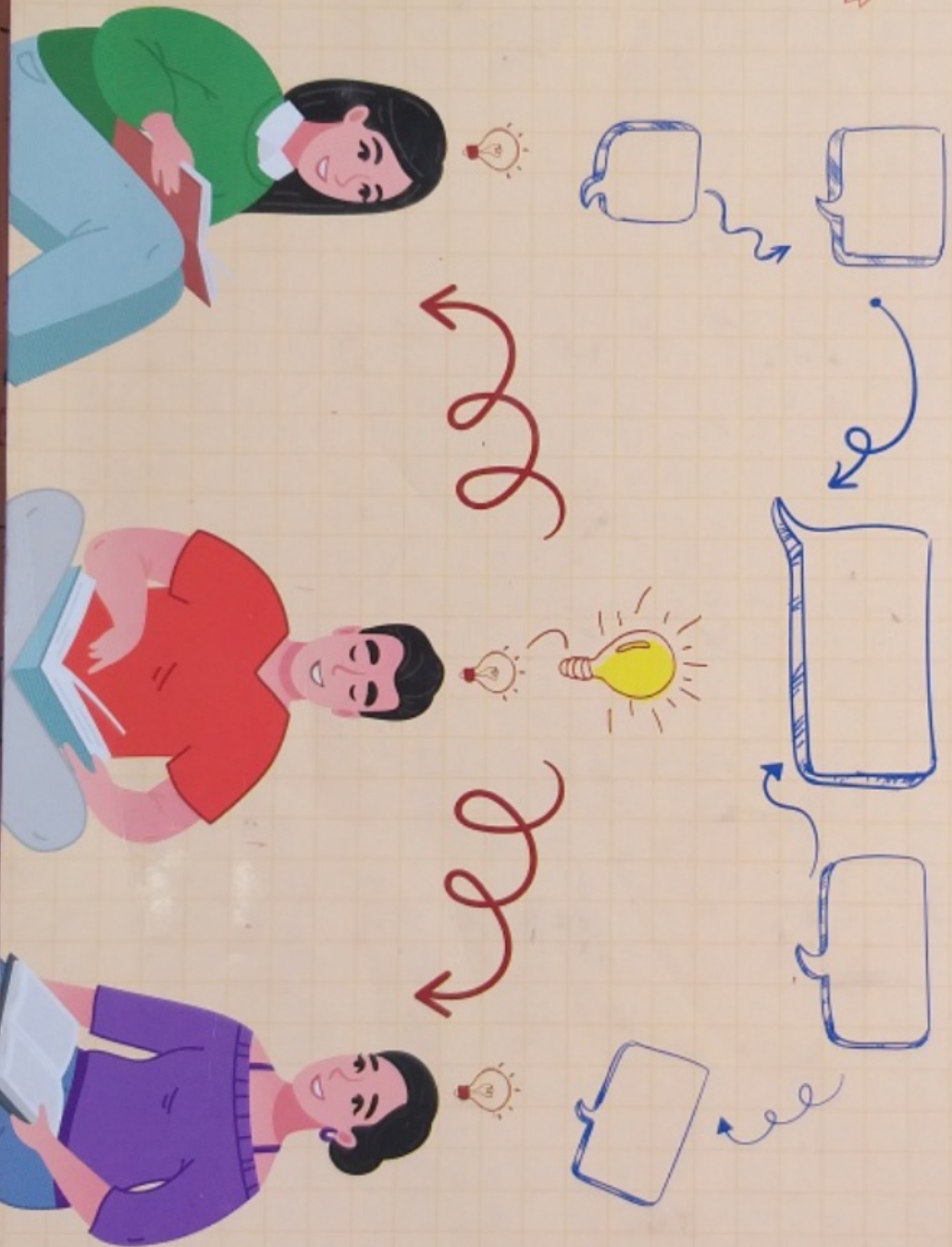
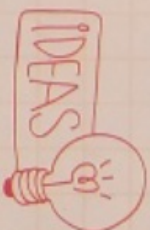




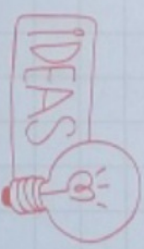
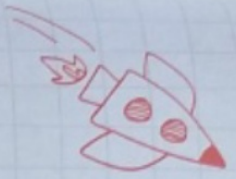
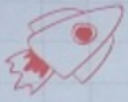
Brain Mapping

By CA POOJA KAMDAR DATE



Index

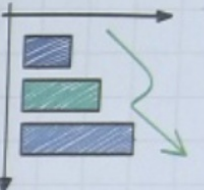
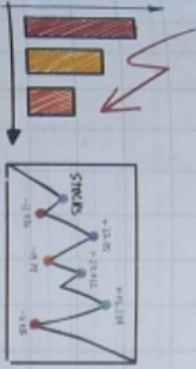
SR N.	Chapter	Page
1	Introduction	1.1 to 1.5
2	Concept of Supply	2.1 to 2.15
3	Change of GST	3.1 to 3.14
4	Time of Supply and Value of Supply	4.1 to 4.5
5	Input Tax Credit	5.1 to 5.9
6	Registration	6.1 to 6.3
7	Exemption	7.1 to 7.3



CI - 1

Taxes Subsumed

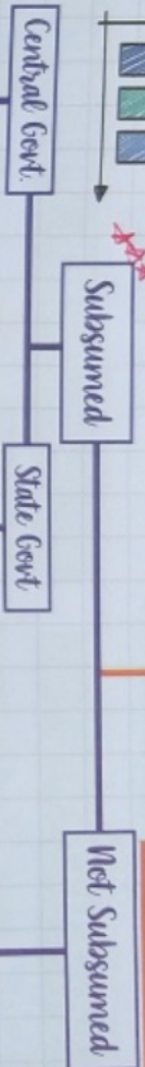
GST



Tax

Introduction

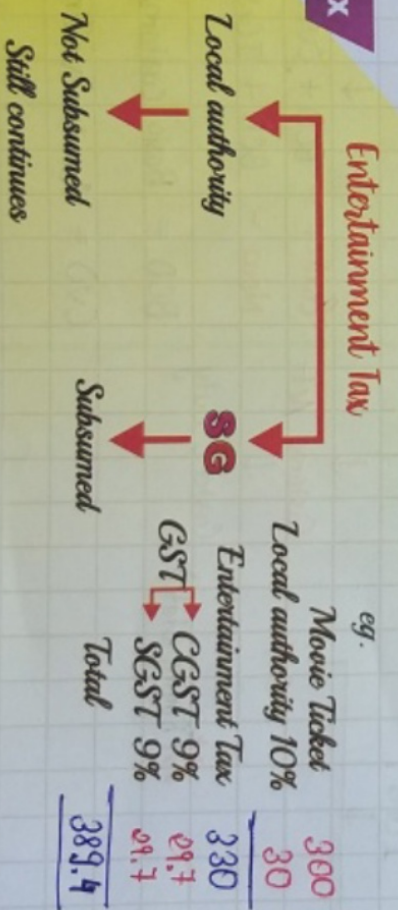
1.1



- | | | |
|---|--|---|
| <p>1. Excise Duty
Basic excise duty
additional excise duty</p> <p>2. Service tax</p> <p>3. GST</p> <p>4. CVD & Special CVD
levied under custom act.</p> | <p>1. Entertainment tax by St. Govt.</p> <p>2. Tax on lottery, gambling and betting.</p> <p>3. Entry tax / purchase tax</p> <p>4. Vat</p> <p>5. Luxury tax</p> <p>6. Tax on advertisement.</p> | <p>1. Property tax & stamp duty</p> <p>2. Electricity Duty</p> <p>3. Excise duty on alcohol for human consumption</p> <p>4. Basic customs duty</p> <p>5. Excise duty on Petrol / Diesel.</p> |
|---|--|---|

CI - 2

Entertainment Tax



PKS

SWAPNIL PATEL'S CLASSES

C1 - 3 GST is a destination based tax

Taxation before 01/07/2017:



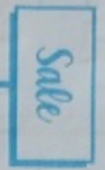
Taxation after 01/07/2017:



$TGST = CGST + SGST$
 $18\% = 9\% + 9\%$



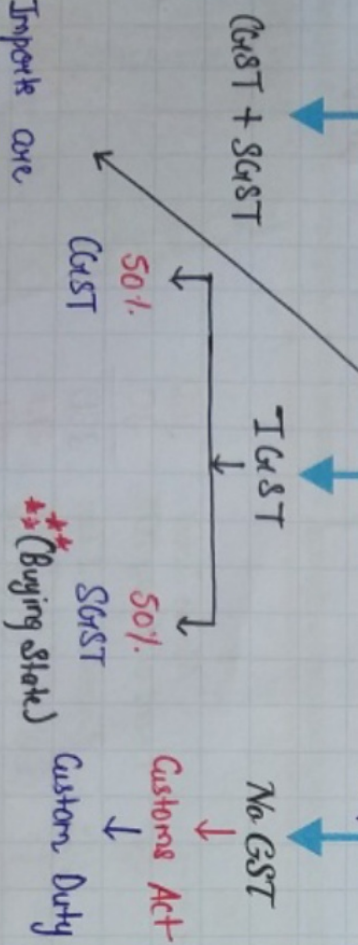
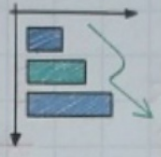
C1 - 4 Sale



Within the state
 Intra - State

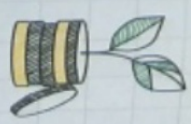
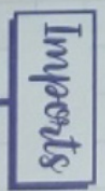
from one state to another
 Inter - State

Outside India
 Exports



Imports are treated as Inter State Supply.
 PKD

C1 - 5 Imports - Basic



Goods
 Customs Act

Services
 Not covered under Custom Act

Earlier = $BCD + \cancel{IGST}$
 Now = $BCD + IGST$

$BCD = \text{Basic customs duty}$
 $CVD = \text{Counter veiling duty}$

Subsumed

CI-6 Goods

Goods

1.3

Liquor for human consumption



Outside price of GST

State Exercise duty

+ Selling Vat

Opium, hemp, Narcotics



GST + State Exercise Duty

Tobacco



GST + Central Exercise Duty

Eg:- Tobacco - 100
ED 10% - 10
Exercise duty - 110

SGST 14% - 15.4
CGST 14% - 15.4
140.8

Others goods



GST

Petroleum Products

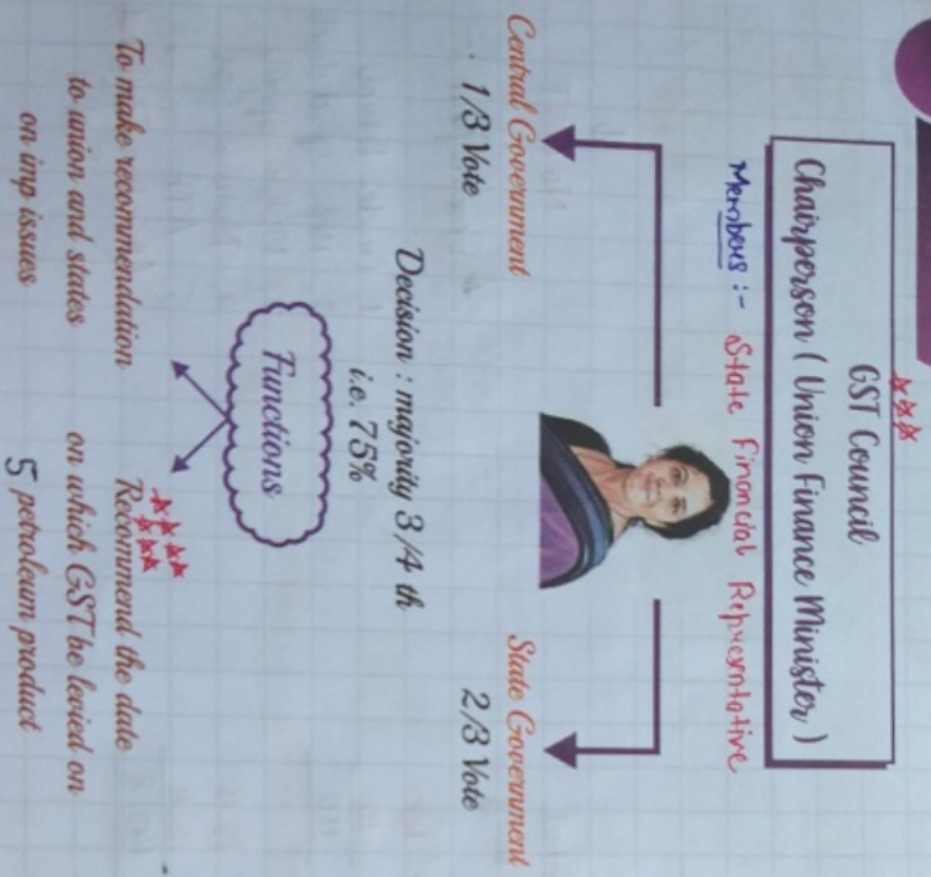


No GST

* Exercise Vat :-

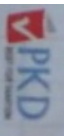
1. Crude Petrol
2. High Speed diesel
3. Motor Spirit
4. Natural Gas
5. ATF (Aviation Turbine Fuel)

C1 - 7 GST Council

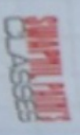
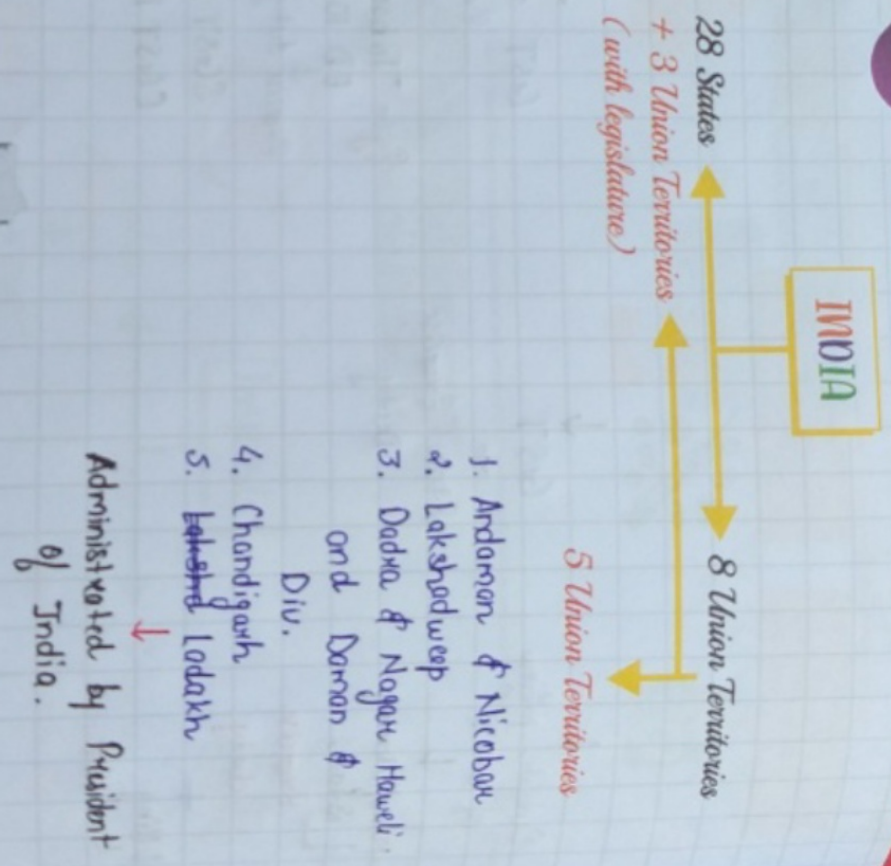


11 Special Category States

Jammu and Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, J&K, Himachal Pradesh, Uttarakhand



C1 - 8 India

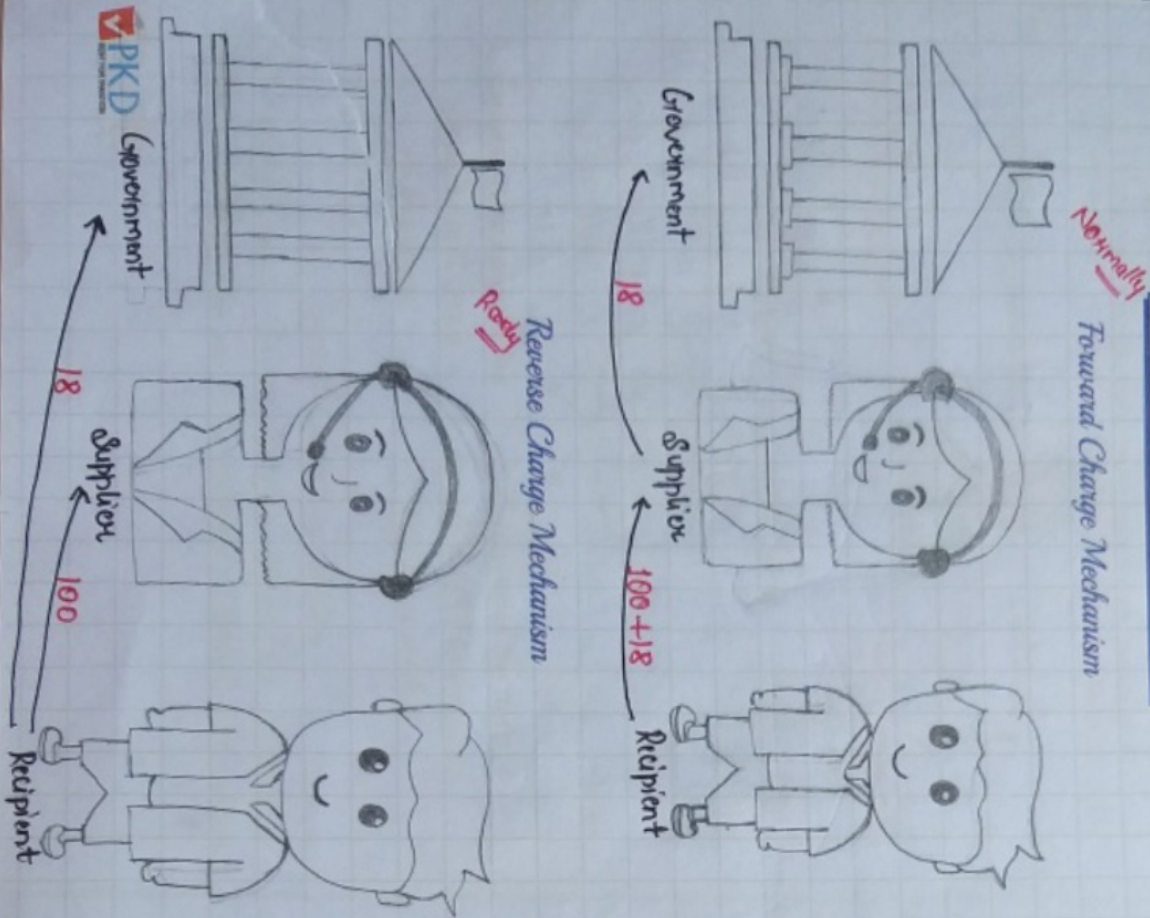


eg:- Examples of tax with different places :-

1. Sale within Delhi \rightarrow CGST + Delhi SGST
2. Sale within UTI \rightarrow CGST + UT GST
3. J&K to Ladak \rightarrow IGST
(State) (UT)
4. Sale from Maharashtra \rightarrow IGST
to Gujarat
5. Sale within Maharashtra \rightarrow CGST + Maharashtra SGST
6. Andaman to Chandigarh \rightarrow IGST
& (UT)
7. Nicobar
(UT)

C2 - 1 Concept of FCM and RCM

Concept of FCM and RCM



Concept of Supply

C2 - 2 Concept of TTC

For the month of November (Motabhai)

Inputs	Outputs
Purchased : A : 100 + 18	Sale : 200 + 20
B : 200 + 20	(Product C)
C : 150 + 15	
TTC = 53	Tax : 20

While claiming TTC, there is no one to one correlation. Also it does not matter whether product B and A are lying in stock. Once inputs are purchased in that month itself, TTC is available.

