वर्ष 48 अंक 2
28 फरवरी 2018

मेवाड़ चेम्बर पत्रिका

(मेवाड़ चेम्बर ऑफ कामर्स एण्ड इण्डस्ट्री का मासिक पत्र)

उदयपुर, चित्तौड़गढ़, डूँगरपुर, बाँसवाड़ा, प्रतापगढ़
राजसमन्द एवं भीलवाड़ा का सम्भागीय चेम्बर

केन्द्रीय बजट पर सेमीनार

मेवाड़ चेम्बर ऑफ कामर्स एण्ड इण्डस्ट्री
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E-mail : mcci@mccibhilwara.com Visit us : mccibhilwara.com

5 फरवरी 2018 को चेम्बर की ओर से कम्पनी सेकेट्री संस्थान एवं कॉस्ट एकाउन्टेन्ट संस्थान के साथ केन्द्रीय बजट पर कार्यशाला में श्री संजय झंवर का स्वागत करते हुए अध्यक्ष श्री दिनेश नौलखा।

कार्यशाला में श्री यश डड्डा का स्वागत करते हुए पूर्वाध्यक्ष डॉ पी एम बेसवाल।

कार्यशाला में चेम्बर पदाधिकारी एवं अन्य उद्यमीगण।

24 फरवरी 2018 को सिक्योर मिटरिंग एण्ड सर्विसेज (भीलवाडा) प्रा लि की ओर से आयोजित कार्यशाला में प्रस्तुतिकरण।

कार्यशाला में उपस्थित उद्यमी, प्रोफेशनल एवं व्यावसायी।

MEWAR CHAMBER OF COMMERCE & INDUSTRY

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AFFILIATION

AT THE INTERNATIONAL LEVEL

International Chamber of Commerce, Paris (France)

AT THE NATIONAL LEVEL

Federation of Indian Chamber of Commerce & Industry, (FICCI) New Delhi
Indian Council of Arbitration, New Delhi
National Institute for Entrepreneurship and Small Business Development (NIESBUD), New Delhi.
Confederation of All India Traders, New Delhi

AT THE STATE LEVEL

Rajasthan Chamber of Commerce & Industry, Jaipur.
The Employers Association of Rajasthan, Jaipur.
Rajasthan Textile Mills Association, Jaipur

REPRESENTATION IN NATIONAL & STATE LEVEL COMMITTEES

- All India Power loom Board, Ministry of Textile, Govt. of India, New Delhi
- National Coal Consumer Council, Coal India Ltd., Kolkata
- State Level Tax Advisory Committee, Govt. of Rajasthan, Jaipur
- State Level Industrial Advisory Committee, Govt. of Rajasthan, Jaipur
- Regional Advisory Committee, Central Excise, Jaipur
- Foreign Trade Advisory Committee, Public Grievance, Customs, Jaipur
- DRUCC/ZRUCC of North Western Railways

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केन्द्रीय बजट पर कार्यशाला

5 फरवरी 2018 को चेम्बर की ओर से कम्पनी सेकेट्री संस्थान एवं कॉस्ट एकाउन्टेन्ट संस्थान के साथ केन्द्रीय बजट पर कार्यशाला का आयोजन किया गया। कार्यशाला में मुख्य वक्ता जयपुर के चार्टेड एकाउन्टेन्ट श्री संजय झंवर एवं अप्रत्यक्ष कर विशेषज्ञ श्री यश डढ्ढा थे।

श्री संजय झंवर ने अपने प्रस्तुतिकरण में बताया कि भारत में स्वास्थ्य सेवाओं पर सरकार का खर्चा बहुत कम है और आम जनता का भी इस पर ध्यान नही है। गांवों एवं कस्बों में रहने वाले व्यक्तियों के लिए स्वास्थ्य सेवाएं उनके स्थान पर उपलब्ध हो एवं उन्हें बडे सेन्टर पर नही जाना पडे, इस विषय पर ध्यान देते हुए सरकार ने स्वास्थ्य बीमा योजना लागू की है। हमारे देश में 25 करोड परिवार है, जिनमें से लगभग 14 करोड परिवारों की सालाना आय डेढ लाख रुपये से भी कम है एवं ऐसे परिवारों के पास निजी आवश्यकता पूर्ति के भी साधन नही है। इस वर्ष के केन्द्रीय बजट में देश की इसी 56 प्रतिशत जनता जो की ग्रामीण, कृषक एवं खेतीहर श्रेणी में आते है, को ध्यान में रखा गया है।

आयकर प्रावधानों की समीक्षा करते हुए श्री झंवर ने बताया कि वरिष्ठ नागरिकों को बैंक ब्याज पर 50 हजार तक की आय पर जो छुट दी गई है, उस पर टीडीएस भी नही कटेगी। उन्होंने बताया कि नेशनल पेन्शन फण्ड के तहत अवधि पूर्ण होने पर मिलने वाली पेन्शन में 4व प्रतिशत भाग पर आयकर से छुट का प्रावधान है, जो की केवल नौकरी पेशा वर्ग के लिए था, अब यह प्रावधान व्यापारी वर्ग के लिए भी बढा दिया गया है। समय पर रिटर्न फाइल नही करने पर किसी भी तरह की छुट नही मिलेगी, अतः अब समय पर रिटर्न करना अत्यन्त आवश्यक है।

उन्होंने बताया कि सरकार का ध्यान अब स्क्रुटनी से हटकर फाइनेन्सीयल इन्टेलीजेन्स ब्यौरो का मजबूत करना ओर व्यक्ति या व्यवसाय की जीएसटी, इनकम, बैंक प्रोफाइल को आपस में मेच कर संदेहास्पद मामलों को चिन्हित करना ज्यादा है। अब मनी लॉड्रिंग कानून के तहत प्रावधान आयकर के प्रावधानों से भी काफी कठिन है।

अप्रत्यक्ष कर विशेषज्ञ सीए श्री यश डढ्ढा ने बताया कि हमारे देश से अधिकांश निर्यात लघु एवं मध्यम क्षेत्र से होता है एवं निर्यात पर रिफण्ड नही मिलने से यह क्षैत्र तकलीफ महसुस कर रहा है। इस विषय में उन्होंने बताया कि अगर निर्यातक के पास इनपुट टेक्स क्रेडिट ज्यादा है तो उसे टेक्स लगाकर निर्यात करना चाहिए। ऐसे निर्यात का रिफण्ड कस्टम विभाग द्वारा शिपिंग बिल के आधार पर किया जाएगा, जो कि जहाज के बन्दरगाह छोडने के बाद कार्यवाही प्रारम्भ होकर स्वतः प्रोसेस होकर रिफण्ड मिलेगा, कोई अलग से रिफण्ड आवेदन नही देना होगा। चुंकि यह सभी कार्य ऑटोमेटिक कम्प्युटरीकृत होगा, इसमें अधिक सरलता होगी एवं इस प्रणाली से रिफण्ड मिलने भी प्रारम्भ हो गये है। बिना टेक्स लगाये एलयूटी के आधार पर निर्यात करने परद निर्यातक को मासिक निर्यात के, बिल, शिपिंग बिल आदि कई कागजात लगाकर स्थानीय विभाग में आवेदन करना होगा और चुंकि यह कार्य मानवीकृत होगा, इसमें रिफण्ड में देरी होने की संभावना है।

कार्यशाला के प्रारम्भ में चेम्बर के अध्यक्ष दिनेश नौलखा, पूर्वाध्यक्ष पी एम बेसवाल, मानद महासचिव आर के जैन, सीएमए चेप्टर अध्यक्ष डॉ बी डी अग्रवाल एवं सीएस चेप्टर अध्यक्ष सुधीर गर्ग ने अतिथियों का माल्यार्पण स्वागत किया। कार्यक्रम में बडी संख्या में सीए, सीएस, उद्यमी एवं व्यापारी उपस्थित थे।

सिक्योर मिटरिंग एण्ड सर्विसेज द्वारा कार्यशाला

दिनांक 24 फरवरी 2018 को सिक्योर मिटरिंग एण्ड सर्विसेज (भीलवाडा) प्रा लि की ओर से मेवाड चेम्बर ऑफ कॉमर्स एण्ड इण्डस्ट्री के सहयोग से होटल रणबंका में सायं 4 बजे कार्यशाला आयोजित हुई। सिक्योर मिटरिंग एण्ड सर्विसेज को अजमेर विद्युत वितरण निगम ने भीलवाडा में विद्युत वितरण, मिटरिंग एवं बिलिंग का कार्य 10 वर्ष के लिए कॉन्ट्रेक्ट पर दिया है। 1 मार्च 2018 से कम्पनी यह कार्य अपने हाथ में लेगी। कार्यशाला को सिक्योर ग्रुप ऑफ कंपनीज के एमडी श्री सुकेत सिंघल एवं अन्य पदाधिकारियों ने सम्बोधित किया। मेवाड चेम्बर के वरिष्ठ उपाध्यक्ष श्री जे के बागडोदिया एवं मानद महासचिव श्री आर के जैन विशिष्ठ अतिथि थे। कार्यशाला में पूर्वाध्यक्ष डॉ पी एम बेसवाल, पूर्व उपाध्यक्ष श्री वी एस तिवाडी, भीलवाडा अरबन बैंक के श्री एम डी पाण्डे, कर विशेषज्ञ श्री एस पी झंवर सहित चेम्बर के कई सदस्य एवं अन्य उद्यमी उपस्थित थे।

अपने प्रस्तुतिकरण में श्री सुकेत सिंघल ने बताया कि भीलवाड़ा में शुरू किया जा रहा एमबीसी मॉडल देश में पहला और अनूठा प्रयास

है। इससे बिजली के लोसेस घटेंगे। उपभोक्ताओं को बेहतर सुविधाएं मिलेंगी। उन्होंने कहा कि कंपनी 24 घंटे कॉल सेंटर पर टोल फ्री नंबर 1800 2000 022 पर कभी भी कंप्लेन दर्ज कराई जा सकेगी। सीईओ श्री सुनील सिंघवी ने शहर के उपभोक्ताओं से सहयोग करने का आग्रह किया। सीईओ श्री जयदीप मुखर्जी ने कहा कि अभी तक बिजली निगम की ओर से मीटरिंग, बिलिंग, कलेक्शन, मेंटेनेंस के कामों में अलग–अलग सेवा प्रदाताओं से सेवाएं ली जा रही है, लेकिन अब ये सभी काम एक ही सेवा प्रदाता के पास होंगे तो सेवाओं में सुधार होगा। कार्यशाला में कंपनी ने बिजली निगम के अधिकारियों की उपस्थिति में योजनाओं की जानकारी दी और बिजली समस्याओं पर उनके सुझाव सुने। इस दौरान अजमेर विद्युत वितरण निगम के एसई श्री राजपाल सिंह अकाल एवं निगम के अन्य अधिकारी भी उपस्थित थे।

कंपनी के भीलवाड़ा निदेशक (ऑपरेशंस) श्री अमित माथुर ने बताया कि शहर में चार उपभोक्ता सेवा केंद्र बनाए जा रहे हैं। जिनमें बिल जमा, कस्टमर सपोर्ट, नए कनेक्शन, कंप्लेंट्स आदि को लेकर उपभोक्ताओं को सुबह 9 से शाम 6 बजे तक सेवाएं उपलब्ध कराई जाएगी।

मेवाड चेम्बर ऑफ कॉमर्स एण्ड इण्डस्ट्री की मेनेजिंग कमेटी की बैठक दिनांक 23 फरवरी 2018, शुक्रवार को अपरान्ह 5.00 बजे, मेवाड चेम्बर भवन भीलवाडा में आयोजित की गई। बैठक की अध्यक्षता, अध्यक्ष श्री दिनेश नौलखा ने की।

1 मानद महासचिव श्री आर के जैन ने बताया कि 20 दिसम्बर 2017 को आयोजित कार्यकारणी समिति की बैठक का कार्यवाही विवरण चेम्बर पत्रिका के दिसम्बर 2017 के अंक में प्रकाशित किया गया है। उपस्थित सदस्यों ने दिनांक 20.12.2017 की बैठक की कार्यवाही विवरण की पुष्टी की।

2 निम्न सदस्यों ने अनुपस्थिति चाही जो स्वीकृत की गई –

श्री वी के सोडानी	संगम इण्डिया लिमिटेड
श्री अनिल मानसिंहका	शारदा स्पनटेक्स प्रा लि
डॉ पी एम बेसवाल	रंजन सुटिंग प्रा लि
श्री एस पी नाथानी	नाथानी फार्म
श्री रामगोपाल अग्रवाल	फर्नीचर हाउस
श्री वी के मानसिंगका	

3 आमसभा एवं वार्षिक चुनाव की तिथियों का निर्धारण – मानद महासचिव ने बताया कि वार्षिक आमसभा एवं चुनाव के लिए तिथियों का निर्धारण किया जाना है। आपसी विचार विमर्श के बाद निम्न तिथियों का निर्धारण किया गया :–

मतदाता सूची को अन्तिम रुप	6 मार्च 2018, मंगलवार
मतदाता सूची का प्रकाशन	7 मार्च 2018, बुधवार
नांमाकन पत्र दाखिल करने की अन्तिम तिथि	21 मार्च 2018, बुधवार
नांमाकन वापस लेने की तिथि	23 मार्च 2018, शुक्रवार
वार्षिक आमसभा एवं चुनाव	27 मार्च 2018, मंगलवार

4 वार्षिक आमसभा के लिए चुनाव अधिकारी का मनोनयन–सर्वसम्मति से चेम्बर के पूर्वाध्यक्ष डॉ पी एम बेसवाल को चुनाव अधिकारी मनोनित किया गया।

5. सदस्यता शुल्क प्राप्त नही होने वाले सदस्यों की सूची का अवलोकन कर एक बार व्यक्तिगत रुप से फोलोअप करने की जिम्मेदारी विभिन्न सदस्यों को दी गई।

6. नये सदस्यता प्रस्ताव –

मानद महासचिव ने निम्न नये सदस्यता प्रस्ताव कार्यकारणी समिति के सामने रखे। उन्होंने बताया कि नये सदस्यता प्रस्ताव स्क्रिनिंग कमेटी से मंजूर करवा लिये गये है। उपस्थित सदस्यों ने सर्वसम्मति से निम्न नये सदस्यता प्रस्ताव स्वीकार किये:–

