

Cover Page

PAPER 3: TAXATION 3B GST

Saransh Last Mile Referencer

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Basic draft of this publication was prepared by CA. (Dr.) Rashmi Goel.

Edition : January, 2025

Website : www.icai.org;
<https://boslive.icai.org/>

E-mail : bosnoida@icai.in

Committee/Department : Board of Studies

ISBN No. : 978-93-48313-46-1

Price :

Published by : The Publication & CDS Directorate on behalf of The Institute of Chartered Accountants of India ICAI Bhawan, Post Box No. 7100, Indraprastha Marg, New Delhi-110 002 (India)

Printed by :

Preface

Board of Studies, the student wing of the Institute, does not leave any stone unturned in providing best-in-class services to its students. It imparts quality academic education through its value added study materials, and other educational inputs. BoS also conducts live virtual classes through eminent faculty for its students across the length and breadth of the country.

In a pursuit to provide quality academic inputs to the students to help them grasp the intricate aspects of the subjects, the Board of Studies has been publishing crisp and concise capsules in its monthly Students' Journal "The Chartered Accountant Student" wherein the concepts and provisions are presented in attractive colours in the form of tables, diagrams and flow charts for facilitating easy retention and quick revision of topics.

To reach out to its students and members across the nation, the BoS has come out with a comprehensive booklet 'Saransh – Last Mile Referencer' for different papers at various levels of Chartered Accountancy Course. In continuation, BoS is coming out with Saransh for Paper 3 Taxation, Section B: Goods and Services Tax under the new scheme of education and training. This booklet encapsulates significant provisions of Goods and Services Tax by way of diagrams, flow charts, tables and pictorial representation.

However, the students are advised to refer the Study material, Bare Act, Rules and Regulations for thorough and comprehensive study of the subject.

The subject matter of this booklet is based on the provisions of the Central Goods and Services Tax Act, 2017 and Integrated Goods and Services Act, 2017 as amended by the Finance (No. 2) Act, 2024 including significant notifications and circulars issued and other legislative amendments made, which have become effective up to 31.10.2024. Unless otherwise specified, the section numbers and rules referred to in the Goods and Services Tax pertain to the CGST Act, 2017 and the CGST Rules, 2017 respectively (except in Place of Supply, where the section numbers and rule numbers pertain to the IGST Act, 2017 and the IGST Rules, 2017).

This booklet will facilitate the reader to grasp the significant provisions of Goods and Services tax and serve as a ready reckoner. This booklet will surely enable the readers in easy retention and quick revision of the provisions of the Goods and Services Tax Law.

Happy Reading!

President Message



It is with immense pride that I introduce the Saransh booklets, a meticulously curated resource available across the Foundation and Intermediate levels of the Chartered Accountancy course. ICAI has always been dedicated to providing our students with the best possible resources to succeed in their studies and careers, and Saransh is a demonstration of this commitment.

The Saransh – Last Mile Referencers have been thoughtfully designed by the Board of Studies (BoS) to serve as an invaluable companion for your studies and exam preparation. Our aim is to simplify complex concepts and provisions, making them easier to understand, memorize, and revise. However, Saransh is not a substitute for the detailed BoS study material but a supplementary tool to complement your in-depth study.

The newly revamped Saransh booklets have been updated not only in content but also in their presentation. With a more logical and organized structure, enhanced visual appeal, and a user-friendly layout, these booklets are now more effective in aiding your studies.

We have extended the Saransh series to cover all core areas of the Chartered Accountancy course. Saransh is designed not only to help you grasp and recall essential concepts but also to guide you in approaching each subject strategically. The insights provided in these booklets will help you develop a structured approach to your studies, ensuring that you are well-prepared for your examinations.

I urge you to make the most of the Saransh booklets. While these booklets will support you, it is your dedication, perseverance, and hard work that will ultimately determine your success.

I wish each of you the very best in your studies and future careers.

Warm regards,

A handwritten signature in black ink, appearing to read 'Ranjeet Agarwal', written in a cursive style.

CA. Ranjeet Kumar Agarwal
President, ICAI

Vice President Message



The Chartered Accountancy curriculum is known for its rigorous standards and comprehensive scope and coverage. Understanding and mastering the complexities of various subjects requires not only dedication but also effective learning tools. Utilizing well-designed learning tools can significantly enhance your understanding and retention.

As we advance in our journey of nurturing the next generation of Chartered Accountants, it is with great pleasure that I introduce the revised and updated Saransh — Last Mile Referencers. These booklets, intended to be your academic companions, have been meticulously developed by the Board of Studies (BoS) of ICAI and are designed to enhance your academic experience across the Foundation and Intermediate levels of the Chartered Accountancy course. They will serve as a vital resource, condensing complex topics into easily digestible formats.

However, I must emphasize that Saransh is not intended to replace the detailed study material provided by the Board of Studies (BoS). Instead, Saransh is designed to complement the study material, offering a streamlined overview for revision and quick reference as you prepare for your exams.

The BoS has revamped both the content and presentation, ensuring that these booklets are more user-friendly and visually appealing. These enhancements are aimed at helping you not just memorize information, but also better understand and apply the concepts that are crucial to your success as a Chartered Accountant.

A major benefit of the Saransh booklets is their strategic approach to studying each subject. By providing a clear and concise summary of each topic, these booklets help you organize your revision more efficiently, allowing you to concentrate on the most critical areas in preparation for your exams. Strategic learning is crucial in the Chartered Accountancy course, and Saransh equips you with the tools needed to master this approach effectively.

I am confident that the Saransh booklets will play a crucial role in your journey towards becoming a Chartered Accountant.

I wish you all the best in your studies and future endeavours.

Warm regards,

A handwritten signature in black ink, appearing to read 'Charanjot Singh Nanda'.

CA. Charanjot Singh Nanda
Vice President, ICAI

Chairman's Message



It gives me great pleasure to unveil the updated Saransh — Last Mile Referencer series, a crucial resource for aspiring Chartered Accountants. This year, we have extended our efforts to cover all papers across Foundation and Intermediate levels, enhancing the booklets with new sections. The Board of Studies (BoS) remains committed to offering quality academic materials, presenting key concepts in visually appealing formats such as tables, diagrams, and flowcharts. These improvements aim to aid students in mastering critical topics and serve as a quick reference for effective exam preparation and professional growth.

It is essential to understand that Saransh is not a substitute for the detailed study of the material provided by the Board of Studies. Students need to develop an in-depth understanding of the concepts and provisions involved in the subject and then refer to the encapsulated form of the same as given in Saransh. This approach ensures that students build a solid foundation before relying on the summarized content for revision.

The presentation of the Saransh booklets has been revamped to provide students with an enriched learning experience through enhanced visual appeal and an aesthetic user-friendly layout. The booklets now feature a more logical and organized structure, with a special emphasis on facilitating easy memorization and retention of the concepts and provisions with the aid of visual imagery, tables, diagrams, and flowcharts.

Saransh booklets provide an insightful overview of each subject and offer strategic guidance on how to approach each subject strategically. To effectively understand and master complex topics, students are encouraged to familiarize themselves with strategic learning techniques. Begin by reading the relevant content from your Study Material. Then, write an explanation of the topic in your own words, using simple language and examples, as if you are teaching someone unfamiliar with the subject. Identify areas where your understanding is lacking and revisit those portions in the Study Material, focusing on examples, illustrations, and diagrams provided. This iterative process will strengthen your understanding of complex topics.

Additionally, employ effective memorization techniques. At the end of each study day, review the concepts and provisions you covered during the day. The next day, before starting new topics, revisit what you studied previously. This continuous revision will enhance your retention. Utilize mnemonics such as acronyms, acrostics, and visual imagery based on your interests to further reinforce your memory of the concepts and provisions.

The Saransh booklets serve as a powerful tool for students to bridge the gap between understanding and application. By presenting information in a visually appealing and concise manner, these booklets help students quickly grasp and recall essential concepts. The revamped layout and strategic presentation ensure that students can efficiently navigate through complex topics and prepare effectively for their examinations.

Chairman's Message

Furthermore, the Board of Studies remains dedicated to continuously updating and improving the Saransh booklets to reflect the latest developments in the field of accountancy. By staying abreast of changes in the industry standards, we aim to provide students with the most relevant and up-to-date information.

To further support students in their preparation, the Board of Studies has also developed supplementary materials and resources that complement the Saransh booklets. These include revision test papers and mock test papers that provide students with additional opportunities to test their knowledge and practice applying the concepts they have learned. By offering a comprehensive suite of study aids, we aim to cater to the diverse learning needs of students and help them achieve their academic goals.

Moreover, the Board of Studies recognizes the importance of continuous feedback and improvement. We encourage students to provide their feedback on the Saransh booklets and other study materials, as it helps us identify areas for improvement and make necessary updates.

As we move forward, the Board of Studies will continue to innovate and enhance the Saransh series and other academic resources. Our goal is to equip students with the knowledge, skills and confidence they need to excel in their examinations and professional careers.

The updated Saransh — Last Mile Referencer series represents a significant step forward in our efforts to support and guide aspiring Chartered Accountants. We encourage all students to make full use of Saransh and integrate it into their study routines to achieve their goals and excel in their examinations.

I would like to extend my heartfelt thanks to the members of the Board of Studies and all those who have contributed to the development and enhancement of the Saransh booklets.



CA. (Dr.) Rajkumar S Adukia
Chairman, Board of Studies

Vice Chairman's Message



I am delighted to present the newly updated Saransh – Last Mile Referencer series, a flagship initiative of Board of Studies, designed to facilitate the students in their journey of becoming future ready Chartered Accountants. This initiative exemplifies the ICAI's unwavering commitment to deliver excellence in education and foster a culture of continuous learning.

The Saransh booklets have been meticulously developed for all the papers at the Foundation and Intermediate levels to serve as an invaluable resource for the students, simplifying complex topics into concise, visually engaging and easy-to-retain format. Through flowcharts, tables and diagrams, these booklets are designed to help students understand, retain and strategically apply the key concepts/provisions.

I would like to highlight that Saransh is an invaluable tool for revision and quick reference. Students should first immerse themselves in the comprehensive study of each subject to establish a strong fundamental understanding of the concepts/provisions. Saransh should then be utilized as a complementary resource to augment their preparation and reinforce their learning for greater retention and success.

The content of the Saransh booklets is systematically arranged for easy comprehension. With their logical structure and aesthetic design, they make learning both effective and enjoyable. They are designed to help the students navigate the success path in the Chartered Accountancy course with confidence and clarity.

I encourage our students to make the best use of the Saransh booklets alongwith the other BoS publications. They are advised to approach their studies with a focussed, disciplined and progressive mindset.

My dear students, I wish you all the very best in your studies and the exciting career that lies ahead!

Warm regards,

A handwritten signature in black ink, appearing to read 'Shidhar Muppala'.

CA. Shidhar Muppala
Vice Chairman, Board of Studies

Before We **Begin**

Let us understand the meaning of 'tax', types of taxes and core concept & legislative framework of Goods and Services Tax.

1. MEANING OF TAX



TAX

Tax is a mandatory financial charge imposed by a government on individuals or businesses.

It is a pecuniary levy to support the Government.

2. TYPES OF TAXES

DIRECT TAXES

“ Tax imposed directly on the taxpayer & paid directly to the Government by the persons on whom it is imposed. ”

INDIRECT TAXES

“ Taxpayer is just a conduit and at every stage the tax-incidence is passed on till it finally reaches the consumer, who really bears the brunt of it. ”



Before We **Begin****3. DIRECT AND INDIRECT TAXES**

Direct Taxes

Income Tax

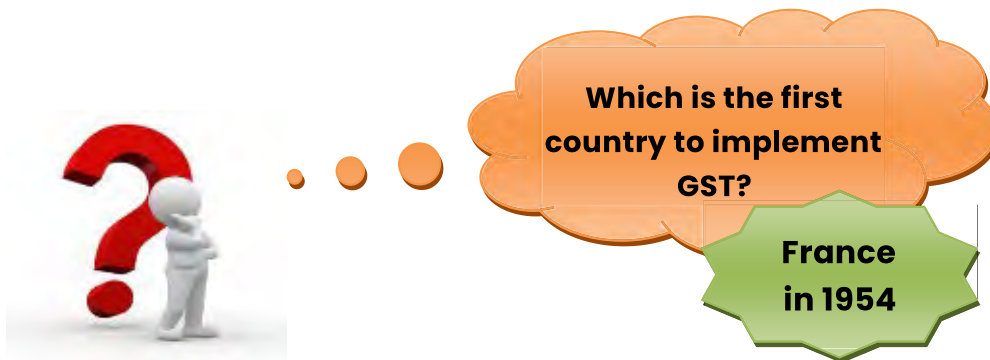
Indirect Taxes

GST and Customs

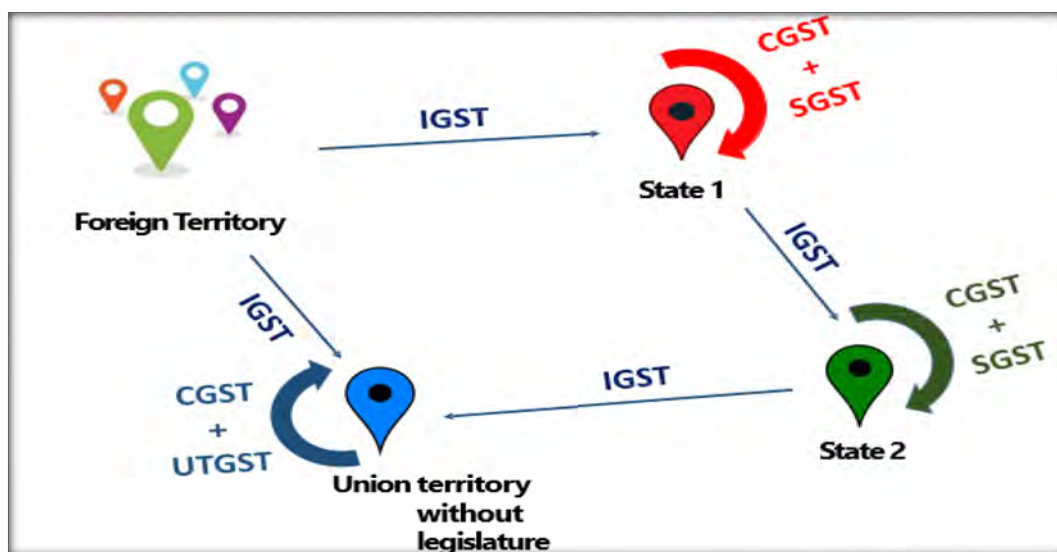
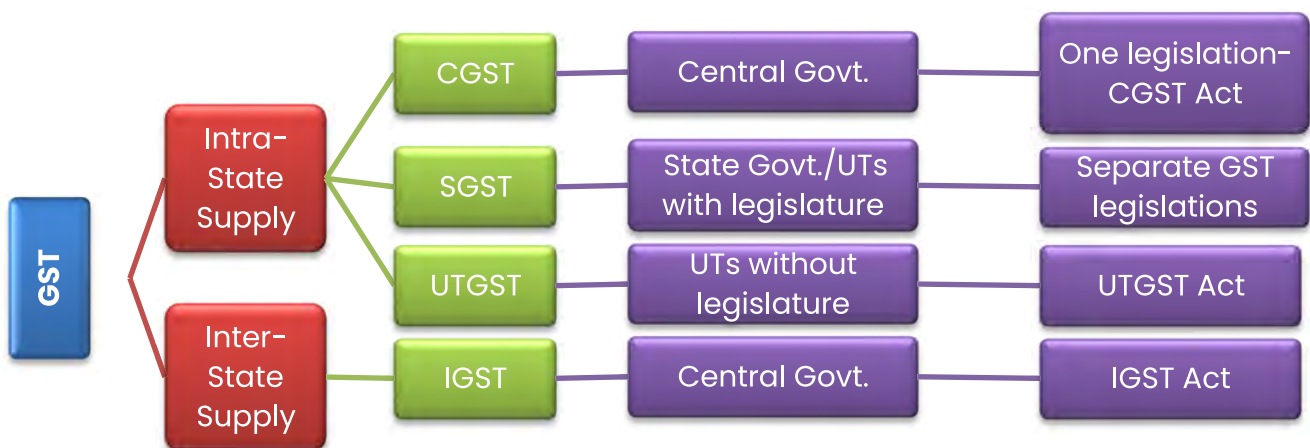
4. CONCEPT OF GOODS AND SERVICES TAX

Manufacturer (₹)	Distributor (₹)	Retailer (₹)	Consumer (₹)
Cost: 1,00,000 GST @ 18% = 18,000	Cost: 1,00,000 Profit: 11,200 Sale Price: 1,11,200 GST @ 18% = 20,016	Cost: 1,11,200 Profit: 24,640 Sale Price: 1,35,840 GST @ 18% = 24,451.20	Cost: 1,60,291.2 (1,35,840 + 24,451.20)
Input Tax Credit = NIL	Input Tax Credit = 18,000	Input Tax Credit = 20,016	Input Tax Credit = NIL
Paid to Government GST = 18,000	Paid to Government GST = 2,016 (Output tax - Input tax)	Paid to Government GST = 4,435.20 (Output tax - Input tax)	Tax Borne by the Consumer 18,000 + 2,016 + 4,435.20 = 24,451.20
Value Addition = 1,00,000 GST @ 18% = 18,000	Value Addition = 11,200 GST @ 18% on 11,200 = 2,016	Value Addition = 24,640 GST @ 18% on 24,640 = 4,435.20	Value Addition = NIL

Before We **Begin**



5. LEGISLATIVE FRAMEWORK OF GST IN INDIA



Before We **Begin**

6. SELECT CONTENTS OF GST LAW COVERED IN PAPER 3B

At Intermediate level, we will study the select provisions of substantive and procedural law of GST. Remaining provisions of the GST law and entire Customs law will be discussed at Final level.

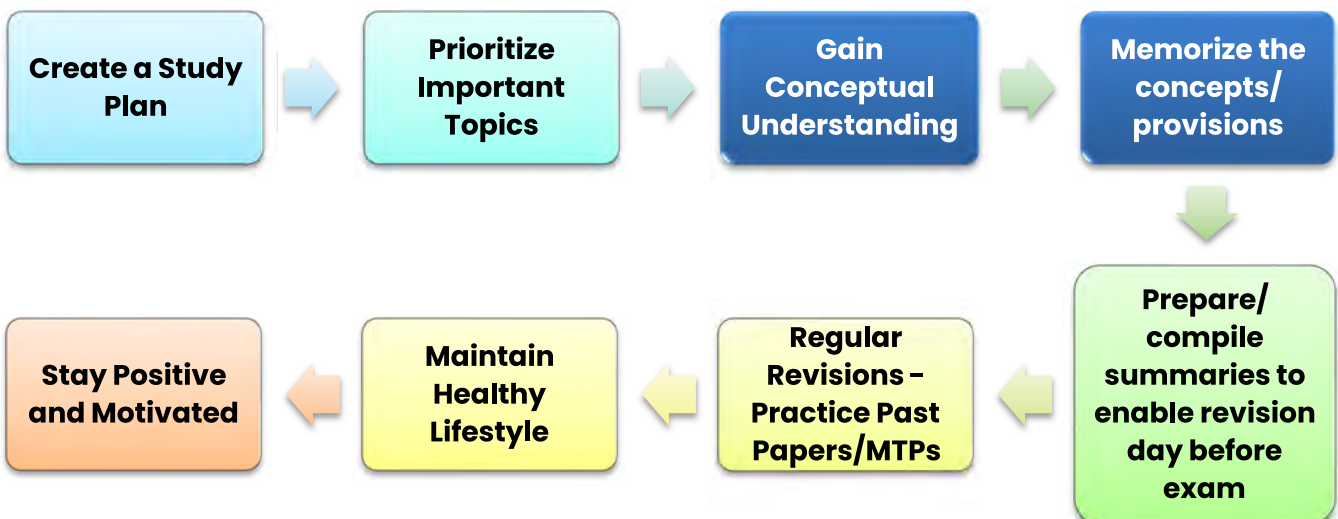
Substantive Law

Concept of supply, charge of GST, exemptions, basic concepts of time, value and place of supply, input tax credit

Procedural Law

Registration, tax invoice, credit and debit notes, accounts and records, e-way bill, returns & payment.

7. STRATEGY FOR STUDYING THE SUBJECT



Before We **Begin**

8. EFFECTIVE MEMORY TECHNIQUES FOR GST LAW



**Acronyms/
Acrostics**

**Try
understanding
logic/intent of
provision**

Repetition

**Visual
Imagery**

**Flash cards-
Sticky Notes**



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001 Chapter 1:

GST in India–An Introduction

013 Chapter 2:

Supply under GST

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036 Chapter 5

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Time of Supply

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Value of Supply

055 Chapter 8:

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067 Chapter 9:

Registration

077 Chapter 10:

Tax Invoice, Credit and Debit Notes

088 Chapter 11:

Accounts and Records

093 Chapter 12:

E way Bill

097 Chapter 13:

Payment of Tax

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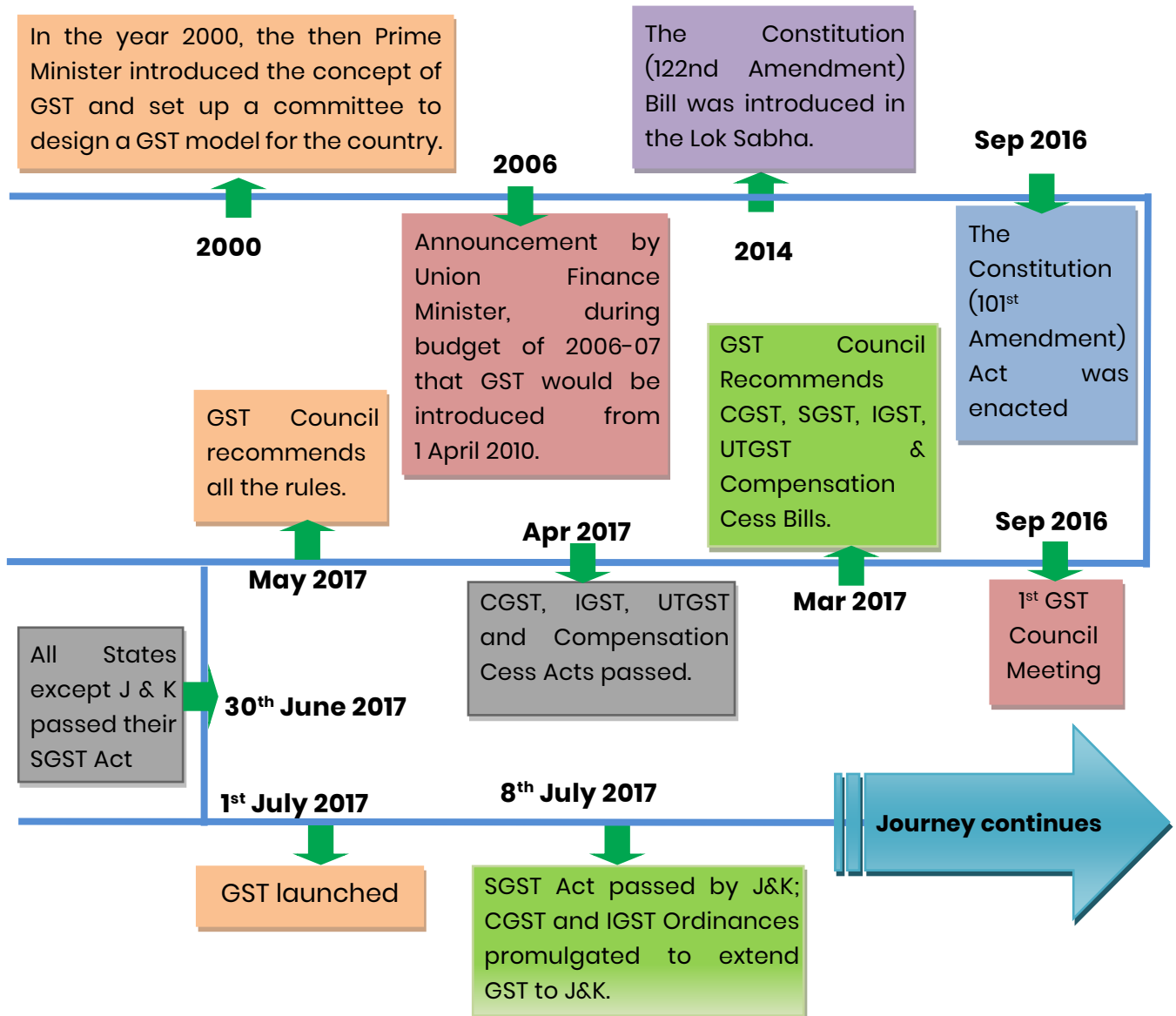
Tax Deduction at Source & Collection of tax at Source

111 Chapter 15:

Returns

GST IN INDIA – AN INTRODUCTION

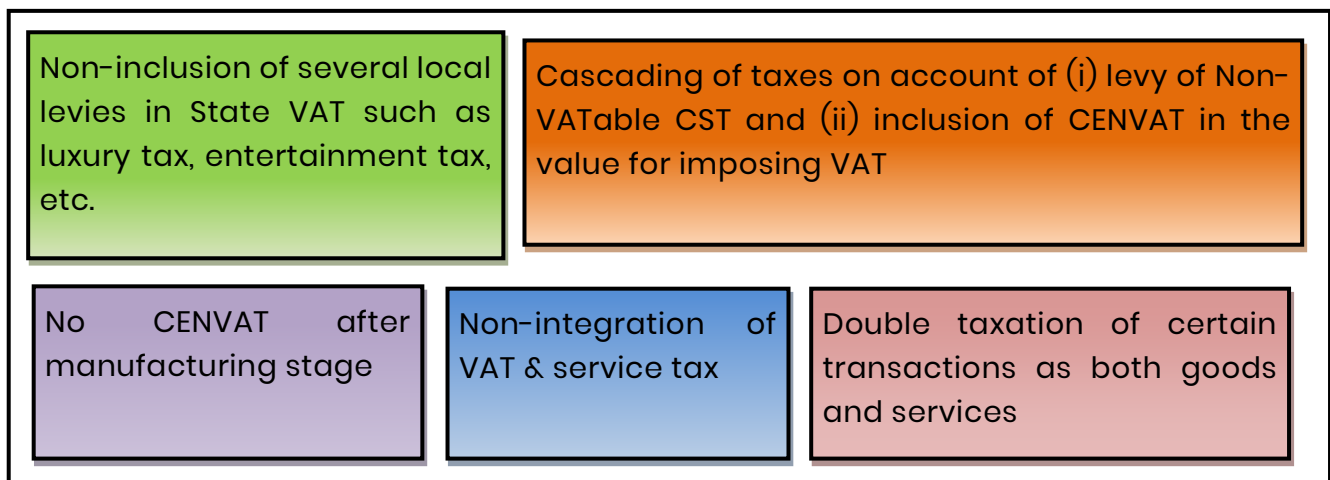
1. GENESIS OF GST IN INDIA



2. NEED FOR GST IN INDIA



Deficiencies in the value added taxation system





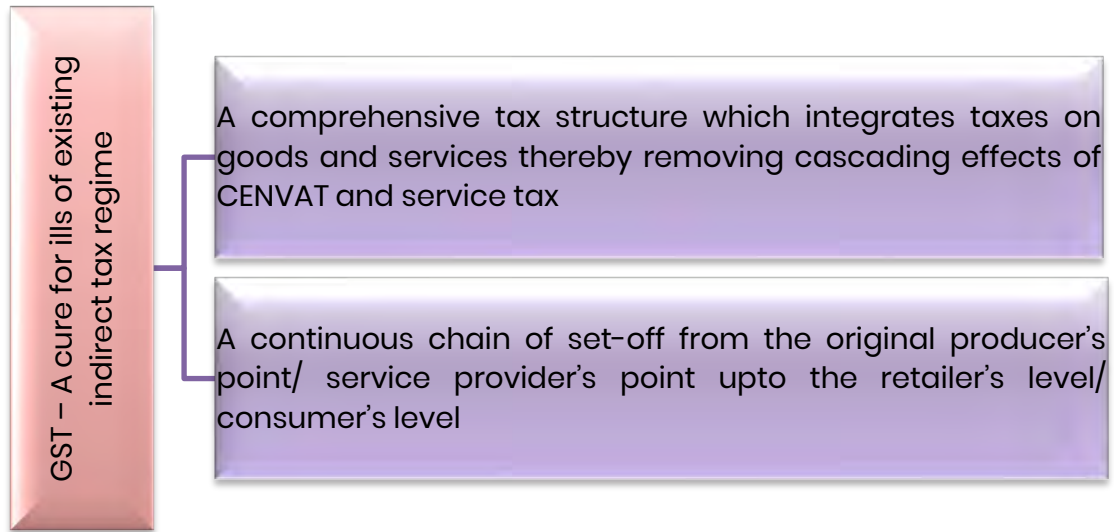
GOODS AND SERVICES TAX (GST)

The crucial piece in India's development strategy

- Creating one Economic India
- Fillip to 'Make in India' initiative
- Unfettered flow of goods & services
- Increased economic activity to boost employment

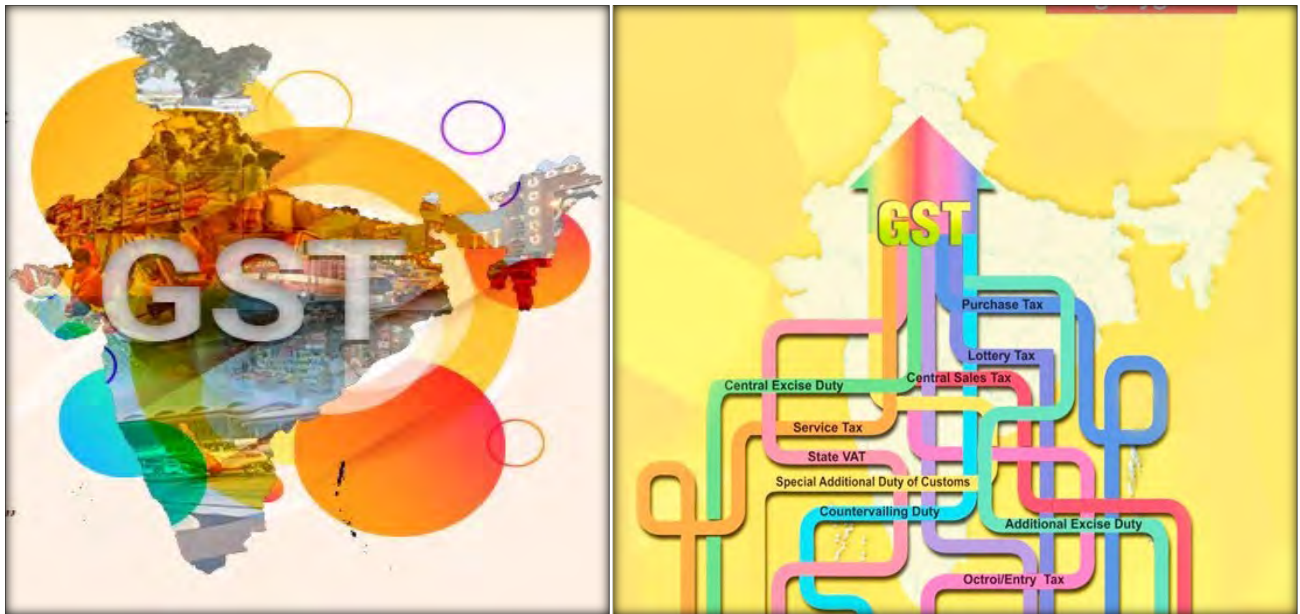


GST – A cure for ills of existing indirect tax regime



4. FRAMEWORK OF GST AS INTRODUCED IN INDIA

I. Concurrent Dual GST Model



Adopted due to unique Federal Structure of India

Power granted to both the Centre and the States to concurrently tax the complete supply chain from production to distribution

Centre also has the power to tax intra-State sales & States are also empowered to tax services.

II. Classification based on HSN

Classification determines the rate of tax applicable on a particular supply of goods/services.

Schedules of rate notification for goods under GST are based on First Schedule to the Customs Tariff Act, 1975

Indian Customs Tariff is based on HSN.

HSN stands for Harmonized System of Nomenclature.

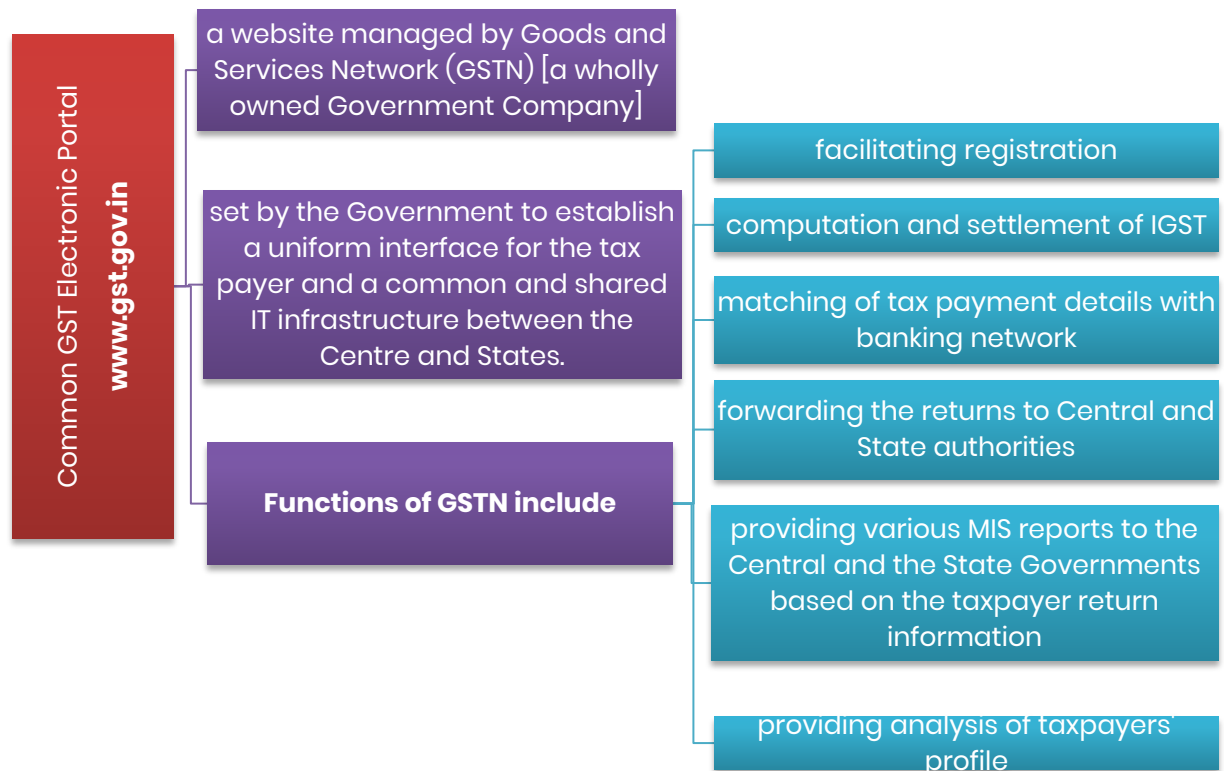
HSN is a multipurpose international product nomenclature developed by the World Customs Organization (WCO) for the purpose of classifying goods across the World in a systematic manner.

Under HSN, each product is identified by a 6 digit code which can be extended.

India has extended the HSN codes upto 8-digits.

Chapter 99 of the Tariff has been assigned to Services.

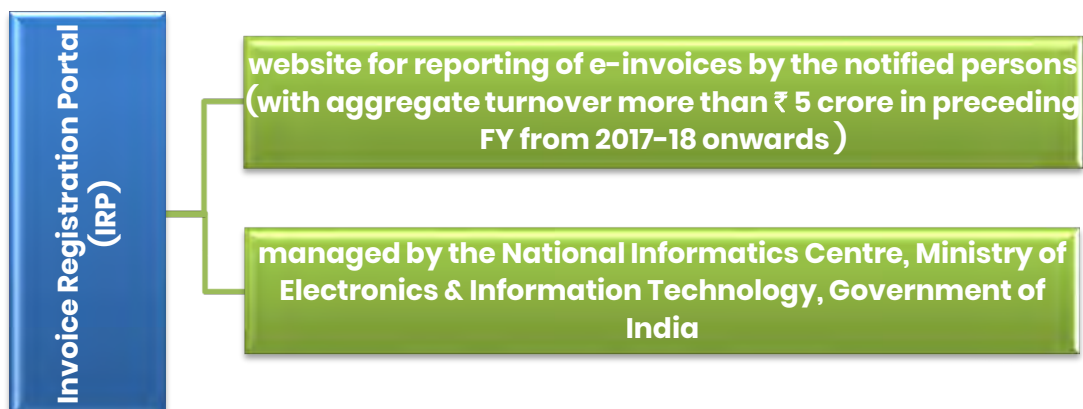
III. GST Common Portal



IV. GST E-way bill system



V. GST Invoice Registration Portal





VI. GST Compensation Cess

Objective is to provide for compensation to the States for the loss of revenue arising on account of implementation of the GST.

levied under Goods and Services Tax (Compensation to States) Cess Act, 2017

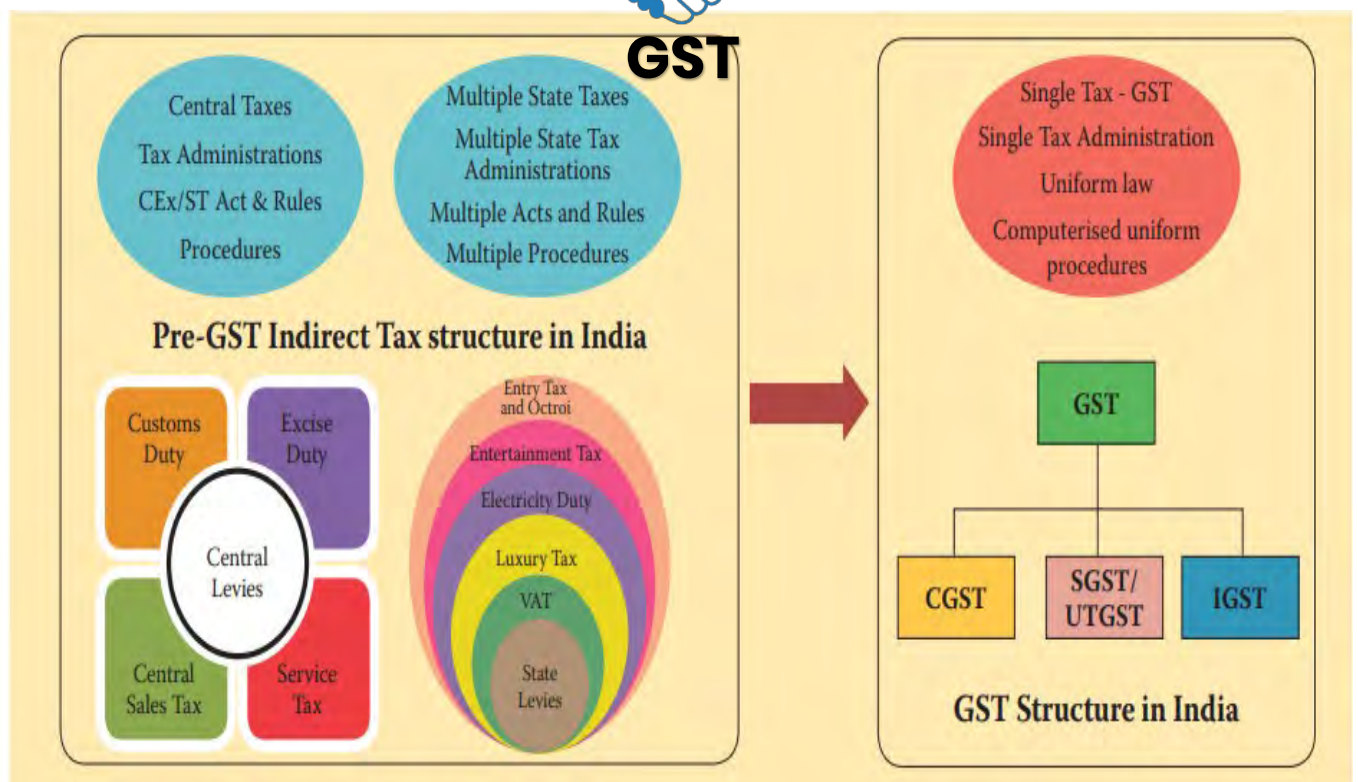
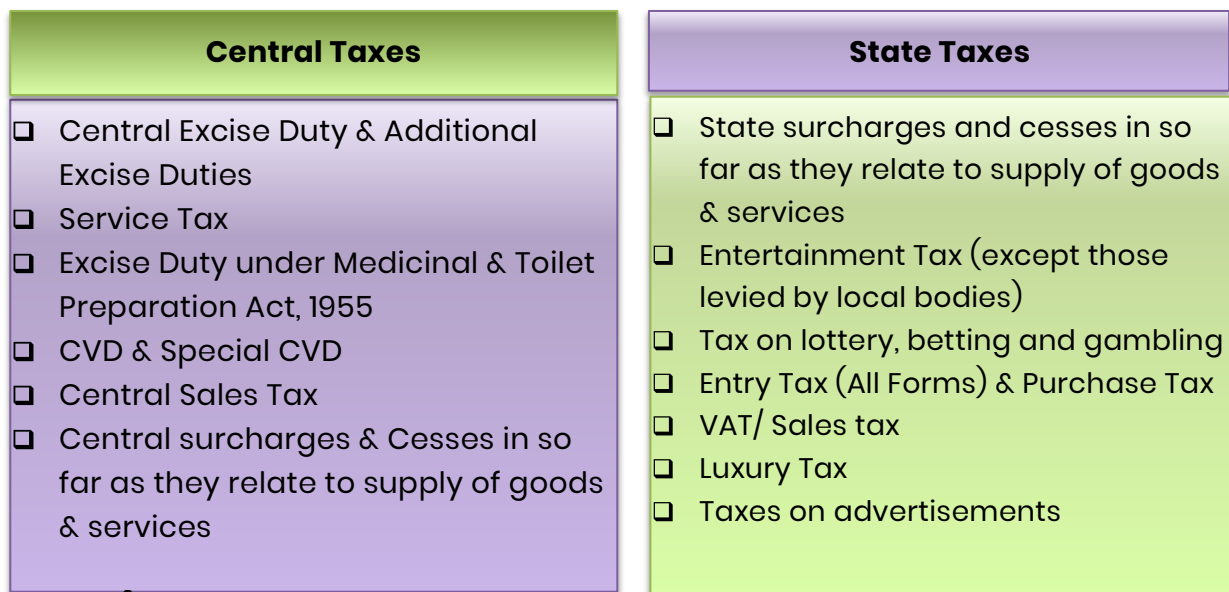
Levied on Specified LUXURY items/DEMERIT goods, eg: pan masala, tobacco, aerated waters, motor cars, etc,

Levied on on value of supply

Initially levied till **30th June, 2022.**

Extended till **31st March, 2026** since States have not yet been fully compensated.

5. TAXES SUBSUMED IN GST



6. Within GST or outside GST?



Alcohol for human consumption

Power to tax remains with the State.



Five petroleum products – crude oil, diesel, petrol, natural gas and ATF.

GST Council to decide the date from which GST will be applicable



Entertainment tax levied by local bodies

Power to tax remains with the local bodies



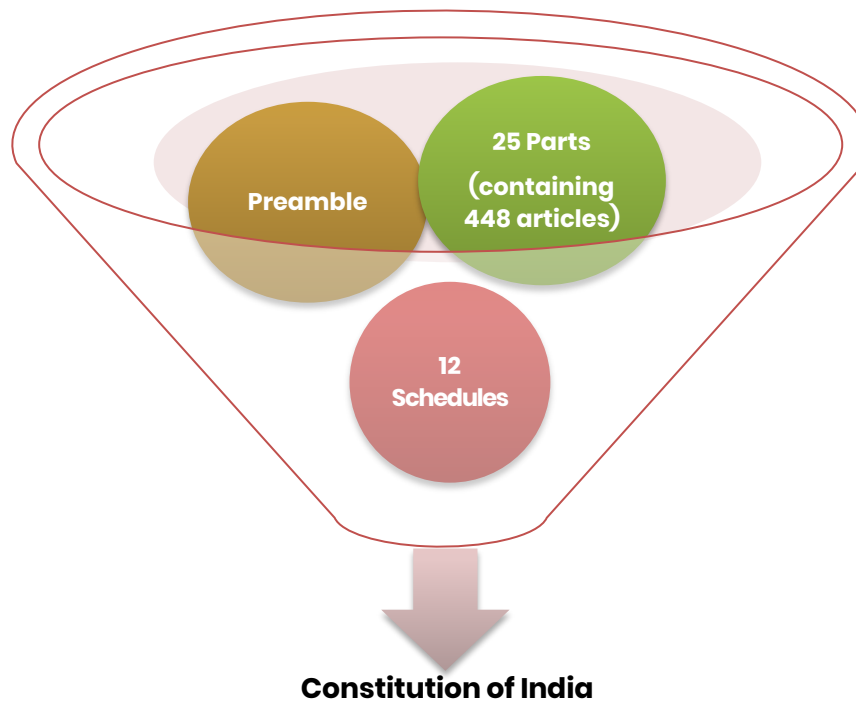
Tobacco

Within the purview of GST. Power to levy excise duties, also retained.

7. BENEFITS OF GST

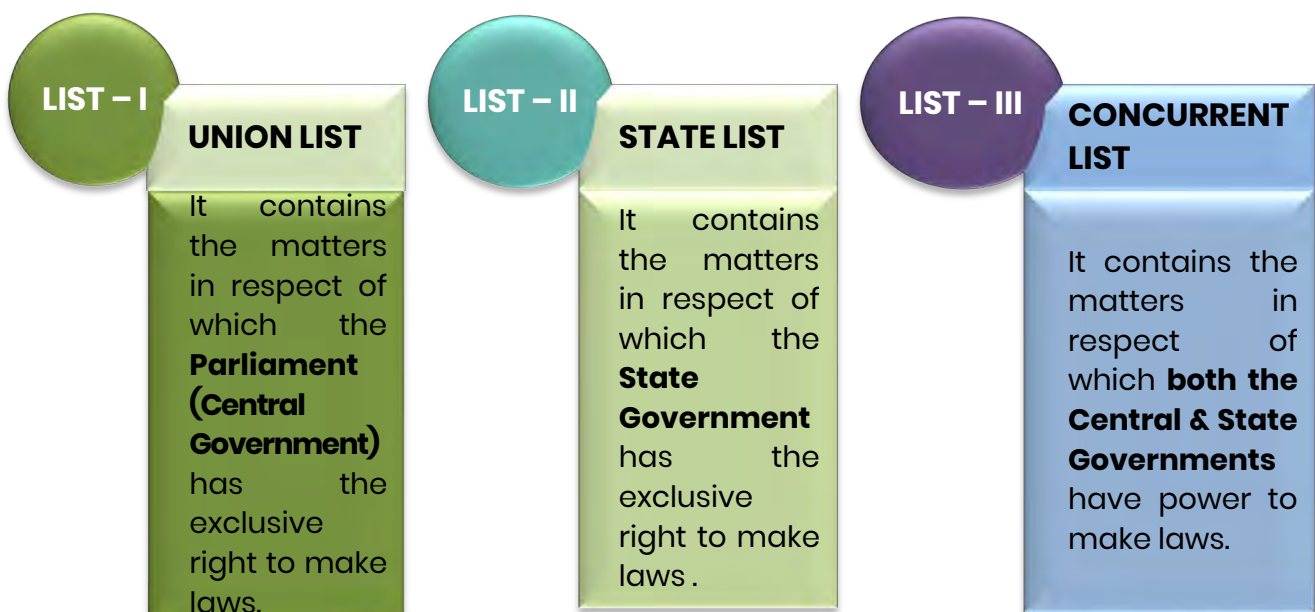


8. CONSTITUTIONAL PROVISIONS



Power to levy and collect taxes whether, direct or indirect, emerges from the Constitution of India.