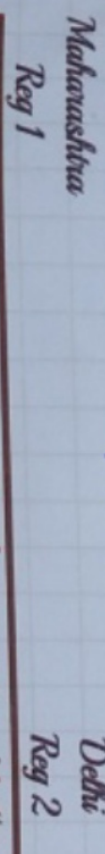
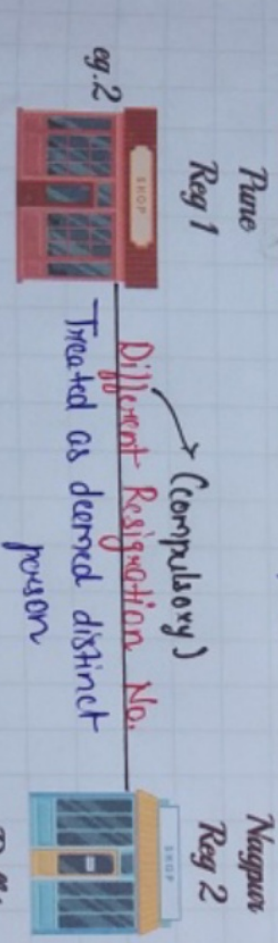
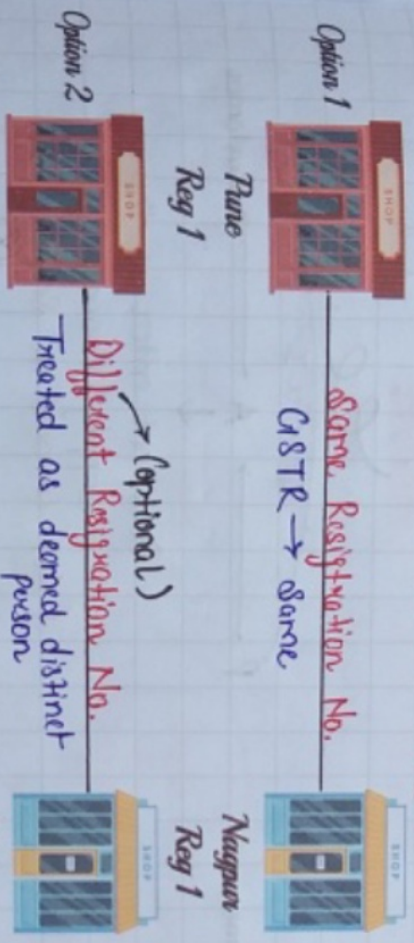


C2-3 Concept of deemed distinct person

Concept of deemed distinct person



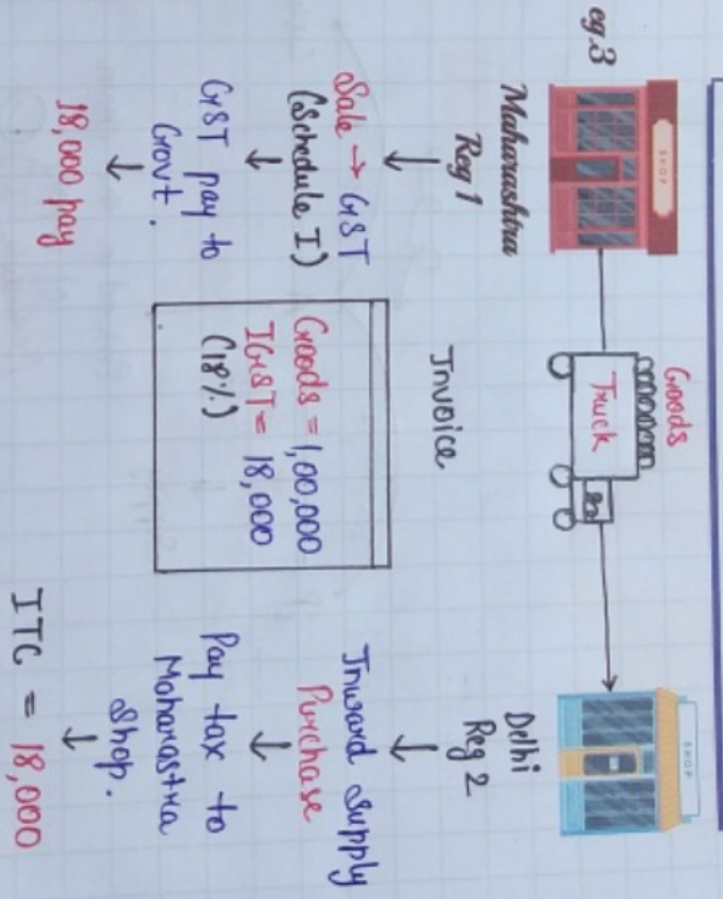
Option 1 : One Registration for Pune & Nagpur
 Option 2 : Separate Registration for Pune & Nagpur



Branches in same state : Option of single or separate registration.
 Branches in diff. state : compulsory separate registration

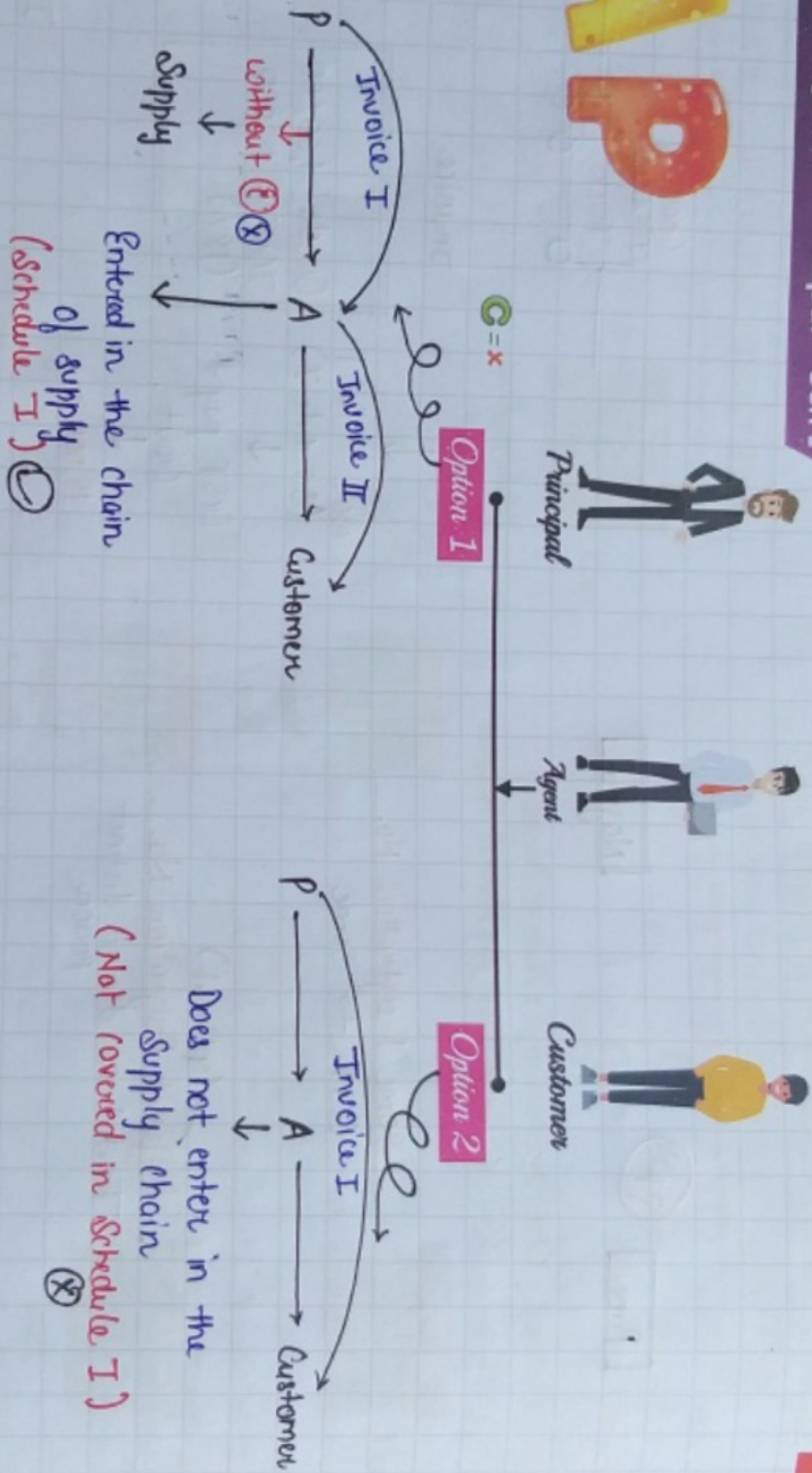
Schedule I :- Any supply between related person / deemed distinct person will be supply

Stock transfer between deemed distinct person



C2 - 4 Concept of Agent & Principal - Sch I

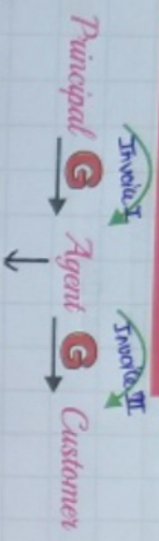
AAP



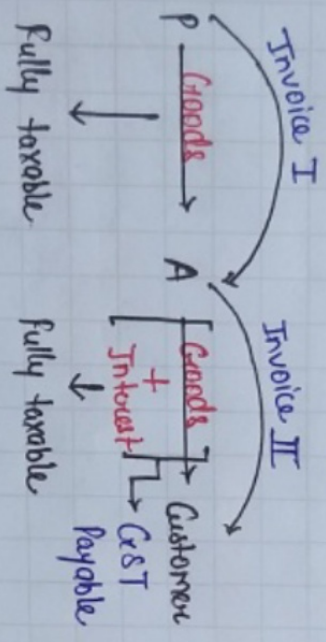
AAP

DCA (Del credit Agent)
 (DCA guarantee the payment to principal)

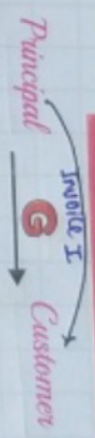
Agent enters the supply chain



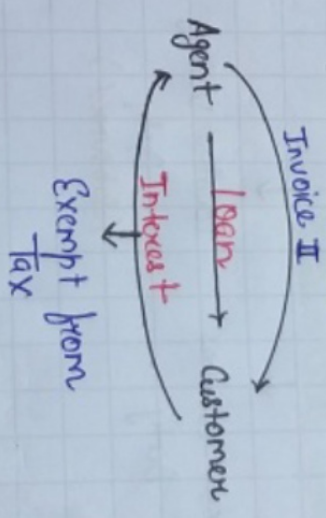
Make invoice in his own name,
 Agent enters the supply chain
 (Schedule I) (✓)

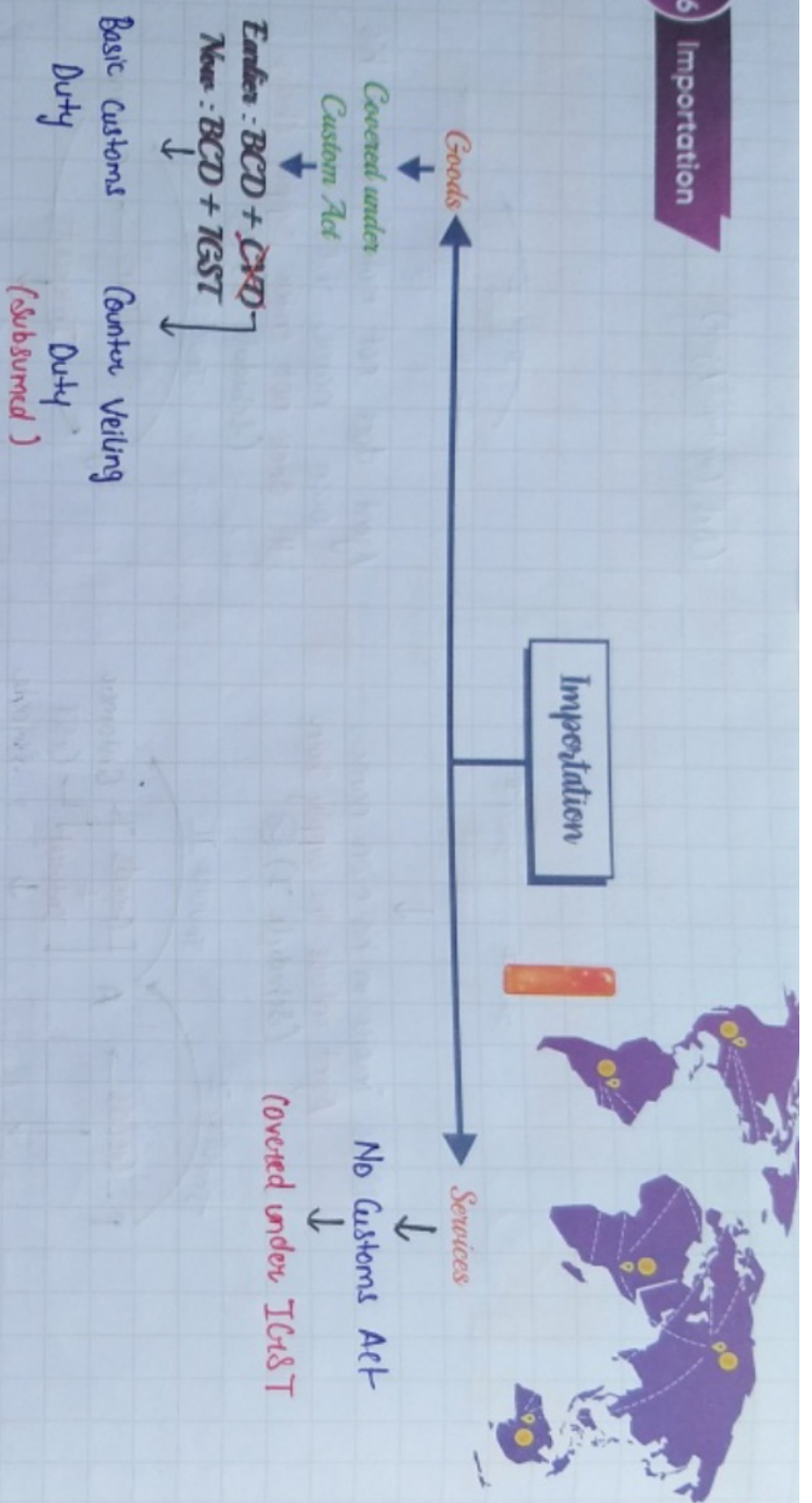


Agent does not enter the supply chain



Agent does not make invoice in his own name i.e.,
 He does not enter supply chain
 (Schedule I) (✗)





Notes :

1. Importation is treated as Inter state supply under GST
2. "I को B और C में से एक का साथ जरूरी है।"
3. 7 (1)(b) : Importation of services for consideration whether or not in the course of business will be treated as supply.
4. As per sch I, importation of service in course or furtherance of business by related person will be treated as supply even if without C.
5. I = Importation, C = Consideration, B = in course of and furtherance of Business
6. BCD = Basic Customs Duty
7. CVD = Countervailing Duty



C2-7 Schedule - I - Supply without C

BAR

BA : Business Asset
R : Related person
or deemed distinct p

$C = X$

(concept of ITC :-)

For the month of November (mohobhai)

Purchase :-		Sale :-	
Inputs	Outputs	Product c)	Product e)
A - 100 + 18	200 + 20	Stock A & B	
B - 200 + 20			
C - 150 + 150			
ITC = 53		Tax = 20	

while claiming ITC, there is no one to one correlation. Also, it does not matter product B and A are lying in stock. One inputs are purchased. ITC is available.

Output tax payable

Output tax - 20

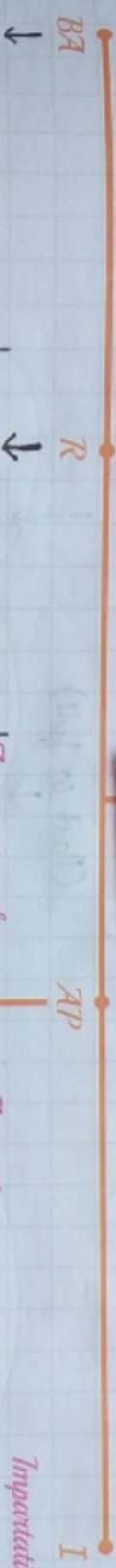
(-) ITC 53 - (20)

↓

$\frac{20}{x}$

Bal. 33 will be carry forward.

Tax payable in Nov = 0



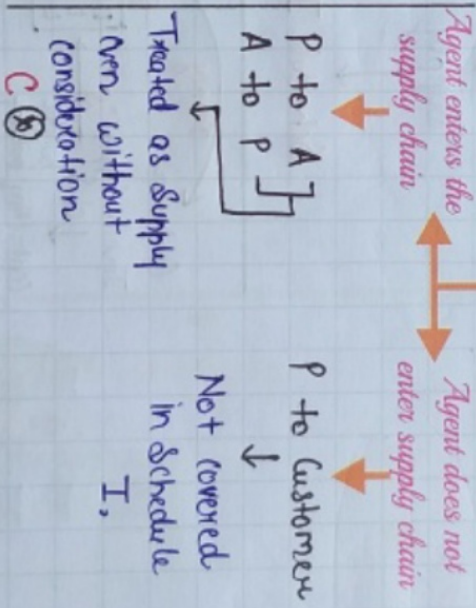
1. Disposal of BA without C will be treated as supply only ITC has been taken.

1. Related persons and deemed distinct persons (Refer Pg. no. of Ramboan)

- 1. Eg:- 1. Gifting of garments by mohobhai to Chameeli
- 2. Donation of laptops.

