

DRI Detects Double Benefit by Traders

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New Delhi:

The Directorate of Revenue Intelligence has asked various importers to pay up customs duty on goods imported under advance authorisation or export oriented units (EOU) scheme since 2017, after it found that many have taken double benefit of exemption of integrated goods and service tax (IGST) and refunds on goods exported.

In notices issued to several importers, the DRI field units have said that the importers were ineligible to claim refunds on exported goods and asked them to pay up the customs duties due.

"It is requested that you may consider making voluntary payment of such customs duty in the form of integrated tax or compensation cess, along with applicable interest to avoid punitive action," said a notice issued by DRI's Kolkata branch to a Delhi-based company, which was seen by **ET**.

A response has been sought within 15 days. Officers have also sought details of advance authorisations in correspondence to imports and exports.

In the notices issued, officers have also sought separate details of imports under EOU scheme on which IGST exemption has been claimed and compensation cess availed, and details of exports made on payment of IGST and IGST paid after October 2017.

A senior official said that the exercise has been undertaken on a national scale along with the Directorate General of GST Intelligence (DGGI) that is extensively looking into the issue of fake invoicing used to claim input tax credit fraudulently.