Seventh Schedule to Article 246



Need for constitutional amendment for introduction of GST

Separate powers were given under Constitution to the Centre and the States to impose various taxes.

There was a need to enable integration of all taxes subsumed into a comprehensive GST and to empower both Centre and the States to levy and collect it.

Constitution (101st Amendment Act), 2016

Concurrent powers on Parliament and State Legislatures to make laws governing taxes on goods and services.

GST to be levied on supply of all goods and services except alcoholic liquor for human consumption.

Article 279A of the Constitution empowers the President to constitute GST Council.

GST to be leviable on Petroleum Crude, High Speed Diesel, Petrol, Natural Gas and Aviation Turbine Fuel, from a date to be notified.

Centre to retain power to levy excise duty on above products as well as tobacco.

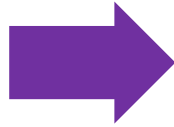
Compensation to States to be provided for loss of revenue on account of introduction of GST.

Article 246A– Power to make laws with respect to GST

Power is granted to Centre and State Governments to make laws with respect to GST imposed by Centre or such State.

Centre has the exclusive power to make laws with respect to GST in case of inter-State supply of goods and/or services.

However, in respect Petroleum Crude, High Speed Diesel, Petrol, Natural Gas and Aviation Turbine Fuel, the aforesaid provisions shall apply from the date recommended by the GST Council

**Article
366(12A)**


Goods and services tax means any tax on supply of goods, or services or both **except taxes on the supply of the alcoholic liquor for human consumption.**

Article 279A- Goods & Services Tax Council

It empowers President to constitute a joint forum of the Centre and States namely, GST Council.

President constituted the GST Council on 15th September, 2016.

The GST Council consists of Union Finance Minister (Chairperson), Union Minister of State in charge of Revenue/Finance and Minister in charge of Finance/Taxation/any other Minister nominated by each State Government.

The GST Council shall make recommendations to the Union and the States on the taxes, cesses and surcharges levied; exemptions; model GST Laws, principles of levy, apportionment of GST levied on supplies in the course of inter-State trade or commerce and the principles that govern the place of supply; rates of taxes; special provision with respect to Special Category States, etc.

GST Council shall recommend the date on which the goods and services tax be levied on petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas and ATF.

One-half of the total number of Members shall constitute the quorum at the meetings.

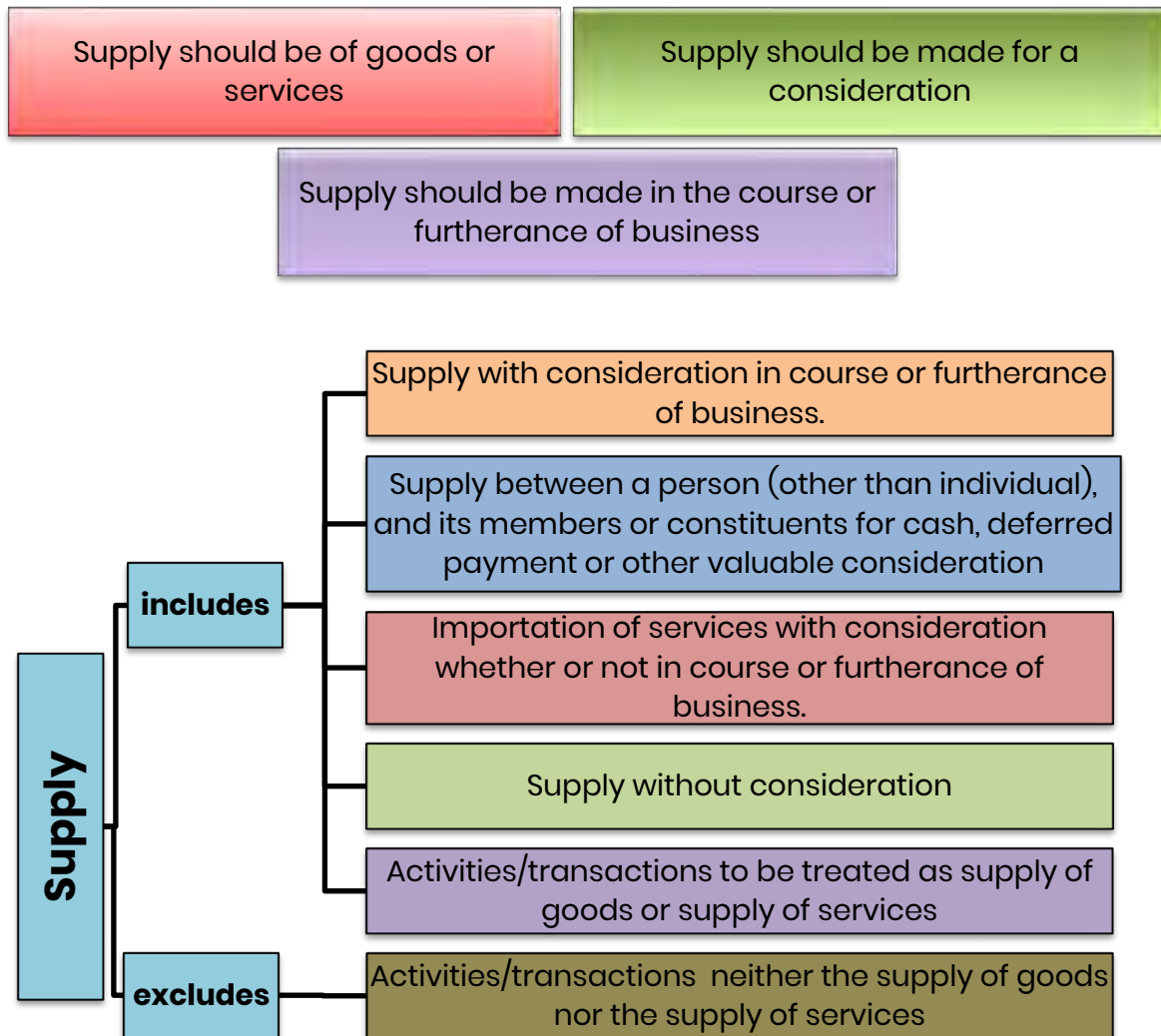
Every decision of the GST Council shall be taken at a meeting, by a majority of not less than 3/4th of the weighted votes of the members present and voting.

It shall establish a mechanism to adjudicate any dispute –

- (a) between Government of India (GoI) and State(s); or
- (b) between GoI and any State(s) on one side and other State(s) on the other side; or
- (c) between two/more States, arising out of the recommendations of the Council/implementation thereof.

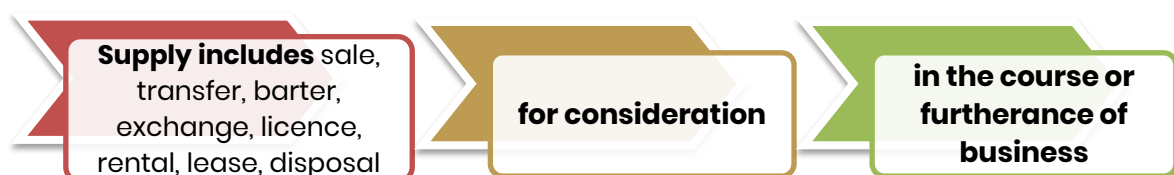
SUPPLY UNDER GST

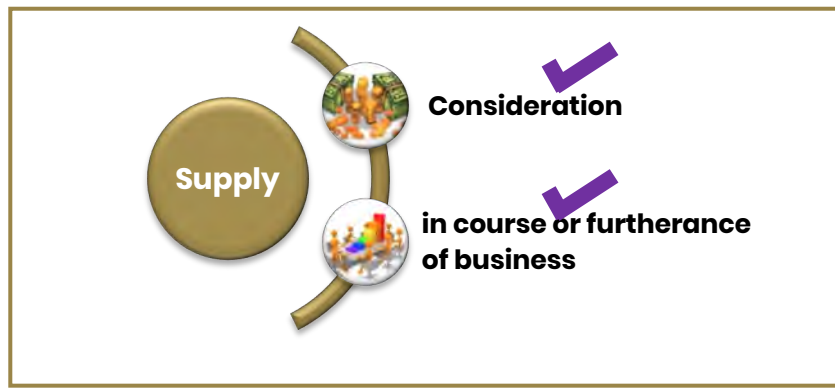
SCOPE OF SUPPLY UNDER GST



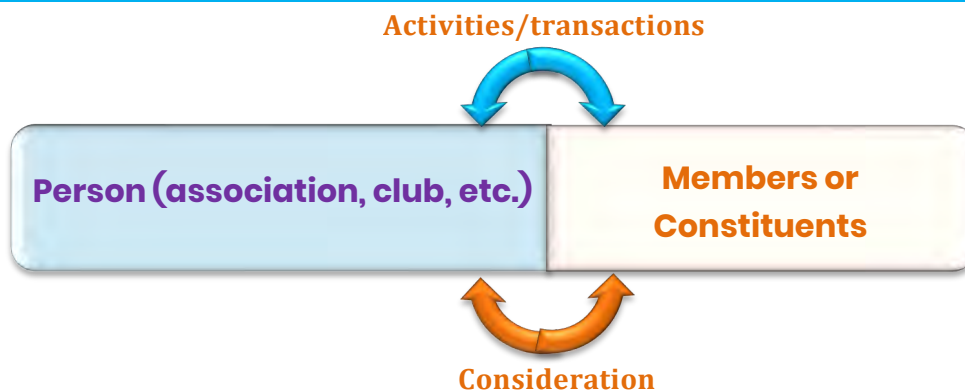
Sub-sections of section 7 alongwith related Schedules have been summarised as follows:

1. Supply for consideration in course or furtherance of business [Section 7(1)(a)]



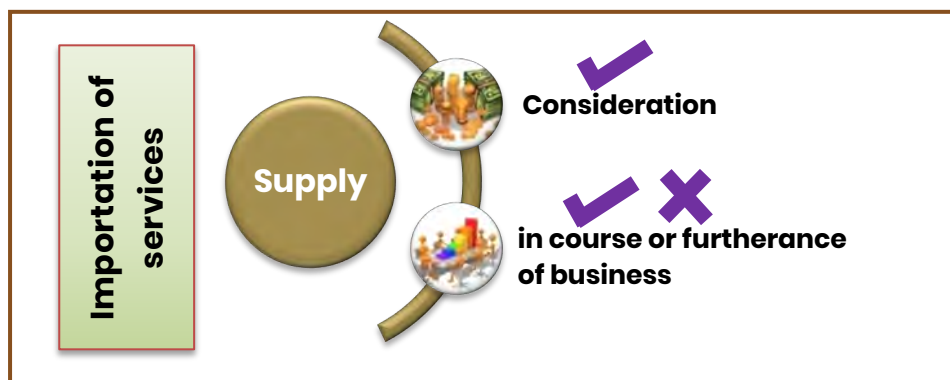


2. Activities/transactions between a person, other than an individual, and its members or constituents for valuable consideration [Section 7(1)(aa)]



3. Importation of services for consideration whether or not in course or furtherance of business [Section 7(1)(b)]

Supply should be in course or furtherance of business. The exception to said rule – import of services is deemed as supply even if the same has been imported not in course/furtherance of business.

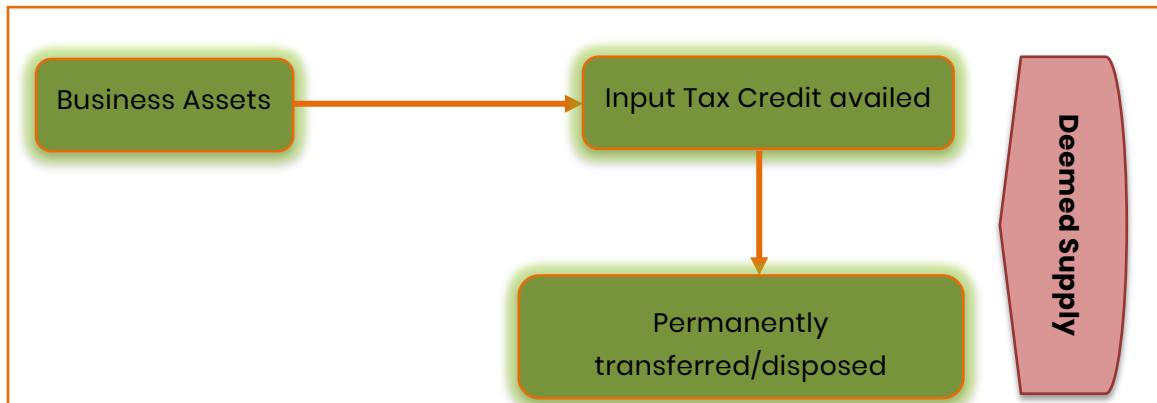


4. Supply without consideration – Deemed Supply [Section 7(1)(c) read with Schedule I]

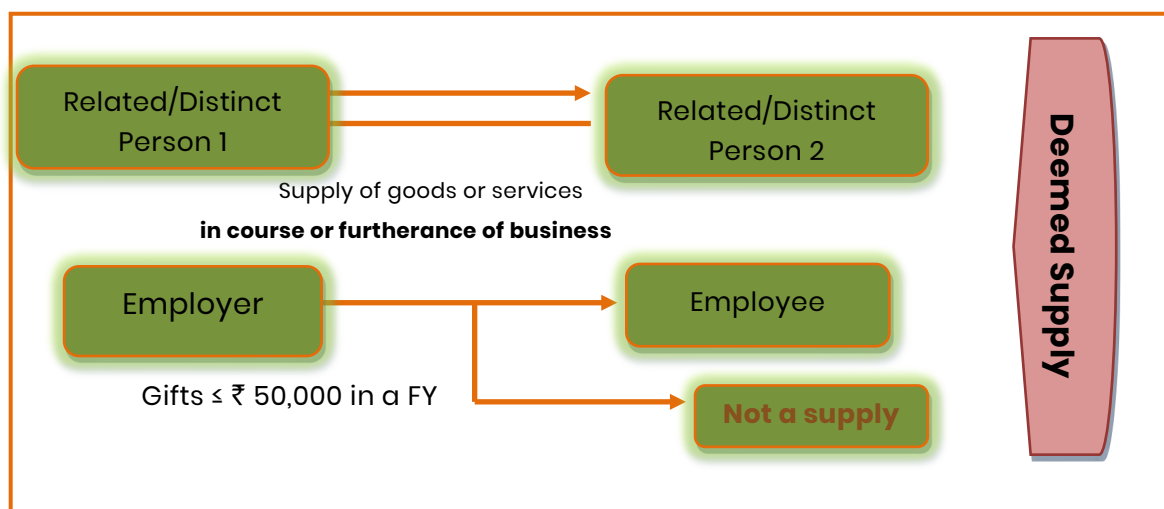
This includes all supplies made to a taxable or non-taxable person, even if the same is without consideration. These are specifically mentioned in Schedule I appended to the CGST Act.

As per Schedule I, in the following four cases, supplies made without consideration will be treated as supply under section 7:

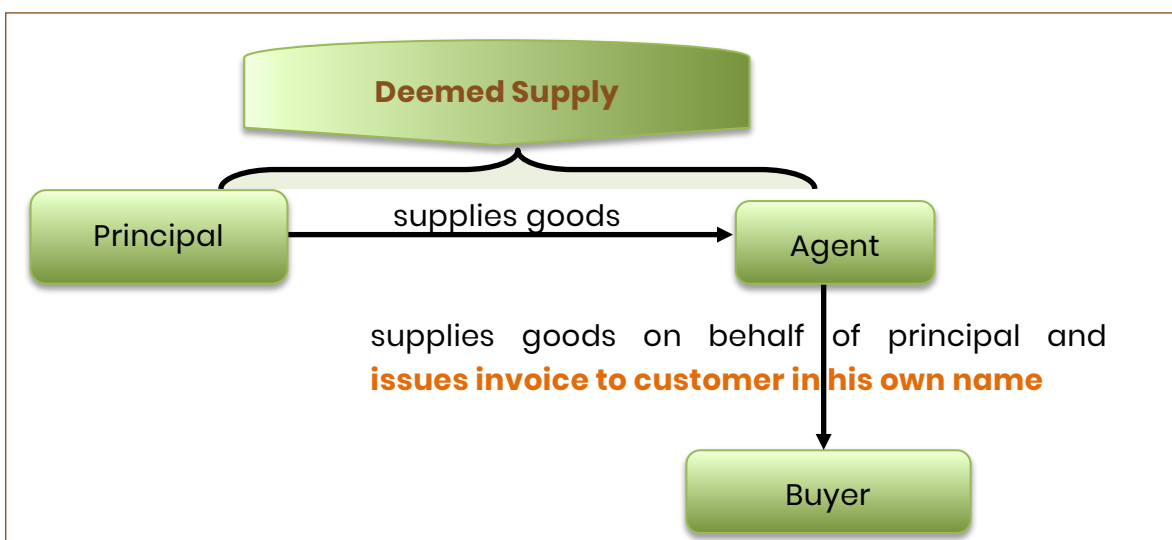
I. Permanent transfer/disposal of business assets

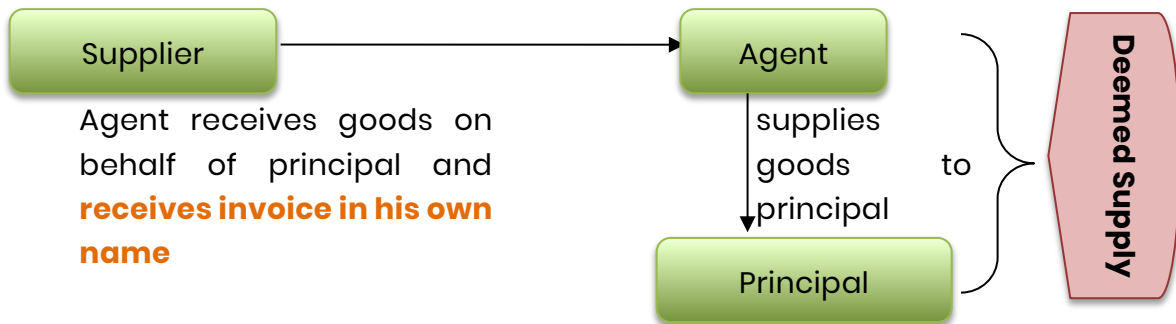


II. Supply between related persons or distinct persons

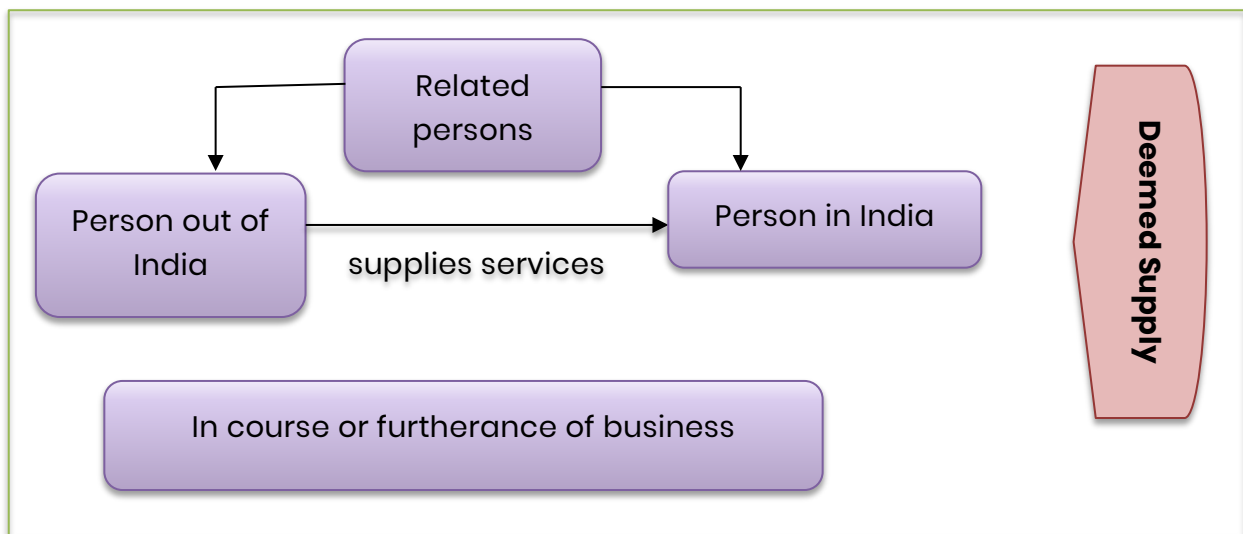


III. Supply between principal and agent



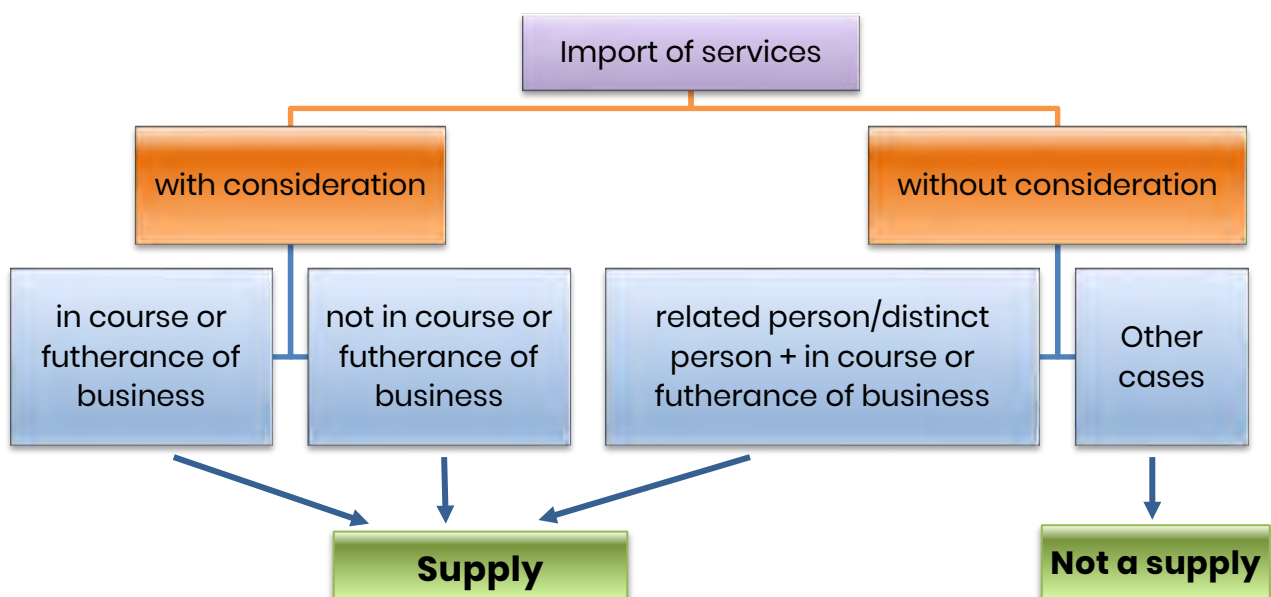


IV. Importation of services



The combined provisions relating to import of services [as stipulated under section 7(1)(b) and section 7(1)(c) read with Schedule I] have been depicted in the diagram as under:

IMPORT OF SERVICES



4. Activities or transactions to be treated as supply of goods or supply of services [Section 7(1A) read with Schedule II]

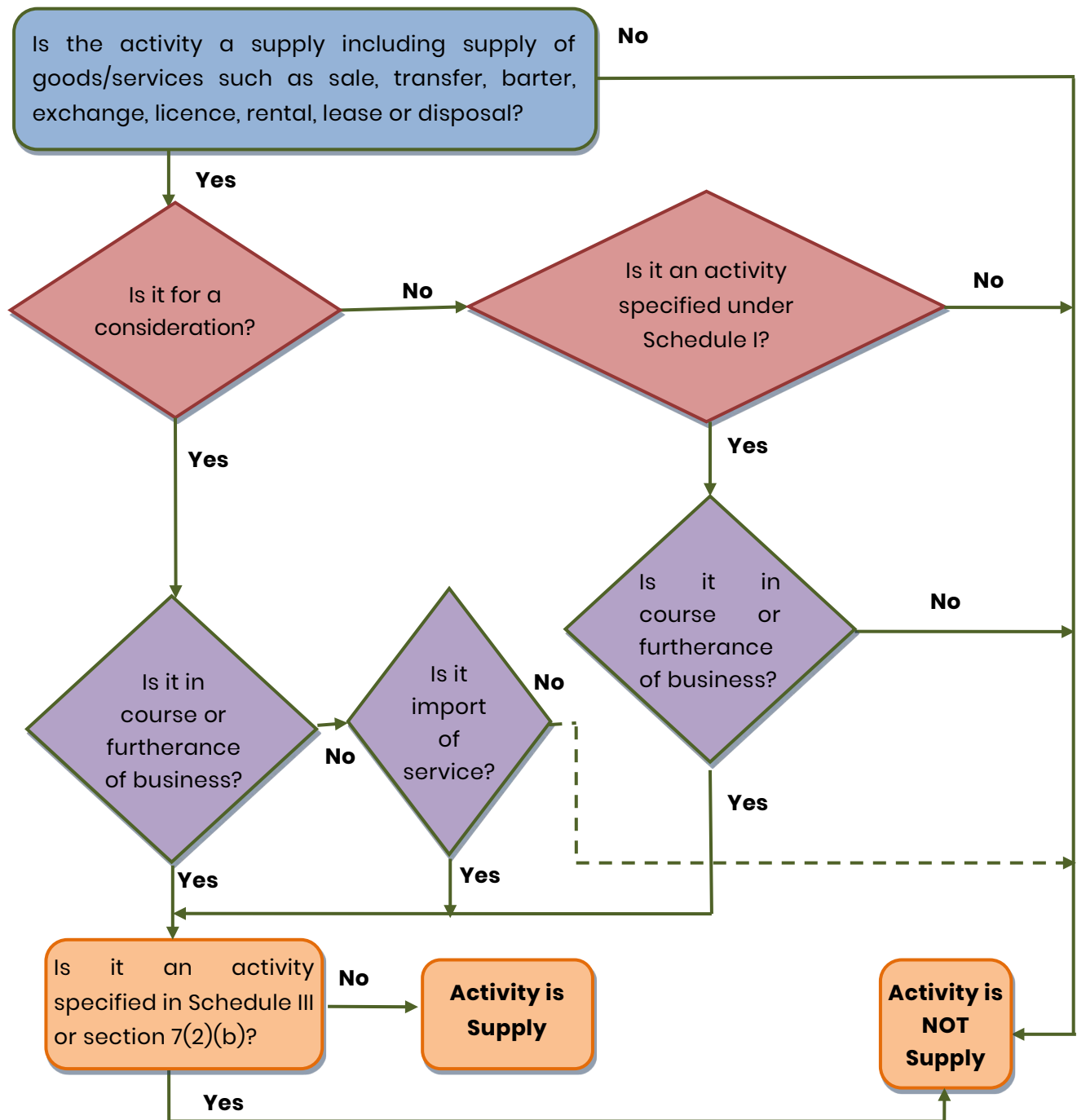
Para No.	Activity/ Transaction	Type	Supply of goods/ services
1.	Transfer	(i) Title in goods (ii) Title in goods under an agreement that property shall pass at a future date.	Goods
		Right/undivided share in goods without transfer of title in them	Services
2.	Land and Building	Lease, tenancy, easement, licence to occupy land	Services
		Lease/ letting out of building including a commercial/ industrial/ residential complex for business/ commerce, wholly/ partly.	Services
3.	Treatment or Process	Applied to another person's goods	Services
4.	Transfer of Business Assets	Goods forming part of business assets are transferred/disposed of by/under directions of person carrying on business so as no longer to form part of those assets	Goods
		Goods held/used for business are put to private use or are made available to any person for use for any purpose other than business, by/under directions of person carrying on the business	Services
		Goods forming part of assets of any business carried on by a person who ceases to be a taxable person, shall be deemed to be supplied by him, in the course or furtherance of his business, immediately before he ceases to be a taxable person. Exceptions: <input type="checkbox"/> Business transferred as a going concern. <input type="checkbox"/> Business carried on by a personal representative who is deemed to be a taxable person.	Goods
5.	Renting of immovable property		Services
	Construction of complex, building, civil structure, etc. Exception: Entire consideration received after issuance of completion certificate or after its first occupation, whichever is earlier.		
	Temporary transfer or permitting use or enjoyment of any intellectual property right		

	Development, design, programming, customisation, adaptation, upgradation, enhancement, implementation of IT software	
	Agreeing to obligation to refrain from an act, or to tolerate an act or situation, or to do an act.	
	Transfer of right to use any goods for any purpose	
6.	Following composite supplies :- <input type="checkbox"/> Works contract <input type="checkbox"/> Supply of goods, being food or any other article for human consumption or any drink.	Services

5. Non-supplies under GST [Section 7(2)(a) read with Schedule III]

Para No.	Activities or transactions which shall be treated neither as a supply of goods nor a supply of services
1.	Services by an employee to the employer in the course of or in relation to his employment.
2.	Services by any court or Tribunal established under any law for the time being in force.
3.	(a) Functions performed by Members of Parliament, Members of State Legislature, Members of Panchayats, Members of Municipalities & Members of other local authorities; (b) Duties performed by any person who holds any post in pursuance of the provisions of the Constitution in that capacity; or (c) Duties performed by any person as a Chairperson or a Member or a Director in a body established by the Central Government or a State Government or local authority and who is not deemed as an employee before the commencement of this clause.
4.	Services of funeral, burial, crematorium or mortuary including transportation of the deceased.
5.	Sale of land and, subject to paragraph 5(b) of Schedule II, sale of building.
6.	Actionable claims, other than specified actionable claims.

Steps to determine whether an activity undertaken is supply or not.



6. Composite and mixed supplies



Composite Supply

- Consist of two or more supplies
- Naturally bundled
- In conjunction with each other
- One of which is principal supply
- Tax liability shall be rate of principal supply
- **Example:** Charger supplied alongwith mobile phones.



Mixed Supply

- Consist of two or more supplies for a single price
- Not naturally bundled
- Though can be supplied independently, still supplied together
- Tax liability shall be the rate applicable to the supply that attracts highest rate of tax
- **Example:** A gift pack comprising of chocolates, candies, sweets and balloons.



CHARGE OF GST

1. Extent & commencement of CGST Act/ SGST Act/ UTGST Act/ IGST Act

Applicability	CGST	SGST	UTGST	IGST
	Intra-State supply			Inter-State supply
States of India	✓	✓		✓
Union Territories with Legislature	✓	✓		✓
Union Territories without Legislature	✓		✓	✓

2. Levy and collection of CGST/IGST

Particulars	CGST	IGST
Levied on	Intra-State supplies of goods/services/both	Inter-State supplies of goods/services/both
Collected and paid by	Taxable person	
Supply outside purview of GST	Alcoholic liquor for human consumption	
Value for levy	Transaction value under section 15 of the CGST Act	
Rates	Rates as notified by Government. Maximum rate of CGST can be 20%.	IGST rate= CGST rate + SGST/UTGST rate Maximum rate of IGST can be 40%.
Supplies on which tax would be levied w.e.f. a notified date	<input type="checkbox"/> petroleum crude <input type="checkbox"/> high speed diesel <input type="checkbox"/> motor spirit (commonly known as petrol) <input type="checkbox"/> natural gas and <input type="checkbox"/> aviation turbine fuel	
Tax payable under reverse charge	<input type="checkbox"/> Supply of goods or services or both, notified by the Government. <input type="checkbox"/> Supply of specified categories of goods or services or both by an unregistered supplier to specified class of registered persons.	
Tax payable by the electronic commerce operator	The Government may notify specific categories of services the tax on supplies of which shall be paid by electronic commerce operator (ECO) as if such services are supplied through it.	

3. Services on which tax is payable under reverse charge

S. No.	Category of supply of Services	Supplier of Service	Recipient of Service
1.	Supply of services of transportation of goods by road by GTA except where GTA exercises the option to pay tax under forward charge	Goods Transport Agency (GTA)	Any of the following: <ul style="list-style-type: none"> • Factory • Society • Co-operative society • Body corporate • Partnership firm • Casual taxable person • Registered Person (Referred as Specified recipient.)
	Exception: Services provided by a GTA to- (a) Department/ Establishment of CG/SG/UT; or (b) Local Authority (LA); or (c) Governmental agencies (GA), which has taken registration only for the purpose of deducting TDS.		
2.	Legal services	An individual advocate including a senior advocate/firm of advocates.	Business entity
3.	Services by an arbitral tribunal	Arbitral tribunal	Business entity
4.	Sponsorship services	Any person	Body corporate or partnership firm

5.	Services by CG/SG/UT/LA excluding, - (1) renting of immovable property service, and (2) (i) services by Department of Posts/Ministry of Railways (ii) services in relation to aircraft/vessel; (iii) transport of goods/passengers.	CG/SG/UT/LA	Business entity
5A.	Renting of immovable property service	CG/SG/UT/LA excluding the Ministry of Railways	Registered person
5AA.	Renting of residential dwelling service	Any person	Registered person
5AB.	Renting of any immovable property other than residential dwelling	Any unregistered person	Registered person
6.	Services by a director of a company/ body corporate	Director	Company/ body corporate
7.	Services supplied by an insurance agent	Insurance agent	Person carrying on insurance business
8.	Services supplied by a recovery agent	Recovery agent	Banking company/ financial institution/NBFC
9.	Services of transfer or permitting the use or enjoyment of a copyright covered under section 13(1)(a) of the Copyright Act, 1957 relating to original dramatic, musical or artistic works	Music composer, photographer, artist, or the like	Music company, producer or the like

9A.	Services of copyright covered under section 13(1)(a) of the Copyright Act, 1957 relating to original literary works except where the author exercises the option to pay tax under forward charge	Author	Publisher
10.	Supply of services by the members of Overseeing Committee	Members of Overseeing Committee constituted by the RBI	RBI
11.	Services supplied by individual Direct Selling Agents (DSAs)	Individual DSAs other than a body corporate, partnership or LLP firm	Banking company/NBFC
12.	Services by business facilitator	Business facilitator	Banking company
13.	Services provided by an agent of business correspondent	An agent of business correspondent	Business correspondent
14.	<p>Security services</p> <p>Exceptions:</p> <p>Security services provided to-</p> <p>(I) (a) Department/ establishment of CG/SG/UT; or</p> <p>(b) LA; or</p> <p>(c) GA, which has taken registration only for the purpose of deducting TDS.</p> <p>(II) Registered composition supplier</p>	Any person other than a body corporate	Registered person

15.	<ul style="list-style-type: none"> • Renting of motor vehicle service • Vehicle designed to carry passengers • Cost of fuel is included in consideration charged from recipient 	Non-body corporate who doesn't issue an invoice charging CGST @ 6% to service recipient.	Body corporate
16.	Services of lending of securities under Securities Lending Scheme, 1997	Lender	Borrower

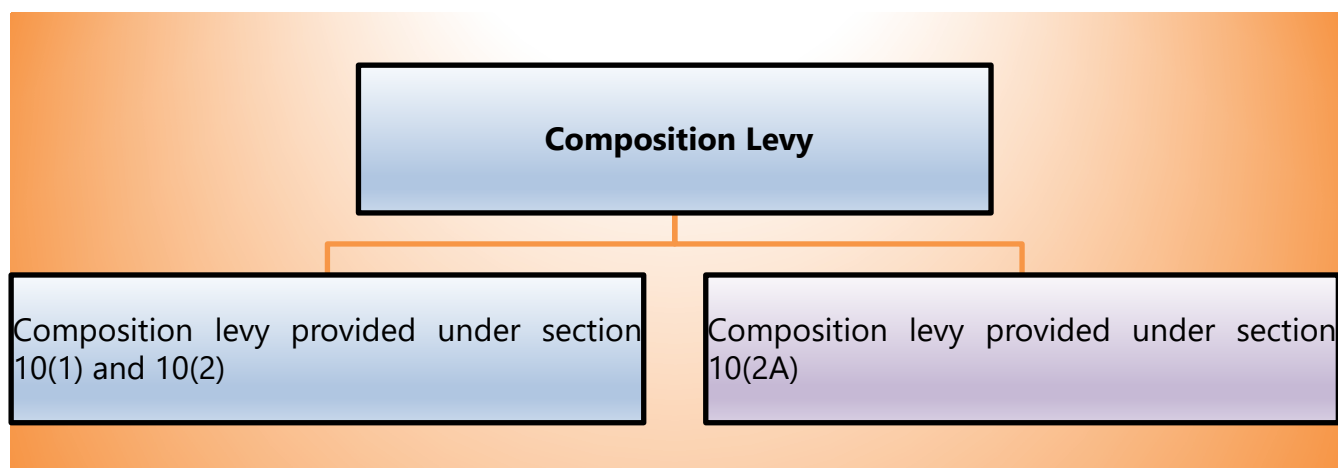
🔔 All the above services have also been notified for reverse charge under IGST Act vide Notification No. 10/2017 IT (R) dated 28.06.2017 as amended. In addition to them, following additional services are also notified by said notification for reverse charge under IGST purposes:

S. No.	Category of supply of service	Supplier of service	Recipient of Service
1.	Any service	Any person located in a non-taxable territory	Any person located in the taxable territory other than non-taxable online recipient.

4. Composition levy [Section 10]

Composition levy
<ul style="list-style-type: none"> • An option for specified categories of small taxpayers to pay GST at a very low rate on the basis of turnover.

Advantages
<ul style="list-style-type: none"> • Low rates of tax • Hassel free simple procedures for such taxpayers • Simple calculation of tax based on turnover • A very simple annual return

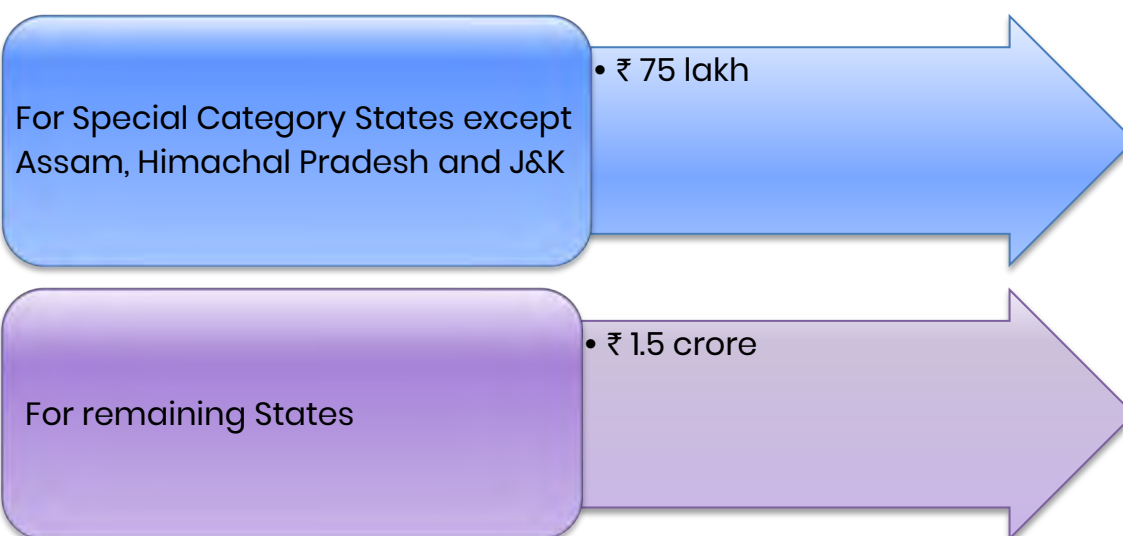


Procedure for opting for the scheme

Category of persons	How to exercise option	Effective date of composition levy
New registration under GST	Intimation in the registration form	From the effective date of registration
Registered person opting for composition levy	Intimation in prescribed form	Beginning of the financial year

Turnover limit for composition levy

Turnover limit in preceding FY to opt for composition levy under section 10(1)



Turnover limit in preceding FY to opt for composition scheme under section 10(2A)

Turnover for composition
levy under section 10(2A)

- ₹ 50 lakh in preceding financial year

Rates of tax

Composition scheme	Category of registered persons	Rate
For goods	Manufacturer	1% ($\frac{1}{2}\%$ CGST + $\frac{1}{2}\%$ SGST/UTGST) of turnover
	Restaurant service providers	5% ($2\frac{1}{2}\%$ CGST + $2\frac{1}{2}\%$ SGST/UTGST) of turnover
	Others	1% ($\frac{1}{2}\%$ CGST + $\frac{1}{2}\%$ SGST/UTGST) of turnover of <u>taxable supplies</u>
For services	All service providers except restaurant service providers	6% (3% CGST + 3% SGST/UTGST) of turnover



Conditions and restrictions for composition levy

Person opting for composition:

is neither a casual taxable person nor a non-resident taxable person

shall pay tax under section 9(3)/9(4) on inward supply

is not engaged in the manufacture of notified goods** [or notified services also in case of composition scheme under section 10(2A)]

shall mention the words “**composition taxable person, not eligible to collect tax on supplies**” at the top of the bill of supply issued by him

shall mention the words “composition taxable person” at a prominent place at his place of business

*** Goods notified for a registered person opting for composition scheme under section 10(1) are ice cream, pan masala, tobacco, aerated waters, fly ash bricks, fly ash aggregate, fly ash blocks, bricks of fossil meals or similar siliceous earths, building bricks, earthen or roofing tiles.*

Who are NOT eligible to opt for composition scheme?

Registered person who is not eligible for composition scheme under section 10(1)	Registered person who is not eligible for composition scheme under section 10(2A)
Supplier engaged in making any supply of goods or services which are not leviable to tax i.e. non-taxable supplies	Supplier engaged in making any supply of goods or services which are not leviable to tax i.e. non-taxable supplies
Supplier engaged in making any inter-State outward supplies of goods or services	Supplier engaged in making any inter-State outward supplies of goods or services

Person supplying any services through an electronic commerce operator who is required to collect tax at source under section 52	Person supplying any services through an electronic commerce operator who is required to collect tax at source under section 52
Manufacturer of ice cream, pan masala, tobacco, aerated waters, fly ash bricks, fly ash aggregate, fly ash blocks, bricks of fossil meals or similar siliceous earths, building bricks, earthen or roofing tiles.	Manufacturer of notified goods or supplier of notified services
Supplier who is either a casual taxable person or a non-resident taxable person	Supplier who is either a casual taxable person or a non-resident taxable person.
Supplier of services, save as provided in section 10(1)**	

***A registered person opting for composition scheme under section 10(1) is allowed to supply services [other than restaurant services] alongwith supply of goods or supply of restaurant services of value not exceeding 10% of the turnover in the preceding financial year in a State/Union territory or ₹5 lakh, whichever is higher. Here, while computing turnover in a State/UT, interest on loans/deposit/advances will not be taken into account.*

Other points

Bill of supply shall be issued instead of tax invoice.

Tax shall not be collected from recipient of supply

Input tax credit shall not be availed

Composition Scheme if availed shall include all registered persons having same PAN

Penalty shall be imposed in case of irregular availment of the composition scheme

PLACE OF SUPPLY

A. Place of supply of goods other than import and export [Section 10 of the IGST Act, 2017]

S. No.	Nature of Supply	Place of Supply
1.	Where the supply involves the movement of goods, whether by the supplier or the recipient or by any other person	Location of the goods at the time at which, the movement of goods terminates for delivery to the recipient
2.	Where the goods are delivered to the recipient or any person on the direction of the third person by way of transfer of title or otherwise	Principal place of business of such third person
3.	Where there is no movement of goods either by supplier or recipient	Location of such goods at the time of delivery to the recipient
4.	Where supply is made to unregistered persons and the address of such person is <u>recorded</u> in the invoice	Location as per address of unregistered person recorded in the invoice (Simply mentioning the State of such person instead of complete address would be sufficient.)
5.	Where supply is made to unregistered persons and the address of such person is <u>not recorded</u> in the invoice	Location of the supplier
6.	Where goods are assembled or installed at site	Place where the goods are assembled or installed
7.	Where the goods are supplied on-board a conveyance like a vessel, aircraft, train or motor vehicle	Place where such goods are taken on-board the conveyance
8.	Where the place of supply of goods cannot be determined in terms of the above provisions	To be determined in the prescribed manner

B. Place of supply of services where location of supplier AND recipient is in India [Section 12 of the IGST Act, 2017]

- (i) In respect of the following 12 categories of services, the place of supply is determined with reference to a proxy; rest of the services are governed by the default provision.