श्रेणी	इकाई का नाम	प्रतिनिधि का नाम	कार्यक्षेत्र
एसोसियेट्स	कृष्णा सेल्स	श्री चेतन गोयल	टेक्सटाइल स्पेयर पार्टस्

7. अन्य बिन्दु –

अध्यक्ष महोदय श्री दिनेश नौलखा ने बताया कि राजस्थान में टेक्सटाइल उद्योग को विद्युत दरों में कोई रियायत नही है। जीएसटी लागू होने के बाद 5–6 राज्यों में अपनी नई उद्योग नीति में टेक्सटाइल क्षेत्र में विद्युत दरों में रियायते दी है। राजस्थान में देश में सबसे ज्यादा दरे है, एचटी उपभोक्ताओं को 7.80–8.00 रुपये की लागत पड रही है। ऑपन मार्केट से खरीद पर भी व्हिलिंग चार्जेज के अतिरिक्त क्रोस सब्सिडी एवं सरचार्ज लगा दिया है, जिससे इस तरह की विद्युत लागत भी 6.00–6.25 रुपये पड रही है। श्री जे सी लढ्ढा ने बताया कि आरटीएमए से अन्य राज्यों का तुलनात्मक चार्ट बनाकर प्रतिवेदन दिया था एवं विभिन्न स्तरों पर मुलाकात भी की थी। आपसी विचार–विमर्श के बाद चेम्बर के स्तर से इस तरह का प्रतिवेदन भेजने, लगातार भेजने एवं सचिव स्तर पर एवं माननीया मुख्यमंत्री से स्थानीय राजनेताओं को साथ लेकर मुलाकात करने का निर्णय लिया गया।

श्री दिनेश नौलखा ने यह भी कहाकि कार्यकारणी समिति में 66 सदस्य है लेकिन उपस्थिति काफी कम रहती है, इसके लिए आवश्यक होतो मेनेजिंग कमेटी की सदस्यता संबंधी प्रावधानों में सुधार करना चाहिए। विचार विमर्श के बाद इस विषय पर अपने विचारों सहित कोर कमेटी में विचार विमर्श करने का निर्णय लिया गया।

उपाध्यक्ष श्री राजेन्द्र गौड ने सुझाव दिया कि जिले में माइनिंग का भी बहुत बडा स्टेग है लेकिन इससे संबंधित कोई कार्यक्रम नही होते है। इस विषय पर विचार कर यथासंभव माइनिंग सलाहकार समिति की बैठक बुलाने एवं राज्य के माइनिंग सचिव को चेम्बर में आंमत्रित करने आदि का निर्णय लिया गया।

अन्त में बैठक सधन्यवाद समाप्त हुई।

(आर के जैन)
मानद महासचिव

कार्यकारणी समिति की दिनांक 23.02.2018 को उपस्थित सदस्यों की सूची निम्नानुसार है –

1	श्री दिनेश नौलखा	नितिन स्पिनर्स लिमिटेड
2	श्री जे के बागडोदिया	मंगलम यार्न एजेन्सीज
3	श्री राजेन्द्र गौड	जिंदल शॉ लिमिटेड
4	श्री आर के जैन	आर के जैन एण्ड एसोसियेट्स
5	श्री जे सी लढ्ढा	सुदिवा स्पिनर्स प्रा लि
6	श्री योगेश लढ्ढा	मनोमय टेक्स इण्डिया लिमिटेड
7	श्री रामेश्वर काबरा	रोलेक्स प्रोसेसर्स प्रा लि
8	श्री सन्मति जैन	श्री गुड्स केरियर
9	श्री पी एस तलेसरा	तलेसरा इलेक्ट्रीक स्टोर

Central Budget 2018-19

The Union Minister for Finance and Corporate Affairs Shri Arun Jaitley presented the Central Budget 2018-19 on 1st February 2018. The summary of Central Budget is given hereunder:

Government says that it is firmly on course to achieve high growth of 8% plus as manufacturing, services and exports are back on good growth path. While GDP growth at 6.3% in the second quarter of 2017-18 signalled turnaround of the economy, growth in the second half is likely to remain between 7.2% to 7.5%. The Union Minister for Finance and Corporate Affairs Shri Arun Jaitley while presenting the General Budget 2018-19 in Parliament said that Indian society, polity and economy had shown remarkable resilience in adjusting with the structural reforms. IMF, in its latest Update, has forecast that India will grow at 7.4% next year in the backdrop of services resuming high growth rates of 8% plus, exports expected to grow at 15% in 2017-18 and manufacturing back on good growth path.

Reiterating the pledge given to the people of India four years ago to give this nation an honest, clean and transparent Government and to build a strong, confident and a New India, Shri Jaitley said, the Government led by Prime Minister, Shri Narendra Modi, has successfully implemented a series of fundamental structural reforms to propel India among the fastest growing economies of the world.

The Finance Minister said that Government has taken up programmes to direct the benefits of structural changes and good growth to reach farmers, poor and other vulnerable sections of our society and to uplift the under-developed regions. He said, this year's Budget will consolidate these gains and particularly focus on strengthening agriculture and rural economy, provision of good health care to economically less privileged, taking care of senior citizens, infrastructure creation and working with the States to provide more resources for improving the quality of education in the country. He said, the Government has ensured that benefits reach eligible beneficiaries and are delivered to them directly and said that Direct Benefit Transfer mechanism of India is the biggest such exercise in the world and is a global success story.

Agriculture and Rural Economy

Referring to the Government's commitment to the welfare of farmers and doubling farmers' income by 2022, the Finance Minister announced a slew of new schemes and measures.

He said ,that government has decided to keep MSP for all unannounced kharif crops atleast one and half times of their production cost after declaring the same for the majority of rabi cops. He said,the volume of institutional credit for agriculture sector from year-to-year increased from Rs.8.5 lakh crore in 2014-15 to Rs.10 lakh crore in 2017-18 and he proposed to raise this to Rs.11 lakh crore for the year 2018-19. After the establishment of Dairy Infrastructure Fund, Shri Jaitley announced setting up a Fisheries and Aqua culture Infrastructure Development Fund (FAIDF) for fisheries sector and an Animal Husbandry Infrastructure Development Fund (AHIDF) for financing infrastructure requirement of animal husbandry sector with a total corpus of Rs.10,000 crore for the two new funds. On the lines of "Operation Flood" a new Scheme "Operation Greens" was announced with an outlay of Rs 500 Crore to address the challenge of price volatility of perishable commodities like tomato, onion and potato with the satisfaction of both the farmers and consumers. He also announced to develop and upgrade existing 22,000 rural haats into Gramin Agricultural Markets (GrAMs) to take care of the interests of more than 86% small and marginal farmers. These GrAMs, electronically linked to e-NAM and exempted from regulations of APMCs, will provide farmers facility to make direct sale to consumers and bulk purchasers. Moreover, an Agri-Market Infrastructure Fund with a corpus of Rs.2000 crore will be setup for developing and upgrading agricultural marketing infrastructure in the 22000 Grameen Agricultural Markets (GrAMs) and 585APMCs. He said, so far 470 APMCs have been connected to e-NAM network and rest will be connected by March, 2018. Shri Jaitley announced Rs 200 crore for organized cultivation of highly specialized medicinal and aromatic plants and said that the organic farming by Farmer Producer Organizations (FPOs) and Village Producers' Organizations (VPOs) in large clusters, preferably of 1000 hectares each will be encouraged. Similarly, allocation of Ministry of Food Processing has been doubled from Rs.715 crore in 2017-18 to Rs.1400 crore in 2018-19. Terming Bamboo as 'Green Gold', the Finance Minister announced a Re-structured National Bamboo Mission with an outlay of Rs.1290 crore to promote bamboo sector in a holistic manner. Under Prime Minister Krishi Sinchai Yojna-Har Khet ko Pani, 96 deprived irrigation districts will be taken up with an allocation of Rs 2600 crore. The Centre will work with the state governments to facilitate farmers for installing solar water pumps to irrigate their fields. He also proposed to extend the facility of Kisan Credit Cards to fisheries and animal husbandry farmers to help them meet their working capital needs. Shri Jaitley said India's agri-exports potential is as high as US $100 billion against current exports of US $30 billion and to realize this potential, export of agri-commodities will be liberalized. He also proposed to set up state-of-the-art testing facilities in all the forty two Mega Food Parks. He also announced a special Scheme to support the efforts of the governments of Haryana, Punjab, Uttar Pradesh and the NCT of Delhi to address air pollution in the Delhi-NCR region by subsidizing machinery required for in-situ management of crop residue.

On the loans to Self Help Groups of women, the Finance Minister said it increased to about Rupees 42,500 crore in 2016-17, growing 37% over previous year and expressed confidence that loans to SHGs will increase to Rs.75,000 crore by March, 2019. He also substantially increased allocation of National Rural Livelihood Mission to Rs 5750 crore in 2018-19.

Referring to the measures taken for the benefit of lower and middle class, the Finance Minister said, under Ujjwala Scheme distribution of free LPG connections will be given to 8 crore poor women instead of the previous target of 5 crore women. Under Saubahagya Yojana, 4 crore poor households are being provided with electricity connection with an outlay of Rs.16,000 crore. To fulfil target of housing for All by 2022 ,more than one crore houses will be built by 2019 in rural areas, besides already constructed 6 crore toilets under Swachh Bharat Mission.

Shri Jaitley stressed that the focus of the Government next year will be on providing maximum livelihood opportunities in the rural areas by spending more on livelihood, agriculture and allied activities and construction of rural infrastructure. He said, in the year 2018-19, for creation of livelihood and infrastructure in rural areas, total amount to be spent by the Ministries will be Rs.14.34 lakh crore, including extra-budgetary and non-budgetary resources of Rs.11.98 lakh crore. Apart from employment due to farming activities and self employment, this expenditure will create employment of 321 crore person days, 3.17 lakh kilometers of rural roads, 51 lakh new rural houses, 1.88 crore toilets, and provide 1.75 crore new household electric connections besides boosting agricultural growth.

Education, Health and Social Protection

The Finance Minister said that estimated budgetary expenditure on health, education and social protection for 2018-19 is Rs.1.38 lakh crore against estimated expenditure of Rs.1.22 lakh crore in 2017-18.

On education front, Shri Jaitley announced setting up of Ekalavya Model Residential School on par with Navodaya Vidyalayas to provide the best quality education to the tribal children in their own environment by 2022 in every block with more than 50% ST population and at least 20,000 tribal persons with special facilities for preserving local art and culture besides providing training in sports and skill development. To step up investments in research and related infrastructure in premier educational institutions, including health institutions, a major initiative named "Revitalising Infrastructure and Systems in Education (RISE) by 2022" with a total investment of Rs.1,00,000 crore in next four years was announced . He said that a survey of more than 20 lakh children has been conducted to assess the status on the ground, which will help in devising a district-wise strategy for improving quality of education. To improve the quality of teachers an integrated B.Ed. programme for teachers will be initiated. Shri Jaitley said, the Government would launch the "Prime Minister's Research Fellows (PMRF)" Scheme this year. Under this, 1,000 best B.Tech students will be identified each year from premier institutions and provide them facilities to do Ph.D in IITs and IISc, with a handsome fellowship. Allocation on National Social Assistance Programme this year has been kept at Rs. 9975 crore.

The Finance Minister announced the world's largest government funded health care programme titled National Health Protection Scheme to cover over 10 crore poor and vulnerable families (approximately 50 crore beneficiaries) providing coverage upto 5 lakh rupees per family per year for secondary and tertiary care hospitalization. He also committed Rs 1200 crore for the National Health Policy, 2017, which with 1.5 lakh Health and Wellness Centres will bring health care system closer to the homes of people. The Government also decided to allocate additional Rs.600 crore to provide nutritional support to all TB patients at the rate of Rs.500 per month for the duration of their treatment. Shri Jaitley said, the government will be setting up 24 new Government Medical Colleges and Hospitals by upgrading existing district hospitals in the country.

On cleaning the Ganga, the Finance Minister said, a total of 187 projects have been sanctioned under the Namami Gange programme for infrastructure development, river surface cleaning, rural sanitation and other interventions at a cost of Rs.16,713 crore. 47 projects have been completed and remaining projects are at various stages of execution. All 4465 Ganga Grams – villages on the bank of river - have been declared open defecation free. He said, the government has identified 115 aspirational districts taking various indices of development in consideration for making them model districts of development.

Medium, Small and Micro Enterprises (MSMEs) and Employment

The Budget has given a big thrust to Medium, Small and Micro Enterprises (MSMEs) to boost employment and economic growth. A sum of Rs. 3794 crore has been provided for giving credit support, capital and interest subsidy and for innovations. MUDRA Yojana launched in April, 2015 has led to sanction of Rs.4.6 lakh crore in credit from 10.38 crore MUDRA loans. 76% of loan accounts are of women and more than 50% belong to SCs, STs and OBCs. It is proposed to set a target of Rs.3 lakh crore for lending under MUDRA for 2018-19 after having successfully exceeded the targets in all previous years.

Employment Generation

Reiterating that creating job opportunities is at the core of Government policies, Finance Minister cited an independent study as showing that 70 lakh formal jobs will be created this year. To carry forward the momentum created by the measures taken during the last 3 years to boost employment generation, Shri Jaitley announced that the Government will contribute 12% of the wages of the new employees in the EPF for all the sectors for next three years. He proposed to make amendments in the Employees Provident Fund and Miscellaneous Provisions Act, 1952 to reduce women employees' contribution to 8% for first three years of their employment against existing rate of 12% or 10% with no change in employers' contribution.

The Budget proposed an outlay of Rs.7148 crore for the textile sector in 2018-19 as against Rs.6,000 Crore in 2016.

Infrastructure and Financial Sector Development

Emphasising that infrastructure is the growth driver of economy, the Finance Minister estimated that investment in excess of Rs.50 lakh crore is needed to increase growth of GDP and connect the nation with a network of roads, airports, railways, ports and inland waterways. He announced increase of budgetary allocation on infrastructure for 2018-19 to Rs.5.97 lakh crore against estimated expenditure of Rs.4.94 lakh crore in 2017-18.

