

This column is compiled by Consultant [EXIM Policy] of EPCH. It contains recent Public Notices, Notifications and Circulars of DGFT, CBEC and Department of Revenue. If a handicraft exporter has question[s] to ask on Foreign Trade Policy, he/she may please write / e-mail to EPCH at policy@epch.com

Impex # 1

Many grievances removed, many GST rates reduced

The GST Council in its meeting held on 21st July, 2018 took many magnanimous decisions to reduce (complex) compliance requirements and reduced GST rates on 39 items in case of handicrafts (among others).

Since the introduction of GST on 1st July, 2017, the GST Council has been holding periodical meetings to improve upon it very objectively. As things stand today, it is a vastly improved version in all respects - whether it is compliance or GST rates.

EPCH has been regularly representing to GST Council & to others for lessening of compliance burden and for reduction in GST rates. The efforts of EPCH have largely succeeded.

The 'PRESS RELEASE' of dt. 22nd July, 2018 of EPCH containing the reaction of Chairman of EPCH is given below:

Press Release

Chairman EPCH Hails GST Rates Changes Benefitting Handicrafts Sector

New Delhi - 22nd July 2018 - GST has been one of major taxation reforms undertaken in the country paving way for one tax one nation. There have been certain procedural and facilitation issues, which have been causing problem for the exporters and also the GST rate for many items have been on the higher side.

EPCH has regularly been representing to the GST council for the smooth transition of exporters into the new taxation regime and for the reduction in the GST rates.

The 28th meeting of the GST Council held yesterday, proposed reduction of GST rates on various items. The demands of the handicraft sector have also been considered and rates have been recommended to be reduced on many handicraft items.

Shri O.P. Prahaladka, Chairman, EPCH hailed the decision of the GST Council and said, the Hon'ble Prime Minister's vision of integrating the entire nation into one taxation regime is taking shape and this rate reduction will help further result in rationalization of the GST rates. He thanked Shri Piyush Goyal, Hon'ble Minister of Finance for his consideration of the handicrafts sector in the GST rate revision.

Lauding the support of Smt. Smriti Zubin Irani, Hon'ble Minister of Textiles in getting the GST rates reduced on the handicrafts sector, Chairman EPCH said that she has been a strong supporter of the sector and hope that this initiative would certainly help over 11000 member exporters and over 1 million crafts person's in enhancing production capacity, employability and achieve exports growth in the future.

The handicraft items on which the rate reduction has been recommended are:-

18%12%/5% to Nil:

- Stone/Marble/Wood Deities
- Rakhi [other than that of precious or semi-precious material of chapter 71]

18% to 12%:

- Handbags including pouches and purses; jewellery box
- Wooden frames for painting, photographs, mirrors, etc.
- Art ware of cork [including articles of sholapith]
- Stone art ware, stone inlay work

- Ornamental framed mirrors
- Glass statues [other than those of crystal]
- Glass art ware [incl. pots, jars, votive, cask, cake cover, tulip bottle, vase]
- Art ware of iron
- Art ware of brass, copper/ copper alloys, electro plated with nickel/silver
- Aluminium art ware
- Handcrafted lamps (including panchloga lamp)
- Worked vegetable or mineral carving, articles thereof, articles of wax, of stearin, of natural gums or natural resins or of modeling pastes, etc. (including articles of lac, shellac)
- Ganjifa card
- Bamboo flooring

12% to 5%:

- Handmade carpets and other handmade textile floor coverings (including namda/gabba)
- Handmade lace
- Hand-woven tapestries
- Hand-made braids and ornamental trimming in the piece
- Toran
- Knitted cap/topi having retail sale value not exceeding Rs 1000

Shri Rakesh Kumar, ED EPCH while welcoming the decision said it would certainly help the craftperson engaged in the production of the Handicrafts and would go a long way in encouraging the production of handicrafts in the country.

