

Paper 18- Indirect Tax Laws and Practice

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Full Marks: 100

Time allowed: 3 hours

The figures in the margin on the right side indicate full marks.
Working notes should form part of the answer.

Section - A

Answer Question No. 1 which is compulsory and four from the rest of this section.

1. Choose the correct answer with justification/ workings wherever applicable: [7×2=14]
- (i) Aminpur Post Office provided basic mail services of ₹ 2,50,000 and speed post services of ₹ 3,00,000. The value of taxable services will be:
(a) ₹ 2,50,000
(b) ₹ 3,00,000
(c) ₹ 5,50,000
(d) None of the above.
- (ii) An individual acts as a referee in a football match organised by Sports Authority of India. Which one of the following is correct?
(a) The individual is liable to pay GST
(b) Sports Authority of India is liable to pay GST
(c) Exempted from GST
(d) Outside the scope of supply.
- (iii) Goods under CGST Act excludes:
(a) Securities
(b) Unsecured debts
(c) Right to participate in the draw to be held in a lottery
(d) Growing crops.
- (iv) A famous actress went to London and avail cosmetic or plastic surgery for her nose. Whether GST is liable to be paid?
(a) Yes
(b) No
(c) No supply at all
(d) None of the above.
- (v) In relation to a registered person, input tax means the Central tax, State tax, integrated tax or Union territory tax charged on any supply of goods or services or both made to him and includes:—
(a) The integrated goods and services tax charged on import of goods
(b) The tax payable under Reverse Charge Mechanism as per SGST Act
(c) The tax payable under Reverse Charge Mechanism as per UTGST Act
(d) The tax payable under the composition levy.
- (vi) In case of international bookings, the value of supply of services in relation to booking of tickets for travel by air provided by an air travel agent shall be deemed to be an amount calculated as:
(a) 5% of basic fare
(b) 7.5% of basic fare
(c) 10% of basic fare
(d) 12.5% of basic fare.

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- (vii) In case of supply of services, the tax invoice shall be prepared in the manner of:
- (a) Only original
 - (b) Two copies
 - (c) Three copies
 - (d) Four copies.

Answer:

(i) (b): The basic mail services are exempted via entry no. 6 of notification no. 12/2017-CT (rate). Only the amount of speed post services of ₹ 3,00,000 is to be considered.

(ii) (c): Services provided to a recognised sports body (like Sports Authority of India) by an individual as a referee in a sporting event is exempt from GST

(iii) (a): Goods means every kind of movable property other than money and securities but includes actionable claim, growing crops, grass and things attached to or forming part of the land which are agreed to be served before supply or under a contract of supply. The second & third options are examples of actionable claim.

(iv) (b): As the place of supply is London, i.e. non-taxable territory, GST is not liable to be paid.

(v) (d): As per the definition under the CGST Act, input tax does not include tax paid under composition levy.

(vi) (c): In case of international bookings, the value of supply of services in relation to booking of tickets for travel by air provided by an air travel agent shall be deemed to be an amount calculated as — 10% of basic fare.

(vii) (b): In case of supply of services, the tax invoice shall be prepared in the manner of two copies — the original copy being marked as original for recipient and the duplicate copy being marked as duplicate for supplier.

2.(a)(i) A contract awarded by Bombay Municipal Corporation (BMC) for repair of a particular road to M/s B Ltd. of Mumbai with a total consideration of ₹ 12 lakhs with terms and conditions as stated that:

1. It is pure service (excluding works contract service or other composite supplies involving supply of any goods) and
2. The entire work should be completed within 30 days.

The said work has been completed as per terms and conditions. Applicable rate of GST is 18%.

Find the following:

(A) Is it taxable supply?

(B) Rework if the contract is in the nature of works contract where material is involved in the value of contract. Is it taxable supply? If so who is liable to pay GST and for what amount?

Note: previous turnover of M/s B Ltd. was ₹ 22 crores.

[2+4]

(ii) Air Speed Airlines transported Fruits (i.e. agricultural produce) from Chennai airport to Meghalaya. It is exempted supply of service under GST. Validate the statement. [3]

(b) Government of India launched a project "Make in India" and appointed XYZ Advertising agency of Karnataka for advertisement of the project all over the country. XYZ agency advertises the project in all states of India. Determine the place of supply of advertisement services. [5]

Answer:

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(a)(i) (A) Pure services (excluding works contract service or other composite supplies involving supply of any goods) provided to the local authority exempt from GST.