2. Supply between related persons and deemed distinct person will be treated as supply even without C.

(Refer Ramboan for Related persons definition)



Imputation of services $C = X, B = \checkmark$

Deemed Supply as per Schedule I



C2 - 8 Works Contract

Works Contract
(contract involving goods and services)

works contract for immovable property

eg. contractor for construction of building.

covered in schedule II treated as supply of **S**

works contract for movable property

eg. Maintenance contract for AC

not covered in schedule II Section 8 will help to decide whether it is **G** or **S**



PKD

C2 - 9 Schedule II

Immovable Property
sale of immovable property i.e. sale of offices/houses

Building (Flat/offices)

Sale of Land

Consideration before completion

Consideration after completion

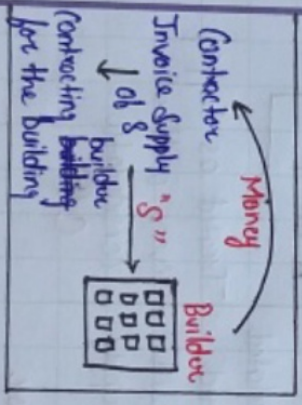
(Part or full) Supply

Not a supply

Schedule I

Schedule II

Also sale of land is covered in Schedule II.



completion = completion certificate (or) first occupancy

Schedule II - Either supply of G or supply of S



- 1) Transfer of title of goods
- 2) Transfer of title of goods at future date
 - a) Sale under hire purchase
 - b) Sale on return basis
 - c) Sale on approval basis
- 3) Disposal of business assets (permanent disposal)
- 4) Stock in hand during the closing of business or cancellation of registration stock = supply of goods
- 5) Permanent transfer of Intellectual Property Right
- 6) Ready made software or package of software of goods

- 1) Sale of undivided share in goods
- 2) Right to use goods
- 3) Lease / Rental of Land
- 4) Lease/Rental of building
- 5) Job work /process/Treatment of goods of other person
- 6) Use of business assets for private use
- 7) Renting of Land
- 8) Renting of building
- 9) Renting of other Immovable property like telecom towers
- 10) Sale of Immovable property when Consideration in part or full is received before completion.
- 11) Works contract for immovable property
- 12) Committed Charges
- 13) Non compete fees
- 14) Liquidated damages/
- 15) Sale of food non alcohol
- 16) Temporary Transfer of
- 17) Designing of software
- 18) Licence to use software



Eg 1:- Motabhai wants to close his existing business, on the last day there is stock of 45 garments. \rightarrow 45 garments is a deemed supply (it's permanent disposal and ITC already taken)

Eg 2:- Motabhai sold business to Chotabhai, \rightarrow It's a going concern \rightarrow NO deemed supply

Renting of Immovable Property supply of service

Commercial Purpose \rightarrow Taxable

Residential \rightarrow Exempt

However, taxable if Recipient is Reg. person



C2 - 11 Schedule III

Schedule III : Withou supply of **S or G**

“ ECG ठीक वही तो funeral, मरने के बाद, property और lottery का क्या करोगे। ”

E : Employee and Employer

C : Court fees

G : Government / Constitutional post

Funeral : Services relating to funeral.

Property : 1. Immovable property → ∇ consideration received after completion.
2. Land

Lottery : Actionable claim other than lottery, betting, gambling → NO GST

(Note : Lottery and gambling are liable for GST)



C2 - 12 Actionable Claim



Actionable Claim
(Covered in definition of Goods)

Lottery, Betting, gambling

Other actionable claim

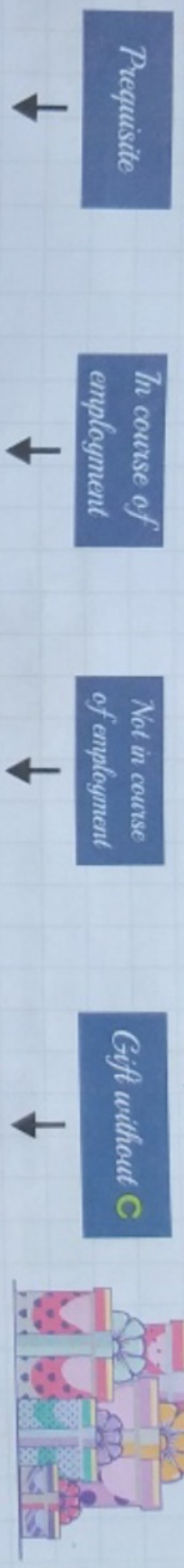
→ GST
→ Earlier the SG, levied a tax on lottery, betting, gambling

→ Now, it is subsumed
→ Now, there is GST

Covered under Schedule III

Not a supply (No GST)

eg. Unsecured debt beneficial int in movable property
↳ advance given for goods.



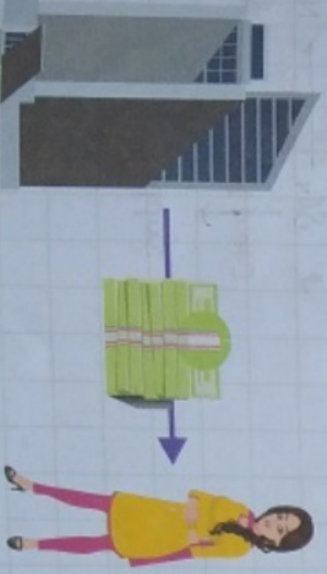
→ If received in the course of employment
 ↓
 Schedule III → not a supply
 2) If received not in the course of employment
 ↓
 Treated as Gift

→ Salary
 → Requisites
 → Retirements
 ↓
 Schedule II
 Not a supply

1. Non-employee
 2. Payment done for extra work for sister concern,
 Same Management
 ↓
 Taxable

Schedule I
 1. Employee and Employer are treated as related persons
 2. Any supply without C will get covered in Schedule I.

Note :- forfeiture of salary or recovery of bond amount if the employee leaves before the agreed period, will not be treated as consideration.



↓
 Hence, not taxable.

Gift upto 50,000
 ↓
 Shall be Exempt

Gift above 50,000
 ↓
 Shall be fully taxable

Eg:- Gift of 55,000

GST on 55,000

Section 7 - Supply

7(1) Supply includes

7(1) a: supply includes all forms of supply made or agreed to be made by a person for C in the course of B.

7(1) aa: supply (association ↔ members)

7(1) b: I of services for C

7(1) c: supply without consideration.



Such I C = X

7(1A)

Once it is a supply it is either supply of C or B.

Ref: C2 - 10

List is given in Schedule II

7(2) : Not a supply

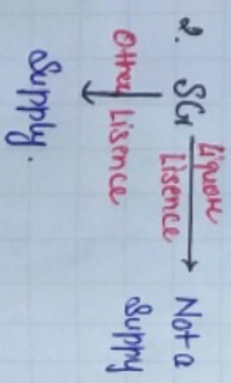
7(2) a: Neither supply of B nor C

(Schedule III)

ECG thiik nhi toh funexal Meame ke bdd Property or Lottery ka kya kya.

7(2)(b): 1. Duties performed by SG / CG / UT / LA.

Duties mentioned in Constitution



C2 - 15 Important Circulars

Important Circulars

1 Buy one get one free

BUY 1 GET 1 FREE

Tooth Paste

Tooth Paste

+
Tooth paste

₹100 ₹100 — GST

Buy 1 get 1 free: appears to be free, but 2 products are sold at price of one product. as there is consideration. It is a supply.

2. Free samples & Gifts

Permanent Disposal of Business Assets

ITC taken

ITC not taken

supply → Schedule I

Not a supply

Not covered in Schedule I

3.1



Rudhe (Deemed Distinct Person)



Repair and Maintenance

Reg. Buyer 1 Gyaan



Repair Service → 2000 = GST (Schedule I)

Reg. 2 Maharashtra



1. Supply between deemed distinct person
2. GST on repair service
3. No. GST on conveyance value

3.2



Mohabai (Deemed Distinct Person)



Buyer 1 Delhi



supply (Schedule I)

Stock Transfer

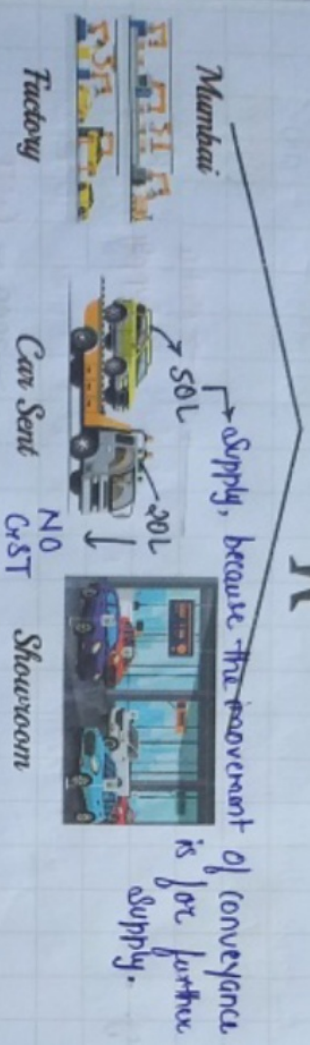
Not a supply

Refer pg. no. 657 of Rambham

Buyer 2 Mumbai



3.3



1. On there will be GST.
 Consequence for further supply / sale are liable for GST.

4.1

Supply Under GST



S

Incase of printing books / Pamphlets / Brochure
 where content is & supplied by publisher
 Supply of paper for printing service is principal supply.



4.2

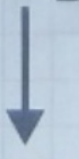


G

Supply of printed Envelop, Letter head, Printed boxes,
 Tissue, Napkins.

4.3

Activity of bus body building



G/S

as per situation

4.4

Retraining of tyres



S



Composite supply 8(a)

Natural Bundle

⇒ There is a trend that along with laptop + charger.

⇒ Identify principle supply.

⇒ Apply rate of principle supply to entire supply i.e. whole amt.

Eg:- Shirt (S.I.) + Transportation (R.I.) S.I. on total amount

Principle supply = Transportation of passenger

Airplane

Transportation + Food



Mixed supply 8(b)

Single price

Shirt + Tie = Mixed Supply

Highest rate is applied

BD-Mat :-

1. ~~Not~~ Not a mixed supply
2. Not a single price
3. Various GST rates will apply

Eg:-

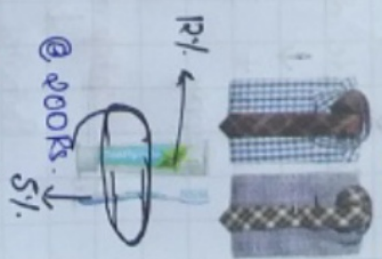
Eg:- Mixed supply 28%



18% 28% 18% 12%

3000 X 28%

Highest Rate



12% @ 200Rs. S.I. = 200 X 12%

TAX INVOICE		DeMart	
Invoice To:	Invoice Date:	Invoice No. / Dt. / Amt.	GST Amount
1. Green Pens	0%	XXX	
2. Hoops	25%	XXX	
3. Notebook	5%	XXX	
4. Vestibula	9%	XXX	
Total		XXX	XXX

Two or more Suppliers

Composite Supply
↓
Main + Incidental Supply

Eg:- Laptop + Charger
↓
Principal supply rate

Ques 13
Mixed Supply
↓
Two independent Suppliers
(Single price)

Eg:- Homper
↓
Highest rate

Ques 12
Independent Supplier
↓
Two independent Suppliers
(Not a single price)

Eg:- D-Mart
↓
Independent Rates

1. Definition of Goods:

Goods = Movable property -

Change of GST

Money - Securities + Crops sowed from land + Actionable claims + Intangible Assets

Note: no GST on sale of shares/securities because they are not goods. Copyright, Trademark, Patent (TPR) are Goods though they are intangible.

2. Definitions of Services

Service = Everything ^{Money} - Goods - Shares - Securities + Activities relating to use of money.

Services:

eg. Commission, Bank charges.

3. Money

Transaction in money.

1. 1000 cash → DD.

5. Sale of shares ₹ 5,00,000

6. On sale of shares, broking

2. For making the above DD, bank charges 100.

7. PKD took loan from Bank

3. 1000000 ₹ → T/S \$

8. Processing fee of ₹ 23,000

4. For above, commission ₹ 1000

9. Bank takes interest on loan.

Subsidy → consideration

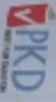
eg 1) Shopkeeper sells goods (without subsidy) = 50,000 ⇒ C = 50,000

eg 2) Shopkeeper sells goods (with Govt. subsidy - 30,000) ⇒ C = 20,000

eg 3) Shopkeeper Goods = 20,000

Subsidy - Reference Unit = 30,000 ⇒ C = 50,000

Non - Govt. 50,000



1. Definition of Goods:

Goods = Movable property -

Money - Securities +
Land + Actionable claims

Note: no GST on sale of shares/securities because they are Copyright, Trademark, Patent (TPR) are Goods though

Services = Everything ^{money} - Goods - Shares - Securities + activity relating to use of money.

1. Definitions of Services

Services:

eg. Commission, Bank charges.

1. Money

Transaction in money.

1. 1000 cash → DD.

2. For making the above DD, bank charges 100.

3. 1000000 ₹ → US \$

4. For above, commission ₹ 1000

Charge of GST

4. Consideration

(+) Monetary

(+) Non monetary

(+) Inducement Eg:- Bhandambakar of car getting car.

(-) Security deposit

(+) Security deposit only if

adjusted against consideration

(+) Subsidy: Non-Good.

(-) Subsidy: Good.



GST should be collected by a taxable person.
CGST is a levy on intra state supply.

C3 - 2 Charging sec of CGST Act 2017

Liability to pay GST

Forward Charge (FCM)

Reverse Charge (RCM)

Sec 9(1) → Generally, supplier is liable to pay GST to Government

Recipient will pay tax to Government.

Sec 9(2) → No GST levied on certain goods :-

- 5 petroleum products
- + Alcoholic liquor for human consumption.

Sec 9(3) → Notified goods
 Sec 9(4) → Special case only for builders
 Sec 9(5) → Notified services
 17 Services



E Commerce (ECO)

RCM e/s 9(5)

sometimes ECO liable to pay tax (E-commerce operator) liable to pay tax in case of notified services

1. Transportation of passenger

OLA → ECO → Demand Supplier (Always)
 Uber → Customer → Actual Supplier
 ECO has to pay tax to Govt.

2. Hotel accommodation

Hotel registered → Hotel will pay GST (FCM)
 Hotel not registered → ECO will pay GST (RCM)
 Supplier registered → Supplier will pay GST (FCM)
 Supplier not registered → ECO will pay GST (RCM)

make my trip

3. House keeping

Urban Compan



Sr. No.	Description of Service	Recipient
1.	Goods transport agency in respect of transportation of goods by (if the recipient is a factory registered society, a co-operative society, registered under CGST/IGST/SGST/UTGST Act, a partnership firm, AOP) any casual taxable person, anybody corporate.)	Recipient
2.	<p>Available RCM Ambulade Senior Advocate Ambulade Tribunal (Aspirer) If it is not court Pvt. person.</p> <p>BE (whose TD in last FY exceeds threshold limit) BE (whose TD in last FY does not exceed threshold limit) not a BE eg:- Chennai personal dispute.</p> <p>supply is exempt)</p>	Recipient
4.	Sponsorship Services	Recipient

① JTO sponsored IPL
 IPL → JTO → PGM, JTO shares
 Supplier → Recipient pay GST.

② Teal academy provided sponsorship services for dance competition to XYZ Ltd
 Teal Academy → XYZ Ltd (Supplier) → PGM
 (Recipient) → XYZ Ltd
 Gives money to Teal academy.

GTA → Goods Transport Agency

I. Taxability :-

1. Transportation of goods by Road → Exempt
2. However GTA → Taxable
 → GTA issues assignment note → Taxable
 → Ordinary Transporter → Exempt
 ↳ No assignment note

II. When RCM 9

1. Supplier → GTA → not paying tax under RCM
2. Recipient → Spent Recipient.
 ↳ Person paying for freight.
3. Services → Transportation of goods

III. Recipient

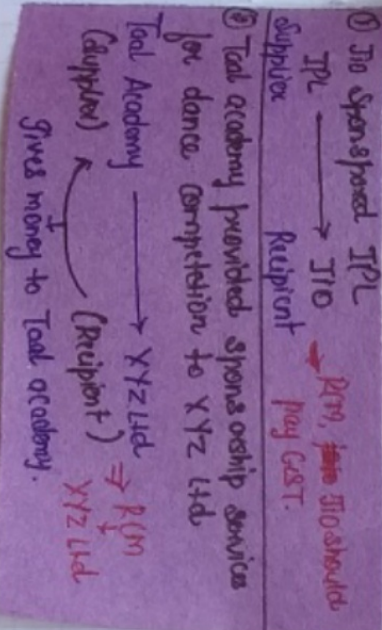
(onsignee) Supplier (consignee)
 Shop → GTA → Factory
 Recipient = Person paying freight
 Sometime factory paying freight
 ↳ Recipient
 But, if shop pays freight → Shop
 Recipient

① :-
 GTA (Not opting for FCm) → Factory (Not Registered) → will pay GST?
 Satisfy 3 conditions:-
 1. Supplier → GTA not opting FCm → Factory
 2. Recipient → Sprinkled Recipient
 3. Services → GTA.

Eg ② :-
 GTA (Not opting for FCm) → Charvi (Int.) (Not Registered) → Not a sprinkled Recipient.

Eg ③ :-
 GTA (Not opting for FCm) → Mohabhai (Registered)
 all above conditions are satisfied.
 ∴ RCM → Mohabhai will pay tax to Govt.
 business entity whose turnover in last FY does not exceed Threshold supply is exempt)

4. Sponsorship Services



GTA → Goods Transport Agency

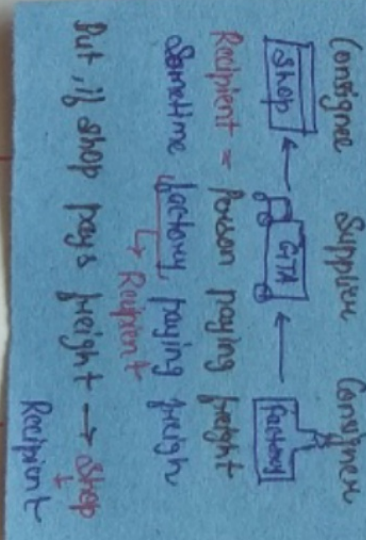
I. Taxability :-

1. Transportation of G by Road → Exempt
 However GTA → Taxable
 → GTA issues assignment note → Taxable
 → Ordinary Transporter → Exempt
 ↳ No assignment note
2. However GTA → Taxable
 → GTA issues assignment note → Taxable
 → Ordinary Transporter → Exempt
 ↳ No assignment note

II. (When RCM?)

1. Supplier → GTA → not paying tax under FCm
2. Recipient → Sprinkled Recipient.
 ↳ Person paying freight.
3. Services → Transportation of goods

III. Recipient





Description of Service

Supplier

Recipient

5. Services supplied by CG/SG/LA by way of services to business entity excluding -
 CG/SG/VT/LA
 However 60/66/6c
 are always taxable @ RM.
 Threshold limit = 20L/40L/10L → Reg. Chap.
 (Registration Unit)
 e. Transport of goods or passengers.

