

Office of the
Commissioner of State Tax.
Maharashtra State,
8th Floor, GST Bhavan, Mazgaon,
Mumbai-400010.

TRADE CIRCULAR

No. ACST (VAT-2)/GST Refund/SOP/ 2019-20/Mumbai, ^{B-183} Dated- ^{19/3/2020}

Trade Circular No. 05 T of 2020.

To,

.....
.....

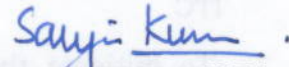
Subject : Standard Operating Procedure (SOP) to be followed by exporters.

1. As you are aware, several cases of monetization of credit fraudulently obtained or ineligible credit through refund of Integrated Goods & Service Tax (IGST) on exports of goods have been detected in past few months. On verification, several such exporters were found to be non-existent in a number of cases. In all these cases it has been found that the Input Tax Credit (ITC) was taken by the exporters on the basis of fake invoices and IGST on exports was paid using such ITC.
2. To mitigate the risk, the CBIC has taken measures to apply stringent risk parameters-based checks driven by rigorous data analytics and Artificial Intelligence tools based on which certain exporters are taken up for further verification. CBIC has issued circular No.131/1/2020-GST dt 23rd January 2020 laying down the SOP to be followed by exporter as well as departmental authorities regarding verification in selected cases. Overall, in a broader time frame the percentage of such exporters selected for verification is a small fraction of the total number of exporters claiming refunds. The refund scrolls in such cases are kept in abeyance till the verification report in respect of such cases is received from the field formations. Further, the export consignments/shipments of concerned exporters are subjected to 100 % examination at the customs port.
3. Custom authorities or as the case may be, DGARM are asking for the verification reports from the jurisdictional officers in case of exporters whose IGST paid refund claims have been kept in abeyance for verification. To expedite the verification, the exporters on being informed in this regard or on their own volition should fill in information in the format attached as **Annexure 'A'** to this Circular and submit the same to their jurisdictional officers for verification by

them. If required, the jurisdictional officer may seek further additional information for verification. However, the jurisdictional officers must adhere to timelines prescribed for verification.

- 3.1. Verification shall be completed by jurisdictional officer within 14 working days of furnishing of information in proforma by the exporter. If the verification is not completed within this period, the jurisdictional officer will bring it to the notice of the Joint Commissioner of State Tax-ADM.
- 3.2. After a period of 14 working days from the date of submission of details in the prescribed format, the exporter may also escalate the matter to the respective Joint Commissioner of State Tax -ADM.
- 3.3. The Joint Commissioner of State Tax -ADM should take appropriate action to get the verification completed within next 7 working days
4. In case, any refund remains pending for more than one month, the exporter may communicate his grievance to Additional Commissioner of State Tax-VAT-2, Mumbai by sending an email on e-mail-id adlgst2mazgaon@gmail.com and give all relevant details like GSTIN, IEC, Shipping Bill No., Port of Export & jurisdictional officer where the details in prescribed format had been submitted etc. All such grievances shall be examined by Additional Commissioner of State Tax-VAT-2, Mumbai for resolution of the issue.
5. Difficulty if any, in the implementation of this Circular may be brought to the notice of the office of the Commissioner of State Tax, Maharashtra.

Yours faithfully,



(SANJEEV KUMAR)

Commissioner of State Tax,
Maharashtra State, Mumbai.

No. ACST (VAT-2)/GST Refund/SOP/ 2019-20/Mumbai, Dated- 19 /3/2020

Trade Circular No. 057 of 2020.

B=183

Copy forwarded to the Joint Commissioner of State Tax (Mahavikas) with a request to upload this Trade Circular on the Departments Web-site.

Copy submitted with compliments to,-

- (a) The Deputy Secretary, Finance Department, Mantralaya, Mumbai-21 for information.
- (b) Accounts Officer, Sales Tax Revenue Audit, Mumbai and Nagpur.


(D M THORAT)

Additional Commissioner of State
(VAT-2) Mumbai.

Annexure A

The details to be provided by the exporter for verification:

I. GST related data:

1. GSTIN –
2. Please provide the following details if the proprietor/director/partner of this entity is also associated with other entities.

S No	Name of Director/Partner/Proprietor	Name of the other Entity Associated with	PAN (DIN if Director)	GSTIN	Registration status (Active / Inactive)
1					
2					
3					

3. Turnover of previous Financial Year -
(For New Entity till date Current Financial Year Turnover, if any)

4. Details of GST liability–

S No	Return Type	Declared aggregate liability for Previous Financial Year	Declared aggregate liability for Current Financial Year
1	GSTR 3B		
2	GSTR 1		

5. Details of ITC:

FY	ITC available in GSTR-2A	ITC availed in GSTR-3B	Mismatch	Details of payment or reversal of mismatched ITC
2017-18				
2018-19				
2019-20				

6. Details of refund claimed in previous Financial Year and current Financial Year-

S No	GSTIN	Type of Refund	ARN No. and Date	Amount		Authority from which refund claimed
				Claimed	Sanctioned	

7. Summary of E way Bills generated for relevant period.

S No	Supplies	No of E way Bill generated	HSNs	Taxable Amount
	Inward			
	Outward			

II. Financial Data

1. Bank Account details including the bank accounts of proprietor / partner / directors-

S. No.	Account Number	IFSC Code	Account Type	Name of Account Holder	PAN of Account Holder	Date of opening of Bank Account

2. Bank Account statement of past 6 months in respect of the bank accounts provided above.
3. BRCs/FIRCs evidencing receipt of foreign remittances against the exports made in past 1 year.
4. Bank letter for up to date KYC of all bank accounts provided above.
5. Top 5 creditors and Debtors (with GSTIN) from account(s) where refunds are proposed to be received and from which major business transactions (payments for supplies and receipts) are carried out.

III. Additional Data

1. Copy of PAN.
2. Copy of IEC
3. Certificate of Incorporation or partnership deed
4. Rent agreement of all premises along with geo-tagged photos
5. Telephone Bill of past 3 months for all premises
6. Electricity Bill of past 3 months for all premises
7. Number of employees and the statement of PF evidencing employees
8. Copy of the following schedules of the latest Income Tax Return:
 - (i) Computation of depreciation on plant and machinery under the Income-tax Act
 - (ii) Computation of depreciation on other assets under the Income-tax Act
 - (iii) Summary of depreciation on all the assets under the Income-tax Act