

Office of the Special Commissioner (GST)
Export/KCS Branch, Department of Trade & Taxes
Govt. of NCT of Delhi
8th Floor, Vyapar Bhawan, I.P. Estate, New Delhi-110002

F. No. AC/Export Cell/W-208/2017-18/879-82

Dated :- 2-8-17

Circular

Subject :- Issues related to Bond/Letter of Undertaking (LUT) for Export without payment of Integrated Goods & Service Tax (IGST).

Ref :- Notification No. 16/2017 Central Tax dated 07-07-2017, Circular No. 02/02/2017- GST dated 04-07-2017 and Circular No. 04/04/2017 GST dated 07-07-2017 issued by CBEC, Govt. of India.

Communications have been received from the professionals and exporters on the issue of difficulties faced while supplying goods or services or exports without payment of integrated tax and filing the FORM GST RFD-11. Therefore, for the purpose of uniformity in the implementation of the Act, following directions are being issued.

1. As per rule 96A of the Delhi Goods, and Service Tax Rules, 2017 any registered person availing the option to supply goods or services or both for export without payment of integrated tax shall furnish, prior to export, a bond or a Letter of Undertaking. This Bond or Letter of Undertaking is required to be furnished in FORM GST RFD-11.
2. The Central Board of Excise and Customs, Govt. of India, has issued Notification No. 16/20017- Central Tax under sub-rule (5) of rule 96A to notify eligible registered persons for submission of letter of undertaking in place of a Bond.
3. The FORM GST RFD-11 will be required to be submitted on the common portal but the functionality has not been made operational as yet. Therefore, the Bond/Letter of Undertaking required to be furnished under rule 96A of the said rules may be furnished manually to the concerned Assistant Commissioner alongwith FORM GST RFD-11 till the module for furnishing of FORM GST RFD-11 is available on the common portal. This has been also clarified vide Circular No. 02/02/2017-GST dated 04-07-2017 issued by the GST policy wing of Central Board of Excise and Customs, Govt. of India.



4. Further, circular number 04/04/2017-GST dated 07-07-2017 has also been issued by the GST policy wing of Central Board of Excise and Customs, Govt. of India wherein the procedure to accept the Bond/LUT has been provided.
5. The Exporter is at liberty to furnish the GST RFD-11 with Bond/LUT before Central Tax Authority or State Tax Authority till the administrative mechanism for assigning of taxpayers to respective authority is implemented.
6. In this regard, to streamline the process of acceptance of FORM GST RFD-11 with LUT/Bond the competent authority, Department of Trade & Taxes, Govt. of NCT of Delhi, has setup an Export Cell vide order No. 6815-22 dated 12-07-2017 to deal with Export under GST Act. Further the work of export is allocated alphabetically to Assistant Commissioners of Export Cell/KCS Branch vide order No. 7604-7611 dated 27-07-2017.

The following procedure will be adopted for issuing the letter of acceptance :-

- 1 The applications/FORM GST RFD-11 will be received by the staff at Single Window Counter (Export Cell) at 1st floor, GST Facilitation Centre, Department of Trade & Taxes, Vyapar Bhawan, I.P. Estate, New Delhi-110002. The timing will be as under:-

Receiving of GST RFD-11	10:30 AM to 01:30 PM
Distributions of Acceptance Letter	04:00 PM to 05:00 PM

The acceptance letter will be given to the applicant or his authorised representative on production of power of attorney.

- 2 The concerned Assistant Commissioner will process the request and after scrutiny of the documents will issue the acceptance letter in the prescribed format (copy enclosed), within three working days excluding the dated of receipt of application. The acceptance letter for RFD-11 with LUT shall be valid for one year from the date of issue. The acceptance letter for RFD-11 with bond shall be valid upto 31-03-2018 only. Thereafter, fresh acceptance letter will be issued after scrutiny.
- 3 FORM GST RFD-11 under rule 96A of the Delhi Goods and Services Tax Rules, 2017 required furnishing a bank guarantee with bond. In this regard it is decided that an exporter would furnish bond with bank guarantee equal to 15% of the Bond amount, to maintain uniformity as right now there is no mechanism to ascertain the track record of the exporters, with the Deptt. Of Trade & Taxes, Delhi.
- 4 It is directed that proper record of all such FORM GST RFD-11 along with Bond/Letter of Undertaking shall be maintained at the ward level.