For more information, please contact: Shri O.P. Prahladka, Chairman - EPCH - +91-9831024249 Shri Rakesh Kumar, Executive Director, EPCH- +91-9818272171

Also given below in the copy of Department of Revenue Notification No. 22/2018 Integrated Tax (Rate) dt 26th July, 2018 in which the reduced rates on 39 handicraft items are given:

Government of India, Ministry of Finance, (Department of Revenue)

Notification No. 22/2018 -Integrated Tax (Rate); New Delhi, the 26th July, 2018

G.S.R. (E).- In exercise of the powers conferred by sub-section (1) of section 6 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017), the Central Government, on being satisfied that it is necessary in the public interest so to do, on the recommendations of the Council, hereby exempts the inter-state supplies of handicraft goods, the description of which is specified in column (3) of the Table below, falling under the tariff item, sub-heading, heading or Chapter, as specified in the corresponding entry in column (2), from so much integrated tax leviable thereon under section 5 of the Integrated Goods and Service Tax, 2017 (13 of 2017) as is in excess of the rate specified in column (4) of the said Table,

Explanation - For the purpose of this notification, the expression "handicraft goods" means "Goods predominantly made by hand even though some tools or machinery may also have been used in the process; such goods are graced with visual appeal in the nature of ornamentation or in-lay work or some similar work of a substantial nature; possess distinctive features, which can be aesthetic, artistic, ethnic or culturally attached and are amply different from mechanically produced goods of similar utility"

S. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Rate
(1)	(2)	(3)	(4)
1	3406	Handcrafted candles	12%
2	4202 22, 4202 29, 4202 3110, 4202 3190, 4202 32, 4202 39	Handbags including pouches and purses; jewellery box	12%
3	4416, 4421 99 90	Carved wood products, art ware/decorative articles of wood (including inlay work, casks, barrel, vats)	12%
4	4414 00 00	Wooden frames for painting, photographs, mirrors, etc.	12%
5	4420	Statuettes & other ornaments of wood, wood marquetry & inlaid, jewellery box, wood lathe and lacquer work [including lathe and lacquer work, ambadi sisal craft]	12%
6	4503 90 90 4504 90	Art ware of cork [including articles of sholapith]	12%
7	4601 and 4602	Mats, matting and screens of vegetable material, basketwork, wickerwork and other articles of vegetable materials or other plaiting material, articles of loofah (including of bamboo, rattan, canes and other natural fibres, dry flowers (naturally dried), articles thereof, ringal, raambaan article, shola items, Kouna/chumthang (water reeds) crafts, articles of Water hyacinth, korai mat]	5%
8	4823	Articles made of paper mache	5%
9	5607, 5609	Coir articles	5%
10	5609 00 20, 5609 00 90	Toran, Doorway Decoration made from cotton yarn or woollen yarn and aabhala (mirror) with or without hanging flaps	5%
11	57	Handmade carpets and other handmade textile floor coverings (including namda/gabba)	5%
12	5804 30 00	Handmade lace	5%
13	5805	Hand-woven tapestries	5%
14	5808 10	Hand-made braids and ornamental trimming in the piece	5%
15	5810	Hand embroidered articles	5%
16	6117, 6214	Handmade/hand embroidered shawls of sale value not exceeding Rs. 1000 per piece	5%
17	6117, 6214	Handmade/hand embroidered shawls of sale value exceeding Rs. 1000 per piece	12%
18	6802	Carved stone products (e.g., statues, statuettes, figures of animals, writing sets, ashtray, candle stand)	12%
19	6815 99 90	Stone art ware, stone inlay work	12%
20	6912 00 10 6912 00 20	Tableware and kitchenware of clay and terracotta, other clay articles	12%
21	6913 90 00	Statuettes & other ornamental ceramic articles (incl blue potteries)	12%