The Government has made an all-time high allocation to rail and road sectors and is committed to further enhance public investment. The Prime Minister personally reviews the targets and achievements in infrastructure sectors on a regular basis.

Using online monitoring system of PRAGATI alone, projects worth 9.46 lakh crore have been facilitated and fast tracked.

To further boost tourism, the Budget proposes to develop ten prominent tourist sites into Iconic Tourism destinations by following a holistic approach involving infrastructure and skill development, development of technology, attracting private investment, branding and marketing.

Under the Bharatmala Pariyojana, about 35000 kms road construction in Phase-I at an estimated cost of Rs.5,35,000 crore has been approved.

Railways

Railways Capital Expenditure for the year 2018-19 has been pegged at Rs.1,48,528 crore. A large part of the Capex is devoted to capacity creation. 4000 kilometers of electrified railway network is slated for commissioning during 2017-18. Work on Eastern and Western dedicated Freight Corridors is in full swing. Adequate number of rolling stock – 12000 wagons, 5160 coaches and approximately 700 locomotives are being procured during 2018-19. Over 3600 kms of track renewal is targeted during the current fiscal. Redevelopment of 600 major railway stations is being taken up.

Mumbai's local train network will have 90 kilometers of double line tracks at a cost of over Rs.11,000 crore. 150 kilometers of additional suburban network is being planned at a cost of over Rs.40,000 crore, including elevated corridors on some sections. A suburban network of approximately 160 kilometers at an estimated cost of Rs.17,000 crore is being planned to cater to the growth of the Bengaluru metropolis.

Air Transport

The Budget proposes to expand the airport capacity more than five times to handle a billion trips a year under a new initiative - NABH Nirman. Under the Regional connectivity scheme of UDAN (Ude Desh ka Aam Nagrik) initiated by the Government last year, 56 unserved airports and 31 unserved helipads would be connected.

Finance

To encourage raising funds from bond market, the Finance Minister urged regulators to move from 'AA' to 'A' rating for investment eligibility. He said that the Government will establish a unified authority for regulating all financial services in International Finance Service Centre (IFSCs) in India.

Digital Economy

The Finance Minister said that NITI Aayog will initiate a national program to direct efforts in artificial intelligence.

Department of Science & Technology will launch a Mission on Cyber Physical Systems to support establishment of centres of excellence for research, training and skilling in robotics, artificial intelligence, digital manufacturing, big data analysis, quantum communication and internet of things. The Budget doubled the allocation on Digital India programme to Rs 3073 crore in 2018-19.

To further Broadband access in villages, the Government proposes to set up five lakh wi-fi hotspots to provide net connectivity to five crore rural citizens. The Finance Minister allocated Rs. 10000 crore in 2018-19 for creation and augmentation of Telecom infrastructure.

Defence

Recognizing the sacrifices made by the Armed Forces in meeting the security challenges, the Finance Minister proposed development of two defence industrial production corridors.

Shi Jaitley announced that a scheme will be evolved to assign every individual enterprise in India a unique ID, on the lines of Aadhar.

Disinvestment

The Finance Minister announced that 2017-18 disinvestment target of Rs.72,500 crore has been exceeded and expected receipts of Rs.1,00,000 crore. He set disinvestment target of Rs.80,000 crore for 2018-19.

Three Public Sector Insurance companies- National Insurance Co. Ltd., United India Assurance Co. Ltd., and Oriental India insurance Co. Ltd., will be merged into a single insurance entity.

The Finance Minister announced that a comprehensive Gold Policy will be formulated to develop gold as an asset class. The Government will also establish a system of consumer friendly and trade efficient system of regulated gold exchanges in the country. Gold Monetization Scheme will be revamped to enable people to open a hassle-free Gold Deposit Account.

The Budget proposes to revise emoluments to Rs.5 lakh for the President, Rs 4 lakhs for the Vice President and Rs.3.5 lakh per month to Governor. These emoluments were last revised in 2006.

With regard to the emoluments paid to the Members of Parliament, the Finance Minister proposed necessary changes to refix the salary and allowances with effect from April 1, 2018. He said the law will also provide for automatic revision of emoluments every five years indexed to inflation and hoped that the Hon'ble Members will welcome this initiative.

To celebrate the 150 Birth Anniversary of Mahatma Gandhi, Father of the Nation from 2nd October 2019, the Budget set aside Rs.150 crore for the activities leading to the commemoration programme.

Fiscal Management

The Budget Revised Estimates for expenditure in 2017-18 are Rs.21.57 lakh crore (net of GST compensation transfers to the States) as against the Budget Estimates of Rs.21.47 lakh crore.

Continuing Government's path of fiscal reduction and consolidation, the Finance Minister projected a Fiscal Deficit of 3.3% of GDP for the year 2018-19. The Revised Fiscal Deficit estimates for 2017-18 were put at Rs. 5.95 lakh crore at 3.5% of GDP. He also proposed acceptance of key recommendations of the Fiscal Reform and Budget Management Committee to bring down Central Government's Debt to GDP ratio to 40%.

Presenting his **direct tax proposals**, the Finance Minister said that attempts to reduce the cash economy and increase the tax net have paid rich dividends. The growth rate of direct taxes in financial years 2016-17 and 2017-18 have been significant, he said. The growth of direct taxes in financial year 2016-17 was 12.6 percent, and for financial year 2017-18 (upto 15th January, 2018) is 18.7 percent. Therefore Shri Jaitley said buoyancy in personal income tax for financial year 2016-17 and 2017-18 (RE) are 1.95 and 2.11 respectively. This the Finance Minister said, indicates that additional revenue collected in the last two financial years from personal income tax compared to average buoyancy for the pre 2016-17 period, amounts to a total of Rs. 90,000 crore, which is a result of a strong anti-evasion measures by the government.

The Finance Minister also said that there has been a huge increase in the number of returns filed by tax payers. The number of Effective Tax Payers has increased from 6.47 crore at the beginning of Financial year 2014-15 to 8.27 crore at the end of 2016-17.

Shri Jaitley has proposed 100 percent deduction to companies registered as Farmer Producer Companies with an annual turnover upto Rs. 100 crore on profit derived from such activities, for a period of five years from financial year 2018-19. This he said will promote post harvest agriculture activities and also encourage "Operation Greens" announced earlier and would give a boost to the Sampada Yojana.

In order to encourage creation of new employment the deduction of 30 percent Under Section 80-JJAA with a further relaxation to 150 days in the case of the apparel industry, has been proposed to be extended to the footwear and leather industry. The Finance Minister has also proposed to rationalise the deduction of 30 percent by allowing the benefit for a new employee employed for less than the minimum period during the first year, but continues to remain employed for the minimum period in the subsequent year.

Turning to the real estate sector, the Finance Minister has proposed that no adjustment shall be made in respect of transactions in immovable property, where the Circle Rate value does not exceed 5 percent of the consideration. This would minimize hardship in real estate transactions.

In fulfilment of the promise to reduce the corporate tax rate in a phased manner, Shri Jaitley has proposed to extend the reduced rate of 25 percent currently available for companies with turnover of less than 50 crore (in Financial Year 2015-16), also to companies reporting turnover up to Rs. 250 crore in Financial Year 2016-17. This would benefit the entire class of micro, small and medium enterprises, which account for almost 99 percent of companies filing tax returns, he said. The estimated revenue forgone during Financial Year 2018-19 will be Rs. 7,000 crore. This lower corporate income tax rate would leave such companies with higher investible surplus, which would create more jobs.

The Budget proposals also seek to provide relief to salaried tax payers by allowing a Standard Deduction of Rs. 40,000 in place of the present exemption allowed for transport allowance and reimbursement of miscellaneous medical expenses. However, transport allowance at enhanced rate is proposed to be continued for differently abled persons. Further, it is also proposed to continue medical reimbursement benefits in case of hospitalization etc. for all employees. The proposed Standard Deduction will help middle class employees even further in reducing their tax liabilities. It will also significantly benefit pensioners, who normally do not enjoy any allowance for transport and medical expenses, Shri Jaitley said. 2.5 crore salaried employees and pensioners would benefit from this proposal and the revenue cost would be approximately Rs. 8,000 crore.

Relief to Senior Citizens has also been proposed. The proposals are :-

- Exemption of interest income on deposits with banks and post offices are proposed to be increased from Rs. 10,000 to Rs. 50,000. TDS shall not be required to be deducted under section 194A. Benefit will also be available for interest from all fixed deposit schemes and recurring deposit schemes.

- Hike in deduction limit for health insurance premium and/ or medical expenditure from Rs. 30,000 to Rs. 50,000 under section 80D.
- Increease in deduction limit for medical expenditure for certain critical illness from Rs. 60,000 (in case of senior citizens) and from Rs. 80,000 (in case of very senior citizens) to Rs. 1 lakh for all senior citizens, under section 80DDB. Concessions will give extra tax benefit of Rs. 4,000 crore to senior citizen. It is also proposed to extend the Pradhan Mantri Vaya Vandana Yojana up to March, 2020. The current investment limit is also proposed to be increased to Rs. 15 lakh from the existing limit of Rs. 7.5 lakh per senior citizen.

It is proposed to provide more concessions for International Financial Services Centre (IFSC), in order to promote trade in stock exchanges located in IFSC. The concessions propose transfer of derivatives and certain securities by non- residents from capital gains tax, and non corporate tax payers operating in IFSC to be charged Alternate Minimum Tax (AMT) at concessional rate of 9 percent at par with Minimum Alternate Tax (MAT) applicable for corporates.

In a measure that proposes to control the cash economy, payments exceeding Rs. 10,000 in cash made by trusts and institutions shall be disallowed and would be subject to tax. In order to improve TDS compliance by these entities, the Finance Minister has proposed to provide that in case of non deduction of tax, 30 percent of the amount shall be disallowed and would be taxed.

Turning to rationalization of Long Term Capital Gains (LTCG), the Finance Minister noted buoyancy in the equity market, as a result of reforms and incentives given so far. The total amount of exempted capital gains from listed shares and units is around Rs. 3,67,000 crore (as per returns filed for A.Y. 2017-18). Shri Jaitley said that a major part of this gain has accrued to corporates and LLPs. This has also created a bias against manufacturing, leading to more business surpluses being invested in financial assets. Due to attractiveness on return on investment on equity, even without tax exemption, there is a strong case for bringing Long Term Capital Gains from listed equities in the tax net, the Finance Minister said. He has however only proposed a modest change in the present regime, recognizing that a vibrant equity market is essential for economic growth. Shri Jaitley has proposed to tax such Long Term Capital Gains exceeding Rs. 1 lakh at the rate of 10 percent, without allowing any indexation benefit. However, all gains up to 31st January, 2018 will be grandfathered. The Finance Minister has also proposed to introduce a tax on distributed income by equity oriented mutual funds at the rate of 10 percent, to provide a level field across growth oriented funds and dividend distributing funds. The proposed change in Capital Gains Tax will bring marginal revenue gain of about Rs. 20,000 crore in the first year, in view of grandfathering.

In order to take care of the education and health care needs of Below Poverty Line (BPL) and rural families, The Budget proposes to increase the cess on personal income tax and corporation tax to 4 percent from the present 3 percent. The new cess will be called the “Health and Education Cess” and is expected to lead to a collection of an estimated additional amount of Rs. 11,000 crore.

The Finance Minister also announced a proposal to roll out E-assessment across the country to almost eliminate person to person contact leading to greater efficiency and transparency in direct tax collection. E-assessment had been introduced on a pilot basis in 2016 and extended to 102 cities in 2017.

On the indirect taxes side, this being the first budget after the roll out of the Goods and Services Tax (GST), the budget proposals are mainly on the customs side. The Finance Minister has proposed changes in customs duty to promote creation of more jobs in the country and also to incentivise domestic value addition and Make in India in sectors such as food processing, electronics, auto components, footwear and furniture. Therefore it is proposed to increase customs duty on mobile phones from 15 percent to 20 percent, on some of their parts and accessories to 15 percent and on certain parts of televisions to 15 percent.

Customs duty is proposed to be reduced on raw cashew from 5 percent to 2.5 percent, to help the cashew processing industry.

It is also proposed to abolish the Education Cess and Secondary and Higher Education Cess on imported goods. In its place it is proposed to impose a Social Welfare Surcharge at the rate of 10 percent of the aggregate duties of Customs, on imported goods, to provide for social welfare schemes of the government. However, goods which were so far exempt from Education Cesses on imported goods, will however continue to be so. In addition, certain specified goods, mentioned in Annexure 6 of the Budget speech, will attract the proposed Surcharge, at the rate of 3 percent of the aggregate duties of customs only.

With the roll of GST, the Budget also proposes to change the name of the Central Board of Excise and Customs (CBEC) to the Central Board of Indirect Taxes and Customs (CBIC).

Source: PIB

उत्तर पश्चिम रेलवे बजट 2018–19 एक नजर

- ❑ सम्पूर्ण उत्तर पश्चिम रेलवे होगा विद्युतीकृत–3130 करोड की लागत से 3157 किलोमीटर लाइन का कार्य इस बजट में स्वीकृत।
- ❑ जयपुर–जोधपुर लाइन का दोहरीकरण–फुलेरा–डेगाना रेलखण्ड के बाद डेगाना–राई का बाग का दोहरीकरण।
- ❑ इस बजट में स्वीकृत यात्री सुविधाओं के लिये दुगने बजट का आवटंन रेल संरक्षा पर विशेष ध्यान–अधिक बजट का प्रावधान।
- ❑ जयपुर के खातीपुरा स्टेशन को सैटेलाइट स्टेशन बनाने के लिये 40 करोड का आवंटन।

1. उत्तर पश्चिम रेलवे के नियोजित खर्च के लिए परिव्यय बढकर 5509.70 करोड़ (पिछले वर्ष की तुलना में 20.47 प्रतिशत की वृद्धि)
2. निधि आवंटन (करोड़ रू.में)

मद	2017.18	2018.19	% Var-
नई लाइन	242.06	315.20	+30-21
आमान परिवर्तन	334.05	222.90	-33-27
दोहरीकरण	762.65	695.60	-8-79
रेलपथ नवीकरण	442.03	540.00	+22-16
कम्प्यूटरीकरण	5.53	3.81	-31-10
कर्मचारियों के लिए क्वार्टर	22.95	24.03	+4-70
अन्य विद्युत कार्य	11.52	69.10	+499-82
सड़क संरक्षा कार्य–सड़क ऊपरी/निचला पुल	355.17	668.82	+88-31
यात्री सुविधाएँ	49.41	98.51	+99-38
सड़क संरक्षा कार्य –समपार	18.97	27.50	+44-96
यातायात सुविधाएँ	112.37	232.17	+105-7
पुल सम्बन्धी कार्य	16.19	40.24	+148-54
मशीनरी तथा संयंत्र	14.82	23.85	+60-88
कारखाने–उत्पादन इकाइयों सहित	59.99	69.51	+15-86
कर्मचारियों के लिए सुविधाएं	12.66	22.64	+78-87
अन्य विनिर्दिष्ट कार्य	35.61	60.09	+68-75
प्रशिक्षण/मानव संसाधन विकास	5.00	6.50	+30

बजट 2018–19 में शामिल कार्य

नये कार्य

दोहरीकरण

1	डेगाना–राई का बाग (145 Km)	762 Cr
2	आगरा फोर्ट–बांदीकुई (150 Km)	1388.81 Cr.

