

Office of the
Commissioner of State Tax,
(GST), Maharashtra State,
8th floor, GST Bhavan,
Mazgaon, Mumbai-400010.

TRADE CIRCULAR

To,

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No. JC/HQ-I/GST/LUT/BOND/2017-18 Mumbai, Date 28th February 2018

Trade Cir. No. -10 T of 2018

Subject : Online submission of Letter of Undertaking by the taxable person who makes zero-rated supply of goods or services or both without payment of Integrated Tax under IGST Act.

Ref. : (a) Circular bearing No. 4/4/2017-GST dated 7th July 2017 issued Commissioner of GST (Central Board of Excise and Customs).
(b) The Finance Department Notification No. MGST-1017/C.R.-111/Taxation-1 dated 11th July 2017.
(c) The Finance Department Notification No. MGST-1017/C.R.-179/Taxation-1 dated 7th October 2017.
(d) Circular bearing No. 8/8/2017-GST dated 4th October 2017 issued Commissioner of GST (Central Board of Excise and Customs).
(e) Trade Circular No. 29T of 2017 dated 10th July 2017.
(f) Trade Circular No. 50T of 2017 dated 7th December 2017.

Sir/Gentlemen/Madam,

1. You are well aware that as per the provisions of clause (a) of sub-section (3) of section 16 of the Integrated Goods and Services Tax Act, 2017, a registered person making zero rated supply may choose to supply the goods or services or both under a Letter of Undertaking without payment of Integrated Tax, subject to the conditions, safeguards and procedure as provided in the Notification of Finance Department No. MGST-1017/C.R.-179/Taxation-1 dated 7th October 2017.

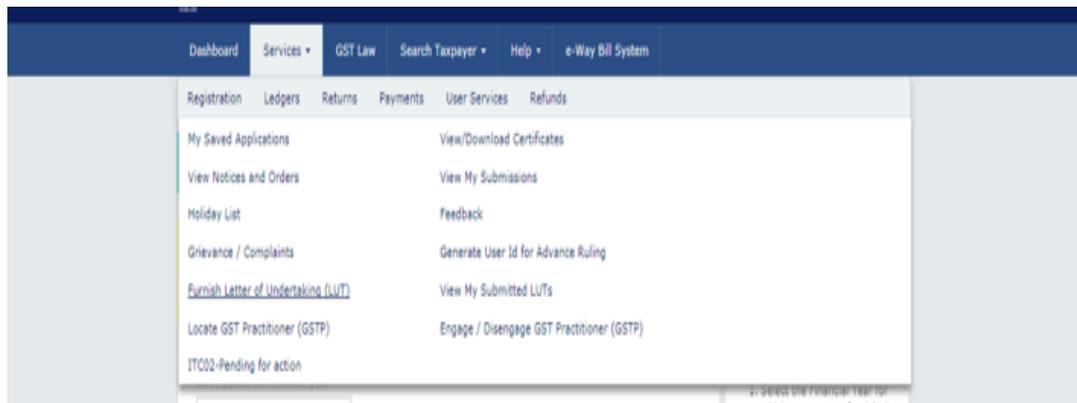
2. Your attention is also invited towards the Trade Circular No. 29T 2017 dated 10th July 2017 and 50T of 2017 dated 7th December 2017. These Trade Circular(s) explain the procedure to be adopted to accept and process the Bond or Letter of Undertaking (hereinafter referred to as “LUT”). The Trade Circular 50T of 2017 explains the legal as well as procedural aspects related to manual submission of LUT to the jurisdictional Nodal Officer of State Tax.
3. Now, the GSTN portal has made the facility available for online submission of the LUT.
4. In view of earlier Trade Circular No. 50T of 2017 dated 7th December 2017 and the facility for submission of online LUT at GSTN portal, the following instructions are issued in order to facilitate the online submission of LUT,-

