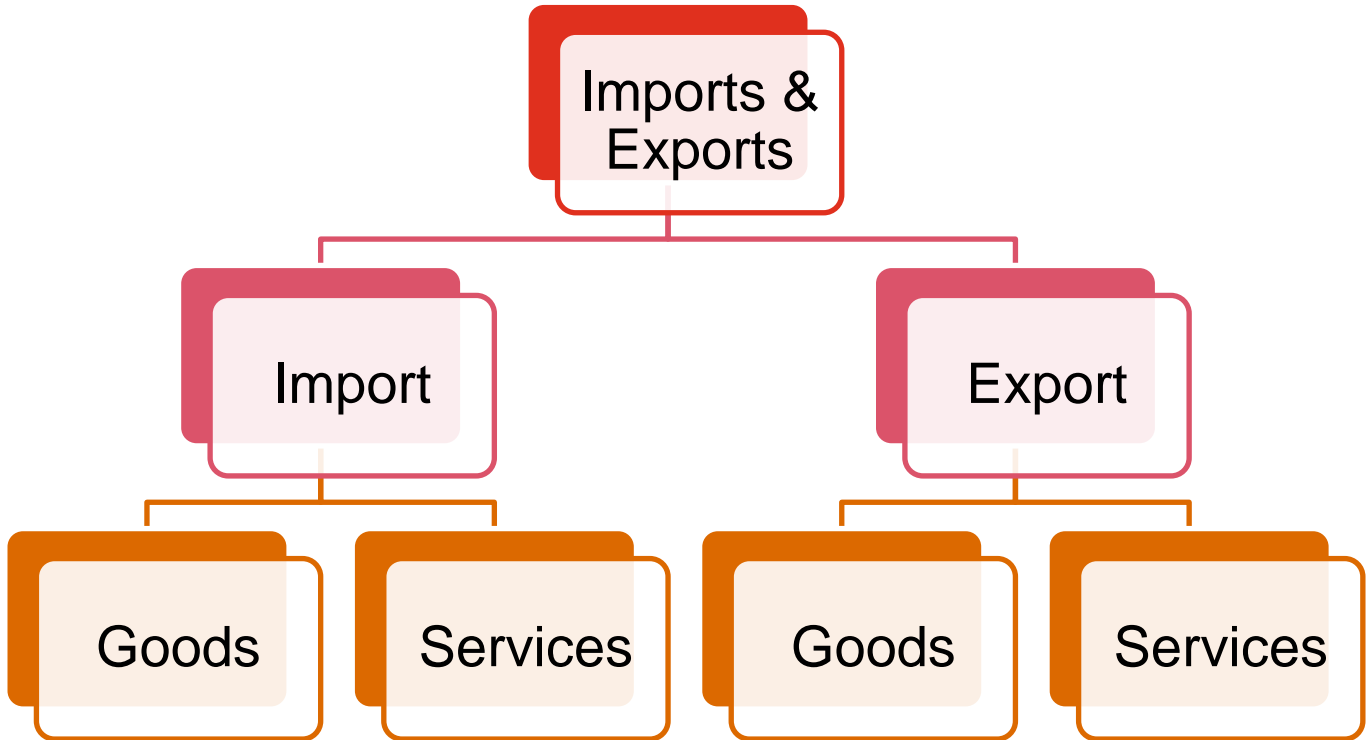


Exports, Imports & SEZ Supplies in GST

**ICMAI GST Course
Online Session**

**Rohit Kumar Singh
ACA, ACMA, FCS, LLB, DISA (ICAI)**

Key Definitions – Imports and Exports



Key Definitions – Imports (IGST Act, 2017)

Sec 2(10) of the IGST Act, 2017 –

“import of goods” with its grammatical variations and cognate expressions, means bringing **goods into India** from a place **outside India**;

Sec 2(11) of the IGST Act, 2017 –

“import of services” means the supply of any service, where—

- (i) the **supplier** of service is located **outside India**;
- (ii) the **recipient** of service is located **in India**; and
- (iii) the **place of supply** of service is **in India**;

Key Definitions – Exports (IGST Act, 2017)

Sec 2(5) of the IGST Act, 2017 –

“export of goods” with its grammatical variations and cognate expressions, means **taking goods out of India** to a **place outside India**;

Case	Location of supplier	Location of goods	Goods supplied to	Location of recipient	Place of supply
1	Assam	Assam	Thailand	Assam	Thailand
2	Maharashtra	Dubai	Iran	Iran	Not an export

Key Definitions – Exports (IGST Act, 2017)

Sec 2(6) of the IGST Act, 2017 –

“export of services” means the supply of any service when,— (i) the **supplier** of service is located **in India**;

(ii) the **recipient** of service is located **outside India**;

(iii) the **place of supply** of service is **outside India**;

(iv) the **payment** for such service has been received by the supplier of service in **convertible foreign exchange**; and

(v) the **supplier** of service and the **recipient** of service are not **merely establishments** of a **distinct person** in accordance with Explanation 1 in section 8;

Sec 8 - Explanation 1.—For the purposes of this Act, where a person has,

(i) an establishment in India and any other establishment outside India;

then such establishments shall be treated as establishments of distinct persons.