विद्युतीकरण कार्य (3156.69 RKM @ 3129.87 Cr.)

1	मावली जं.–बड़ी सादड़ी (82 RKM)	79.54 Cr.
2	बांगड़ग्राम–रास (27.8 RKM)	25.09 Cr.
3	मारवाड़ जं.–मावली जं. (152 RKM)	197.65 Cr.
4	मदार जं.–पुष्कर (25.7 RKM)	31.31 Cr.
5	उदयपुर–हिम्मतनगर (209.66 RKM)	233.77 Cr.
6	सुरतगढ़–लालगढ़–फलौदी (331 RKM)	288.09 Cr.
7	हिसार–सूरतपुरा (64.60 RKM)	49.96 Cr.

8	हनुमानगढ़–श्रीगंगानगर–सरूपसर–सूरतगढ़ (सरूपसर–अनूपगढ़ खण्ड शामिल)(281 RKM)	228.87 Cr.
9	लोहारू–सीकर (122 RKM)	102.51 Cr.
10	दौसा–गंगापुर सिटी (93 RKM)	87.03 Cr.
11	रींगस–सीकर–चूरू (140.57 RKM)	96.31 Cr.
12	बीकानेर–मेड़ता रोड–जोधपुर एवं फुलेरा–मेड़ता रोड (424 RKM)	439.33 Cr.
13	मारवाड़ जं.–लूनी (71.71 RKM)	68.33 Cr.
14	फलौदी–जोधपुर–समदड़ी–भीलड़ी(फलौदी–जैसलमेर शामिल)(602.72 RKM)	776.44 Cr.
15	रतनगढ़–डेगाना (142.89 RKM)	111.55 Cr.
16	समदड़ी–बाड़मेर–मुनाबाव (250.29 RKM)	191.94 Cr.
17	थैयात हमीरा–सानू (पीपाड़ रोड–बिलाड़ा, मकराना–परबतसर सिटी तथा मेड़ता रोड–मेड़ता सिटी शामिल) (135.72 RKM)	122.15 Cr.

अन्य कार्य

1	जोधपुर कारखाना–75 डिब्बों से 100 डिब्बों तक प्रतिमाह आवधिक ओवर हाउलिंग क्षमता हेतु कारखाने का आधुनिकीकरण	54.8 Cr.
2	स्टेशनों पर लघु उन्नयन व सुधार कार्य	200 Cr.
3	ऊपरी पैदल पुलों और ऊँचे तल के प्लेटफॉर्मो का प्रावधान	400 Cr.
4	लिफ्ट और एस्केलेटर का प्रावधान	200 Cr.
5	जयपुर मण्डल में एकीकृत यात्री सूचना प्रणाली	5.8 Cr.
6	बांदीकुई–आरपीएफ प्रशिक्षण केन्द्र के लिए 120 बिस्तरों के कर्मचारी बैरक, 30 बिस्तरों के महिला बैरक और 20 बिस्तरों के अधिकारी बैरक का निर्माण	7.33 Cr.
7	दोहरी एकल लाइनों, डबल स्टैक कन्टेनर रैकों, ब्लॉक स्टेशनों के परिवर्तन और एक स्टेशन पर अतिरिक्त लूप सम्बन्धी नये कार्य	225 Cr.
8	❑ दोहरी एकल लाइन – रेवाड़ी–खाटूवास (27.73 कि.मी.) ❑ डबल स्टैक – भगत की कोठी–लूनी, समदड़ी–भीलड़ी ❑ हाल्ट से ब्लॉक स्टेशन – सुई (रेवाड़ी–हिसार खण्ड) ❑ अतिरिक्त लूप – चाकसू में (जयपुर–सवाईमाधोपुर खण्ड)	182.82 Cr. 16.97 Cr. 12.59 Cr. 7.59 Cr.
9	फुलेरा–मुनाबाव – समपार फाटकों पर चौकीदार की व्यवस्था (58 अदद)	24.66 Cr.
10	उत्तर पश्चिम रेलवे में ऊपरी/निचले सड़क पुलों का निर्माण	230 Cr.
11	हरीपुर–पालनुपर – प्रमुख व महत्वपूर्ण पत्थर की मेहराब वाले पुलों का गंटिंग से सुदृढ़ीकरण	8.22 Cr.

सर्वे

दोहरीकरण

1. 5 अदद बाईपास– बांदीकुई , जोधपुर, जयपुर, दौसा एवं हिसार (85 Km)
2. जोधपुर–फलौदी (136 Km)

नई लाइन

1. भादरा–आदमपुर वाया छानी बड़ी/बेर (40km)
2. सिरसा–लुधियाना वाया मानसा (125 Km)

ऊपरी सड़क पुलों के लिए स्वीकृत कार्य

1. रेवाड़ी–जयपुर – समपार संख्या 140 (राजगढ़ यार्ड) के बदले 2–लेन का ऊपरी सड़क पुल
2. भटिण्डा–सूरतगढ़ – समपार संख्या 70 (टी) के बदले 4–लेन का ऊपरी सड़क पुल
3. जोधपुर – ऊपरी सड़क पुल 71 (मोहनपुरा पुलिया) का लेन ऊपरी सड़क पुल से बदलाव

4. रेवाड़ी–जयपुर – समपार संख्या 61 के बदले 2–लेन का ऊपरी सड़क पुल
5. रेवाड़ी–हिसार – समपार संख्या 27 के बदले 2–लेन का ऊपरी सड़क पुल
6. रेवाड़ी–हिसार – समपार संख्या 88 के बदले 2–लेन का ऊपरी सड़क पुल
7. हिसार–भटिण्डा – समपार संख्या 96 के बदले 2–लेन का ऊपरी सड़क पुल
8. हिसार–भटिण्डा – समपार संख्या 114 के बदले 2–लेन का ऊपरी सड़क पुल
9. रोहतक–भटिण्डा – समपार संख्या 45 के बदले 2–लेन का ऊपरी सड़क पुल
10. रेवाड़ी–हिसार – समपार संख्या 52 के बदले 2–लेन का ऊपरी सड़क पुल
11. रेवाड़ी–भटिण्डा – समपार संख्या 144 के बदले 2–लेन का ऊपरी सड़क पुल

राजस्थान – 03 हरियाणा–08

अन्य कार्य

1. सीटीआर – मदार – मारवाड़ जं. खण्ड
2. स्थाईगति प्रतिबन्ध हटाना – 13 नम्बर
3. मौजूदा इलैक्ट्रॉनिक इण्टरलॉकिंग स्टेशनों पर दोहरी वीडीयू के साथ हॉट स्टैंड बाई का प्रावधान
4. ईबीआर (पार्टनरशिप) के तहत सौर ऊर्जा के कार्य पर अनुमानित निवेश
5. उदयपुर सिटी – बड़ी लाइन ए–श्रेणी दुर्घटना सहायता रेलगाड़ी
6. अजमेर मण्डल – कैरिज कारखाने में छत की चादरों, वैली गटर और डाउन टेक पाइप का बदलाव
7. जोधपुर – अवसंरचनात्मक सुविधाओं का उन्नयन
8. जोधपुर – कोच देखभाल केन्द्र में रूग्ण लाइन की लिफ्टिंग क्षमता में वृद्धि

REPRESENTATIONS

MCCI/GST/2017-2018/463 Dated 15.02.2018

Hon'ble Shri Arun Jaitely
Hon'ble Minister for Finance
Government of India,
New Delhi

Sub: Problem faced by Textile Industry due to non availability of refund of accumulated Input Tax Credit of GST inspite of inverted duty structure.

Respected Sir,

Mewar Chamber of Commerce & Industry is the Divisional Chamber of South Rajasthan representing the entire chain of textile industry, apart from the other industrial units of Bhilwara, Chittorgarh, Pratapgarh, Dungarpur, Banswara, Rajasmand & Udaipur. In textile industry fibre manufacturers like Reliance & Grasim, about all 25 spinning mills of the Districts, 430 weaving units and 20 process houses are associated with us.

The weaving industry of our area is mainly in MSME sector, produce mainly polyester viscose blended Suitings. Bhilwara is the largest manufacturing hub of polyester viscose suiting in the World, producing and processing about 85 crore meters of fabrics P.A. The Textile Fabrics produced at Bhilwara is also used in manufacturing of readymade Garments throughout the Country. Bhilwara also substantially contributes to textile exports, exporting goods valued more than Rs 3000 crore P.A.

We are indeed very thankful to the Government of India, Hon'ble Prime Minister, Finance Minister and the Textile Minister for the successful implementation of the Goods & Service Tax (GST). We are also thankful to the Hon'ble Finance Minister and GST Council Members for addressing many GST related issues of the textile industry. We are highly thankful for reduction of GST rate on job charges in textile industry from 18% to 5% and for reduction of GST rate on manmade fibre yarn from 18% to 12%.

But, still the textile industry is facing the problem of accumulated ITC at Textile Fabrics stage which is causing much loss to the entire textile industry and also affecting the production and exports.

The problem of accumulation of unused ITC is explained as under:-

In the textile industry, the GST on Synthetic yarn is 12% while the output on the fabric is 5%. In the process of the manufacture, there are several other inputs like Job weaving charges, Job processing charges, packing material charges, Stores and Spares and various services used for the manufacture of fabrics. The refund of accumulated credit is denied under notification no. 5/2017 Central Tax (Rate) Dated 28.06.2017 to the textile industry **even there is inverted duty structure as above.**

Due to this, there is too much accumulation of Input Tax Credit every month even after adjusting output GST liability on fabric. This is leading to accumulation of unutilized ITC every month which could not be refunded to the manufacturers as per **Notification No.5/2017 Central Tax (Rate) Dated 28.06.2017.** This accumulation of un-utilized ITC is creating blocking of Working Capital of large amount leading to huge financial loss to the industry and stalling the future expansion projects.

The Anomaly put on by the said **Notification No.5/2017 Central Tax (Rate) Dated 28.06.2017** should be removed and excess accumulation of ITC should be refunded to the manufacturer of the fabric as allowed to the other industries.

We are giving here under the summary of excess ITC generating every month at Bhilwara:-

Sr.	Particulars		Impact per meter on fabric
1.	1 Kg. of yarn = 3 meter fabric GST @12% on yarn is approx Rs.24/- per kg.	=	Rs. 8.00 per meter
2.	Weaving charges @ Rs.15/- per meter considering GST @5%	=	Rs. 0.75 per meter
3.	Processing charges @ Rs.20/- per meter considering GST of 5%	=	Rs. 1.00 per meter
4.	Inputs of Stores, Packing charges, Services etc.	=	Rs. 0.50 per meter
	Net input on fabric per meter	=	Rs.10.25 per meter

The net output payable is as under –

Considering average selling rate of fabrics @ Rs. 80/- per meter with GST rate of 5%. = Rs. 4.00 per meter, Net ITC surplus = Rs. 6.25 per meter.

Considering the average monthly production of Bhilwara district of 7.00 Crore meter per month, the monthly ITC surplus comes to Rs.43.75 crores per month only for Bhilwara industries. This excess ITC surplus is becoming idle funds and is not been utilized by the industries in any way and is creating huge loss to the industry. During last six months the industry had been burdened by Rs 262 crore on account of this unused accumulated ITC.

The export of textile fabric has been affected badly. As per the information available with us the monthly export of fabrics has declined to approx. Rs 6.00 to 7.00 crore per month from a level of Rs. 60 to 70 crore per month.

We would like to bring to your kind attention that the full refund of ITC is essential to improve the competitiveness of the Indian textile exports especially textile fabrics because the accumulated input taxes are not being refund in any form thus, eroding the competitiveness of the Indian goods in foreign markets. Our competitors in textiles especially China and Indonesia are way ahead in fabric production and countries like Bangladesh, Vietnam, Pakistan, etc are enhancing their fabric capacities so that they do not remain dependent on Indian fabrics. We need to focus on becoming a large exporter of TextileFabrics. Our competitive advantage in supplying Textile Fabricsed fabrics is very pronounced because of the abundant local availability of raw material, spinning, weaving and knitting production capacities.

We, therefore, humbly request your good self to kindly consider positively and allow the refund of accumulated input tax credit on the textile fabric on the grounds of greater employment potential, cost escalation in the domestic market and also better prospects of export of textile fabrics. We look forward to your kind support and cooperation.

With Best Regards

CS R.K.Jain
Hon'y Secretary General

Similar representations have been sent to the Secretary Revenue and the Rajasthan State Minister for Industries.