5. **INSTRUCTIONS TO FILE LUT ONLINE**

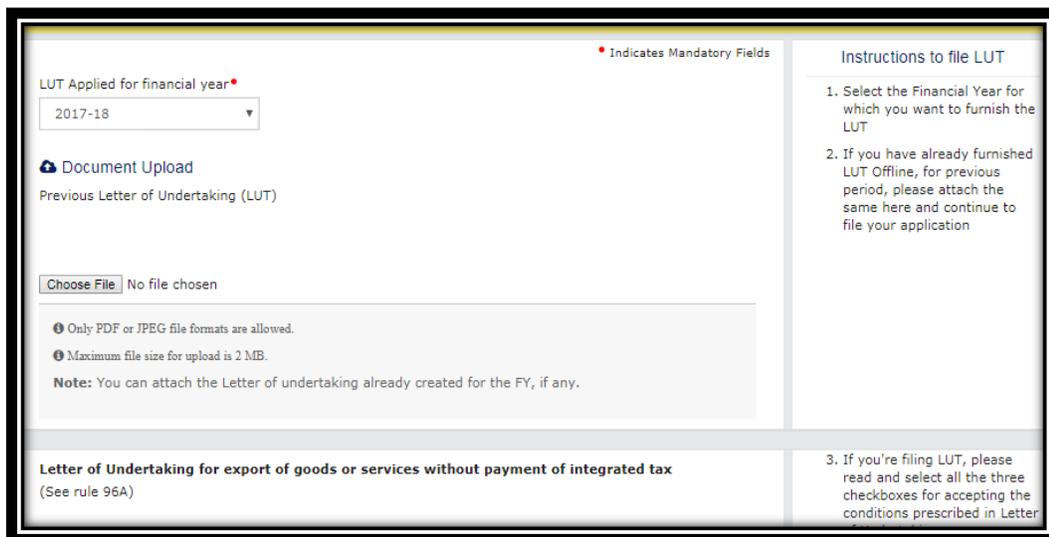
- 5.1. The registered person who desires to make zero rated supply of goods or services or both without payment of the Integrated Tax (IGST) shall file an application at GSTN portal in **FORM GST RFD-11** (as notified under rule 96A of the MGST Rules vide Notification-State tax dated 1st July 2017 and as amended from time to time).
- 5.2. All the details in the said form is to be filled appropriately.
- 5.3. The applicant who desires to submit online LUT in FORM-GST-RFD-11, shall access the common portal i.e. www.gst.gov.in with the use of appropriate Log-in Id and password and fill the appropriate details, as detailed below:
- 5.4. The process flow diagram is given below:
 - Login Id>password>
 - Services>User Services>
 - Select Furnish Letter of Undertaking (LUT)>
 - Select the financial year for which LUT is to be filed>
 - Tick all the three checkboxes>

- Attach the PDF file of LUT that is already submitted manually to appropriate jurisdictional officer>
- Fill the requisite details of two independent witness>
- Fill all the requisite fields>
- Save and Submit application with DSC or EVC.

5.5. After log-in the tax payer shall use option Services>“User Services” as available at the common portal. The applicant would be directed to next screen which would appear as given below:



5.6. From above screen, press the menu “Furnish Letter of Undertaking (LUT)”. After pressing the next screen will appear. For better understanding the relevant portion is given below:



5.7. Select from the drop down the financial year for which the LUT is to be filed.

- 5.8. If a registered person making zero rated supply has already furnished LUT Offline i.e. submitted manually to the jurisdictional officer as described in the Trade Circular 50T of 2017 dated 7th December 2017, for previous period, please attach the PDF copy of the LUT so submitted. The said copy may be uploaded at the GSTN portal.
- 5.9. Fill all the details as explained below, at the GSTN portal and SAVE the application.
- 5.10. If the tax payer is filing LUT a fresh (for the first time), follow the aforesaid process and please read and select all the three check boxes (as shown below) for accepting the conditions prescribed in Letter of Undertaking. Please see the screen(s) below:

The screenshot shows the GSTN portal interface. At the top, there are three checked boxes for accepting the conditions of the Letter of Undertaking:

- (a) to export the goods or services supplied without payment of integrated tax within time specified in sub-rule (1) of rule 96A;*
- (b) to observe all the provisions of the Goods and Services Tax Act and rules made thereunder, in respect of export of goods or services;*
- (c) pay the integrated tax, thereon in the event of failure to export the goods or services, along with an amount equal to eighteen percent interest per annum on the amount of tax not paid, from the date of invoice till the date of payment.*

Below the conditions, there is a declaration: "I/We declare that this undertaking is given under the orders of the proper officer for the performance of enacts in which the public are interested." and "IN THE WITNESS THEREOF these presents have been signed the day hereinbefore written by the undertaker(s)".

