

Advisory for non EDI sites on Customs Operations after the implementation of GST

With GST set to be rolled out from July 1st, Customs shall have a major stake in its early implementation as IGST would begin to be levied on the imports from the very first day, the credit of which shall be available to the importers. Similarly, the refund of IGST paid on the clearance of goods meant for export shall also be made available to exporters. In addition to the changes in customs law & procedure, changes are being incorporated in the Bill of Entry and Shipping Bills Format as well to implement the new law effectively.

2. Here, reference is invited to D.O. letter issued by Member (Cus) vide D.O.F. NO. 450/100/2017 – CUS IV dt. 20.06.2017 enclosing an advisory on Customs related matters on introduction of GST. The changes made in the EDI system as a consequence of GST were also detailed in the said advisory. The changes have been brought in essentially to capture certain details on imports/exports which shall be cross validated with GSTN electronically to give the benefit of importers and exporters the benefit of IGST refund or IGST credit respectively.

3. Under the GST regime, the importers and exporters registered with GSTN shall be filing the details of their exports (Shipping Bills) and imports (Bills of Entry) along with their IGST paid particulars to claim credit or refund respectively. It is important here to understand that **unless these details are matched between Customs and GSTN, the seamless flow of credit (imports) or of refund (exports) of the IGST paid shall not be available to importers and exporters.** Even in case of non GST registered importers, the IGST collected by Customs on imports shall have to be apportioned between Centre and the Consumption State, i.e. the state of the importer.

4. You would thus appreciate the need to **capture these details required for cross validation with GSTN on the declarations filed at non EDI sites** as well. For this purpose the Directorate of Systems is designing a simple offline utility for data capture, easily downloadable on a normal computer that can be used to capture the required information for each Bill of Entry/Shipping Bill digitally and to subsequently transfer the information to ICES for further validation with GSTN. While this standalone utility shall be ready to be rolled out shortly, it is understood that many of the non EDI sites in remote areas lack certain basic infrastructure like computer or power and hence it may take some time for the utility to be made operational at such places. Therefore, **till such time the utility is made available** at all the non EDI sites, an interim measure for capturing certain details in BE/SB essential for GST is listed in the following paras.

5. All non EDI sites shall henceforth use a unique series for numbering of BEs and SBs as detailed below. Further, information in the following format shall have to be stored by the field officers at these sites **for all the imports and exports w.e.f. July 1st.**

Imports

Port Code (i)	BE Number (ii)	BE Date (iii)	IEC (iv)	GSTIN (v)	GSTIN Type (vi)	PAN/ Aadhaar/ Passport/ TAN (vii)	State Code (viii)	IGST paid (ix)	Compen sation Cess paid (x)	Payment Date (xi)	OOO Date (xii)

Exports

Port Code (i)	SB Number (ii)	SB Date (iii)	IEC (iv)	GSTIN (v)	GSTIN Type (vi)	PAN/Aadhaar/ Passport/TAN (vii)	State Code (viii)

Whether exports made on payment of IGST or under Bond/LUT (ix)	Export Invoice Number (x)	Taxable Value for each Export Invoice (xi)	IGST Paid on Taxable Value for each Export Invoice (xii)	LEO Date (xiii)	EGM Number (xiv)	EGM Closure Date (i.e. Date when export is completed) (xv)

Here,

- **Port Code** is the code generated by ICEGATE for each Customs site. It must be ensured that the above details are maintained for each port code separately.
- **BE/SB number** shall be a 6 digit number and starting with **a three digit series code fixed for each site as per the Annexure I enclosed** ; and the remaining three digits shall be serially numbered from 001 to 999. Thus, if for a site the series code is 603,, then the first BE/SB shall be numbered as 603001 and the series will go on till 603999. After this, the series shall restart with 603001. This will ensure that a unique (BE/SB Number + date) combination is generated for every site that can be used for validation with GSTN. It may be noted that the series shall go from 603001 to 603999 continuously without being reset every day. The same series can be used separately for SBs and BEs. **It may further be noted that w.e.f. July 1st, all the BEs and SBs at non EDI sites shall be given this series number and not the serial numbers they have hitherto been given.** The standalone utility is being built to accept and generate document numbers in consonance with this series structure. Some of the sites included in the annexure may be completely non functional. They may start using the series code as and when they become functional. However, if any of the **functional** non EDI sites have been missed in the annexure, the commissionerate is requested to immediately intimate ICES for allotment of series code.
- **GSTIN** shall have to be recorded for each importer/exporter registered with GSTN for them to claim credit or refund of IGST. It may be noted that benefits of Credit/Refund shall flow only when GSTIN is quoted correctly and is matched with GSTN registration data; Valid and **active Provisional ID can be quoted in lieu of GSTIN.** However, credit/refund would flow only when the same PID is used to file returns. Diplomats/Embassies can quote their UIN issued by GSTN. The importers not registered with GSTIN shall have to quote details like PAN/Aadhar/Passport/TAN
- **GSTIN Type** shall have the following flags:
 - GSN - GSTIN of Normal Persons – Individual IEC
 - GSG – GSTIN of Govt. Entities
 - GSD - GSTIN of Diplomats
 - PAN – PAN Number
 - TAN – TAN Number
 - PSP - Passport Number
 - ADH – Aadhaar Number
- **State code** shall be quoted by every importer as per the Census of India. For the GST registered importers, this shall be the first two digits of their GSTIN. The non GST importers shall also be required to quote the state code as the IGST collected on their imports shall be apportioned between Centre and the importer’s State. The state codes have recently been revised as per Census of India and are enclosed as Annexure II. They are also available on the IceGate website at https://www.icegate.gov.in/Download/State_Code.pdf
- It may also be noted that the credit of IGST paid shall be available only after the payment is made and OOC is given.