Therefore, in the given case M/s B Ltd. supplied exempted service.

(B) M/s B Ltd. supplied works contract service which includes material and hence it is taxable supply. M/s B Ltd is liable to pay GST.

CGST @9% = ₹ 1,08,000

SGST @9% = ₹ 1,08,000.

(ii) The given statement is invalid.

In case of transportation of goods within India by air, exemption is not granted. Hence, GST will be levied.

(b) As per Section 12(13) of IGST Act, 2017, the place of supply shall be each state where the advertisement services are provided and the value to each state shall be in proportion to the amount attributable to service provided by way of dissemination in the respective states and the value of such supplies specific to each State or Union territory shall be in proportion to the amount attributable to services provided by way of dissemination in the respective States or Union territories as may be determined in terms of the contract or agreement entered into in this regard or, in the absence of such contract or agreement, on such other basis as may be prescribed.

3.(a) Mannat Ltd. of Patna, Bihar has effected intra-state supplies of taxable goods amounting to ₹ 12,00,000 till 31-12-2017. On 01-01-2018 it has effected inter-state supply of taxable goods amounting to ₹ 1,00,000. Mannat Ltd. is of the opinion that it is not required to get registered under GST law since its aggregate turnover is not likely to exceed ₹ 20,00,000 during financial year 2017-18. As a consultant of the company you are required to advise the company relating to registration requirements. [6]

(b) Mr. Y imported goods from USA on 28th June 2017 for ₹ 5,00,000. Customs duties like BCD ₹ 50,000, CVD ₹ 68,750, Cess ₹ 3,563 and Spl. CVD of ₹ 24,893 also paid on 29th June 2017. The consignment received by Mr. Y into his factory on 20th July 2017. The services of Customs Broker and C&F are used for imported inputs. Service Tax ₹ 10,000, SBC of ₹ 500 and KKC of ₹ 500 has been paid on 30th June 2017 along with value of services to the provider of services.

Is Mr. Y eligible for ITC under GST? If so, for what amount?

[8]

Answer:

(a) The opinion of Mannat Ltd. is not correct. As per provisions of Section 24 of CGST Act, 2017, person making inter-state taxable supply are compulsorily required to obtain registration. Thus, Section 24 is an overriding section that makes it mandatory to obtain registration by certain prescribed persons even though the conditions prescribed u/s 22 are not met. Hence, Mannat Ltd. is mandatorily required to obtain registration.

As per provisions of Section 25 of CGST Act, 2017, every person who is liable to be registered under section 22 or section 24 shall apply for registration in every such State or Union Territory in which he is so liable within 30 days from the date on which he becomes liable to registration, in such manner and subject to such conditions as may be prescribed. Thus, Mannat Ltd. is required to obtain registration upto 31-01-2018.

(b) Statement showing ITC to Mr. Y under GST

S. No.	Duties and Taxes	Tax Amount in ₹	Remarks
1	BCD	Nil	Not allowed as ITC

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2	CVD	68,750	Allowed as ITC under CGST
3	Cess	Nil	Not allowed as ITC
4	Spl. CVD	24,893	Allowed as ITC under CGST
5	Service Tax	10,000	Allowed as ITC under CGST
6	SBC	Nil	Not allowed as ITC
7	KKC	nil	Not allowed as ITC
	Total u/s 140(5) of CGST Act	1,03,643	

4.(a) How soon will refund in respect of export of goods or services be granted during the GST regime? [6]

(b) Calculate the value of taxable supply of PTN Transport Company engaged in the business of transport of goods by road for the month of April 2018. Give reasons for taxability or exemption of each item. No freight is received from any of the specified category of consignor/ consignee. Suitable assumptions may be made wherever required. PTN Transport Company does not avail ITC. GST is leviable @ 5%:

	(₹)
Total freight charges received during the year	14,50,000
Freight charges received for transporting fruits	1,20,000
Freight collected for transporting small consignment for persons who paid less than ₹ 750 for each consignment	70,000
Freight collected for transporting goods in small vehicles for persons who paid less than ₹ 1,500/- per trip	1,55,000

[8]

Answer:

(a) (1) In case of refund of tax on inputs used in exports:

- Refund of 90% will be granted provisionally within seven days of acknowledgement of refund application.
- Remaining 10% will be paid within a maximum period of 60 days from the date of receipt of application complete in all respects.
- Interest @ 6% is payable if full refund is not granted within 60 days.