NOTIFICATIONS
RESERVE BANK OF INDIA

RBI/2017-18/129
DBR.No.BP.BC.100/21.04.048/2017- 18February 07, 2018

All banks and NBFCs regulated by the Reserve Bank of India

Madam / Dear Sir,

Relief for MSME Borrowers registered under Goods and Services Tax (GST)

Presently, banks and NBFCs in India generally classify a loan account as Non-Performing Asset (NPA) based on 90 day and 120 day delinquency norms, respectively. It has been represented to us that formalisation of business through registration under GST had adversely impacted the cash flows of the smaller entities during the transition phase with consequent difficulties in meeting their repayment obligations to banks and NBFCs. As a measure of support to these entities in their transition to a formalised business environment, it has been decided that the exposure of banks and NBFCs to a borrower classified as micro, small and medium enterprise under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, shall continue to be classified as a standard asset in the books of banks and NBFCs subject to the following conditions:

(i) The borrower is registered under the GST regime as on January 31, 2018. (ii) The aggregate exposure, including non-fund based facilities, of banks and NBFCs, to the borrower does not exceed 250 million as on January 31, 2018. (iii) The borrower's account was standard as on August 31, 2017. (iv) The amount from the borrower overdue as on September 1, 2017 and payments from the borrower due between September 1, 2017 and January 31, 2018 are paid not later than 180 days from their respective original due dates. (v) A provision of 5% shall be made by the banks/NBFCs against the exposures not classified as NPA in terms of this circular. The provision in respect of the account may be reversed as and when no amount is overdue beyond the 90/1201 day norm, as the case may be. (vi) The additional time is being provided for the purpose of asset classification only and not for income recognition, i.e., if the interest from the borrower is overdue for more than 90/1202 days, the same shall not be recognised on accrual basis.

Yours faithfully

(S. K. Kar)
Chief General Manager

Indian textile and apparel exports fall 13% to Rs 186 billion in January

The sharp decline in exports of cotton textiles by 16%, apparel by 14% and man-made textiles by 7% contributed to the performance

Export of textiles and apparel have been falling every months despite the government's efforts to give the segment a boost.Data compiled by the Confederation of Indian Textile Industry (CITI) showed textile and apparel export fell 13 per cent to Rs 186 billion in January, against Rs 215 billion in the corresponding month last year. Textile export slumped 13 per cent to Rs 97 billion from Rs 111 billion in the year-ago period; apparel export declined 14 per cent to Rs 89 billion.With the rupee appreciation and preferential treatment given to Least Developed Countries (LDCs) by importing nations, the government needs to ease refund of Integrated Goods and Services Tax (IGST) and on Return of State Levies (ROSL), says the trade. Also, to ensure importing countries treat exporters at par with their counterparts in LCDs."The sharp decline in exports of cotton textiles by 16 per cent, apparel by 14 per cent and man-made textiles by 7 per cent contributed to the performance. The share of textile and apparel export declined to 12 per cent in January against 14 per cent in January 2017," said Sanjay Jain, chairman, CITI. Textile and apparel export between April 2017 and January 2018, first 10 months of the financial year decline of 4 per cent, to Rs 1,871 billion from Rs 1,940 billion a year ago. However, import of yarn, fabric and made-ups rose 15 per cent to Rs 99 billion in from Rs 86 billion."Effective import duties after GST have come down sharply, making import cheaper for the domestic industry by 15-20 per cent," said Jain. The government had in the Union Budget announced a 19 per cent increase in a special package from Rs 60 billion earlier. While announcing the package in 2016, the government had linked this to employment generation and increase in export."The government needs to address core issues first, with immediate release of IGST which remained blocked since July 1, 2017. This is choking of working capital," said Ujwal Lahoti, chairman of the Cotton Textile Export Promotion Council and chairman of Lahoti Overseas."The industry needs immediate relief in the form of a minimum 2 per cent on the Merchandise Exporters from India Scheme on cotton yarn and a ROSL package for fabrics and cotton yarn, to retain competitiveness in the global market. Also, the government should immediately levy customs duty across the value chain to restrict import," added Jain.

(Source: Business Standard, February 20, 2018)

Commercial Tax Department

No.F.17(134)ACCT/GST/2018/3067

Date : 05.02.2018

GST Circular No. 02/2018

To,
All Joint Commissioner (Adm.),
Commercial Taxes Department,

Sub: - Status of E-Way Bill notifications in the State.

In exercise of the powers conferred by section 168 of the Rajasthan Goods and Services Tax Act, 2017 and for the purpose of ensuring uniformity, the following clarification is issued about status of E-Way Bill notifications in the State:

1. Following Rule 138 of Rajasthan Goods and Services Tax Rules, 2017 regarding E-Way bill was first notified in the State, in the second amendment of RGST Rules, 2017, vide notification no. F.12(46)FD/Tax/2017-Pt.-I-56 dated 30.06.2017

   138. E-way rule.- Till such time as an E-way bill system is developed and approved by the Council, the Government may, by notification, specify the documents that the person in charge of a conveyance carrying any consignment of goods shall carry while the goods are in movement or in transit storage.

2. Thereafter, revised rule 138 of RGST Rules, 2017 was notified, in the RGST (Sixth Amendment) Rules, 2017, vide notification no. F.12(46)FD/Tax/2017-Pt.-I-81 dated 30.08.2017. Rule 138A to 138D were also inserted by this nofication. Rule 138 was farther amended vide notification no. F.12(46)FD /Tax/2017-Pt.-IV-158 dated 23.01.2018. It was provided in the said notification dated 30.08.2017 that this rule shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint.

3. To make, taxpayers of the State, acquainted with the new system of E-Way bill, the State Government decided to implement the E-Way bill in the State for restricted purposes, by participating in the pilot programme. Accordingly notification no. F.12(46)FD/Tax/2017-Pt.-IV-145 dated 18.12.2017 was issued by the State Government to notify the procedure for E-Way bill. The requirement of E-way bill was notified for interstate transactions, for 33 commodities in the State. This notification was issued under rule 138 of RGST Rules, 2017 (mentioned in para no. 1 above).

4. The GST Council, in its 24th meeting, decided that nationwide e-Way Bill System for inter-State movement of goods shall be introduced on compulsory basis with effect from 1st February, 2018. Besides, States were allowed to choose any date before 1 June, 2018 for implementing national e-Way Bill System for intra-State movement of goods. Notification no. F.12(46)FD/Tax/2017-Pt.-III-154 dated 29.12.2017 was issued by the State Government to appoint the date 01.02.2018 as the date from which the provisions of rule 138 (mentioned in para 2 above) shall come into force. Besides, a Notification No. F.I 7(1 31) ACCT/ GST/ 20 *111* 3029 dated 29.01.2018 was issued by undersigned under clause (d) of sub-rule (14) of rule 138 of RGST Rules, 2017 to dispense with the requirement of E-Way bill for intra State movement of goods in the State.

5. In view of difficulties faced by the trade in generating e-way bill due to initial technological glitches, it was decided by the GST Council to postpone the implementation of E-Way bill. Accordingly, Notification No. F.12(46)FD/Tax/2017-Pt.-III-177 dated 03.02.2018 was issued by the State Government to rescind the Notification no. F.12(46)FD/Tax/2017-Pt.-III-154 dated 29.12.2017.

6. Thus, in view of above mentioned development, the rule 138 of RGST Rules, 2017 regarding E-Way bill notified on 30.06.2017 (mentioned in para 1) is effective in the State. Consequently, the notification no. F.12(46)FD/Tax/2017-Pt.-IV-145 dated 18.12.2017 for requirement of E-Way bill for restricted list of 33 commodities (mentioned in para 3 above) is also effective.

7. Therefore, it is clarified that E-Way bill shall be required to carry with interstate movement of 33 commodities in the State, according to notification no, F.12(46)FD/Tax/2017-Pt.-IV-145 dated 18.12.2017.

8. You are directed to make aware, all officers and stakeholders of your zone, about this.

(Alok Gupta)
Commissioner
State Tax, Rajasthan, Jaipur.

Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade
Udyog Bhawan, New Delhi

Trade Notice No.24/2018
Dated: 21st February, 2018

To,

1. All Exporters/Members of Trade
2. All Regional Authorities of the Directorate General of Foreign Trade

Subject: Information on details of shipping bills in cases where exporters who have inadvertently ticked "N' (for No) instead of "V (for Yes) in "Reward" column of shipping bills while filing the EDI shipping bills, but have declared the intent in the affirmative (in wordings) in the shipping bill

Representations have been received in this Directorate seeking extension of benefit of Merchandise Exports from India Scheme (MEIS) to such cases/ shipping bills where exporters have inadvertently ticked "N' (for No) instead of "Y' (for Yes) in the "Reward" column of shipping bills while filing the EDI shipping bills, but have declared the intent in the affirmative (in wordings) on the shipping bills. In order to gauge the problem and the financial implications, following information is being asked for considering the matter.

2. It is requested that the **exporters** who have shipping bills which got ticked "N' (for No) instead of "Y' (for Yes) in "Reward" column of shipping bills while filing the EDI shipping bills, but have declared the intent in the affirmative (in wordings) on the shipping bills may send the details in excel format as in the table below by 31.03.2018 at the mail address: **lokesh.hd@nic.in.** While sending the details it may please be noted that the shipping bills which had a Let Export date from **01.10.2015 to 31.03.2016** only should be included. Also, shipping bills in which declaration of intent has been allowed by customs authorities later, by manual amendment or otherwise should be excluded from the table below.

Name of the Firm	IEC	Shipping Bill Number	Let Export date	Port of Export	FOB value as per shipping bill

3. This issues with the approval of the competent authority

(Lokesh H D)
Joint Director General of Foreign Trade

(Issued from F. No. 01/61/180/152/AM16/PC-3)

Circular No. 05/2018-Customs

F.No.450/119/2017-Cus.IV
Government of India Ministry of Finance Department of Revenue
(Central Board of Excise & Customs)

Room No. 227B, North Block, New Delhi.
Dated the 23rd February, 2018

To

All Principal Chief Commissioners/Chief Commissioners of Customs/Customs (Preventive)
All Principal Chief Commissioners/Chief Commissioners of Central Tax and Central Excise All Principal Commissioners/Commissioners of Customs/Customs (Preventive)
All Principal Commissioners/Commissioners of Central Tax and Central Excise

Subject: Refund of IGST on Export– Invoice mis-match Cases –Alternative Mechanism with Officer Interface - reg.

Madam/ Sir,

1. Numerous representations have been received from exporters / trade associations seeking resolution of various problems which have hindered the sanction of refund of IGST paid on exports. CBEC has issued Circular No 42 / 2017 dated 07-11-2017 which highlighted the common errors that hindered the sanction and disbursal of refund of IGST paid against exports. Subsequent to the said Circular, outreach programmes have been undertaken and advisories, advertisements and FAQs

have been issued to create awareness amongst the exporter community regarding the common mistakes and errors which hold up the refund process. Information is being made available to exporters on a real-time basis with regard to the errors status on ICEGATE website for registered users. Details of refund sanctioned is being sent through SMS on registered mobile phones. A positive gain of these efforts has been that errors are steadily decreasing, which has enabled CBEC to sanction more than Rs. 4000 crores of refund, so far. The matter is being closely coordinated with GSTN, which has also been tasked to provide feedback to the exporter about any failed validations to enable corrective action on their part.

2. The analysis of data post October 2017 indicates that while the quantum of errors is decreasing significantly, exporters are still committing mistakes in the information furnished to (i) GSTN while filing GSTR 1 / Table 6A or GSTR 3B and (ii) Customs EDI system while filing Shipping Bill. The pre-requisites and precautions that need to be taken for successful processing of refund claims are as follows:

(i) Exporters have to file GSTR 3B with taxable value for export and IGST paid against exports indicated in appropriate fields.

(ii) Exporters have to file GSTR 1 or Table 6A for the exports made with correct details such as Invoice number, Taxable value, IGST paid, Shipping Bill number, Shipping Date and Port Code. Large number of exporters have filed incomplete GSTR 1 or Table 6A where shipping bill number or date or port code are missing. These records are not processed / forwarded to Customs by GSTN. E-mails have been sent to exporters asking them to correct their records through amendment process of GSTR 1 i.e through Table 9 of GSTR 1 of the following month.

(iii) The aggregate IGST paid amount claimed in GSTR 1 or Table 6A should not be greater than the IGST paid amount indicated in Table 3.1(b) of GSTR 3B of the corresponding month. This check is put in the GSTN system to ensure that the refund claimed is not more than the IGST paid by the exporter. Analysis of GSTN return data indicates that this condition has failed in a large number of cases, consequently, the information filed by exporters is not forwarded to Customs by GSTN. In these cases also, e-mails have been sent to exporters asking them to correct their records through amendment process of GSTR 1 i.e. through Table 9 of GSTR 1 of the following month.

(iv) The analysis of data further indicates that only about 32% records of GSTR 1 / Table 6A have been transmitted from GSTN to Customs. In other words, a majority of refund claims are held up either due to insufficient information or lack of due diligence on the part of exporter while filing GST returns.

(v) Exporters may be advised to use Table 9 of GSTR 1 of the following month to amend the records of previous month so as to take care of issues mentioned in paras (ii) and above. In cases where exporters have already filed information through Table 9 of GSTR 1, the said information is being validated by GSTN. The validated information is expected to be forwarded by GSTN to Customs by mid-March 2018 for further processing.

(vi) The records (i.e GSTR 1 or Table 6A) which have been forwarded by GSTN to Customs after validations mentioned at (ii) and (iii) above are processed by the Customs EDI system. In cases where the information forwarded by GSTN tallies with the information furnished in Shipping bills, refunds are automatically sanctioned by Customs EDI system. As mentioned earlier, till date about Rs. 4000 Crore has been sanctioned as refund of IGST paid.

(vii) However, there are many instances where refunds are held up on Customs EDI system due to certain errors which have been clearly brought out in the Circular No 42/2017- Customs. The major errors that are committed by the exporters are (a) incorrect Shipping bill numbers in GSTR 1 (b) GSTIN declared in the shipping bill does not match with the GSTIN used to file the corresponding GST Returns (c) the most common error hampering refund is due to mismatch of invoice number, taxable value and IGST paid in the Shipping Bill vis-à-vis the same details mentioned in GSTR 1 / Table 6A which is the most common error hampering refund. Another reason attributable to carriers is the non-filing or incorrect filing of electronic Export General Manifest (EGM).

(viii) Exporters may be advised to track the refund status and errors pertaining to their shipping bills on the ICEGATE website. The registration process demo, advisory and the needed IT configurations are hosted on the ICEGATE website under the following links.