22	7009 92 00	Ornamental framed mirrors	12%
23	7018 10	Bangles, beads and small ware	5%
24	7018 90 10	Glass statues [other than those of crystal]	12%
25	7020 00 90	Glass art ware [incl. pots, jars, votive, cask, cake cover, tulip bottle, vase]	12%
26	7113 11 10	Silver filigree work	3%
27	7117	Handmade imitation jewellery (including natural seeds, beads jewelry, cardamom garland)	3%
28	7326 90 99	Art ware of iron	12%
29	7419 99	Art ware of brass, copper/ copper alloys, electro plated with nickel/silver	12%
30	7616 99 90	Aluminium art ware	12%
31	8306	Bells, gongs and like, non-electric, of base metal; statuettes, and other ornaments, of base metal; photograph, picture or similar frames, of base metal; mirrors of base metal; (including Bidriware, Panchloga artware, idol, Swamimalai bronze icons, dhokra jaali)	12%
32	9405 10	Handcrafted lamps (including panchloga lamp)	12%
33	9401 50, 9403 80	Furniture of bamboo, rattan and cane	12%
34	9503	Dolls or other toys made of wood or metal or textile material [incl wooden toys of sawantwadi, Channapatna toys, Thanjavur doll]	12%
35	9504	Ganjifa card	12%
36	9601	Worked articles of ivory, bone, tortoise shell, horn, antlers, coral, mother of pearl, seashell other animal carving material	12%
37	9602	Worked vegetable or mineral carving, articles thereof, articles of wax, of stearin, of natural gums or natural resins or of modelling pastes etc, (including articles of lac, shellac)	12%
38	9701	Hand paintings drawings and pastels (incl Mysore painting, Rajasthan painting, Tanjore painting, Palm leaf painting, basoli, etc.)	12%
39	9703	Original sculptures and statuary, in metal, stone or any other material	12%

The 'PRESS NOTE' dt 21st July, 2018 of GST Council containing the decision of the Council is also given below:

PRESS NOTE

July 21, 018

Recommendations made during the 28th meeting of the GST Council held in New Delhi on 21st July, 2018 Amendments to the CGST Act, 2017, IGST Act, 2017, UTGST Act 2017, and GST (Compensation to States) Act, 2017

1. The GST Council in its 28th meeting held today at New Delhi has recommended certain amendments in the CGST Act, IGST Act, UTGST Act and the ST (Compensation to States) Act.
2. The major recommendations are as detailed below:
 1. Upper limit of turnover for opting for composition scheme to be raised from Rs. 1 crore to Rs. 1.5 crore. Present limit of turnover can now be raised on the recommendations of the Council.
 2. Composition dealers to be allowed to supply services (other than restaurant services), for upto a value not exceeding 10% of turnover in the preceding financial year, or Rs.5 lakhs, whichever is higher.

3. Levy of GST on reverse charge mechanism on receipt of supplies from unregistered suppliers, to be applicable to only specified goods in case of certain notified classes of registered persons, on the recommendations of the T Council.
 4. The threshold exemption limit for registration in the States of Assam, Arunachal Pradesh, Himachal Pradesh, Meghalaya, Sikkim and Uttarakhand to be increased to Rs. 20 Lakhs from Rs. 10 Lakhs.
 5. Taxpayers may opt for multiple registrations within a State/Union territory in respect of multiple places of business located within the same State/Union territory.
 6. Mandatory registration is required for only those e-commerce operators who required to collect tax at source.
 7. Registration to remain temporarily suspended while cancellation of registrations under process, so that the taxpayer is relieved of continued compliance under the law.
 8. The following transactions to be treated as no supply (no tax payable) and Schedule III:
 - a. Supply of goods from a place in the non-taxable territory to another place in the non-taxable territory without such goods entering into India;
 - b. Supply of warehoused goods to any person before clearance for home consumption; and
 - c. Supply of goods in case of high sea sales.
 9. Scope of input tax credit is being widened, and it would now be made available in respect of the following:
 - a. Most of the activities or transactions specified in Schedule III;
 - b. Motor vehicles for transportation of persons having seating capacity more than thirteen (including driver), vessels and aircraft;
 - c. Motor vehicles for transportation of money for or by a banking company financial institution;
 - d. Services of general insurance, repair and maintenance in respect of vehicles, vessels and aircraft on which credit is available; and
 - e. Goods or services which are obligatory for an employer to provide employees, under any law for the time being in force.
 10. In case the recipient fails to pay the due amount to the supplier within 180 from the date of issue of invoice, the input tax credit availed by the recipient be reversed, but liability to pay interest is being done away with.
 11. Registered persons may issue consolidated credit/debit notes in respect of multiple invoices issued in a Financial Year.
 12. Amount of pre-deposit payable for filing of appeal before the Appellate Authority and the Appellate Tribunal to be capped at Rs. 25 Crores and Rs. 50 Crores respectively.
 13. Commissioner to be empowered to extend the time limit for return of inputs capital sent on job work, upto a period of one year and two years, respectively.
 14. Supply of services to qualify as exports, even if payment is received in Indian Rupees, where permitted by the RBI.
 15. Place of supply in case of job work of any treatment or process done on goods temporarily imported into India and then exported without putting them to another use in India, to be outside India.
 16. Recovery can be made from distinct State/Union territories.
 17. The order of cross-utilisation of input tax credit is being rationalised.
3. These amendments will now be placed before the Parliament and the legislature State and Union territories with legislatures for carrying out the amendments in the respective GST Acts.

