



FW: BOND/LUT for Merchant Exporters. Waiver of Bank Guarantee | 20170708337711

INFO

Tue, Jul 25, 2017 at 2:22 PM

From: cbecmitra.helpdesk@icegate.gov.in

Sent: Monday, July 24, 2017 6:22 PM

To: sunil@siddhint.com

Subject: BOND/LUT for Merchant Exporters. Waiver of Bank Guarantee | 20170708337711

Dear Sir/Madam

Your Request ID is 20170708337711

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Thank you for writing to us at CBEC Mitra Helpdesk.

We received your support request, and we understand that you want to know about GST related laws.

For detailed information on GST laws, please follow the sequence of steps described here:

1. Go to the CBEC website at www.cbec.gov.in.
2. On the main menu bar, click the **GST** tab.
3. On the next screen that appears, under **GST Laws, Rules & Rates** section, click the plus (+) icon next to **GST Rates**.

You can call us at our toll-free number 1800-1200-232 for further clarifications.

Thanks and Regards

If you are not satisfied with the response, please contact us at Escalation Desk "escalation.cbecmitra@icegate.gov.in" with Request ID.

CBEC-Mitra-Helpdesk

Toll-free number: 1800 1200 232

Email: cbecmitra.helpdesk@icegate.gov.in

Website: www.aces.gov.in

contd....

On Sat, Jul 08, 2017 at 13:46 PM, sunil@siddhint.com wrote:

Dear sir,

We are Merchant Exporters and procure goods from manufacturers either within the state or outside the state.

Earlier, Merchant Exporters were allowed to issue CT-1/ARE under Excise Bond B-1 for waiver of excise duty and there was just a Bond given to the excise department without any Bank Guarantee.

Similarly, Merchant Exporters were issuing Form H after export to the supplier/manufacturer for waiver of local sales tax.

Under the GST, there is no clarity for export of goods by Merchant Exporter.

The Merchant Exporter play a major role in export of goods from the country.

The Merchant Exporters should be given the facility of LUT/Bond without the Bank Guarantee.

The Merchant Exporter should be given the facility for procuring the goods from the manufacturer/supplier against bond and exempted for payment of GST on Purchase.

Similarly the Merchant Exporter should be given the facility for exemption of Payment of GST on EXPORT/Sale of goods overseas.

The entire exports by Merchant Exporter is at standstill as GST is required to be paid on purchase of goods for export and also on sale of goods overseas.

You are requested to take up this issue immediately with the GST Council/FM and resolve the matter immediately as all exports BY MERCHANT EXPORTERS is at standstill.

The small and medium merchant exporters will be washed out in view of huge financial involvement on one hand and very low profit margin on the other hand.

Bank guarantees by PSU need 100% deposits over and above the huge charges for execution of bank guarantees.

Further payment of GST on receipt of advance payment by exporter in foreign exchange in part or full against export orders from foreign buyers should also be exempted and there is no clarity to this issue.

You are requested to kindly move the matter on top priority.

Awaiting for your immediate intervention in the matter.

Thanks & with Best Regards,

SUNIL GOENKA (Mob: 9820026621)

Ex-Chairman - MERCHANT EXPORT PANEL - Pharmexcil & Chemexcil

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