5 It is further clarified that the FORM GST RFD-11 with LUT/Bond will be received alongwith the following documents :-

I. FOR ACCEPTANCE OF FORM GST RFD-11 with LETTER OF UNDERTAKING (LUT)-

- A. The registered person/exporter will submit request letter on its letter head for acceptance of GST RFD-11 signed by the proprietor/ partner/ director/ authorised signatory as the case maybe.
- B. The request letter must mention the figure of export turnover during the preceding year 2016-2017. If the registered person is making export for first time during this year the expected export turnover may be mentioned on the basis of which Bond Amount could be calculated.
- C. Along with request letter mentioned above the following documents are to be submitted :-
- i. Form GST RFD-11 duly filled and signed with seal on company/ firm letter head.
 - ii. **Letter of Undertaking** (prescribed format available on www.cbec.gov.in) on company/ firms letter head (in duplicate) duly signed by the competent person as per Notification No. 16/2017 dated 07.04.2017 issued by CBEC, Department of Revenue, Govt. of India.
 - iii. Certificate of status holder as per para 5 of Foreign Trade Policy 2015-2020 **or**

Bank Certificate mentioning that the registered person/exporter has received the due foreign inward remittances amounting to a minimum of 10% of the export turnover, which should not be less than one crore rupees in the preceding financial year. The bank Certificate should specifically mentioned amount of Foreign Inward Remittance in Indian Currency during the year 2016-17 with name & GSTIN of applicant **or**

Bank Realisation Certificate (verifiable from the DGFT site) showing that the exporter has received the due foreign inward remittances amounting to a minimum of 10% of the export turnover, which should not be less than one crore rupees in the preceding financial year. In case of bulk BRCs, copies of BRCs must accompanied with reconciliation table showing total of Foreign Inward Remittance in Indian Currency.



- iv. Undertaking/ declaration on letter head that- he has not been prosecuted for any offence under the Central Goods and Services Tax Act, 2017 (12 of 2017) or under any of the existing laws in case where the amount of tax evaded exceeds two hundred any fifty lakh rupees.
- v. Copy of GST Registration Certificate (Provisional / Permanent).
- vi. Copy of Certificate of Importer- Exporter Code (IEC) issued by Ministry of Commerce, Govt. of India.
- vii. Copies of Returns (DVAT-16) of all four quarters 2016-17 or GSTR-3 of all months of the preceding year.
- viii. Export bill/invoice /Performa invoice.

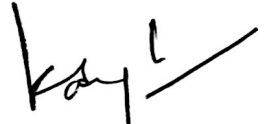
II. FOR ACCEPTANCE OF FORM GST RFD-11 with BOND

- A. The registered person/exporter will submit request letter on its letter head for acceptance of GST RFD-11 signed by the proprietor/ partner/ director/ authorised signatory as the case maybe.
- B. The request letter must mention the figure of export turnover during the preceding year 2016-2017. If the registered person is making export for first time during this year the expected export turnover may be mentioned on the basis of which Bond Amount could be calculated.
- C. Along with request letter mentioned above the following documents are to be submitted :-
 - i. Form GST RFD-11 (Bond) dully filled and signed with seal on company/ firm letter head.
 - ii. **Bond (prescribed format available on www.cbec.gov.in)** on Rs. 100/- Non judicial stamp paper dully signed by the proprietor/ partner/ director/ authorised signatory as the case maybe. The Bond would cover the amount of tax involved (which may be considered equivalent to IGST levied on such goods/ Services).
 - iii. Copy of GST registration Certificate (Provisional /Permanent).



- iv. Copy of Certificate of Importer- Exporter Code (IEC) issued by Ministry of Commerce, Govt. of India.
 - v. Copies of Returns (DVAT-16) of all four quarters 2016-17 or GSTR-3 of all months of the preceding year.
 - vi. Bank guarantee of 15% of the Bond amount in the name of Commissioner (GST), State Tax, Department of Trade & Taxes, Govt. of NCT of Delhi, New Delhi (valid for One Year).
 - vii. Export bill/invoice /Performa invoice.
- 6 No public dealing or receiving of RFD-11 or distribution of acceptance letters will be done on 13th floor, Export Cell/KCS Branch, Department of Trade & Taxes, Delhi.

This issue with the prior approval of the competent authority.




(Kapil Singh)
Spl. Commissioner (GST)/
Nodal Officer (Export Cell)

F. No. AC/Export Cell/W-208/2017-18

Dated :-

Copy for information and necessary action please: -

1. P.S. to Commissioner (GST), Trade & Taxes Deptt. Delhi
2. All Special Commissioner/Additional Commissioner /Joint Commissioner, Trade & Taxes Department, Delhi
3. All Assistant Commissioner (GST), Export Cell/KCS Branch, Trade & Taxes Deptt. Delhi
4. Sh. Harbir Singh, EDP Cell to upload the order on the official website of the Deptt.
5. All officials of Export Cell/KCS Branch, Trade & Taxes Deptt. Delhi
6. Guard File.



(Kapil Singh)
Spl. Commissioner (GST)/
Nodal Officer (Export Cell)