Impex # 2 The upper limit of exports of goods through courier or foreign post offices using e-commerce raised to Rs. 5,00,000

DGFT issues Notification raising the ceiling of exports of goods through courier or foreign post offices using e-commerce to Rs. 5,00,000 from Rs. 25,000.

The use of e-commerce in domestic and international trade is increasing exponentially not to be left behind. DGFT has increased the upper limit of such exports from Rs. 25,000 to Rs. 5,00,000 by its Notification No. 22/2015-20 dt 26th July, 2018.

The liberalization will benefit the export of handicrafts greatly.

The copy of DGFT Notification on the subject is reproduced below:

(Copy)

DGFT Notification No. 12/2015-2020; New Delhi, the 26 July, 2018

Subject: Amendment in Para 2.47 and para 3.05 of Chapter-3 of FTP 2015-2020.

S.O.(E): In exercise of the powers conferred by Section 5 of the Foreign Trade (Development and Regulation) Act. 1992 read with Para 1.02 of the Foreign Trade Policy 2015-2020, the Central Government hereby makes the following amendments in the Foreign Trade Policy 2015-2020 with immediate effect:

Para of the FTP 2015-20	Current para	Amended Para
2.47	2.47 Export through Courier Service/Post Exports through a registered is permitted as per Notification issued by DoR. However, exportability of such items shall be regulated in accordance with FTP/ITC (HS), 2017.	2.47 Export through Courier Service/Post Exports through a registered is permitted as per Notification issued by DoR. However, exportability of such items shall be regulated in accordance with FTP/ITC (HS), 2017. The value limit for such exports through courier service and Post shall be Rs 5,00,000 per consignment.
3.05	3.05 Export of goods through courier or foreign post offices using e-Commerce i. Exports of goods through courier or foreign post office using ecommerce, as notified in Appendix 3C of FOB value upto Rs. 25000 per consignment shall be entitled for rewards under MEIS. ii. If the value of exports using e-commerce platform is more than Rs 25000 per consignment of Rs.25000 only. iii. Such goods can be exported in manual mode through Foreign Post Offices at New Delhi, Mumbai and Chennai. iv. Export of such goods under Courier Regulations shall be allowed manually on pilot basis through Airports at Delhi, Mumbai and Chennai as per appropriate amendments in regulations to be made by Department of Revenue. Department of Revenue shall fast track the implementation of EDI mode at courier terminals.	3.05 Entitlement under MEIS for Export through courier or foreign post offices Exports of goods through courier or foreign post office using ecommerce, as notified in Appendix 3C of FOB value upto Rs. 5.00,000 per consignment shall be entitled for rewards under MEIS. If the value of exports is more than consignment then Rs. 5,00,000 per consignment then MEIS reward would be calculated on the basis of FOB Value of Rs 5,00,000 only.

