

**Circular No. 15/2018 dated 06/06/2018**

**CBIC has issued Circular No's 05/2018-Customs dated 23.02.2018, regarding refund of IGST on export of Goods-Extension of date in SBO05 alternate mechanism cases and Clarification in other cases -reg.**

The CBIC has issued clarifications in past for alternative mechanism's/ procedures with officer interface to resolve invoice mismatches which was provided for the shipping bills filed till 28.02.2018 to overcome the issue of pending refunds. CBIC has noticed that while the SBO05 error has now reduced significantly, however, same still continues. Hence, as a measure for facilitation vide Circular No. 15/2018-Cus dated 6 June 2018, CBIC has decided to extend the facility of officer interface to Shipping bills filed up to 30.04.2018. However, the exporters are advised to align their export invoices submitted to Customs and GST authorities for smooth processing of refund claims.



Apart from SBO05 errors, IGST refunds are also stuck on account of SBO03 error on the customs side. This error occurs when there is a mismatch between GSTIN entity mentioned in the Shipping bill and the one filing GSTR-1/GSTR-3B. CBIC has examined the issue and it has been decided to provide a correction facility in cases where although GSTIN of both the entities are different but PAN is same (e.g. in cases where an entity filing Shipping bill is a registered office and the entity which has paid the IGST is manufacturing unit).

However, in all such cases, entity claiming refund (one which has filed the Shipping bill) will give an undertaking to the effect that its other office (one which has paid IGST) shall not claim any refund or any benefit of the amount of IGST so paid. The undertaking shall be signed by authorized persons of both the entities. This undertaking has to be submitted to the Customs officer at the port of export.

Further, CBIC had some time back requested Directorate of Systems to develop a correction tool, on lines of one developed for SBO05, for sanction of refund in cases where PAN provided in Shipping Bill is same as PAN of GSTR 1. DG Systems have developed this utility now which would facilitate processing of IGST refund claims stuck due to SBO03 error in the manner similar to SBO05 error.