S. No.	Nature of Service	Place of Supply
1.	Immovable property related-services including accommodation in hotel/boat/vessel	<input type="checkbox"/> Location at which the immovable property or boat or vessel is located or intended to be located <input type="checkbox"/> If located outside India: Location of the recipient

	If the immovable property or boat or vessel is located in more than one State	Each such State in proportion to the value of services provided in each State – <i>Refer point (ii) below</i>
2.	Restaurant and catering services, personal grooming, fitness, beauty treatment and health service	Location where the services are actually performed
3.	Training and performance appraisal	<input type="checkbox"/> B2B: Location of such registered person <input type="checkbox"/> B2C: Location where the services are actually performed
4.	Admission to an event or amusement park	Place where the event is actually held or where the park or the other place is located
5.	Organisation of an event including ancillary services and assigning of sponsorship to such events	<input type="checkbox"/> B2B: Location of such registered person <input type="checkbox"/> B2C: Location where the event is actually held
	If the event is held outside India: Location of the recipient	
	If the event is held in more than one State (in cases of unregistered recipient)	Each such State in proportion to the value of services provided in each State – <i>Refer point (iii) below</i>
6.	Transportation of goods, including mails or courier	<input type="checkbox"/> B2B: Location of such registered person <input type="checkbox"/> B2C: Location at which such goods are handed over for their transportation
7.	Passenger transportation	<input type="checkbox"/> B2B: Location of such registered person <input type="checkbox"/> B2C: Place where the passenger embarks on the conveyance for a continuous journey
8.	Services on board a conveyance	Location of the first scheduled point of departure of that conveyance for the journey
9.	Banking and other financial services including stock broking	<input type="checkbox"/> Location of the recipient of services in the records of the supplier <input type="checkbox"/> Location of the supplier of services if the location of the recipient of services is not available
10.	Insurance services	<input type="checkbox"/> B2B: Location of such registered person <input type="checkbox"/> B2C: Location of the recipient of services in the records of the supplier
11.	Advertisement services to the Government	<input type="checkbox"/> Each of States/Union territory where the advertisement is broadcasted/ displayed/ run/ disseminated

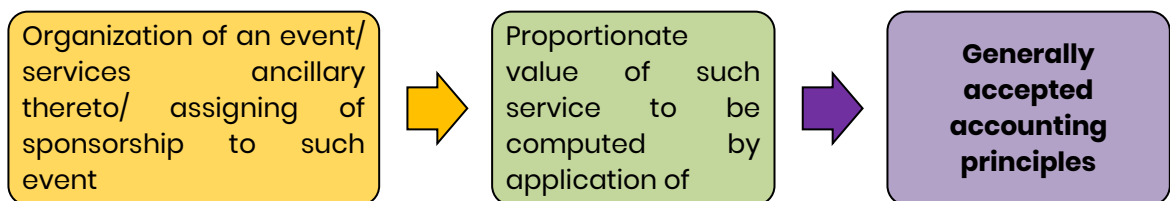
		<input type="checkbox"/> Proportionate value in case of multiple States – <i>Refer point (iv) below</i>
12.	Telecommunication services	<input type="checkbox"/> Services involving fixed line, leased and internet leased circuits, dish antenna etc: Location of such fixed equipment <input type="checkbox"/> Post-paid mobile/ internet services: Location of billing address of the recipient and if the same is not available, location of supplier <input type="checkbox"/> Pre-paid mobile/ internet/DTH services provided: <ul style="list-style-type: none"> • Through selling agent/ re-seller/ distributor: Address of such selling agent/ re-seller/ distributor in the records of supplier at the time of supply • By any person to final subscriber: Location where pre-payment is received or place of sale of vouchers • When payment made through electronic mode - Location of recipient in records of supplier <input type="checkbox"/> Other cases: Address of the recipient in the records of the supplier and if the same is not available, location of supplier
	If the leased circuit is installed in more than one State	Each such State in proportion to the value of services provided in each State – <i>Refer point (v) below</i>

- (ii) Manner of determining proportionate value of immovable property related service attributable to different States/ Union territories – where the immovable property/ boat/ vessel is located – in the absence of a contract or agreement in this regard.

S. No.	Type of service in relation to immovable property	Factor determining the proportionate value of service
(a)	Service provided by way of lodging accommodation by hotel/ inn/guest house etc. and its ancillary services (other than the cases where such property is a single property located in 2 or more contiguous States/ Union territories or both)	Number of nights stayed in such property
(b)	All other services provided in relation to immovable property including organising any marriage or reception	Area of the immovable property lying in each State/ Union territories

	etc., accommodation in a single property located in 2 or more contiguous States or/and Union territories, services ancillary to such services	
(c)	Services by way of lodging accommodation by a house boat or vessel and its ancillary services	Time spent by the boat or vessel in each such State/ Union territories, to be determined on the basis of declaration made by the service provider

- (iii) Manner of determining proportionate value of service relating to organization of event, attributable to different States/Union territories – where the event is held – in the absence of a contract or agreement in this regard



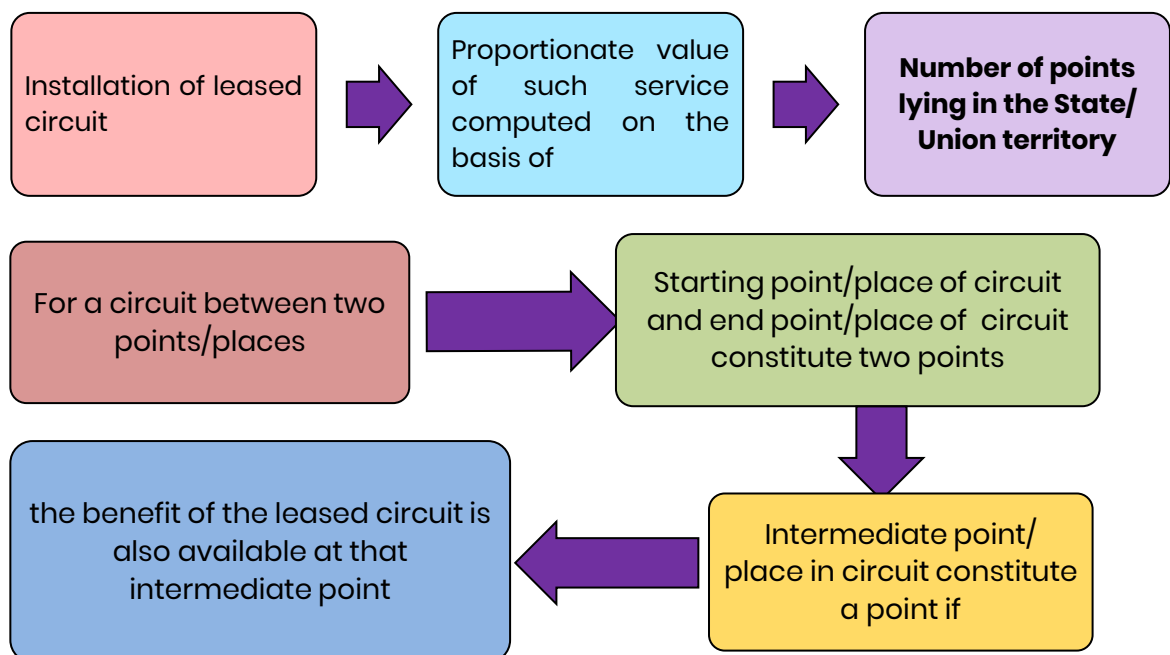
- (iv) Manner of determining proportionate value of advertisement service attributable to different States/Union territories – where the advertisement is broadcasted/ run /played/disseminated – in the absence of a contract or agreement in this regard

Sl. No.	Type of advertisement	Proportionate value of service
1.	Advertisements in newspapers and publications	Amount payable for publishing an advertisement in all the editions of a newspaper or publication, which are published in each State/Union territory
2.	Advertisements through printed material like pamphlets, leaflets, diaries, calendars, T-shirts, etc.	Amount payable for the distribution of a specific number of such material in each State/Union territory
3.	Advertisements in hoardings (other than those on trains)	Amount payable for the hoardings located in each State/ Union territory

4.	Advertisements on trains	Amount attributable to each State/Union territory calculated in the ratio of length of the railway track in each of such State/Union territory, for that train
5.	Advertisements on the back of utility bills of oil and gas companies, etc.	Amount payable to each State/Union territory for the advertisements on bills pertaining to consumers having billing addresses in each of such State/Union territory
6.	Advertisements on railway tickets	Amount attributable to each State/Union territory calculated in the ratio of number of Railway Stations in each of such State/Union territory
7.	Advertisements on radio stations	Amount payable to such radio station, which by virtue of its name is part of each State/Union territory
8.	Advertisement on television channels	<p>Amount attributable to each State/Union territory calculated on the basis of the viewership of such channel in each of such State/ Union territory.</p> <p>Viewership figures for the last week of a given quarter as published by BARC can be used for calculating viewership for the succeeding quarter. Figures pertaining to more than one State/Union territory are apportioned in ratio of the populations of those States/Union territories, as per the latest Census.</p>
9.	Advertisements in cinema halls	Amount payable to a cinema hall or screens in a multiplex in each State/ Union territory.
10.	Advertisements on internet It is deemed that such service is provided all over India.	<p>Amount attributable to each State/Union territory calculated on the basis of the internet subscribers in each of such State/ Union territory.</p> <p>Internet subscriber figures for the last quarter of a given financial year as published by TRAI can be used for calculating the subscribers for the succeeding financial year. Figures pertaining to more than one State/Union territory are apportioned in the ratio of the populations of those States/Union territories, as per the latest census.</p>
11.	Advertisements through SMS	Amount attributable to each State/Union territory calculated on the basis of the telecom subscribers in each of such State/ Union territory.

		Telecom subscribers figures in a telecom circle for a given quarter as published by TRAI can be used for calculating the subscribers for the succeeding quarter. Figures pertaining to a telecom circle comprising of more than one State/Union territory are apportioned in the ratio of the populations of those States/Union territories, as per the latest census.
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- (v) Manner of determining proportionate value of service relating to installation of a leased circuit, attributable to different States/Union territories – where the circuit is installed – in the absence of a contract or agreement in this regard

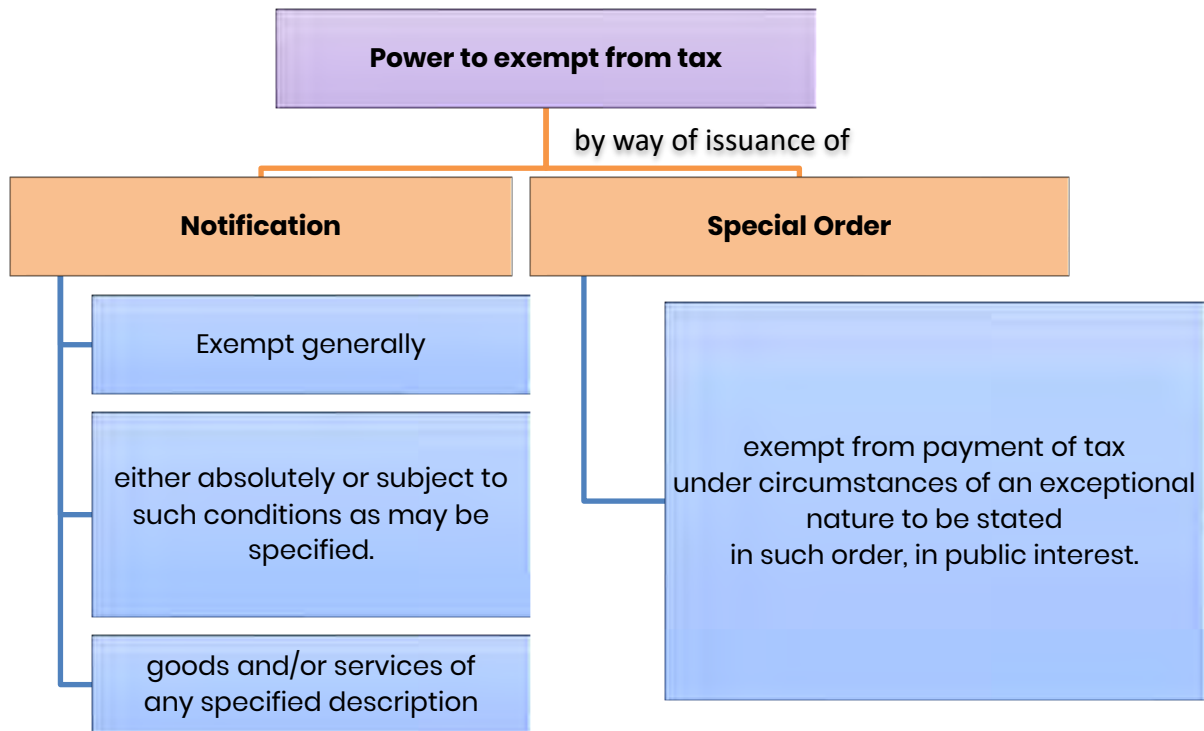


- (vi) For the rest of the services other than those specified above, the default provision has been prescribed as under:

Default provision for the services other than the 12 specified services		
S. No.	Description of Supply	Place of Supply
1.	B2B	Location of such registered person
2.	B2C	<input type="checkbox"/> Where the address on record exists: Location of the recipient <input type="checkbox"/> Other cases: Location of the supplier of services

EXEMPTIONS FROM GST

1. Power to exempt from tax [Section 11 of the CGST Act/ section 6 of IGST Act]



2. List of services exempt from GST

Services	Exempt Services
Services related to charitable and religious activities	Charitable activities BY an entity registered under section 12AA/12AB of Income-tax Act.
	Services by a person by way of- <ul style="list-style-type: none"> (a) conduct of any religious ceremony; (b) renting of precincts of a religious place meant for general public, owned/managed by institutions/entities/trusts, registered under section 12AA/12AB/10(23C)(v) of the Income tax Act or body/ authority covered under section 10(23BBA) of the said Act, except where- <ul style="list-style-type: none"> (i) charges for renting of rooms \geq ₹ 1,000 per day; (ii) charges for renting of premises, community halls, kalyanmandapam, open area, etc. are \geq ₹ 10,000 per day; (iii) charges for renting of shops/spaces for business/commerce are \geq ₹ 10,000 per month.

		Services by a specified organisation [KMVN/Haj Committee] in respect of a religious pilgrimage [Haj and Kailash Mansarovar Yatra].
		Training/coaching in (a) recreational activities relating to arts/culture, by an individual or (b) sports by charitable entities registered under section 12AA or 12AB of the Income-tax Act.
Agriculture related services		Loading, unloading, packing, storage or warehousing of rice.
		Warehousing of minor forest produce.
		Services by way of storage/ warehousing of cereals, pulses, fruits & vegetables.
		Artificial insemination of livestock (other than horses).
		Carrying out an intermediate production process as job work in relation to cultivation of plants & rearing of animals [except horses], for food, fibre, fuel, raw material or other similar products or agricultural produce.
		Services relating to cultivation of plants & rearing of animals [except horses], for food, fibre, fuel, raw material or other similar products or agricultural produce by way of – (a) agricultural operations directly related to production of any agricultural produce including cultivation, harvesting, threshing, plant protection or testing; (b) supply of farm labour ; (c) processes carried out at an agricultural farm including tending, pruning, etc. and such like operations which do not alter the essential characteristics of agricultural produce but make it only marketable for the primary market; (d) renting or leasing of agro machinery or vacant land with/without a structure incidental to its use; (e) loading, unloading, packing, storage or warehousing of agricultural produce; (f) agricultural extension services ; (g) services by any Agricultural Produce Marketing Committee or Board or services provided by a commission agent for sale/purchase of agricultural produce.

Education services	Services provided BY an educational institution (EI) :	
	<ul style="list-style-type: none"> to its students, faculty and staff; by way of conduct of entrance examination against consideration in form of entrance fee 	
	Services provided TO an EI , by way of,-	These exemptions are only applicable to an institution providing services by way of pre-school education & education up to higher secondary school or equivalent.
	(i) transportation of students, faculty and staff;	
	(ii) catering, including any mid-day meals scheme sponsored by the Central Government (CG), State Government (SG) or Union Territory (UT);	
	(iii) security/cleaning/housekeeping services performed in such EI ;	
	(iv) services relating to admission to, or conduct of examination by, such EI ;	
	(v) supply of online educational journals or periodicals. This exemption is only applicable to an institution providing services by way of education as part of a curriculum for obtaining qualification recognised by any law for time being in force.	
Health care services	<ul style="list-style-type: none"> Health care services BY a clinical establishment/ authorized medical practitioner/ para-medics However, nothing in this entry shall apply to the services provided by a clinical establishment by way of providing room [other than Intensive Care Unit (ICU)/Critical Care Unit (CCU)/Intensive Cardiac Care Unit (ICCU)/Neo natal Intensive Care Unit (NICU)] having room charges exceeding ₹ 5000 per day to a person receiving health care services. Transportation of a patient in an ambulance BY any person other than specified above. 	
	Service BY a veterinary clinic in relation to Health care of animals/birds	
Services provided by Government	Services by Governmental Authority (GA) by way of any activity in relation to any function entrusted to a Municipality /Panchayat under article 243W/ 243G of Constitution	

	<p>Services by the CG/SG/UT/Local Authority (LA) excluding following services—</p> <p>(a) services by Department of Posts and the Ministry of Railways (Indian Railways);</p> <p>(b) services in relation to an aircraft/a vessel, inside/outside precincts of a port/airport;</p> <p>(c) transport of goods/passengers; or</p> <p>(d) any service, other than 'specified services' above, provided to business entities.</p>	<p>(a) to (c) hereinafter referred as 'specified services'</p>
	Services by the Department of Posts by way of post card, inland letter, book post and ordinary post (envelopes weighing less than 10 grams).	
	Services provided by CG/SG/UT/LA to a business entity (BE) with an aggregate turnover of up to such amount in the preceding FY as makes it eligible for exemption from registration under the CGST Act, 2017. This exemption is not applicable to specified services and renting of immovable property service.	
	Services provided by CG/SG/UT/LA to another CG/SG/UT/LA. This exemption is not applicable to specified services.	
	<p>Services provided by CG/SG/UT/LA where consideration for such services does not exceed ₹ 5,000. This exemption is not applicable to specified services**.</p> <p>**In case of continuous supply of service, the exemption shall apply only where the consideration charged for such service does not exceed ₹ 5,000 in a FY.</p>	
	Supply of service by a Government Entity (GE) to CG/SG/UT/LA/any person specified by CG/SG/UT/LA against consideration received from CG/SG/UT/LA, in the form of grants.	
	Services by an old age home run by CG/SG/an entity registered under section 12AA/12AB of Income-tax Act to its residents (aged ≥60 years) against consideration upto ₹ 25,000 per month per member, provided that the consideration charged is inclusive of charges for boarding, lodging and maintenance.	
	<p>Services provided by Ministry of Railways (Indian Railways) to individuals by way of –</p> <p>(a) sale of platform tickets</p>	

	(b) facility of retiring rooms/waiting rooms; (c) cloak room services; (d) battery operated car services
	Services provided by one zone/division under Ministry of Railways (Indian Railways) to another zone(s)/division(s) under Ministry of Railways (Indian Railways).
	Services supplied by CG/SG/UT to their undertakings or PSUs by way of guaranteeing the loans taken by such undertakings or PSUs from the banking companies and financial institutions.
	Services provided by CG/SG/UT/LA by way of- (a) registration required under any law for the time being in force; (b) testing, calibration, safety check or certification relating to protection or safety of workers, consumers or public at large, including fire license, required under any law for the time being in force.
	Services provided by CG/SG/UT/LA by way of issuance of passport, visa, driving license, birth certificate or death certificate.
	Services provided by CG/SG/UT/LA by way of tolerating non-performance of a contract for which consideration in the form of fines or liquidated damages is payable to CG/SG/UT/LA under such contract.
	Services provided by CG/SG/UT/LA by way of assignment of right to use natural resources to an individual farmer for cultivation of plants & rearing of all life forms of animals [except horses], for food, fibre, fuel, raw material or other similar products.
	Services provided by CG/SG/UT by way of deputing officers after office hours or on holidays for inspection or container stuffing or such other duties in relation to import export cargo on payment of Merchant Overtime charges.
	Services supplied by a SG to Excess Royalty Collection Contractor (ERCC) by way of assigning the right to collect royalty on behalf of SG on the mineral dispatched by the mining lease holders subject to specified conditions.
	Services provided by rehabilitation professionals recognised under the RCI Act, 1992 by way of rehabilitation, therapy or

	counselling and such other activity as covered by the said Act at medical establishments, educational institutions, rehabilitation centers established by CG/SG/UT/an entity registered under section 12AA/12AB of the Income-tax Act, 1961.
Construction services	Pure labour contracts of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of a civil structure or any other original works pertaining to the beneficiary-led individual house construction or enhancement under the Housing for All (Urban) Mission/Pradhan Mantri Awas Yojana .
	Services supplied by Electricity Distribution Utilities by way of construction, erection, commissioning, or installation of infrastructure for extending electricity distribution network upto the tube well of the farmer/agriculturalist for agricultural use.
	Pure labour contracts of construction, erection, commissioning, or installation of original works pertaining to a single residential unit otherwise than as a part of a residential complex .
Services of transport of passengers (with/without accompanied belongings)	Such services provided by – (a) air in economy class, embarking from or terminating in an airport located in the state of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, or Tripura or at Bagdogra located in West Bengal; (b) non-air conditioned contract carriage other than radio taxi, for transportation of passengers, excluding tourism, conducted tour, charter or hire; or (c) stage carriage other than air- conditioned stage carriage . However, nothing contained in items (b) and (c) above shall apply to services supplied through an ECO, and notified under section 9(5) of the CGST Act.
	Such services provided to CG by air, embarking from or terminating at a Regional Connectivity Scheme (RCS) airport, against consideration in the form of viability gap funding. This exemption shall apply only till expiry of a period of 3 years from date of commencement of operations of the RCS airport as notified by the Ministry of Civil Aviation.

	<p>Such services provided by—</p> <ol style="list-style-type: none"> railways in a class other than first class/an air-conditioned coach; metro, monorail or tramway; inland waterways; public transport, other than predominantly for tourism purpose, in a vessel between places located in India; and metered cabs or auto rickshaws (including e-rickshaws). <p>However, nothing contained in item (e) above shall apply to services supplied through an ECO, and notified under section 9(5) of the CGST Act.</p>
Goods transportation services	<p>Services by way of transportation of goods—</p> <ol style="list-style-type: none"> by road except the services of— <ol style="list-style-type: none"> a goods transportation agency (GTA); a courier agency; by inland waterways.
	<p>Exempt transportation of goods by rail/ vessel/ by GTA in a goods carriage</p> <ul style="list-style-type: none"> Agricultural produce milk, salt and food grain including flours, pulses and rice organic manure newspaper or magazines registered with the Registrar of Newspapers Defence/ military equipments relief materials meant for victims of natural or man-made disasters, calamities, accidents or mishap
	<p>Services provided by a GTA to an unregistered person, including an unregistered casual taxable person, except following recipients, namely: –</p> <ol style="list-style-type: none"> a factory registered under Factories Act, society registered under Societies Act, Co-operative society, body corporate and partnership firm including AOP; registered casual taxable person.

	<p>Services provided by a GTA, by way of transport of goods in a goods carriage, to, –</p> <p>(a) a Department or Establishment of the CG/SG/UT; or</p> <p>(b) local authority; or</p> <p>(c) Governmental agencies, which has taken registration only for the purpose of deducting tax under section 51 and not for making a taxable supply of goods or services.</p>
Banking and financial	<p>Services by way of—</p> <p>(a) extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount (other than interest involved in credit card services);</p> <p>(b) inter se sale or purchase of foreign currency amongst banks or authorised dealers of foreign exchange or amongst banks and such dealers.</p>
	<p>Services provided by a banking company to Basic Saving Bank Deposit (BSBD) account holders under Pradhan Mantri Jan Dhan Yojana (PMJDY).</p>
	<p>Services by an acquiring bank, to any person in relation to settlement of an amount upto ₹ 2,000 in a single transaction transacted through credit card, debit card, charge card or other payment card service.</p>
	<p>Services by an intermediary of financial services located in a multi services SEZ with International Financial Services Centre (IFSC) status to a customer located outside India for international financial services in currencies other than Indian rupees.</p>
Services of Life insurance business	<p>Such services by way of annuity under the National Pension System by Pension Fund Regulatory and Development Authority of India (PFRDA) under PFRDA Act, 2013.</p>
	<p>Such services by the Army, Naval and Air Force Group Insurance Funds to members of the Army, Navy and Air Force, respectively, under the Group Insurance Schemes of CG.</p>
	<p>Services of life insurance provided/agreed to be provided by the Central Armed Police Forces (under Ministry of Home Affairs) Group Insurance Funds to their members under the Group Insurance Schemes of the concerned Central Armed Police Force.</p>

	<p>Such services by the Naval Group Insurance Fund to the personnel of Coast Guard under the Group Insurance Schemes of CG.</p> <p>Such services under following schemes-</p> <ul style="list-style-type: none"> (a) Janashree Bima Yojana; (b) Aam Aadmi Bima Yojana; (c) Life micro-insurance product as approved by the Insurance Regulatory and Development Authority (IRDA), having maximum amount of cover of ₹ 2,00,000; (d) Varishtha Pension Bima Yojana; (e) Pradhan Mantri Jeevan Jyoti Bima Yojana; (f) Pradhan Mantri Jan Dhan Yojana; (g) Pradhan Mantri Vaya Vandana Yojana.
General insurance business	<p>Such services under following schemes –</p> <ul style="list-style-type: none"> (a) Hut Insurance Scheme; (b) Cattle Insurance under Swarnajayanti Gram Swarozgar Yojna; (c) Scheme for Insurance of Tribals; (d) Janata Personal Accident Policy and Gramin Accident Policy; (e) Group Personal Accident Policy for Self-Employed Women; (f) Agricultural Pumpset and Failed Well Insurance; (g) premia collected on export credit insurance; (h) Restructured Weather Based Crop Insurance Scheme (RWCIS), approved by the Government of India and implemented by the Ministry of Agriculture; (i) Jan Arogya Bima Policy; (j) Pradhan Mantri Fasal Bima Yojana (PMFBY); (k) Pilot Scheme on Seed Crop Insurance; (l) Central Sector Scheme on Cattle Insurance; (m) Universal Health Insurance Scheme; (n) Rashtriya Swasthya Bima Yojana; (o) Coconut Palm Insurance Scheme; (p) Pradhan Mantri Suraksha Bima Yojana; (q) Niramaya Health Insurance Scheme implemented by the Trust constituted under the provisions of the National

	Trust for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999. (r) Bangla Shasya Bima.
	Services provided to CG/SG/UT under any insurance scheme for which total premium is paid by CG/SG/UT. (C)
	Services by way of reinsurance of the insurance schemes specified in (A) or (B) or (C) above.
Services provided by specified bodies	Services by the Employees' State Insurance (ESI) Corporation to persons governed under the ESI Act, 1948.
	Services provided by the EPFO to the persons governed under the Employees Provident Funds (EPF) & Miscellaneous Provisions Act, 1952.
	Services by CMPFO to persons governed by Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948.
	Services by NPS Trust to its members against consideration in the form of administrative fee.
Pension schemes	Services by way of collection of contribution under: <ul style="list-style-type: none"> Atal Pension Yojana any pension scheme of SG
Business facilitator/ correspondent	Services by the following persons in respective capacities – <ul style="list-style-type: none"> (a) business facilitator/business correspondent to a Banking Co. with respect to accounts in its rural area branch; (b) any person as an intermediary to a business facilitator or a business correspondent with respect to services mentioned in entry (a); or (c) business facilitator/business correspondent to an insurance company in rural area.
Services provided to Government	Following services provided to the CG/SG/UT/LA by way of any activity in relation to any function entrusted to a Panchayat/Municipality under articles 243G/243W of the Constitution: <ul style="list-style-type: none"> Pure services Composite supply of goods and services in which the value of supply of goods constitutes not more than 25% of the value of the said composite supply.

	Services provided to a Governmental Authority by way of— (a) water supply; (b) public health; (c) sanitation conservancy; (d) solid waste management; and (e) slum improvement and upgradation.	
	Service provided by Fair Price Shops to CG/SG/UT by way of sale of food grains, kerosene, sugar, edible oil, etc. under Public Distribution System (PDS) against commission/margin.	
	Services provided to CG/SG/UT under any insurance scheme for which total premium is paid by CG/SG/UT.	
	Services provided to CG/SG/UT administration under any training programme for which 75% or more of the total expenditure is borne by CG/SG/UT administration.	
Leasing services	Upfront amount payable in respect of service by way of granting of long term lease of 30 years, or more of industrial plots/plots for development of infrastructure for financial business, provided by the State Government Industrial Development Corporations or Undertakings or by any other entity having 20% or more ownership of CGS/SG/UT to the industrial units/ developers in any industrial/financial business area subject to specified conditions.	
Legal services	Service provided by	To
	<ul style="list-style-type: none"> Arbitral tribunal Partnership firm of advocates or an individual as an advocate other than a senior advocate by way of legal services Senior advocate by way of legal services 	any person other than BE
		BE with an aggregate turnover up to such amount in the preceding FY as makes it eligible for exemption from registration under the CGST Act
		CG/SG/UT/LA/GA/GE
	Legal services provided by a partnership firm of advocates/ individual as an advocate other than a senior advocate to another advocate/ partnership firm of advocates providing legal services	

Sponsorship of sports events	<p>Sponsorship of sporting events organised –</p> <ul style="list-style-type: none"> (a) by a national sports federation, or its affiliated federations, where the participating teams or individuals represent any district, State, zone or Country; (b) by Association of Indian Universities, Inter-University Sports Board, School Games Federation of India, All India Sports Council for the Deaf, Paralympic Committee of India or Special Olympics Bharat; (c) by the Central Civil Services Cultural and Sports Board; (d) as part of national games, by the Indian Olympic Association; or (e) under the Panchayat Yuva Kreedha Aur Khel Abhiyaan Scheme.
Skill Development services	<p>Any services provided by –</p> <ul style="list-style-type: none"> (a) the National Skill Development Corporation (NSDC) set up by the GoI; (b) the National Council for Vocational Education and Training (NCVET); (c) an Awarding Body recognized by the NCVET; (d) an Assessment Agency recognized by the NCVET; (e) a Training Body accredited with an Awarding Body that is recognized by NCVET, <p>in relation to–</p> <ul style="list-style-type: none"> (i) the National Skill Development Programme or any other scheme implemented by the NSDC; or (ii) a vocational skill development course under the National Skill Certification and Monetary Reward Scheme; or (iii) any National Skill Qualification Framework aligned qualification or skill in respect of which NCVET has approved a qualification package.
	<p>Services of assessing bodies empanelled centrally by DGT, Ministry of Skill Development and Entrepreneurship by way of assessments under the SDI Scheme.</p>
	<p>Services provided by training providers (Project implementation agencies) under DDUGKY implemented by Ministry of Rural Development, GoI by way of offering skill or vocational training courses certified by the National Council for Vocational Education and Training (NCVET).</p>

Performance by an artist	Services by an artist by way of a performance in folk or classical art forms of music/ dance/ theatre, if the consideration charged for such performance is not more than ₹ 1,50,000 . This exemption shall not apply to service provided by such artists as a brand ambassador.
Right to admission to various events	<p>Services by way of admission to:</p> <ul style="list-style-type: none"> (i) museum, national park, wildlife sanctuary, tiger reserve or zoo (ii) protected monument declared under the Ancient Monuments and Archaeological Sites & Remains Act 1958/any of the State Acts, for the time being in force. (iii) following events/places where the consideration for right to admission is not more than ₹ 500 per person: <ul style="list-style-type: none"> (a) circus, dance, or theatrical performance including drama or ballet; (b) award function, concert, pageant, musical performance or any sporting event other than a recognised sporting event; (c) recognised sporting event; (d) planetarium.
Services by an unincorporated body or a non-profit entity registered under any law for the time being in force	Services by unincorporated body/ non-profit entity to its own members as reimbursement/share of contribution:
	<div>(i) As a trade union</div> <div>(ii) for providing exempt activity</div>
	(iii) up to an amount of ₹ 7,500 per month per member for sourcing of goods/services from a third person for the common use of its members in a housing society/residential complex
	<p>Services provided by such entity/body engaged in-</p> <ul style="list-style-type: none"> (i) activities relating to the welfare of industrial/agricultural labour or farmers; or (ii) promotion of trade, commerce, industry, agriculture, art, science, literature, culture, sports, education, social welfare, charitable activities and protection of environment, <p>to its own members against membership fee upto ₹ 1000/- per member per year.</p>
Other exempt services	Transfer of a going concern , as a whole or an independent part thereof.

	<p>Services by way of renting of residential dwelling for use as residence except where the residential dwelling is rented to a registered person.</p> <p>Explanation 1 – For the purpose of exemption under this entry, this entry shall cover services by way of renting of residential dwelling to a registered person where, –</p> <ul style="list-style-type: none"> (i) the registered person is proprietor of a proprietorship concern and rents the residential dwelling in his personal capacity for use as his own residence; and (ii) such renting is on his own account and not that of the proprietorship concern. <p>Explanation 2.- Nothing contained in this entry shall apply to-</p> <ul style="list-style-type: none"> (a) accommodation services for students in student residences; (b) accommodation services provided by Hostels, Camps, Paying Guest accommodations and the like.
	Supply of accommodation services having value of supply less than or equal to ₹ 20,000 per person per month provided that the accommodation service is supplied for a minimum continuous period of 90 days.
	Satellite launch services
	<p>Services by way of giving on hire –</p> <ul style="list-style-type: none"> (a) to a state transport undertaking (STU), a motor vehicle meant to carry more than 12 passengers; (aa) to a local authority, an Electrically operated vehicle (EOV) meant to carry more than 12 passengers; or (b) to a GTA, a means of transportation of goods. (c) motor vehicle for transport of students, faculty and staff, to a person providing services of transportation of students, faculty and staff to an educational institution providing services by way of pre-school education and education upto higher secondary school or equivalent.
	Service by way of access to a road or a bridge on payment of toll charges.
	Transmission/distribution of electricity by an electricity transmission/ distribution utility.

	Supply of services by way of providing metering equipment on rent, testing for meters/transformers/capacitors etc., releasing electricity connection, shifting of meters/service lines, issuing duplicate bills etc., which are incidental or ancillary to the supply of transmission and distribution of electricity provided by electricity transmission and distribution utilities to their consumers.
	Services provided by an incubatee up to a total turnover of ₹ 50 lakh in a FY provided:- (a) total turnover had not exceeded ₹ 50 lakh during the preceding FY; and (b) a period of 3 years has not elapsed from the date of entering into an agreement as an incubatee.
	Research and development services against consideration received in the form of grants supplied by – (a) a Government Entity; or (b) a research association, university, college or other institution, notified under clauses (ii) or (iii) of sub-section (1) of section 35 of the Income Tax Act, 1961. The condition to be fulfilled in this case is that the research association, university, college or other institution, notified under clauses (ii) or (iii) of sub-section (1) of section 35 of the Income Tax Act, 1961 is so notified at the time of supply of the research and development service.
	Taxable services, provided or to be provided, by a Technology Business Incubator/ Science and Technology Entrepreneurship Par (TBI/STEP) recognised by NSTEDB or bio-incubators recognised by BIRAC.
	Services by way of collecting or providing news by an independent journalist, PTI or United News of India.
	Services of public libraries by way of lending of books, publications or any other knowledge-enhancing content or material.
	Services by an organiser to any person in respect of a business exhibition held outside India.

	Services by way of pre-conditioning, pre-cooling, ripening, waxing, retail packing, labelling of fruits and vegetables which do not change or alter the essential characteristics of the said fruits or vegetables.
	Services provided by the National Centre for Cold Chain Development under the Ministry of Agriculture, Cooperation and Farmer's Welfare by way of cold chain knowledge dissemination .
	Services by a foreign diplomatic mission located in India.
	Services by way of granting National Permit to a goods carriage to operate through-out India/ contiguous States
	Services by way of providing information under the RTI Act .
	Services provided to a recognised sports body (RSB) by- (a) an individual as a player, referee, umpire, coach or team manager for participation in a sporting event organised by a RSB; (b) another RSB.
	Services by way of public conveniences such as provision of facilities of bathroom, washrooms, lavatories, urinal or toilets.



TIME OF SUPPLY

Time Of Supply Where Tax Is Payable Under Forward Charge

Time of supply of goods [Section 12(2)]	Time of supply of services [Section 13(2)]
<p>Earliest of the following:</p> <ul style="list-style-type: none"> → Date of issue of invoice by the supplier or the last date on which he is required under section 31, to issue the invoice under section 31(1) with respect to the supply → Date on which the supplier receives the payment (entering the payment in books of account or crediting of payment in bank account, whichever is earlier) with respect to the supply – <i>(presently irrelevant for purpose of payment of tax)</i> <p>No GST at the time of receipt of advance for supply of goods: In case of supply of goods by a registered person under forward charge (excluding composition supplier and registered persons making supply of specified actionable claims), GST is to be paid on the outward supply of goods on the date of issue of invoice or the last date on which invoice ought to have been issued in terms of section 31 [Notification No. 66/2017 CT dated 15.11.2017].</p>	<p>(a) Invoice issued within the time period prescribed under section 31</p> <p>Earliest of the following:</p> <ul style="list-style-type: none"> → Date of issue of invoice by the supplier → Date of receipt of payment (entering the payment in books of account or crediting of payment in bank account, whichever is earlier) <p>(b) Invoice not issued within the time period prescribed under section 31</p> <p>Earliest of the following:</p> <ul style="list-style-type: none"> → Date of provision of service → Date of receipt of payment (entering the payment in books of account or crediting of payment in bank account, whichever is earlier) <p>(c) When the above events are unascertainable</p> <ul style="list-style-type: none"> → Date on which the recipient shows the receipt of services in his books of account

Time Limit For Raising Invoices

Supply of goods [Section 31(1)]	Supply of services [Section 31(2)]
<p>Before or at the time of,-</p> <p>(a) removal of goods for supply to the recipient, where the supply involves <u>movement of goods</u>, or</p> <p>(b) delivery of goods or making available thereof to the recipient, <u>in any other case</u></p>	<p>Before or after the provision of service but within 30 days [45 days in case of insurance companies/banking and financial institutions including NBFCs] from the date of supply of services</p>

Time Of Supply Where Tax Is Payable Under Reverse Charge

Time of supply of goods [Section 12(3)]	Time of supply of services [Section 13(3)]
<u>Earliest of the following:</u> → Date of receipt of goods , or → Date of payment as entered in the books of account of the recipient or the date on which the payment is debited from his bank account, whichever is earlier, or → 31st day from the date of issue of invoice by the supplier	<u>Earliest of the following:</u> → Date of payment as entered in the books of account of the recipient or the date on which the payment is debited from his bank account, whichever is earlier, or → 61st day from the date of issue of invoice by the supplier
Where the above events are not ascertainable , the time of supply shall be the date of entry in the books of account of the recipient of supply	
	<u>Import of service from associated enterprise</u> Date of entry in the books of account of the recipient or the date of payment, whichever is earlier

Time Of Supply Of Vouchers Exchangeable For Goods And Services

Supply of vouchers exchangeable for goods and services [Sections 12(4) and 13(4)]
(a) Supply of goods or services is identifiable at the time of issue of voucher → Date of issue of the voucher (b) Other cases → Date of redemption of the voucher

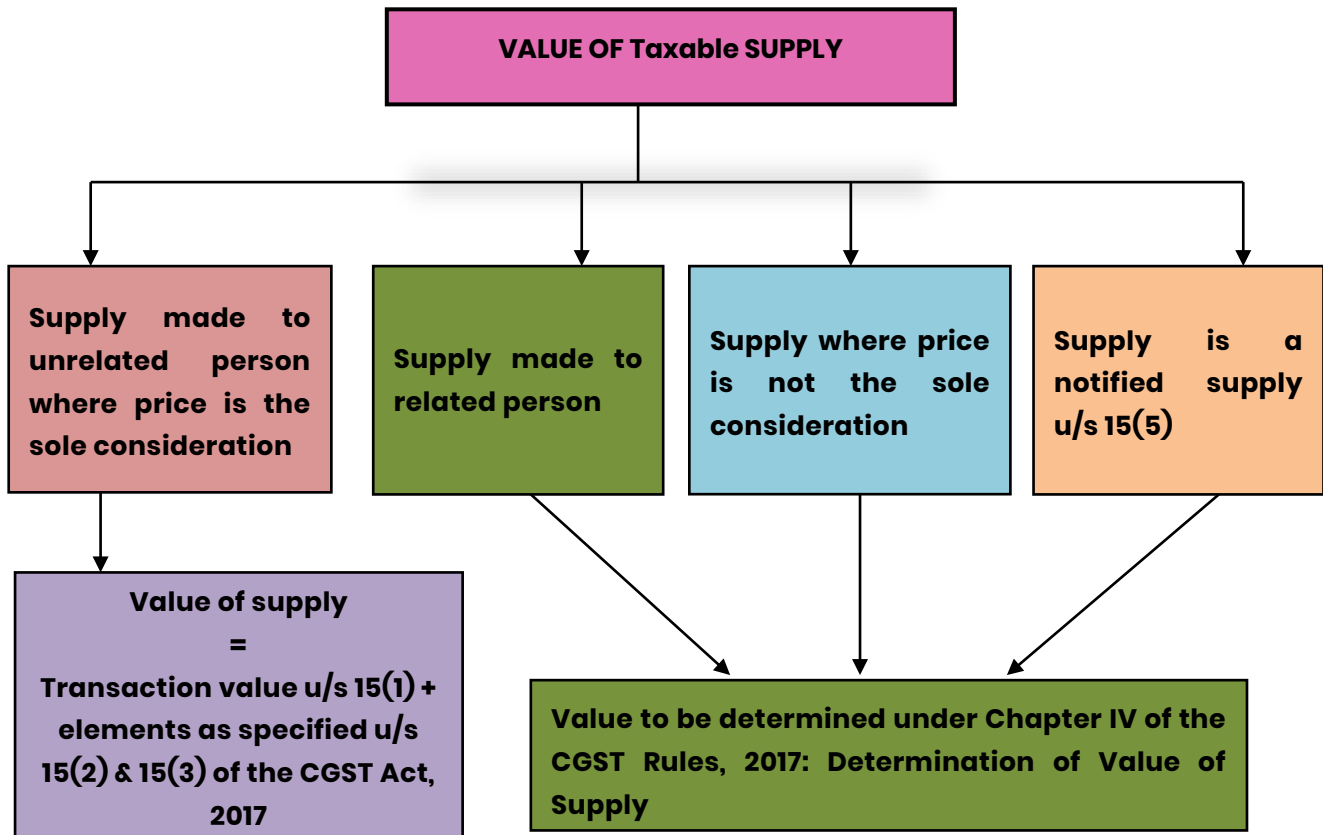
Time Of Supply Of Goods And Services In Residual Cases

Supply of goods and services in residual cases [Sections 12(5) and 13(5)] i.e where it is not possible to determine the time of supply under the other provisions
(a) Where a periodical return is required to be filed → Due date of filing such return (b) Other cases → Date of payment of tax

Time Of Supply For Addition In Value By Way Of Interest/ Late Fee/Penalty For Delayed Payment Of Consideration

Addition in value by way of interest, late fee/penalty for delayed payment of consideration Time of Supply → Date on which the supplier receives such addition in value
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VALUE OF SUPPLY



Inclusions in value u/s 15(2)

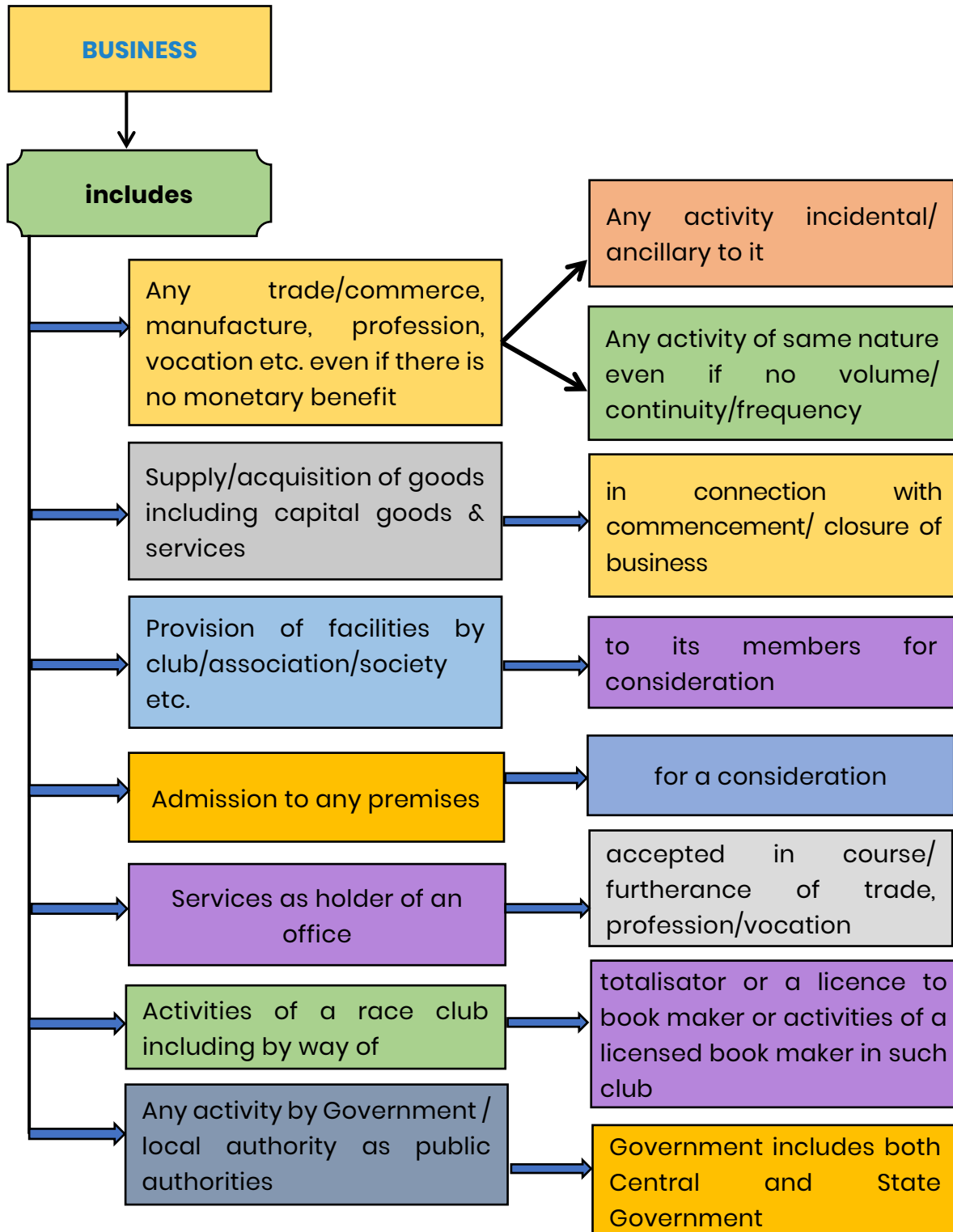
- ⇒ Taxes other than GST, charged separately
- ⇒ Third party payments made by recipient in relation to supply, which supplier was liable to pay and were not included in the price
- ⇒ Incidental expenses including anything done by the supplier in respect of the supply till delivery of goods/supply of services, if charged to recipient
- ⇒ Subsidies directly linked to price of supply other than the ones given by Central/State Governments
- ⇒ Interest/late fee/penalty for delay in payment of consideration

