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Kozhikode Branch of SICASA

YUKTHI

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Contributions to e-newsletter

Contributions in the form of articles, stories, poems, jokes, drawings etc. are invited for the monthly e-Newsletter "YUKTHI". Students can email their contribution to *sicasaclt@gmail.com* along with name, photo and student registration number.

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Dear colleagues,

It was an immense pleasure as well as a challenge of securing the post as "Editor" of SICASA Kozhikode. I have always tried to put forth best content for the CA students community which benefits them.

It was a golden opportunity for me to be the head of the team "SATSANG Souviner." It has helped me in multiple areas such as team leadership, communication, co-ordination and so on. At the end, the Souvenir came out above my expectations and I would extend my gratitude to my Souviner team members. It was a team effort and patience that made the souvenir possible.

Talking about our events, we have Successfully conducted our Mega CA Students Conference "**SATSANG**" on Dec 12th and 13th. Had an opportunity to meet vibrant paper presenters and faculties. We were able to successfully cross 600+ registrations which was a commendable achievement for out Committee. The 2 day event was smoothly carried out by our team which symbolised the team work in our committee.

I was thankful for being supported by committee members during my hard times. It would've been hectic without such supportive members or I would say good friends.

I congratulate all the students for the exams and i wish all of you come out with flying colours.

Asheeka Jabeen,

Editor,

SICASA Kozhikode.

QUOTE OF THE MONTH

Respected depression,

| want peace of mind and not pieces of my mind
So please do not exaggerate drama of any kind
You'll only burst my head and not problem
So Please stop this hide and seek am just done
You're not a taboo and | will talk to you
How about being friends and starting new
You be my Tom and I'll be your Jerry
Because | know you're not that scary
Its hard,| really don't know how you feel
Please cooperate so we both can heal
Let me know how's the deal !!!

- Dhruvi C Shah
SRO0768313

KNOWLEDGE SECTION

FILE LETTER OF UNDERTAKING (LUT) IN GST

I. What does LUT under GST means?

LUT in GST: Full form/meaning is Letter of Undertaking. It is prescribed to be furnished in the form GST RFD 11 under rule 96 A, whereby the exporter declares that he or she will fulfill all the requirement that is prescribed under GST while exporting without making IGST payment.

II. Who needs to file LUT in Form GST RFD-11?

GST LUT is to be submitted by all GST registered goods and service exporters. The exporters who have been prosecuted for any offense and the tax evasions exceeding Rs 250 lakhs under CGST Act or the Integrated Goods and Service Act, 2017 or any existing laws are not eligible to file the GST LUT. In such cases, they would have to furnish an Export bond.

Here the motive of the government was to expand the export base by providing reliefs on exports. GST experts from IndiaFilings can help you with GST LUT filing or Export bond Filing

Under CGST Rules,2017, any registered person can furnish an Export bond or LUT in GST RFD 11 without paying the integrated tax. They can apply for LUT if:

1. They intend to supply goods or services to India or overseas or SEZs
2. Are registered under GST
3. They wish to supply goods without paying the integrated tax.

III. Documents Required for LUT under GST

An LUT can be submitted by any individual who is registered under GST provided he has not been executed in case of tax evasion exceeding Rs.250 lakh or any other offense.

1. LUT cover letter - request for acceptance - duly signed by an authorized person
2. Copy of GST registration
3. PAN card of the entity
4. KYC of the authorized person/signatory
5. GST RFD11 form
6. Copy of the IEC code
7. Canceled Cheque
8. Authorized letter

IV. Process for Filing LUT in GST?

To file a Letter of Undertaking (LUT) in a case where the exports are made without payment of taxes, below are the steps on how to file and furnish bonds when the exports are made without payment of taxes.

Check the furnishing and jurisdiction requirements. If a bond is to be filed, additional documents relating to the bank guarantee must be prepared.

Prepare necessary documents for Bonds. Following documents are to be filed for bonds:

► **For Bonds:**

- Ω Form RFD-11
- Ω Bond on stamp paper
- Ω Bank guarantee
- Ω Authority letter
- Ω Other supporting documents

A separate bond is not needed to be furnished for each consignment. Instead, he can furnish a running bond. A running bond helps the exporter to carry forward the same terms and conditions in the bond for the next consignment.

A duplicate copy should be prepared along with an official document.

The next step is to submit the documents to the department and get the same verified by a relevant officer to avoid any rejection

After filing the document, a signed letter shall be issued by the officer acknowledging the same.

V. Eligibility for Filing LUT in GST

Who can use Letter of Undertaking (LUT)?

Any registered taxpayer who is into exporting goods and services can make use of Letter of Undertaking. Any person who has been prosecuted for tax evasion for an amount of Rs. 250 lakh or above are ineligible.

The validity of such LUT's is for one year, and an exporter is required to furnish a fresh LUT for each financial year. If the conditions mentioned in the LUTs are not satisfied within the specified time limit, then the privileges will be revoked, and the exporter will have to furnish bonds.

Other assesses should furnish bonds if the export is being made without the payment of IGST. LUTs / Bonds can be used for:

i. Zero-rated supply to SEZ without payment of IGST

ii. Export of goods to a country outside India without the payment of IGST.

It is providing services to a client in a country outside India without paying IGST.

VI. Filing of Letter of Undertaking (FORM GST RFD-11)

The Form RFD-11 is filed in the format below:

- Ω Registered Name
- Ω Address
- Ω GST No.
- Ω Date of furnishing
- Ω Signature, date, and place
- Ω Details of witnesses (Name, address, and occupation)

VII. Export Bond for GST

Entities that are not eligible to submit a Letter of Undertaking based on the conditions mentioned will have to furnish an export bond and a bank guarantee. The applicant needs to cover the amount of tax involved in the export based on estimated tax liability self-assessment.

Export bond should be furnished on non-judicial stamp paper of the value as applicable in the State in which the bond is being furnished.

Also, exporters can furnish a running bond, so that export bond needs not to be executed for each export transaction. However, if the outstanding tax liability on exports exceeds the bond amount at any time, then the exporter must furnish a new bond to cover the additional liability.

A bank guarantee can be mandated along with an export bond. The value of the bank guarantee should usually not exceed 15% of the bond amount. However, based on the exporter's track record, the bank guarantee required to be submitted with the export bond can be waived off by the jurisdictional GST Commissioner.

► **Form for Bonds:**

- Ω Registered Name
- Ω Address
- Ω Amount of bond furnished.
- Ω Date of furnishing
- Ω Amount of bank guarantee furnished.
- Ω Signature, date, and place
- Ω Details of witnesses (Name, address, and occupation)

MOTHER: THE ONE SHE-RO IN OUR LIFE

- ARUN ALEXANDER

The one who anchored her life on our shores;
The one who whispered the words of wisdom;
The one who showered the colours of life;
The one who composed the melodies of life;

The one who built our future like an architect;
The one who stitched our hurt like a doctor;
The one who poured knowledge like a teacher;
The one who fought like a soldier;

The one who armed us with honesty;
The one who diffused our sorrows;
The one who burnt herself for our light;
The one who turned house into home;

The one isle where we find solace;
The one shore where we find peace;
The one pasture where we find the warmth of love & strictness of discipline;
The one face where we find the depths of ocean & heights of sky;

We owe a debt which can never be repaid.
We cast our hope on you from womb to tomb
We bow our greatness & glory before your feet
We admire you as our she-ro from dawn to dusk & forever.

DECEMBER EVENTS

SATSANG - Mega CA Students Conference - 2022