5A. services by CG/SG/LA by way of letting of immovable property to a registered person
 CG/SG/VT/LA
 Any Person

Any Person (Supplier) Purchase PSI (Recipient)
 Development Right → Promoter/Builder (Recipient) ⇒ RM
 construction of a project

Any Person (Supplier) long lease → Promoter/Builder (Recipient) ⇒ RM
 Rent / Premium / Sale of land or more) for up front amount (called as development charges or by any other name) and/or project

6. Directors remuneration / fees other than salary
 Director's remuneration / fees other than salary
 Director's remuneration / fees other than salary
 Director's remuneration / fees other than salary

Sr. No.	Description of Service	Supplier	Recipient
5.	Services supplied by CG/SG/LA by way of services to business entity excluding - CG/SG/VT/LA However 60/66/6c are always taxable @ RM. Threshold limit = 20L/40L/10L → Reg. Chap. (Registration Unit) e. Transport of goods or passengers.	CG/SG/VT/LA	Business entity in taxable territory
5A.	services by CG/SG/LA by way of letting of immovable property to a registered person	CG/SG/VT/LA	Any registered person
	Any Person (Supplier) Purchase PSI (Recipient) Development Right → Promoter/Builder (Recipient) ⇒ RM construction of a project	Any Person	Promoter (Builder)
	Any Person (Supplier) long lease → Promoter/Builder (Recipient) ⇒ RM Rent / Premium / Sale of land or more) for up front amount (called as development charges or by any other name) and/or project	Any Person	Promoter
6.	Directors remuneration / fees other than salary	A director	Company or Body corporate

Director's remuneration / fees other than salary
 Director's remuneration / fees other than salary
 Director's remuneration / fees other than salary
 Director's remuneration / fees other than salary



Reliance
Industries Limited



LIC
Life Insurance Corporation of India

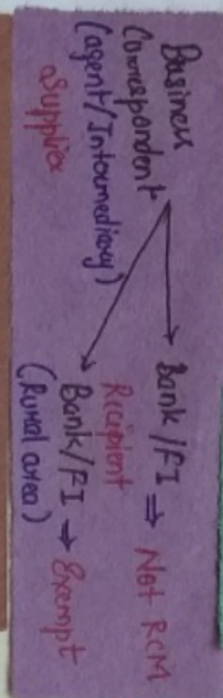
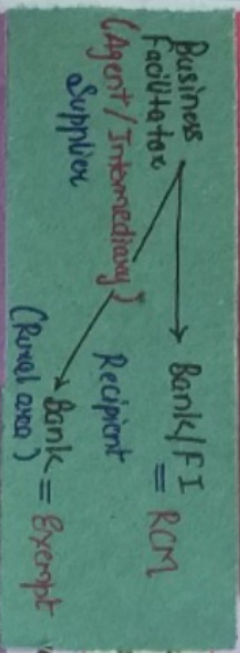
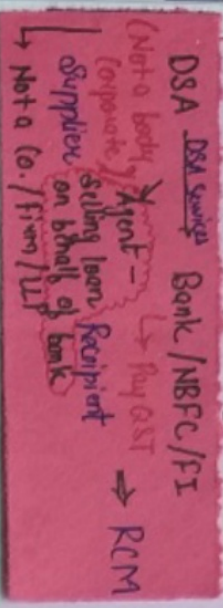
Sr. No.	Description of Service	Supplier	Recipient
<p>Agents Supplier → Commission → Insurance Co. → Pay tax → Recipient → RCM</p>	<p>Insurance agent</p>	<p>An Insurance agent</p>	<p>Insurance company located in taxable territory</p>
<p>Recovery Agent Supplier → Commission → Bank/FI/NBFC → Recipient → Pay tax → RCM</p>	<p>Recovery Agent</p>	<p>Music composer, photographer, artist or the like</p>	<p>Bank, Financial institution/NBFC</p>
<p>9. (Artist) AR Refractor Supplier → Music composer, photographer, artist or the like by way of transfer or permitting the services relating to original literary dramatic, musical, cinematograph, artistic or like works → Producer = Recipient = RCM</p>	<p>Author who is not opting for a declaration that he shall pay tax under FCM.</p>	<p>Music composer, photographer, artist or the like</p>	<p>Publisher, music company, producer or the like located in the taxable territory</p>
<p>1. Author Supplier → Publisher Recipient = FCM deduct to pay tax → Author will pay tax under FCM</p> <p>2. Author Supplier → Publisher Recipient = RCM No declaration given by Publisher will pay tax.</p>	<p>Author</p>	<p>Author who is not opting for a declaration that he shall pay tax under FCM.</p>	<p>Publisher in taxable territory</p>
<p>Overseeing Committee (Supplier) → RB I (Recipient) → RCM Committee oversees the team given by bank</p>	<p>Members of the overseeing committee constituted by the RBI</p>	<p>Members of the overseeing committee constituted by the RBI</p>	<p>RBI</p>



Sr. No.

Description

11. Services supplied by individual Direct seller



Other than Securing body corporate person = RCM
 Supplier Recipient

services provided by way of venting of a motor vehicle provided to a body corporate

DSA Services Examples :-
 Eg¹: DSA (Ind) Supplier → DSA Supplier Bank Recipient → Pay tax
 ∴ RCM = Bank v/s (3)
 Eg²: DSA (Chempal/Chennai) Supplier → Bank Recipient
 ∴ RCM = Not notified v/s (3)
 will pay tax to Govt. → FCM

business correspondent

resorted to a registered



Supplier

Recipient

Individual direct selling agents (DSAs) other than a body corporate / firm or LLP

A banking company or a NBFC, located in the taxable territory.

Agent Supplier → Business Correspondence = RCM
 Recipient

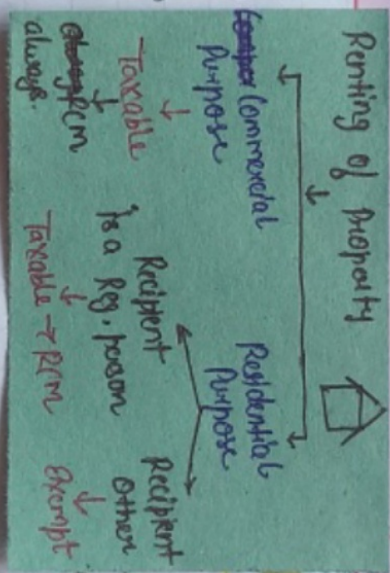
Note:- Business facilitator and business correspondent both are agents of bank. But business correspondent has more power.

Security Eg:- XYZ Pvt Ltd (Any person who will pay tax?)
 other than ABC - XYZ Pvt. Ltd → FCM
 Reason:- No RCM because, Supplier is a body corporate.
 Reg. Person

Any person other than a body a body corporate, paying GST @ 5%.
 Any body corporate located in the taxable territory.

Sr. No.	Description of Service	Supplier	Recipient
16.	Services of Lending of Securities Lending Scheme, 1997 ("Scheme") of Securities (EBT), as amended.	Lender	Borrower i.e. a person who borrows the securities under the Scheme through an approved intermediary of SEBI.
17.	Renting of residence for residential purpose	Any Person	Any Registered Person

Household S^r → ~~Centralized~~ → Friend → RCM
 Supplier → Shares-lending → SEBI → RCM
 Rational Ind → 5000 shares



GTA : Goods Transport Agency

1. GTA : Goods Transport Agency

Transportation of a big road: exempt service, but transportation of G by GTA: taxable.

GTA issues a consignment letter. *Note*



Factory



GTA supplier



Consignee

1. Who is recipient?

Person who pays freight is treated as recipient.

2. What are tax rates.

S.I. \rightarrow 12%

ITC X \rightarrow 5%

FCM/RCM \rightarrow Rules are same

Specified Recipient

- Factory
- Society
- Firm / LLP / AOP
- Body Corporate
- Co-operative Society
- CTP \rightarrow Casual Taxpayer Person

May or may not registered in GST

Any Registered Person (Ind. / HUF)

GTA

Opting for FCM

Registered in GST

Always FCM

Not Opting for FCM

RCM if condition of RCM are satisfied.

3. When RCM? If all the conditions are satisfied

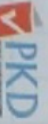
i. Nature of Service : ~~For~~ GTA ~~not~~ opting for ~~FCM~~

ii. Supplier: GTA ~~paying~~ ~~TDS~~ ~~at~~ ~~5%~~. ~~not~~ Opting for FCM

iii. Recipient: specified recipient.

4. Who is a specified recipient?

Notes:-



GTA Supplier \rightarrow Exempt \rightarrow Cer / Sr / UT / LA (Govt. Dept.)

GTA Supplier \rightarrow Exempt \rightarrow Ind / HUF (Not Registered)

they are reg. in GST for TDS only.

Note: If supplier is paying GST @ 12%, then never RCM

C3 - 6

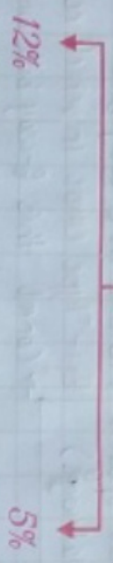
Renting of motor vehicles

Car rent

3.10

3. Renting of motor vehicles

Tax Rates



always FCM

Sometimes RCM

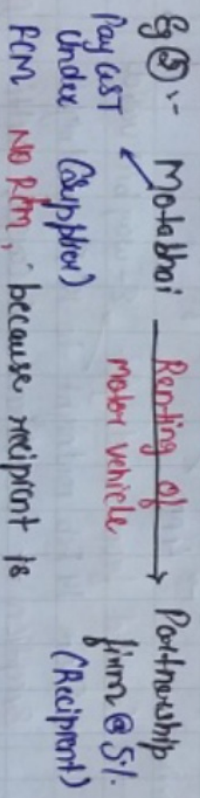
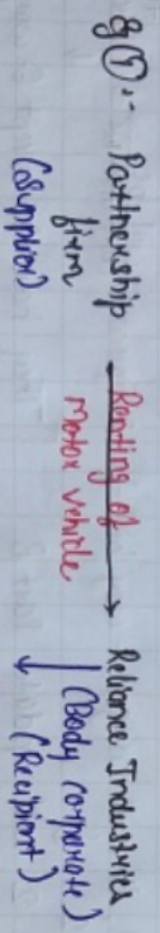
1. When RCM? If following 3 conditions satisfied

Nature of service: motor vehicle service renting of motor vehicle along with fuel cost.

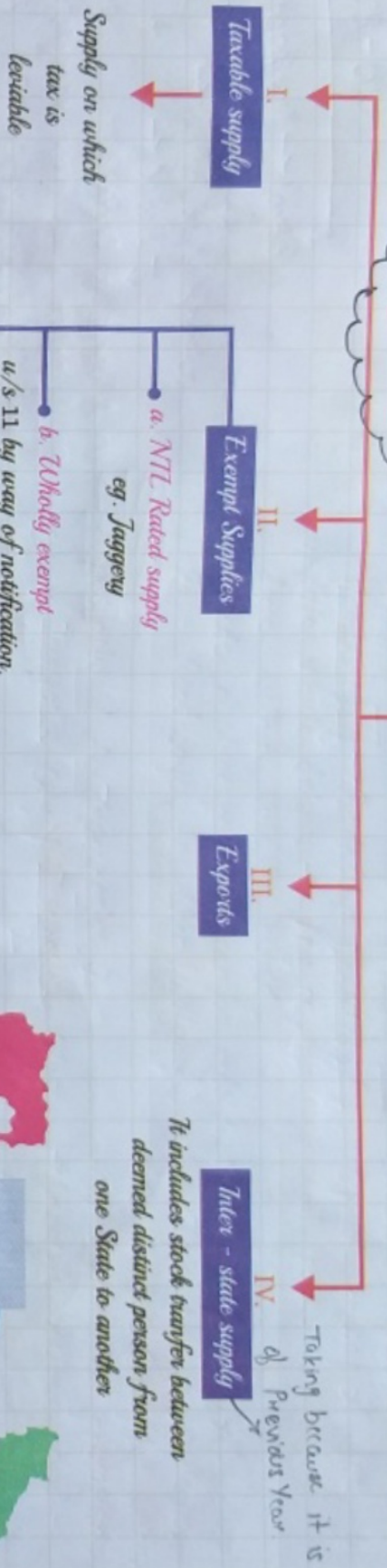
Supplier: Any person Other than body corporate + Paying GST @ 5%

Recipient: Any body corporate.

↳ Only company



In Exam, You can get Questions on Calculating ATO

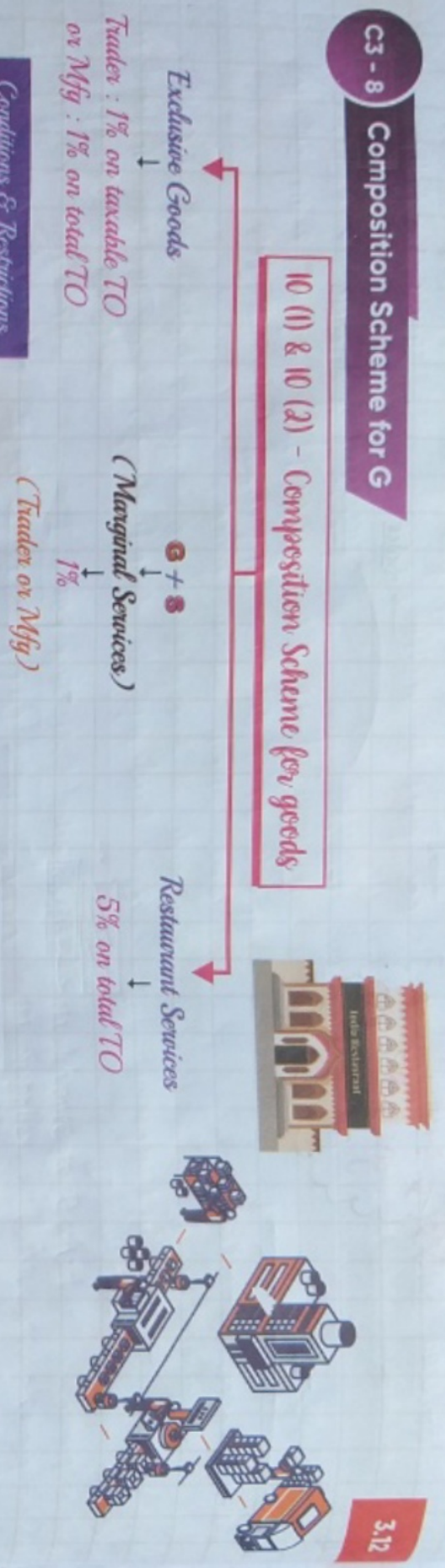


How to Calculate ATO?

- Notes:**
1. GST - Tax excluded while calculating ATO.
 2. Inward supplies i.e Purchase on which tax is paid under RCM: *excluded*.
 3. ATO is calculated on PAN basis for whole of India.
 4. While calculating ATO:
Int. on Loan or Advance will not be counted.
 5. While Calculating ATO taxes other than GST will be considered.
 6. Outward supply on which tax is payable by recipient will be added in ATO



10 (1) & 10 (2) - Composition Scheme for goods



1. ATD in last FY does not exceed 1.5 cr (for some special category states → 75 lakhs)
2. ITC (X)
3. Cannot issue tax invoice (X)
4. Issue bill of supply. (X)
5. No tax can be collected from recipient. (X)
6. During the year, no inter state outward supply i.e. inter state ~~inward~~ sale. (X) → cannot inter state stock transfer.
7. Inter state inward supply is allowed.
8. Supply through Eco. (X)
9. Cannot supply services → only marginal services allowed (10% of TO in last FY @ 5,00,000)
10. Can supply restaurant services.
11. Branches Pure] → Composition scheme should be applied across PAN.
Duhhi
12. Cannot supply → Non taxable goods → (Liquor + 5 petroleum products)
13. Cannot manufacture notified goods → (can only be trader of notified goods)
14. Person buying from composition supplier → ITC (X) / cannot claim ITC
15. Can remain in composition till he attains 70% of 1.5 cr (75 lakhs) → After that normal rate
16. CTP & NRTP cannot opt for composition.



C3-9

Composition Scheme for Services 10(2A)

only services

1. ATO of last FY does not exceeds 50 Lakh (same for all states)
2. Rate 6% (CGST 3% + SGST 3%) of TO
3. TTC *
4. Cannot collect tax from recipient *
5. Cannot issue tax invoice. *
6. Issue BOS ✓ ^{outward}
7. No Inter state supply / NO export * (Inter state supply ✗)
8. Cannot sell through ECO *
9. RCM tax on inward supply 11/S 9(3) and 9(4) to be paid at normal rates.
10. Assume current year TO 80L -
 ↳ upto 50L - comp-scheme = NO TTC
 ↳ above 50L i.e. on 30L, normal rate = TTC ✓
11. Cannot be supplier of notified / notified services
12. Branch 1 } either all in composition Or
 Branch 2 } all outside composition = should be applied uniformly.
 Branch 3 }
13. Not in supply of non-taxable ✓/✗.
14. Inter State inward supply allowed. ✓
15. Taxpayer can remain in composition till he attains TO of 50 Lakhs. After that normal tax.
 Not in supply of shrujied goods.



3.13

Invoices / Debit and Credit Note :-

Invoices :-
 → Computerised ✓
 → Manual ✓

When to raise Invoice

For G - section 31(1) → Reg. Tax
 For S - section 31(2)

No fixed format for invoice.

Mandatory information should be there on invoice.

Invoices → Goods - Triplicate (Supplier/Recipient/Transporter)
 Services - Duplicate (Supplier/Recipient)

Goods - classification is done and there is code HSN.

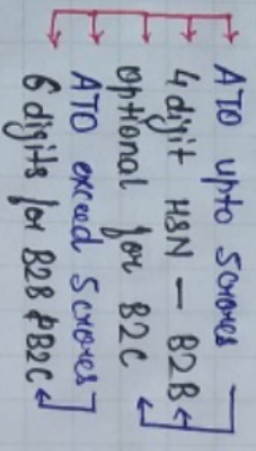
Harmonised system of Nomenclature

(Internationally recognised classification of goods)

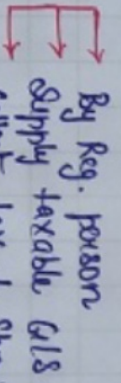
For Services - SAC → Service Accounting codes

On invoice HSN code & SAC code should be mentioned on invoices.

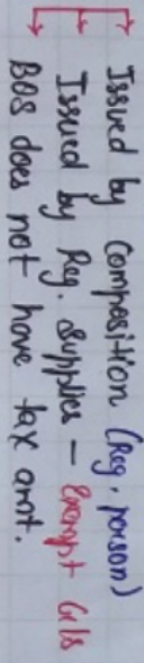
HSN



Issue tax invoice



Issue BOS



Situations when tax invoices/BOS not issued :-

(i) Supply value is upto Rs. 200

(ii) Buyer recipient is unregistered.