Registration Demo link:

https://www.icegate.gov.in/Download/New_Registration_Demo_Updated_APPROV ED.pdf

Registration Advisory link:

https://www.icegate.gov.in/Download/v1.2_Advisory_Registration_APPROVED.pdf

Java set up for the DSC upload: https://www.icegate.gov.in/Download/JavaSetupForDSC.pdf

Once the registration is obtained, the exporters can check the status of IGST refunds associated with their exports and the corresponding error message, if any. This enquiry takes GSTIN Number, Port-code and Return Month as inputs and based on the input, Shipping Bill Number, Shipping Bill Date, Return Month, Invoice Number, Invoice Date, Response Code and Processed date is displayed as a result of the enquiry. The records displayed are those that have been received from GSTN and processed by the Customs Automated System.

(ix) The analysis of Customs data indicates that while most of the errors mentioned in para (vi) above are decreasing, the error mentioned at (c) in para (vii) is most prevalent. The error mentioned at (c) in para (vii) is about invoice mis-match. This error is because of the fact that exporters are using two sets of invoices, one invoice for GST and another invoice for Customs which is resulting in mismatch of invoice numbers, including mis-match in taxable value and IGST paid in those invoices. It is once again reiterated that exporters may be advised to take due care to ensure that the details of invoice such as invoice number, taxable value and IGST paid mentioned in GSTR 1 and shipping bill match with each other and the invoice issued is compliant with the GST Invoice Rules, 2017.

3. Recognizing that invoice mis-match has been the major reason why the refunds have been held, it has been decided to provide an alternative mechanism to give exporters an opportunity to rectify such errors committed in the initial stages. This envisages an officer interface on the Customs EDI System through which a Customs officer can verify the information furnished in GSTN and Customs EDI system and sanction refund in those cases where invoice details provided in GSTR 1/ Table 6A are correct though the said details provided in the shipping bill were at variance. It is pertinent to note that refund claims would be processed in only those cases where the error code is mentioned as SB005. Further, it may also be noted that all refunds shall continue to be credited electronically through the PFMS system, and no manual payment / cheque should be issued. The procedure for processing of IGST refund claims in these cases would be as follows:

a. The exporter shall provide a concordance table indicating mapping between GST invoices and corresponding Shipping Bill invoices, as annexed in support of the refund claim to the designated officer in the Custom house. A scanned copy of concordance table may also be sent to dedicated email address of Customs location from where exports took place.

b. Customs EDI system shall display list of all the invoices pertaining to such SBs vis-a-vis the invoice data received from GSTN. The officer shall verify the following:

   i. Duly certified concordance table submitted by the exporter as per Annexure A indicating mapping between GST invoice and corresponding Shipping Bill invoice;

   ii. IGST taxable value and IGST amount declared in the Shipping Bill.

   iii. IGST details declared in the Shipping Bill should be in proportion to the goods actually exported.

c. After determining the correct refund amount, the officer need to enter the same into the Customs EDI system. The officer has the facility to edit the IGST paid details in case of short shipment or incorrect calculation by the exporter. The officer shall complete the verification by accepting or rejecting or amending the same.

d. Once all the invoices pertaining to Shipping Bill are verified by the officer, the system shall calculate the scroll amount against a shipping bill, after subtracting the drawback amount for each invoice where applicable, and display the refund amount to the officer for approval.

e. Invoices in any particular GSTR 1 where refund is sanctioned shall be disabled in the system to prevent refund against same invoice in future.

f. Once refund is sanctioned by the officer, the shipping bills would be available for generating scroll as per normal process.

4. In order to ensure smooth operation of the prescribed procedure, Custom Houses may open a dedicated cell and e-mail address for the purpose of IGST refund and give wide publicity.

5. This procedure is available only for Shipping Bills filed till 31st December 2017. All Chief Commissioners are requested to issue Public Notice and Standing Orders, in this regard. Difficulties, if any, may be brought to the notice of the Board. It is again emphasized that Board is taking all possible steps to alleviate the difficulties associated with IGST refunds. However, ultimately it is the responsibility of the exporters to ensure careful and correct filing of returns for hassle free sanction of IGST refunds.

6. Hindi version will follow.

Yours faithfully,

Encl: As above.

Director (Customs)

Annexure A

The Concordance between GST Invoice and Export Invoice declared in Shipping Bill is as follows:
Name of the Exporter: -
GSTIN:-

Port Code :	SB No. :	SB Date :

Concordance Table

Sr. No.	GST Invoice No. / Date	Taxable Value as per GST	IGST Amount as per GST	Sr. No.	Corresponding SB Invoice No. /Date	Taxable Value as per SB	IGST Amount as per declared per SB	Final (corrected) IGST Amount as per actual exports*
1				1				
2								
3								
4				2				
5				3				

* after reducing amount pertaining to Short shipment etc.

I declare that all the details declared here are true to my knowledge and all items contained in the invoices have been exported out of India.

I further declare that all the GST invoices pertaining to this Shipping Bill have been filed as part of GSTR1/ 6A in Common portal and is available for verification and refund.

Place: Date :

Authorised Signatory

To be published in the Gazette of India Extraordinary Part-If, Section - 3, Sub-Section (ii)

Government of lndia
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade

Notification No.49/2015-2020
New Delhi, Dated 5 February, 2018

Subject: Updation in Para 4 (A) of General Notes Regarding Import Policy of ITC (HS), 2017, Schedule - I (Import Policy).

S.O. (E): In exercise of powers conferred by Section 3 of FT (D&R) Act, 1992, read with paragraph 1.02 and 2.01 of the Foreign Trade Policy, 2015-2020, as amended from time to time, the Central Government hereby updates Para 4 *(A)* of General Notes Regarding Import Policy of ITC (HS), 2017, Schedule - I (Import Policy), as under:

Existing Para 4 (A) of General Notes Regarding Import Policy of ITC (HS), 2017, Schedule - I (Import Policy).	Revised Para 4 (A) of General Notes Regarding Import Policy of ITC (HS), 2017, Schedule - I (Import Policy).
(A) Shelf Life:	(A) Shelf Life:
Import of all such edible /food products, domestic sale and manufacture of which are governed by Food Safety & Standards Act, 2006 and rules there under shall also be subject to the condition that, at the time of importation, the products are having a valid shelf life of not less than 60% of its original shelf life. Shelf life of the product is to be	Import of all such edible /food products, domestic sale and manufacture of which are governed by Food Safety & Standards (Import) Regulation, 2017 shall also be subject to the condition that, at the time of importation, the products are having a valid shelf life of not less than 60% of its original shelf life or three months before expiry, whichever IS less at

calculated, based on the declaration given on the label of the product, regarding its date of manufacture and the due date for expiry. However, this condition of 60% shelf life stipulated above is not applicable to re-import for export purpose under para 2.49 of Foreign Trade Policy. Re-import for export purpose will be subject to following conditions: i. Re-imported edible/food products to meet stipulated phytosanitary conditions; ii. Importers to give an undertaking to Customs that re-imported the goods are not sold in the domestic market; iii. Importers to submit a certificate to Customs that such goods have been re-exported	the time of import. Shelf life of the product is to be calculated, based on the declaration given on the label of the product, regarding its date of manufacture and the due date for expiry. However, this condition of 60% shelf life or three months before expiry stipulated above is not applicable to re-import for export purpose under para 2.46 of Foreign Trade Policy (2015-20). Re-import for export purpose will be subject to following conditions: i. Re-imported edible/food products to meet stipulated phytosanitary conditions; ii. Importers to give an undertaking to Customs that re-imported goods will not be sold in the domestic market; iii. On re-export mporters to submit a certificate to such effect to the Customs

2. **Effect of this Notification:** Consequent to modification in Section 3(2) of the Food Safety & Standards (Import) Regulation, 2017, Para 4 (A) of General Notes Regarding Import Policy of ITC (HS), 2017, Schedule - I (Import Policy) stands updated.

(Alok V Chaturvedi)

[Issued from F.No.01/89/180/87-02/PC-2(A)] Director General of Foreign Trade

To be published in the Gazette of India Extraordinary Part-If, Section - 3, Sub-Section (ii)

Government of India

Ministry of Commerce & Industry

Department of Commerce

Directorate General of Foreign Trade

Notification No.51/2015-2020

New Delhi, Dated 20 February, 2018

Subject: Amendment in the Foreign Trade (Exemption from application of Rules in certain cases) Amendment Order, 2017

S.O. (E): In exercise of the powers conferred by section 3, read with section 4, of the Foreign Trade (Development and Regulation) Act, 1992, as amended from time to time, the Central Government hereby deletes the following Rule provisions of the Foreign Trade (Exemption from application of Rules in certain cases) Amendment Order, 2017 as under:

Section	Existing Provision	Revised position
3(1)	(a) by the Central Government or agencies, undertakings owned and controlled by the Central Government for Defence purposes; (b) by the Central Government or any State Government, Statutory Corporation, public body or Government Undertaking run as a joint Stock Company; (c) by the Central Government, any State Government or any statutory corporation or public body or Government Undertaking run as a joint stock Company, orders in respect of which are placed through the Directorate General Supplies and Disposals, New Delhi	(a) by the Central Government or agencies, undertakings owned and controlled by the Central Government for Defence and Security purposes (b) by the State Government for Security purposes (c) Deleted.

2. Effect of this Notification : Modification in section 3(1) (a)(b) and deletion of Section 3(1)(c) of the Foreign Trade (Exemption from application of Rules in certain cases) Amendment Order, 2017 is notified.

(Alok V Chaturvedi)
Director General of Foreign Trade
Email : dgft[at]nic[dot]in

[Issued from F.No.01/93/180/16/AM-16/PC-2(B)]

To be published in the Gazette of India Extraordinary Part-If, Section - 3, Sub-Section (ii)

Government of lndia
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade

Notification No.48/2015-2020
New Delhi, Dated 2 February, 2018

Subject:- Export Policy of Onions- Removal of Minimum Export Price (MEP).

S.O. (E) In exercise of powers conferred by Section 3 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992), as amended, read with Para 1.02 of the Foreign Trade Policy, 2015-20, the Central Government hereby amends, with immediate effect, Para 2 of Notification No. 39 / 2015-20 dated 23.11.2017 read with No. 43/2015-2020 dated 29.12.2017 and No. 45/20 1 5-2020 dated 1 9.0 1 .20 1 8 relating to export of onions.

2. The amended Para 2 of Notification No. 39 / 2015-20 dated 23.1 1.2017 will now read as :

"Export of onions for the item description at Serial Number 51 & 52 of Chapter 7 of Schedule 2 of ITC (HS) Classification of Export & Import Items shall be permitted without any Minimum Export Price (MEP) till further orders".

3. Effect of this Notification:

Requirement of Minimum Export Price (MEP) on export of onions as described above stands removed till further orders and all varieties of onions can now be exported without any MEP.

(Alok V Chaturvedi)
Director General of Foreign Trade
Email : dgft[at]nic[dot]in

(Issued from File No. 01/91/180/922/AM08/PC-III/Export Cell)

To be published in the Gazette of India Extraordinary Part-If, Section - 3, Sub-Section (ii)

Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade

Notification No.50/2015-2020
New Delhi, Dated 5 February, 2018

Subject: Amendment in import policy condition of pepper classified under Chapter 09 of ITC (HS), 2017-Schedule-1 (Import Policy).

S.O. (E): In exercise of powers conferred by Section 3 of FT (D&R) Act, 1992, read with paragraph 1.02 and 2.01 of the Foreign Trade Policy, 2015-2020, as amended from time to time, the Central Government hereby in partial modification of the policy, amends the Notification No.42 /2015-20 dated 6* December, 2017 imposing policy condition of Minimum Import Price (MIP) of Rs 500 on GIF basis per kg on imports of "pepper" classified under EXIM Code 090411 and 0904 1200 under Chapter 09 of ITC (HS), 2017 - Schedule - 1 (Import Policy) as under:

Exim Code	Item Description	Policy	Existing Policy Condition	Revised Policy Condition
0904 11 20	Light black pepper	Free	Provided CIF value is Rs.500/- and above per Kilogram	Provided CIF value is Rs.500/- and above per Kilogram. However, imports under Advance Authorisation Scheme are exempted from :he MIP condition when import is for extraction of oleoresin, for re-export, by the manufacturer exporters only, subject to the following condition: a. Light black pepper berries shall have a minimum piperine content of 6% for import into India under AAS for oleoresin. b. The samples shall be drawn by Customs and tested at Spices Board's Quality Evaluation Labs for piperine content as per the ISO 5564 method. c. The yield assessment for oleoresin for AAS shall be done as per the ISO 1108 method at the Quality Evaluation Lab of Spices Board. d. The manufacturer exporters, who import pepper under AAS, for oleoresin purpose shall submit the details of import of pepper viz. quantity of pepper imported, quantity of oleoresin produced, quantity of oleoresin re exported, balance stock available as well as the details of usage/disposal of spent material on a monthly basis to the Spices Board.

3. Effect of this Notification: Import policy of Light black pepper classified under EX1M Code 0904 11 20 under Advance Authorisation Scheme is laid down, in partial modification of the Notification No. 42/2015-20 dated 6'" December, 2017.

(Alok V Chaturvedi)
Director General of Foreign Trade
Email : dgft[at]nic[dot]in

[Issued from File No. 01/53/162/1109/AM-07/F.2/ILS/PC-2(B)]

ARTICLES

Burdensome registration requirement under GST law be done away with

By Rajat Dosi

1. **THIS** write-up attempts to highlight the onerous registration requirement cast under the GST law in certain situations, where prudence and pragmatism will dictate that no registration should be insisted. Such situations beg the immediate attention of the GST Council's for a suitable amendment in the existing GST law(s).
2. Section 22 of the CGST Act details the registration requirement under the GST law. It *inter alia* exempts assessee(s) from registration requirement when their aggregate turnover is less than INR 20,00,000/- (or INR 10,00,000/- for special category states). Explanation to this provision defines 'aggregate turnover', to mean all supplies made by a taxable person.
3. To this effect, one can also refer to the definition of 'turnover in State', in section 2(112) of the CGST Act. It has been defined to mean all types of supplies such as *inter alia* taxable supplies, exempt supplies and zero-rated supplies. Section 2(47) of the CGST Act, in this regard, includes non-taxable supply within the four corners of 'exempt supply'.
4. Thus, in essence all persons whose aggregate turnover including taxable supplies, exempt supplies and non-taxable supplies, is more than INR 20,00,000/- or INR 10,00,000/-, as the case may be, are required to take registration under the GST law. Once registration obligation has been cast, all rigors of GST law such as return filing, generation of e-way bills (under reverse charge), payment under reverse charge on supplies from an un-registered person (now deferred, but when the same was applicable), etc. will apply.
5. The above proposition of law has been a real nightmare for several trade players. It has cast registration requirement in

such situations where it is neither prudent nor reasonable. Below, I have highlighted few such instances as illustrations to substantiate this point.

