

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

Big IGST relief for Duty Exemption Scheme, EPCG scheme and EOU scheme of DGFT till 31.03.2019

DGFT issues notification extending the Integrated Goods and Services Tax (IGST) and Compensation Cess exemption under Advance Authorisation, EPCG & EOU scheme up to 31.03.2019.

DGFT has issued a Notification No. 35/2015-20 dt. 26th Sept. 2018 amending paras 4.14, 5.01 and 6.01 (d) (ii) of FTP of 2015-20.

By virtue of the above amendments, DGFT has done extension of Integrated Goods and Services Tax (IGST) and Compensation Cess exemption under Advance Authorisation, EPCG & EOU scheme upto 31.03.2019.

The above step of DGFT will be a big relief to all those importers who avail of the above three schemes.

Copy of DGFT Notification dt.26.09.2018 referred to above is reproduced below.

(Copy)

Subject: Amendments to Foreign Trade Policy 2015-2020 - Extension of Integrated Goods and Service Tax (IGST) and Compensation Cess exemption under Advance Authorisation, EPCG and EOU scheme upto 31.03.2019.

S.O(E): In exert se of powers conferred by Section 5 of FT(D&R) Act, 1992, read with Paragraph 1.02 c the Foreign Trade Policy, 2015-20, as amended from time to time, the Central Government at hereby makes following amendments in Foreign Trade Policy 2015-20.

1. Exemption from Integrated Tax and Compensation Cess under Advance Authorization under Pan 4.14 of FTP 2015-20 is extended upto 31.03.2019.
2. Exemption from Integrated Tax and Compensation Cess under EPCG Scheme under Para 5.01(L) of FTP 2015-20 is extended upto 31.03.2019.
3. Exemption:from Integrated Tax and Compensation Cess under EOU scheme under Para 6.01(d)(ii) of FTP 2015-20 is extended upto 31.03.2019.

Effect of the Notification: Para 4.14, Para 5.01(a) and Para 6.01(d)(ii) of FTP are amended as above.

The above notification was published in the last issue of Craftcil but is being printed again for its importance.

Impex # 2

A service worth availing to solve foreign trade issue

"Contact @ DGFT Service" is a single point facility for all foreign trade related issues. DGFT solicits its use.

These are the days of quick solution. If you don't get them, you are left behind.

"Welcome to Contact @ DGFT Service" is for resolution of your foreign trade related issues either directly concerning. DGFT or concerning other agencies of the central or state govts.

More details about the facility are given below:

Welcome to Contact@DGFT Service

Welcome to Contact@DGFTservice, a single point contact for all your foreign trade related issues. You are requested to use this facility for resolution of your foreign trade related issues either directly concerning DGFT (headquarters or regional offices) or concerning other agencies of the Central or State Governments. We will try to resolve issues which are directly related to DGFT expeditiously and take up issues with other agencies on your behalf. We have provided a feedback facility where you may indicate if you are satisfied with the service, if not you may give detailed feedback. We realise it is a huge responsibility but will try to do our best. You may continue to raise issues concerning other agencies directly with those agencies as well.

A reference number will be issued for each request so that you can track the status. Effective monitoring arrangements have been made. For quick resolution and monitoring, it is important that you choose the drop down menu that identifies your issue correctly.

In case, you want to send any supporting document/screen shot etc. You may send these at dgftedi@nic.in quoting your reference no. (which you would get after submission of your request) in the subject line of the email.

Contact Form

Name*

Company / Organization Name*

IEC/PAN (if available)

Email*

Mobile Number*

Telephone Number (Optional)

Concerned DGFT Office*

Details (maximum 1000 characters)*

If you have any file number, reference id or any other references to your case, please indicate...

3fp7n = Type Captcha Clear All Submit

Impex # 3

Questions & Answers

Question : How is GST imposed on imports? Is it on CIF value or customs duty is added before applying GST?