(iii) Recipient does not require an invoice.

Invoice cum bill of supply :-

It is issued by a Reg. person

It is selling taxable G + exempt G

(iii) Recipient is unregistered.

Receipt

(i) Advance is Received

(ii) Supplier will issue receipts.

Refund Voucher

Supplier → (i) Supply contd → Recipient

Recipient → (ii) Refund → Supplier

Supplier → (iii) Refund Voucher

Recipient → (iii) Refund Voucher

Revised Tax Invoice

Registration

Apply within 30 days

Effective date → when you

are liable for registration

→ Retrospective registration

→ consolidated revised tax invoices

Not applied within 30 day

Effective date → when RC

is received

→ Cannot issued revised

tax invoice.

↳ Debit & Credit Note

1. Already invoice is issued

You want to ↑ I value = Dr. Note

You want to ↓ I value = Cr. Note

2. Dr./Cr. note should be recognised in GSTR Returns.

3. Reasons → when Dr/Cr note

↳ Learn from Ramban

4. Consolidated Dr/Cr note can be issued
Motobhai raised Invoice on Radhe

I₁

Dr₁

I₂

Dr₂

I₃

Dr₂

Consolidated Dr Note

Individual debit note

FY 22-23

Time to issue Invoice?

Time of Supply and Value of Supply

Section 31(1) : Goods

- 1. When Movement of **G** is involved
- 2. No Movement of **G** is involved
- 3. Continuous supply of **G** eg. gas through pipeline
- 4. Sale on approval basis



Section 31(2) : Services

- 1. Service
I = within 30 days (45 days = Bank, FI, NBFC)
- 2. If Service is stopped (Cessation)
I = Date on which service is ceased.
- 3. Continuous supply of **S**. (Continuous **S** or **S** for more than 3 Months)
 - a) Due date of payment is ascertainable.
I = on/ before due date of payment.
 - b) due date is not ascertainable.
I = date of receipt of payment
- c) payment is linked to completion of event
Channel - books a flat
 - 1. Booking Time: 20%
 - 2. 1st slot = 30%
 - 3. 2nd slot = remaining



TOS

Sec 12 (Goods)

I. FCM

a) Composite supplier
 TOS: I date or P date ↓
 actual I or I as per sec 31 ↓ Payment recorded date or credited to bank ↓

b) Other supplier.
 TOS = I date [No 66/2017 dated 15/11/2017]
 No tax liabilities when payment is received

Sec 13 (Services)

I. FCM

a) I raised within time
 TOS = I date or P date ↓
 b) I not raised within time
 TOS = P date or S date ↓
 Payment recorded date or credited to bank ↓
 c) Excess payment upto ₹ 1000 is received
 TOS = Next I date

II. RCM

Think from Recipient PoV

II. RCM

TOS
 Date of payment or 31st day from I or Date of receipt of G. ↓
 Recorded in books or debited from bank

a) For associated enterprises.
 TOS = Date of P or Date of receipt of services ↓
 b) For others
 TOS = Date of making payment or 6th day from I ↓

III. Voucher

Same for G/S Think from Suppliers PoV

III. Voucher

Supply identifiable
 TOS = date of issue of Voucher Eg:- Domino's
 Supply not identifiable
 TOS = date of redemption of Voucher Eg:- Amazon

Supply identifiable
 TOS = date of issue of Voucher
 Supply not identifiable
 TOS = date of redemption of Voucher

IV. Residual case

Same for G/S Think from Suppliers PoV

IV. Residual case

Person = registered ie. returns are to be filed
 TOS = due date of return
 Person: unregistered
 TOS = date of payment of GST.

Person = registered ie. returns are to be filed
 TOS = due date of return
 Person: unregistered
 TOS = date of payment of GST.

V. Additional consideration

Same for G/S Think from Suppliers PoV

V. Additional consideration

TOS = date of receipt of additional consideration.
 Eg:- Goods - 1,00,000 → TOS = I date
 Int - 5000 → TOS = date of Receipt
 Composite → 1,05,000

TOS = date of receipt of additional consideration.

Note : I date = Invoice date, P date = Payment date, TOS = Time of Supply

C4 - 3 Value of Supply (Section 15)

Yes - Same for G and S

4.3

15(1) Transaction value

- 1. When persons are unrelated and
- ii. Price is the sole consideration

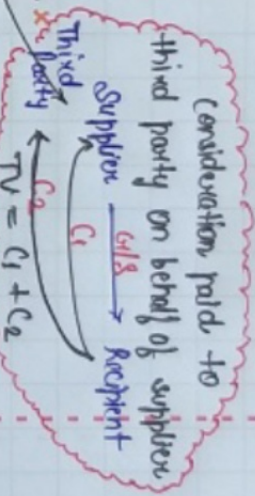
• If above both conditions are not satisfied then value as per evaluation Rules (CA Final)

15(2) Incidental Exp.

1. Taxes:

- GST Tax x
- Other Tax ✓
- TCS x
- Kerala Flood cess x

2. Payment to third party on behalf of supplier to be included in TV (Taxable Value).



3. Incidental Expenses :- To be included in TV.

- Consideration
- Packing
- Installation & Testing
- Inspection or Certification
- Weightment Charges
- Freight / Transit Insurance :-

(i) Seller incurs - Add in TV (⊕)
 (ii) Buyer incurs - Not add in TV (⊗)

→ Interest payable late fees
 → any other incidental exp. incurred by supplier in relation to supply.

4. Subsidy

CGI / 36r

Not Govt. linked to price TV
 • In lumpsum (⊗)

15(3) Discount

- 1. Known & shown in invoice Deduct from TV
- 2. Known but not shown

3. Not known at the time of supply not to be deducted from TV

GST on which value?



Notes :
 • If interest is waived off do not add it in taxable.
 • Generally, interest would be taken as inclusive of GST.
 • If non-govt subsidy is not linked to price of supply (given lumpsum), it should not be added in TV
 TV = Taxable Value



SUNSHINE PATRONS CLASSES



Discount w/g 15(3)

DISCOUNT

I. Known and shown in invoice

Such discount can be deducted



Goods	-	Invoice	1,00,000
Discount @ 10%	-		(10,000)
Cost 9%	-		90,000
SGST 9%	-		8100
			<u>8100</u>
			1,06,200

II. Known at time of supply but not shown

Such discount can be deducted

1. Known at the time of supply
2. Discount can be linked to various invoices
3. The recipient has reversed the proportionate TTC

Goods	Invoice	Credit Disc.	Impact
1,00,000	1,00,000	10,000	90,000
Cost 9%	9000	9%	8100
SGST 9%	9000	9%	8100
			<u>1800</u>
			Paid 1800 tax

Note :- Discount that are known at the supply and if some conditions are satisfied, then discount can be reduced from Taxable value.

Recipient when he receives the credit note, he will reverse the TTC of 1800.

III. Not known at the time of supply

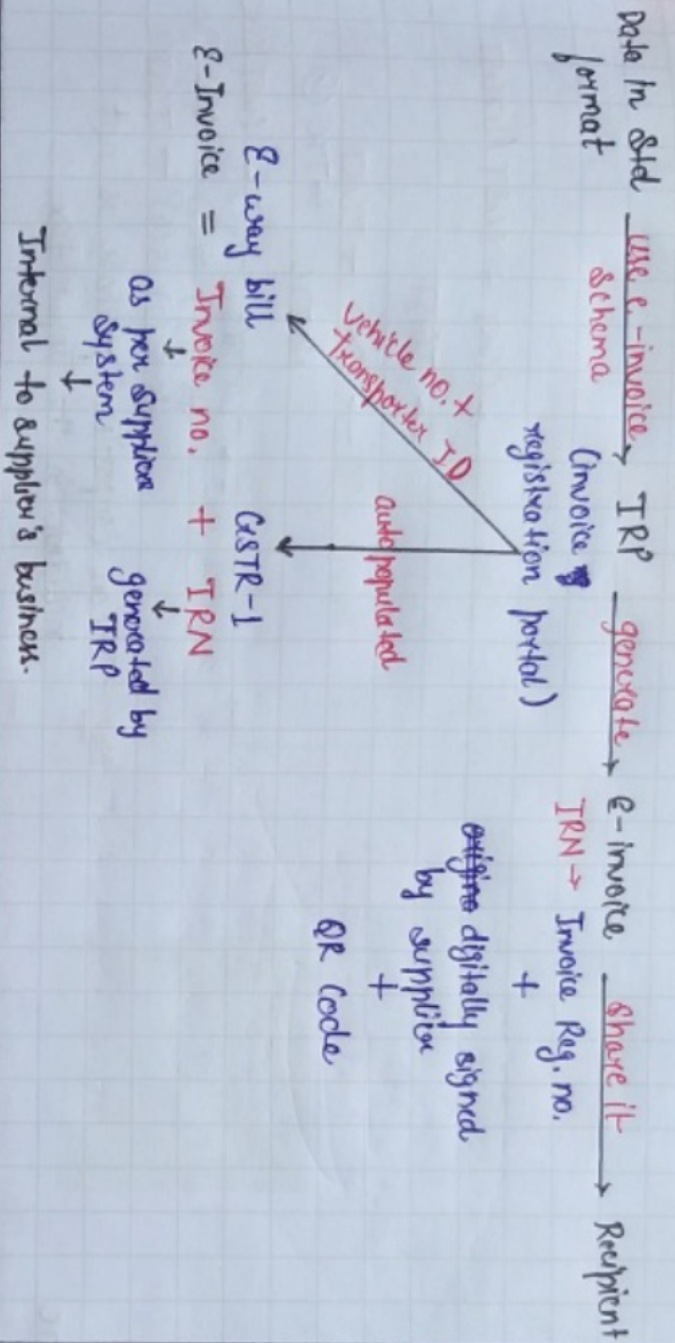
Such discounts are not deducted from Taxable value.

Goods	Invoice	Credit	Impact
1,00,000	1,00,000	10,000	90,000
Cost 9%	9000	-	9000
SGST 9%	9000	-	9000
	<u>1,18,000</u>	<u>10,000</u>	

Note :- Such discounts are reduced from TV.

Cost → 9% on 1,00,000
SGST → 9% on 1,00,000

e-Invoicing :-



Generate challan \rightarrow on portal manual Challan (X)

Portal will give (PIN = 14 digits)

valid for 15 days

Payment is done

Bank will generate CIN = 7 digits (14 \rightarrow (PIN + 3 \rightarrow Bank)
(Challan Identification no.)

PKD Bank will communicate CIN to Portal

It will be reflected on credit side of e-cash ledger.

QR code \rightarrow Dynamic QR

Mandatorily

ATO in any preceding FY exceeds 17.18 crores

B2B + B2C

\downarrow

always e-invoice + QR

supplier should have dynamic QR code

Case I :- Supplier QR code is displayed on invoice by supplier

Digitally \rightarrow with QR (X)

without QR code

Cash \rightarrow without using QR

Supplier should give cross reference of payment on invoice.

Case II :- Display Dynamic QR - not displayed at the time of payment.

Payment was done by other digital modes then supplier \rightarrow QR invoices +

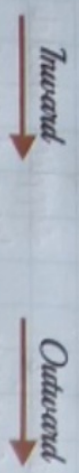
Cross Reference of Payment.

Case III :- Advance payment is done before issue of invoice i.e. pre paid invoices.

Supplier should \rightarrow Dynamic QR on invoice

+ Give cross reference

Basic of ITC



AC for Home

Purchases:-

- 50,000
9,000 → Tax → No ITC
59,000

- Repairs = 1,000
GST = 180 → No ITC
1,180

AC for Business

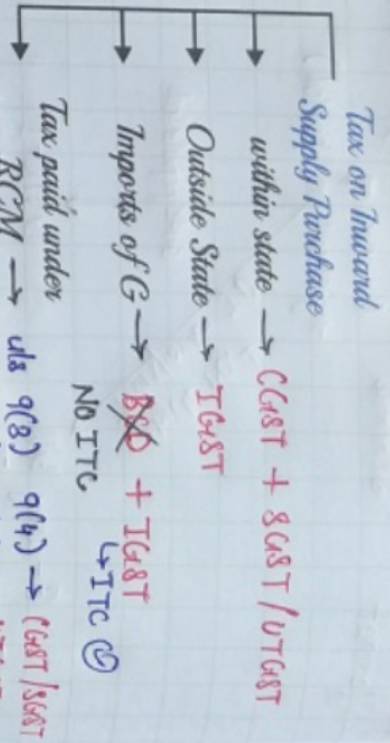
- Purchases Cost = 50,000
GST Tax = 9,000 → ITC
Cost of AC = 59,000
Capitalize 50,000 → claim Dep. on 50,000

- Repairs = 1,000 → Repairs & maintenance
GST = 180 → P&L Income tax
1,180 → ITC GST



Input Tax

Input Tax Credit



Note:- Tax on composition purchase is not included in the Input tax.

Ex:- Advocate legal fees - 5,00,000
 ⇒ GST on 5,00,000 of 90,000, motabhai will pay ord. then after paying, he will add in bucket.



Metabhai's sale is Radhe's purchase
 → file GSTR 1

Check [GSTR 2B]

C5-2 All about ITC

Rules for claiming ITC

1. Sec 16(1)

only a registered person can claim ITC

2. Sec 16(2)

If following 6 conditions are satisfied then you can claim ITC

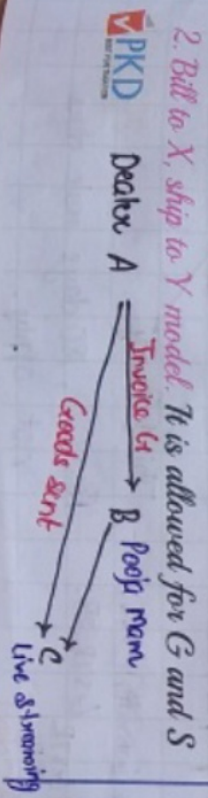
- 1) Possession of tax paying document must on record.
- 2) Receipt of G/S.
- 3) Supplier should pay tax to Govt.
- 4) Recipient should file GST return.
- 5) Invoices should be reflected in GSTR 2B of recipient



6) ITC is available only if the details of ITC are not restricted u/s 38. (Returns Chap.)

3. Some Important Points

1. If goods are rec in installment ITC available on receipt of last installment.
2. Bill to X, ship to Y model. It is allowed for G and S



3. Cap-Goods - 16(3)

option I	option II
Cost - 1,18,000 Dep. on - 1,18,000 18,000 → no ITC available	Cost - 1,00,000 Dep. on - 1,00,000 18,000 → ITC available

4. Harsaad Mehta Story

Payment of value + tax should be done within 180 days from I date. Else ITC shall be reversed, it will be added in output liability ledger + 18% Int. from date of utilising ITC

5. Time limit to claim ITC

Invoices of 01-02-23 → Purchase last date to claim ITC of their invoices = 30th Nov 23 date of filing AR ↓

6. Rule 86B → Theory - (Chart 5.4)

If monthly T/O of taxable supply exceeds 50 lakh then discharge 99% of liability using ITC and 1% by cash.

7. Rule 86A → Theory → Ramboran

Commission can restrict use of e-credit ledger if he has reasons to believe that TTC has been claimed fraudulently.

8. Some inputs are blocked credit IT (5)



GSTR - GST Returns

Metabhai (Supplier) → Goods / Invoice → Radhe (Recipient) Purchases

1,00,000 + 18,000

① GSTR 1 - Outward supply return/sale B2B - Invoice wise B2C - Total amt

② GSTR 2B - Return [Sale/Purchase Liability - ITC] + Pay tax

③ GSTR 2B - Return [Sale/Purchase] auto populated → Radhe (GSTR 2B) Reflect Purchases

Merchant's sale is Kadhai's purchase
 → file GSTR 1 → Check GSTR 2B

C5-2 All about ITC

Rules for claiming ITC

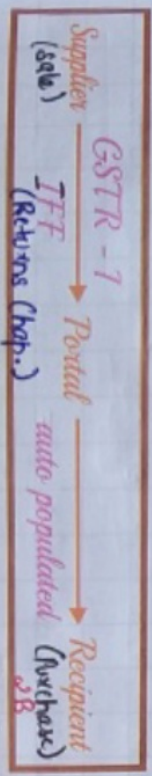
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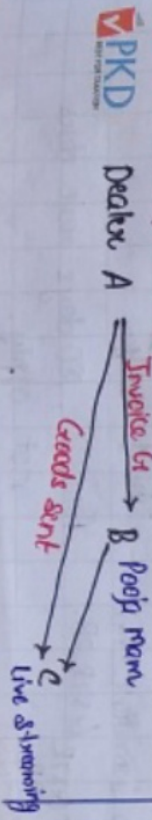


6) ITC is available only if the details of ITC are not restricted u/s 38. (Returns Chp. 2)

3. Some Important Points

1. If goods are rec in Installment ITC available on receipt of last installment.

2. Bill to X, ship to Y model. It is allowed for G and S



3. Cap-Goods - 16(3)

option I	option II
Cost ₹ 1,18,000	Cost 1,00,000
Dp. on - 1,18,000	Dp - 1,00,000
18,000 → no ITC available.	18,000 → ITC available

4. Haashad Mehta Show

Payment of done within Else ITC sh added in our + 18% Int.

5. Time limit

Invoices of last date = 30

6. Rule 86B → Theory → (Chart 5-4)

If monthly T/O of taxable supply exceeds 50 lacs then discharge 99% of liability using ITC and 1% by cash.

7. Rule 86A → Theory → Ramban.

C5-3 Rule 36 (4)



Rule 36 (4)

Sold to Radhe. Autopopulated.

Radhe can claim ITC only if invoices are reflected in GSTR - 2B. U/S 16 (2)

Check GSTR 2B
 SHARADHA PANTS CLASSES

Interest = From date of utilising

CS - 4 Harshad Mehta Story/180days

Recipient must pay value + tax amount to supplier within 180 days from I date

Harshad Mehta Story/180 days

ITR Reversal :-
It will be treated as liability

Payment of Invoice done within 180 days

1. Invoicee receive + Goods received.
I. date = 8th May
claim ITC of 1,80,000
2. Payment with 180 days
3. No further action.



Harshad Payment
बन्दी कर लेते हैं!

Agar 80% likhi payment hui toh → 100% ITC reverse Hojye.

