



भारत सरकार

GOVERNMENT OF INDIA

आयुक्त सीमा शुल्क (निवारण) का कार्यालय, पटना

OFFICE OF THE COMMISSIONER OF CUSTOMS (PREVENTIVE), PATNA.

पौचवा तल, केंद्रीय राजस्व भवन, वीरचंद पटेल पथ, पटना - ८००००१, फ़ैक्स : -0612-2504506

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C.No. I(15)11-275/Cus/Systems/Inst.-Adv./2018

Dated: 31.05.2018

Instruction No. 05 /2018

Dated:31.05.2018

Subject:- IGST Refunds – Error in Shipping Bill Data Entry - reg.

Attention of all officers is drawn to the Rule 96 of CGST Rules, 2017, dealing with refund of IGST paid on Goods exported out of India. As per said Rule, the Shipping Bill filed by an Exporter shall be deemed to be an Application for refund of IGST paid on Goods exported out of India, once EGM is filed and required GST returns have been filed viz. GSTR-1 & GSTR-3B. Rule 96 further states that information on GST returns shall then be transmitted electronically to Customs and System designated by Customs shall process the refund claim.

The IGST Refund Module of ICES has been designed in line with above rule and has inbuilt mechanism to automatically grant refund after validating the SB Data available in ICES against GST return as filed by the exporter. Integration/matching between two data source is done at Invoice level and Invoice and Item-wise level. However, it has been found that a large number of IGST refund are still stuck up in the systems due to mismatch of data as appearing in SB & GST Returns and consequent non-integration of data between two data source. The D. G. (Systems) vide their "Guide on IGST Refunds in ICES" has elaborated the different kinds of integration errors categorically distinguishing then by assigning error codes like SB000, SB001 etc. The Error Code SB005 pertains to mismatch of Invoice No. as declared in the Shipping Bill and that as mentioned in GST Return. For resolution of the error code SB005, the DG (Systems) has issued an advisory for verification by manual interference vide Advisory No. 05/2018 dated 23.02.2018. A Public Notice No. 01/ 2018 dated 09.03.2018 has also been issued in this regard.

Besides the above error, it has been found that a large number of refund claims are still pending due to other error codes. Analysis of data shows that in many cases mis-match is mainly due to wrong data entry by Exporter, CHA or his agent.

In this connection, reference is invited to the letter issued by a ADG (ARM) wherein it has been pointed out that 1288 SBs of LCS Raxaul are mis-matched in FOB Value declared in Customs and IGST Value declared in Invoice. On analysis, it has been found that in all cases data has not been fed properly by exporters or his CHA, i.e. wrong IGST Value has been entered in SB, total IGST Amount has been shown against one items while IGST amount has been shown as zero against rest items where single invoice has multiple items, IGST amount has been left blank etc. The Customs Officer who processed such SBs failed to detect the discrepancy and has not bothered to point out such wrong declaration in the SBs while giving LEO, which is highly irregular.

In all such cases, the SBs are stuck in the system as their validation has failed and IGST refunds have not been granted. This office as well as CBIC are regularly receiving complaints from Exporters regarding non payments of IGST refund, which put Department in poor light.

In view of the above, it is hereby directed that while doing registration of goods, examination and granting LEO, it must be ensured by concerned officer that declaration made in the SBs by Exporters/CHA must be as per IGST invoice. Only where it has been found that particulars in SBs are in order vis-a-vis documents submitted by Exporters, LEO should be granted. If it is found that there are discrepancies in SB particulars vis-a-vis that of physical documents, SB must be sent for amendment and LEO be given only after amendment has been carried out. Failure to carry out proper check of documents, the officer granting LEO will be held responsible and appropriate action will be taken.

V. C. Gupta
31/05/2018
(V. C. GUPTA)
Commissioner

C. No. I(15)11-275/Cus/Systems/Inst.-Adv./2018 / 3903-810

Dated:31.05.2018

Copy forwarded for information and necessary action to:

1. The Joint Commissioner, Customs (Preventive) Hqrs., Patna;
2. The Deputy Commissioner Land Customs Stations, LCS Raxaul / LCS Jogbani.
3. The Assistant Commissioner, Customs Division, Motihari/ Muzaffarpur/ Forbesganj.
4. The Superintendent, Technical Branch, Customs Hqrs., Patna
5. Guard File.

A. K. Singh
31/05/18
Superintendent (Systems)
Customs (P) Hqrs., Patna