedule against the said goods, as a percentage of the FOB value.



4. Exporters who do not like to obtain electronic STR on the basis of 'schedule of rates', but wish to opt for claiming STR on the basis of documents, through the Central Excise/Service Tax field formations should declare chapter/subheading number as 9801 in the electronic Shipping Bill. Minimum STR will be Rupees Fifty for an electronic shipping bill. An exporter who wants to get the chapter/sub heading number amended, for any reason, can get the same carried out through the ICES service centre by filing an amendment request; amendment request can also be filed through ICEGATE using Remote EDI System(RES) software. Exporters can track the status of their refund claim and details of refund amount through ICEGATE Document Tracking and Touch Screen Enquiry.

5. STR amount processed under the ICES will be disbursed through the branch of the authorized bank at each customs location. The STR amount in respect of individual exporters will be credited directly to the bank account of the exporter, in the authorized bank branch at a Custom location or to any core banking enabled banking account of the exporter, in any branch/bank anywhere in the country (through the NEFT/RTGS). For this purpose, the exporters are required to register with Customs, the Indian Financial Service Code (IFSC) of the bank branch in which s/he wishes to receive the STR amount, the core banking enabled account number, bank name and address, using 'Annexure-A'. The procedure for registration of bank account is the same as existing procedure for registration of bank account for receiving drawback amount. Form for registration of bank account, namely, 'Annexure-A' is enclosed to this Circular, for the convenience of the exporters.

6. The procedure for availing this facility of STR through EDI System is as follows:-

(a) Registration of Bank Account

The exporters who wish to avail this facility are required to register with the Customs, the Indian Financial Code (IFSC) of the bank branch in which the exporter wishes to received the STR amount, the core banking enabled account number, bank name and address using the Annexure to this Public Notice. The procedure for registration of bank account is the same as existing procedure for registration of bank account for receiving drawback amount. It may also be noted that **the exporters who have their bank account numbers registered for drawback purpose need not register their bank accounts again.** The existing account itself shall be used for crediting ST Refund also.

(b). Registration of Central Excise Registration number or service tax code number (including service tax registration number)

Besides bank accounts, each exporter claiming ST refund need to provide **central excise registration number or PAN based Service Tax code number** (including PAN based Service tax registration number) and register the same in ICES 1.5. Necessary details should be provided in part B of the Annexure to this Public Notice along with self certified copy of Central Excise Registration Certificate or Service Tax Code number certificate.

7. The above mentioned Annexure after filling with the details has to be presented to the Superintendent (EDI) of this Custom House, who is the designated officer for this purpose. He will enter the same in the ICES and a checklist will be generated and handed over to the authorized representative. He has to check its correctness and return to the Superintendent after signing etc. This is one time registration and mandatory for all exporters claiming ST refund. ICES 1.5 will not accept shipping bills with claim of STR if these details are not registered.

8. It may be noted that while capturing Central Excise registration certificate of service tax code number in ICES 1.5, the system will validate the details with details available from Automation of Central Excise and Service Tax (ACES) and only on successful validation, data will be saved in ICES 1.5.

9. Salient features of processing of Service Tax Refund through ICES 1.5 are as follows:

- a. ST Refund through ICES 1.5 shall be claimed by exporter by declaring "y" in relevant filed at the time of filing of Shipping Bill and declaring STR Serial number (Heading/subheading number) as per STR Schedule to be notified shortly.
- b. Schedule for the service tax refund has entries at 2 digit/4 digit level and the software validates the claim of the exporter by comparing Service Tax Refund (STR) Sl. No. declared by the exporter with RITC declared by him up to 2/4 digit level only as the case may be.
- c. There is no change in existing flow of documents till LEO due to introduction of service tax refund. At present following SB move to AC's screen:
 - (i) Duty free SB with FOB more than Rs.10 lakh,
 - (ii) Drawback SB where DBK claimed is more than Rs. 1 lakh,
 - (iii) NFEI SB (free trade sample) where FOB is more than Rs.25000/-.

Besides all license SB (Whether under DEEC, EPCG etc) also move to AC queue after Appraising Officer.

Flow of documents will remain same even after introduction of this scheme.

- d. Shipping bills with only STR amount will move directly in scroll_In queue after EGM is filed. However drawback shipping bills having STR also will continue to move to DBK-Superintendent screen and DBK-AC screen (in case DBK is more than Rs.1 lakh)

- e. The temporary scroll generated by Drawback AC/DC will have all the shipping bills i.e. Drawback SBs as well as non-Drawback shipping bills in which Service Tax refund is being granted. Temporary scroll shall indicate drawback amount and STR amount separately to enable custom officers do scrutiny of drawback shipping bills.
- f. In the final scroll, a single amount indicating DBK and STR amount shall be shown against shipping bills. However print copy of scroll shall contain a consolidated breakup indicating drawback amount and ST Refund amount.
- g. Amount credited in bank account of the exporters shall be STR (in case of only STR claim) and total of drawback and STR (in case of drawback and STR claim).
- h. Exporters can check status of STR through ICEGATE as well as Touch screen application.

10. Trade enquiries may be made to www.icegatehelpdesk@icegate.gov.in. In case any further clarification, Shri. D. Ranjith Kumar, Assistant Commissioner, Custom House, Tuticorin may be contacted at email : ranjith_d@icegate.gov.in

(Issued from file C.No. VIII / 48 /07/2012- Cus.Pol.)

Enclosure: Annexure A

Date : 09.01.2012.
Tuticorin.


(C. RAJENDIRAN)
COMMISSIONER

To

As per Mailing List 1 & II,

Copy submitted to : The Chief Commissioner of Customs (Preventive), Chennai.