

Make GST input tax credit claims online: Suresh Prabhu to FinMin

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Commerce minister Suresh Prabhu Wednesday urged the finance ministry to make the process of refund of GST input tax credit online. Prabhu, along with commerce and revenue department officials, met exporters to discuss the problems faced by the sector. Banking issues, like caution listing of exporters, third party/ third country exports and list of items to be traded with Iran, were also discussed.

The finance ministry officials would discuss the issues which were flagged in a meeting with banks on January 22, an official statement said. Prabhu also highlighted the declining trend of export credit in recent months and suggested that banks may be asked to encourage flow of credit to the export sector particularly to MSMEs for generating more employment.

“The commerce minister also urged to make input tax credit (ITC) refund online to ensure that the export refund is seamless and also transparent and accountable,” the statement said. As of November-end, Rs 91,149 crore has been issued to exporters as Goods and Services Tax (GST) refund, which was 93.77 per cent of total claims with the tax authorities. While Integrated GST (IGST) refund process is online, claiming of ITC refund still requires manual intervention.

Representatives of the export sector highlighted the problems of pre-import under advance authorisation and requested the Commerce Minister to bring the notification deleting the condition with retrospective effect. “Suresh Prabhu asked DGFT and Department of Revenue, Ministry of Finance, to look into it so that genuine exporters are not harassed,” the statement added. Representatives from Federation of Indian Export Organisations, Pharmexcil, Gems and Jewellery Export Promotion Council, Engineering Exports Promotion Council and Chemexcil attended the meeting.

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