XOXO

Payment of I is not done within 180 days

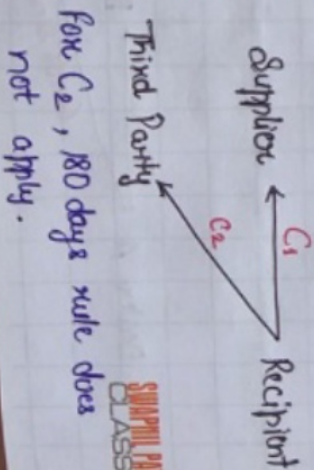
1. Invoice 10,00,000 received + Goods received → claim ITC of 1,80,000
2. Payment ~~done~~ done with 180 days.
3. ITC of 1,80,000 will be reversed i.e. liability will incurred by 1,80,000. Pay to Govt. → 1,80,000 + Int.
4. Int. counted date from utilising ITC fill making payment to Govt. @ 18% Int.
5. If payment is done later, on the ITC can be claimed, If ~~proportionate~~ ^{Full} proportionate payment is done ITC to be reversed.
6. Even if part payment is done the ^{Full} proportionate ITC to be recorded.
7. ITC reversal at to be done in the immediate next 8. 8th May → 180 days → 4th Nov → GSTR GSTR 3B. (30th Nov)

Some Exceptions to this rule

→ Theory Exam

- a. Supplies on which tax is payable under reverse charge
- b. Deemed supplies without consideration

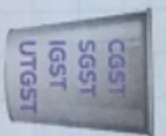
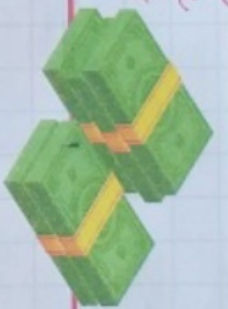
When recipient makes the payment to third party on supplier's behalf on which supplier is liable.



CS - 5 Rule 86B

Practical / Theory Question can be asked

Rule 86B



5.4

When does it apply

Taxpayer who's monthly taxable

supply exceeds 50 lakh

eg. Raman (Feb month)

Taxable supply = 100 lakh (sale) (18%)

Output tax = 18,00,000

Input tax = 17,82,000

(99% of 18,00,000)

Balance payable in cash = 18,000

Assume ITC = 22,00,000

Reason:- 99% of liability should be paid by using ITC.

Refund is received due to 2 reasons

1. due to zero rated supply.
2. due to inverted duty structure

On Input tax rate is high and on output tax rate is low

eg:- Manufacturer

86B - Not Applicable when: (exceptions)

- 1) If in last 2 FY, Income tax paid in each year exceeds 1,00,000.
 - 2) Rule 86B NA to Govt / PSU / Statutory Body / LA.
 - 3) Already GST refund is received in exceeds of 1,00,000.
 - 4) If during the FY, cumulative 1% of liability already paid in cash in earlier months.
- eg. Upto April to Aug, GST liability - 30,00,000
Paid in cash: 1,00,000
- In Sept, Rule 86B - NA because 1% of 30,00,000 = 30,000.
Already 1,00,000 means more than 1% paid in cash.

What does it say

99% of GST liability discharged by i) using e. credit ledger and balance 1% by paying in cash.

1. MV up to 13 seater is blocked credit

upto 13 seater : blocked credit TTC ✗
 above 13 seater: TTC ✓
 MV: used transportation: of G TTC ✓
 For 3 Business TTC allowed
 1. sale of MV.
 2 Transportation of passenger.
 3. Driving school.
 Eg:- Bus for employees transfer
 - faction eligible credit.

4. Insurance

Life Insurance
 Premium + GST
 (Blocked credit)

Health Insurance
 Premium + GST
 (Blocked credit)

Voluntary
 Health insurance employees
 TTC ⊗

Statutory
 Health insurance employees
 TTC ⊙

2. Aircraft + vessel = Blocked credit.



3. Businesses TTC
 1. further sale of aircraft or vessels.
 2. Transportation of passengers.
 3. Flying - school.
 Motor Vehicle Includes:
 1. Railways.
 2. 2 wheeler with engine capacity upto 25 CC = TTC ✓
 3. Bicycle: TTC ✓

General Insurance

MV + aircraft + vessel
 Insurance
 Blocked credit

Goods + others
 Bus eg:- 20 seater
 Insurance
 TTC ⊙

3. Blocked credit: MV, vessel, Aircraft

Repair & maintenance
 Blocked credit
 Insurance
 Blocked credit.

Car
 Blocked Credit
 Repairs & Maintenance
 Block credit
 Insurance
 Block credit

Bus / Truck
 more than 15 seater.
 Repairs & Maintenance
 TTC ⊙
 Insurance
 TTC ⊙

7. Goods lost / stolen / destroyed

Also if goods gifted / free samples
 Blocked credit
 Blocked credit

TTC taken and then gifted
 Sch I → deemed supply

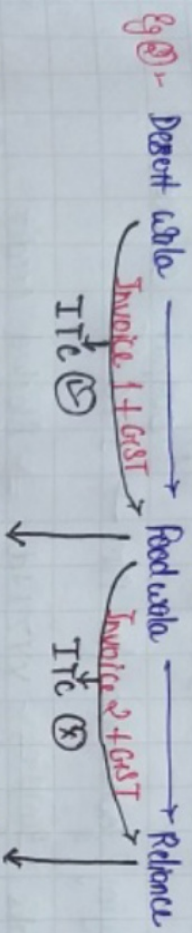
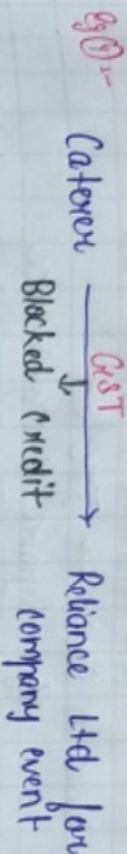
Do not take TTC



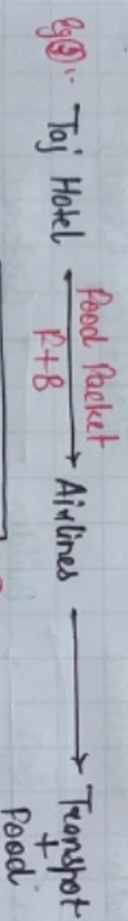
5. Club Membership / fitness
 Membership
 Blocked credit

6. Travel Benefit
 LTC to employees
 Blocked credit

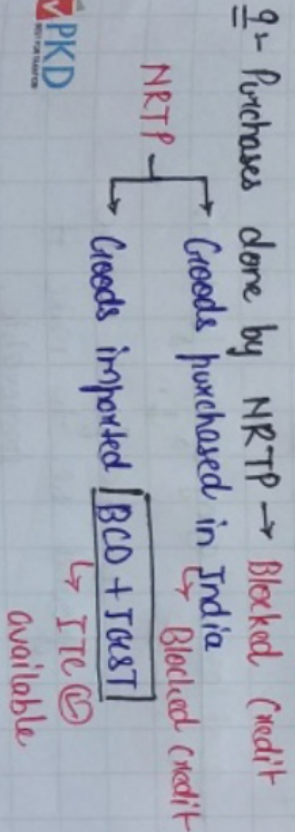
8:- Foods & Beverages / catering / health / services / beauty / cosmetics plastic service → **Blocked credit**



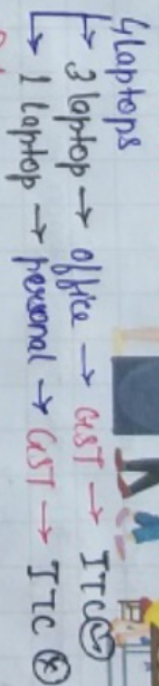
Foodwala can claim ITC because Reliance Ind. cannot claim ITC because F&B is a blocked credit



Input services used to provide some output services forming a part of composite supply. **Eligible for ITC**

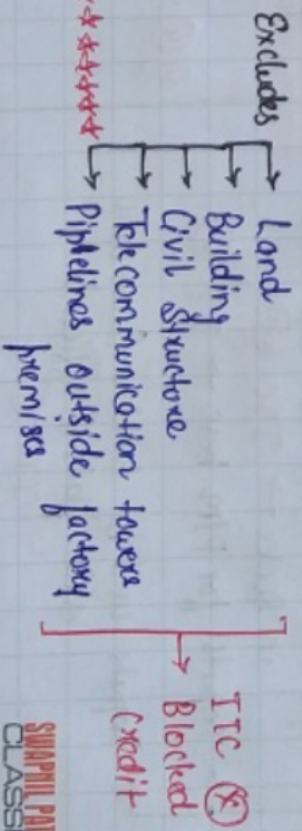


10:- Gls used for personal consumption → **Blocked credit**



But,
 4 laptop bought
 4 laptop for office → **claimed ITC**
 Alter that, one laptop is taken home. This one is covered in sch I. (BAR AP I) → **Denied supply.**

11:- GST paid on P1M → **Eligible ITC**
 Plant & machinery means apparatus, equipment machinery fixed to each by foundation or structure → **Eligible ITC**



12:- Renting of Cab/Motor Vehicle

Eg ①:- Cab/Motor Vehicle → GST → Blocked Credit → Reference Ind.

Eg ②:- Cab/Motor Vehicle → Renting of Cab/Motor Vehicle → Reference Ind. → GST → Blocked Credit → Reference Ind.

Eg ③:- Employer Health Insurance → Voluntary → Blocked Credit → Statutory Requirement → ITC

13:- Inputs used for construction of Immovable Property (Cement, steel, etc) → Blocked Credit
 on own account → Blocked Credit
 Repairs & maintenance not Capitalised in Books → ITC
 Inputs for P/M base → ITC
 Inputs used by Builder (who will sale plots & offices) → ITC

14:- Works Contract for immovable property → Blocked Credit

Capitalised in Books → Blocked Credit
 Not Capitalised in Books → ITC
 Eg:- Classroom / factory PKD

To a builder → ITC → Input used to provide some output services.

Eg ①:- works Contractor → Building Construction → XYZ Ltd → Blocked Credit (Capitalised in Books)

Eg ②:- works Contractor → Repairs & Maintenance → XYZ Ltd → ITC (Not Capitalised)

Eg ③:- works Contractor → GST → eligible for ITC → Builder → Customer

Eg ④:- Input services used for providing same output services by builder → ITC
 works Contractor → used for → Laying of P/M foundation → ITC

i.e. to fix it to the ground i.e. to make it immovable.



C5-6 ITC in Special Case

Situation I:

(Quarter)

Non tax paying mode to tax paying mode

Eg. unregistered → Registered

Composition → Regular scheme

Exempt G → Taxable G

Stock

future sale pay tax to govt

→ Can claim TTC stock

→ If already registered can claim reduced

TTC on capital goods

[Reduction 5% per quarterly]

Conditions invoice should not older than 1 year

Situation II:

(60 months)

Tax paying mode to non tax paying mode

Eg. Regular scheme → composition

Taxable G → exempt

Registered → unregistered

Stock

Future sale no tax

→ TTC to be reversed

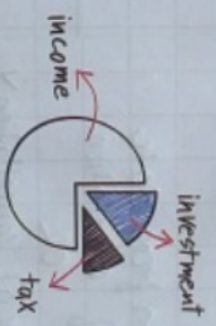
If no invoice take it market value

CG / PM assume useful life

60m (fixed by Act)

Remaining life TTC to be reversed

TAX



Situation III:

(Quarter)

CG / PM sold

CG / PM

Pay tax = TTC Reversal

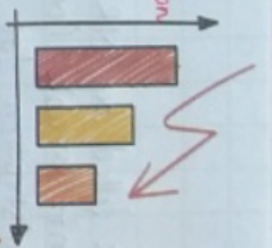
(reduced TTC) or Transaction

5% per quarter

Months/dies/jigs/ ~~months~~ sold as scrap

Pay tax = tax on transaction value

Refer Que. On Pg. no. 519 of Bomkon (Quarter)



Situation IV:

Sale/merger/amalgamation

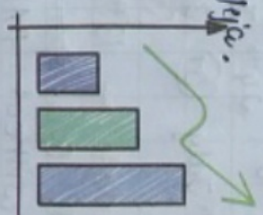
The zero entity can take bucket

1. Change in constitution

2. There is transfer asset/liability

3. Unutilised balance in e credit ledger can be transfer

Asset like, liability like & Bucket like.



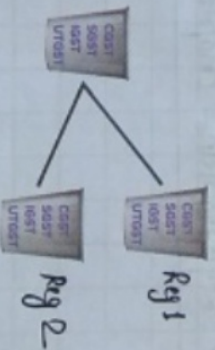
Situation V:

Single veg → Multiple registration

Multiple registration

Unutilised TTC can be split between

separate registration on the basis of asset held.



GSTR-5 :-

- Return to be filled by NRTF
- Non-resident taxable person
- They get registration for a very short duration (max 90 days)
- Due date = 13th of next month **(OR)**

7 days from Reg. validity

- No need to file AR.
- Eg:- Registration from 10th June to 24th July

13th July **(OR)** 31st July

due date = 13th July (24 July + 7 days)

- NRTF can ~~not~~ obtain Registration without PAN.

- Purchases by NRTF are blocked credit. However, imports done by NRTF are eligible for ITC **(OR)**
- Registration chapter

GSTR-10 :- Final Return

- when person applies for cancellation of registration
- Then such person needs to file a final return GSTR-10

→ Taxpayer has to give details of stock on the date of cancellation of registration

- From ITC chapter :- Tax paying \rightarrow Non tax paying

ITC reversal of the Stock

- Due date = 3m from date of cancellation **OR** order of cancellation

GSTR-11 :-

- Filled by foreign embassies and UN bodies.

→ Such person on Reg. get a **UN** (unique identification no.)

→ On their inward supply, what ever GST is paid, they can claim refund.

→ On their inward supply, there is not GST.

- They have to file return **GSTR 11** + Refund application.

GSTR-9 :- Annual Return

1. Normal Tax payer + Composition should file
(GSTR-9) (GSTR 9A)
2. NRTP / CTP / ISD → no need to file AR.
↳ final CA.
3. Due date = 31st Dec of Next FY
FY 22-23 → AR to be filed by 31st Dec. 23.
4. For tax payer above 5 crore ATO have submit
a Reconciliation Statement in form GSTR 9C.
5. Earlier ~~the~~ GSTR 9C, required auditor attestation
i.e. CA & CMA audit. However, now no CA
audit audit. Now, tax payer can file GSTR 9C
with self attestation.

6. Normal Tax payer :-

AR - GSTR 9 → Annual Return

+
GSTR 9C

(ATO of that year
exceed 5 crores)

Reco between GST Return
and Financials
(BLS & P&L)

Reason for difference
between sale as GSTR and sale
as per P&L A/c

(Eg) :-

GSTR

Sale Recorded
= 3.5 cr

P&L

Sale
= 3 cr

Difference is due 50 lakhs, branch transfer
which will be mentioned in GSTR 9C.

<p>e-Cash ledger (Ch → Payment of Tax)</p> <p>To Pay Tax To Pay Rm Tax To Pay Penalty To Pay Int. To Pay Fees</p> <p>By Cash/Deposit By TDS/TCS deducted by others</p>	<p>e-Credit ledger (Bucket) - May assets</p> <p>To Pay Tax By Input tax By Input tax (as per GST R 38)</p> <p>By Rent By Int By Penalty By Fees</p>
---	--

Rules:-

- It is maintained major and minor head wise.
- Writing of amt from any major head or minor head allowed as per Sec 49(10) using form PAT 09.
- New, as per FA 2022, amt can be shifted from one deemed distinct person to another.
- However, there is no unpaid liability in e-liability register of the person when whose excess amt is transferred.
- The ledger is debited for paying liabilities of tax / Rm tax / Penalty / Int, etc.

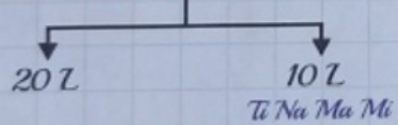
Rules:-

- It is maintained major and minor head wise.
- ITC utilization rules will apply - Pg. no. 169
- CGST Tax - used
 - CGST & IGST
- SGST Tax - used
 - SGST & IGST
- UTGST Tax - used
 - UTGST & IGST
- IGST Tax - used for CGST & SGST / SGT → any order/proportion
- It can be debited only for paying tax liability, cannot be used for Rent, Penalty, Int, Fees.

∴ Tax:- as determined by Govt. and determined in Return (self-assessed) can be used to pay tax only

Balance in e-credit ledger cannot be used to give back wrong refund granted by Govt. → Tax Payable in Cash → give back → e-credit ledger

6. Notified Goods



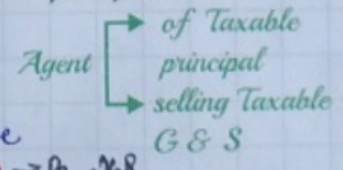
7. Goods + Int on loan Treated as exclusive G.

- Notes:
- Ti - Tripura
 - Na - Nagaland
 - Ma - Manipur
 - Mi - Mizoram

covered u/s 22.

AP is MUST
 Arunachal Pradesh
 Punjab
 Meghalaya
 Uttarakhand
 Sikkim
 Telangana

- Eco's are liable to pay u/s 9(5)
- OTDAR : Online Database access & Retrieval services (Final)
- ISD : Input services distributor (Final)
- Persons liable to deduct TDS (Final)
- Persons notified by Govt.
- Agent who sells taxable goods / Services on behalf of principal.



Registration 6.1

- Notes:-
- If one state is a normal state and other state is special category then apply the reduced ATO criteria → Refer point 1 (268 R)
 - However, Reduced criteria will not apply if special category state is engaged in exclusive supply of non-taxable (S petroleum + liquor) → Pg. 268
 - Notified goods = ice cream / edible ice / tobacco pan masala / bricks / roofing bricks tiles / Heated water.

* Int. is charged if there is delay in payment. It is also charged if wrong ITC is utilised.

Ch - Payment of Tax

Note:- Int. should be charged for wrong utilisation and not for wrong availing.

Eg:-

Month	Liability	ITC availed	ITC utilised	Issue	Interest	Cl. Balance
June	0	Purchases 50,000 (+) 30,000 <hr/> 80,000 ITC availed	0	50,000 is wrongly not availed	No Int. because ITC was never utilised	80,000 e-credit ledger
July	35,000	No Purchases	35,000 ├── 30,000 │ ↓ │ Correct └── 5,000 ↓ Wrong	5,000 wrongly utilised	Int on 5,000 @ 18% from utilisation date → till date of reversal of ITC	80,000 (-) 35,000 <hr/> 45,000

Note:- 1. On 5,000 Int. @ 18% will be charged from date of utilisation till date of reversal of ITC.

2. 50,000 ITC is wrong ITC, assuming it is a block credit.

3. 45,000 reverse on Aug → No. Int.

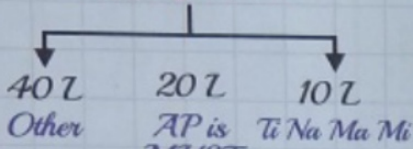
∴ Date of utilisation = Due date

(OR)
Actual filling of Return ↓

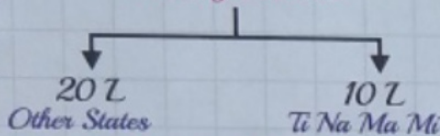
Registration

Section 22

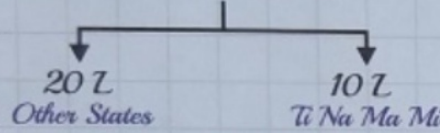
- 1. Based on ATO
- 2. Only Goods



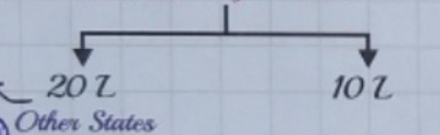
- 3. Only Services



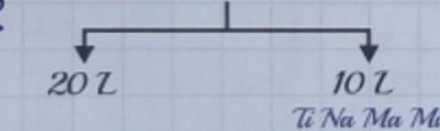
- 4. Goods + Service



- 5. Handicraft Goods



- 6. Notified Goods



- 7. Goods + Int on loan Treated as exclusive G.