- **Export Invoice** should be issued by the supplier cum exporter in compliance with the GST Invoice Rules. It may also be noted that as per the GST Invoice Rules, in case of export of goods or services, the invoice shall carry an endorsement “SUPPLY MEANT FOR EXPORT ON PAYMENT OF INTEGRATED TAX” or “SUPPLY MEANT FOR EXPORT UNDER BOND OR LETTER OF UNDERTAKING WITHOUT PAYMENT OF INTEGRATED TAX”, as the case may be
- **Taxable Value and IGST Paid:** Since the actual quantity and value of the goods finally exported may sometimes be at variance with those indicated on export invoice, these particulars have to be recorded for each export invoice. Here, Taxable Value is the value of the item actually being exported on which IGST has been paid. This is further explained by the following illustration:

Illustration:

An exporter raises an export invoice as below:

Item	Quantity (units)	Unit Price (Rs)	Total Price	IGST (Rs)
A	1000	200	2,00,000	24,000
B	2000	100	2,00,000	24,000
		Total	4,00,000	48,000

Due to some reason, he finally exports only 900 units of Item A and 1900 units of Item B. For his shipping bill, the Taxable value and IGST of each item shall be calculated in proportion of the actual quantity shipped to the quantity on export invoice, i.e.

For Item A

Taxable Value = $(900/1000) \times 2,00,000 = \text{Rs } 1,80,000$

IGST Paid = $(900/1000) \times 24,000 = \text{Rs } 21,600$

For Item B

Taxable Value = $(1900/2000) \times 2,00,000 = \text{Rs } 1,90,000$

IGST Paid = $(1900/2000) \times 24,000 = \text{Rs } 22,800$

Both, the total Taxable Value as well as the total IGST paid particulars have to be recorded for **each** export invoice when items under multiple invoices are being exported vide a single SB. These values shall be matched with the export invoice particulars declared in the GST return, i.e. the invoice on which IGST was paid. **No other invoice like Commercial Invoice etc. should be used for computation of Taxable Value and IGST paid.** The refund of IGST shall then be limited to the IGST paid on the goods actually exported, i.e. Rs 44,400 in the above illustration.

- The IGST refund or proof of export in case of exports shall be processed once it is confirmed by EGM number and EGM date that the export has actually been completed.

6. It is once again requested that the above details may be recorded in the prescribed format for all the imports and exports at non EDI sites from 1st July for ensuring that these do not remain out of the GST chain. You are requested to sensitize the officers involved in Customs clearance at all the non EDI sites under your jurisdiction accordingly and ensure that the above procedure is followed scrupulously so that no hardship is faced by trade in claiming GST benefits.