Place of Supply of Goods – Sec 11 IGST (Goods imported into / exported from India)

Export of goods: Means taking goods out of India to a place outside India;

Import of goods: Means bringing goods into India from a place outside India;

Section	Situation	Place of supply
11(a)	Goods imported into India	Location of importer
11(b)	Goods exported from India	Location outside India

Note: Section 5 provides that ***IGST shall be levied*** on goods imported into India as per Section 3 of Customs Tariff Act

- *Point of taxation* - When duties of customs are levied on the said goods
- *Value* - As determined as per Customs Act

Place of Supply of Goods – Sec 11 IGST (Illustrations)

Section 11(a): Import of goods

Case	Location of supplier	Location of goods before supply	Goods supplied to*	Location of recipient	Place of supply
1	Thailand	Thailand	Assam	Assam	Assam
2	China	China	Kashmir	Haryana	Kashmir
3	Sri Lanka	Sri Lanka	Kerala	Kerala	Kerala
4	Karnataka	Iran	Dubai	Karnataka	Not an import

Section 11(b): Export of goods

Case	Location of supplier	Location of goods	Goods supplied to	Location of recipient	Place of supply
1	Assam	Assam	Thailand	Assam	Thailand
2	Tamil Nadu	Kashmir	China	Texas	China
3	Sri Lanka	Kerala	Sri Lanka	Sri Lanka	Sri Lanka
4	Maharashtra	Dubai	Iran	Iran	Not an export

*** address of delivery of goods as per bill of entry**

Place of Supply of Services – Sec 13 IGST (where supplier or recipient is outside India)

Services when goods required to be made **physically** available by recipient or requiring **physical presence** of receiver / person acting on his behalf

Location where services actually performed

Services supplied directly in relation to **immovable property**

Location of such immovable property (or where it is intended to be located)

Service by way of **admission** to / **organising** an event, etc. and ancillary services

Place where the event is actually held

Banking services to account holders, intermediary services, hiring of means of transport (other than aircraft and vessels) upto 1 month

Location of supplier

Transportation of goods (other than by way of mail / courier)

Destination of the goods

1 to 3 → When supplied at >1 location (including India) → Deemed location in India. When supplied from >1 state / UT → In proportion to the value of services

Place of Supply of Services – Sec 13 IGST

(where supplier or recipient is outside India)

Passenger
transportation
service

Place where
passenger
embarks on
the
conveyance
for a
continuous
journey

Service
provided on
board a
conveyance

First
scheduled
point of
departure of
that
conveyance
for that
journey

Online
information and
database access
or retrieval
services

Location of
recipient

Residuary

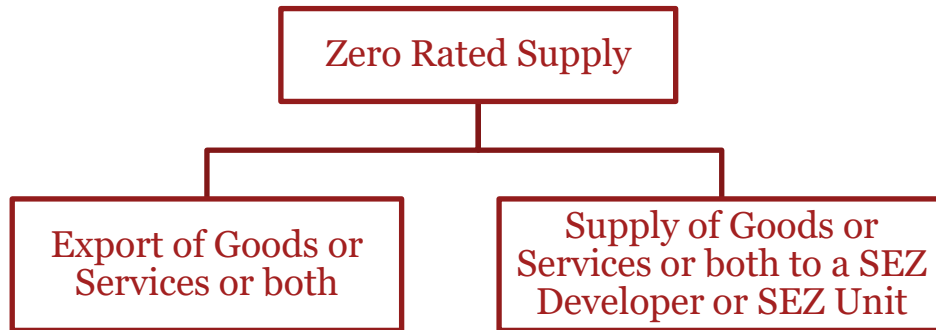
**Location of
the
recipient;**

*If not
available in
the ordinary
course of
business,
location of
supplier*

To prevent
double taxation
/ non-taxation,
or for the
uniform
application of
rules, CG has
power to notify
services/
circumstances

Place of
effective use
and
enjoyment of
a service

Zero Rated Supply - Sec 16



Zero rated supplies are allowed free of any taxes. Such supplies are made free of taxes both at the input and output side. This is achieved by **the following options**:

- Allowing credit on input supplies used for Zero rated supplies. Supply of goods of services or both under Bond/ LUT without payment of tax.; or
- Allowing credit on input supplies used for Zero rated supplies. Supply of good or services or both on payment of IGST and refund of full IGST paid.

Zero Rated Supply – Definition – Sec 16

“Zero rated supply” means any of the following supplies of goods or services or both, namely:

(a) export of goods or services or both; or

(b) supply of goods or services or both **for Authorized Operations** (inserted in Jan 2022) to a Special Economic Zone developer or a Special Economic Zone unit.

Continued

Zero Rated Supply – Definition – Sec 16

“(3) A registered person making zero rated supply shall be eligible to claim refund of unutilised input tax credit on supply of goods or services or both, without payment of integrated tax, under bond or Letter of Undertaking, in accordance with the provisions of section 54 of the Central Goods and Services Tax Act or the rules made thereunder, subject to such conditions, safeguards and procedure as may be prescribed:

Provided that the registered person making zero rated supply of goods shall, ***in case of non-realisation of sale proceeds, be liable to deposit the refund so received under this sub-section along with the applicable interest under section 50 of the Central Goods and Services Tax Act within thirty days after the expiry of the time limit prescribed under the Foreign Exchange Management Act, 1999 for receipt of foreign exchange remittances, in such manner as may be prescribed.***

Amended wef 1st Jan 2022

Questions Please

Thank you

Thanks for your Patience and Time