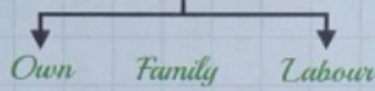
Notes :

- Ti - Tripura
- Na - Nagaland
- Ma - Manipur
- Mi - Mizoram

Section 23

- 1. Exempt from registration
- 2. Exclusive supplier of non-taxable G/S
- 3. Exclusive supply of exempt G/S
- 4. Agriculture - Ind/HUF

Cultivation



- 5. Notified persons by CG

- i. Inter state supply of S
 - ii. inter state supply of handicraft goods.
 - iii. CTP → Selling handi goods
 - iv. Supplier - covered under RCM.
 - v. Supply S through ECO.
- (i to v) not covered under compulsory registration. But covered u/s 22.

AP is MUST
 Arunachal Pradesh
 Punjab
 Meghalaya
 Uttarakhand
 Sikkim
 Telangana

Section 24

- 1. It is compulsory registration
- 2. Not dependent on ATO
- 3. Following persons are covered U/S 24

- 1. Inter state supply of G

Exception :

- a. Inter state supply of S
- b. Handicraft notified goods

- 2. CTP

Exception : Handicraft / Notified goods

- 3. NRTP

- 4. Person - Tax - RCM Recipient has compulsory regn.

- 5. ECO which is liable to collect TCS

- 6. Persons selling goods through ECO

Exception : Selling S through ECO

- 7. Eco's are liable to pay u/s 9(5)

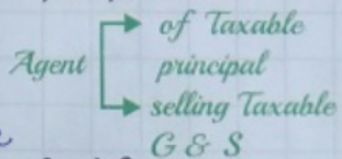
- 8. OTDAR : Online Database access & Retrieval services (Final)

- 9. ISD : Input services distributor (Final)

- 10. Persons liable to deduct TDS (Final)

- 11. Persons notified by Govt.

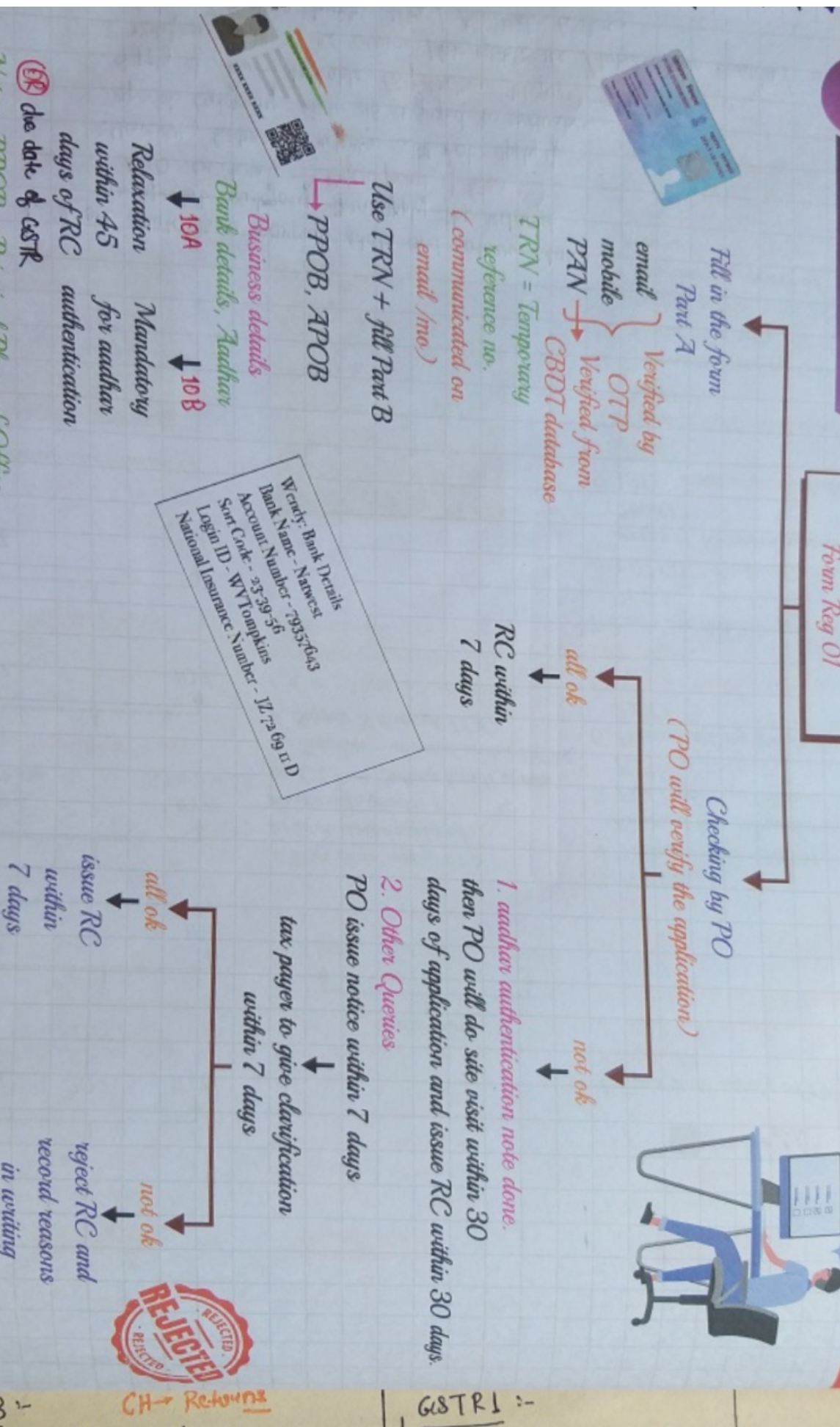
- 12. Agent who sells taxable goods / Services on behalf of principal.



Notes :- 1. If one state is a normal state and other state is special category then apply the reduced ATO criteria → Refer point 1 (268 R)
 2. However, reduced criteria will not apply if special category state is engaged in exclusive supply of non-taxable (S petroleum + liquor) → Pg. 268
 3. Notified goods = ice cream / edible ice / tobacco pan masala / bricks / roofing bricks tiles / Areated water.

C6 - 2 Registration Process

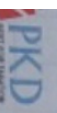
Registration Process Form Reg 01



Wendy: Bank Details
 Bank Name - Natwest
 Account Number - 333956
 Sort Code - WY Tompkins
 Login ID - WY Tompkins
 National Insurance Number - JZ 72 69 11 D



Notes: PPOB - Principal Place of Office
 APOB - Additional Place of Business



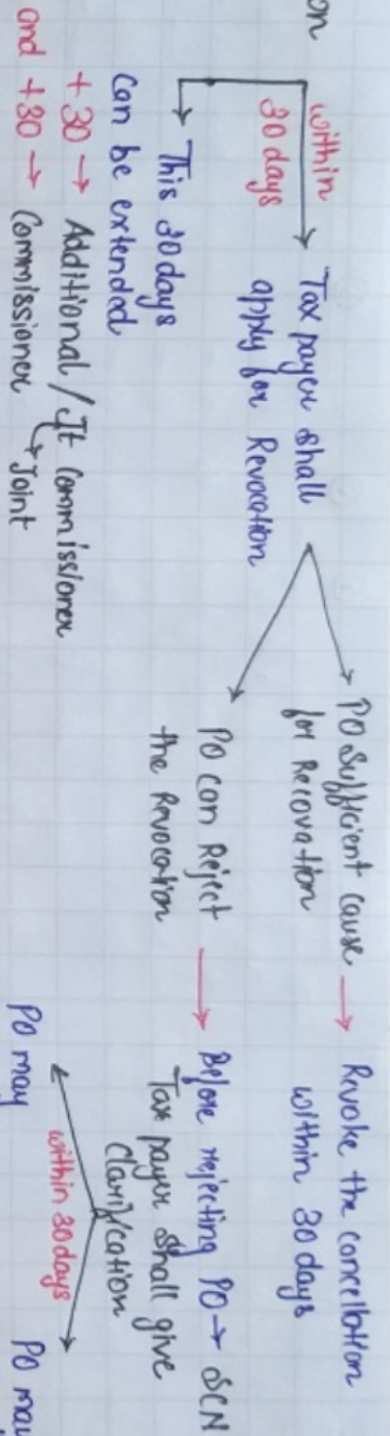
SPECIALIZED CLASSES

GSTR - 3B :-

CH - Returns

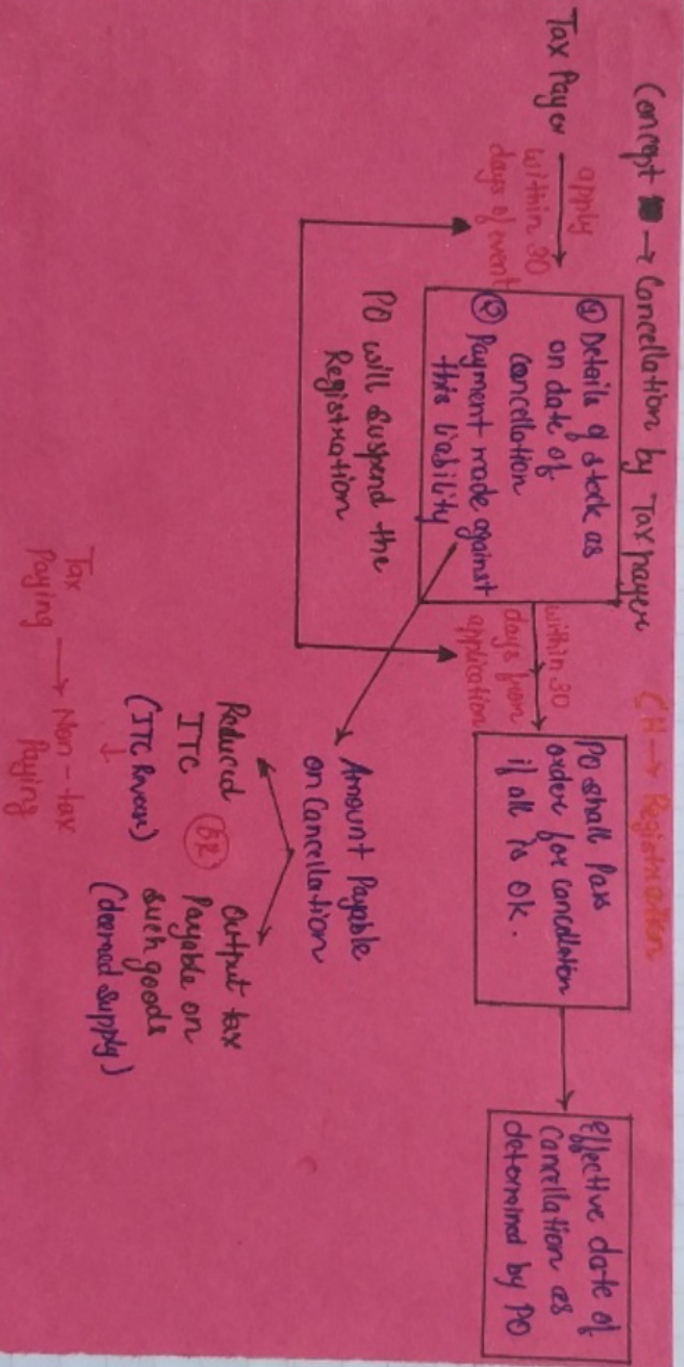
GSTR 1 :-

Cancellation
By PO



6.3

Concept → Cancellation by Tax payer



GSTR-3B :-

CH → Returns

- Return + Payment is compulsory
- Only return without payment cannot be filed
- Summary
 - Sale → Output tax (Liability to be paid)
 - Purchases → Input tax

GSTR 1 :-

- Sale Return/Outward Supply
- B2B → Invoice wise
- B2C → Summarised
 - Inter State & Invoice is more than ₹,50,000 → Invoice wise

History :-

2017 → Normal Person → GSTR 1 (12) Monthly
 Proper ~~GSTR-2~~ 12m ~~Purchases~~ GSTR 3B (12) Monthly
 Monthly GSTR-9 (1) Annually (Annual Return)

2019 → Some people file returns → Monthly
 monthly Quaterly → Quarterly basis

2021 → QRMP (Quarterly Returns Monthly Payment)
 Optional → only Last FY ATO exceeds 5 crores

Return for Composition Suppliers

They file yearly return → GSTR 4
 Due date of GSTR 4 → 30th April of Next FY

FY 22-23 - GSTR 4 → due date
 30th April 2023

Payment is done on Quarterly basis
 A/M/J → CMP 08 → due date (challan) 18th July

J/A/S → CMP 08 → due date 18th Oct

O/N/D → CMP 08 → due date 18th Jan

J/F/M → CMP 08 → due date 18th April

Submitting NIL CMP 08 is mandatory

① Normal Return → Yearly → GSTR 4
 30th April Next Year

② Payment → Quarterly → CMP 08
 18th of Next month after the Qtr

③ Annual Return → Yearly GSTR 9A
 31st Dec of Next Year

Normal Tax Payer (Not opted for composition)

ATO of last FY exceeds 5 cr.

QRMP - Not Applicable

GSTR 1 → Monthly
 ↳ 11th of Next month

GSTR 3B → Monthly
 ↳ 20th of Next month

GSTR 9 → Due date
 ↳ 31st Dec of Next Year.

ATO of last FY does not exceed 5 cr.

Monthly (or) QRMP
 some Refer Detailed chart (PTO)

(i) GSTR 1 - QTR → 13th April (Jan, Feb, March)

(ii) GSTR 2B → QTR → 22nd April
 ↳ 24th April

(iii) Payment Monthly

(iv) Option of Monthly IFF

(v) GSTR 9 → Annual Return → 31st Dec 23
 FY 22-23

QRMP - Optional for whose ATO in FY does not exceed 5 crores.

Option 1 → No. QRMP

	GSTR 1	GSTR 3B
Jan	1 st Feb → GSTR 2B	20 th Feb + Payment
Feb	1 st March → GSTR 2B	20 th March + Payment
March	1 st April → GSTR 2B	20 th April + Payment

Option 2 → QRMP

Period	GSTR 1 - Quarterly	Quarterly GSTR 3B	Monthly Payment	Option to file IFF
Jan	13 th April	Quarterly 22 nd April 24th April	PMTDG - 25 th Feb PMTDG - 25 th March Pay along with GSTR 3B 22 nd April 24 th April	Option to file IFF
Feb				13 th Feb
March				13 th March GSTR 1 - 13 th April [Jan / Feb / March]

IFF

Month	GSTR 1	IFF
Jan	GSTR 1 (X)	Jan → details of only some invoices to be entered IFF → GSTR 2B 13 th Feb
Feb	GSTR 1 (X)	Feb → Details of only some invoices IFF → GSTR 2B → 13 th Feb
March	GSTR 1 → Qtr 13 th April	March → NO IFF (Jan + Feb + March) → Remaining Invoice will be in GSTR → 13 th April

Max ~~amount~~ Invoice can be upto 50,00,000 can be in IFF

GSTR 1 → Sales Return Outwards

GSTR 1 → Outwards Supply → Sale Return

B2B → Invoice wise data - B2B

Invoices → Scan (X), signed (X)

↳ data details have to given.

B2C → Summary

↳ Inter State supply and

↳ Value of invoice is more

than 2,50,000 → invoice wise

NIL Return → Filing is mandatory

↳ can be filed through SMS and

OTP on Reg. mobile no.

Previous period → GSTR 1 not filed

Current ~~year~~ period return cannot be

filed. First file Previous return only

then current period can be filed.

CH → Returns

Mistake in GSTR, can Return be Revised?

Return in GST cannot be revised, corrections in GST can be done in the Next period Returns.

Returns.

What is the last date for making corrections?

Ans:- 30th Nov

of Next FY

(X) Date of Billing ↓
AR

GSTR 1 → Partial

auto populated

Recipients

GSTR 2B

On the basis of 2B Recipient can claim ITC

u/s 16(2)

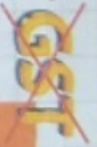
GSTR 1 → Sales return → 11th of Next month

GSTR 3B → Return → 20th of Next month

C7 - 2 Exemption

Output Services - Educational Institutes Providing

Service by educational institute to students faculty exempt staff
 Services of conduct of entrance exam are exempt



Exemption

7.1



I. Pre school upto HSC - Higher Secondary Course

Pre school + school + HSC
 TISE / TB / SSC / CBSE any board Exempt

Boarding school
 Edu + stay + food

Composite supply Principal supply education

8a

Entire supply is exempt
 Extra Curricular Activities

With same fees (school fees) Additional fees charged

Composite supply → Mixed supply
 Exempt ↓ Taxable Supply

II. Providing qualifications recognised in India

1. Qualifications should be recognised in India
 If institute gives qualifications which is not recognised in India but in foreign country taxable

2. Course which provides dual recognition
 7e. One recognised in India other not recognised in India mixed supply taxable

3. Private coaching taxable
 Because they do not provide any qualification that is recognised under any law eg. SPC Coaching, Coaching for engineering, Coaching classes for 12th std

4. IIM Indian Institute Management
 Long duration course (1 year or more) → Exempt
 Degree / diplomas which are recognised exempt
 Short duration course (less than 1 year) taxable

5. Maritime Training Institute
 Provide courses recognised by the merchant supply act 1958
 Exempt

6. Institute likes IIT / IIM etc campus interview.
 Institute collect charges from corporates for placement taxable

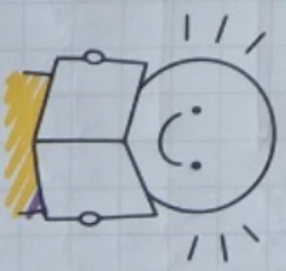
III. Providing vocational training course

1. Vocational training courses
 Course in designated trades as covered in Apprentice Act exempt
 Eg. Electrician, Welder, Photographer, Beautician etc. Gardening, Painter

2. Modular employees skill course exempt
 TTI/ITC Industrial Training Institute
 Industrial Training Centre

Private TTI
 Course designated trade → exempt
 (Apprentice Act) trade → exempt
 Other courses → taxable
 Gov TTI

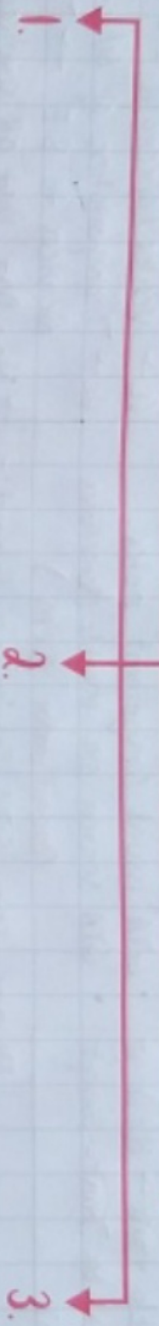
Course in designated trade → exempt
 Other courses → exempt
 (All courses exempt because supplier is gov)



C7 - 2 Exemption

Input Services - Services to educational institute these are exempt

Supplier → 1. Pre school / School / HSC
2. Institute → Recognised degree.
3. Institute, vocational training



- 1. Transportation of students, faculty and staff.
- 2. Catering including mid day meals sponsored by government
- 3. Security or housekeeping services performed in the premises of the educational institution

Exempt only for pre school & HSC

→ Not exempt for Institute → Recognised degree / vocational training



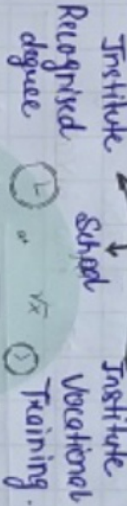
School appointments → XYZ Transporter

XYZ Transporter $\xrightarrow{\text{Invoice 5,00,000}}$ School

NO GST

- 1. Services relating to admission or conduct of examination

Exempt for all 3 Institutes



- 1. Supply of online educational Journals and periodicals

Only to educational Institutes providing recognized qualification
→ Not exempt for school & vocational training.