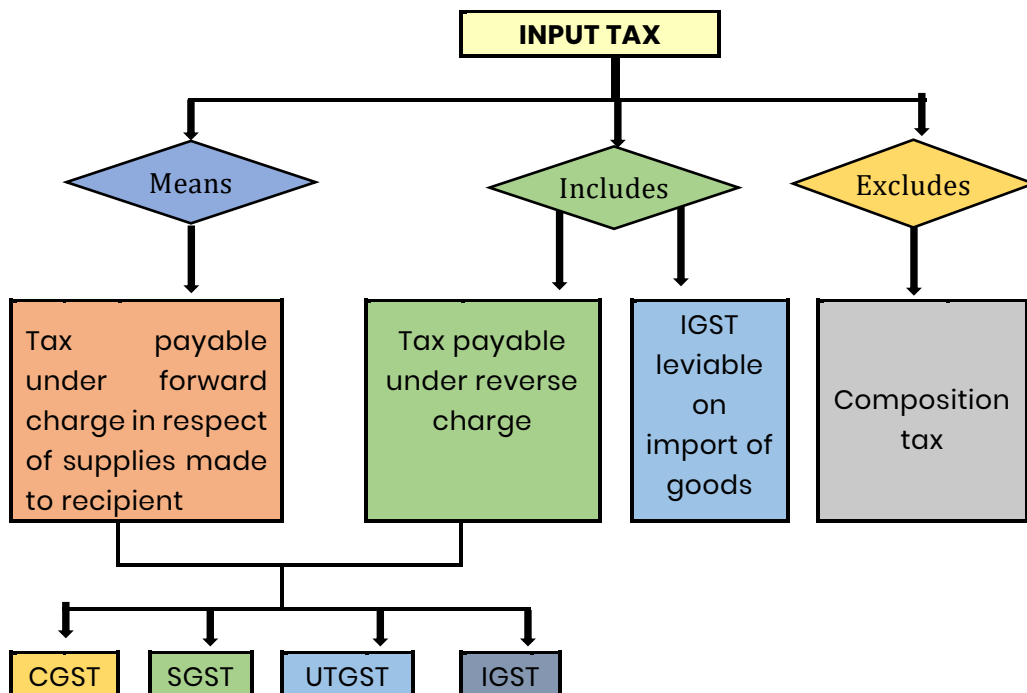
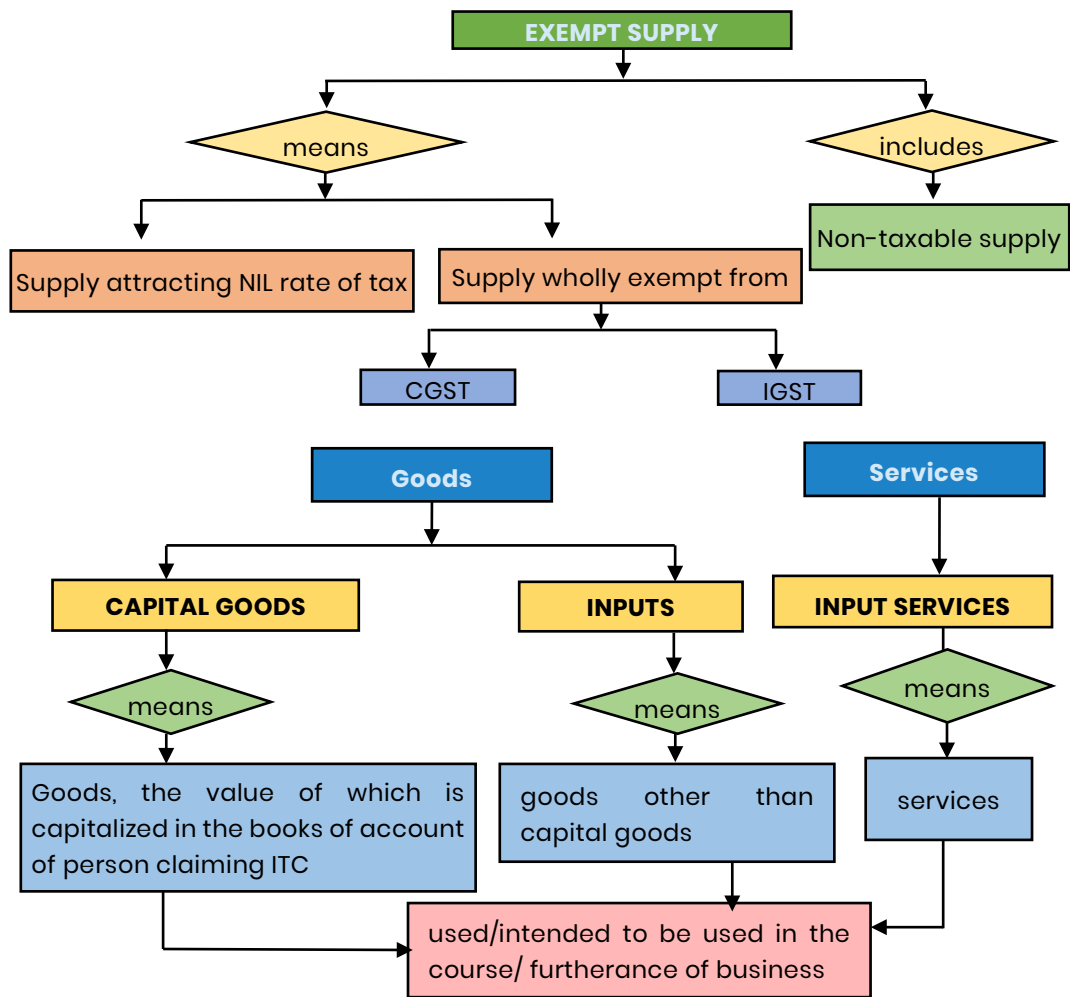
Exclusions from value u/s 15(2)

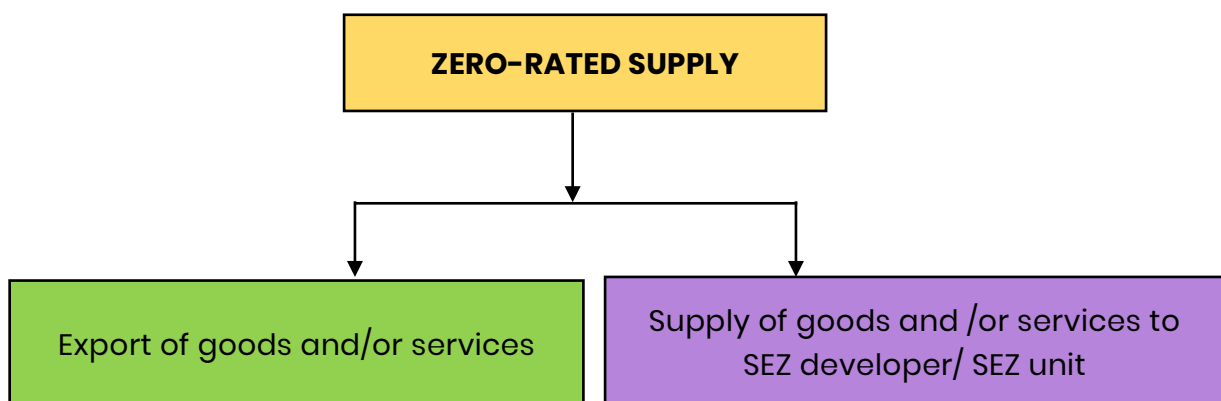
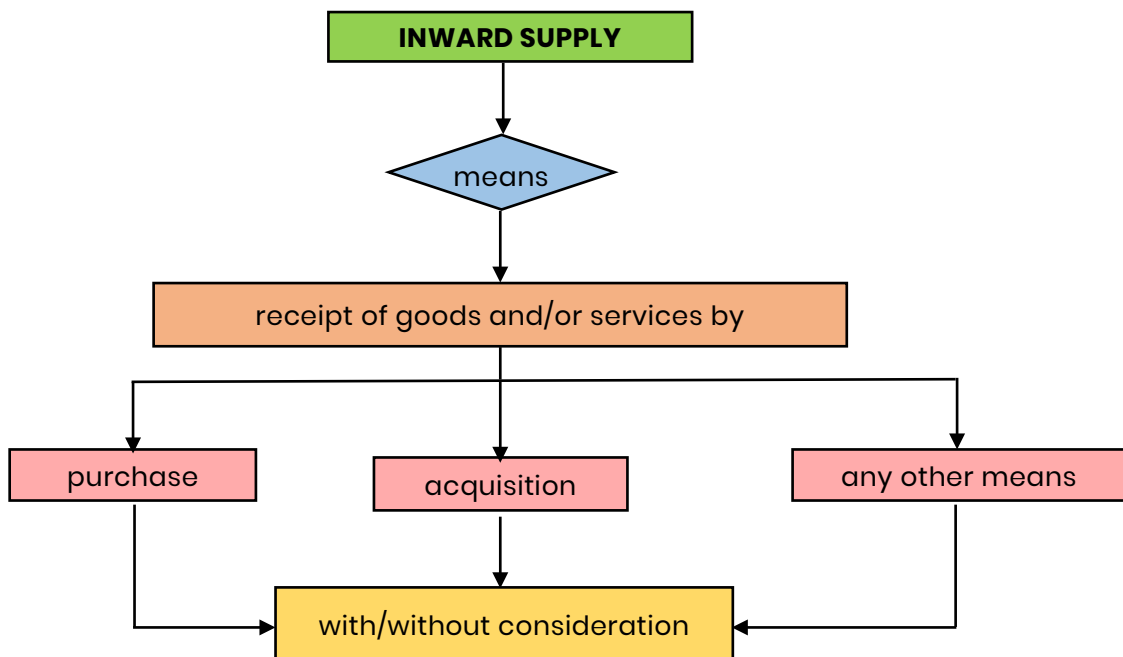
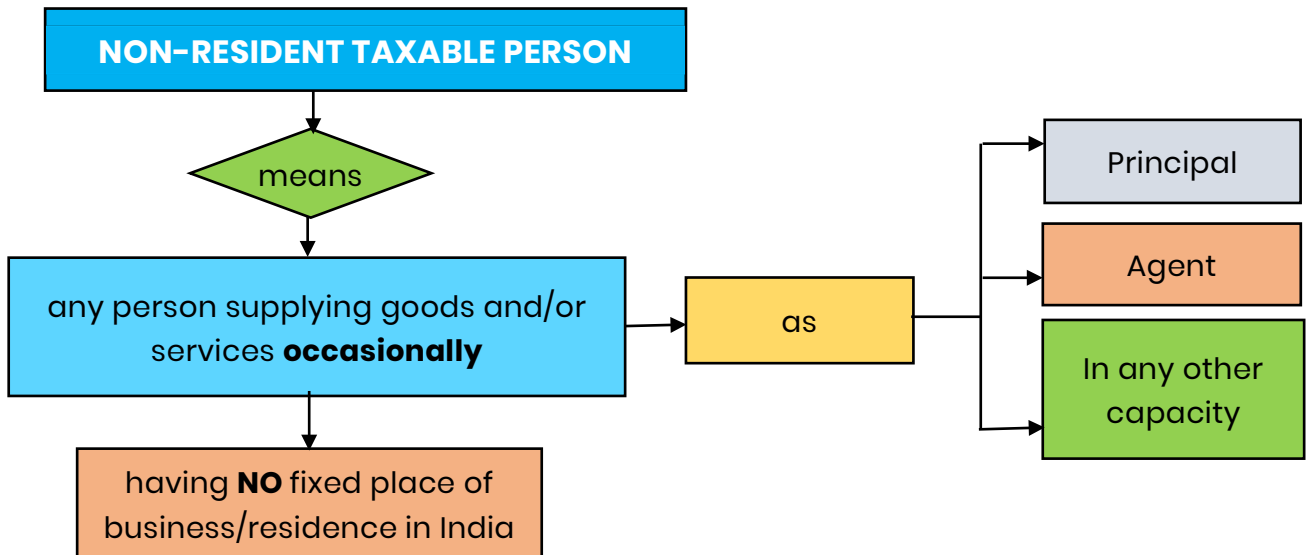
- ⇒ Discounts given before or at the time of supply and recorded in the invoice
- ⇒ Post supply discount/incentive, if known till supply & linked to invoices and proportionate input tax credit reversed by the recipient on the basis of document issued by Supplier.

INPUT TAX CREDIT

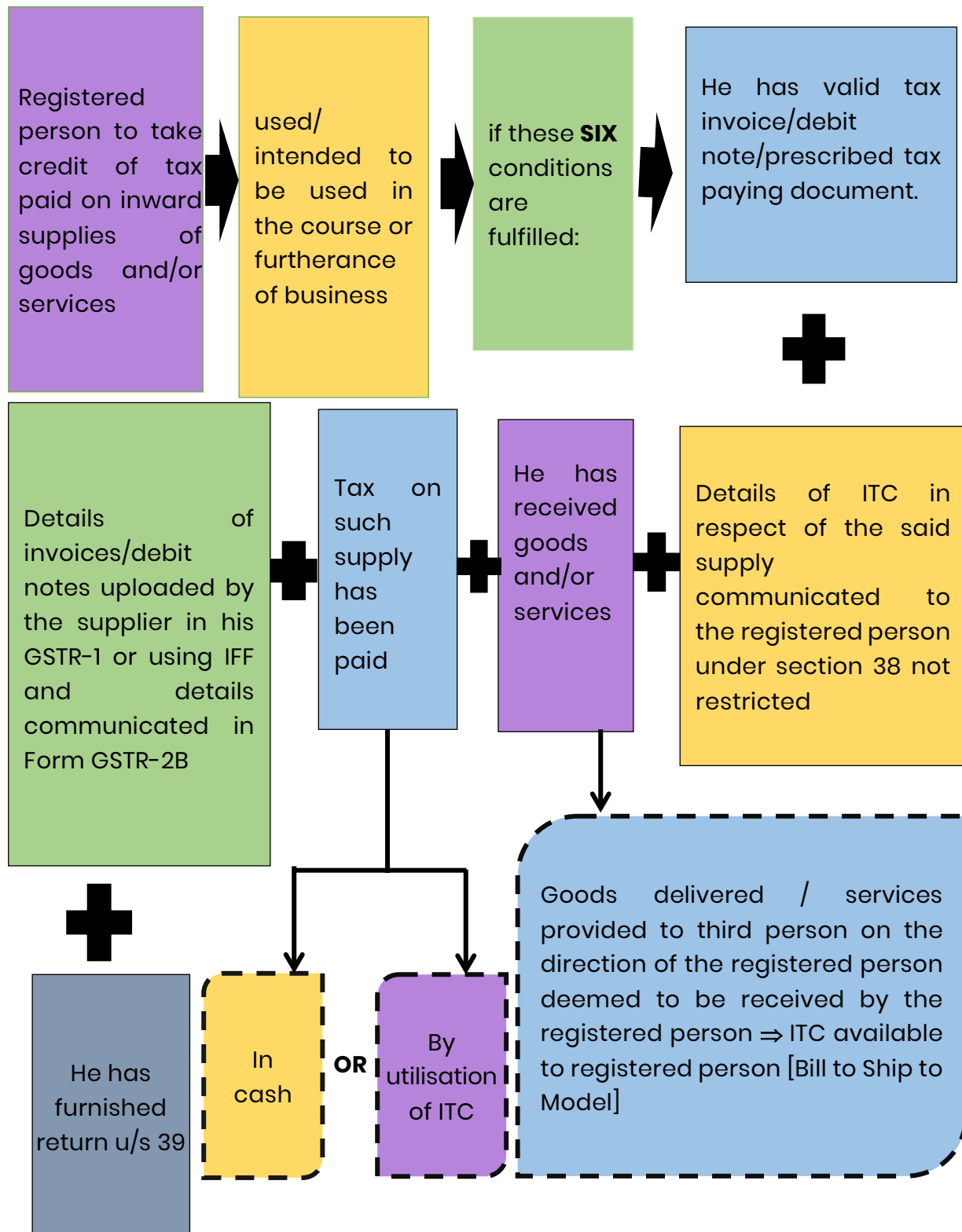
I. Definitions of certain key terms are summarized by way of diagrams as under:







II. Provisions of section 16 relating to eligibility and conditions for taking ITC read with relevant rules are summarized below:



If depreciation claimed on tax component

- ITC not allowed

Goods received in lots

- ITC allowed upon receipt of last lot

Time limit for availing ITC

- ITC pertaining to a particular FY can be availed by 30th November of next FY or filing of annual return, whichever is earlier.

Exception

Re-availment of ITC reversed earlier

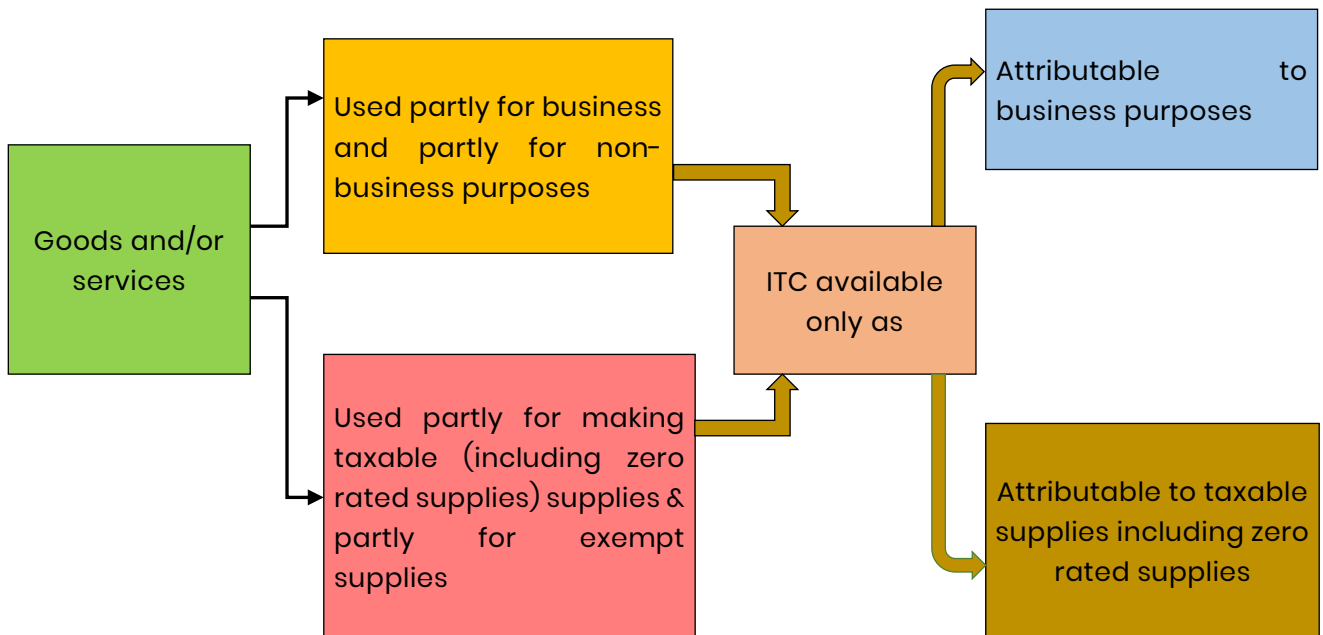
- ❖ Proportionate ITC to be reversed/paid with interest if whole/part of value + tax of goods and /or services is not paid within 180 days of the issuance of invoice.
- ❖ On payment to Supplier, the ITC could be re-availed without any time limit.

EXCEPTIONS

- Reverse charge supplies
- Deemed supplies without consideration
- Additions made to value of supplies on account of supplier's liability being incurred by the recipient of the supply

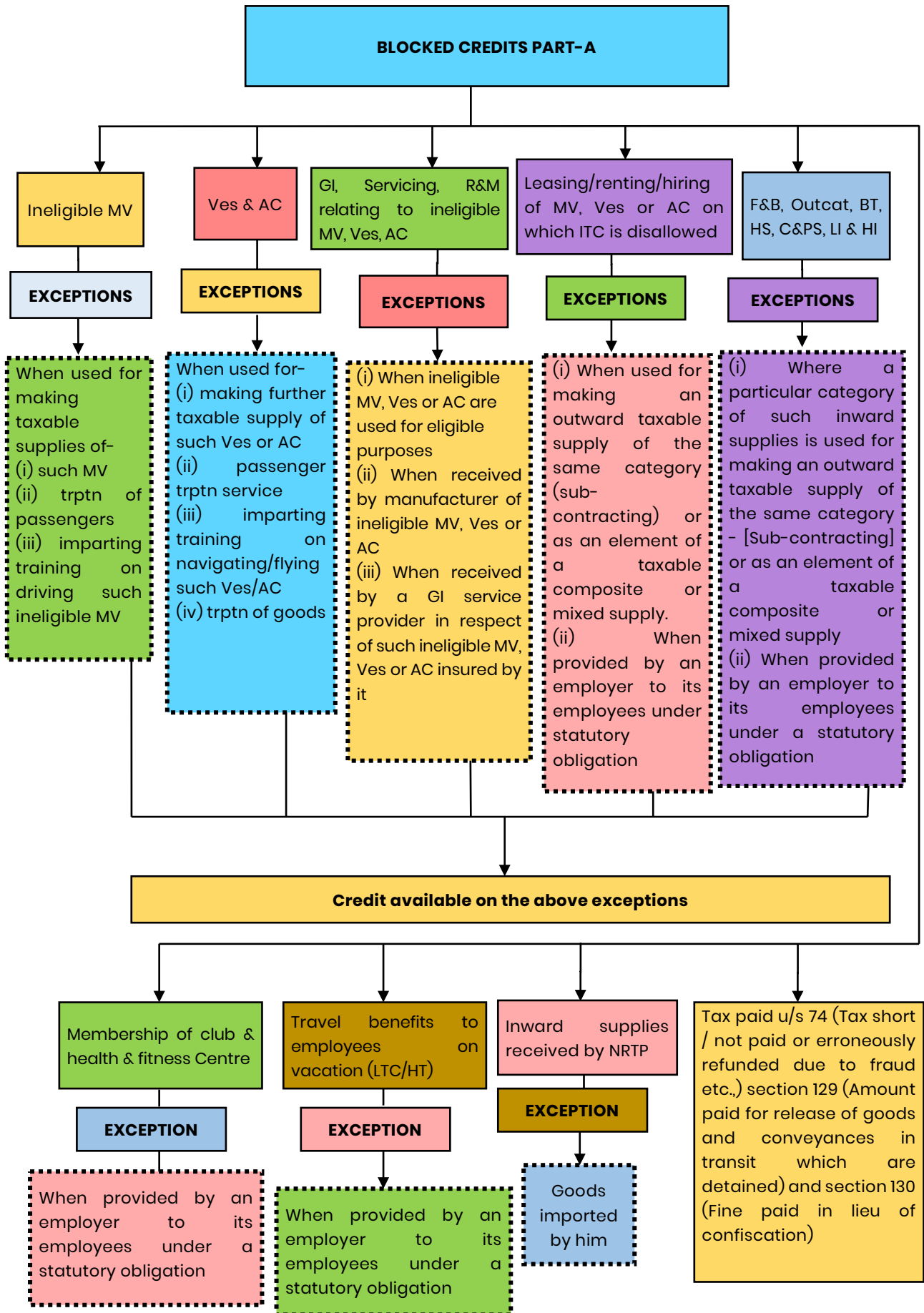
III. Provisions of section 17 relating to apportionment of credit and blocked credits read with relevant rules are summarized as under:

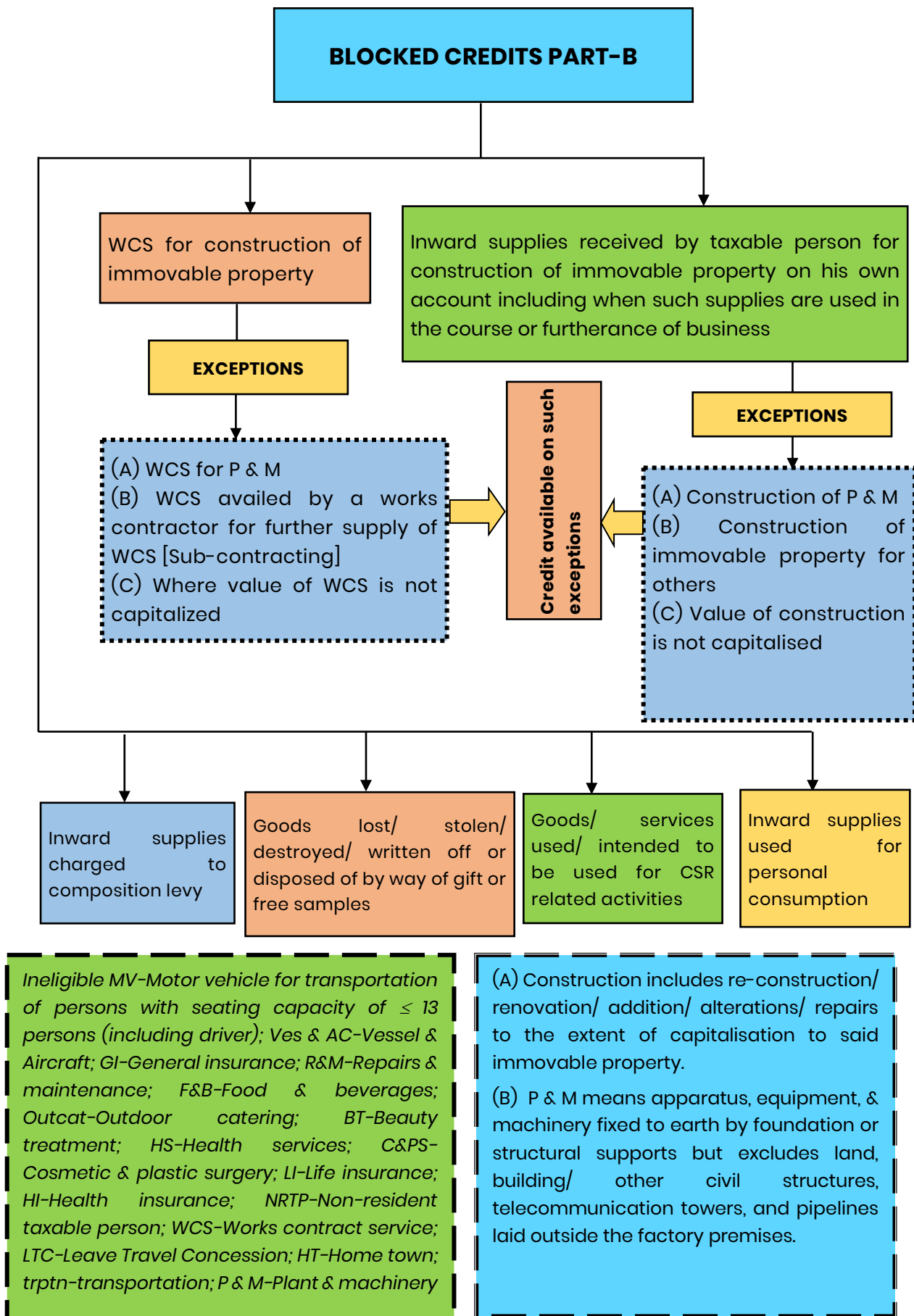
Apportionment of credit



Exempt supplies include reverse charge supplies & transactions in securities and exclude activities specified in Schedule III except sale of land and sale of building when entire consideration is received post completion certificate/first occupation, whichever is earlier and the value of such activities/transactions as may be prescribed in respect of clause (a) of paragraph 8 of the said Schedule.

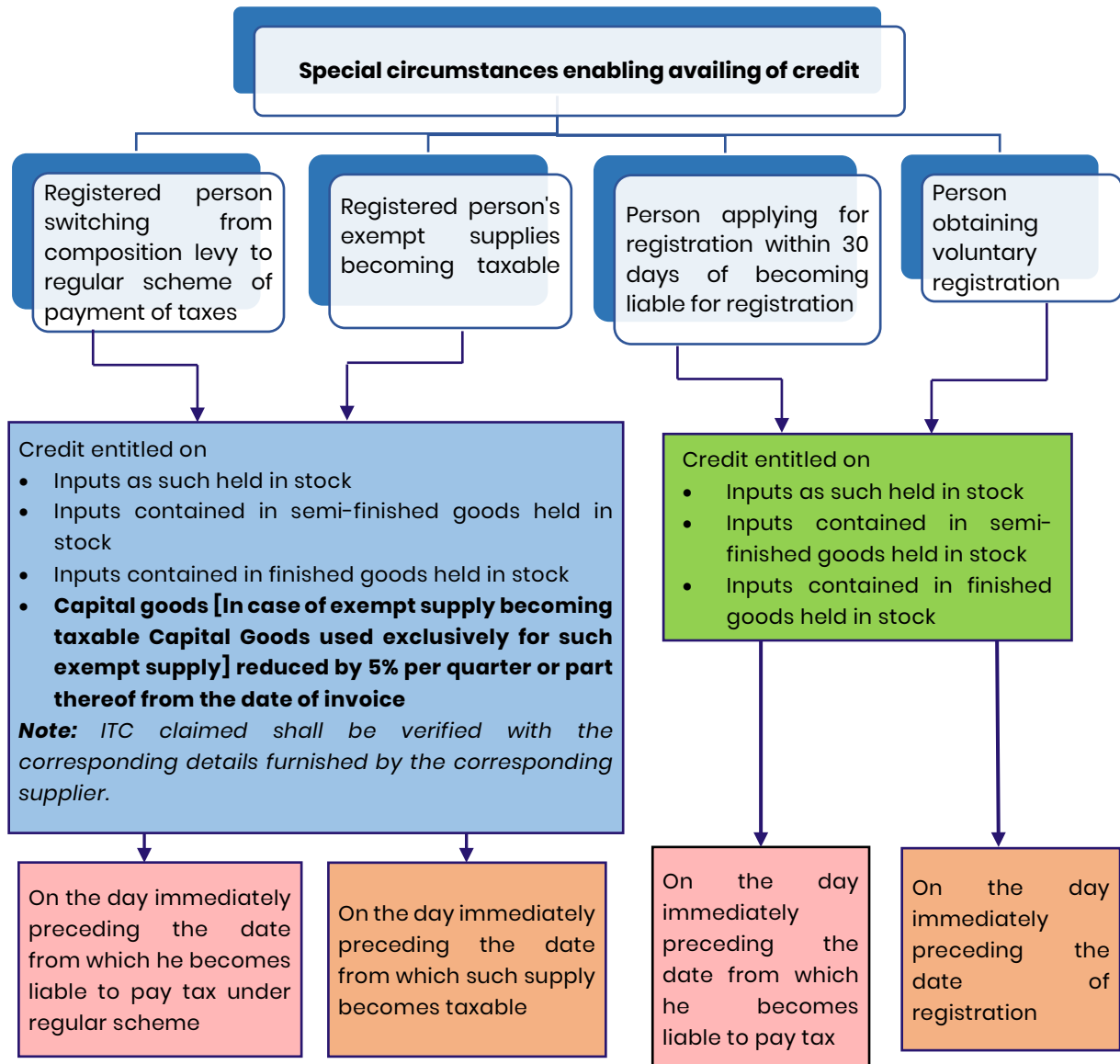






IV. Provisions of section 18 read with relevant rules are summarized as under:

A. Special circumstances enabling availing of credit

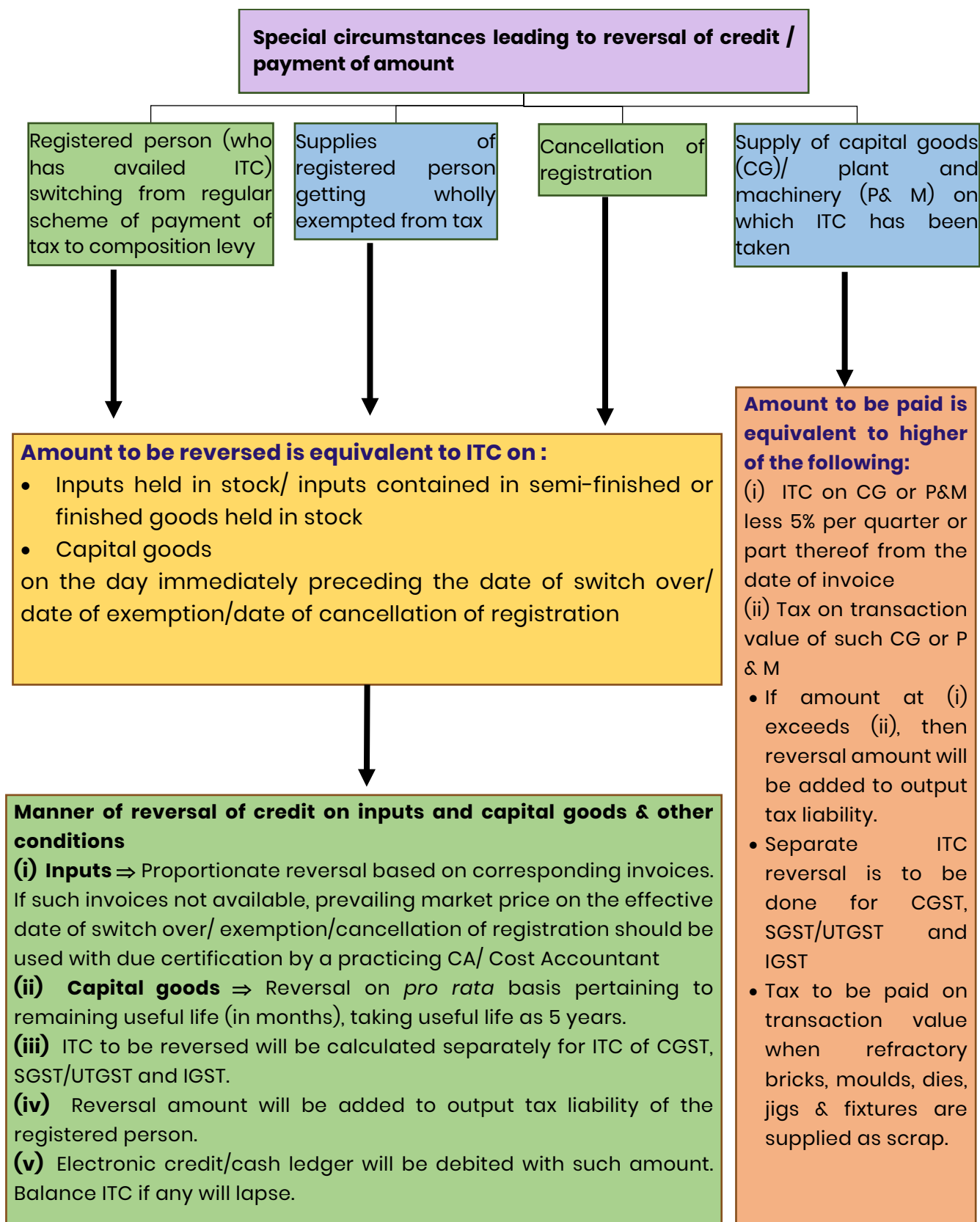


ITC, in all the above cases, is to be availed within 1 year from the date of issue of invoice by the supplier.

Conditions for availing above credit:

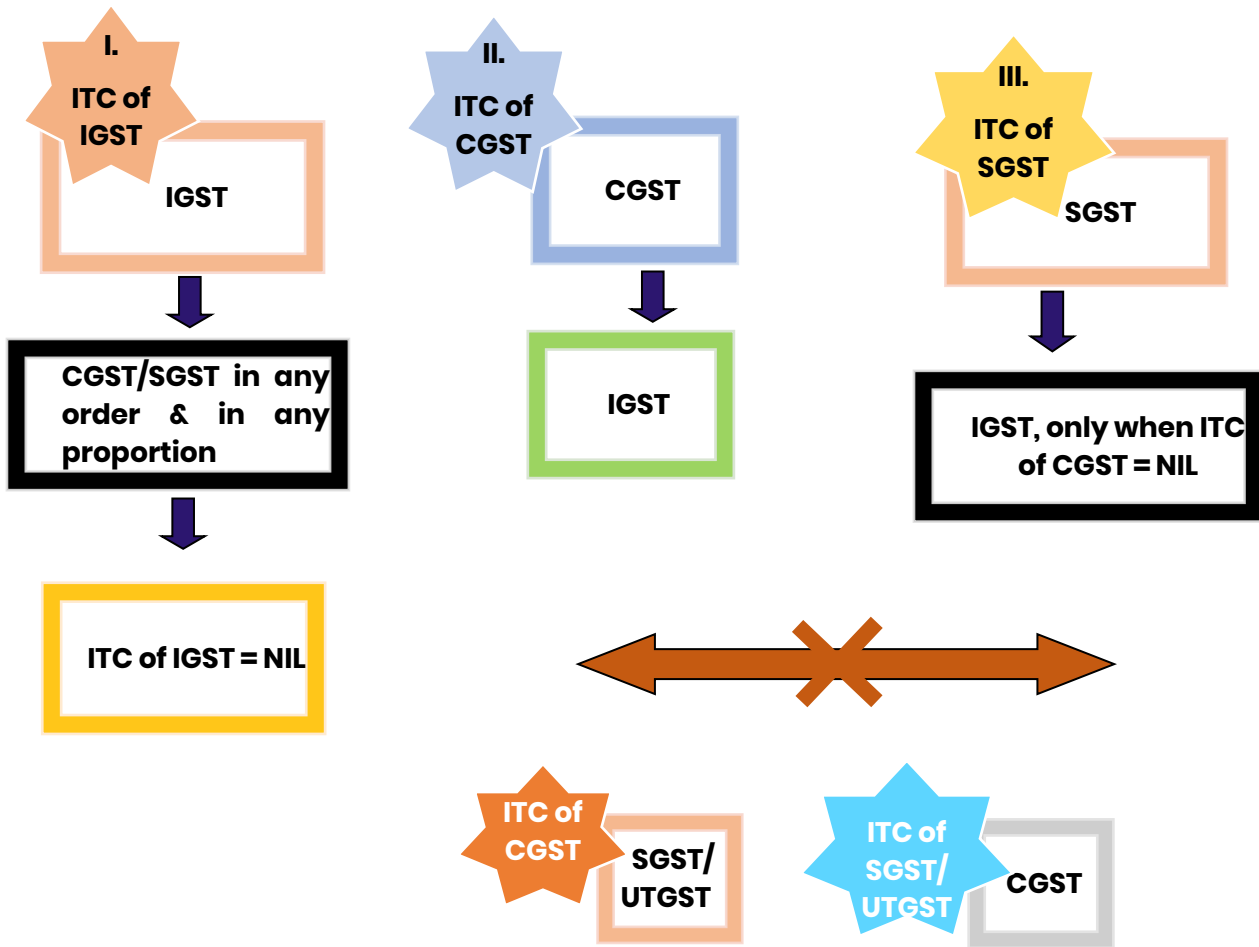
- Filing of electronic declaration giving details of inputs held in stock/contained in semi-finished goods and finished goods held in stock and capital goods on the days immediately preceding the day on which credit becomes eligible.
- Declaration has to be filed within 30 days from becoming eligible to avail credit.
- Details in (i) above to be certified by a CA/ Cost Accountant if aggregate claim of CGST, SGST/ IGST credit is more than ₹ 2,00,000.

B. Special circumstances leading to reversal of credit/payment of amount



Transfer of unutilised ITC on account of change in constitution of registered person	<p>In case of sale, merger, amalgamation, lease or transfer of business, unutilised ITC can be transferred to the new entity if there is a specific provision for transfer of liabilities to the new entity. The inputs and capital goods so transferred should be duly accounted for by the transferee in his books of accounts.</p>
	<p>In case of demerger, ITC is apportioned in the ratio of value of entire assets (including assets on which ITC has not been taken) of the new units as per the demerger scheme.</p>
	<p>Details of change in constitution are to be furnished on common portal along with request to transfer unutilised ITC. CA/Cost Accountant certificate is to be submitted certifying that change in constitution has been done with specific provision for transfer of liabilities.</p>
	<p>Upon acceptance of such details by the transferee on the common portal, the unutilized ITC is credited to his Electronic Credit Ledger.</p>
Transfer of unutilised ITC on obtaining separate registrations for multiple places of business within a State/UT	<p>Registered person having separate registrations for multiple places of business can transfer the unutilised ITC to any or all of the newly registered place(s) of business in the ratio of the value of assets held by them at the time of registration.</p>
	<p>Value of assets means the value of the entire assets of the business irrespective of whether ITC has been availed thereon or not.</p>
	<p>The registered person should furnish the prescribed details on the common portal within a period of 30 days from obtaining such separate registrations.</p>
	<p>Upon acceptance of such details by the newly registered person (transferee) on the common portal, the unutilised ITC is credited to his electronic credit ledger.</p>

V. Provisions relating to utilization of ITC are summarized as under:



REGISTRATION

Nature of registration

The registration in GST is PAN based and State specific.

One registration per State/UT.

However, a business entity having separate places of business in a State may obtain separate registration for each of its places of business .

GST identification number called “GSTIN” – a 15-digit number and a certificate of registration incorporating therein this GSTIN is made available to the applicant on the GSTN common portal.

Registration under GST is not tax specific, i.e. single registration for all the taxes i.e. CGST, SGST/UTGST, IGST and cesses.

Persons liable to registration

Those who exceed threshold limit

• Threshold limit elaborated separately in the diagram below.

In case of transfer of business on account of succession, etc.

• **transferee** liable to be registered from the date of succession of business

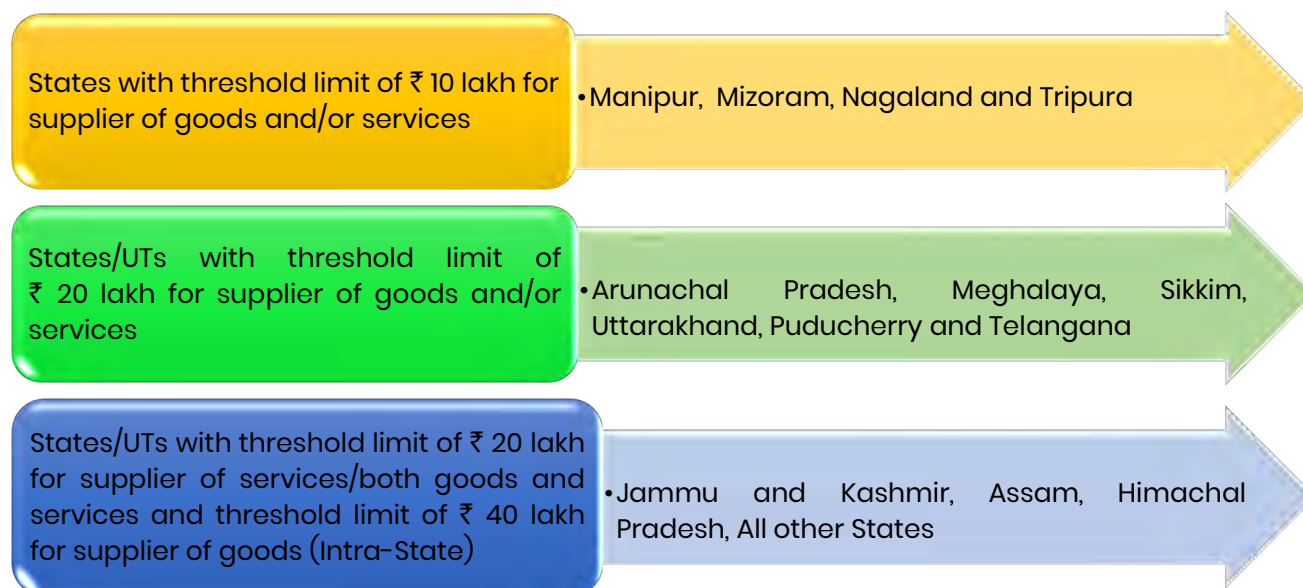
In case of amalgamation/ demerger by an order of High Court etc.

• **transferee** liable to be registered from the date on which Registrar of Companies issues incorporation certificate giving effect to order of High Court etc.

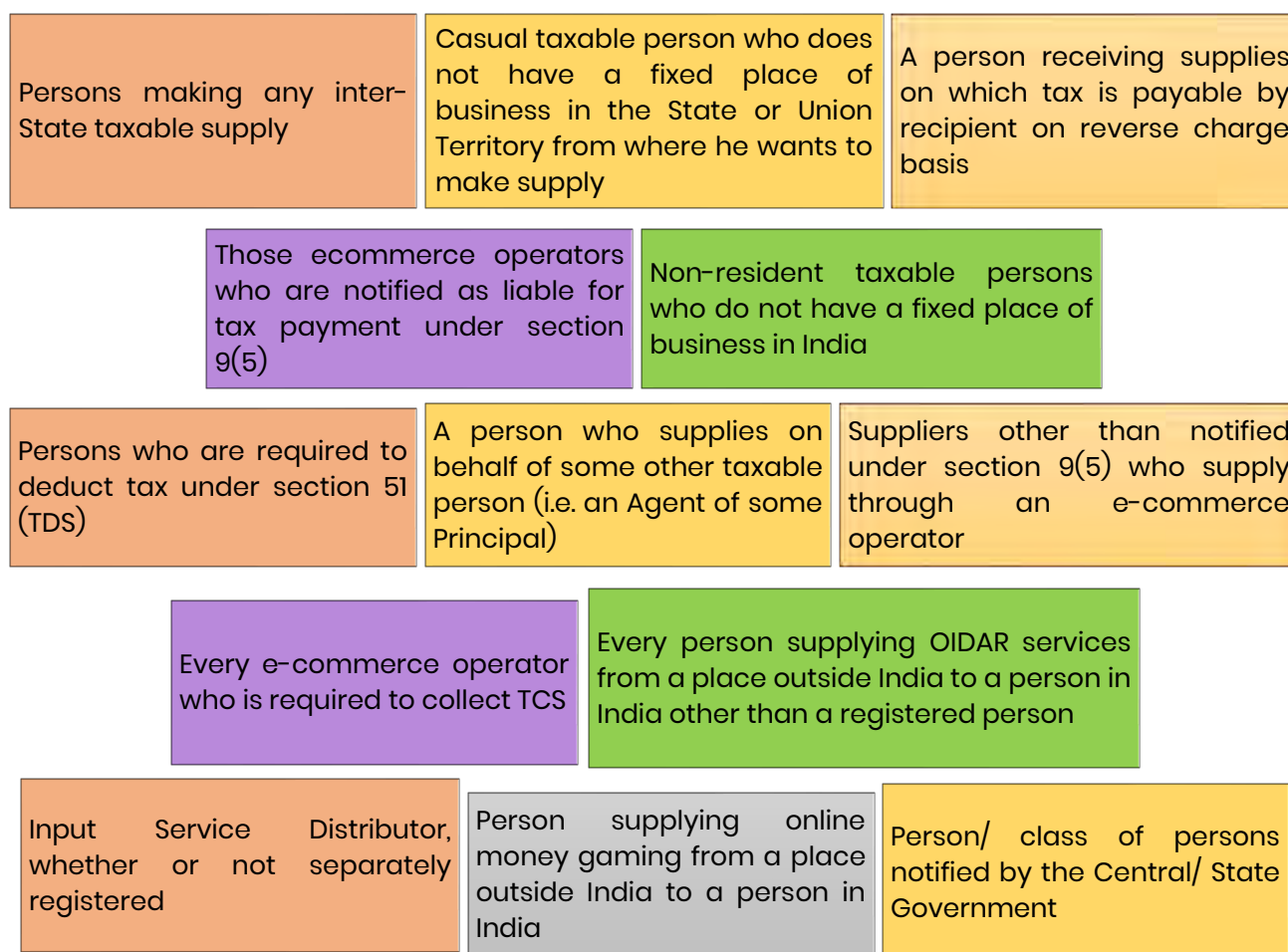


Aggregate Turnover will be computed on All-India basis for same PAN

Applicable threshold limit



Compulsory registration in certain cases



Note: The provisions relating to input service distributor, OIDAR and online money gaming services from a place outside India will be discussed in detail at the Final Level.

Persons not liable for registration

Person engaged exclusively in supplying goods/ services/ both not liable to tax/ wholly exempt from tax

Agriculturist limited to supply of produce out of cultivation of land

Persons making only reverse charge supplies

Persons making inter-State supplies of taxable services up to ₹ 20 lakh**

Persons making inter-State taxable supplies of notified handicraft goods and notified hand-made goods up to ₹ 20 lakh**

Casual Taxable Persons making inter-State taxable supplies of notified handicraft goods and notified hand-made goods up to ₹ 20 lakh**

Persons making intra-State supplies of goods through an ECO with aggregate turnover not exceeding threshold limit and not making supply in more than one State/UT, with one enrolment no.

