



दि प्लास्टिक एक्स्पोर्ट प्रमोशन कौन्सिल  
( भारत सरकार, वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग द्वारा प्रायोजित )

**THE PLASTICS EXPORT PROMOTION COUNCIL**  
(Sponsored By The Ministry Of Commerce & Industry, Deptt. Of Commerce, Government Of India)

Ref.  
Plexh/Cir/303

No. :

21.12.2020

To  
All Members of the Council

Dear Sir/ Madam,

**Subject : Regarding removal of Risky Tag - Guidelines/Flowchart to be followed**

With reference to above mentioned subject please find below Step-wise Guide/SOP and Process Flowchart for the benefits of the Risky Exporters.

A sizable number of exporters have been classified as “risky exporters” based on some matrix adopted by the Directorate of System. This has caused liquidity problem at their end beside delays in clearance of their export consignments. With a view to address the concern of genuine exporters, Government has provided some relaxation from time to time and also fixed timelines to complete the process of verification.

The step wise process is as follows-

**Identification of Risky Exporters:**

1. The automated system identifies the risky exporters based on a pre-defined criteria and grounds. The list of the exporters is then sent by the Directorate General (Systems) to the concerned Chief Commissioner of the Central Tax and Risk Management Centre of Customs (RMCC) departments, respectively.
2. RMCC shall insert alerts for all such risky exporters and make 100% examination mandatory of export consignments relating to those risky exporters. Also, alert shall be placed to suspend IGST refunds in such cases.

**Subsequent Actions by Customs:**

3. The custom officers will also verify the export consignments of the risky exporters once the RMCC alerts them. The consignment will be given a clearance only when the declared shipping bill and the results of the examination tallies with each other. The requirement of 100% physical examination of each export consignment shall be gradually relaxed provided no irregularity was noticed in earlier examinations of export consignments of export entities in terms of *Circular No. 16/2019-Customs dated 17.06.2019*.
4. Wherever the examination has validated the declaration made in the shipping bill, RMCC may review the risk assessment and gradually taper down the percentage of physical

examination. Suitable alerts based on reevaluated risk may accordingly be inserted in the system by RMCC in such cases.

5. Even after receiving a clearance from the customs officer, the GST refund for the taxes paid on those shipping bills shall be suspended by the Deputy Commissioner or the Assistant Commissioner of the Customs department who is dealing with the IGST refund at the port from where the exports were made. This is done until the eligibility to avail GST Refund is verified by the GST officer in the jurisdiction.

**Action by the Exporter:**

6. The exporter on being informed in this regard or on his own volition should fill in information in the format attached as **Annexure 'A'** and submit the same to their jurisdictional CGST authorities for verification by them. If required, the jurisdictional authority may seek further additional information for verification. However, the jurisdictional authorities must adhere to timelines prescribed for verification.

**Subsequent Actions by GST Authorities:**

7. The GST Officer in the jurisdiction, will verify each and every export consignment transacted by the exporter. He will also check whether the IGST was paid on such exports or not and whether exporter has availed eligible ITC on such payments for verifying the true and fairness of the GST Refund claimed by such exporters.

8. Verification shall be completed by jurisdiction CGST office within 14 working days of furnishing of information in proforma by the exporter. If the verification is not completed within this period, the jurisdiction officer will bring it the notice of a nodal cell to be constituted in the jurisdictional Pr. Chief Commissioner/Chief Commissioner Office.

9. 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 Jurisdictional Pr. Chief Circular Commissioner/Chief Commissioner of Central Tax by sending an email to the Chief Commissioner concerned.

10. The Jurisdictional Pr. Chief Commissioner/ Chief Commissioner of Central Tax should take appropriate action to get the verification completed within next 7 working days.

11. In case, any refund remains pending for more than one month, the exporter may register his grievance at [www.cbic.gov.in/issue](http://www.cbic.gov.in/issue) by giving all relevant details like GSTIN, IEC, Shipping Bill No., Port of Export & CGST formation where the details in prescribed format had been submitted etc. All such grievances shall be examined by a Committee headed by Member GST, CBIC for resolution of the issue.

12. Verification of the claimed GST refund and all other related and completed aspects are to be done in accordance with the Standard Operating Procedure laid and prescribed in GST laws and rules.

13. A report on the said verification is to be furnished to the Chief Commissioner by the officer conducting the verification process. The report must clearly specify whether the paid IGST and taxes and the refund claims are applicable or not as per the law.

14. The Chief Commissioner of Central Tax compiles the reports of all the cases and forwards them to the RMCC and concerned export port of customs within 5 working days of receiving such report.

15. It may kindly be noted that all verification will be carried out by the Central Tax Authorities (CGST) irrespective of the fact that the tax payer s under administrative control of Centre or State/UTs.

16. RMCC based on the report decides to either take out the exporter from the list of “Risky exporters” or continues to keep him in such list.

17. The custom formation takes further necessary action Two situations arise here for passing the claim of GST Refund-

- Cases where no malpractices have been reported: The refund is processed by the customs officer at the port of export to an extent properly verified by the taxation department.
- Cases where malpractices have been reported: The GST Refund is not processed by the customs officer in such cases.

Please download Annexure A from below given link : -

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/circular-cgst-131.pdf;jsessionid=C2490F17762492C8827EE2B262DAD3BE>

Also please attached herewith Flow chart of the process.

Best Regards

**Plexconcil Team**