

		Office of the Commissioner Central Goods Service Tax and Central Excise (CGST & CX) 29, Administrative Area, Bharatpuri, Ujjain (MP)-456010. Phone: 0734-2511108
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F.No I(Gen) 19-01/CEX/Trade Notice/17-18

Ujjain 04.08.2017

Public Notice No. 11/2017-18
Ujjain 4th Aug 2017

Sub- Operational problems being faced by EOU in GST regime consequent to amendment in Notification no.52/2003-Customs dated 31.03.2003-reg.

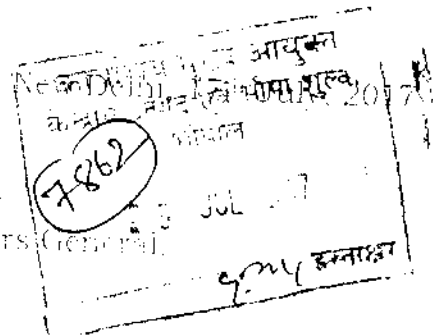
Attention of the trade and industry is invited to the circular No. 29/2017-Customs dated 17.07.2017 under F. No. DGEP/EOU/GST/16/2017 issued by the CBEC, New Delhi in respect of the procedures to be followed by EOU in GST regime consequent to amendment in Notification no. 52/2003-Customs dated 31.03.2003.

02. The contents of the aforesaid circular may please be brought to the notice of members of your association in particular and public in general.

Encl- As Above


(Neerav Kumar Mallick)
Commissioner

F. No. DGEP/EOU/GST/16/2017/1118 to 1187
 Government of India
 Department of Revenue
 Central Board of Excise & Customs
 Directorate General of Export Promotion



To

Principal Chief Commissioners, Principal Directors General,

Chief Commissioners, Directors General,

Principal Commissioners/Commissioners,

All under CBEC.

Madam/Sir,

Sub: Operational problems being faced by EOU in GST regime consequent to amendment in Notification no. 52/2003-Customs dated 31-3-2003-reg.

EOUs are allowed duty free import of goods under notification No.52/2003 Customs dated 31-3-2003. However, in view of GST the said notification has been consequentially amended by notification No. 59/2017 Customs dated 31-6-2017.

2. Trade has brought out problems faced by them in following certain procedures.

(a) It has been represented, that field formations are insisting upon submission of a continuing bond, in view of rule 5 of the Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017, despite units having executed B-17 bond which is a general purpose running bond.

b) EOUs have also expressed apprehension that information about estimated quantity and value of goods to be imported is required to be submitted for a period of one year, in view of rule 5 of said IGCR, rules. They apprehend that the requirements may increase or change during this period of one year.

c) Trade has also sought clarification regarding inter-unit transfer of goods from one EOU to another, which was a pre-requisite for movement of goods (PO) in view of Circular No. 1/2017 dated 20-1-2017.

d) Trade has also requested to continue the practice of pre-shipment certificates for transit of goods and importation of raw materials.

K. Nishi
 Pl. circulate
 26/07/2017

3. Matter has been examined. It has been decided by Board, that -

(i) The B-17 bond, being a general purpose running bond will serve the requirement of continuity bond to be submitted under Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017, and therefore EOU/STP/EHTP units are not required to submit separate continuity bond

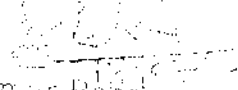
(ii) It is to clarify that the requirements of information about estimated quantity and value of goods to be imported are to be provided under Rule 5(1)(a) of the (Import of Goods at Concessional Rate of Duty) Rules, 2017 for a period not exceeding one year. This means that units may submit the requirements for any shorter period than one year and then can give requirements for the subsequent period. Also there is no bar in the said rules to amend, give additional information. Therefore, the units can amend/modify/add such information from time to time as per the requirement of import of goods.

(iii) For the transitional period upto 31-7-2017, the EOU/EHTP/STP units would have option to follow the procedure of Rule (5) of IGCR, rules or use procurement certificate for import of goods

(iv) The inter unit transfer would be on invoice on payment of applicable GST taxes. However, such transfer would be without payment of custom duty. The supplier unit will endorse on such documents the amount of custom duty availed as exemption, if any, on the goods intended to be transferred. The recipient unit would be responsible for paying such basic customs duty, as is obligated under Notification no. 52/2003 (as dated 31-3-2003 (as amended), when the finished goods made out of such goods or such goods are cleared in DTA. The circular no. 35-2016 -Customs dated 20-7-2016 would stand amended to the extent that no procurement certificates would be required for inter-unit transfer.

4. This may be brought to the notice of all the field formations and also the trade

Yours faithfully


(Suresh Kumar Bhatnagar)
Joint Director