

## **GST HEADLINES**

### **January 06, 2017**

**GST: Relief for Exporters, Narendra Modi Govt says  
Refunds to be given within 7 Days**

*[Source: The Financial Express]*

**Over 2 Lakh Businesses Enroll for GST in Madhya  
Pradesh**

*[Source: Business Standard]*

# **GST: Relief for Exporters, Narendra Modi Govt says**

## **Refunds to be given within 7 Days**



Commerce secretary Rita Teautia also said the revenue department has committed that 90% of the refund will be made within seven days, while the remaining 10% “will be subject to whatever verification the revenue department is required to do”. (Reuters)

In a major relief to exporters, the government has agreed to refund as much as 90% of their duty claims just within a week under the new goods and services tax (GST) regime, commerce and industry minister Nirmala Sitharaman said on Thursday.

The revenue department of the finance ministry has agreed to even offer interest on the refund claim if it’s unduly delayed, Sitharaman said after chairing the meeting of the Council for Trade Development and Promotion in New Delhi. The commerce ministry had been vigorously taking up this issue with the revenue department, so that the concerns of exporters were addressed adequately before the new indirect tax regime kicked in.

Commerce secretary Rita Teautia also said the revenue department has committed that 90% of the refund will be made within seven days, while the remaining 10% “will be subject to whatever verification the revenue department is required to do”. Under the GST structure, taxes must be paid and that the refund will be provided.

In a meeting with finance minister Arun Jaitley and others at GST Council on Tuesday, Sitharaman had stressed there was a need to review the current time-consuming process of refunds claimed by exporters against the duty paid on imports of raw materials or other items under various schemes in the new tax regime.

So, refunds against the imports of capital goods under the Export Promotion Capital Goods Authorisation Scheme and those of raw material under the Advance Authorisation Scheme are expected to be processed within a week.

Tax refund claims typically take six-eight months (although they are being expedited in recent months) to be processed, blocking the capital of a firm, Sitharaman had said on Tuesday. Under the EPCG scheme, the import of capital goods required for the manufacture of resultant export products is mostly allowed at zero duty. The Advance Authorisation Scheme allows duty-free import of inputs that are physically incorporated in export product for purpose of value addition and re-exports. Also, certain other incentives currently enjoyed by exporters need to continue.

Teaotia said the exporters could get interest if the refund is delayed beyond two weeks, and the amount of interest would be decided by the revenue department.

Further, Sitharaman stated that she had asked states to consider higher allocation of resources for export infrastructure from their increased devolution of funds, to which “I expected that at least the ongoing ASIDE projects would be completed by the states. I am awaiting an affirmative action on this from the states”.

Calling for support from states in boosting exports, Sitharaman said the Centre is also firming up a scheme to provide financial support and supplement states’ efforts to create export infrastructure.

“I hope we can soon succeed in achieving a consensus for the roll out of this scheme — Trade Infrastructure for Export Scheme (TIES),” the minister said. She added that only one and a half a dozen states have developed their export strategy, aligning it with the national trade policy.

# Over 2 Lakh Businesses Enroll for GST in Madhya Pradesh

MP stands second in the country, next to Gujarat, in the enrolment for GST



More than two lakh business establishments have enrolled for Goods and Services Tax (GST) regime in Madhya Pradesh, an official said here on Thursday.

Over 2, 06, 000 (2.06 lakh) business establishments have enrolled for GST regime since November 15, State Commercial Tax Department's deputy commissioner Dharpal Sharma said.

MP stands second in the country, next to Gujarat, in the enrolment for GST, the implementation date of which is yet to be finalised, he added.

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