

**CBEC-20/16/07/2020-GST**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**  
**GST Policy Wing**  
\*\*\*\*

New Delhi, Dated the 20<sup>th</sup> May, 2020

To

The Principal Chief Commissioners/Chief Commissioners/Principal Commissioners/  
Commissioners of Central Tax (All)

The Principal Director General,  
Directorate General of Analytics and Risk Management,  
New Delhi.

Madam/Sir,

**Subject: Changes in Standard Operating Procedure (SOP) dated 23.01.2020 for verification of IGST refunds and other related aspects – regarding**

Standard Operating Procedure for verification of risky exporters and their suppliers as prescribed vide letter(s) of even number dated 23<sup>rd</sup> January 2020 is referred. Since then many representations have been received in the Board against delay in release of IGST refunds including regarding cases of delay beyond 6 months. The SOP dated 23.01.2020 has accordingly been re-examined with a view to curtail the delay in finalization of report.

2. The Zonal Pr. Chief Commissioners/Chief Commissioners of CGST & CX Zones are advised to review the position and ensure that all pending verification reports get forwarded to DGARM latest by 05.06.2020. The Zonal Pr. Chief Commissioners/Chief Commissioners are also advised to put a process in place to ensure that in future all such verifications are completed and report sent to DGARM maximum within maximum 3 weeks of receipt of request of verification from DGARM. List of Zone-wise cases pending for verification is enclosed.

3. In order cut down the time taken in grant of NOC by streamlining the process, in partial modification to the SOP dated 23.01.2020, the following changes are prescribed with immediate effect:

(i) DGARM shall conduct supply chain analysis without waiting for verification report from field and share risky first and second level major suppliers with the jurisdictional CGST formations at the same time when the risky exporter details are shared with the CGST formations.

- (ii) The verification reports in respect of identified suppliers as prescribed shall now be sent by the jurisdictional CGST & CX Commissionerate concerned directly to DGARM with a copy to the Commissionerate having jurisdiction over the exporter. DG ARM shall take decision on grant of NOC or otherwise based on such verification reports in respect of exporters and its suppliers.
- (iii) DGARM would grant final NOC to the exporter once the verification of the identified first and second stage risky supplier is found in order (as recommended by the CGST formation of supplier/s in the verification Annexure sent to DGARM) .
- (iv) In case of availment of inadmissible credit by the suppliers, the concerned GST formations shall ensure initiation of due process of recovery of inadmissible ITC. In cases where the taxpayer is under the administrative control of States/UTs, the issue of recovery shall be flagged to them.
- (v) DGARM shall share the list of Final NOC with the concerned Customs Formations, where scroll is under suspension in addition to sharing of the same with DGARM (RMD) office Mumbai for removal of alert in the system.

This issues with the approval of Chairman, CBIC.

Yours faithfully,

  
20 | 05 2020

(Yogendra Garg)  
Principal Commissioner  
y.garg@nic.in

Copy for kind information to:

The Principal Chief Commissioners/Chief Commissioners/Principal Commissioners/  
Commissioners of Customs (All)