Effect of this Notification: The value limit for exports through Courier service/ Post has been placed at Rs 5,00,000 and the eligibility criteria for entitlement under MEIS for courier/ post exports have been increased to Rs 5,00,000 per consignment from the earlier Rs 25,000 per consignment. The limitation on the port of exports for courier exports for the purpose of incentivisation under MEIS has been done away.

Impex # 3

Customs ease of doing business

Commissioner of Customs Noida, issued a Public Notice that there is no need of signature and stamp of LEO officer on the final print-out of shipping bill.

On the subject cited above, the Commissioner of Customs Noida has issued a Public Notice No. 16/2018 dt. 22.06.2018 from file No. C.No. VIII (30) Cus/Noida/Tech/Port Matter/12/2018 dt 22.06.2018 (copy reproduced below).

(Copy)

Customs Public Notice No. 16/2018 Dated 22.06.2018

Subject: **Non-requirement of signature and stamp of LE officer on the final print-out of Shipping Bill-Reg.**

Kind attention of all Exporters, General Trade and all other stake holders invited to the practice of taking signature and putting of stamp of Let Export Order (LEO) officer on the final print-out of Shipping Bills.

2. In this regard, it is noticed that the final print-out of a Shipping Bill, which is generated through the Customs EDI System after the Let Export Order (LEO) has been given is a System generated document. It bears the name and SSO-ID of the officer who has given the LEO. It is an avoidable duplication of effort to affix signature or put the stamp of the officer who has given Let Export Order (LEO).

3. In view of the above, it has been decided that henceforth, the signature and stamp of the officer giving the Let Export Order (LEO) shall not be required on the final print out of the Shipping Bill from the EDI System. Difficulties, if any, in this regard may be brought to the notice of the undersigned.

Impex # 4

Any copy of shipping bill will be accepted for issue of EODC under Advance Authorisation Scheme

DGFT issues Policy Circular to the effect that any copy of shipping bill in lieu of EP Copy shall be acceptable for issue of EODC under Advance Authorisation Scheme.

In order to reduce transaction cost and for increasing ease of doing business, DGFT has issued a Policy Circular No.09 dt.9th July,2018 containing the decision that the exporter shall have the option to furnish self-certified copy of any copy of shipping bill i.e. exporter copy/EP copy/ CHA copy / Exchange Control copy of the S. Bill where exports were made on or after 23.11.2016.

Copy of Policy Circular No.9 dt.9th July, 2018 reproduced below.

(Copy)

DGFT Policy Circular No.: 09 dt. 09th July, 2018, Udyogawan

Subject: **Clarification on acceptance of any copy of Shipping Bill in lieu of EP copy of Shipping Bill for grant of EODC of Advance Authorisation - reg.**

Attention is invited towards sub- Para (ii) under heading (a) Documents for physical export in the ANF-4F published vide PN 9 dated 14.05.2018 thereby it was decided to allow self-certified exporter copy of Shipping bill in lieu of EP copy of shipping bills for exports made after 23.11.2016 till such time of online verification facility is made available.

2. Representations have been received from Trade and Industry to allow acceptance of Exchange Control Copy of Shipping Bill in lieu of EP copy of Shipping Bill/ Exporter Copy of Shipping Bill which is prescribed under ANF-4F published vide Public Notice No.9/2015-2020 dated 14 May,2018.

3. A viewing facility has been made available for RAs to view shipping bill details available in DGFT servers. However, many shipping bills are associated with an Advanced Authorisation and it is difficult at present for RAs to verify from the details available online. The facility is being improved to make it more user-friendly so that physical copy may not be required in future.'