(2) In the case of refund of IGST paid on exports:

Upon receipt of information regarding furnishing of valid return in Form GSTR-3 by the exporter from the common portal, the Customs shall process the claim for refund and an amount equal to the IGST paid in respect of each shipping bill shall be credited to the bank account of the exporter.

(b) Computation of value of taxable supply and GST leviable thereon —

Particulars	₹
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Total freight received	14,50,000
Less: Freight charges received for transporting fruits [being agricultural produce, exempt vide entry 21 of Notification No. 12/2017-CT (Rate)]	1,20,000
Less: Freight collected less than ₹ 750 for each consignment [Exempt, since the freight charged to a single consignee does not exceed ₹ 750] [Exempt vide Entry 21 of Notification No. 12/2017-CT (Rate)]	70,000
Less: Freight collected for transporting goods in small vehicles for persons who paid less than ₹ 1,500 per trip (Exempt, since the freight on all consignments transported into a goods carriage doesn't exceed ₹ 1,500) [Exempt vide Entry 21 of Notification No. 12/2017-CT (Rate)]	1,55,000
Total value of taxable supply	11,05,000
GST payable @ 5%	55,250

- 5.(a) State the manner & procedure of conducting audit by the tax authorities. [8]
- (b) M/s. Hind Fabricators owned by Mr. A is popularly known for assembly of large machines. M/s. SS Fabricators (also owned by Mr. A) is engaged in fabrication of small machines. A factory contracts M/s. Hind Fabricators for fabrication of its machinery, for a fee of ₹ 5,00,000. M/s. Hind Fabricators sub-contracts the work to M/s. SS Fabricators for ₹ 4,00,000, and ensures supervision of the work performed by them. Generally, M/s. SS Fabricators charges a fixed sum of ₹ 1,200 per man hour to its clients; it spends 400 hours on this project. Determine value of supply. [6]

Answer

(a) Manner & procedure of conducting audit by tax authorities [Section 65 of the CGST Act]:

1. Commissioner or authorised officer to conduct audit of registered person: The Commissioner or any officer authorised by him, by way of a general or a specific order, may undertake audit of any registered person for such period, at such frequency and in such manner as may be prescribed.
2. Place of audit: The officers referred above may conduct audit at the place of business of the registered person or in their office.
3. 15 days prior notice for conduct of audit: The registered person shall be informed by way of a notice not less than 15 working days prior to the conduct of audit in such manner as may be prescribed.
4. Time period for concluding audit: The audit shall be completed within a period of 3 months from the date of commencement of the audit.

Extension by Commissioners: Where the Commissioner is satisfied that audit in respect of such registered person cannot be completed within 3 months, he may, for the reasons to be recorded in writing, extend the period by a further period not exceeding 6 months.

Commencement of audit: "Commencement of audit" shall mean -

- the date on which the records and other documents, called for by the tax authorities, are made available by the registered person, or
- the actual institution of audit at the place of business, whichever is later.

5. Providing necessary facilities for verification and furnishing of information: During the course of audit, the authorised officer may require the registered person, —

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- (i) to afford him the necessary facility to verify the books of account or other documents as he may require;
 - (ii) to furnish such information as he may require and
 - (iii) to render assistance for timely completion of the audit.
6. Findings of audit to be informed to taxable person within 30 days of audit: On conclusion of audit, the proper officer shall, within 30 days, inform the registered person, whose records are audited, about the findings, his rights and obligations and the reasons for such findings.
7. Initiation of action against taxable person: Where the audit conducted results in detection of tax not paid or short paid or erroneously refunded, or input tax credit wrongly availed or utilised, the proper officer may initiate action u/s 73 or section 74.
- (b)** Since M/s. Hind Fabricators and M/s. SS Fabricators are controlled by Mr. A, the two businesses will be treated as related persons. Therefore, ₹4,00,000 being the sub-contract price will not be accepted as transaction value. The value of the service would be the open market value being ₹ 4,80,000 (i.e., ₹ 1,200 per hour × 400 hours).