The form section is titled "Name, address and occupation of the independent Witnesses". It includes the following fields:

- 1. Name of Witness ***: Enter Name, Occupation
- Address of Witness ***: Building No./ Flat No., Floor No., Name of the Premises / Building, Road / Street, City / Town / Locality / Village

The screenshot shows the continuation of the GSTN portal form. It includes the following fields:

- 2. Name of Witness ***: Enter Name, Occupation
- Address of Witness ***: Building No./ Flat No., Floor No., Name of the Premises / Building, Road / Street, City / Town / Locality / Village
- State ***: Select, **District ***: Select, **Pin Code ***: Enter PIN Code
- Place of Filing LUT ***: Enter Place, **Date of Filing LUT ***: 26/02/2018
- Name of Primary/ other Authorized Signatory ***: Select, **Place ***: Enter Place
- Designation / Status ***: , **Date ***: 26/02/2018

At the bottom, there are buttons for "SAVE", "PREVIEW", "SIGN AND FILE WITH DSC", and "SIGN AND FILE WITH EVC". A "Low Disk Space" warning is visible in the bottom right corner.

5.11. Follow the steps given hereunder:

5.11.1. Enter the details of two independent witnesses. These details includes, Name of Witness, Occupation, and Address etc. Please fill all the details. The fields marked as asterisk (*) are mandatory fields.

5.11.2. Primary Authorized signatory or other Authorized signatory may sign the Application Form with the DSC or, as the case may be, the EVC.

5.12. Fill all the requisite information as explained above. The application may be saved at any point of time during the submission. Once the application is saved, it is required to be submitted with DSC or EVC, as the case may be (at GSTN portal). Form so filed cannot be edited. Hence due care may please be taken while processing and submission of said form.

5.13. **Document Upload:**

5.13.1. Previous Letter of Undertaking (LUT), irrespective whether it is submitted manually to the jurisdictional officer of the State or the Centre, said LUT may also be uploaded at the GSTN portal.

5.13.2. The fresh LUT, if any, that is required to be submitted may also be prepared online and submitted to the GSTN portal.

5.13.3. Only PDF or JPEG file formats are allowed.

5.13.4. Maximum file size for upload is 2 MB.

5.14. As explained above, save and submit the LUT in FORM GST-RFD-11. LUT once submitted shall be valid for the **whole financial year.**

It is reiterated that the registered person shall make the zero-rated supply of the goods or services or both within the time limit specified in *sub-rule (1)* of rule 96A of the Maharashtra Goods and Services Rules,

2017. (Please refer Trade Circular No. 50T of 2017 dated 7th December 2017.) The instructions about the procedure of submission of LUT stands modified as above. The rest of the contents of the Trade Circular 50T of 2017 dated 7th December 2017 remains unchanged.

7. This circular is clarificatory in nature and cannot be made use of for interpretation of provisions of law. If any member of trade has any doubt, he may refer the matter to this office for further clarification.

Yours faithfully,



(RAJIV JALOTA)

Commissioner of State Tax (GST)
Maharashtra State, Mumbai.

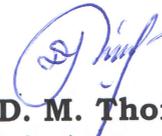
No. JC/HQ-I/GST/LUT/BOND/2017-18

Mumbai, Date 28th Feb. 2018

Trade Cir. No. 10T of 2018

Copy forwarded for information to,

- (1) The Joint Commissioner of State Tax, (MAHAVIKAS) with a request to upload this Trade circular on MSTD web-site.
- (2) Deputy Secretary, Finance Department, Mantralaya, Mumbai.
- (3) Accounts Officer, Sales Tax Revenue Audit, Mumbai and Nagpur.



(D. M. Thorat)

Joint Commissioner of State Tax
(GST), HQ-1, Maharashtra State,
Mumbai