Sale of used / old car by a unit supplying exempted goods / services

6. There are instances where certain companies / assessee(s) are engaged in the supply of exempted goods or services. Several such companies have old and used cars which they intend to sell. Such sale transaction, being a transaction of sale in the course and furtherance of business by the company, will be subject to payment of applicable GST under the GST law (Section 7 of the CGST Act).
7. In the above situation, many a times, the sale consideration of the car(s) in a given year individually is not more than the threshold limit of INR 20,00,000/- or INR 10,00,000/- (Section 22 of the CGST Act). However, for computing this threshold limit, the assessee will have to include not just the sale consideration of cars but also the value of exempted goods / services provided by them. Inclusion of this figure will make most of such assessee(s) liable for registration under the GST law. Thereby, casting the obligation of various unintended compliances on these assessee(s), which in my opinion should not be there. Since individually their taxable supply portion is less than the threshold limit, the registration requirement should not be casted on them.
8. Other than the above situation, it may also include a situation wherein a unit supplying exempted goods or services is providing food to its employees through it's canteen and charging certain consideration from them. Herein also the said unit will be required to take GST registration.

Hospital providing food to persons other than in-patients

9. Vide recent **Circular No. 32/2018-CGST** dated 12.02.2018, it has been clarified that the following services provided by hospitals are exempt, which constitutes the majority of turnover of any given hospital in India:
   a. Health related services provided to its patients; and
   b. Food provided to its patients.
10. This circular, however, clarifies that when food is offered by the canteen run, by the hospital, to families of in-patients or other visitors to the in-patients, it's staff or anyone other than the in-patients, the same will be taxable and subject to payment of applicable GST. For many hospitals, this figure individually may be less than the above threshold limit of registration under the GST law. However, when combined with the exempted supplies made by the hospital, the aggregate turnover will certainly be more than the said threshold limit of registration, requiring the hospital to take registration under the GST law and comply with its various requirements / obligations casted therein.
11. Many of the hospitals in India are unaware of the above rigors / application of law and have not taken registrations under the GST regime, despite the fact that they are providing food through it's canteen to persons other than the in-patients.

Unit making exempted supplies, but availing services liable for payment under reverse charge mechanism

12. Units making exempted supplies, and availing services on which GST is required to be paid under the reverse charge mechanism, are also mandated by the GST law to take registration, which again can be avoided in my opinion. Here one may argue that this requirement was casted even under the erstwhile service tax regime and therefore there should not be any issue in carrying forward the same requirement under the new GST regime. To this, I would differ on the following counts:
   a. Under the erstwhile service tax law, such registrants were required to file quarterly one service tax return. Registration under the GST law will require them to file three monthly returns and one yearly return. Thus, in total require them to file 37 returns in a year, in place of just 4 returns under the erstwhile regime, thereby increasing the overall compliances of the unit concerned;
   b. Once registered under the GST regime, the said registrants will have to go through and follows the rigors of reverse charge mechanism, when supplies are taken from an un-registered person, both in terms of payment of applicable GST and generation of e-way bill (as and when both are implemented). This was not applicable under the service tax regime.
13. To sum up, a petty transaction (which is taxable) by an otherwise exempted unit or reverse charge liability on such units, will require such units to take registration under the GST law and follow all its necessities. This application of section 22 of the **CGST Act**, in my opinion, is not prudent and was also never intended by the lawmakers. Thus, this provision warrants appropriate changes to avoid the above onerous application of registration requirement under the GST law. Such change will also reduce the much-needed load on the GSTN portal, allowing a smooth and seamless use of portal to other assesses.

New Foreign Trade Policy - baneful provisions

By Rajat Dosi

POST Mid Term Review of the Foreign Trade Policy (FTP), the new and updated Policy has been released and implemented. Although majority of the changes are beneficial to the trade and industry, there are certain areas that have proved to be a bane. This piece highlights and analyses such changes that are apparentlyadverse to the trade and industry.

No AIR of duty drawback in case of deemed exports:

Para 7.06 of the erstwhile FTP (before the mid-term review) provided that in case of deemed exports, the supplier / recipient has the following benefit:

1. Claim All Industry Rate (AIR) of duty drawback (rates specified in Column A), in cases wherein the benefit of CENVAT credit has not been availed in respect of input and input services: or

2. Claim brand rate of duty drawback (refund of actual BCD suffered on inputs) wherein the benefit of CENVAT credit has been availed on input and input services.

The process of claiming AIR was fairly simple as compared to the process of getting brand rate of duty drawbackfixed which was a time consuming and arduous task.Given this, majority in the trade and industry were availing AIR of duty drawback by not claiming benefit of CENVAT credit (or reversing the same, for claiming this benefit).

In the new FTP (post mid-term review), in para 7.06, the benefit of duty drawback has been limited to BCD suffered on inputs. The new FTP has removed the option to apply for AIR of duty drawback. One will have to apply for brand rate of duty drawback fixation in all cases to get this benefit. This will be a great menace to the trade and industry, especially considering the fact that under the customs law the AIR has been revised on implementation of the GST regime and the revised rates are limited to compensate just for the BCD portion.

Therefore, the ideal approach would have been to extend the benefit of revised AIR under the new FTP for deemed exports supplies. Failing this, limited option of getting brand rate of duty drawback in case of deemed export supplies is proving to be a non-existent benefit to the trade and industry, and is likely to be avoided by many.

Increased Complications for EOUs

At the time of implementation of the GST regime, certain changes were made in respect of DTA sales by an EOU. DTA sales by an EOU were made subject to reversal (or payment) of BCD benefit (or exemption) availed at the input stage by the EOU, which were utilized in the manufacture of goods cleared in DTA. This mechanism has been continued under the new FTP.

As if this complicated task of identifying the amount of BCD to be paid on DTA sales was not enough that in the new FTP certain provisions have been incorporated which further complicates the working of EOUs in the country. Para 6.08(a)(vi) of the new FTP provides that in case of DTA sales by an EOU, all deemed exports benefits availed by an EOU or supplier, in respect of inputs utilized in the manufacture of goods cleared in DTA, are to be surrendered. This provision was not there in the erstwhile FTP. This provision may seem to be quite logical at the first instance, however only when one starts calculating the amount to be paid / reversed under this provision, the complications arise.

Chapter 7 of the FTP provides for the following deemed exports benefits on supplies to be made to an EOU:

1. Brand Rate of Duty Drawback – the supplier / EOU can avail brand rate of duty drawback, of BCD portion suffered at the input stage by the supplier; or

2. Advance authorization scheme – the supplier can import inputs under the advance authorization scheme, without payment of applicable BCD, required for manufacture of goods to be supplied to an EOU;

In the context of Para 6.08(a)(vi) of the new FTP, discussed above, identifying the benefit of brand rate of duty drawback availed on supplies made to an EOU is straight forward and can be calculated (even though this task is also very difficult as mentioned above). However, the real problem arises when the supplier has availed deemed export benefit of **the 'advance authorization scheme'** . Ascertaining the amount that is to be reversed as deemed exports benefit by an EOU in this situation will be a real challenge. It will require an EOU to ascertain the amount of BCD exemption availed by his supplier on inputs used in manufacture of items supplied by him, which the EOU has further utilized in manufacture of items cleared in DTA.

The above provision is likely to give a number of EOU nightmares because several EOUs in Indiaprocure majority of their inputs from within India and many such suppliers avail the benefit of the advance authorization scheme. Further, getting the details / amount of BCD exemption availed by such a supplier / advance authorization holder, in respect of items supplied to the EOU, will also prove to be another challenge.

The above issues again highlight the ever-growing demand of the trade and industry that tax law should be simple. All possible efforts should be made towards making them less complicated and workable.

(The author is Partner, RSA Legal Solutions and the views expressed are strictly personal.)

Pre-import condition in advance authorization - Cure is worse than disease

By S C Jain

ON introduction of GST law with effect from 01-07-2017 various customs notifications pertaining to the advance authorization scheme were amended in a manner so as there is no exemption from IGST to the goods imported into India against advance authorization (for short AA).

2. The above step of charging the IGST on inputs against AA resulted in working capital blockage of the exporters inasmuch as they were under obligation to pay the IGST on the inputs imported under AA. Of course, as per the GST provisions such exporters were eligible to take the credit of the IGST paid on the inputs and subsequently claim the refund thereof in terms of Section 16 of the IGST Act. Since it was a long process and it was not so easy to get the refund from the department hence there was a lot of hue and cry from the exporters' community. Their grievances were genuine as they could not afford to block the huge amount by way of payment of IGST as it would not only disturb their financial flow but also it will result in more cost and would make the exports unviable in the international market.

3. Considering the grievances of the exporters, the Central Government amended various notifications related to the advance authorization scheme vide **Notification No. 79/2017-Cus** dated 13-10-2017. By this notification the goods imported against an advance authorization was exempted from the IGST subject to the conditions that the export obligation would be fulfilled by making **physical exports** alone. Conversely, if a person has imported the goods by claiming the exemption from IGST under the advance authorization then he cannot fulfil his export obligation by way of deemed exports i.e. by supplying the goods to anther advance authorization holder, EPCG holder or to an EOU etc. A further condition has been added that in case the person intends to avail the exemption from IGST under the advance authorization then such import will be subject to the condition of **pre-import** .

4. In other words, the **option of replenishment** will not be available to such person. It is not out of place to mention that under the advance authorization scheme a person can import the inputs first and make the export of resultant products later on or alternatively he can export the goods and then import the inputs as replenishment of the inputs used in the manufacture of the export products. In the amended law the benefit of replenishment would not be available to such persons who intend to claim the exemption from IGST.

5. However, the said amendment does not mean that a person has to avail the exemption from IGST in all cases even if he intends to fulfil the export obligation by making the physical exports. In other words, if a person chooses to make the physical exports of the goods first and then import the inputs as replenishment then he can do so but in the situation exemption from IGST will not be available to him. Likewise, if a person wants to have the flexibility in his operations he can choose to import the inputs at the beginning on payment of IGST and take the credit thereof as per the provisions of the GST law. In such situations, such person would have the flexibility to fulfil the export obligation by doing the physical exports or by deemed exports or partly by making physical exports and deemed exports. There does not appear to be any ambiguity in the **Notification No. 79/2017-Cus** dated 13-10-2017 amending the various advance authorization notifications unless the same is interpreted differently by the customs formations at the various ports.

6. Simultaneously, DGFT has issued a **Notification No. 33/2015-2020** dated 13.10.2017 whereby it was provided that materials imported under the advance authorization would be exempted from IGST and the same would be subject to pre-import condition. It is further provided that in such cases the export obligation has to be fulfilled by making the 'physical exports'. The relevant paragraph of the notification issued by the DGFT is an under:

"4.14: Details of Duties exempted

Imports under Advance Authorisation are exempted from payment of Basic Customs Duty, Additional Customs Duty, Education Cess, Anti-dumping Duty, Countervailing Duty, Safeguard Duty, Transition Product Specif i c Safeguard Duty, wherever applicable . Import against supplies covered under paragraph 7 . 02 (c), (d) and (g) of FTP will not be exempted from payment of applicable Anti-dumping Duty, Countervailing Duty, Safeguard Duty and Transition Product Specific Safeguard Duty, if any. However, imports under Advance Authorization for ***physical exports*** *are also exempt from whole of the integrated tax and Compensation Cess leviable under sub-section (7) and sub-section (9) respect i vely, of section 3 of the Customs Tariff Act, 1975 (51 of 1975), as may be provided in the notification issued by Department of Revenue, and such imports shall be subject to* ***pre-import condition*** *."*

7. From the above paragraph it appears that in case a person wants to take the AA and fulfil the EO by **deemed exports** then he has the flexibility of replenishment but will not get the exemption from IGST on inputs. But imports for physical exports are necessarily would be exempted from IGST and would also be subject to pre-import condition. This is totally ridiculous as it was never the intention of the exporting community.

8. The above paragraph 4.14 of the Policy is being interpreted by the DGFT offices throughout the country that all advance

authorizationsfor physical exports will be issued subject to pre-import condition. The same wordings have been kept in the mid-term review Policy by the DGFT announced on 5-12-2017. If the interpretationas being given by the Zonal / regional offices of the DGFT is accepted then it would mean that now a person cannot exercise the option of replenishment of the inputs used in the export goods. In other words, he cannot make the exports first and import the inputs later on as replenishment of the inputs used because the advance authorization issued to him is subject to **pre-import condition** . There are lot of cases where the exporters have requested the regional office of the DGFT to remove the pre-import condition specified in the advance authorization as they want to keep the flexibility in importing and exporting of the inputs but their request has been denied on the ground that now all the advance authorization have to be issued with pre-import condition in terms of the amended Policy.

9. Thus, the interpretation of the said paragraph in the above said manner is causing a lot of difficulty to various exporters who want to have the flexibility while operating under the AA scheme. The exemption from IGST has resulted in uncalled for problems for them. As a matter of fact, a majority of the exporters want the flexibility in their operations under the AA scheme. Further by the said interpretation, the provisions relating to replenishment of the inputs in the Policy have become redundant. More so, the said interpretation is not in tune with the amendment made by the customs **notification No. 79/2017-Cus** dated 13.10.2107 in as much as the said notification simply places a condition that if the inputs have been imported by availing the exemption from IGST then the export obligation has to be fulfilled by physical exports and subject to pre-import condition which means that in case a person has imported the goods on payment of IGST against the AA scheme then such condition of pre-import would not apply to him even if he has fulfilled the EO by making the physical exports.