Services by Educational Institute to ① Student ② Staff ③ faculty.
Collection done by college:-

- 1. College fees - 1,50,000 + ~~ST~~ → Student
 - 2. 2000 pm mess - ~~ST~~ → Teacher
 - 3. 2000 pm mess - ~~ST~~ → Staff
 - 4. 2000 pm mess - ~~ST~~ → Student
 - 5. 10,000 Transport - ~~ST~~ → Student
 - 6. 10,000 Transport - ~~ST~~ → Teacher
- Because services by Educational Institute to student, teacher and staff is exempt

Enrollment of old age home - 109
 Charity → By Charitable trust
 → Education
 → Sponsorship

1. Charity (3)
 Registered via 12AA, 12AB or ITAT
 ∴ Services to Charitable trust → Not Exempt
 PKD → Charitable Trust = Exempt
 (Auditors) Audit per GST

2. Health care (4)
 Recognised Medical stream
 Clinic / Hospital
 Dx / Paramedic → Nurse
 Diagnostic
 Vet → animals doctor
 Ambulance → By anyone
 Hospital Rooms
 → upto 5000/day → Exempt
 → above 5000/day → taxable
 → ICU / CCU / NICU → Exempt
 (upto 5000/drove 5000)

★ Earlier, Stern fell was Exempt
 Now it is taxable.

→ Inhouse food → Exempt
 (Composite supply - health care food)
 → PKD eat food → Canteen → Hospital
 (PKD is outside / not admit) → Taxable

→ Services to Hospital
 PKD Exempt
 audit services Hospital - taxable

→ Bio-degradable → Hospital
 PKD waste → Exempt
 ∴ New Exemption withdraon
 Taxable now.

3. GTA (8)

→ Transportation of goods by Road → Exempt
 (No Consignment note) Truck/Tempo
 → Transportation of goods by Road by GTA
 • GTA issued consignment notes.
 • GTA services are taxable (sometimes covered under RCM)

However, some GTA services are Exempt:-
 → Sterilised goods → Milk, defence material, Relief material, newspapers - Exempt
 → GTA services to Unregistered Ind/HUF → Exempt
 → To Govt. Dept. CG/SA/UT/LA → Exempt
 → Single goods carriage upto ₹ 15000
 → Single Consignee upto ₹ 750
 → Exempt, now taxable

6. Tour Operator Services (52A)

① Tour Operator → Foreign tourist
 Taxable
 → Exempt

② Tour Operator partly in India & Foreign tourist
 partly outside India → Exempt

Exemption = days outside India
 Total days → 0.5 day
 More than 12 hrs → 1 day

4. Services by Govt. (5)

All services by CG/SA/UT/LA → Exempt
 However some would be taxable:-
 → Services by Dept. Post → Taxable
 → Vessels / aircrafts → Taxable
 → Transportation of passengers → Taxable
 → Services to BE → Taxable

New Dept. Post all services will be taxable.
 However post card / inland letter / book post, ordinary post (envelopes weighing less than 10 grams) → Exempt

CG/SA/UT/LA → BE = Exempt
 (TO does not exceed threshold limit)
 BE = Taxable RCM

CTO exceeds threshold limit → BE = Taxable RCM
 Exception:- Nothing will apply upto ₹ 5000 = Exempt
 to CG/SA/UT/LA → always taxable under RCM

4. Services by Govt. (5)

Govt. → Reg. person = RCM
 Renting of Immovable property

5. Business Facilitator / Correspondent (14)

(a) Business facilitator → Bank = RCM
 taxable

(b) Business correspondent → Bank = Nil RCM
 Firm → Taxable

(c) Agent → BC → Bank = Taxable
 RCM

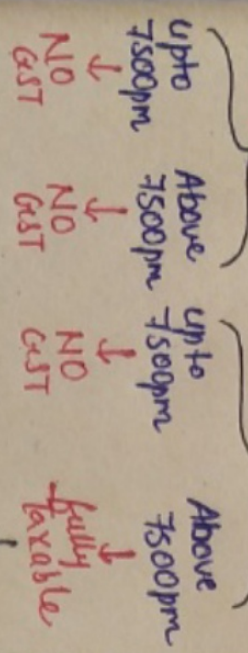
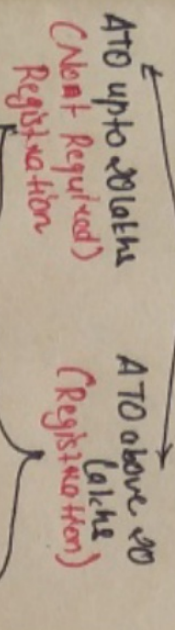
(d) BF/BC → Insurance Co. → Rural areas → Exempt
 RCM

7. Legal Services (17)

1. Advocate → Advocate
→ Exempt
2. Senior Advocate → Firm
→ Advocate → Firm
→ Taxable → Firm

8. Resident Welfare Association

upto 7500 pm / per flat → Exempt
RWA Services

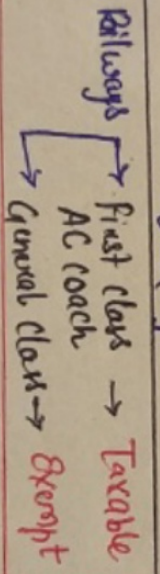


Eg:- 10,000 pm fully taxable

||:- Renting of Residence = Exempt
Renting of house to Reg. person = Taxable Rm

9. Services to Government (15)

1. Supplier Exempt Govt. → Services of duty of Govt. (only S)
2. Supplier Exempt Govt. → Govt. duties
G+8 (OSK only)
3. Insurance Services to Govt. → Exempt
4. Training provided to Govt. → Exempt
(75% or more Exp. incurred by Govt.)
5. GSTN to Govt. → New Taxable
See 8 company GSTN Portal → Govt. Taxable
6. Shop Fair price Shop Govt. = Exempt
distribution of Groceries.



Waterways:- Inland Waterway → Exempt (Public)
Water tourism → Taxable
Water Public Transport → Exempt

10. Transportation of Passengers

Storage coverage → AC - Taxable
Govt. + 6 pass → Non-AC - Exempt
Bus driver through EDO → Taxable

Contract coverage AC - Taxable
↓
Non-AC - Exempt
through EDO → Taxable

Radio → AC Non-AC → Taxable
Taxi

Metrolab
Rikshaw
E-Rikshaw → Exempt
Taxable if through EDO.

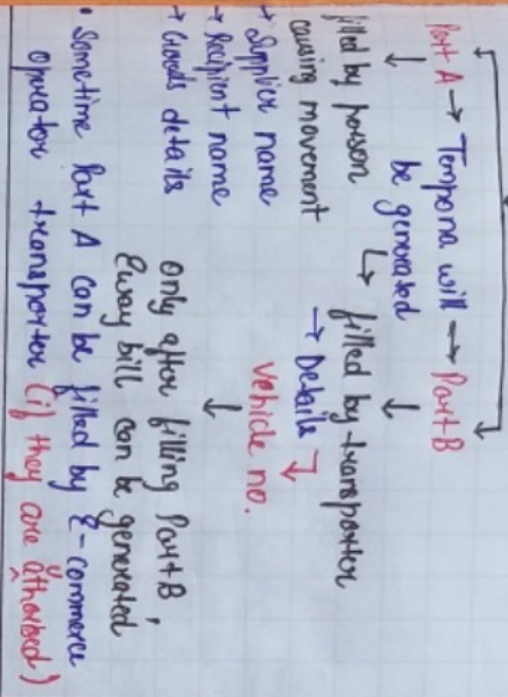
Generally Public Transport → Exempt
↓
Tourism → Taxable

Metrol
Monorail
Tramway → Exempt
Air → Taxable (Any other destination)

Going to Assamachal Pradesh
Assam
Manipur
Meghalaya, Mizoram
Nagaland
Exempt only for economy class

E-way Bill :-

EWB-01



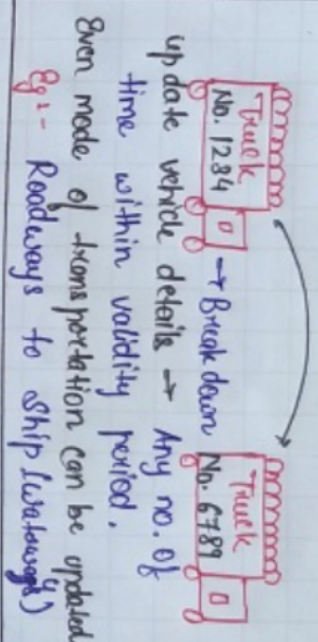
Validity (based on distance) \rightarrow upto 200 km - 1 day validity
 Additional upto 200 km - Additional 1 day

500 km - first 200 km - 1 day
 Next 200 km - 1 day
 Next 100 km - 1 day

\therefore E-way Validity - 3 days
 Can be extended by Commissioner/Transporter
 Exception \rightarrow Eg:- Accident/Natural calamities

It pertained Part B in following cases:-
 PKD 1. Goods transported upto 50 km within stack.
 2. Consignor to Transporter.
 3. Transporter to consignor.

Transshipment - Transfer of goods from one place to another.



Transporter 1 to Transporter 2 :-
 City X $\xrightarrow{\text{Transporter 1}}$ City Y $\xrightarrow{\text{Transporter 2}}$ City Z

- Part A filled by Reg. person causing movement.
- Reg. person will assign E-way bill to Transporter 1
- Transporter 1 will fill Part B (X to Y)
- Reach City Y, He will assign E-way bill to Transporter 2
- Transporter 2 will update Part B

Validity counting:-
 14th Feb \rightarrow 10am \rightarrow Part B for 1100 km \rightarrow 1 day
 4pm

Counted from midnight \rightarrow E-way bill valid from 14 Feb midnight to 15 Feb midnight

Exception \rightarrow For dimensional cargo, multi-modal shipment.
 For every 20 km \rightarrow 1 day

Motobhai
 Invoice-1 \rightarrow Radhe
 Invoice 2 \rightarrow Radhe
 Invoice 3 \rightarrow Radhe
 Separate E-way bill for all three.

Mistake in E-way bill
 Eg:- Type error in vehicle no.
 \rightarrow Cancel this E-way bill within 24 hrs from the generation.
 \rightarrow Generate another new E-way bill.
 \rightarrow Cannot be edited or reworked.

Acceptance of E-way bill
 Generated by :-
 Supplier will be communicated \rightarrow Recipient
 Recipient will be communicated \rightarrow Supplier

They have to accept E-way bill 72 hrs from detail of goods made available. OR goods made available.

If no communication of acceptance \rightarrow Demanded to be accepted.

When? Movement of goods of value above ₹ 50,000 (Supply from - supply)

WHO? Registered person causing movement
Generally → Supplier

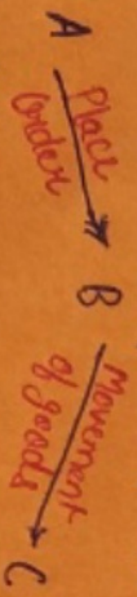
If Supplier unregistered → Recipient
If both unregistered → Transporter (By Road only)

Value Invoice → Value as per Section 15 + GST
Exempt goods value (X)

Delivery Challan → Value mentioned on challan (GST - not added)
Mandatory → Value exceed ₹ 50,000

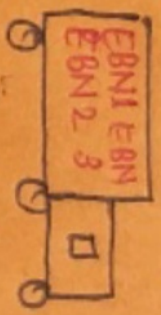
Exception Even if value less than ₹ 50,000
mandatory → Jobwork
Handicraft

Bill to Y ship to Y model



Invoice 1 - B to A
Invoice 2 - A to C
There will be only one E-way bill →

Consolidated E-way bill :-
EBN - E-way bill number



EBN 1 - Supplier 1
EBN 2 - Supplier 2
EBN 3 - Supplier 3
Goods - Supplier 4
less than ₹ 50,000
∴ No E-way bill
Transporter can generate consolidated E-way bill [EWB-02]

Consolidated E-way bill
like a Trip sheet.
It does not have validity period.
It contains details of different E-way bill in one vehicle

Either generated by A or B.

Clarification for Schedule II Point 5(e).

→ Not Treated as Supply :-

1. Damages for property → No GST
2. Penalty for delay in → No GST
Construction
3. Cheque dishonour fine/ → No GST
penalty
4. Penalty for traffic rules → No GST
5. Penalty for violating → No GST
mining rules
6. Damages paid for → No GST
accident

the parameters of supply G/S

* Following will be treated as Supply:-

- 1. Payment + Late fee charges

VOS (Section 15)
(12)

Composite Supply.

- 2. Payment Gr + Late fees

Taxable → Goods Rate

- 3. Payment Electricity + Late fees

Exempt → Composite Electricity

- 4. Cancellation charges, tour, tickets, transportation hotel.

↳ Composite supply → Taxable

- 5. Ticket charges are forfeited

↳ Taxable

- 6. Penalty for terminating lease early → Taxable

- 7. Pre-payment charges by bank for pre-payment of loan - Taxable

8. Tax charges forfeited → Taxable

IGST (RCM)

Accounting entries / treatment for RCM :-

1) TO = 5,00,000 → Sales Motabhai POV

On Sales there is a liability to collect tax and pay to the Govt.

5,00,000 → In trading a/c → Income
↳ outward supply.

2) P&L - auditors of Motabhai's business in books of Motabhai

	1,00,000	Audit fees - 1,00,000	↳ P&L Exp.
(+) CGST -	9000	CGST - 9000	} Input tax Bucket.
(+) SGST -	9000	SGST - 9000	
	<u>1,18,000</u>		

Audit fees = Inward supply for Motabhai.

3) Advocate give services to Motabhai

5,00,000 → RCM

(+) CGST -	45,000	} to be paid by Motabhai under RCM.
(+) SGST -	45,000	

In point 1 :- Liability to pay tax arises on sales i.e. TO i.e. Outward supply.

In point 3 :- Liability to pay tax is on inward supplies covered under RCM.

E → Legal fees Dr 5,00,000 → P&L Exp.
To Advocate 5,00,000

→ CGST Dr	45,000	} asset → Input Tax Bucket
SGST Dr	45,000	
To Bank A/c	90,000	

31(1) → I → Cr 31(2) → I → S
When to Issue In Invoice for services.

1. 31(2) :- Normal Services

within 30 days from date of completion of services Bank / Insurance → issue Invoice within 45 days.

2. Stopped :- When supply is stopped

3. Continuous supply of services.

(ii) Cheating → 1 year, due date is ascertainable

Term I - 15th July
Term II - 15th Oct
Term III - 15th Jan
Term IV - 15th March
] due date is ascertainable
→ this is I date = due date

(iii) Due date is not ascertainable

Scholarship = 1,70,000 → Make payment within 8 months.
I date = date of actual payment

(iii) Payment is linked to some event.

Eg - Chromeli purchase /

Book a flat,

Booking - 1,00,000

Next 1st slab - 5,00,000

Next 1st floor - 10,00,000

4th floor - 20,00,000

I date = date of

~~happening~~

happening of

event.

4. TIME AND

Eg 1 :- I. date = 10th June
 = 50,000
 Payment = 11th May
 = 50,000

TOS = I date @ P date ↓
 = 10th June @ 11th May ↓
 = 11th May

Eg 2 :- Invoice = 1286
 Paid = 1500

Excess Payment = 214
 If Excess payment is upto 1000 then IOS = next I date
 Indirectly this is advance → definition pg. no. 12

on 13

2) - Issue of Invoice for servi

When to issue I

invoice before providing serv
 f supply

ys in case of insurance comp
 ial institutions including NBF

invoice at the time when the s

Invoice shall be to the extent
 ion.

due date of payment is ascertainable from the contract	on/before due date of payment
not so ascertainable	before/at the time of receipt of paym
payment is linked to the completion of an event	on/before the date of completion of

3.1) forward

If Invoice is
 ne u/s 31
 30/45

f Invoice not
 ime u/s 31
~~30/45~~

Supplier $\xrightarrow{G+Int}$ Recipient

1. G+Int. = Composite Supply (8(a))
2. ∴ On 1,05,000 → Rate of principal Supply will apply.
3. TOS for 1,00,000 = I. date
 for 5000 = date of recipient of additional consideration.
4. VOS [15(2)] = incidental or additional charges in relation to supply on (or) before the delivery & supplies
 ↳ added in TV.

Rec

Bank Provide

Exempt Supply

(Eg) - Interest

On inputs bank can
take proportionate

ITC

(OR)

Bank have option to
take 50% of eligible
ITC.

Taxable Supply

(Eg) - Loan processing,
fees, Bank charges,
locker charges,
etc.

Original

GST Council = 11 special category

Composition = 1.5 CR @ 6R

75 lakhs → 8 special

category states / except JK /

HP / Arun

Registration
Chapter =

Only 4 special category
(~~T~~ Ti Na Ma Mi)

① SEZ → Income Tax

Exemption Chap. → 10AA

Tax Holiday

First Sys 100% Export Profit

Next Sys

50%

— " —

Next Sys

50%

— " —

② JOAA - ANIT

③ 115BAC - Sacrifice 10AA.

SEZ and DTA should always have separate Registration

④ -- Maharashtra

Period

Restraint

→ 1 Reg (X) Separate Reg.

⑤ -- Maharashtra

SEZ DTA

→ Separate Reg. is

Compulsory.

⑥ SEZ → GST

1. Sale to SEZ → Zero Rated Supply.

Supply.

Inputs used for zero rated supply are eligible for ITC.

2. SEZ and DTA

