

## Centre promises to pay out exporters' GST refunds



With GST refunds of close to Rs 20,000 crore to exporters sitting in a limbo, the Central government promised on Tuesday that it will pay out all the dues to eligible dealers under Goods and Services Tax (GST).

The implementation of GST across India has not exactly been a flawless process, in fact, hundreds of dealers and exporters paid exceeding amounts of money due to input tax, additional deposits and wrong submission of amount. The Taxation department received about 600 applications from exporters across India claiming for granting the IGST refund after piling up applications for seven months. The refund amount reaches up to a staggering amount of Rs 30,000 crore ? of which, the government claims to have paid back Rs 16,000 crore IGST refunds and refunds worth Rs 14,000 crore are pending.

After months of waiting, the exporters have claimed IGST refunds or they would protest against holding back the funds. While the Finance Ministry has always kept assuring to address the issue, the ministry promised on Tuesday that it will launch the second phase of refund in the fortnight beginning May 31 to fast-track clearances. The government will set up Special Refund Fortnight from May 31 to June 14, during which, Centre and state GST officers will dedicatedly work on clearing all GST refund applications received on or before April 30, 2018.

The promise is well received by exporters, as the delay in the refund process has adversely hit exporters' business liquidity, forcing them to avail fresh loans to keep their business running. The blocked capitals are hitting the businesses, especially the small and medium sized ones. However, the refund will be possible only when several changes in the mode of refund by the GST council and non-updated software will be made.