Persons making supplies of services through an ECO [other than supplies specified under section 9(5)] with aggregate turnover up to ₹ 20 lakh**

****₹ 10 lakh in case of Special Category States of Mizoram, Tripura, Manipur & Nagaland**

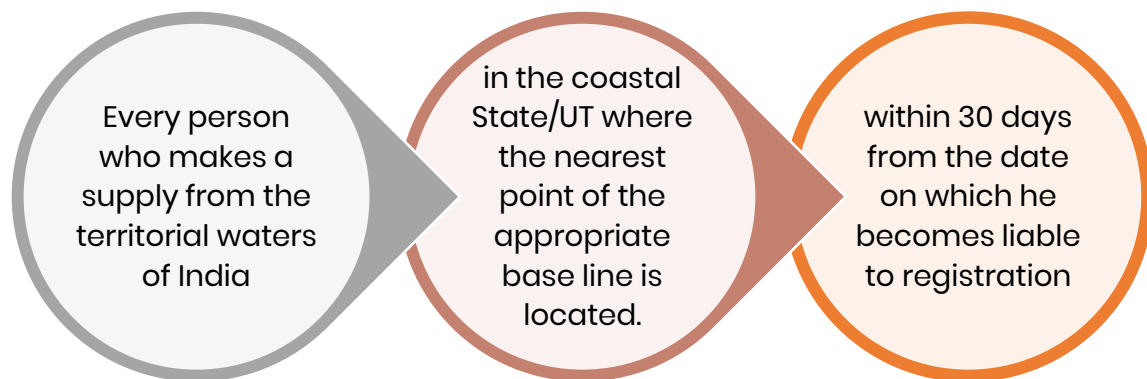
Where and when to apply for registration?

Person who is liable to be registered under section 22 or section 24

- in every such State/UT in which he is so liable
- within 30 days from the date on which he becomes liable to registration

A casual taxable person or a non-resident taxable person

- in every such State/UT in which he is so liable
- at least 5 days prior to the commencement of business



Voluntary Registration and UIN

Voluntary Registration

Person not liable to be registered under sections 22/24 may get himself registered voluntarily.

Unique Identification Number (UIN)

In respect of supplies to some notified agencies of United Nations organisation, multinational financial institutions and other organisations, a UIN is issued.

Effective date of registration

Application submitted **within 30 days** of the applicant becoming liable to registration

Effective date is the date on which he becomes liable to registration

Application submitted after **30 days** of the applicant becoming liable to registration

Effective date is date of grant of registration

Deemed registration

Deemed registration

Grant of registration/UIN under any SGST Act/UTGST Act is deemed to be registration/UIN granted under CGST Act provided application for registration has not been rejected under CGST Act.

Rejection of application for registration/UIN under SGST Act/UTGST Act is deemed to be rejection of application for registration under CGST Act.



Procedure for registration

Part I

Every person liable to get registered and person seeking voluntary registration shall, before applying for registration, declare his Permanent Account Number (PAN) and State/UT in **Part A of FORM GST REG-01** on GST Common Portal.

PAN is validated online by Common Portal from CBDT database and is also be verified through separate OTPs sent to the PAN linked mobile number and e-mail address.

Temporary Reference Number (TRN) is generated and communicated to the applicant on the validated mobile number and e-mail address.

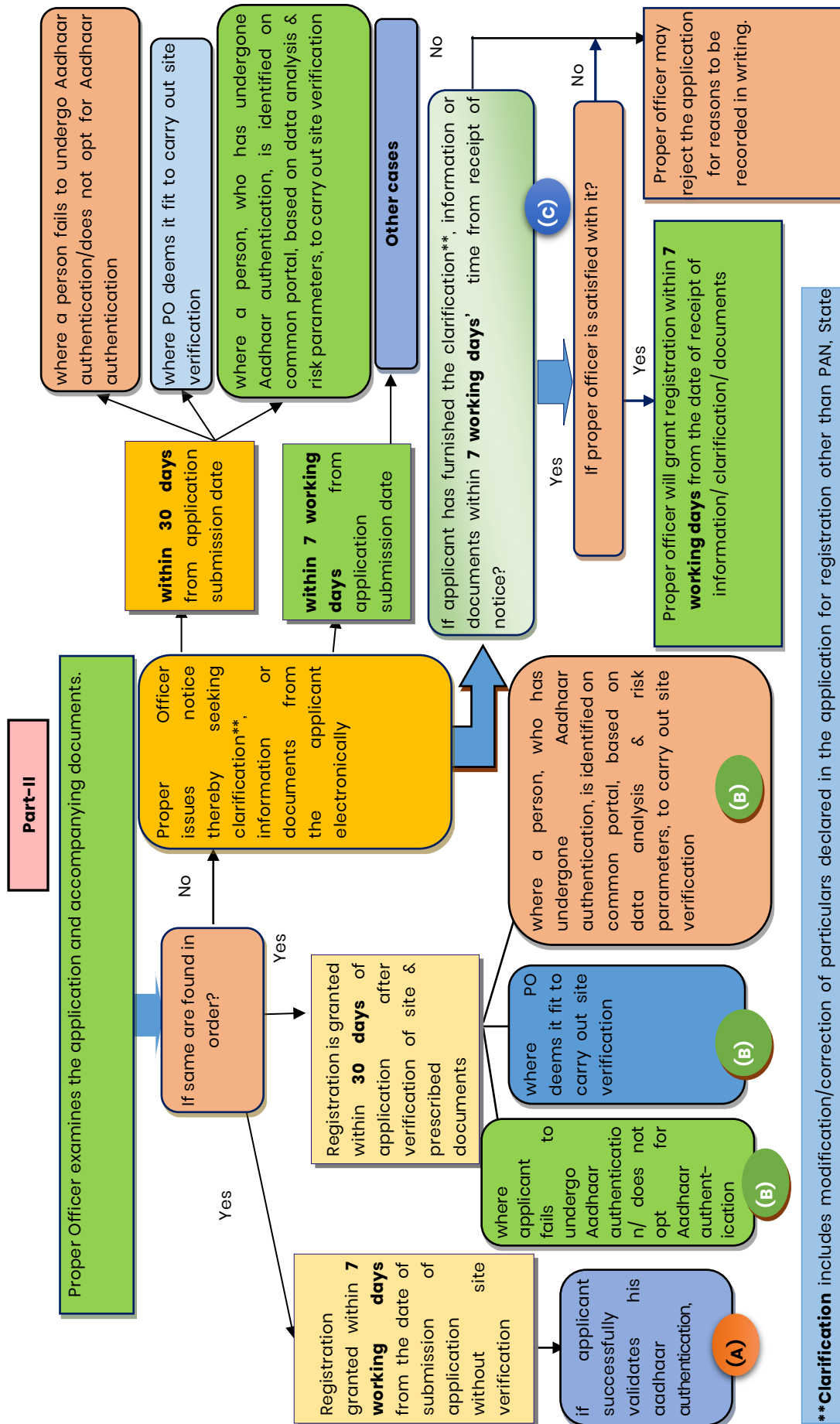
Using TRN, applicant shall electronically submit application in Part B of application form, along with specified documents at the Common Portal.

Part B of application contains the details, such as, constitution of business, jurisdiction, option for composition, date of commencement of business, reason to obtain registration, address of PPOB and nature of activity carried out therein, details of APOB, details of bank account(s), details of authorized signatory, aadhaar authentication, etc.

On receipt of such application, an acknowledgement in the prescribed form shall be issued to the applicant electronically. A **Casual Taxable Person (CTP)** applying for registration gets a TRN for making an advance deposit of tax in his electronic cash ledger and an acknowledgement is issued only after said deposit.*

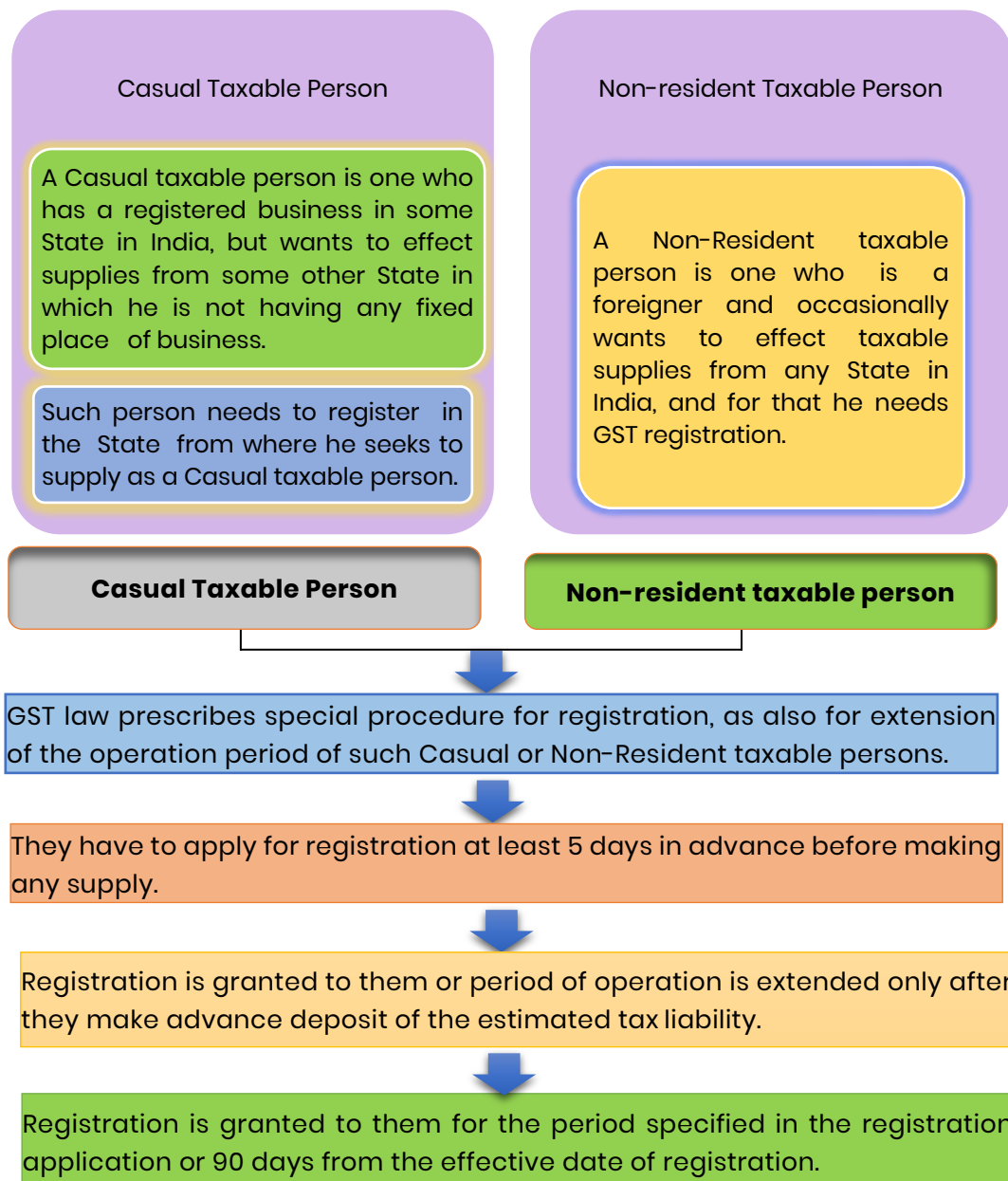
Application shall be forwarded to the Proper Officer.

The procedure after receipt of application by the Proper Officer is depicted in Part II.



****Clarification** includes modification/correction of particulars declared in the application for registration other than PAN, State Mobile No. & E-mail address.

Special procedure for registration of CTP and N RTP



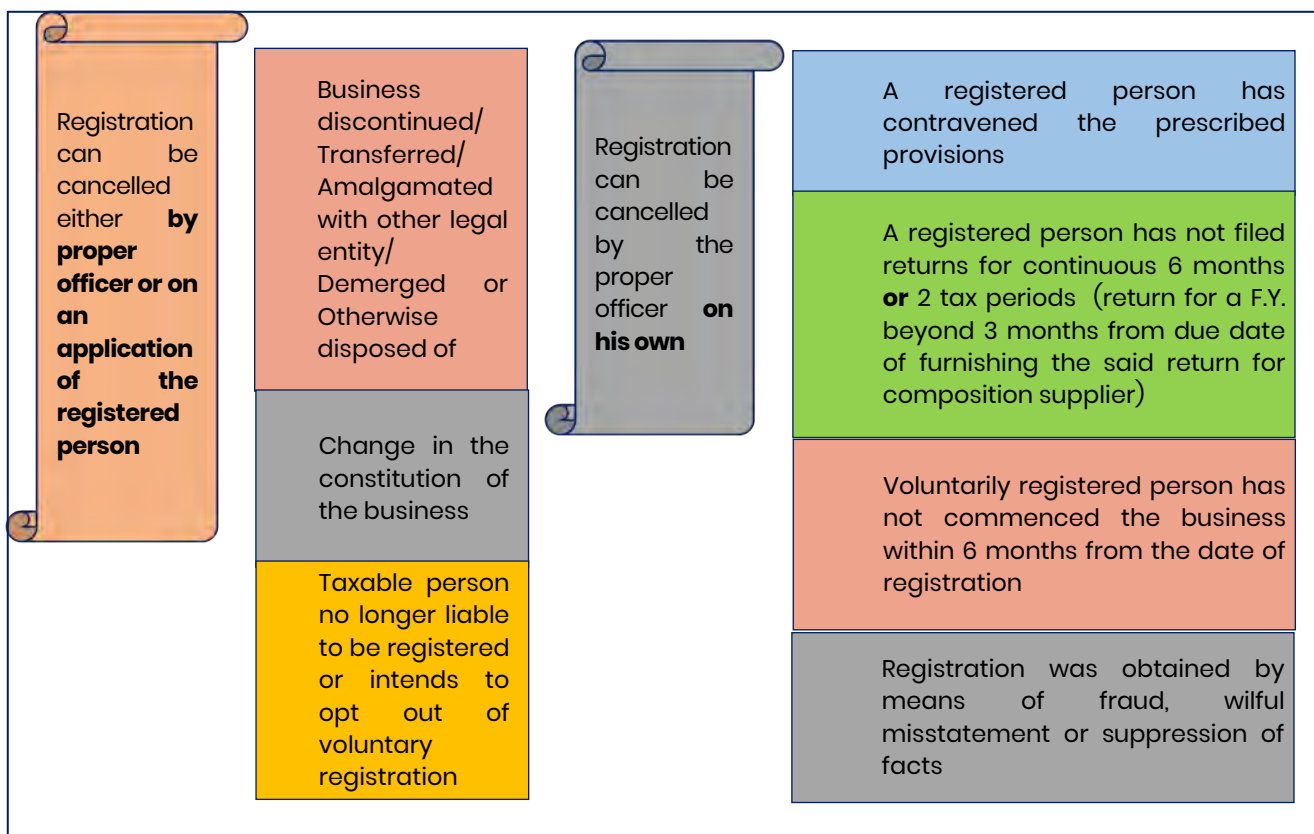
Amendment of Registration

Except for the changes in some core information in the registration application, a taxable person shall be able to make amendments without requiring any specific approval from the tax authority.

In case the change is core fields of information, the taxable person will apply for amendment within 15 days of the event necessitating the change. The Proper Officer, then, will approve the amendment within the next 15 days.

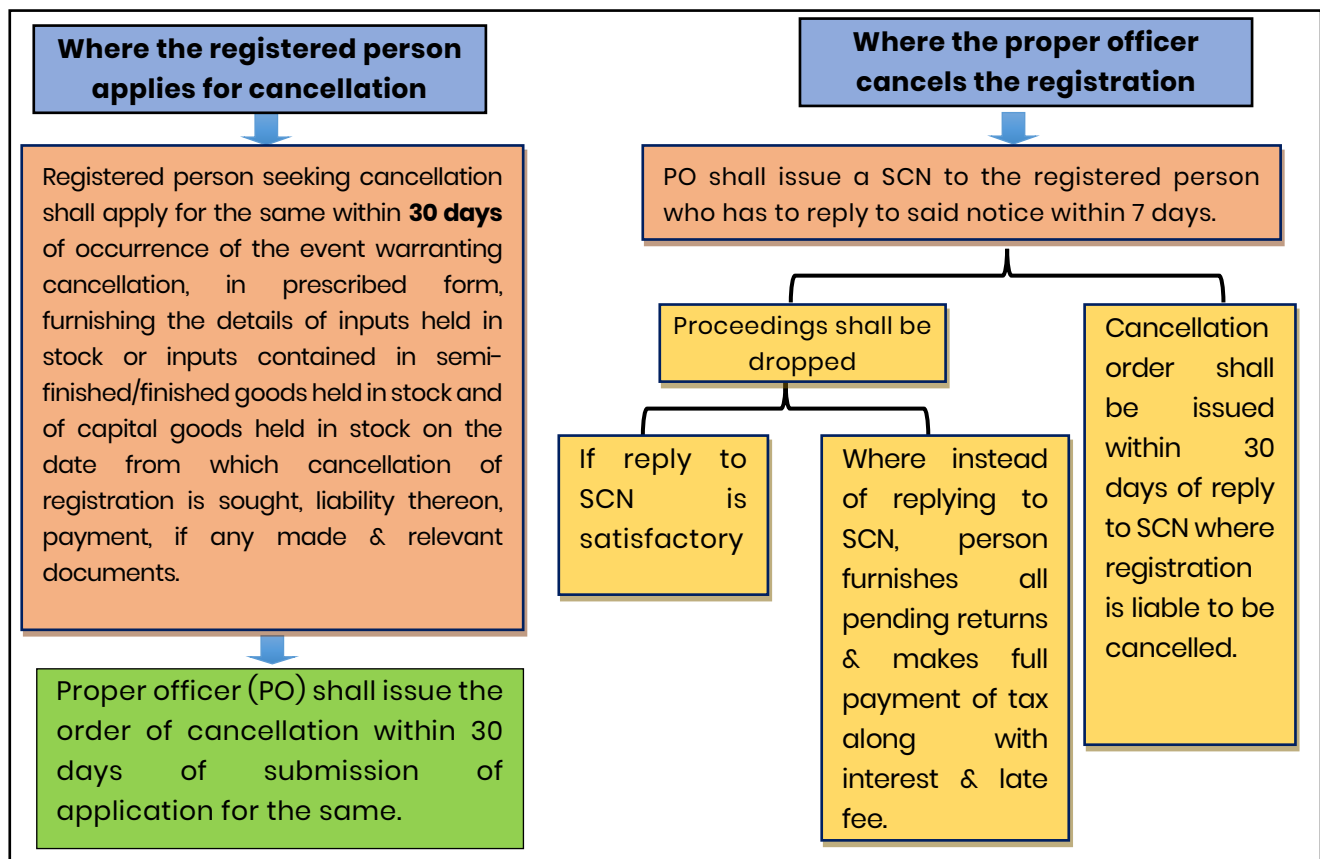
For changes in non-core fields, no approval of the Proper Officer is required, and the amendment can be affected by the taxable person on his own on the common portal.

Cancellation or suspension of registration and revocation of cancellation of registration



Once a registered person has applied for cancellation of registration or the proper officer seeks to cancel his registration, proper officer may suspend his registration during pendency of proceedings relating to cancellation of registration filed by such registered person.

Procedure for cancellation



Revocation of cancellation

In case where registration is cancelled *suo-motu* by the proper officer, the taxable person can apply within 90 days (extendible by 180 days by Commissioner or officer authorised not below the rank of Additional/Joint Commissioner) of service of cancellation order, requesting the officer for revoking the cancellation ordered by him.

However, before so applying, the person has to make good the defaults (by filing all pending returns, making payment of all dues and so) for which the registration was cancelled by the officer.

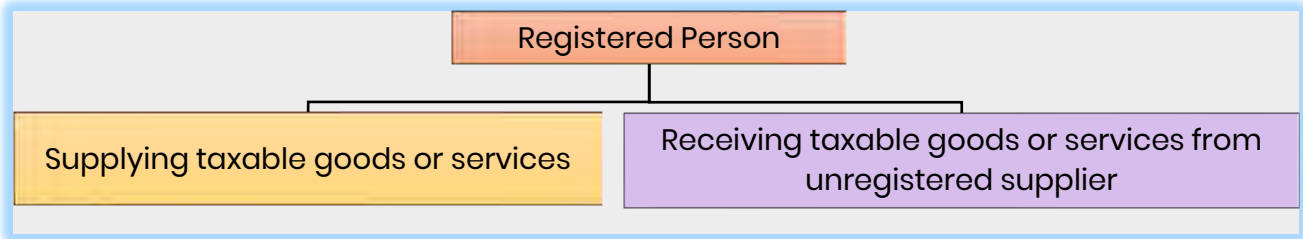
If satisfied, the proper officer will revoke the cancellation earlier ordered by him.

However, if the officer concludes to reject the request for revocation of cancellation, he will first observe the principle of natural justice by way of issuing notice to the person and hearing him on the issue.

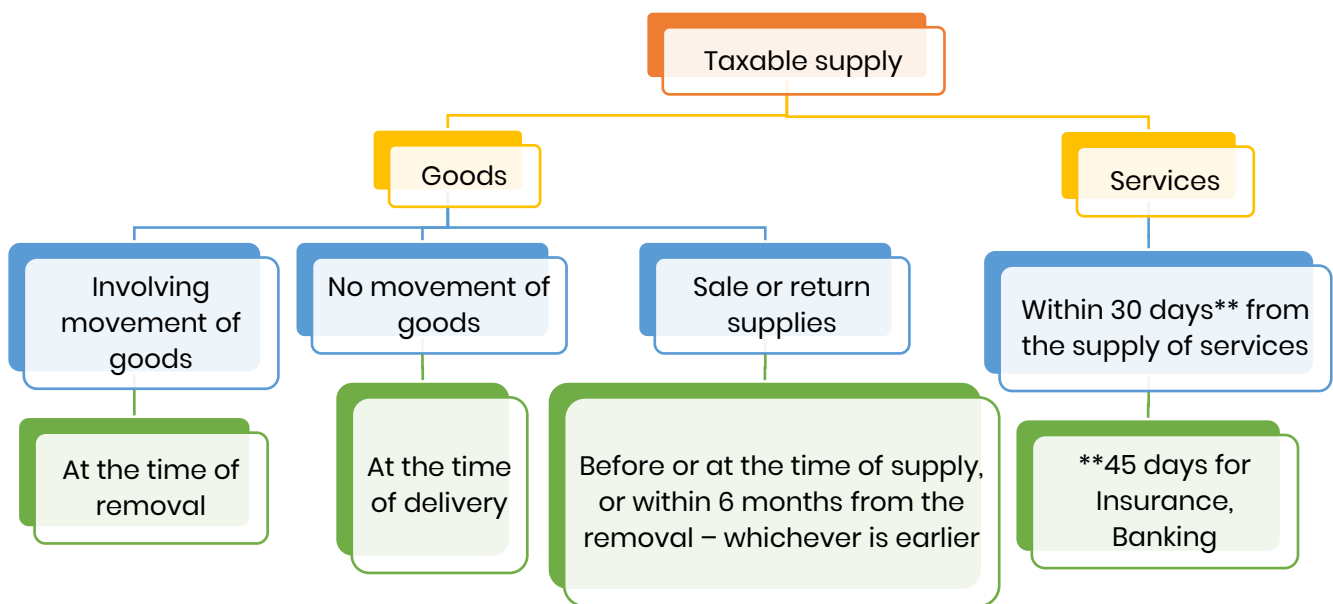
However, there shall be deemed revocation of cancellation upon furnishing of pending GST returns subject to the condition that the registration has not been cancelled by the proper officer under rule 22 of the CGST Rules, 2017.

TAX INVOICE, CREDIT AND DEBIT NOTES

Who can raise a tax invoice?



Time limit for issuance of invoice



In case of continuous supply of goods

• before/at the time each successive statements of accounts is issued or each successive payment is received

In case of continuous supply of services

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 payment
payment is linked to the completion of an event	on/before the date of completion of that event

Important contents of tax invoice

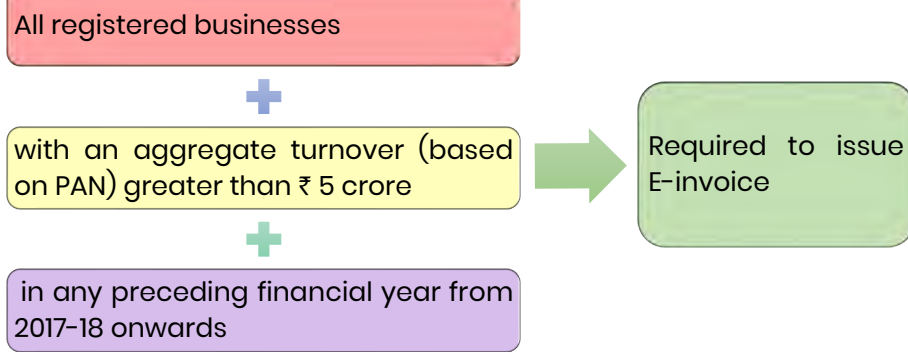
Name, address & GSTIN of supplier
Consecutive Serial Number & date of issue
Name, address & GSTIN of registered recipient
Name & address of unregistered recipient alongwith delivery address, name & State code, where value of taxable supply \geq ₹ 50,000
Where value of taxable supply $<$ ₹ 50,000, Name & address of unregistered recipient alongwith delivery address, name & State code, only when recipient requests for it
HSN
Description of goods or services
Quantity in case of goods
Total Value of supply
Taxable Value of supply
Tax rate – Central tax & State tax or Integrated tax, cess
Amount of tax charged
Place of supply
Address of delivery where different than place of supply
Tax payable on reverse charge basis
Signature of supplier or authorised signatory - not req. if e-invoice issued as per IT Act, 2000
QR code having embedded IRN in it - in case if e-invoice issued

Manner of issuing the invoice

Supply of Goods	Supply of services
Triplicate	Duplicate
Original copy for recipient Duplicate copy for transporter; and Triplicate copy for supplier	Original copy for recipient; and Duplicate copy for supplier
The serial number of invoices issued during a month / quarter shall be furnished electronically in FORM GSTR-1.	

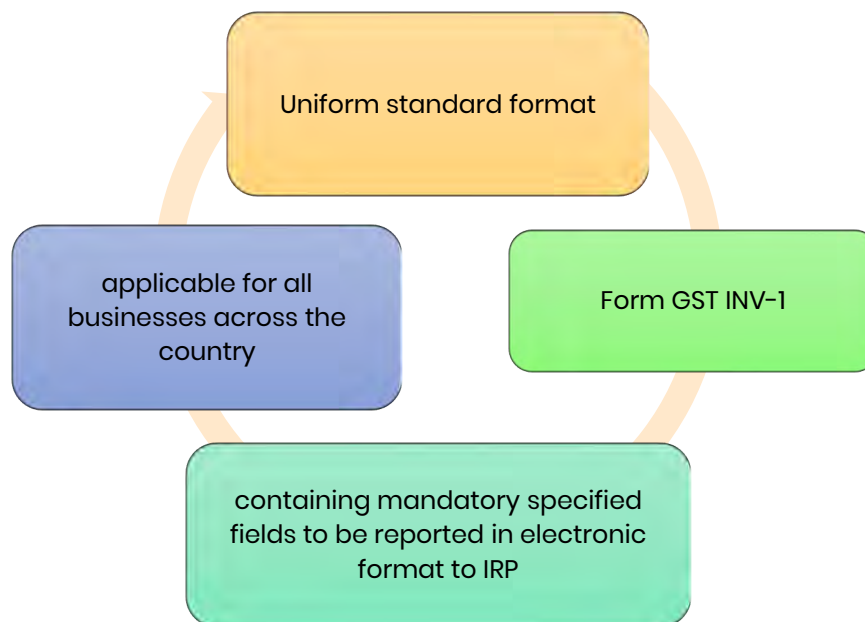
E-invoicing

A. Class of persons mandatorily required to issue e-invoice [hereinafter referred to as notified persons]

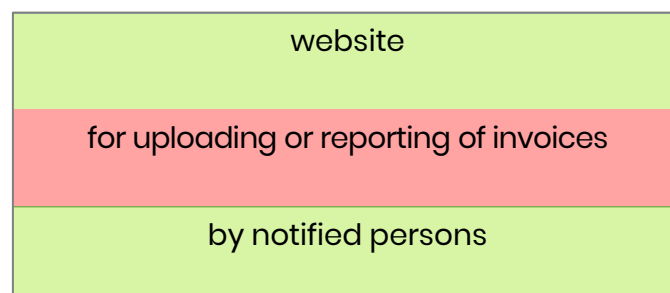


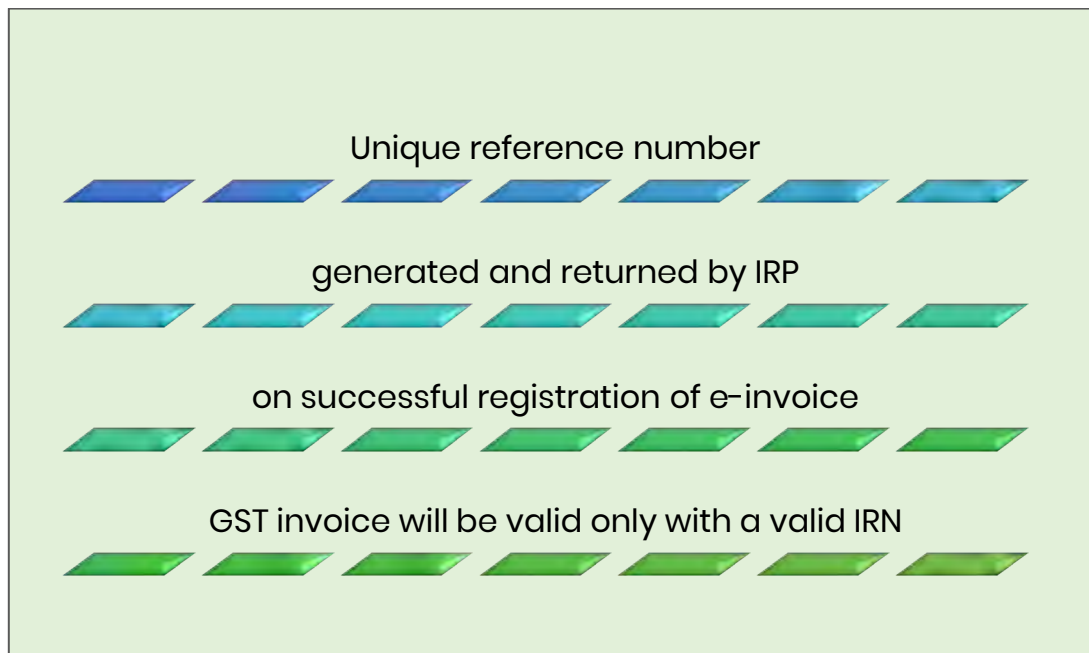
B. Important terms

E-invoice schema



Invoice Registration Portal [IRP]

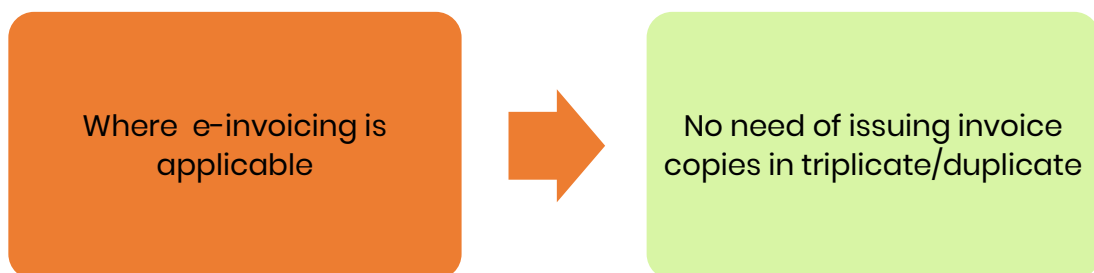


Invoice Reference Number [IRN]**C. Advantages of e-invoicing**

Auto-reporting of invoices into GST return	
Auto-generation of e-way bill	
Substantial reduction in transcription errors	
Early payment	
Cost reduction	
Improved efficiency of business	
Reduction of tax evasion	
Elimination of fake invoices	

D. Situations in which e-invoicing is applicable

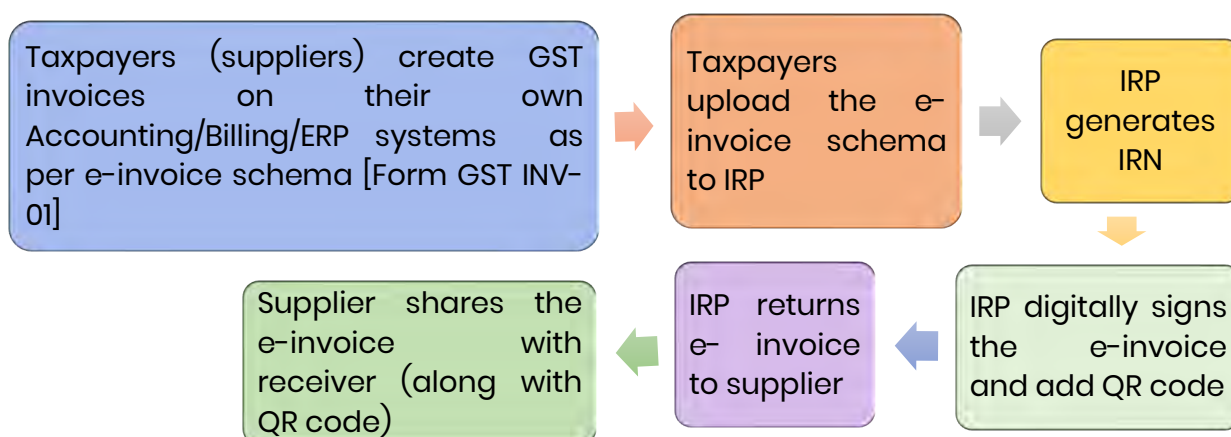
Supply of goods and/or services to a registered person by notified person [B2B supplies]	•Applicable
Exports by notified persons	•Applicable
B2C supplies by notified persons	•Not applicable
Invoices issued by Input Service Distributor	•Not applicable
Supplies made by notified person, tax on which is payable under reverse charge under section 9(3)	•Applicable
Where specified category of supplies are received by notified persons from unregistered persons [attracting reverse charge under section 9(4)] or through import of services	•Not applicable
Import of goods (Bills of Entry)	•Not applicable

E. No requirement of issuing invoice copies in triplicate/duplicate

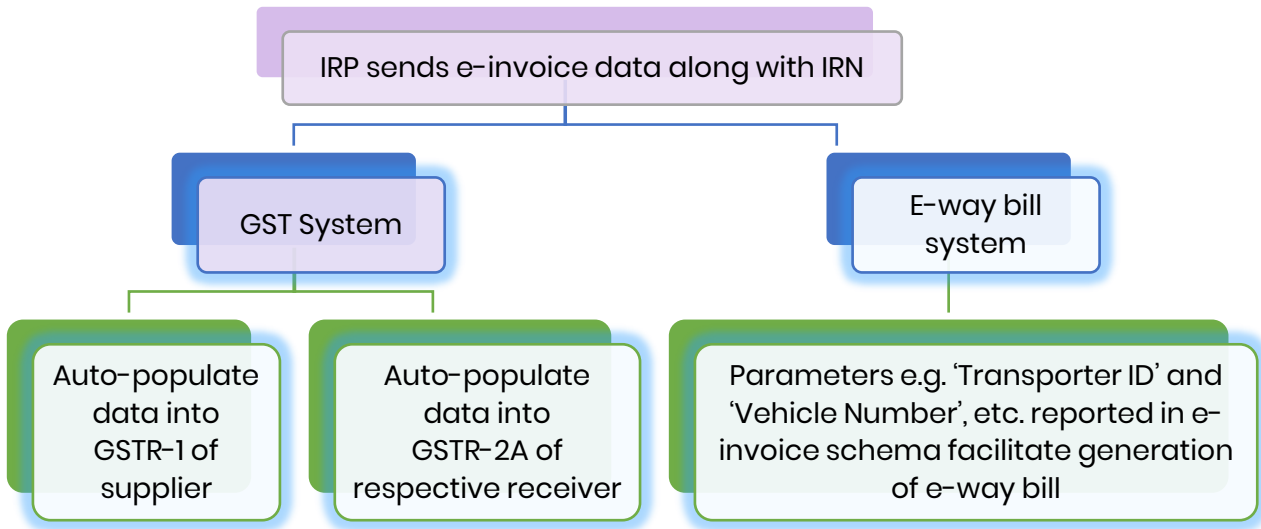
F. Exemption from e-invoicing

Special Economic Zone units
Insurer/banking company/financial institution including NBFC
GTA supplying services in relation to transportation of goods by road in a goods carriage
Supplier of passenger transportation service
Person supplying services by way of admission to exhibition of cinematograph films in multiplex screens
Government Department and local authority

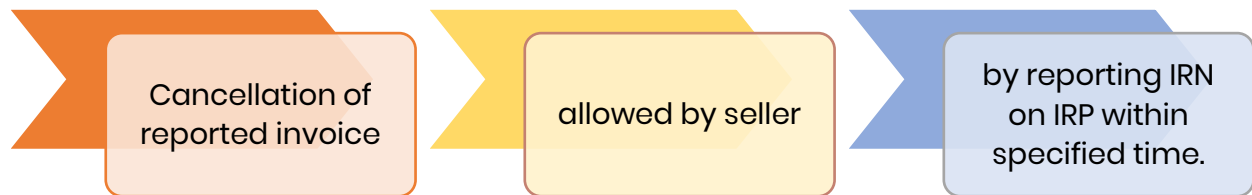
G. Overall work flow of e-invoice



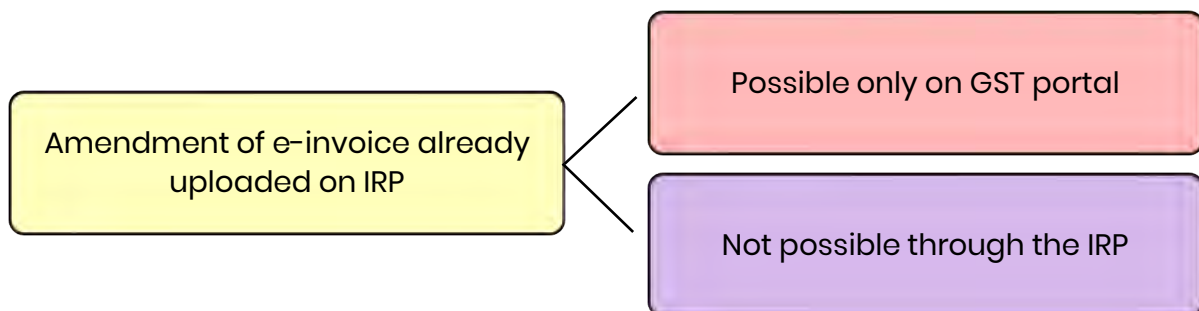
H. Generation of e-way bill/populating relevant parts of GST return through e-invoicing data



I. Cancellation of reported invoice



J. Amendment of reported invoice



Revised Tax Invoice

Revised Tax Invoices to be issued in respect of taxable supplies effected during this period

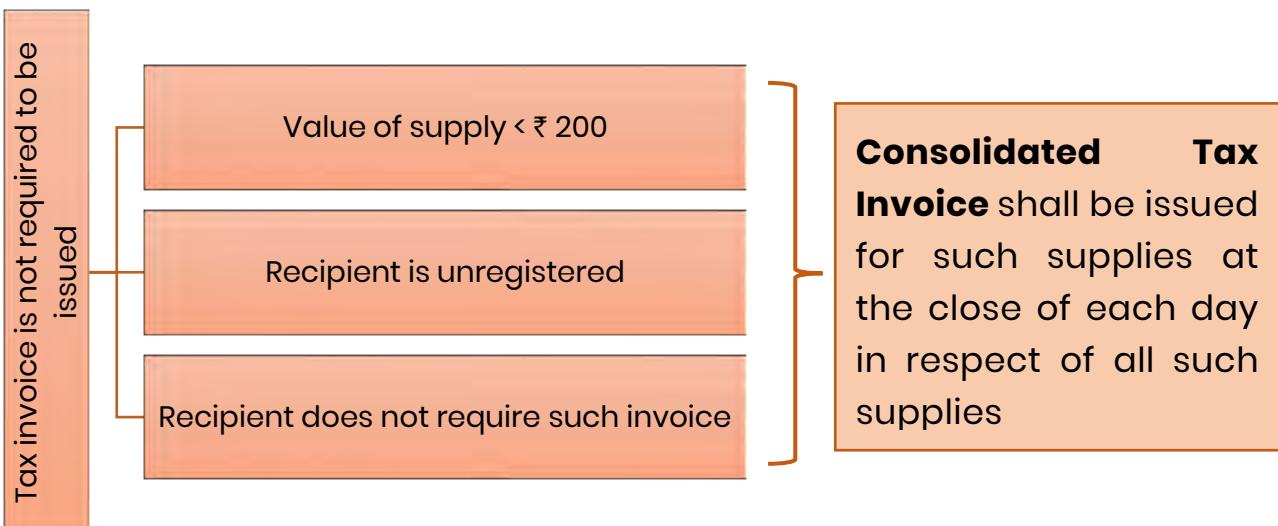
Effective date of registration

Date of issuance of certificate of registration

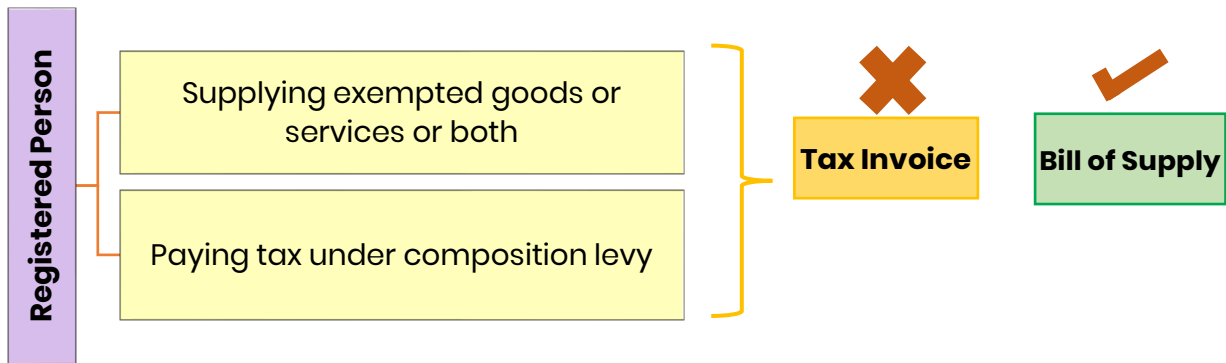
Consolidated Revised Tax Invoice (CRTI) may be issued in respect of taxable supplies made to an **unregistered recipient** during this period

In case of Inter-State supplies, where the value of a supply does not exceed ₹ 2,50,000, a **CRTI** may be issued separately in respect of all unregistered recipients located in a State.