4. However, in the interim, in order to reduce transaction cost and for ease of doing business, it has been decided that exporter shall have option to furnish self-certified copy of any copy of shipping bill i.e. Exporter copy/EP Copy/CHA copy/ Exchange Control copy of shipping bill along with application for EODC in ANF-4F where exports were made on or after 23.11.2016

5. This issues with the approval of DGFT.

Impex # 5

Panipat (Haryana) declared as a 'Town of Export Excellence' by DGFT

DGFT issues a Public Notice to declare 'Panipat' a 'Town of Export Excellence'

The scheme of 'Town of Export Excellence' (TEE) is given in para 1.35 of the current FTP and is given below:

1.35 Towns of Export Excellence (TEE)

- (a) **Objective:** Development and growth of export production centres. A number of towns have emerged as dynamic industrial clusters contributing handsomely to India's exports. It is necessary to grant recognition to these industrial clusters with a view to maximize their potential and enable them to move up the value chain and also to tap new markets.
- (b) Selected towns producing goods of Rs. 750 Crore or more may be notified as TEE based on potential for growth in exports. However, for TEE in Handloom, Handicraft, Agriculture and Fisheries sector, threshold limit would be Rs. 150 Crore. The following facilities will be provided to such TEE's :
 - (i) Recognized associations of units will be provided financial assistance under MAI scheme, on priority basis, for export promotion projects for marketing, capacity building and technological services.
 - (ii) Common Service Providers in these areas shall be entitled for Authorisation under EPCG scheme.
- (c) Notified Towns (TEEs) are listed in Appendix 1B of Appendices & ANFs.

The list of TEE is given in Appendix 1B of current H.B. of Procedure (Vol. 1) and contains name of 35 TEE.

Now, DGFT has issued a Public Notice No. 25/2015-20 dt. 27th July, 2018 adding the name of Panipat in the list at S.No. 36.

Out of the 36 TEE, six are of handicrafts. Their names are given below:

1. Jodhpur
2. Jaipur
3. Srinagar
4. Anantnag
5. Bhiwadi
6. Morbi

Copy of DGFT Public Notice dt. 27th July, 2018 referred to above is given below:

(Copy)

DGFT Public Notice No. 25/2015-20, dated 27 July, 2018

Subject: **Amendment in Appendix 1B, Hand Book of Procedure 2015-20.**

In exercise of powers conferred under paragraph 1.03 of Foreign Trade Policy 2015-20, the Director General of Foreign Trade hereby makes the following amendment in Appendix 1B notified vide Public Notice No. 01/2015-20 dated 01.04.2015.

2. The following entry is added in Appendix 1B.

S.No.	Town of Export Excellence	State	Product Category
36	Panipat	Haryana	Carpets, Other Textile Floor Coverings and Bed Linen

Effect of Public Notice: Panipat has been notified, as a Town of Export Excellence for the mentioned products.

Impex # 6

No supplementary claim of scrip if it relates to chapter 3 of FTP

DGFT issues Public Notice disallowing supplementary claim of scrip relating to Chapter 3 of FTP.

DGFT has issued a Public Notice No. 16/2015-20 dt 28.07.2018 specifically disallowing supplementary claim of scrip if the incentive relates to Chapter 3 of FTP. This has been done by revising para 9.03 of the current H.B. of Procedure (Vol. 1). Copy of Public Notice is reproduced below:

(Copy)

DGFT Public Notice No. 16/2015-2020; New Delhi, dated: 28th June, 2018

Subject: **Amendment in the Para 9.03 of the Handbook of Procedures for Chapter 3 Scrips-reg.**

In exercise of powers conferred under paragraph 2.04 of the Foreign Trade Policy 2015-2020, the Director General of Foreign Trade hereby amends the Para 9.03 of the Handbook of Procedures (2015-2020) as under:

Existing Para 9.03	Revised Para 9.03
9.03 Supplementary Claims Wherever any application for supplementary claim is received, within specified time limits, such application may also be considered after imposing a cut @2% on the entitlement.	9.03 Supplementary Claims Wherever any application for supplementary claim is received, within specified time limits, such application may also be considered after imposing a cut @2% on the entitlement. However, no supplementary claims for scrips under chapter 3 of the FTP 2015-20 would be admissible.

2. **Effect of this Public Notice:** The Para 9.03 of HBP 2015-20 has been amended to disallow supplementary claim under Chapter 3 schemes.

