



## दि प्लास्टिक एक्सपोर्ट प्रमोशन कौन्सिल

(भारत सरकार, वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग द्वारा प्रायोजित)  
क्रिस्टल टावर, गुंदिवाली रोड क्र. 3, ऑफ सर एम व्ही रोड, अंधेरी (पूर्व), मुंबई ४०० ०६९, भारत  
दूरध्वनी : ९१-२२-२६८३ ३९९१/९२ फ़ैक्स : ९१-२२-२६८३ ३९९३  
ई-मेल : plexconcil@vsnl.com वेबसाईट : http://www.plexconcil.org

### THE PLASTICS EXPORT PROMOTION COUNCIL

(Sponsored by the Ministry of Commerce & Industry, Department of Commerce, Government of India)  
Crystal Tower, Gundivali Road No 3, Off Sir M V Road, Andheri (E), Mumbai 400069 - India  
Ph: (+91 - 22) 26833951, Fax: (+91 - 22) 26833953 / 26834057  
Email: plexconcil@vsnl.com Website: http://www.plexconcil.org

Ref.: Plexh/Cir/1428

09<sup>th</sup> October, 2017

All Members/All Members of the COA

Dear Sir,

#### **Sub : Relief package for exporters with regard to GST glitches**

We wish to inform you that our Council's has represented member exporters issues at various meeting with Government authorities and also to **Honorable minister of Commerce & Industry** for giving relaxations to exporter from GST glitches and other export related difficulties which intern affecting India's exports. The GST Council in its meeting dated 06.10.2017 has offered a major relief package for exporters which are as follows:-

#### **a) Refund of IGST paid**

- \* By 10.10.2017 the held-up refund of IGST paid on goods exported outside India in July would begin to be paid.
- \* The August backlog would get cleared from 18.10.2017 and refunds for subsequent months would be handled expeditiously.
- \* Other refunds of IGST paid on supplies to SEZs and of inputs taxes on exports under Bond/LUT, shall be processed from 18.10.2017 onwards.
- \* For this, the GST Council agreed to suitably empower Central and State GST officers so that exporters get refunds from one authority only.
- \* Related matters of settlement of funds are being resolved.

#### **b) Cash blockage**

- \* To prevent cash blockage of exporters due to upfront payment of GST on inputs etc. the GST Council approved two proposals, one for immediate relief and the other for providing long term support to exporters.
- \* **Immediate relief is being given by extending the Advance Authorization (AA) / Export Promotion Capital Goods (EPCG) / 100% EOU schemes to sourcing inputs etc. from abroad as well as domestic suppliers. Holders of AA / EPCG and EOUs would not have to pay IGST, Cess etc. on imports.**

\* Also, domestic supplies to holders of AA / EPCG and EOUs would be treated as deemed exports under Section 147 of CGST/SGST Act and refund of tax paid on such supplies given to the supplier.

**c. Procurement of goods by Merchant Exporter from local manufacturer**

Merchant exporters will now have to pay nominal GST of 0.1% for procuring goods from domestic suppliers for export. The details would be released soon.

**d. e- Wallet**

The permanent solution to cash blockage is that of "e-Wallet" which would be credited with a notional amount as if it is an advance refund. This credit would be used to pay IGST, GST etc. The details of this facility would be worked out soon. The GST Council desired that the "e-Wallet" solution should be made operational w.e.f. 1st April 2018.

e. Exporters have been exempted from furnishing Bond and Bank Guarantee when they clear goods for export.

f. Specified banks and Public Sector Units (PSUs) are being allowed to import Gold without payment of IGST. This can then be supplied to exporters as per a scheme similar to Advance Authorization.

g. To restore the lost incentive on sale of duty credit scrips, the GST on sale purchase of these scrips is being reduced from 5% to 0%.

h. GST on bunker fuel is being reduced to 5% for both coastal vessels and foreign going vessels. This will boost coastal shipping. It will also improve India's competitiveness.

Members are requested to take note of above information and do the needful accordingly.

With best regards,  
Yours sincerely,

**Sribash Dasmohapatra**  
**Executive Director**