- 6.(a) What is GST Compensation Cess? State the necessities of it. [2+5]**
- (b) Some inputs are sent directly to premises of registered job worker without being first taken to stock by Kalyan Manufacturer. The goods were cleared from the supplier on 21-07-2017 but received by Job worker on 26-07-2017. The amount of input tax towards CGST and SGST are amounted to ₹ 1,30,000.**

The job worker carried out the job work of machining and supplied the goods after machining to LLB Traders on 23-07-2018 on payment of tax on directions of Kalyan Manufacturers. Discuss ITC implications. [7]

Answer:

- (a)** GST Compensation Cess:

Cess under GST is a compensation cess that will be levied on certain goods and services under section 8 of the GST (Compensation to States) Act, 2017. It is levied on inter-State and intra-State transactions of goods and services to compensate the revenue losses occurred to the States because of the implementation of GST in the country. It means Under GST, in addition to tax on supply (which are CGST and SGST/ UTGST on intrastate supplies and IGST on interstate supplies), a GST Cess is to be levied on supply of certain goods.

Necessities of GST Compensation Cess:

It is levied to compensate states who may suffer any loss of revenue due to the implementation of GST. As GST is a consumption based tax, the state in which consumption of goods or services happens will be eligible for the revenue on supplies. As a result, manufacturing states like Maharashtra, Tamil Nadu, Gujarat, Haryana and Karnataka are expected to face a decrease in revenue from indirect taxes. In order to compensate these states for this loss of revenue, GST Cess will be levied on supply of certain goods, which will be distributed to these states. This Cess will be levied for 5 years from the date of implementation of GST.

According to the GST (Compensation to State) Act, 2017, a compensation cess would be levied on specific items and services for compensation to the States for the loss of revenue on account of implementation of the goods and services tax in pursuance of the provisions of the Constitution (One Hundred and First Amendment) Act, 2016.

GST cess levied this way would be credited to the GST compensation fund, from where it will be used to compensate the tax revenue losses of the States caused by GST implementation. The unutilized funds, if any, would be distributed among the Centre and

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the States equally. The state governments would receive cess in the ratio of the indirect tax revenues generated by them in the last year before the implementation of GST.

- (b)** As per Section 19(2) of the CGST Act, the principal shall be entitled to take credit of input tax on inputs even if the inputs are directly sent to a job worker for job work without being first brought to his place of business.

Therefore, Kalyan Manufacturers can claim Input tax credit of ₹ 1,30,000 on receipt of inputs by the job worker from the supplier.

As per Section 143(1)(b) of the CGST Act, the job worker can clear the goods after completion of processing with payment of tax in India or without payment of tax for export outside India provided the principal has declared job worker's premises as an additional place of business in registration or job worker is registered under Section 25 of this Act. Such supply is to be made within 1 year from date of receipt of goods by job worker.

In the instant case, since the supply of goods are made to LLB Traders on 23-07-2018 which is within 1 year from the date of receipt of goods by job worker, hence, no reversal of input tax credit is required.

7. Answer the following:

[7+7]

(a) Write a short note on Anti-profiteering Committee.

(b) Define business vertical as per section 2(18) of the CGST Act.

Answer:

(a) Anti-profiteering Committee:

The Central Government may, on recommendations of the Council, by notification, constitute an Authority, or empower an existing Authority constituted under any law for the time being in force, to examine whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by him.

The Authority can determine the methodology and procedure for determination as to whether the reduction in the rate of tax on the supply of goods or services or the benefit of input tax credit has been passed on by the registered person to the recipient by way of commensurate reduction in prices.

The Authority would have the following duties:

- (i) to determine whether any reduction in the rate of tax on any supply of goods or services or the benefit of input tax credit has been passed on to the recipient by way of commensurate reduction in prices;
- (ii) to identify the registered person who has not passed on the benefit of reduction in the rate of tax on supply of goods or services or the benefit of input tax credit to the recipient by way of commensurate reduction in prices;
- (iii) to order,
 - reduction in prices;
 - return to the recipient, an amount equivalent to the amount not passed on by way of commensurate reduction in prices along with interest at the rate of eighteen per cent. from the date of collection of the higher amount till the date of the return of such amount or recovery of the amount not returned, as the case may be, in case the eligible person does not claim return of the amount or is not identifiable, and depositing the same in the Consumer Welfare Fund;
 - imposition of penalty; and

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- Cancellation of registration.

(b) As per section 2(18) of the CGST Act, “business vertical” means a distinguishable component of an enterprise that is engaged in the supply of individual goods or services or a group of related goods or services which is subject to risks and returns that are different from those of the other business verticals.