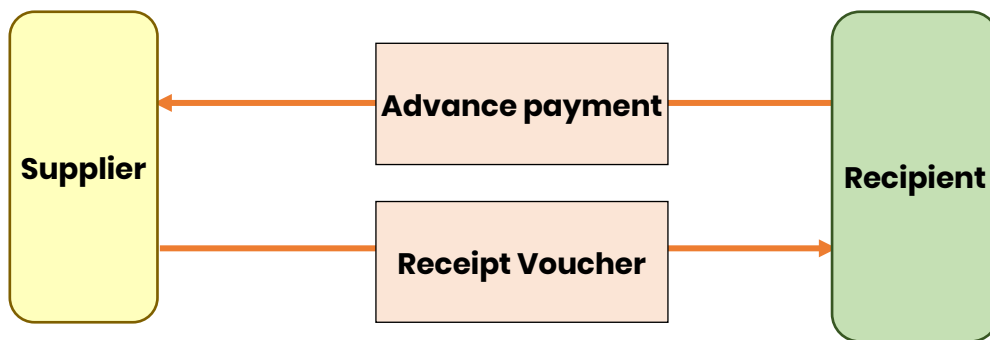
Consolidated Tax Invoice



Bill of Supply



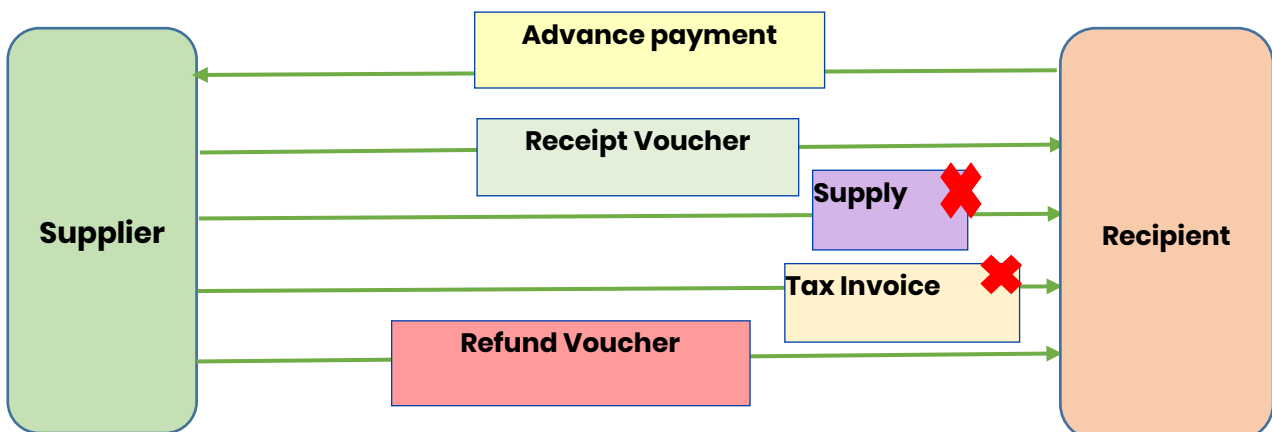
Receipt Voucher



Where at the time of receipt of advance, rate of tax/ nature of supply is not determinable

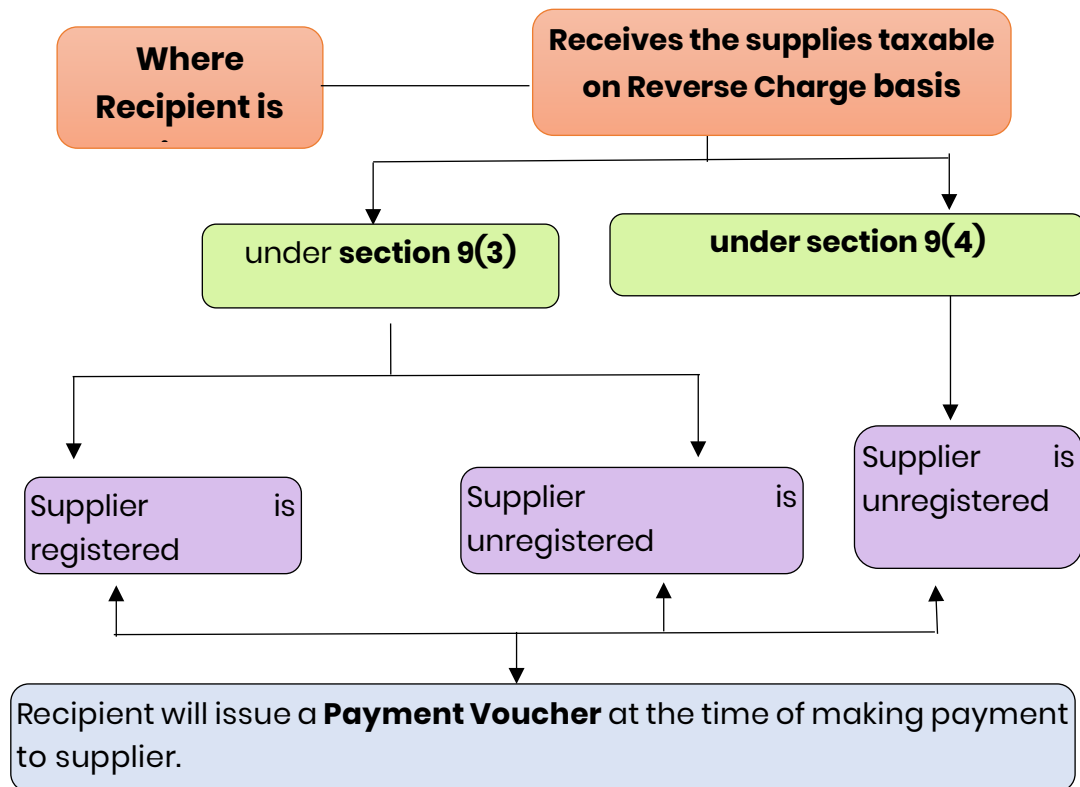
Where at the time of receipt of advance	
(i) rate of tax is not determinable	tax shall be paid at the rate of 18%
(ii) nature of supply is not determinable	same shall be treated as inter-State supply

Refund Voucher

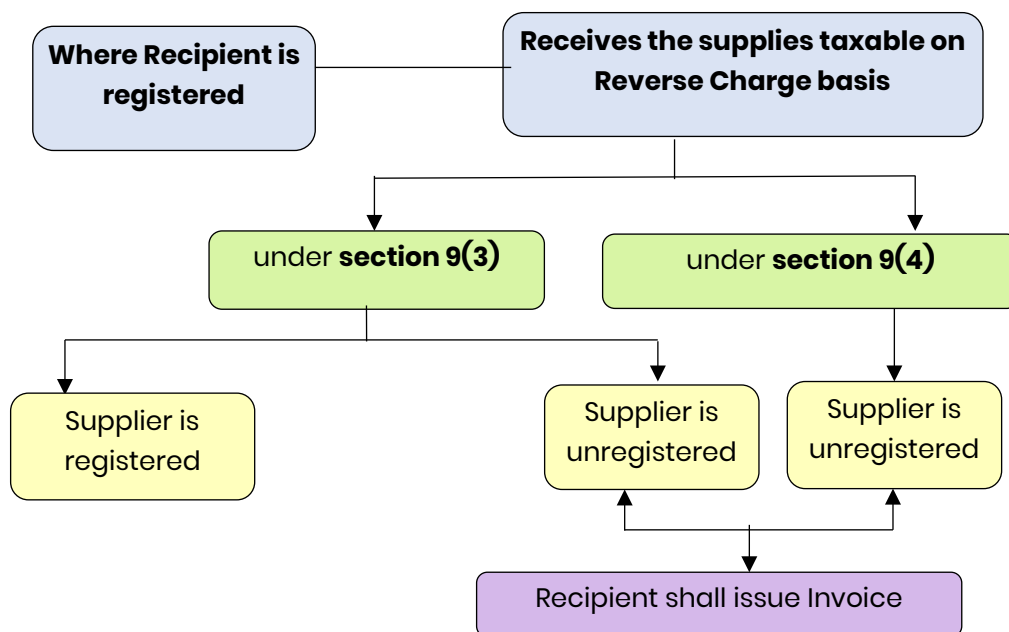


Invoice and Payment Vouchers to be issued by recipient of supply liable to pay tax under reverse charge

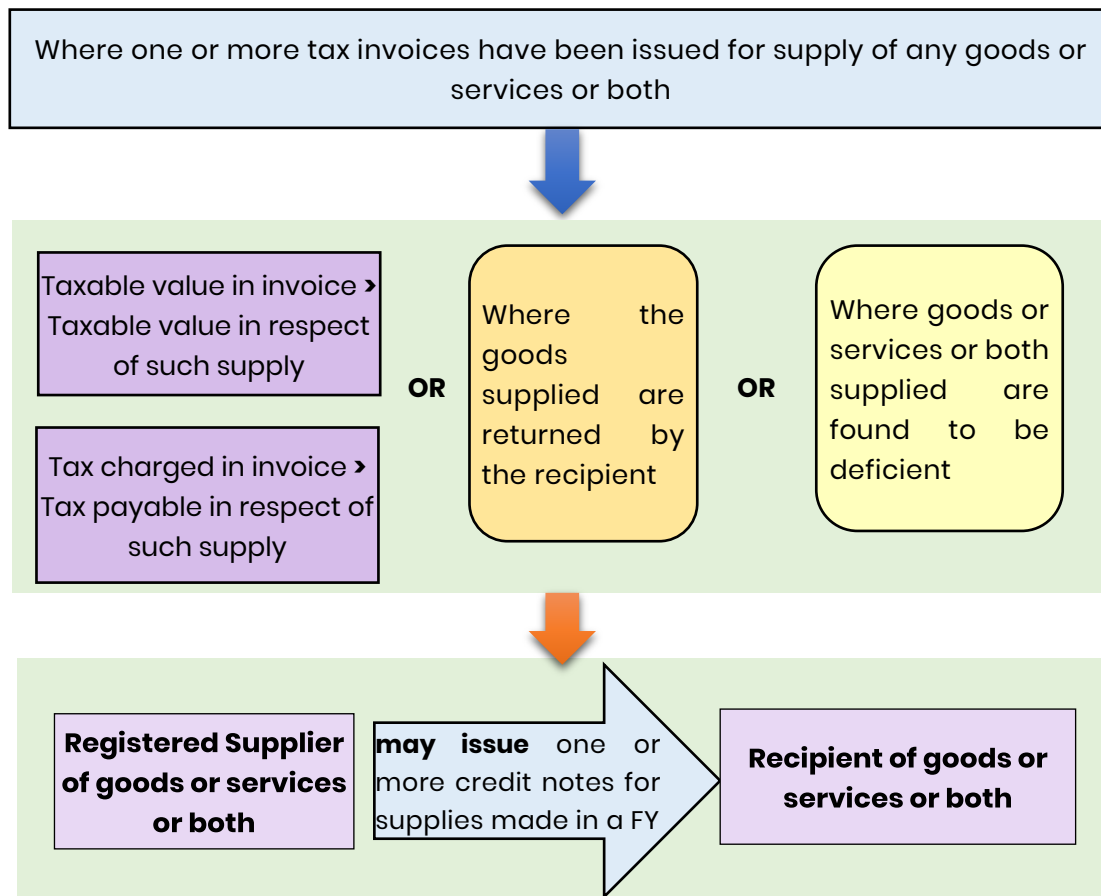
Payment Voucher



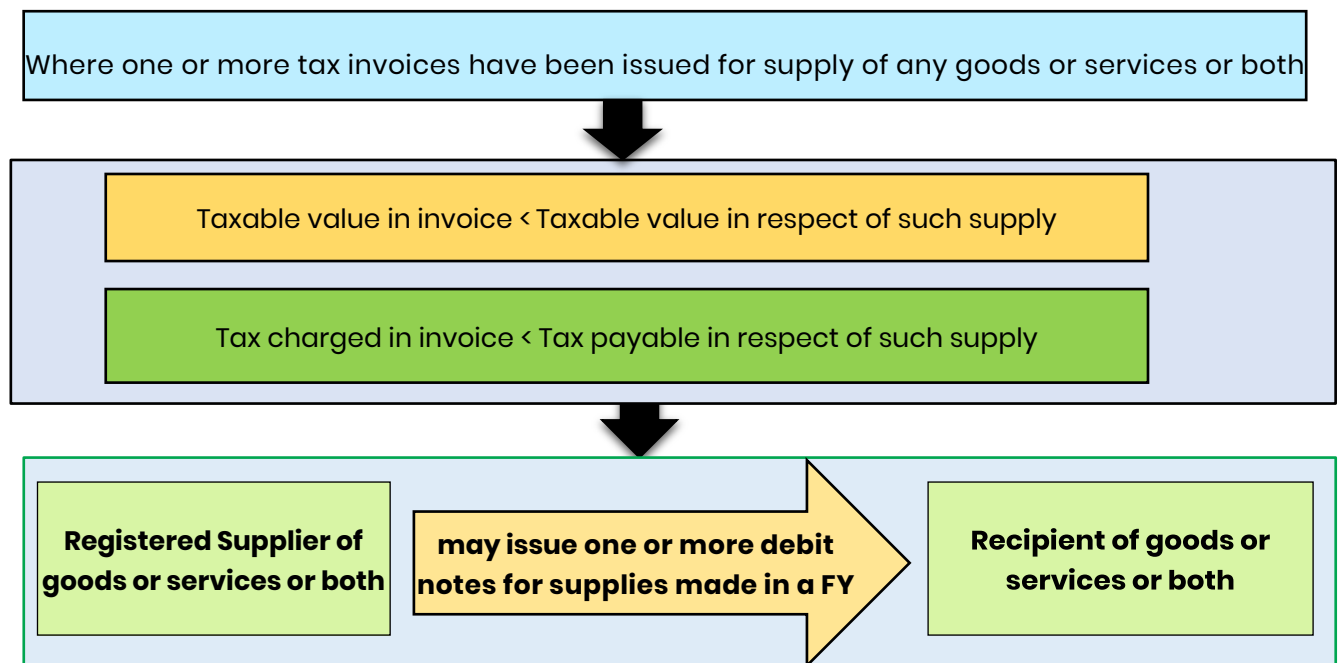
Invoice



Credit Notes

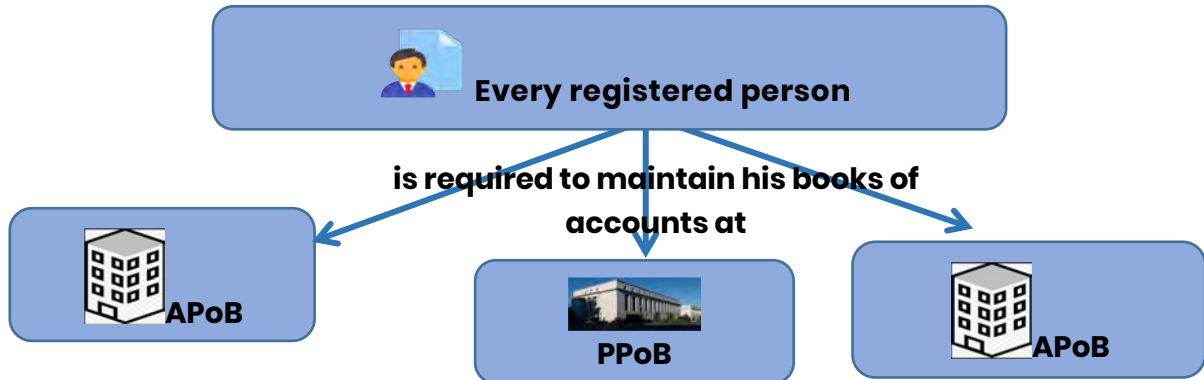


Debit Notes

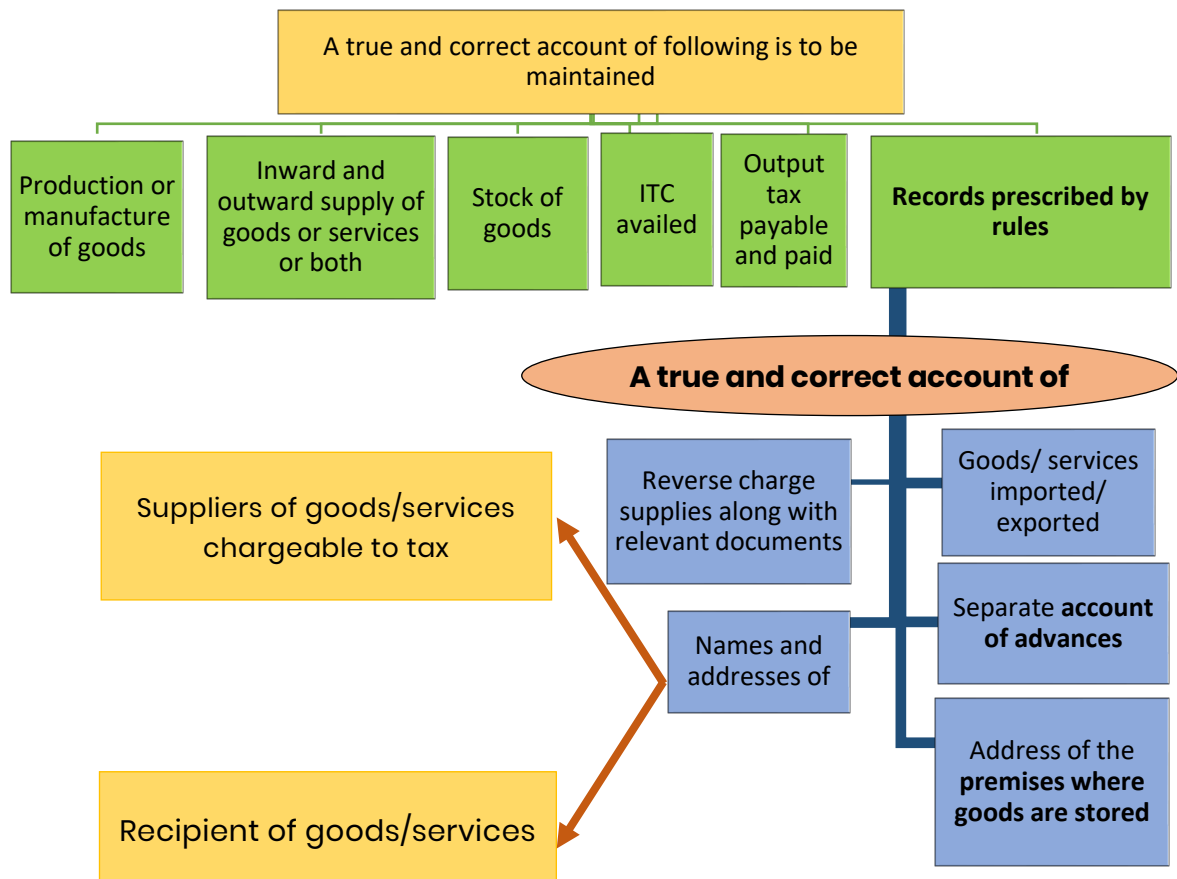


ACCOUNTS AND RECORDS

Who is required to maintain his books of accounts and at which place?



Accounts and records required to be maintained



Accounts and records required to be maintained

Records which are to be maintained only by a supplier other than a supplier opting for composition levy

Account of stock of goods received and supplied including opening balance, receipt, supply, goods lost/stolen, destroyed, written off, gifted, free samples, stock balance.

Account of details of tax payable, collected and paid, ITC claimed, together with register of tax invoice, credit-debit notes, delivery challan issued/received during any tax period

Records to be maintained by agent

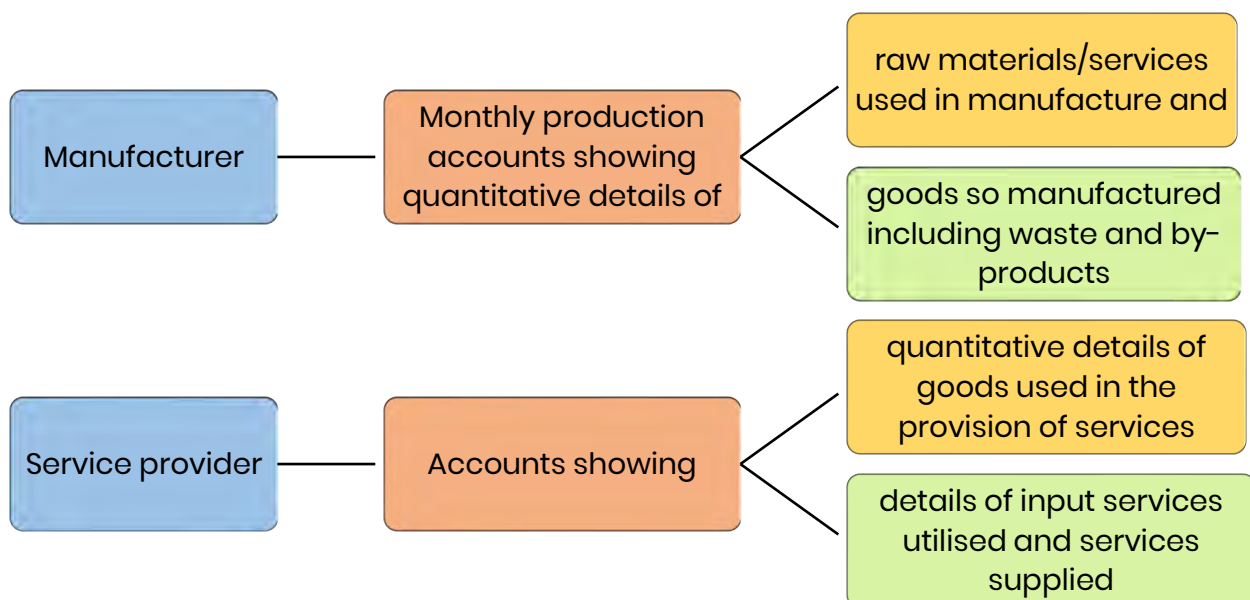
Authorisation received from each principal to receive/supply goods/services on his behalf;

Particulars of goods/services received/supplied on behalf of every principal

Details of accounts furnished to every principal

Tax paid on receipts/supply of goods/services effected on behalf of every principal

Records to be additionally maintained by a manufacturer and service provider

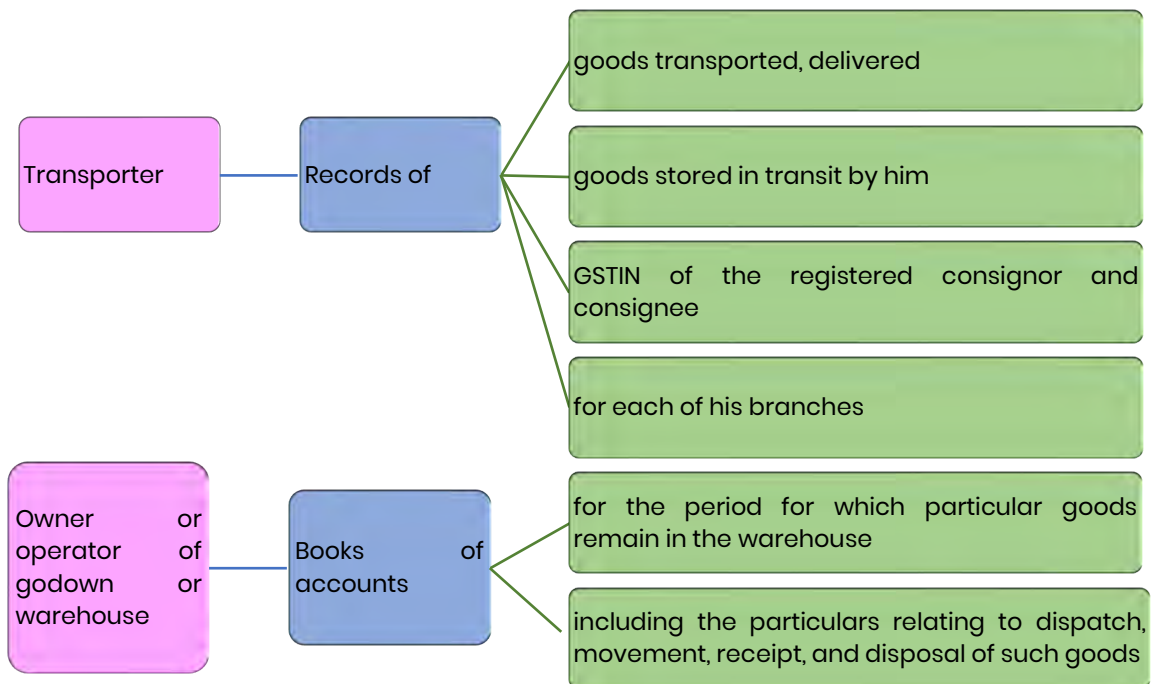


Records to be maintained by owner or operator of godown or warehouse and transporters

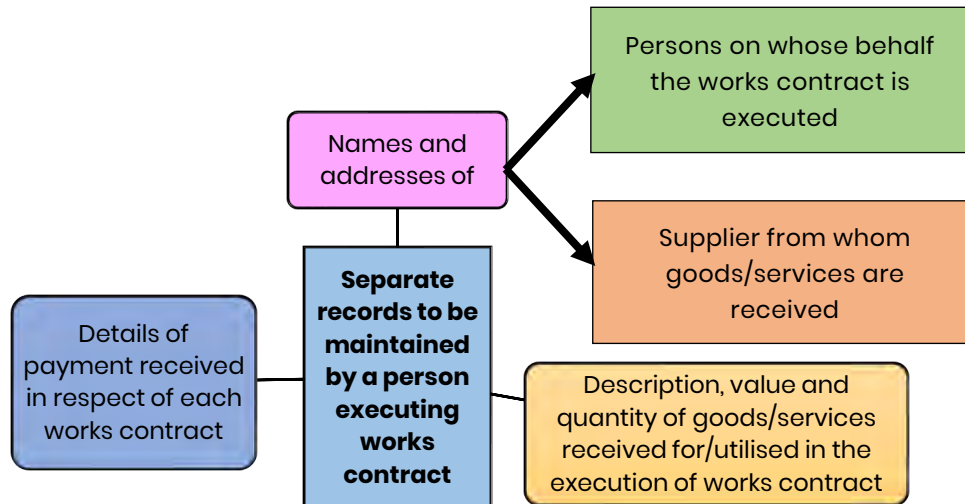
Records to be maintained by owner or operator of godown or warehouse and transporters

whether registered or not

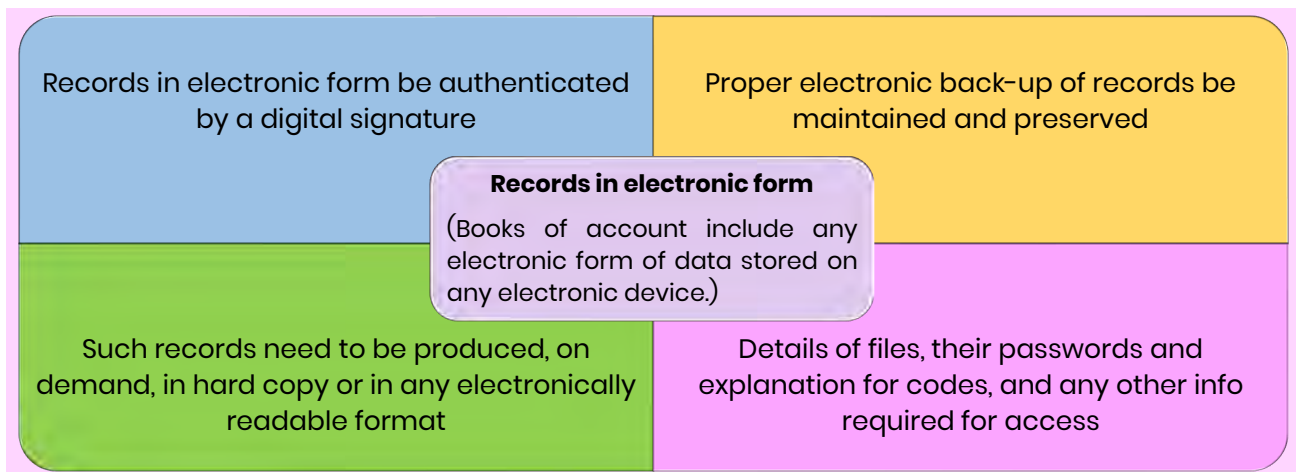
records of the consigner, consignee and other relevant details of the goods in such manner as may be prescribed



Separate records for works contract to be maintained by a person executing works contract



How the accounts and records will be maintained?



No entry to be erased/overwritten

Incorrect entries, other than those of clerical nature, be scored out under attestation and there after correct entry be recorded.

In case electronic records beng maintained, a log of every entry edited or deleted shall be maintained.

Books of account maintained manually be serially numbered

Books of accounts, are required to be produced, on demand.

Failure to maintain the accounts

Failure to maintain the accounts

- PO shall determine the tax payable on the unaccounted goods and/or services, as if the same had been supplied by such person
- Provisions of section 73/74 shall, *mutatis mutandis*, apply for determination of such tax

Period of retention of accounts

72 months from the due date of furnishing of annual return for the year pertaining to such accounts and records

Where an appeal/ revision/ any other proceedings before any Appellate/ Revisional Authority or Appellate Tribunal or Court, or an investigation is going on



1 year after final disposal of such appeal/revision/proceedings/investigation

or

72 months from the due date of furnishing of annual return for the year pertaining to such accounts and records
whichever is later



E-WAY BILL

E-Way Bill

Meaning of e-way bill and why is it required?	<p>E-way bill is an electronic document generated on the GST portal evidencing movement of goods.</p> <p>Section 68 mandates that the Government may require the person in charge of a conveyance carrying any consignment of goods of value exceeding such amount as may be specified to carry with him such documents and such devices as may be prescribed. Rule 138 prescribes e-way bill as the document to be carried for the consignment of goods in certain prescribed cases.</p>	
When is required to be generated?	<p>E-way Bill is mandatory in case of movement of goods of consignment value exceeding ₹ 50,000.</p> <p>Movement should be:</p> <ul style="list-style-type: none"> (i) in relation to a supply; or (ii) for reasons other than supply; or (iii) due to inward supply from an unregistered person, <p>Registered person causing movement of goods shall furnish the information relating to the said goods in Part A of Form GST EWB-01 before commencement of such movement.</p>	
	<p>Exceptions to minimum consignment value of ₹ 50,000</p> <p><input type="checkbox"/> Inter-State transfer of handicraft goods by a person exempted from obtaining registration</p>	
Who causes movement of goods?	<p>If supplier is registered and undertakes to transport the goods, movement of goods is caused by the supplier. If recipient arranges transport, movement would be caused by him.</p> <p>If goods are supplied by an unregistered supplier to a registered recipient (known at time of commencement of movement of goods), movement shall be caused by such recipient.</p>	
Information to be furnished in e-way bill	<p>Part A: to be furnished by the registered person** who is causing movement of goods.</p>	<p>Part B: to be furnished by the person who is transporting the goods.</p>
	<p>**However, information in Part-A may be furnished:</p> <ul style="list-style-type: none"> <input type="checkbox"/> by the transporter if authorised or <input type="checkbox"/> by the e-commerce operator/courier agency, if authorised, where the goods are supplied through them. 	

Who can generate the e-way bill?	E-way bill is to be generated by the registered consignor or consignee (if the transportation is being done in own/hired conveyance or by railways by air or by vessel) or the transporter (if the goods are handed over to a transporter for transportation by road). Where neither the consignor nor consignee generates the e-way bill and the value of goods is more than ₹ 50,000 it shall be the responsibility of the transporter to generate it.		
Other points	<input type="checkbox"/> Goods transported by railways shall be delivered only on production of e-way bill. <input type="checkbox"/> E-way bill can be optionally generated even if consignment value is less than ₹ 50,000.		
Details of conveyance may not be furnished in Part-B	In case of intra-State movement of goods upto 50 km distance: <ul style="list-style-type: none"> ❖ from place of business (PoB) of consignor to PoB of transporter for further transportation or ❖ from PoB of transporter finally to PoB of the consignee. 		
Transfer of goods to another conveyance	In such cases, the transporter or generator of the e-way bill shall update the new vehicle number in Part B of the EWB before such transfer and further movement of goods.		
Consolidated E-way Bill in case of road transport	After e-way bill has been generated, where multiple consignments are intended to be transported in one conveyance, the transporter may indicate the serial number of e-way bills generated in respect of each such consignment electronically on the common portal and a consolidated e-way bill in Form GST EWB-02 may be generated by him on the said common portal prior to the movement of goods. Where the consignor/consignee has not generated the e-way bill in Form GST EWB-01 and the aggregate of the consignment value of goods carried in the conveyance is more than ₹ 50,000, the transporter shall generate individual Form GST EWB-01 on the basis of invoice or bill of supply or delivery challan and may also generate a consolidated e-way bill in Form GST EWB-02 prior to the movement of goods.		
Cancellation of e-way bill	E-way bill can be cancelled if either goods are not transported or are not transported as per the details furnished in the e-way bill. The e-way bill can be cancelled within 24 hours from the time of generation.		
Validity period of e-way bill/ consolidated e-way bill	Sl. No.	Distance within country	Validity period from relevant date
	1.	Upto 200 km	One day in cases other than Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship

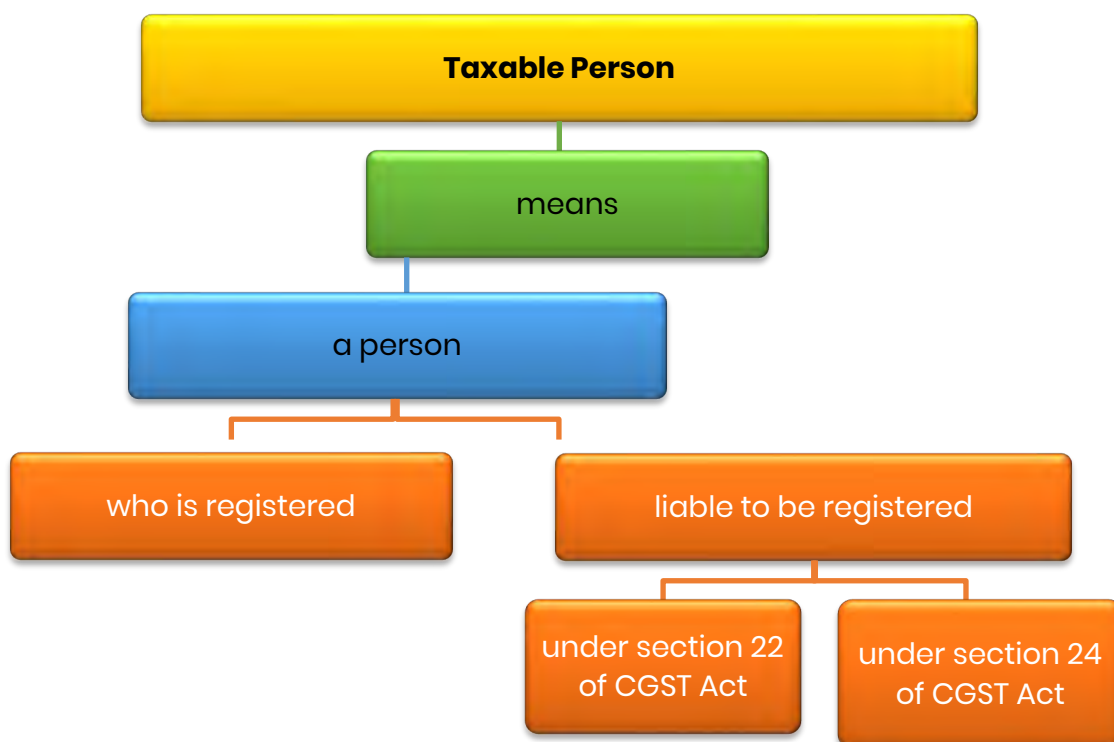
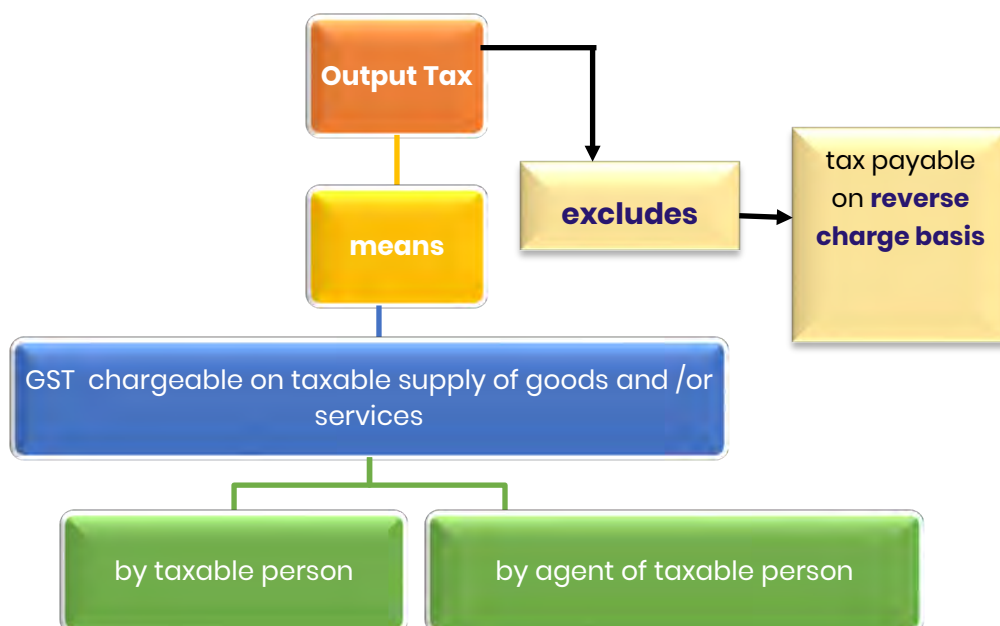
	2.	For every 200 km or part thereof thereafter	One additional day in cases other than Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship
	3.	Upto 20 km	One day in case of Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship
	4.	For every 20 km or part thereof thereafter	One additional day in case of Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship
Acceptance/ rejection of e-way bill	<p>The details of e-way bill generated shall be made available to the supplier (where information in Part A is furnished by recipient/transporter) or recipient (where information in Part A is furnished by supplier/transporter), if registered, on the common portal, who shall communicate his acceptance or rejection of the consignment covered by the e-way bill.</p> <p>In case, the supplier/ recipient does not communicate his acceptance or rejection within 72 hours of the details being made available to him on the common portal, or time of delivery of goods whichever is earlier, it shall be deemed that he has accepted the said details.</p>		
Is e-way bill required in all cases?	E-way bill is not required to be generated in certain specified cases.		
Documents/ devices to be carried by person-in-charge of a conveyance	<input type="checkbox"/> invoice or bill of supply or delivery challan <input type="checkbox"/> copy of the e-way bill in physical form or the e-way bill number in electronic form or mapped to a RFID embedded on to the conveyance except in case of movement of goods by rail or by air or vessel		
Verification of documents and conveyances	<p>Commissioner or an officer empowered by him in this behalf may authorise the proper officer to intercept any conveyance to verify the e-way bill or the e-way bill number in physical form or electronic form for all inter-State and intra-State movement of goods.</p> <p>Physical verification of a specific conveyance can also be carried out by any officer, on receipt of specific information on evasion of tax, after obtaining necessary approval of the Commissioner or an officer authorised by him in this behalf.</p>		
Inspection and verification of goods	A summary report of every inspection of goods in transit shall be recorded online on the common portal by the proper officer within 24 hours of		

	<p>inspection and the final report shall be recorded within 3 days of such inspection.</p> <p>Once physical verification of goods being transported on any conveyance has been done during transit at one place within the State or in any other State, no further physical verification of the said conveyance shall be carried out again in the State, unless a specific information relating to evasion of tax is made available subsequently. Where a vehicle has been intercepted and detained for a period exceeding 30 minutes, the transporter may upload the said information on the common portal.</p>
Restriction on furnishing of information in Part A of Form GST EWB-01	<p>No person (including a consignor, consignee, transporter, an e-commerce operator or a courier agency) shall be allowed to furnish the information in Part A of Form GST EWB-01, in respect of any outward movement of goods of a registered person, who –</p> <ul style="list-style-type: none"> (i) being a composition supplier has not furnished the statement for payment of self-assessed tax for 2 consecutive quarters, or (ii) being a person paying tax under regular scheme has not furnished the returns for a consecutive period of 2 tax periods, or (iii) being a person paying tax under regular scheme has not furnished GSTR-1 for any 2 months or quarters, as the case may be, or (iv) being a person whose registration has been suspended. <p>However, Commissioner (jurisdictional commissioner) may, on sufficient cause being shown and for reasons to be recorded in writing, allow furnishing of the said information in Part A of Form GST EWB-01, subject to prescribed conditions and restrictions.</p>

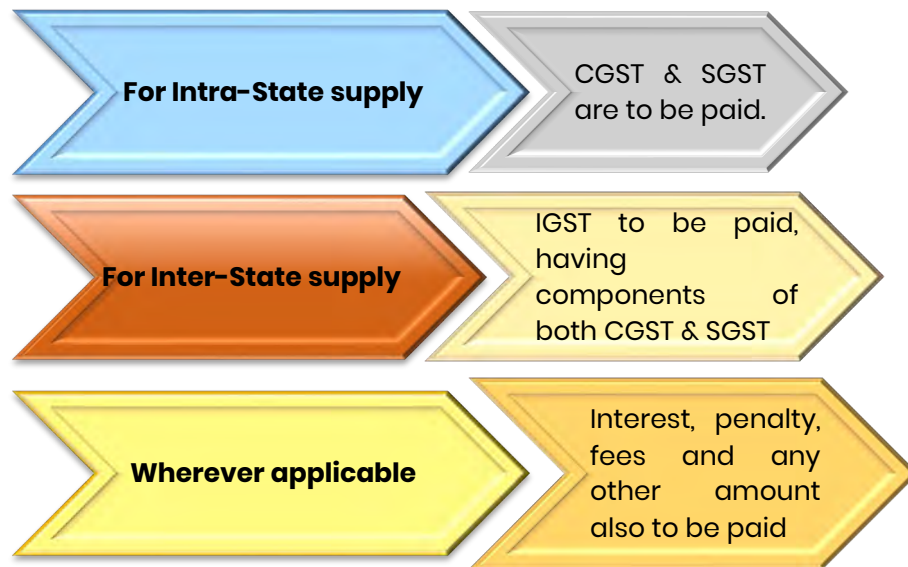


PAYMENT OF TAX

Definitions of Certain Key Terms



Payments to be made in GST regime



Key Features of Payment process

Electronically generated challan from GSTN common portal in all modes of payment and no use of manually prepared challan;

Facilitation for the tax payer by providing hassle free, anytime, anywhere mode of payment of tax;

Convenience of making payment online;

Logical tax collection data in electronic format;

Faster remittance of tax revenue to the Government Account;

Paperless transactions;

Speedy Accounting and reporting;

Electronic reconciliation of all receipts;

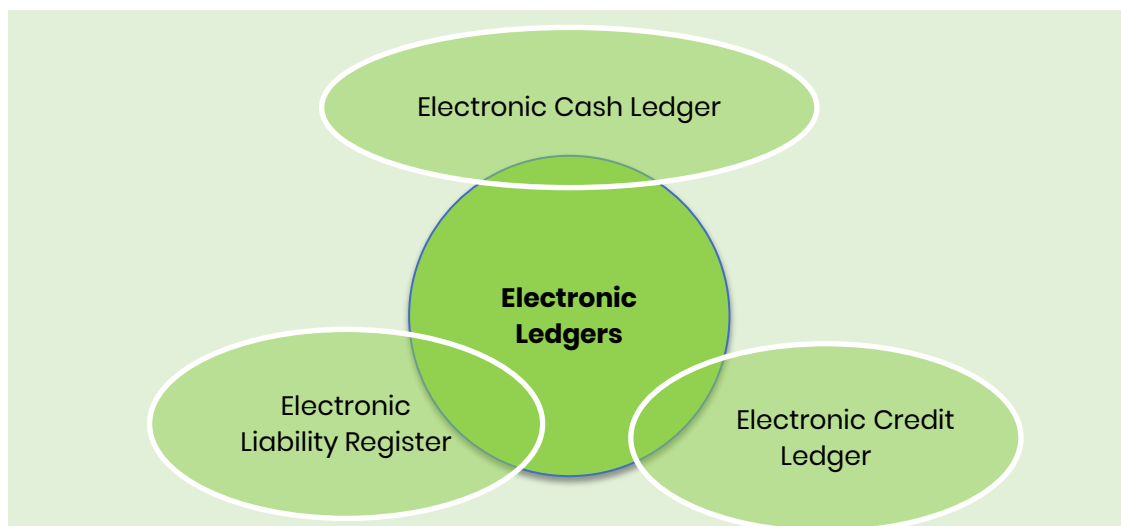
Simplified procedure for banks;

Warehousing of Digital Challan.

What are E-Ledgers/Registers?

Electronic ledgers or E-Ledgers are statements of cash and input tax credit in respect of each registered taxpayer. In addition, each taxpayer shall also have an electronic liability register.

Types of Electronic ledgers/Registers

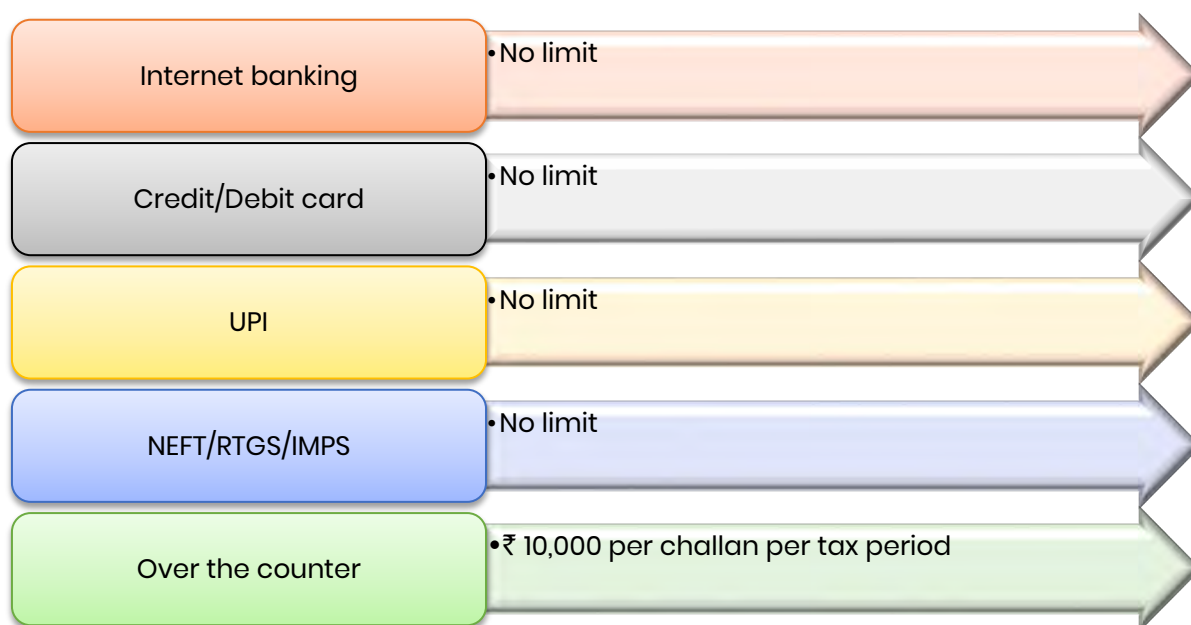


A. Electronic Cash Ledger

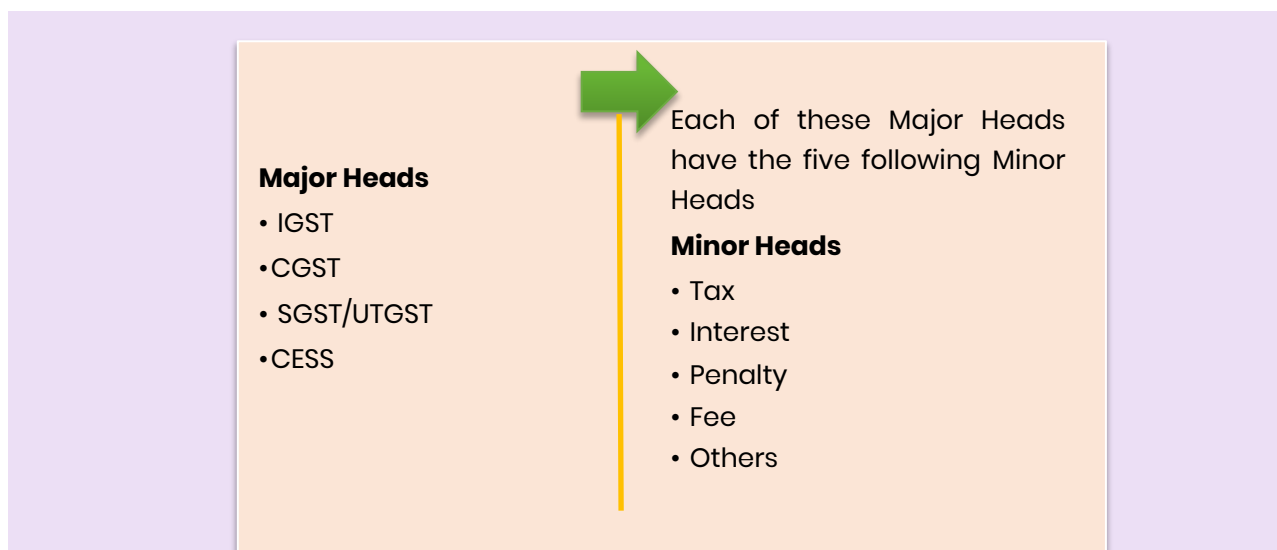
Electronic Cash Ledger is an account where records of deposits or receipts and its utilization towards liabilities are maintained.