Answer : On imports, Customs duty, cess if applicable, IGST and GST compensation cess is payable after adding all customs duty and customs cess to value of imports.

Question : Can a person take input tax credit (ITC) under GST without payment of consideration for the supply along with tax to the supplier?

Answer : Yes, the recipient can take ITC. But he is required to pay the consideration along with tax within 180 days from the date of issue of invoice. In case payment is not made within 180 days, then credit needs to be reversed

Question : Our company has input credit on Excise and VAT as at the end of June 17. Can we adjust closing balance input credit in the sale of the next month of July when GST became applicable? If so, how?

Answer : The input credit on Excise and VAT, in case of stock held as on 30th June, 2017, can be claimed by filling Form Tran-1 wherein all the details of ITC and stock should be disclosed. After filling of Form Tran-1, the electronic credit ledger shall be credited. The said ITC may be utilized at the time of filling of GSTR-3/3B.contd. on next page

News from 'Print Media'

TAXES AND SERVICES TAX

E-WAY BILL SYSTEM

IMPORTANT POINTS TO BE NOTED BY SUPPLIERS/RECIPIENTS OF GOODS

- ◆ E-way bill for inter-State movement of goods has been implemented from 1st April, 2018 and for Intra-State movement of goods from 16th June, 2018 by all States/UTs across the country.
- ◆ You can register on the portal of e-way bill namely www.ewaybillgst.gov.in by using your GSTIN.
- ◆ E-way bill is required to be generated only where the value of the consignment exceeds ₹ 50,000/- which includes tax, but doesn't include value of exempted goods.
- ◆ In case of movement of goods on account of job-work, the supplier or the registered job-worker is required to generate the e-way bill.
- ◆ Supplier can authorize the transporter, courier agency and e-commerce operator to fill even Part-A of e-way bill on his behalf.
- ◆ If the distance between the principal place of business of the supplier to the place of business of the transporter is less than 50 km, Part-B of the e-way bill is not required. Only Part-A of e-way bill is required to be filled, where transporter ID is compulsory.
- ◆ Time period for the recipient to communicate his acceptance or rejection of the consignment would be the validity period of the concerned e-way bill or 72 hours, whichever is earlier.
- ◆ Where the goods are transported by railways or by air or by vessel, the e-way bill shall be generated by the registered supplier or registered recipient only and not by the transporter, and the same can be generated even after the commencement of the movement of the goods.
- ◆ E-way bill number can be assigned by the supplier/recipient or transporter to another registered or enrolled transporter.

IMPORTANT POINTS TO BE NOTED BY TRANSPORTERS OF GOODS

- ◆ You can register on the portal of e-way bill namely www.ewaybillgst.gov.in by using your GSTIN. If you don't have GSTIN, then you can enroll on the portal without GSTIN too.
- ◆ No e-way bill is required if the value of the goods in an individual consignment is less than ₹ 50,000/-, even if the total value of all such consignments in a single conveyance is more than ₹ 50,000/-.
- ◆ Railways have been exempted from generation and carrying of e-way bill. But Railways are required to carry invoice or delivery challan, etc. However, e-way bill has to be produced by the recipient before the delivery of the goods by the Railways.
- ◆ If the goods cannot be transported within the validity period of the e-way bill, the supplier or transporter may extend the validity period in case of transshipment or in case of circumstances of exceptional nature.
- ◆ Transporters can generate consolidated e-way bills in Form GSEWB-02.
- ◆ Where the goods are transferred from one conveyance to another, details of conveyance should be updated by the transporter in Part-B of Form GSEWB-01.
- ◆ Once verified by any tax officer, the same conveyance will not be subject to a second check in any State or Union Territory, unless and until, specific information concerning the same is received.
- ◆ The validity of e-way bill is one day up to 100 km (20 km in case of Over-dimensional Cargo). For every 100 km or part thereafter, it is one additional day. So if the distance to transport the cargo is 500 km, the transporters have 5 days to transport the cargo with valid e-way bill. Validity of one day will expire at midnight of the day immediately following the date of generation of e-way bill.