Explanation – Factors that should be considered in determining whether goods or services are related include —

- A. the nature of the goods or services;
- B. the nature of the production processes;
- C. the type or class of customers for the goods or services;
- D. the methods used to distribute the goods or supply of services; and
- E. the nature of regulatory environment (wherever applicable), including banking, insurance, or public utilities;

Section - B

Answer Question No. 8 which is compulsory and two from the rest of this section.

8. Choose the correct answer with justification/ workings wherever applicable: [3×2=6]

- (i) Validity period for import of advance authorisation shall be:**
- (a) 12 months from the date of issue of authorisation**
 - (b) 18 months from the date of issue of authorisation**
 - (c) 12 months from the date of import**
 - (d) 18 months from the date of import.**
- (ii) Suppose Assessable Value (A.V.) including landing charges is ₹ 100. BCD - 10%, IGST - 12%, Education Cess – 2%, Secondary & Higher Education Cess - 1%. The amount of IGST will be:**
- (a) ₹ 1.20**
 - (b) ₹ 13.24**
 - (c) ₹ 1.24**
 - (d) ₹ 13.20.**
- (iii) In case of determination of rate of basic customs duty, we should consider the rate of basic customs duty prevailed on:**
- (a) The date of submission of bill of entry**
 - (b) The date of entry inwards granted to the vessel**
 - (c) The date of submission of bill of entry or the date of entry inwards granted to the vessel, whichever is earlier**
 - (d) The date of submission of bill of entry or the date of entry inwards granted to the vessel, whichever is later.**

Answer:

(i) (a) Validity period for import of advance authorisation shall be 12 months from the date of issue of authorisation.

(ii) (b) the calculation of duty would be: BCD = ₹ 10 [10% of A.V.], Education cess = ₹ 0.20 [2% of ₹ 10], Secondary & Higher education cess - ₹ 0.10 [1% of ₹ 10], IGST - ₹ 13.24 [₹ 100 + ₹ 10 + ₹ 0.20 + ₹ 0.10] x 12%.

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(iii) (d) In case of determination of rate of basic customs duty, we should consider the rate of basic customs duty prevailed on the date of submission of bill of entry or the date of entry inwards granted to the vessel, whichever is later.

- 9.(a) Write the procedure to be followed for clearance of Postal Articles under customs. [8]**
(b) Describe first appraisal system in customs verification. [4]

Answer:

(a) Procedure for clearance of Postal Articles under customs:

- (i) Post parcels are allowed to pass from port/airport to Foreign Parcel Department of Government Post Offices without payment of customs duty.
- (ii) The Postmaster hands over to Principal Appraiser of Customs the memo showing
 - Total number of parcels from each country of origin,
 - Parcel bills or senders' declaration,
 - Customs declaration and dispatch notes, and
 - Other information that may be required.
- (iii) The mail bags are opened and scrutinized by Postmaster under supervision of Principal Postal Appraiser of Customs.
- (iv) Packets suspected of containing dutiable goods are separated and presented to Customs Appraiser with letter mail bill and assessment memos.
- (v) The Customs Appraiser marks the parcels which are required to be detained if —
 - necessary particulars are not available, or
 - mis-declaration or undervaluation is suspected, or
 - goods are prohibited for import.

Appraiser has the power to examine any parcel. After inspection, the parcels are sealed with a distinctive seal. Any mis-declaration or undervaluation is noted or goods are prohibited goods for imports these be detained and the same intimated to Commissioner of Customs.

If everything is in order after verification, goods will be handed over to Post Master, who will hand over the same to the addressee on receipt of customs duty.

(b) First Appraisal System: Section 17 of the Customs Act, 1962 stipulates that after submission of bill entry, goods will be examined and assessed. However, assessment can be made before examination of goods based on the submission of Bill of Entry and other documents produced before the Customs Authorities. The Importer on request has to submit the following:

- Contract Agreement
- Brokers note
- Insurance policy
- Other documents which help to ascertain the duty liability.

The goods are examined first and then assessed. This is called as First Appraisal System. The appraiser normally resorts to this method if he is not able to make an assessment on the basis of declaration made in the bill of entry or shipping bill and the documents submitted along with them and deems that inspection is necessary. The importer himself may also request 'first check procedure', if he cannot give all required details regarding description/value of goods. He has to make request for first check examination at the time of filing of bill of entry.