Modes of deposit in Electronic Cash Ledger



Major and minor Heads of payment



Date of deposit of tax dues

Which date is considered as date of deposit of the tax dues?		
(i)	Date of presentation of cheque	×
(ii)	Date of payment	×
(iii)	Date of credit of amount in the account of government by Debit of Electronic Cash Ledger/Electronic credit ledger	✓

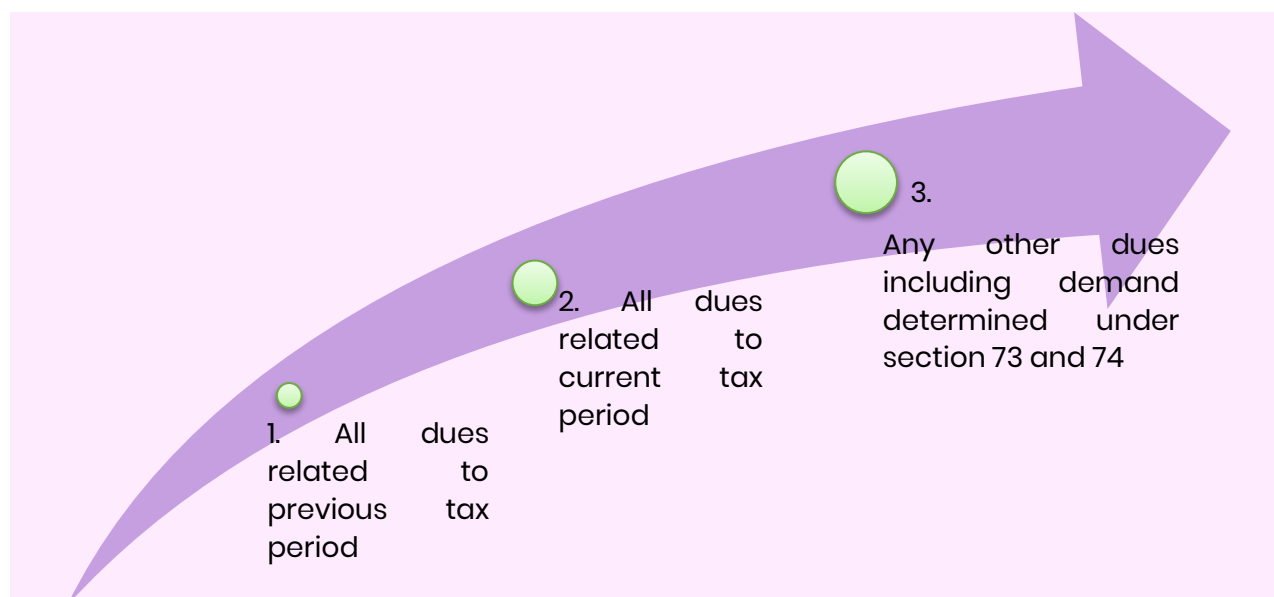
B. Electronic credit ledger**Order of utilisation of input tax credit available in electronic credit ledger**

ITC	Order of utilisation	
	(1)	(2)
IGST	IGST	CGST/SGST/UTGST- <u>any order</u>
ITC of IGST to be completely exhausted first, mandatorily		
CGST	CGST	IGST
ITC of CGST has been utilized fully before utilizing SGST for payment of IGST		
SGST/UTGST	SGST/UTGST	IGST



The CGST credit cannot be utilized for payment of SGST/UTGST.

The SGST/UTGST credit cannot be utilized for payment of CGST.

C. Electronic liability register**Order of discharge of liability of taxable person**

Manner of making payment

Through debit of Electronic Credit Ledger	In cash, by debit in the Electronic Cash Ledger
Through debit of Credit Ledger of the tax payer maintained on the Common portal – ONLY Tax can be paid.	Payment can be made in cash, by debit in the Cash Ledger of the tax payer maintained on the common portal.

E-Ledgers/Register


Electronic Cash Ledger	<ul style="list-style-type: none"> • It will reflect all deposits made in cash, and TDS/TCS made on account of the tax payer. • This ledger can be used for making ANY PAYMENT towards tax, interest, penalty, fees or any other amount on account of GST.
Electronic Credit Ledger	<ul style="list-style-type: none"> • It will reflect Input Tax Credit as self-assessed in monthly returns. • The credit in this ledger can be used to make payment of ONLY TAX i.e. output tax and not other amounts such as interest, penalty, fees etc.
Electronic Liability Register	<ul style="list-style-type: none"> • Electronic Liability Register will reflect the total tax liability of a taxpayer (after netting) for the particular month.

Payment of tax via Electronic Ledger

A. Electronic Cash Ledger

(Assume it as an account statement provided by bank, for easy understanding)

Debit Amount (DR)	Credit Amount (CR)
<ul style="list-style-type: none"> • Credit amount of this ledger may be used for payment of tax, interest, fees etc. • Remaining credit balance amount after payment of above tax etc. can be claimed as refund by taxable person. 	<ul style="list-style-type: none"> • Any deposit made towards tax, interest, penalty, late fee etc. via internet banking, RTGS, IMPS/ fund transfer etc. • TDS/TCS claimed

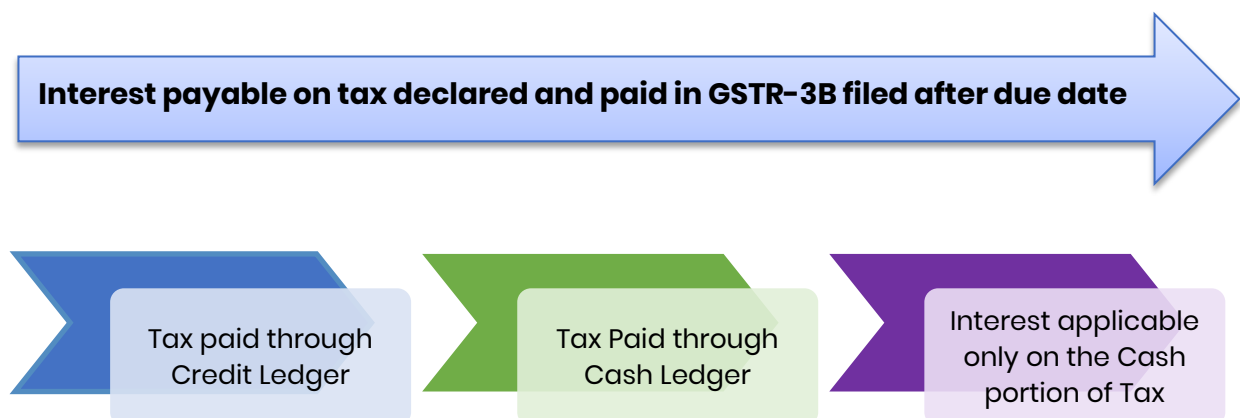


B. Electronic Credit ledger

Debit Amount (DR)	Credit Amount (CR)
<ul style="list-style-type: none"> Credit amount of this ledger may be used for payment of output tax viz IGST, CGST, SGST, UTGST in the prescribed order. 	<ul style="list-style-type: none"> Input Tax credit as self-assessed in the return in the form of IGST, CGST, SGST, UTGST

C. Electronic Liability Register

Debit Amount (DR)	Credit Amount (CR)
<ul style="list-style-type: none"> Amount payable towards tax, interest, fees etc. Tax or interest payable due to mismatch Any other dues 	<ul style="list-style-type: none"> Electronic cash ledger
<ul style="list-style-type: none"> Amount payable towards output tax 	<ul style="list-style-type: none"> Electronic credit ledger

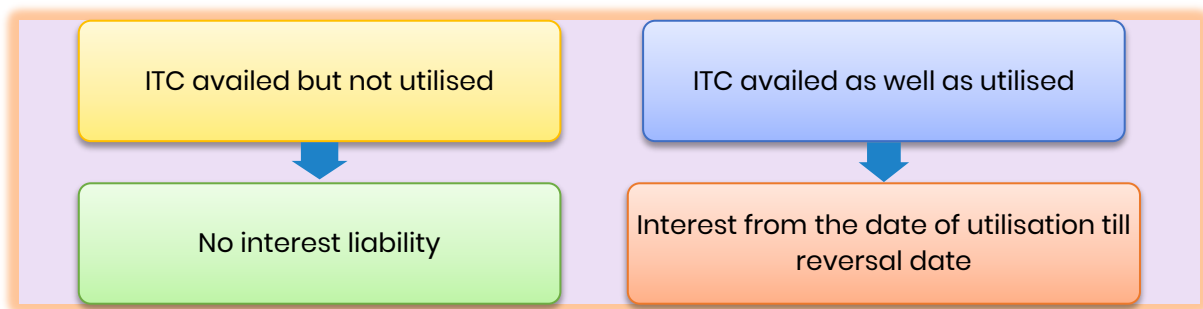
Interest on delayed payment of tax [Section 50]**Interest payable on the net cash liability of taxes [Section 50(1)]**

Interest payable on the gross tax liability [Section 50(1)]

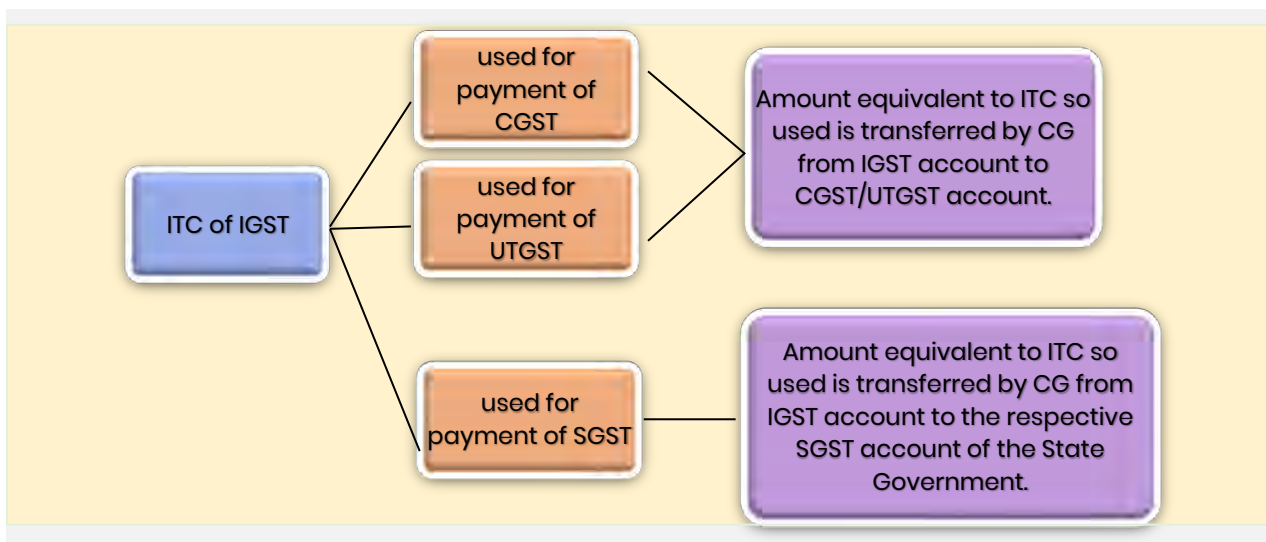
Interest payable on gross liability where returns is furnished within due date



Interest payable due to wrongful availment and utilisation of ITC [Section 50(3)]



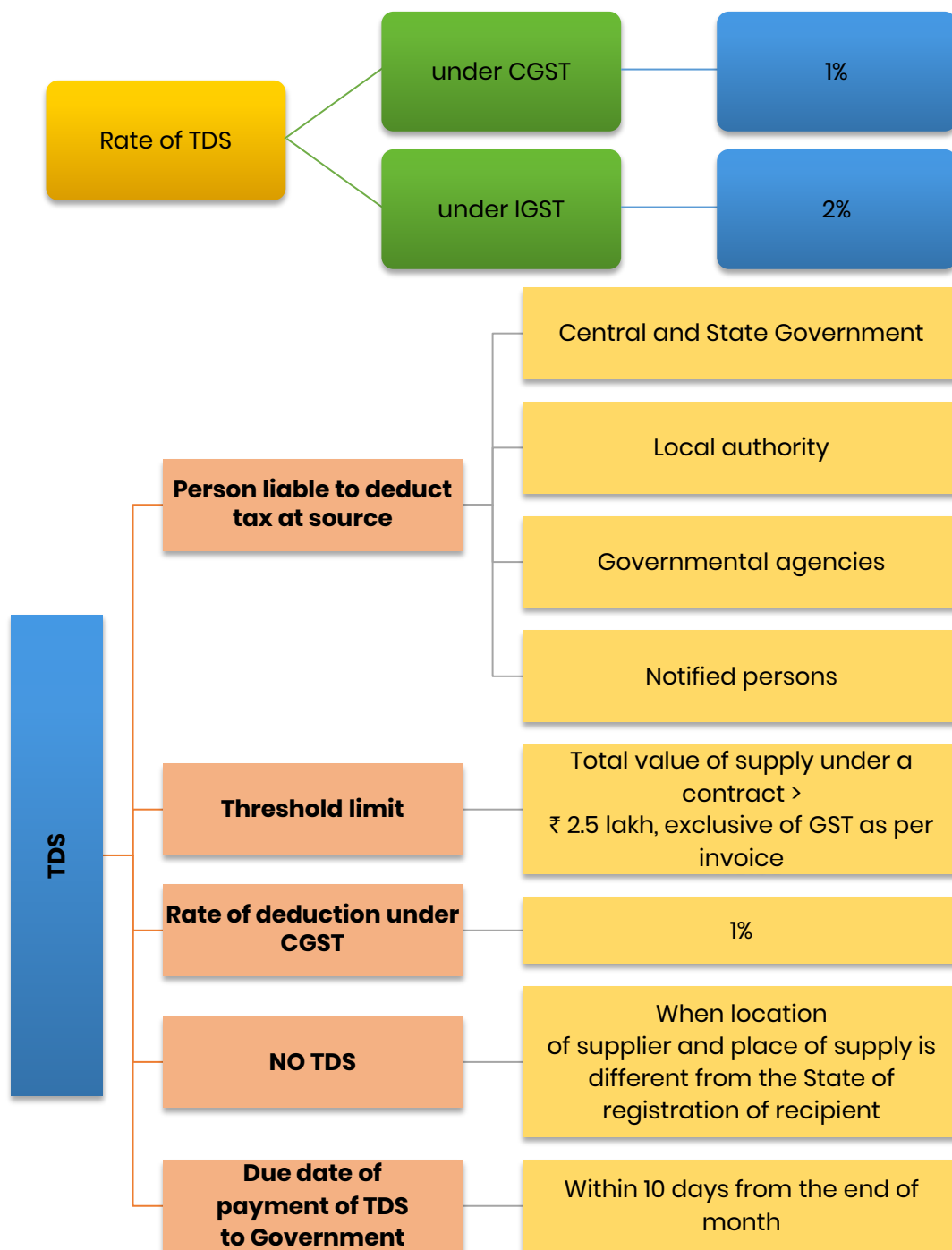
Transfer of input tax credit [Section 53 of CGST Act & Section 18 of IGST Act]



TAX DEDUCTION AT SOURCE AND COLLECTION OF TAX AT SOURCE

TDS

Rate of TDS



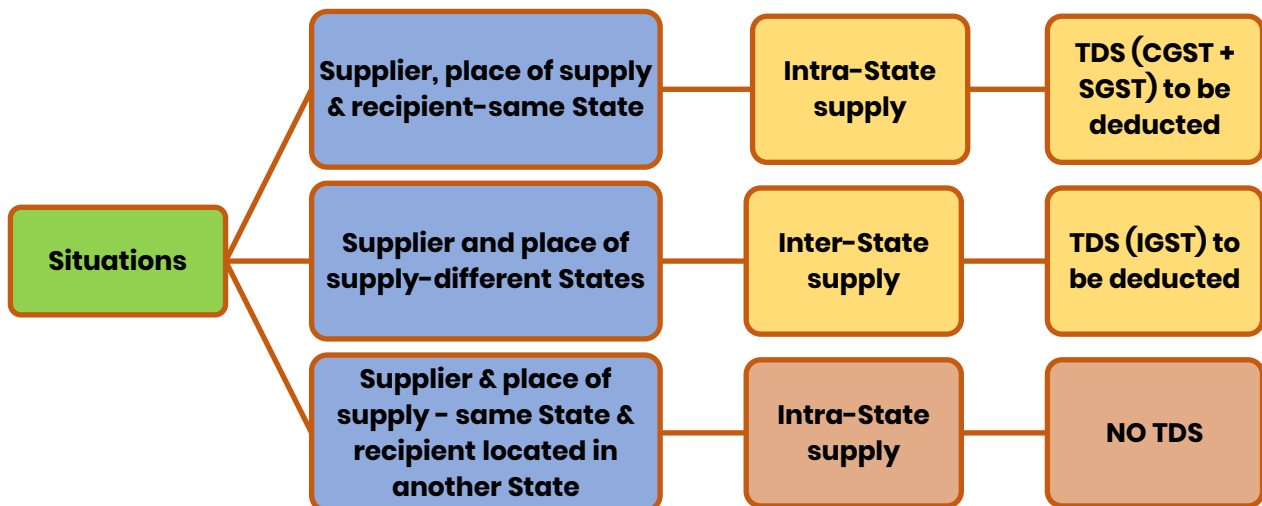
Manner of account of TDS by TDS deductor

1.	Such deductor need to get compulsorily registered under section 24 of the CGST/SGST Act.
2.	They need to remit such TDS collected by the 10 th day of the month succeeding the month in which TDS was collected.
3.	The amount deposited as TDS will be reflected in the electronic cash ledger of the supplier.

Manner of account of TDS by supplier

- ❖ Any amount shown as TDS will be reflected in the electronic cash ledger of the concerned supplier.
- ❖ He can utilize this amount towards discharging his liability towards tax, interest, fees and any other amount.

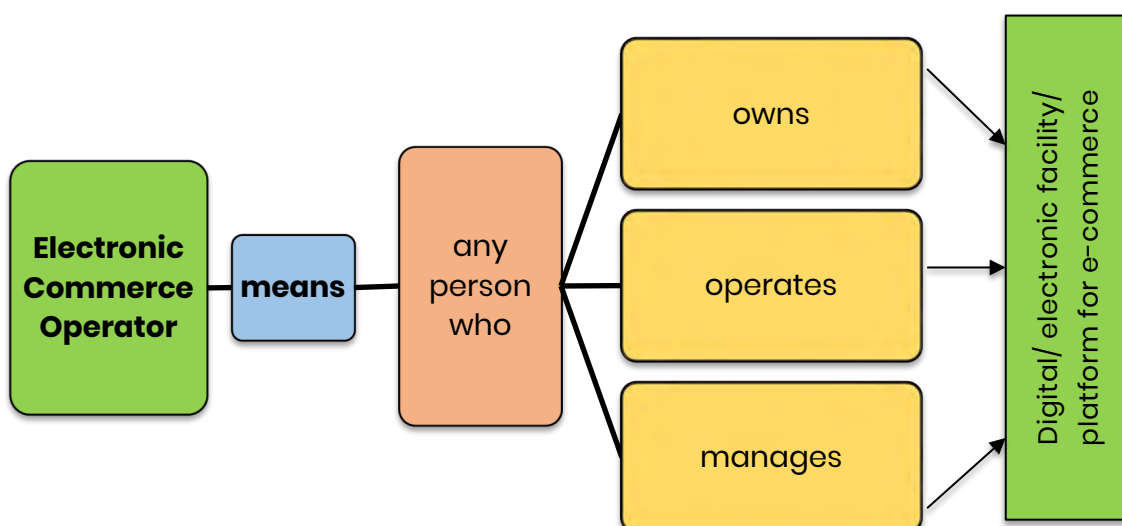
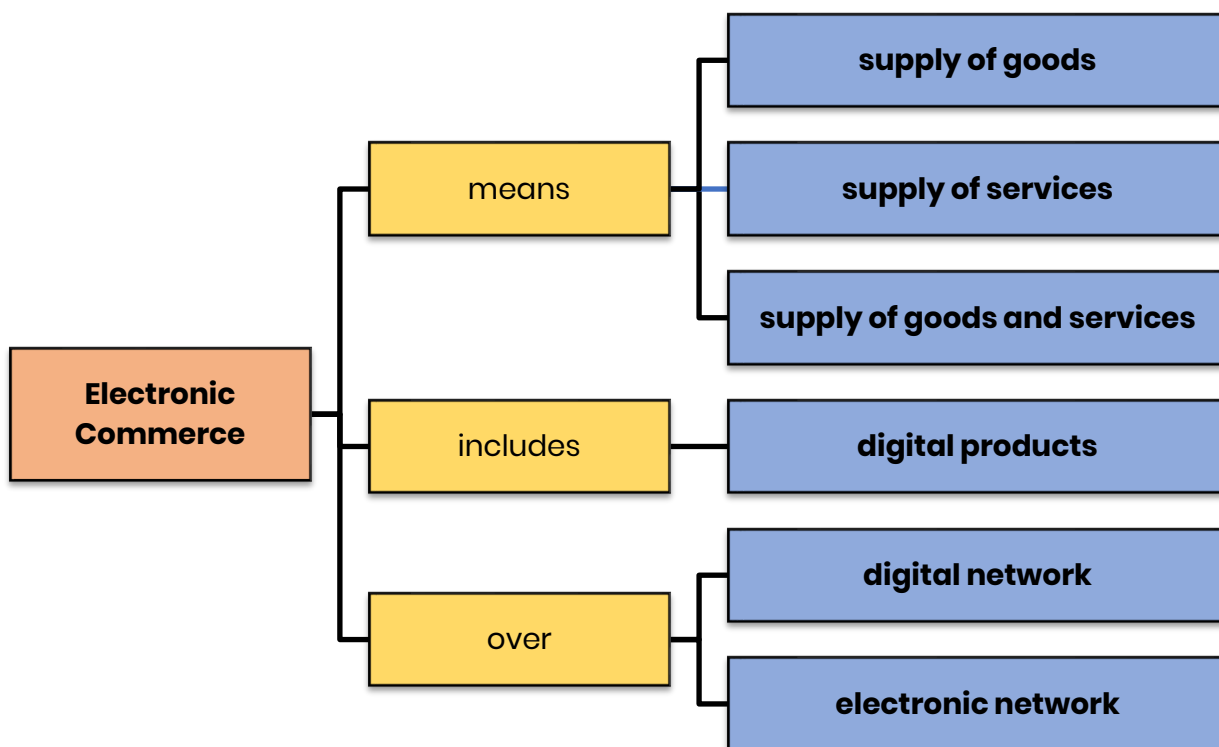
Applicability of TDS



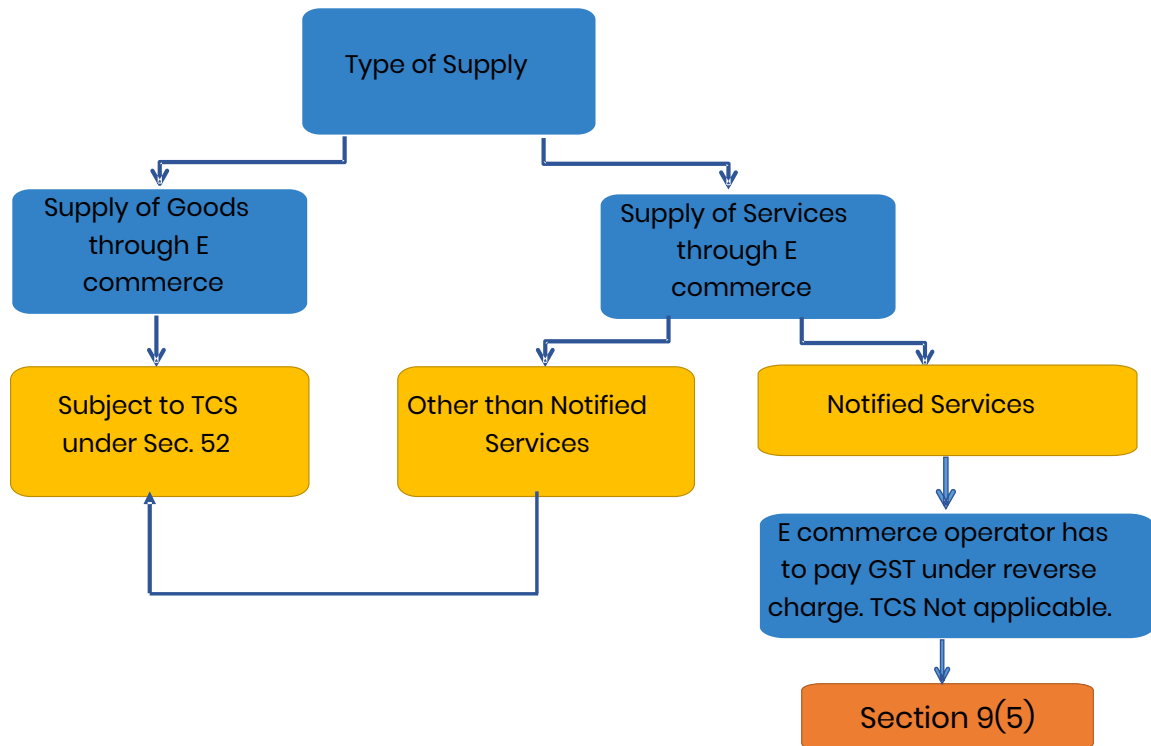
Consequences of not complying with TDS provisions

S. No.	Event	Consequence
1.	TDS not deducted	Interest to be paid along with the TDS amount; else the amount shall be determined and recovered as per the law
2.	TDS deducted but not paid to the Government or paid later than 10th of the succeeding month	Interest to be paid along with the TDS amount; else the amount shall be determined and recovered as per the law

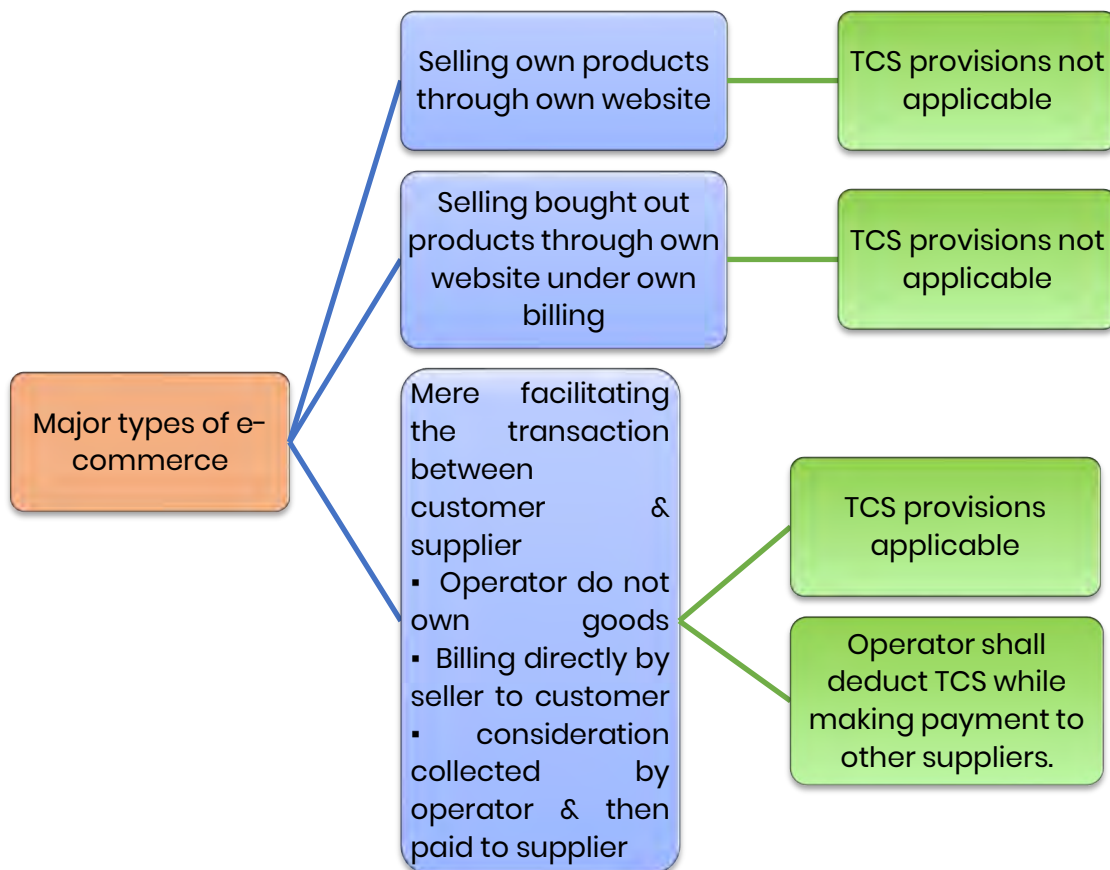
TCS



Type of supply liable to TCS



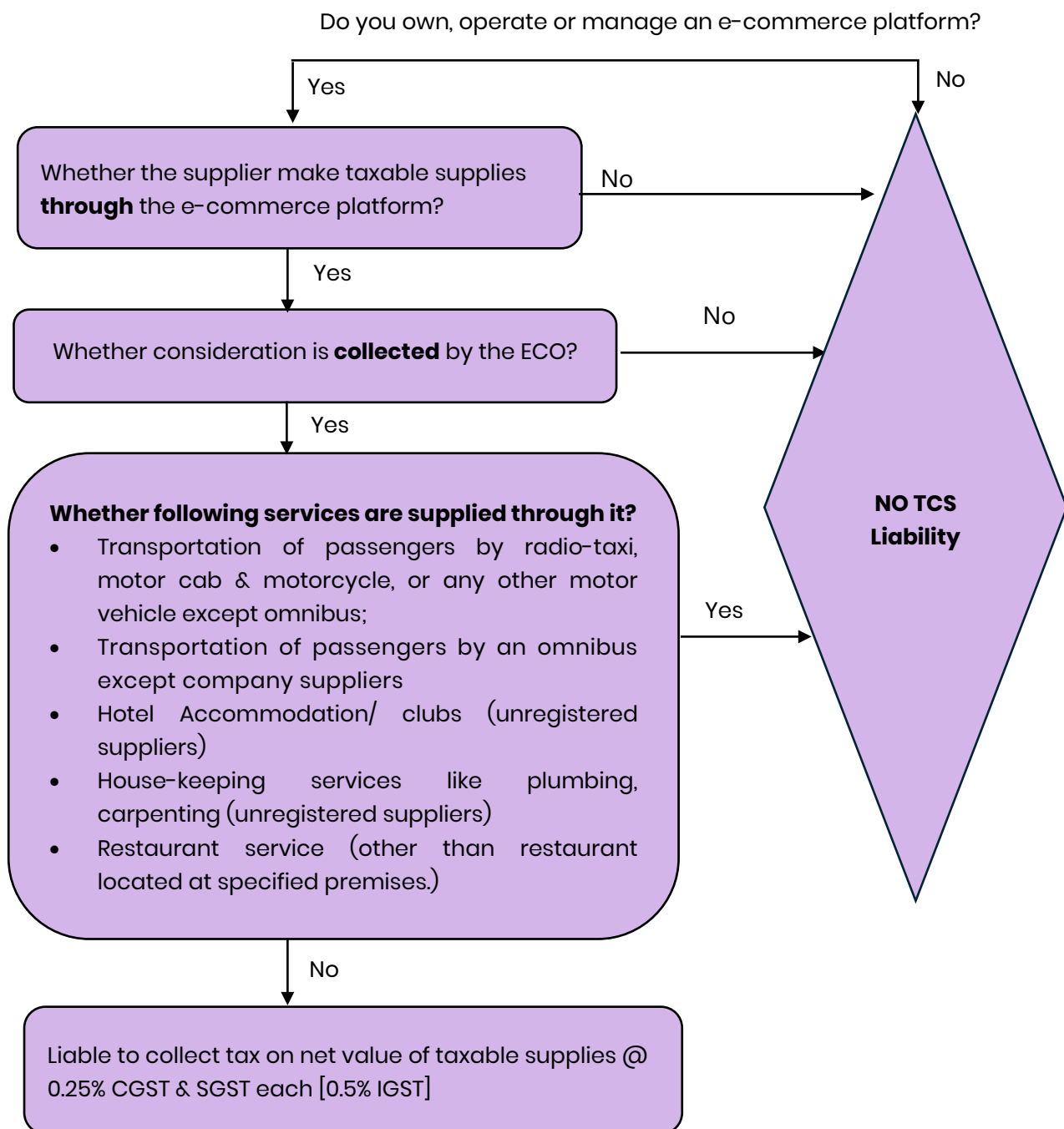
TCS applicability in major types of E-commerce

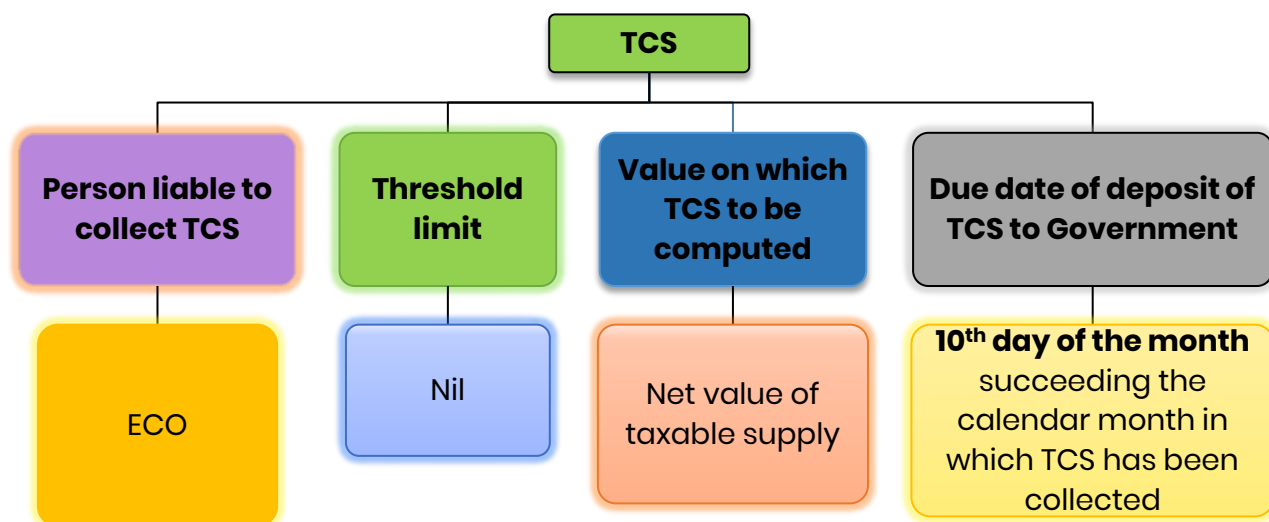


Rate of TCS

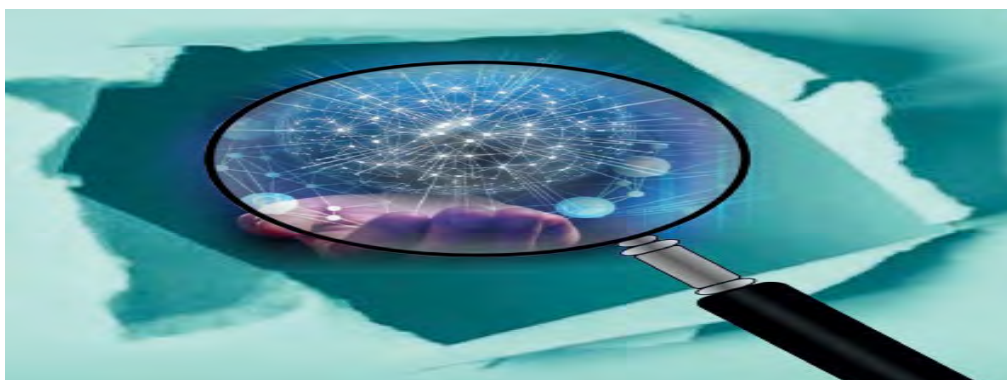
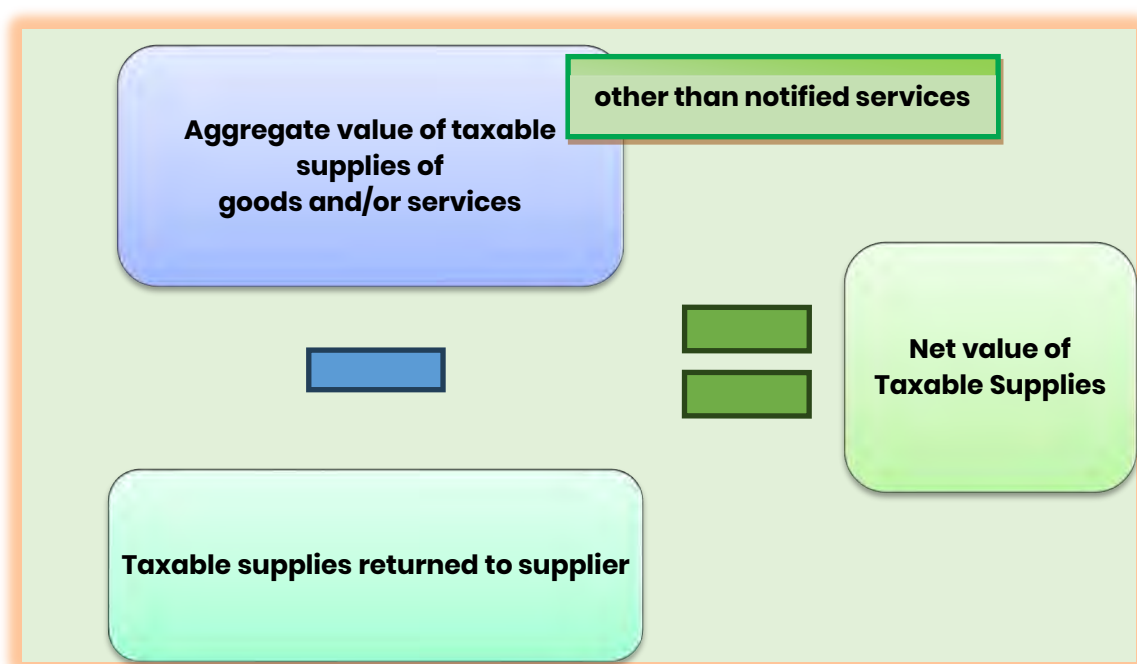


Steps to determine whether ECO is liable to collect tax at source





Net Value of Taxable Supplies



RETURNS

1. Meaning of Returns

Return

A statement of information furnished by the taxpayer, to tax administrators, at regular intervals.

Filing of returns constitutes the most important compliance procedure which enables the Government/ tax administrator to estimate the tax collection for a particular period and determine the correctness and completeness of the tax compliance of the taxpayers.

2. Modes of filing returns

All the returns are to be filed online.

Modes of filing return

GSTN portal (www.gst.gov.in)

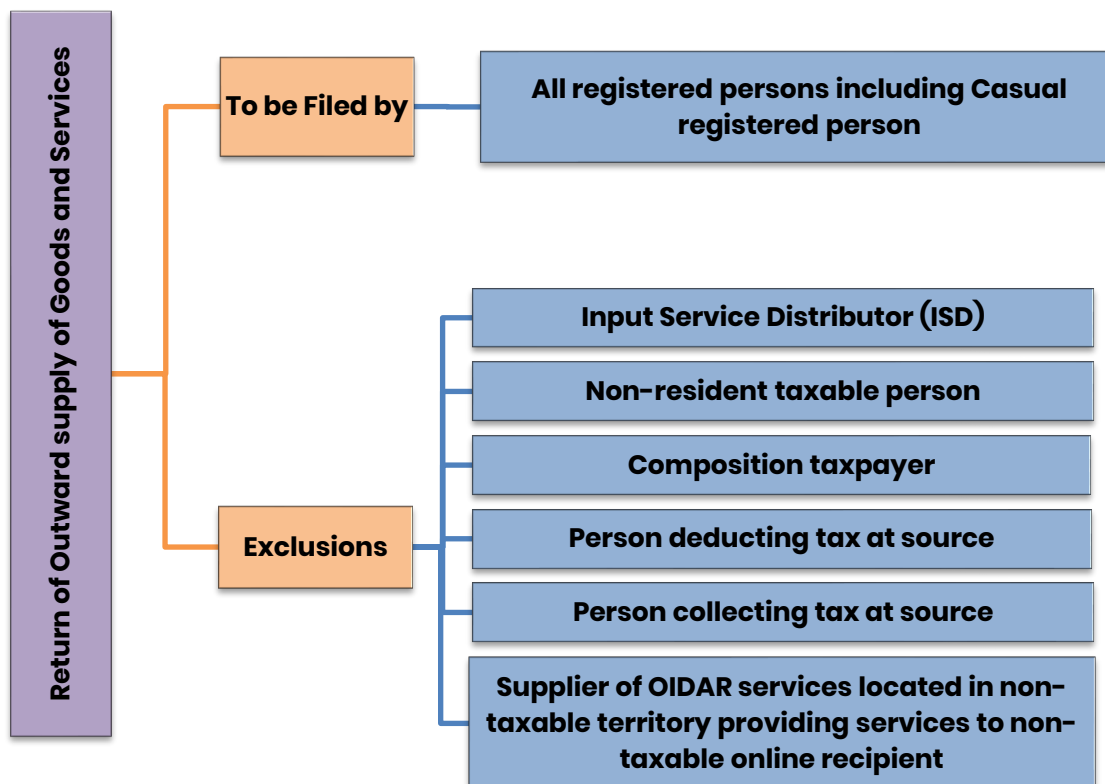
Offline utilities provided by GSTN

GST Suvidha Providers (GSPs)

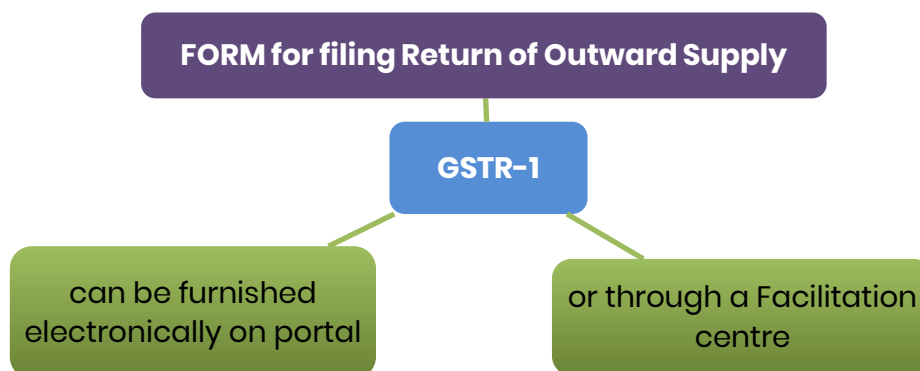


3. Furnishing details of outward supplies [Section 37 read with rule 59]

Who is required to furnish the details of outward supplies?



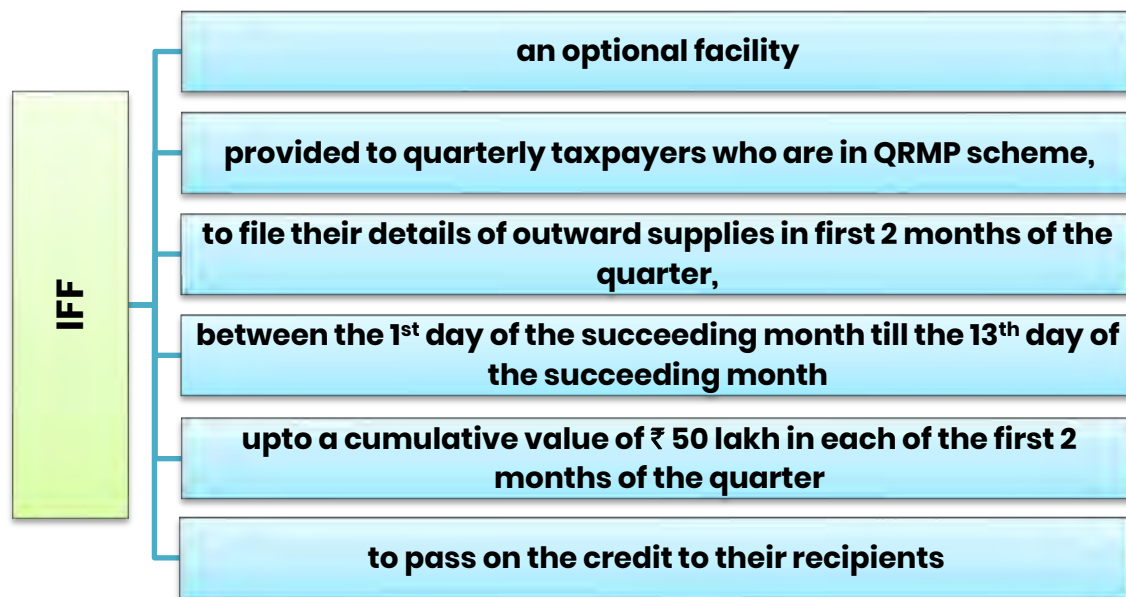
What is the form for submission of details of outward supplies?



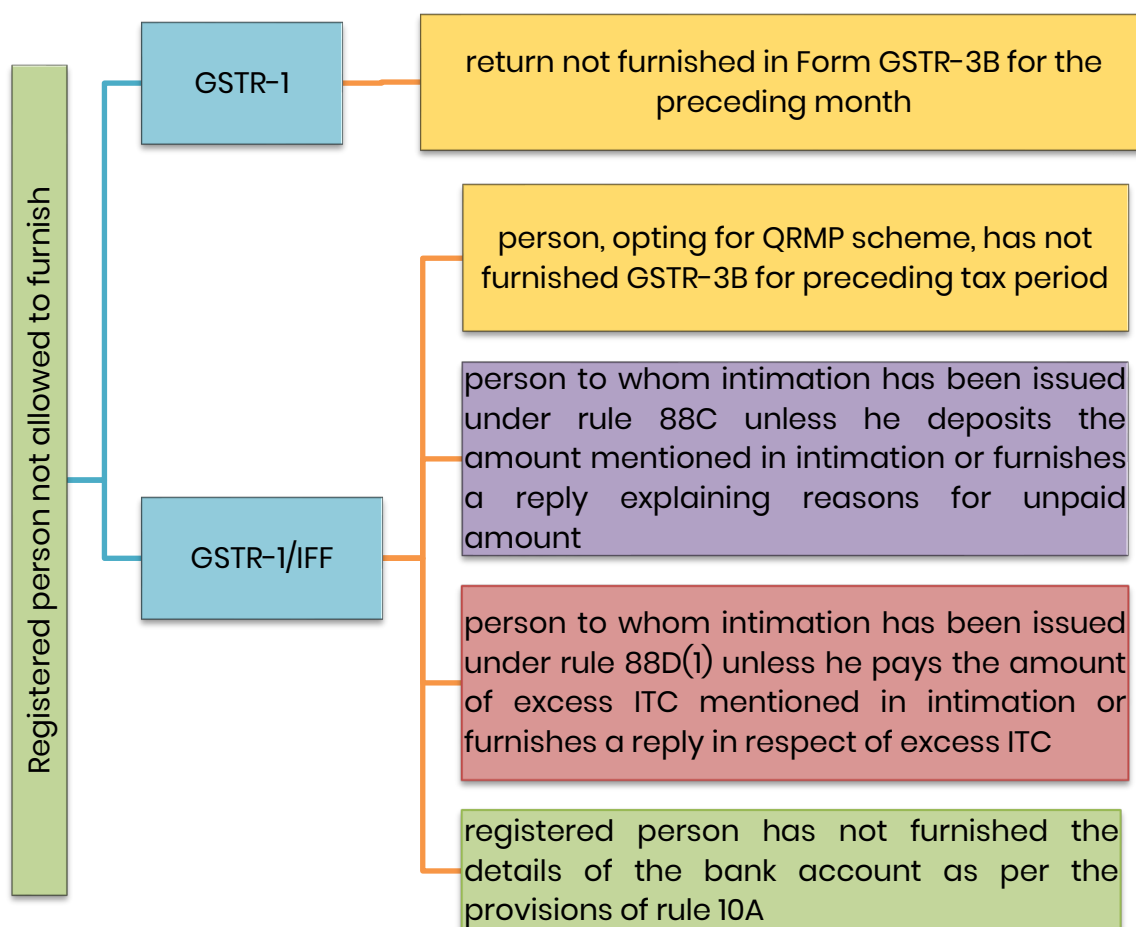
Due Dates for Submission of Form GSTR-1

Class of registered person	Time limit for furnishing the details of outward supplies in Form GSTR-1 for each quarter/month
Registered persons opting for QRMP scheme	13 th day of the month succeeding such quarter
Others	11 th day of the month succeeding said month

Invoice Furnishing Facility [IFF] for taxpayers opting for QRMP Scheme

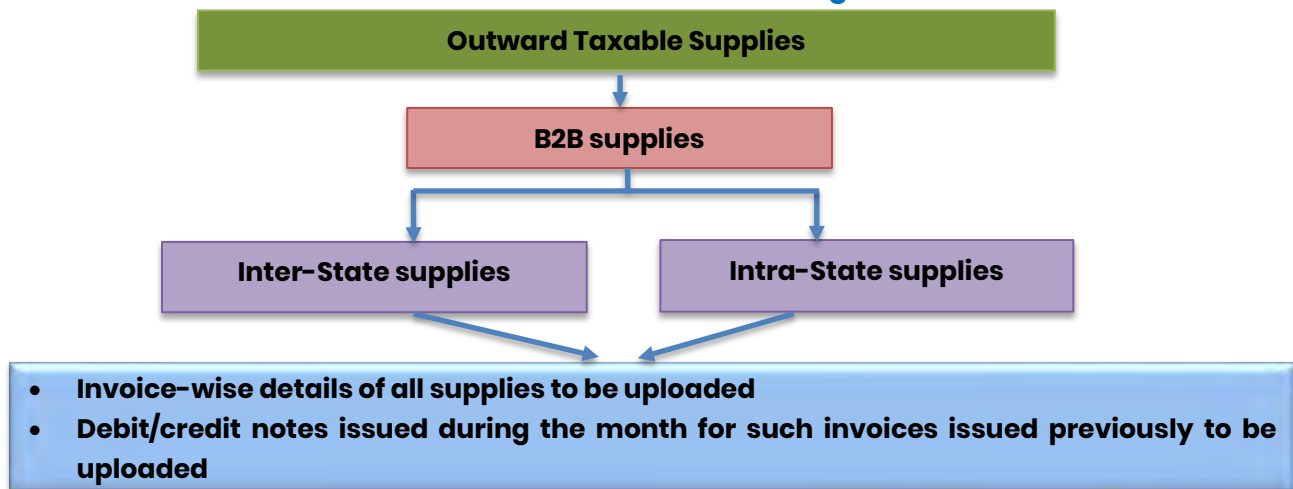


What are the cases where a registered person is debarred from furnishing details of outward supplies in Form GSTR-1/IFF?

