Export and Import
Import of Goods & Services

Submit

Importer to submit Evidence of Import ex. Bill of Entry to AD

For non-physical Imports – CA Certificate

Remittance should be generally made within six months from the date of shipment.

Merchanting Trade:
AD – 1 category Bank may handle bonafide merchanting trade transaction

ADVANCE

Advance remittance against import allowed upto USD 2,00,000 for goods and upto USD 5,00,000 for services

LC/Guarantee required for exceeding the limit

Importer can also make payment to Third Party subject to certain conditions.
The full export value of goods exported should be received through AD Bank in convertible foreign exchange through Banking channel.

Exporter to fully realize and repatriate the export proceeds within nine months of export.

Exporters may open Exchange Earner’s Foreign Currency Account (EEFC Account).

Advance against exports should not carry interest higher than LIBOR + 100 BP, Export to be made within one year.

Prior Approval required for export of machinery, equipment etc. on lease/hire basis.

Write off of export bills allowed upto 5% by exporter and upto 10% by AD, of total export proceeds during the previous calendar year.
“import of goods” with its grammatical variations and cognate expressions, means bringing goods into India from a place outside India;

“import of service” means the supply of any service, where

(a) the supplier of service is located outside India,
(b) the recipient of service is located in India, and
(c) the place of supply of service is in India;
“export of goods” with its grammatical variations and cognate expressions, means **taking goods out of India to a place outside India**;

“export of services” means the supply of any service when
(a) the **supplier** of service is **located in India**,  
(b) the **recipient** of service is **located outside India**, (c) the place of supply of service is **outside India**,  
(d) the **payment** for such service has been **received by the supplier** of service in **convertible foreign exchange**, and  
(e) the supplier of service and recipient of service are **not merely establishments of a distinct person** in accordance with explanation 1 of section 5;
GST Provisions for Import

- Customs Duty as Applicable under Customs Act
- Input Credit of IGST is available against output liability
- IGST Applicable on Imports
- No SAD will be applicable after GST
- Reverse charge applicable on import of Services
- Deemed in the course of Inter-State Trade
- IGST is payable along with the Customs Duty at the time of Import
- Reverse Charge not applicable on ODBAR Services imported by non-Taxable online Recipient
GST Provisions for Export

- **Exports shall be Zero Rated Supply under GST**
- **Input Credit available for Exporter**
- **Supply to SEZ/SEZ Developer is also Zero Rated under GST**
- **Two Options for Refund**
  - Export under LUT or Bond / Export by payment of IGST & Claim IGST thereafter
- **Procedure for Refund of IGST to outbound Tourists**
- **Refund can be claimed within 2 years**
- **Refund of 90% on provisional basis**
GST Provisions for SEZ

- Exports shall be Zero Rated Supply under GST
- Two Options for Supplier
  - Zero Rated Sale under LUT or Bond / Sale by payment of IGST & Claim IGST thereafter
- Supply to SEZ/SEZ Developer is Zero Rated under GST
- Onus of claiming refund is now on supplier of SEZ
- Domestic supply to be treated as import of Goods/Services
- No Exemption from Reverse Charge to SEZ

Recipient liable to pay the duties/GST in case of domestic supply
Refund of Duty in case of Export

Refund claim of input taxes by exporters to be filed in form RFD-01.

in respect of supplies to a Special Economic Zone unit or a Special Economic Zone developer, the application for refund shall be filed by the – (a) supplier of goods after such goods have been admitted in full in the Special Economic Zone for authorised operations, as endorsed by the specified officer of the Zone; (b) supplier of services along with such evidence regarding receipt of services for authorised operations as endorsed by the specified officer of the Zone.

in respect of supplies regarded as deemed exports, the application shall be filed by the recipient of deemed export supplies.

The application shall be accompanied with:

(i) a statement containing the number and date of shipping bills or bills of export and the number and the date of the relevant export invoices, and a statement containing the number and date of invoices and the relevant Bank Realisation Certificates or Foreign Inward Remittance Certificates, as the case may be, in a case where the refund is on account of the export of services;
(ii) a statement containing the number and date of invoices as provided in rule 46 along with the evidence regarding the endorsement specified in the second proviso to sub-rule (1) in the case of the supply of goods made to a Special Economic Zone unit or a Special Economic Zone developer;

(iii) a statement containing the number and date of invoices, the evidence regarding the endorsement specified in the second proviso to sub-rule (1) and the details of payment, along with the proof thereof, made by the recipient to the supplier for authorised operations as defined under the Special Economic Zone Act, 2005, in a case where the refund is on account of supply of services made to a Special Economic Zone unit or a Special Economic Zone developer;

(iv) a declaration to the effect that the Special Economic Zone unit or the Special Economic Zone developer has not availed the input tax credit of the tax paid by the supplier of goods or services or both, in a case where the refund is on account of supply of goods or services made to a Special Economic Zone unit or a Special Economic Zone developer;

(v) a statement containing the number and date of invoices along with such other evidence as may be notified in this behalf, in a case where the refund is on account of deemed exports;
Refund of Duty in case of Export

(vi) declaration to the effect that the incidence of tax, interest or any other amount claimed as refund has not been passed on to any other person, in a case where the amount of refund claimed does not exceed two lakh rupees:

Provided that a declaration is not required to be furnished in respect of the cases covered under clause (a) or clause (b) or clause (c) or clause (d) or clause (f) of sub-section (8) of section 54;

(m) a Certificate in Annexure 2 of FORM GST RFD-01 issued by a chartered accountant or a cost accountant to the effect that the incidence of tax, interest or any other amount claimed as refund has not been passed on to any other person, in a case where the amount of refund claimed exceeds two lakh rupees:

Refund Amount = (Turnover of zero-rated supply of goods + Turnover of zero-rated supply of services) x Net ITC ÷ Adjusted Total Turnover
Refund of integrated tax paid on goods exported out of India.

(1) The shipping bill filed by an exporter shall be deemed to be an application for refund of integrated tax paid on the goods exported out of India and such application shall be deemed to have been filed only when:-

(a) the person in charge of the conveyance carrying the export goods duly files an export manifest or an export report covering the number and the date of shipping bills or bills of export; and

(b) the applicant has furnished a valid return in FORM GSTR-3 or FORMGSTR-3B, as the case may be;

(2) The details of the relevant export invoices contained in FORM GSTR-1 shall be transmitted electronically by the common portal to the system designated by the Customs and the said system shall electronically transmit to the common portal, a confirmation that the goods covered by the said invoices have been exported out of India.

(3) Upon the receipt of the information regarding the furnishing of a valid return in FORM GSTR-3 or FORM GSTR-3B, as the case may be, from the common portal, the system designated by the Customs shall process the claim for refund and an amount equal to the integrated tax paid in respect of each shipping bill or bill of export shall be electronically credited to the bank account of the applicant mentioned in his registration particulars and as intimated to the Customs authorities.
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