News from 'Print Media'

PTI dt. 29.07.18

PRABHU SPEAK

Exports must get priority sector lending tag

PRESS TRUST OF INDIA
Mumbai, July 29

COMMERCE AND INDUSTRY minister Suresh Prabhu has said his ministry wants to include the export segment under the priority sector lending category and it has taken up the issue with the Reserve Bank of India.

"Export is a strategic issue which promotes India's interest and therefore its a strategic

priority for India, (but) not a priority sector lending for banking sector. This is a complete paradox," he said.

Prabhu was speaking at the 44th India Gem & Jewellery Awards, organised by the Gem and Jewellery Export Promotion Council.

This is not a commercial banking problem, but the one related to the regulator, he said, adding, "I have already told the RBI governor that you



must treat exports as priority sector lending." "Banking is a very important issue and we must address it and we will continue to work on it and make sure that the genuine

credit requirements of the sector are met," Prabhu said.

Treating exports under the priority sector lending will help India achieve the target of becoming a \$10 trillion economy by 2035 amid the current operating environment, Prabhu said.

He said India's exports in last fiscal were the highest in the last six years and have been growing at a higher rate in the last few months.

Business Standard dt. 17.07.18

Exporters get HC relief over IGST

INDRAJ BHAGHANA
New Delhi, July 16

The Delhi High Court has given relief to exporters utilising a scheme that allows duty-free imports from paying integrated goods and services tax (IGST) on their imports.

Abhishek Rastogi, partner, Khaitan & Co, who argued the case in the court, said a petition was filed, challenging the move to impose IGST on advance authorisation scheme for exporters. An advance authorisation is issued to allow duty-free import of inputs, which are physically incorporated in export product. While upfront exemption was extended only to basic Customs duty, exporters were required to pay IGST on imports.

Hearing the case, the court had issued an interim order to prohibit charging of IGST on imports under the scheme. Following this, the GST Council had amended the rules in October to this effect. However, an issue still remained as to what happened to those who had not paid IGST on imports between July and October.

Various petitions came up for final hearing before the court on Monday. The court upheld the eligibility of the benefit with retrospective effect from July, said Rastogi. The court observed the most appropriate course of action for the authorities would be to verify fulfilment of obligations under advance authorisation licences and assess cases accordingly, instead of charging IGST on imports, he said.

PTI dt. 07.07.18

Misconception that India subsidises exports, says Prabhu

PRESS TRUST OF INDIA

UNION MINISTER FOR commerce and civil aviation Suresh Prabhu on Saturday sought to dispel the notion of other countries that India subsidises its exports.

He said the government was merely trying to mitigate the adversities of the exporters, which did not tantamount to subsidising of exports from India, specifically farm products. "It is a misconception that we subsidise our exports. We are fully WTO-compliant and not at all violating regulations," Prabhu said at an event here.

He said Organisation for Economic Co-operation and Development (OECD) countries were giving more subsidies to their farmers, particularly in the export of agriculture products. Talking about agriculture exports, he said "should it not be so that

those importing nations deter themselves from subsidising those items".

Stressing on agriculture, he said it was important to provide market access to the farmers, for which the highest standards of safety was needed to over-

Economic Times at. 27.07.18

Feedback Invited for New GST Return Form

New Delhi: The new GST return form will be out on Monday, a senior government official said. "Industry can send their comments on the form for one month. Your feedback will help further improve the system," GST commissioner Upender Gupta said at a CII function.

He said in the new return filing system, 'nil' filers — those who don't have any purchase or supplies in a quarter — would be able to file returns by just sending an SMS. The new return forms will give an option to taxpayers to make amendments till September next year.

The GST Council had last week cleared the new return filing form. It would replace current GSTR-1 and GSTR-3B returns.

The new return filing system is expected to be in place by January 1. Gupta said the amendments to the GST law, as approved by the council, would be placed before Parliament in the ongoing monsoon session. State legislatures will also have to take it up after which the amended law will come into effect. The amendments, among other things, provide for a modification of reverse charge mechanism. — Our Bureau