

# Nepal trade: Services exporters' GST woes will be solved soon, says CBEC chief

## OUR BUREAU

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The Central Board of Excise & Customs (CBEC) on Friday sent out a ray of hope for service providers who may have lost a market in Nepal owing to the imposition of 18 per cent goods and services tax (GST) from July 1.

Given that the trade with Nepal is 'rupee-based', many services exporters are crying foul that their business has been killed, thanks to the 18 per cent GST.

As the transactions with

Nepal have to be 'rupee-based', they cannot claim GST exemptions which is available only in cases where exports are undertaken in foreign currency, they said.

Responding to this concern of industry, Sanjiv Srivastava, Commissioner, CBEC, said at a Confederation of Indian Industry (CII) event that the GST Council is seized of this matter and a resolution would be available within a month's time from now.

"Be rest assured that this issue will not stay live for over a

month from now," said Srivastava.

Meanwhile, Srivastava also maintained that the GST laws enacted by the Centre and the States are not as complex they as made out to be.

Bipin Sapra, Partner-Indirect Taxes, EY, said that transition to GST has increased costs for corporates and that GSTIN is yet to shape up to its full potential.

At the same time, he noted that the government needed to be commended for the efforts taken to usher in such a big tax reform.