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10.(a) Importer BOPP Ltd. imported two consignments of ethyl alcohol which were allowed to be cleared for home consumption on execution of a bond undertaking to produce licence within a month. Since, appellant failed to fulfill the obligation, proceedings were initiated which culminated in confiscation of the goods under Section 111(d) of the Customs Act, 1962 and imposition of penalty on the importer under section 112(a) of the Customs Act, 1962. Examine the correctness of the decision in terms of statutory provisions. [7]

(b) State the benefits available to the status holders in FTP provisions. [5]

Answer:

(a) The given case is similar to the case of Hira Lal Hari Bhagwati v CBI (2003) 155 ELT 433 (SC). The Supreme Court of India had held that no penalty can be imposed if the goods are imported with bona fide belief that they are entitled to exemption, later on they could not fulfill conditions of exemption but paid the duty. Further it was held that for establishing offence of cheating, complainant (i.e. importer) is required to show dishonest intention at the time of making promise or presentation. Thereby there is no penalty under section 112(a) of the Customs Act, 1962.

With regard to confiscation of the goods under Section 111(d) of the Customs Act, 1962, the Apex Court namely the Supreme Court of India in the case of Sachinanda Banerji v Sitaram Agarwala 110 ELT 292 (SC), held that goods imported against restrictions under section 11 of the Customs Act, 1962 (Section 11 deals with power to prohibit importation or exportation of goods) are liable to confiscation whenever they are found even if this is long after import is over and even if they are in possession of third persons who had nothing to do with actual import.

Thereby, Department action to confiscate the goods under section 111(d) of the Customs Act, 1962 is valid.

(b) Benefits to Status holders:

1. Authorisation and Customs Clearances for both imports and exports may be granted on self- declaration basis;
2. Fixation of Input Output Norms (SION) on priority by the Norms Committee i.e. within 60 days.
3. Exemption from compulsory negotiation of documents through banks. The remittance receipts, however, would continue to be received through banking channels by way of e-BRC by DGFT.
4. Exemption from furnishing of Bank Guarantee in Schemes under FTP.
5. Two Star Export Houses and above are permitted to establish export warehouses.
6. Three Star and above Export House shall be entitled to get benefit of Accredited Clients Programme (ACP) as per the guidelines of CBEC.
7. Status holders shall be entitled to export freely exportable items on free of cost basis for export promotion subject to an annual limit of ₹ 10 lakhs or 2% of average annual export realization during preceding 3 licensing years, whichever is higher.
8. Manufacturer exporters who are also Status Holders shall be eligible to self-certify their goods as originating from India.

11.(a) Mr. Lal, paid the customs duty in the month of June 2017 ₹ 10,300. It was found by the department officer, the actual amount of duty is ₹ 15,450 for the June 2017. Customs duty of ₹ 5,150 as demanded by the department have been paid on 31st July 2017. Find the interest under section 28AA of the Customs Act, 1962. [4]

(b) Write a short note on deemed export under foreign trade policy. [8]

Answer:

(a) Interest = ₹ 66

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(i.e. ₹ 5,150 x 15/100 x 31/365)

- (b)** Deemed export: Goods manufactured in India and supplies from DTA to EOU, EHTP, STP & BTP units will be regarded as deemed exports and DTA supplier shall be eligible for export incentives.

The following supplies considered as deemed exports:

(A) Goods supplied by a manufacturer:

1. Supply of goods against Advance Authorisation/ Advance Authorisation for Annual Requirement/ DFIA.
2. Supply of goods to units located in EOU/ STP/ BTP/ EHTP.
3. Supply of capital goods against EPCG authorization.
4. Supply of marine freight containers by 100% EOU provided said containers are exported within 6 months by another 100% EOU.

(B) Goods supplied by a Main contractor / sub-contractor:

1. Supply of goods to projects or turnkey contracts financed by multilateral or bilateral agencies/Funds notified by Department of Economic Affairs (DEA), under International Competitive Bidding.
2. Supply of goods to any project where import is permitted at zero customs duty.
3. Supply of goods to mega power projects against International Competitive Bidding.
4. Supply to goods to UN or international organisations.
5. Supply of goods to nuclear projects through competitive bidding (need not be international competitive bidding).

Benefits for Deemed Exports:

Deemed exports shall be eligible for any / all of following benefits:

1. Advance Authorisation/ Advance Authorisation for Annual requirement/ DFIA
2. Deemed Export Drawback.