Annexure I - Series Code of Sites

Port Code	State	Site Name	Site Type	Series Code
INIXZ1	Andaman and Nicobar Islands	Port Blair	Seaport	601
INDRGB	Assam	Darranga	LCS	603
INGKJB	Assam	Golakganj	LCS	605
INHTSB	Assam	Hatisar	LCS	607
1 - Not Available	Assam	Kamardwisa (Rangapani)	LCS	609
INKGJB	Assam	Karimganj Steamerghat & Ferry Station	LCS	611
INMKCB	Assam	Manikarchar	LCS	613
INSTRB	Assam	Sutarkandi	LCS	615
INBGUB	Bihar	Bairgania	LCS	617
INBNRB	Bihar	Bhimnagar	LCS	619
INBTMB	Bihar	Bhitamore	LCS	621
INGALB	Bihar	Galgalia	LCS	623
INJAYB	Bihar	Jayanagar	LCS	625
INKNLB	Bihar	Kunauli	LCS	627
2 - Not Available	Bihar	Laukaha, District Madhubani	LCS	629
3 - Not Available	Bihar	Pipraun, District Madhubani	LCS	631
4 - Not Available	Bihar	Sikta , West Champaran District	LCS	633
INSNBB	Bihar	Sonabarsa	LCS	635
INALF1	Kerala	Allepey	Seaport	637
INMREB	Manipur	Moreh	LCS	639
INBGMB	Meghalaya	Baghmara	LCS	641
INBRAB	Meghalaya	Borsora	LCS	643
INBOLB	Meghalaya	Bholaganj	LCS	645
INDLUB	Meghalaya	Dalu	LCS	647
INDWKB	Meghalaya	Dawki	LCS	649
INGHPB	Meghalaya	Ghasuapara	LCS	651
INMGHB	Meghalaya	Mahendraganj	LCS	653
INSBZB	Meghalaya	Shellabazar	LCS	655
INCHPB	Mizoram	Zokhawthar	LCS	657
INAGTB	Tripura	Agartala	LCS	659
INKWGB	Tripura	Howaighat	LCS	661
INMNUB	Tripura	Manu	LCS	663
INMHGB	Tripura	Muhurighat	LCS	665
INRBBB	Tripura	Old Raghna Bazar	LCS	667
INSMPB	Tripura	Srimantapur	LCS	669
INGAIB	Uttar Pradesh	Gauriphanta	LCS	671
INKTGB	Uttar Pradesh	Katarniyaghat	LCS	673
INKWAB	Uttar Pradesh	Khunwa	LCS	675
INNGRB	Uttar Pradesh	Nepalganj Road	LCS	677

INSRE6	Uttar Pradesh	Saharanpur	ICD	679
INSJR6	Uttar Pradesh	Surajpur, Grater Noida	ICD	681
10 - Not Available	Uttar Pradesh	Thoothibari, District Maharajganj	LCS	683
INVNS6	Uttar Pradesh	Varanasi	ICD	685
INBSAB	Uttarakhand	Banbasa	LCS	687
INDLAB	Uttarakhand	Dharchula	LCS	689

INJHOB	Uttarakhand	Jhulaghat (Pithoraghat)	LCS	691
INCHMB	West Bengal	Chamurchi	LCS	693
INBUD1	West Bengal	Budge Budge	LCS	695
INCBDB	West Bengal	changrabandha	LCS	697
INMHDB	West Bengal	Kotawalighat (Mahadipur)	LCS	699
INFBRB	West Bengal	Fulbari LCS	LCS	701
INGED2	West Bengal	Gede Railway Station	RAIL	703
INGJXB	West Bengal	Ghojadanga	LCS	705
INHND6	West Bengal	Hemnagar	LCS	707
INHLIB	West Bengal	Hilli	LCS	709
12 - Not Available	West Bengal	Kulkuli	LCS	711
INPNTB	West Bengal	Naxalbari (Panitanki)	LCS	713
INRNG2	West Bengal	Ranaghat Railway Station	RAIL	715
INSNG2	West Bengal	Singabad Railway Station	RAIL	717
INTTSB	West Bengal	T.T. Shed (Kidderpore)	LCS	719
13 - Not Available	Uttar Pradesh	Kakrahawa	LCS	721
14 - Not Available	West Bengal	Birpara	LCS	723

STATE_CODE	STATE_NAME	NEW_STATE_CODE
44	JAMMU & KASHMIR	01
46	HIMACHAL PRADESH	02
30	PUNJAB	03
39	CHANDIGARH	04
21	UTTARANCHAL	05
34	HARYANA	06
29	DELHI	07
50	RAJASTHAN	08
20	UTTAR PRADESH	09
06	BIHAR	10
17	SIKKIM	11
09	ARUNACHAL PRADESH	12
14	NAGALAND	13
15	MANIPUR	14
03	MIZORAM	15
18	TRIPURA	16
02	MEGHALAYA	17
01	ASSAM	18
10	WEST BENGAL	19
07	JHARKHAND	20
16	ORISSA	21
71	CHATTISGARH	22
70	MADHYA PRADESH	23
54	GUJARAT	24
67	DAMAN & DIU	25
69	DADRA & NAGAR HAVELI	26
60	MAHARASHTRA	27
84	KARNATAKA	29
68	GOA	30
89	LAKSHADWEEP	31
96	KERALA	32
90	TAMIL NADU	33
99	PONDICHERRY	34
19	ANDAMAN & NICOBAR	35
81	TELANGANA	36
80	ANDHRA PRADESH	37