For more details, please visit www.ewaybillgst.gov.in

GST - A Good & Simple Tax

Central Board of Indirect Taxes and Customs &
Commercial Taxes Departments of States/Union Territories
www.cbic.gov.in, www.cbic-gst.gov.in

Hindustan Times 14.10.2018

Financial Express
29.10.2018

Commerce Min Plans Sops for Exporters

Press Trust of India

New Delhi: The commerce ministry is working on a comprehensive strategy and considering incentives for exporters to boost outbound shipments, a senior government official said Friday. Director General of Foreign Trade Alok Chaturvedi said that the exports, which recorded about 10% growth in 2017-18 to over \$300 billion, is expected to reach \$330-340 billion this fiscal. In the first half of the current fiscal, the exports grew by 12.5% to \$164 billion.

He said the ministry has prepared a matrix of action plans for specific sectors, including engineering, gems and jewellery, chemicals, textiles and pharma, and issues pertaining to these areas are being taken up with the concerned departments.

There are some cross-cutting issues such as withdrawal of amendment in the CGST rules, which is being partially resolved. "We are thinking of having some kind of incentives, where exporters are at disadvantage with respect to our competing countries where they are having some kind of free trade agreement with common export markets.

"So, we are trying to finalise a scheme... you can provide incentive to partially compensate for that disadvantage, which our exporters are facing," the DGFT said here.

Economic Times 27.10.2018

WTO panel to look into export subsidies row between India, US

BLAME GAME

PRIME TRUST OF INDIA
New Delhi, October 28

THE WORLD TRADE Organisation's dispute settlement body has set up a panel to examine the US complaint against India's export subsidy measures by India, as both the sides failed to resolve the issue at the consultation level, an official said.

In March, the US dragged India into global trade body's dispute settlement mechanism after it reported that India's export subsidies were harming the American companies.

"The process of investigation by the dispute settlement body has not yet started. The working group has analysed the data for the panel proceedings has been circulated," the official said.

The US has requested for establishment of a dispute panel to examine the legality of India's export incentive schemes.

Seeking consultations under the aegis of the WTO is the first step of dispute settlement process. If the two sides are not able to reach a mutually agreed solution through consultation, the complainant can request for WTO dispute settlement panel to review the matter.

The US has challenged India's export subsidy programmes such as the merchandise export scheme in the WTO, asserting that these led to the loss of income by causing an uneven playing field.

They have stated that all WTO members, including India, are required to provide subsidies consistent with provisions of the WTO's Agreement on Subsidies and Countervailing Measures, including maintaining a level playing field in export performance.

During the consultation process, the US had alleged that India was continuing to grant these export-subsidy incentives and was expanding the scope and scale of such subsidies.

India had stated that it was disappointed as the US chose to move forward with a request for a panel, as it believed bilateral consultations held on April 11 amounted to the end of the matter.

Dispute settlement body provided a detailed understanding of the all issues involved under the dispute trade policy by answering all the questions raised by the US.

India has also said the subsidies identified by the US do not violate India's WTO obligations and are in conformity with all the elements of the agreement.

India's exports to the US stood at \$15.9 billion in 2017-18, while imports aggregated \$26.7 billion during the same financial year.

Business Standard
17.10.2018

Importers and Exporters can track their documents and containers on ICEGATE website.

- The location of container can be traced using facility "Track your Container" on www.icegate.gov.in for cargo moving to Nhava Sheva, Hazira and Mundra Ports only.
- The current status of Bill of Entry or Shipping Bill can be traced by logging into the ICEGATE website.
- Already electronic tracking of Nepal-bound cargo has been launched by Customs.

Indian Customs - Committed to Faster and Smoother Trade

Central Board of Indirect Taxes and Customs
www.cbic.gov.in, www.icegate.gov.in