Circular No. 14/14/2017 - GST

F. No. 349/21/2016 GST (Policy Wing)
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise and Customs
GST Policy Wing

New Delhi, dated the 6th November, 2017

To,
The Principal Chief Commissioners / Chief Commissioners / Principal Commissioners / Commissioners of Central Tax (All)
The Principal Director Generals / Director Generals (All)

Madam/Sir,

Sub - Procedure regarding procurement of supplies of goods from DTA by Export Oriented Unit (EOU) / Electronic Hardware Technology Park (EHTP) Unit / Software Technology Park (STP) Unit / Bio-Technology Parks (BTP) Unit under deemed export benefits under section 147 of CGST Act, 2017 – reg.

In accordance with the decisions taken by the GST Council in its 22nd meeting held on 06.10.2017 at New Delhi to resolve certain difficulties being faced by exporters post-GST, it has been decided that supplies of goods by a registered person to EOUs etc. would be treated as deemed exports under Section 147 of the CGST Act, 2017 (hereinafter referred to as ‘the Act’) and refund of tax paid on such supplies can be claimed either by the recipient or supplier of such supplies. Accordingly, Notification No. 48/2017-Central Tax dated 18.10.2017 has been issued to treat such supplies to EOU / EHTP / STP / BTP units as deemed exports. Further, rule 89 of the CGST Rules, 2017 (hereinafter referred to as ‘the Rules’) has been amended vide Notification No. 47/2017 - Central Tax dated 18.10.2017 to allow either the recipient or supplier of such supplies to claim refund of tax paid thereon.

2. For supplies to EOU / EHTP / STP / BTP units in terms of Notification No. 48/2017-Central Tax dated 18.10.2017, the following procedure and safeguards are prescribed -

(i) The recipient EOU / EHTP / STP / BTP unit shall give prior intimation in a prescribed proforma in "Form-A" (appended herewith) bearing a running serial number containing the goods to be procured, as pre-approved by the Development Commissioner and the details of
the supplier before such deemed export supplies are made. The said intimation shall be
given to –

(a) the registered supplier;
(b) the jurisdictional GST officer in charge of such registered supplier; and
(c) its jurisdictional GST officer.

(ii) The registered supplier thereafter will supply goods under tax invoice to the recipient
EOU / EHTP / STP / BTP unit.

(iii) On receipt of such supplies, the EOU / EHTP / STP / BTP unit shall endorse the tax
invoice and send a copy of the endorsed tax invoice to –

(a) the registered supplier;
(b) the jurisdictional GST officer in charge of such registered supplier; and
(c) its jurisdictional GST officer.

(iv) The endorsed tax invoice will be considered as proof of deemed export supplies by
the registered person to EOU / EHTP / STP / BTP unit.

(v) The recipient EOU / EHTP / STP / BTP unit shall maintain records of such deemed
export supplies in digital form, based upon data elements contained in "Form-B" (appended
herewith). The software for maintenance of digital records shall incorporate the feature of
audit trail. While the data elements contained in the Form-B are mandatory, the recipient
units will be free to add or continue with any additional data fields, as per their commercial
requirements. All recipient units are required to enter data accurately and immediately upon
the goods being received in, utilized by or removed from the said unit. The digital records
should be kept updated, accurate, complete and available at the said unit at all times for
verification by the proper officer, whenever required. A digital copy of Form – B containing
transactions for the month, shall be provided to the jurisdictional GST officer, each month
(by the 10th of month) in a CD or Pen drive, as convenient to the said unit.

3. The above procedure and safeguards are in addition to the terms and conditions to be
adhered to by a EOU / EHTP / STP / BTP unit in terms of the Foreign Trade Policy, 2015-
20 and the duty exemption notification being availed by such unit.

4. It is requested that suitable trade notices may be issued to publicize the contents of
this circular.

5. Difficulty, if any, in implementation of the above instructions may please be brought
to the notice of the Board. Hindi version would follow.

(Upender Gupta)
Commissioner (GST)
Form – A

(Intimation for procurement of supplies from the registered person by Export Oriented Unit (EOU)/Electronic Hardware Technology Park (EHTP) Unit/ Software Technology Park (STP) unit/ Bio-Technology Parks (BTP) Unit under deemed export benefits under section 147 of CGST Act,2017 read with Notification No. 48/2017-Central Tax dated 18.10.2017)

(as per Circular ------ dated -------)

Running Sr. No. of intimation and Date____________________

LOP No. --------- and valid upto ------ .

GSTIN ---------------------

We the, M/s ...................(Name of EOU/EHTP/STP/BTP unit and address) wish to procure the Goods namely(Tariff description, Quantity and value) ----------------- ---------, as allowed under Foreign Trade Policy and Handbook of Procedures 2015-2020, and approved by Development Commissioner from M/s --------------------- ------ (Name of supplier, address and Goods & Services Tax Identification Number(GSTIN)). Such supplies on receipt would be used in manufacturing of goods or rendering services by us. We would also abide by procedure set out in Circular no. ------ dated ----.

Signatures of the owner of EOU/EHTP/STP/BTP unit or his Authorised officer

To:

1. The GST officer having Jurisdiction over the EOU/EHTP/STP/BTP unit.

2. The GST officer having Jurisdiction over the registered person intending to supply the goods.

3. The registered person intending to supply goods to EOU/EHTP/STP/BTP unit.
FORM-B

Form to be maintained by EOU/EHTP/STP/BTP unit for the receipt, use and removal of goods received under deemed export benefit under section 147 of CGST Act, 2017 read with Notification No. 48/2017-Central Tax dated 18.10.2017.
(as per Circular----- dated-------)

Name of EOU/EHTP/STP/BTP unit and address

GSTIN No.

Address of Jurisdiction GST Officer

<table>
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<th>Sr. No.</th>
<th>Date of prior intimiation given for procuring deemed export supplies</th>
<th>Details of registered person</th>
<th>Jurisdictional GST officer details of registered person</th>
<th>Invoice no. and date of registered person</th>
<th>Details of supplies received</th>
<th>Amount of GST paid by supplier</th>
<th>Date of sending endorsed copy of tax invoice by EOU</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Name</td>
<td>Address</td>
<td>GSTIN</td>
<td>Designation</td>
<td>Jurisdictional Identifier such as Division name/No.</td>
<td>No. of Invoice</td>
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<td>3</td>
<td>4</td>
<td>5</td>
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Removal for processing
(The goods removed for processing shall be accounted in a manner that enables the verification of input-output norms, extent of waste, scrap generated etc)

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<tr>
<th>Date &amp; time of Removal</th>
<th>Quantity</th>
<th>value</th>
<th>Purpose of removal</th>
<th>Date &amp; time</th>
<th>Quantity</th>
<th>value</th>
<th>Quantity</th>
<th>Value</th>
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