10. Obviously,if the said paragraph is not properly clarified or amended it would result in chaos in the times to come. There are lot of exporters who are exporting the goods under the AA first and would like to import the inputs after fulfilment of export obligation even if the AA has been issued with pre-import condition.

11. Needless to say it will invite unnecessary litigation, hefty penalties and writs in the HCs which will result in chaos. It would be better if the issue is clarified in very clear terms at the earliest either by way of Circular by the office of the DGFT or by amending the paragraph 4.14 of the Policy in a suitable manner so that the flexibility of paying the IGST (for the exporters who intend to import the inputs as replenishment against the physical exports or want to fulfil the EO by way of deemed exports) or availing the exemption from IGST (for the exporters who want to avail the option to pre-import and fulfil the EO by physical exports only) in case of imported inputs is maintained. If this clarification is issued immediately then it well save the exporting community from unwarranted litigation and chaos.

(The author is Managing Partner, RSA Legal Solutions, Gurgaon and the views expressed are strictly personal.)

IGST and Physical exports: Amendment to FTP

By S C Jain, Managing Partner, RSA Legal Solutions

AFTER the revamp of earlier indirect taxation regime and introduction of new Goods and Services Tax law, there has been the paradigm shift to the whole trade sector which has an impact on every sphere of business and government policies with regard to that. The new taxation system had made various policies of foreign trade non-lucrative compared to that in earlier regime. The working capital of exporters and importers were unnecessarily being blocked. To rescue the situation, the Central government has come up with a **temporary** modification in the infant law to regain the faith of industry by issuing some notifications applicable till 31 st March, 2018. During this period, the GST administrative body will work out some other mechanism in the form of e-wallet etc. as indicated in the 22 nd GST Council meeting to curb such funds blockage.

Recently, Central Government (though DGFT) has issued **Notification No.33/2015-20** dated 13-10-2017 whereby certain pertinent changes have been made in the **Foreign Trade Policy** to address the grievances of exporters which had arisen as a consequence of implementation of the GST law. Corresponding changes have been made in the Customs law by way of issuance of **Notification No.78/2017-Cus** dated 13-10-2017 and dated 13-10-2017. Besides, **Notification NO. 47/2017-Central Tax** dated 18.10.2017, **Notification NO. 48/2017-Central Tax** dated 18.10.2017, **Notification NO. 49/2017-Central Tax**dated 18.10.2017 have been issued so that the refund of the GST paid on the goods supplied as 'deemed export' can be claimed. The salient features of the said amendments are as under:

EPCG Scheme:

- An EPCG Licence holder (EPCG holder) can now import capital goods without payment of Basic Customs Duty, Education Cess and IGST. However, a rider has been placed that the export obligation has to be completed only bymaking physical export of goods. The deemed export supplies like supplies to EOU or Advance Authorization Holder etc. will not be counted towards fulfilment of export obligation in case the exemption of IGST on capital goods at the time of import has been availed.

- Conversely, if an EPCG holder wants to fulfil the export obligation by effecting the 'deemed export' supplies as well, then he has to import the capital goods under the EPCG scheme on **payment of IGST** . Of course, he can avail the credit of the IGST paid under the GST Law.

- The exemption from IGST can be availed irrespective of the fact whether the EPCG authorization was issued prior to 1.7.2017 or after that.

- In case the capital goods are procured from domestic market (from within India) under an EPCG authorization then the same have to be procured on payment of applicable GST. The said supplies would be considered as **'deemed export'** for the supplier who can take the benefit of the Advance Authorization/deemed duty drawback against such supplies.The supplier can also take the refund of the GST paid on supplies (Just like TED), under the GST law in terms of **Notification No 47/2017-Central Tax** to **49/2017-Central Tax** all dated 18.10.2017. The said refund of GST can also be taken by the recipient of goods (EPCG holder).

ADVANCE AUTHORIZATION

- An Advance Authorization Holder can import inputs without payment of Customs Duty including IGST. However, in case the inputs have been imported without payment of IGST, the export obligation has to be completed by **making physical exports.** Advance Authorization Holder cannot fulfil the export obligation by making the deemed export supply like supplies to EOU, AA holder etc.

- Conversely, in case Advance Authorization Holder wants to fulfil the export obligation by making the 'deemed export' then he has to import inputs on payment of IGST. Of course, he can avail the credit of the IGST under the GST law.

- The exemption from IGST can be availed irrespective of the fact whether the Advance authorization was issued prior to 1.7.2017 or after that.

- Inputs imported under Advance Authorization have also been exempted from **countervailing duty**under Section 9 of the Customs Tariff Act. This was an anomaly in the previous notifications, pertaining to Advance Authorization,which has now been corrected.

- In case an Advance Authorization Holder procures the goods from a domestic manufacturer then such procurement can be done only on payment of applicable GST. Such supplies would be considered as 'deemed export'. IGST paid by the supplier can be availed as the credit by the Advance Authorization Holderunder the GST law.

- Such supplier would also be eligible for Advance Authorization / duty drawback for making deemed export supplies. Supplier of goods can also take the refund of the GST (just like TED), under the GST law in terms of **Notification No 47/2017-Central Tax** to **49/2017-Central Tax** all dated 18.10.2017. The said refund of GST can also be taken by the recipient of goods (AA holder).

EOU Scheme

- An EOU's can import inputs or capital goods without payment of custom duty including IGST.

- In case an EOU procures inputs or capital goods from domestic sources then it has to procure only on payment of applicable GST. Of course, the EOU can take the credit of the GST paid on such supplies.

- Supplier of the goods to EOU would be eligible to 'deemed export' benefits like Advance Authorization/duty drawback.

- Such domestic supplier would also be eligible for Advance Authorization / duty drawback for making deemed export supplies. Supplier of goods can also take the refund of the GST (just like TED), under the GST law in terms of **Notification No 47/2017-Central Tax** to **49/2017-Central Tax** all dated 18.10.2017. The said refund of GST can also be taken by the recipient of goods (EOU).

In nutshell, under the EPCG Authorisation, Advance Authorisation and EOU Schemes, to avail the benefit of these schemes and importing duty free raw material (even without payment of IGST), the persons concerned **shall make physical export of the goods** . In case of deemed export, payment of duty under GST law is mandatory and the credit of the same will be available. Alternatively, the refund of the GST can be availed either by the supplier of goods or by recipient of goods. Interestingly and surprisingly the exemption from IGST on imported goods or refund of GST on domestic supplies would be available only if the export obligation by the AA holder or EPCG holder has been fulfilled by making the physical export of goods. The said benefit would not be available in case, the export obligation is fulfilled or intended to be fulfilled by making the deemed export supplies by the AA holder or EPCG holder.

(The author is a practicing advocate and the views expressed are strictly personal.)

Exporters still struggling to get GST refunds

Commerce Secretary, CBEC Chairperson ask officials to expedite disbursals

Exporters are continuing to struggle to get their refunds for the Integrated Goods & Services Tax (IGST) paid on exports, with officials raising various issues over the required documentation in the absence of a checklist.

With just about 30 per cent of the claims for refunds met so far by the government, Commerce Secretary Rita Teaotia expressed her concern on the delayed payments at a recent meeting of the National Committee on Trade Facilitation, which was chaired by the Cabinet Secretary. "The Commerce Secretary pointed out that there was a need to sensitise States on expediting refunds to exporters as a large amount of their working capital was stuck in the process," a government official told BusinessLine.

Exporters point out that in the absence of a prescribed set of documents, different officials, including State authorities, were asking for whatever documents they fancied, such as bank realisation certificates, and were rejecting claims if such documents were not available with exporters.

"The government needs to streamline the required procedures and give a checklist of documents that are required. Everyone, including State authorities, should be made to accept the checklist and no other documents should be demanded," said Ajay Sahai from the Federation of Indian Export Organisations.

e-wallet As much as ₹1,85,000 crore could get stuck with the government because of the present system, under which exporters pay duties first and then get refunds, according to industry estimates. The government plans to introducethe e-wallet system to help exporters get around the situation from April, but exporters say that the details of how it would work have not yet been shared.

The Central Board of Excise and Customs has also asked its officials to speed up work on refunds to exporters. In a recent missive, CBEC Chairperson Vanaja N Sarna has asked Chief Commissioners to monitor the processing of pending claims and to set up a dedicated team of officials for timely disbursals.

States' concern "States are also now getting concerned about the delay in refunds and some have said they will raise the issue at the GST Council. State tax departments are setting up teams to look into timely refunds," said a Finance Ministry official.

Under GST, which was launched on July 1 last year, exporters have to pay Integrated GST for exports, which is then refunded. But as this can lead to cash flow problems, exporters had the option to provide an LUT or bond.

The state of Input Tax Credit (ITC) refund – the money paid as GST on buying of inputs – is even worse, as exporters have only been able to carry out 5 per cent of the filing done electronically in the manual format, Sahai added.

"There is a huge gap between electronic filing and manual filing and we believe that the Revenue Department is taking up the issue with the GST Council," he said. Due to the non-availability of the refund module on the common portal, the CBEC decided two months back to allow applications, documents and forms pertaining to refund claims on account of inverted duty structure, deemed exports and excess balance in electronic cash ledger to be filed and processed manually.

"Manual filing takes time and effort and adds to the cost of transaction," said Sahai.

(Source: Business Line, February 20, 2018)

Grasim Industries expansion project for viscose staple fibre

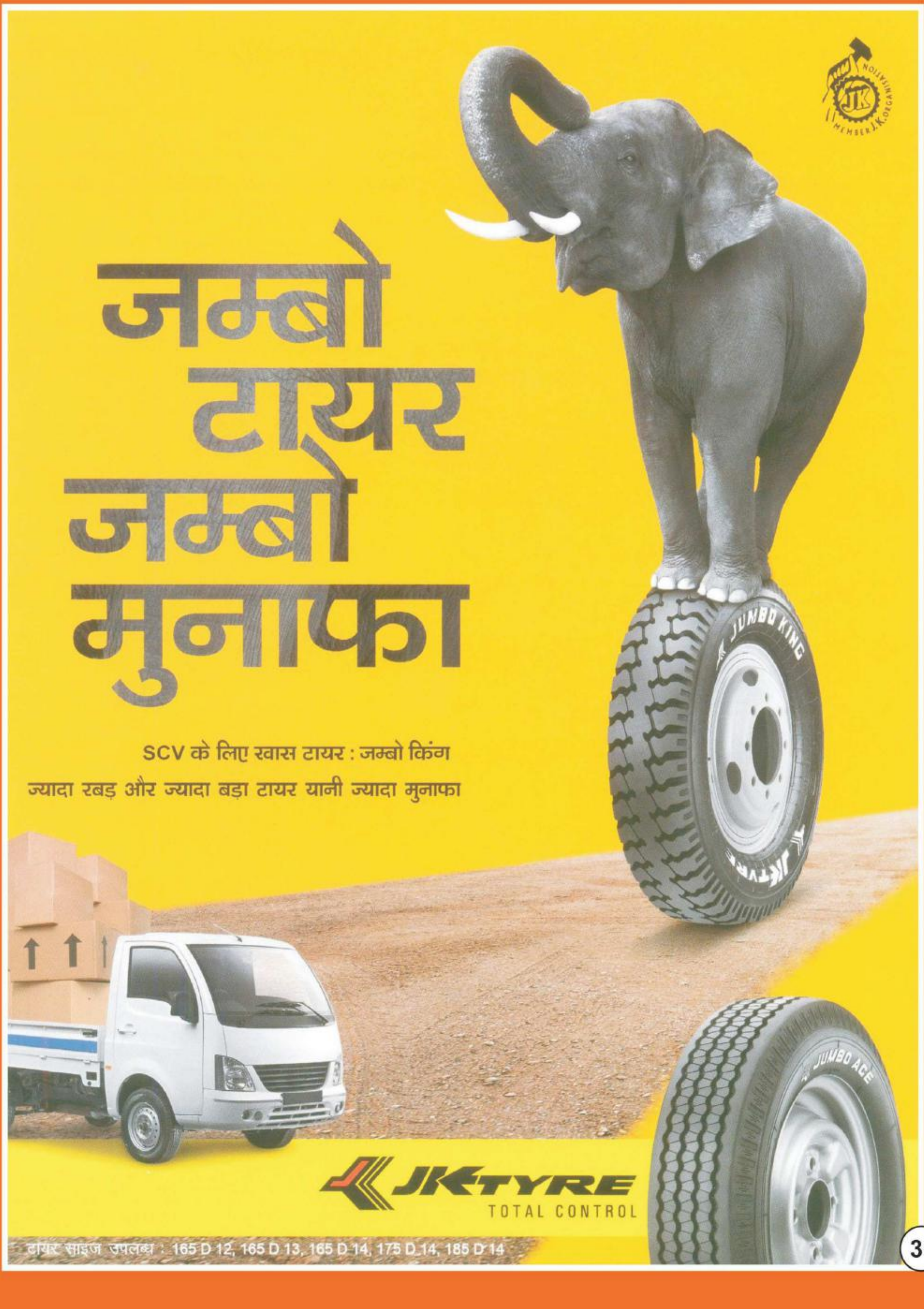
Grasim Industries has received green nod for expanding the production of viscose staple fibre and captive power at Kharach unit in Bharuch, Gujarat, that would entail an investment of Rs1,800 crore, according to an official source.

The company has four VSF (viscose staple fibre) plants in India, of which two are in Gujarat, one each in Kharach and Vilayat in Bharuch district. Last month, the company had received the environment clearance for expansion of Vilayat plant.

Now, the company's Birla Cellulosic unit has received the green light for expansion of its Kharach plant. In a letter issued to Grasim Industries, the union environment ministry said it has given clearance to the company's proposal for expanding Kharach unit subject to compliance of certain conditions.

The company plans to raise the production capacity of VSF from 1,27,750 tonne per annum (TPA) to 2,33,600 TPA, while that of the captive power plant from 25 MW to 45MW. According to the proposal, Birla Cellulosic will undertake the proposed expansion within the existing plant area in 242.81 hectare.

The estimated project cost is Rs1,800 crore. The company wants to expand its VSF production capacity to meet the increased demand of man-made fibres in the country.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टायर साइज उपलब्ध : 165 D 12, 165 D 13, 165 D 14, 175 D 14, 185 D 14

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