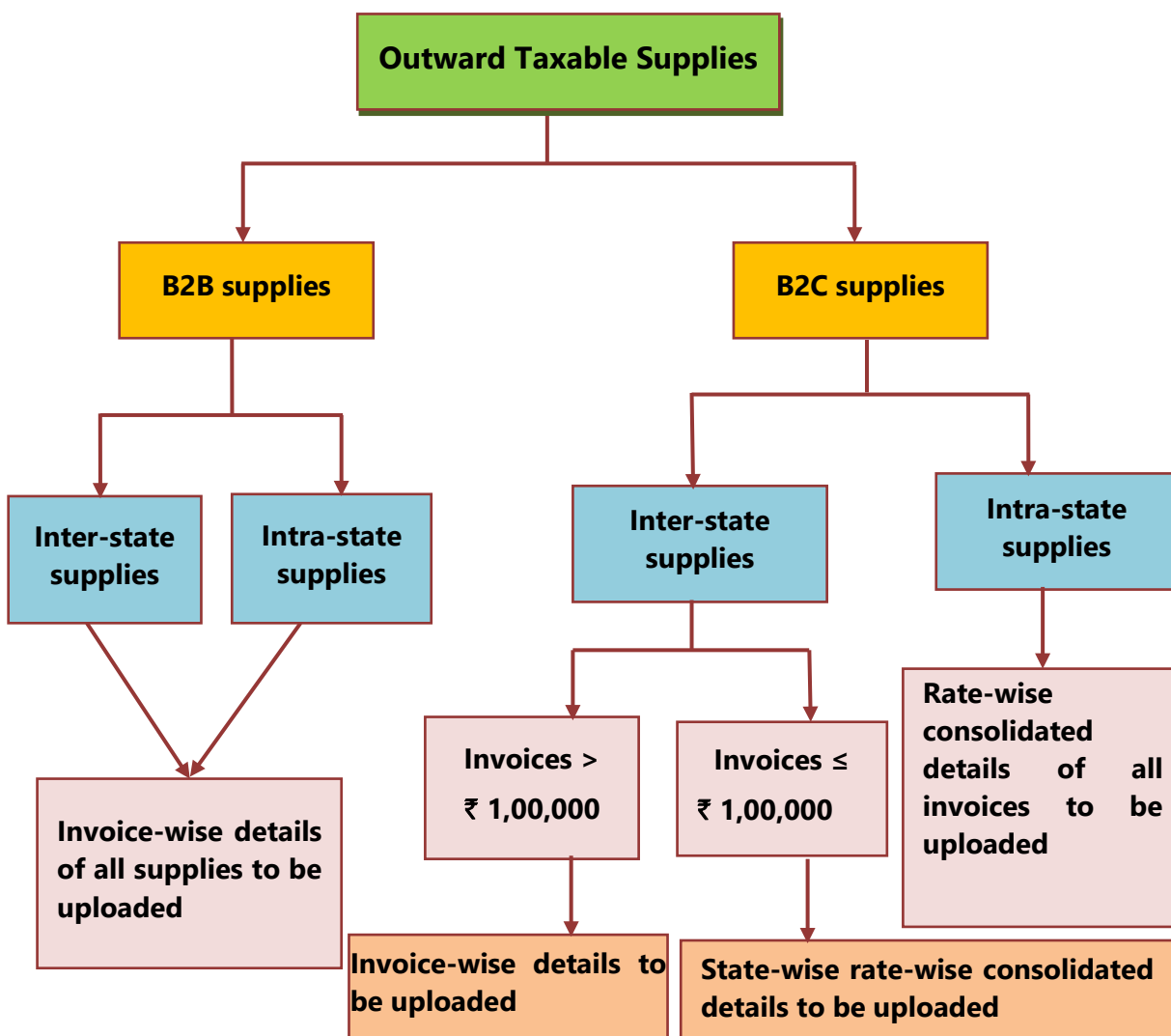


What kind of details of outward supplies are required to be furnished in GSTR-1/GSTR-1A and IFF?

Details to be furnished through IFF



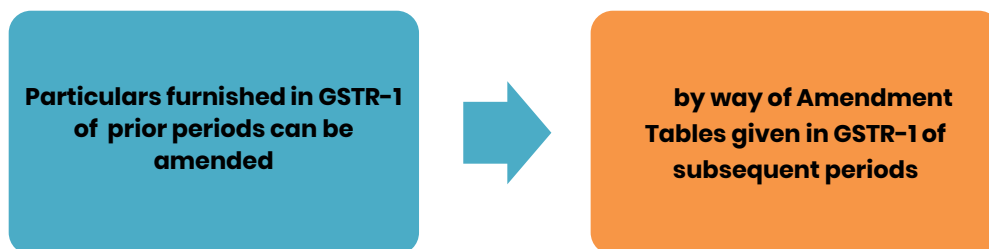
Details to be furnished in GSTR-1/GSTR-1A



Amendment of GSTR-1 for current period

GSTR-1A	an optional facility
	to add new records which taxpayer missed out while filing in form GSTR-1, and/or
	to amend records which were already reported in same period in form GSTR-1
	after furnishing GSTR-1 for a tax period but before filing GSTR-3B for said tax period.

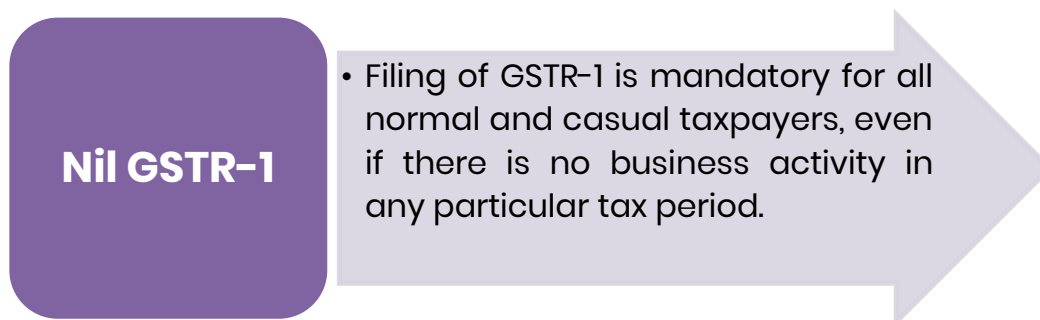
Rectification of errors in GSTR-1 filed for previous periods

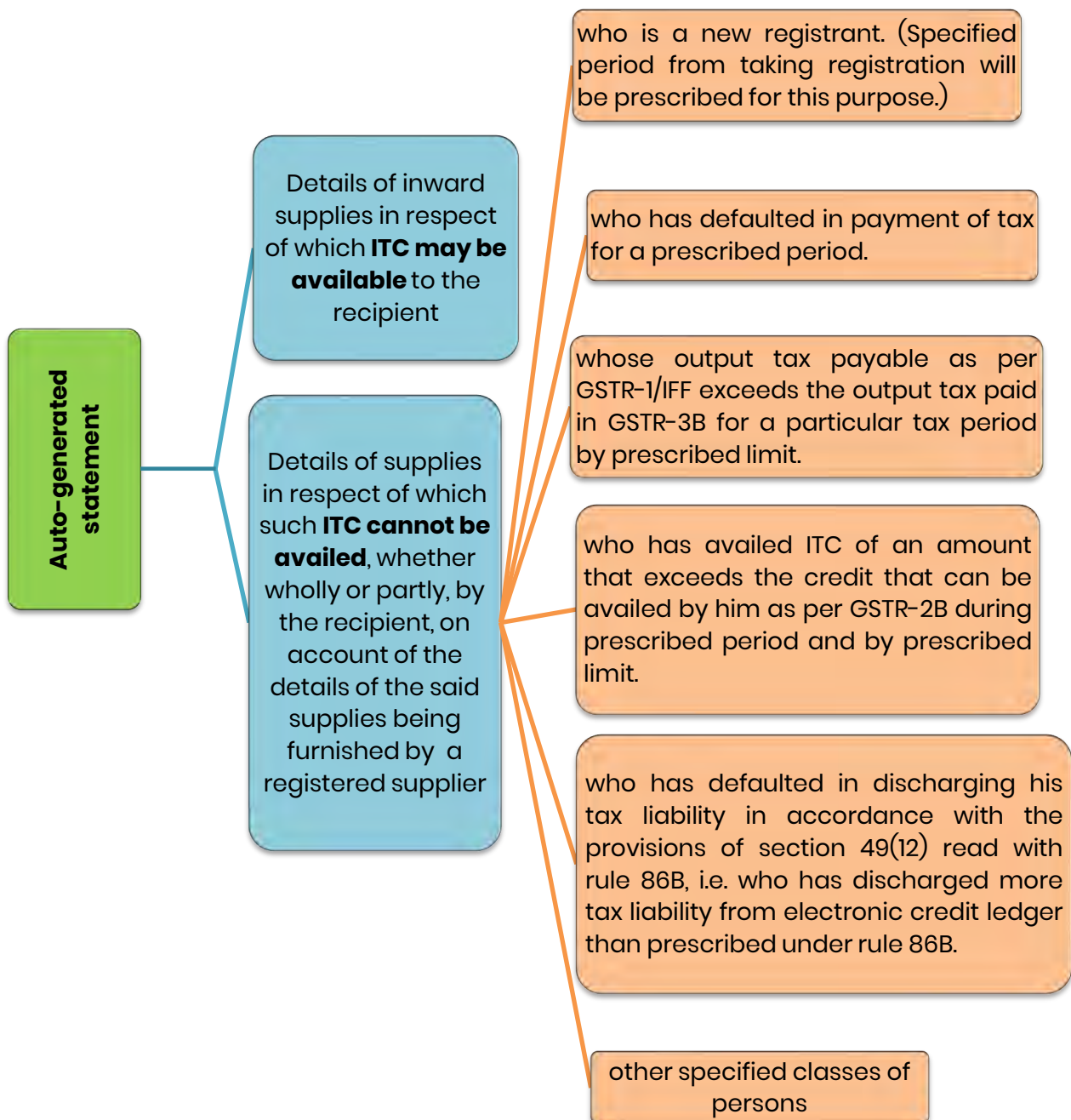


Maximum time limit within which such amendments are permissible is earlier of the following dates:

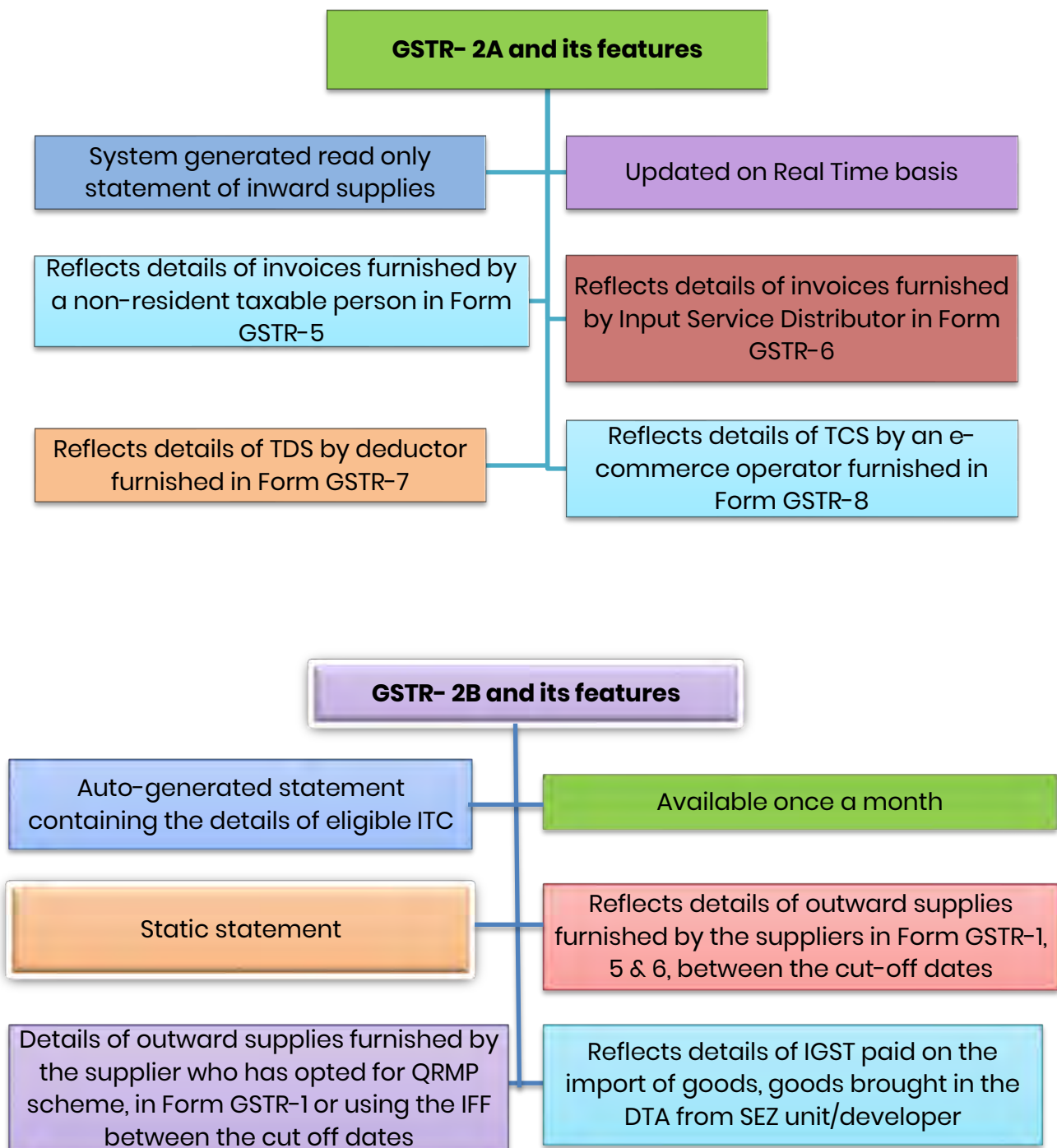
- ☐ **30th day of November** following the end of the financial year to which such details pertain or
- ☐ Date of filing of the relevant annual return

Filing of Nil GSTR-1

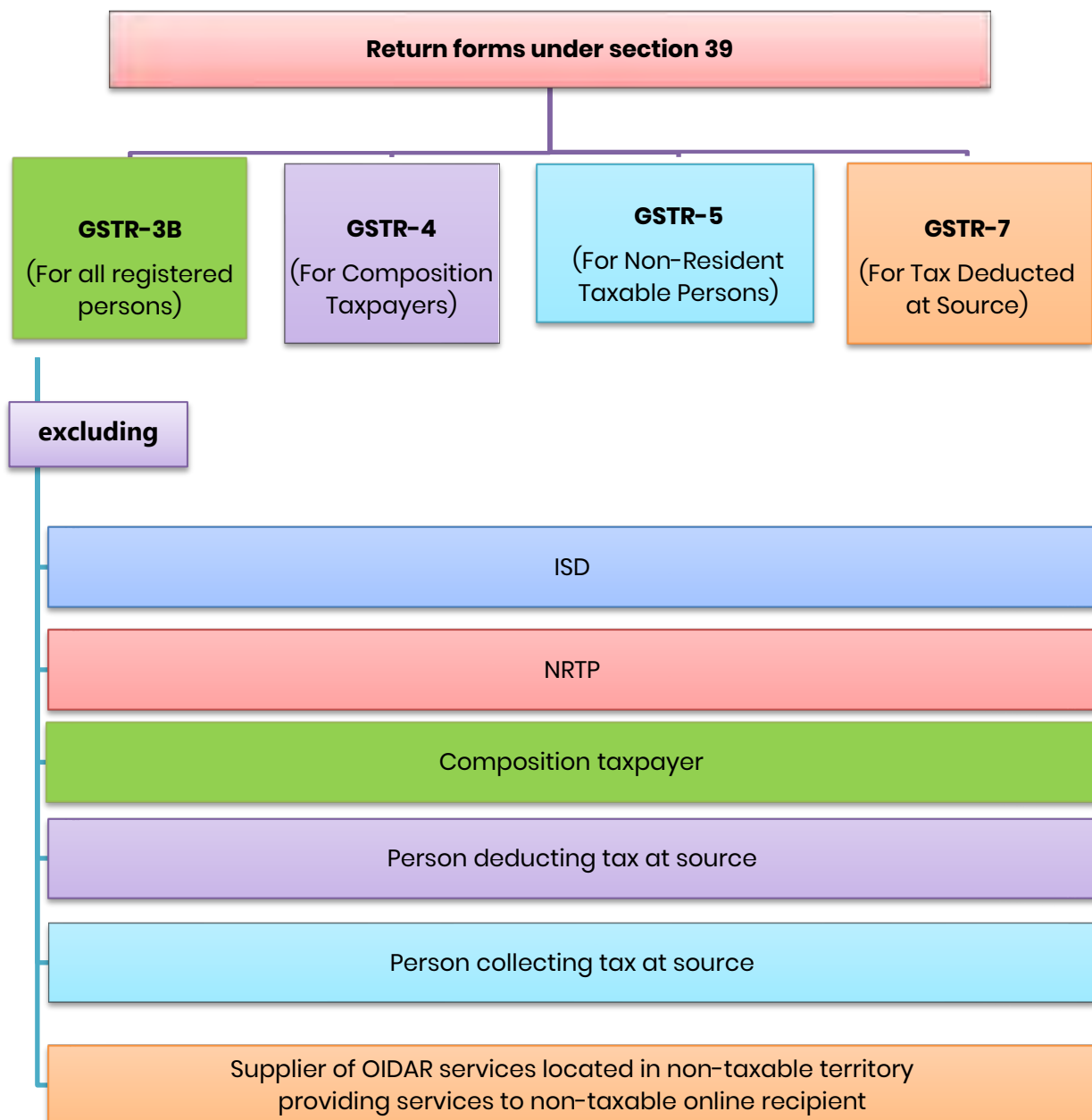


4. Furnishing details of inward supplies [Section 38 read with rule 60]

Form and manner of ascertaining details of inward supplies – GSTR-2A and GSTR-2B



5. Furnishing of returns under section 39

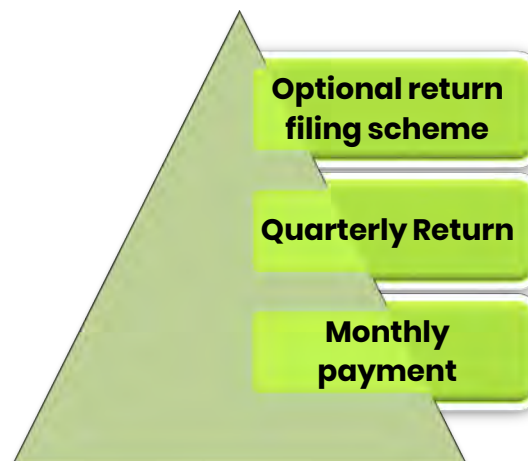


Due dates for furnishing Form GSTR-3B

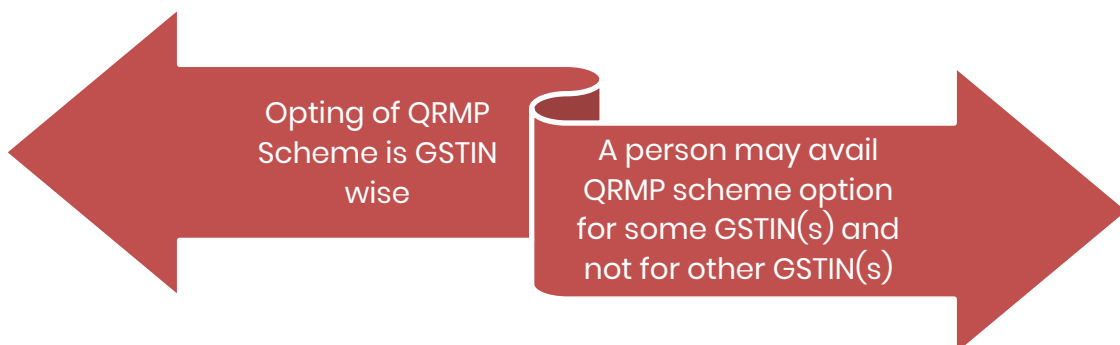
GSTR-3B can be filed monthly or quarterly and due date for filing are as follows:

- ❖ **Monthly GSTR-3B** on or before **20th** of the month succeeding the month for which return is furnished.
- ❖ **Quarterly GSTR-3B** on or before **22nd** and **24th** of the month (Depending upon State) succeeding the quarter for which return is furnished in case of a taxpayer opting for QRMP scheme.

QRMP scheme



Eligibility	<ul style="list-style-type: none"> • Taxpayers having aggregate turnover of up to ₹ 5 crore in the preceding financial year
Condition to be fulfilled for becoming eligible	<ul style="list-style-type: none"> • Taxpayer must have furnished the last return, as due on the date of exercising such option
Manner of Exercising option	<ul style="list-style-type: none"> • Taxpayers can opt in for any quarter from 1st day of 2nd month of preceding quarter to the last day of the first month of the quarter for which the option is being exercised
Validity of option once exercised	<ul style="list-style-type: none"> • Taxpayers are not required to exercise their option every quarter. Where such option has been exercised once, they shall continue to furnish the return as per the selected option for future tax periods, unless they revise the said option.



Opting out of the QRMP Scheme

Taxpayers opting out of the QRMP Scheme

• Aggregate turnover has exceeded ₹ 5 crore in the financial year

Availability of facility of opting out of QRMP Scheme for a quarter

• Available from 1st day of 2nd month of preceding quarter to the last day of the first month of the quarter

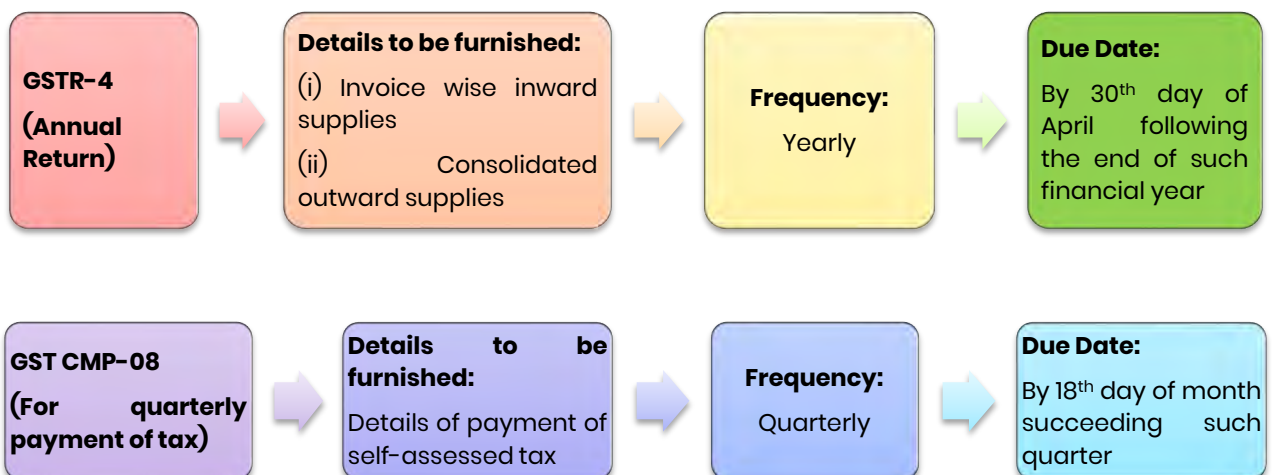
Nil GSTR-3B

Nil GSTR-3B

• Filing of GSTR-3B is mandatory for all normal and casual taxpayers, even if there is no business activity in any particular tax period.

Form GSTR-4 and GST CMP-08: For Composition dealers

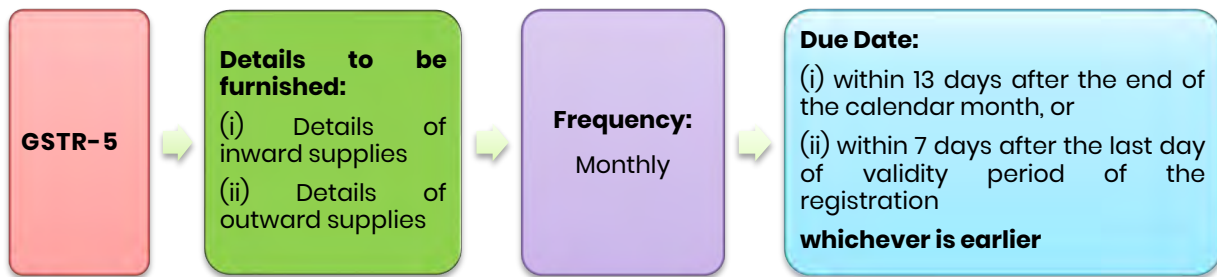
- ❖ A composition supplier is required to file the return GSTR-4 yearly and is required to pay the tax quarterly in Form GST CMP-08.



Note:

- (1) The inward supplies of a composition supplier received from registered persons filing GSTR-1 will be auto populated in **FORM GSTR-4A** for viewing.
- (2) **Filing of NIL GST CMP-08 is mandatory** for all taxpayers who have opted to pay tax under composition scheme if there is no business activity in any tax period.

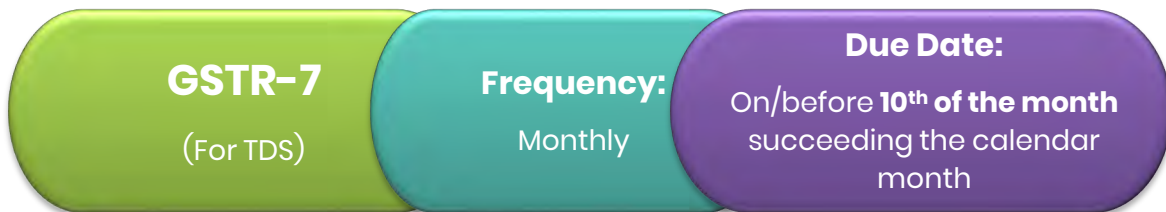
Form GSTR-5: For Non-Resident Taxable Person (NRTPs)



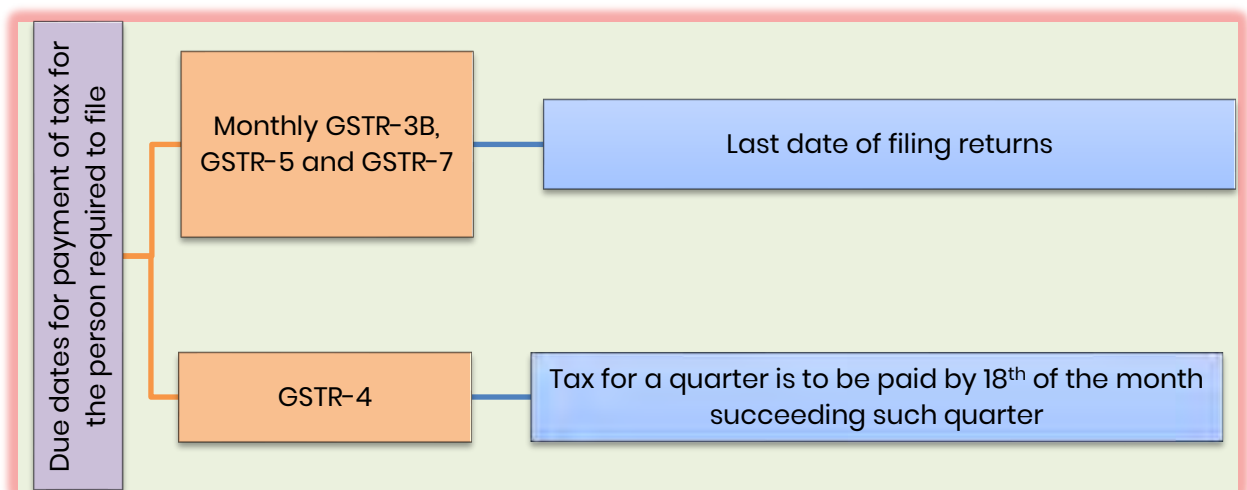
Note: An NRTTP is not required to file an Annual Return.

Form GSTR-7: For Tax Deducted at Source (TDS)

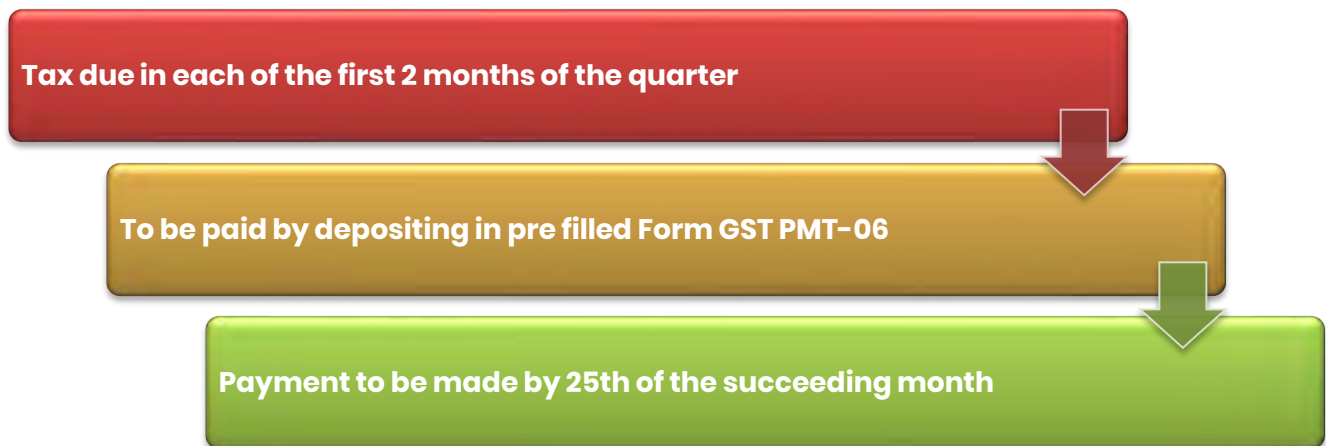
- ❖ GSTR-7 is a return for tax deducted at source, whenever taxable goods or services or both are supplied to a Central/ State Government's Department/ establishment or, local authority, or Governmental agencies, recipient is required to deduct tax at source and total value of supply exceeds ₹ 2,50,000.
- ❖ **GSTR-7A-** Form for issue of TDS certificate by deductor to the deductee.



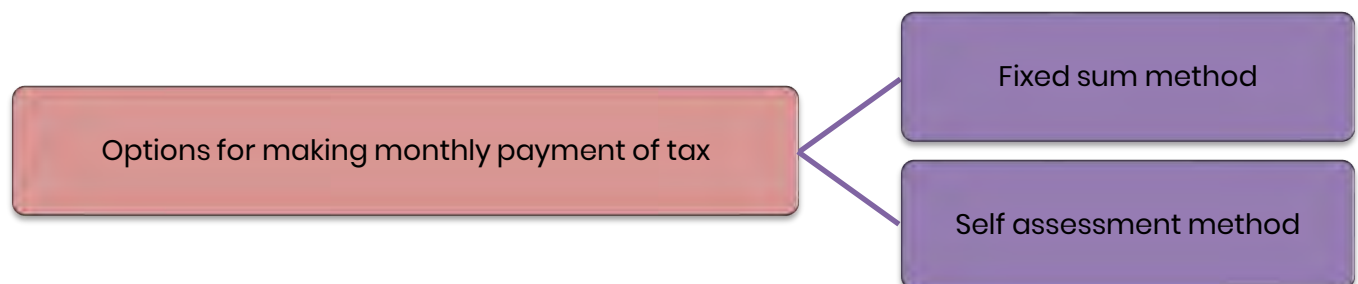
Due date for payment of tax



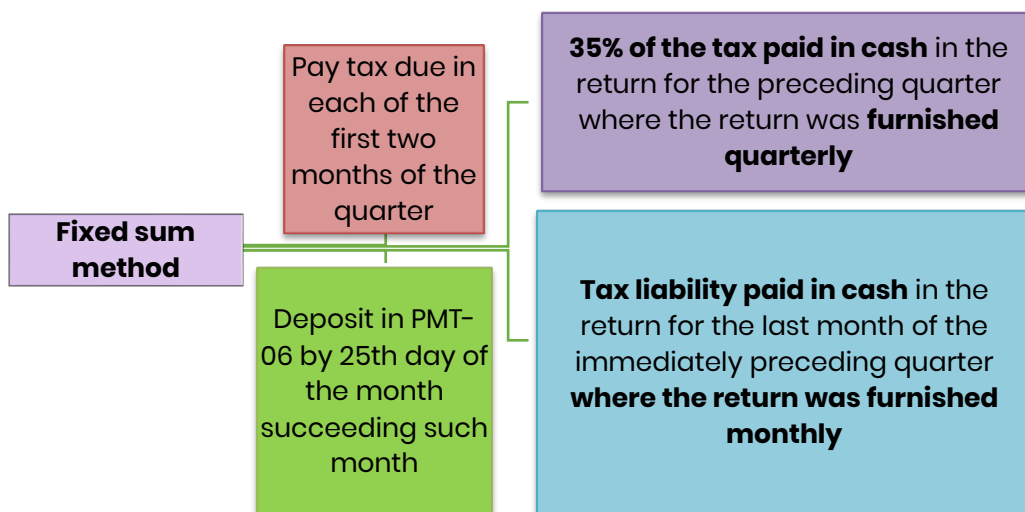
Payment of tax under QRMP scheme



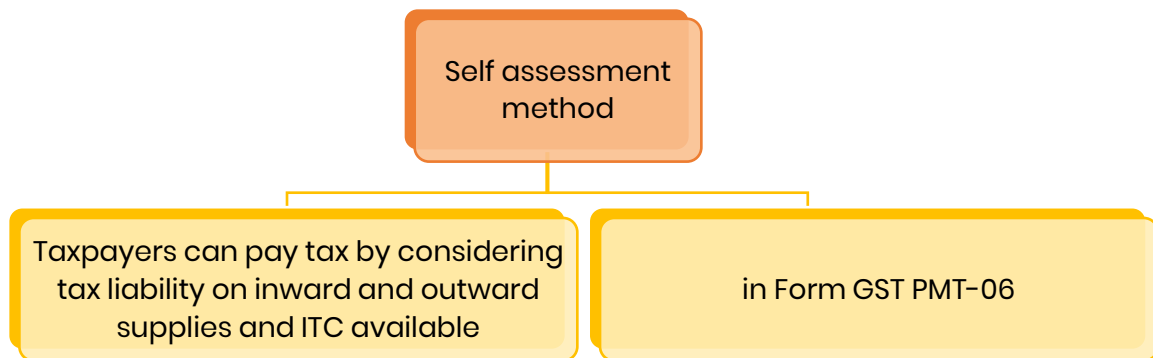
Options for making monthly payment of tax under QRMP scheme



Method 1: Fixed Sum Method



Monthly tax payment through this method would not be available to those registered persons who have not furnished the return for a complete tax period preceding such month.

Method 2: Self Assessment Method**Applicability of Interest -****(A) For Fixed Sum method taxpayers**

Where auto-calculated fixed sum amount for first 2 months of quarter is paid by due date	<ul style="list-style-type: none"> • No interest would be applicable even if the liability for the said month was found higher • If GSTR-3B of the quarter is filed by the due date by discharging the entire liability
Where tax payer makes monthly payment beyond due date	<ul style="list-style-type: none"> • Interest is payable at the applicable rate from due date of furnishing GST PMT-06 till date of making payment
Where Form GSTR-3B is furnished beyond due date	<ul style="list-style-type: none"> • Interest payable as per provisions of section 50 of the CGST Act, 2017 for the tax liability net of ITC

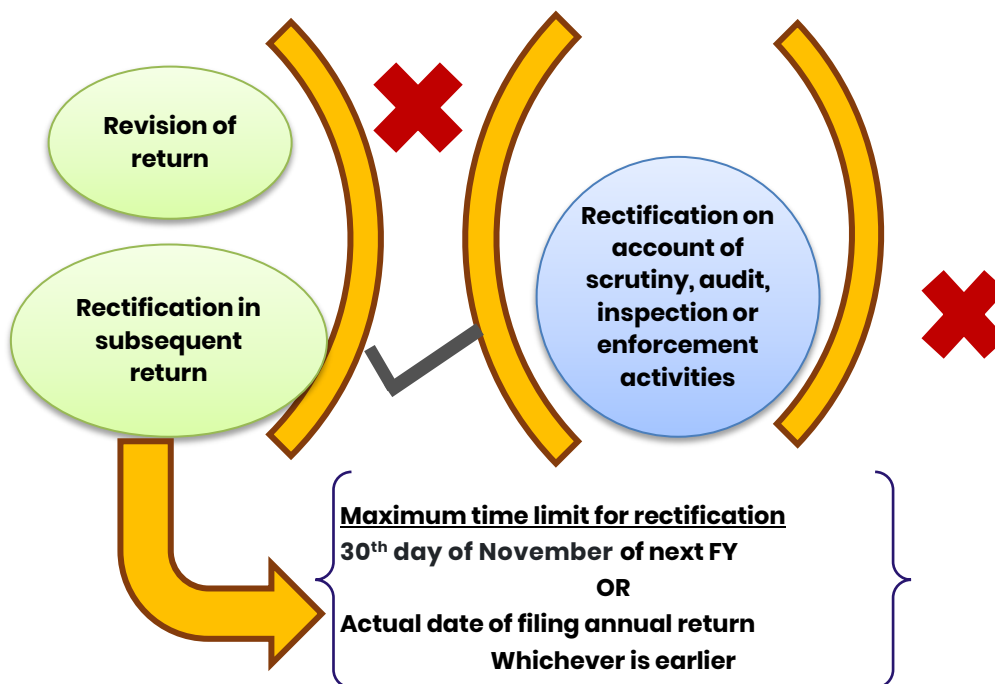
(B) For Self-assessment method taxpayers

Interest payable as per provisions of section 50 of the CGST Act

for tax or any part thereof (net of ITC) which remains unpaid/ paid beyond the due date

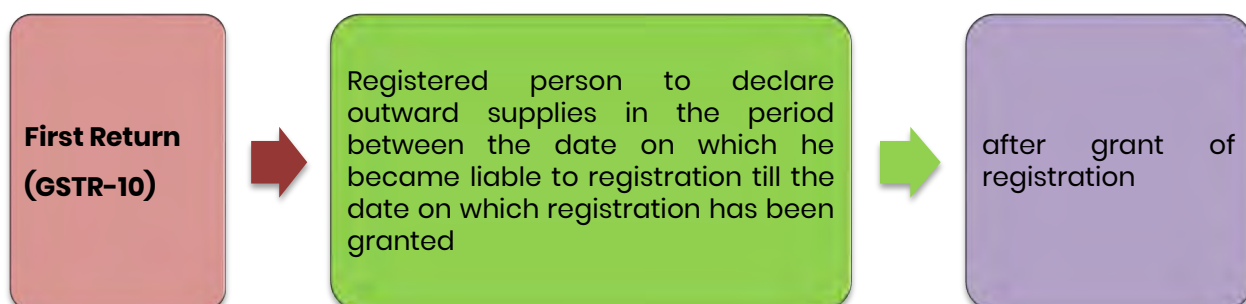
for the first 2 months of the quarter

Rectification of errors/omissions

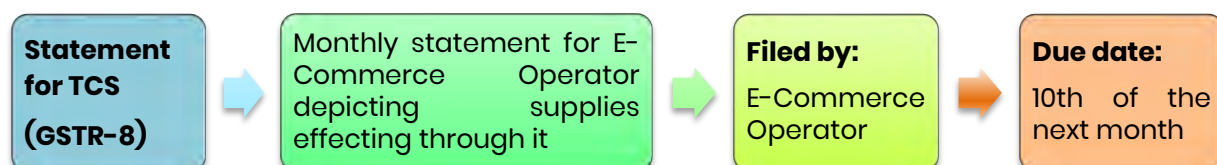


6. Other Returns/ Statements

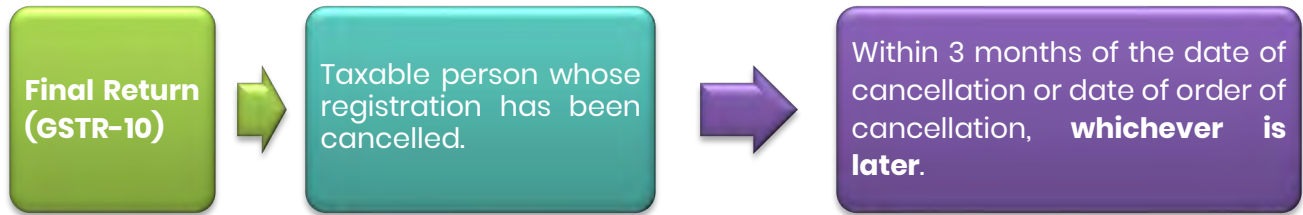
(i) First return



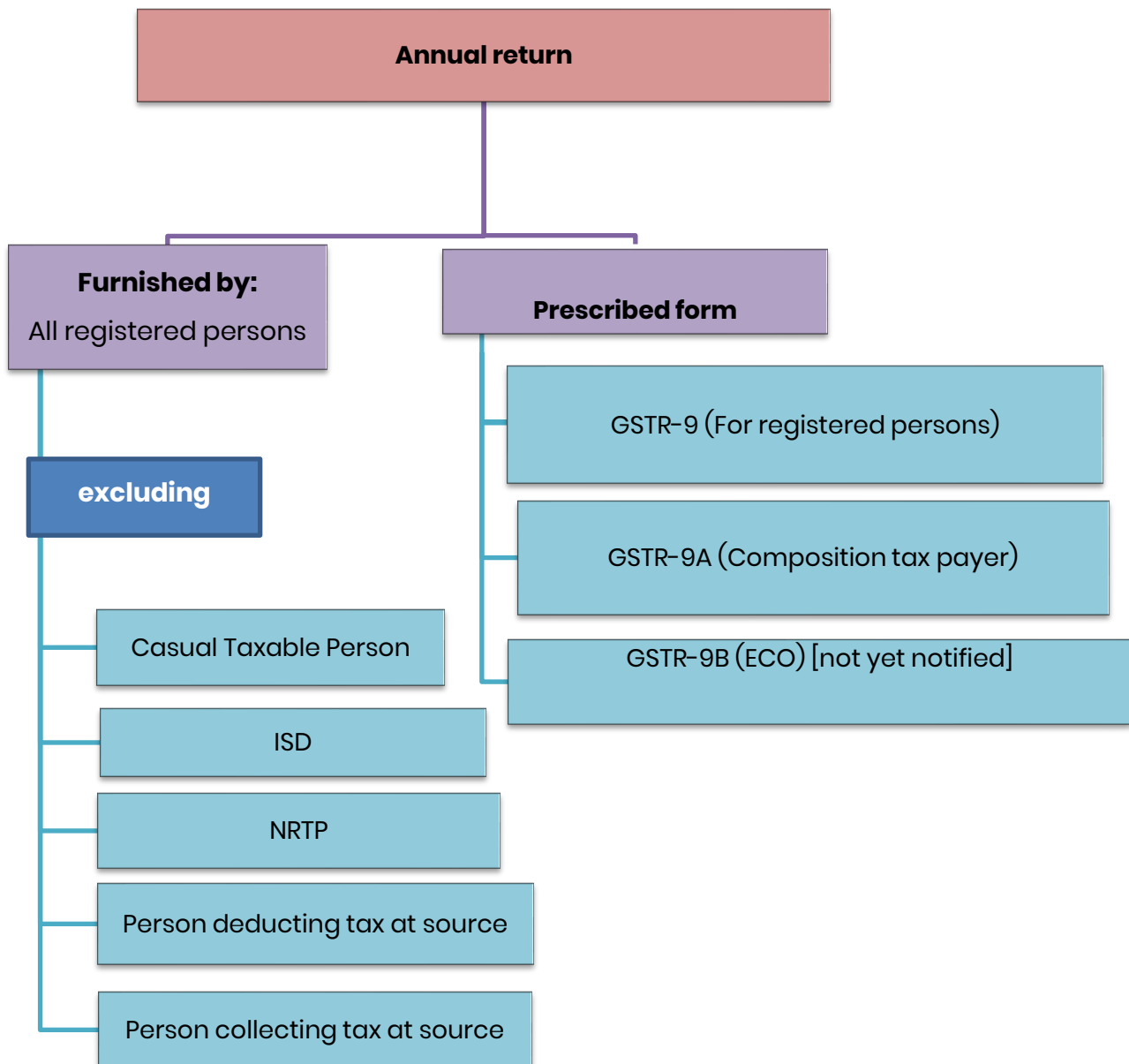
(ii) GSTR – 8 - Statement for tax collection at source

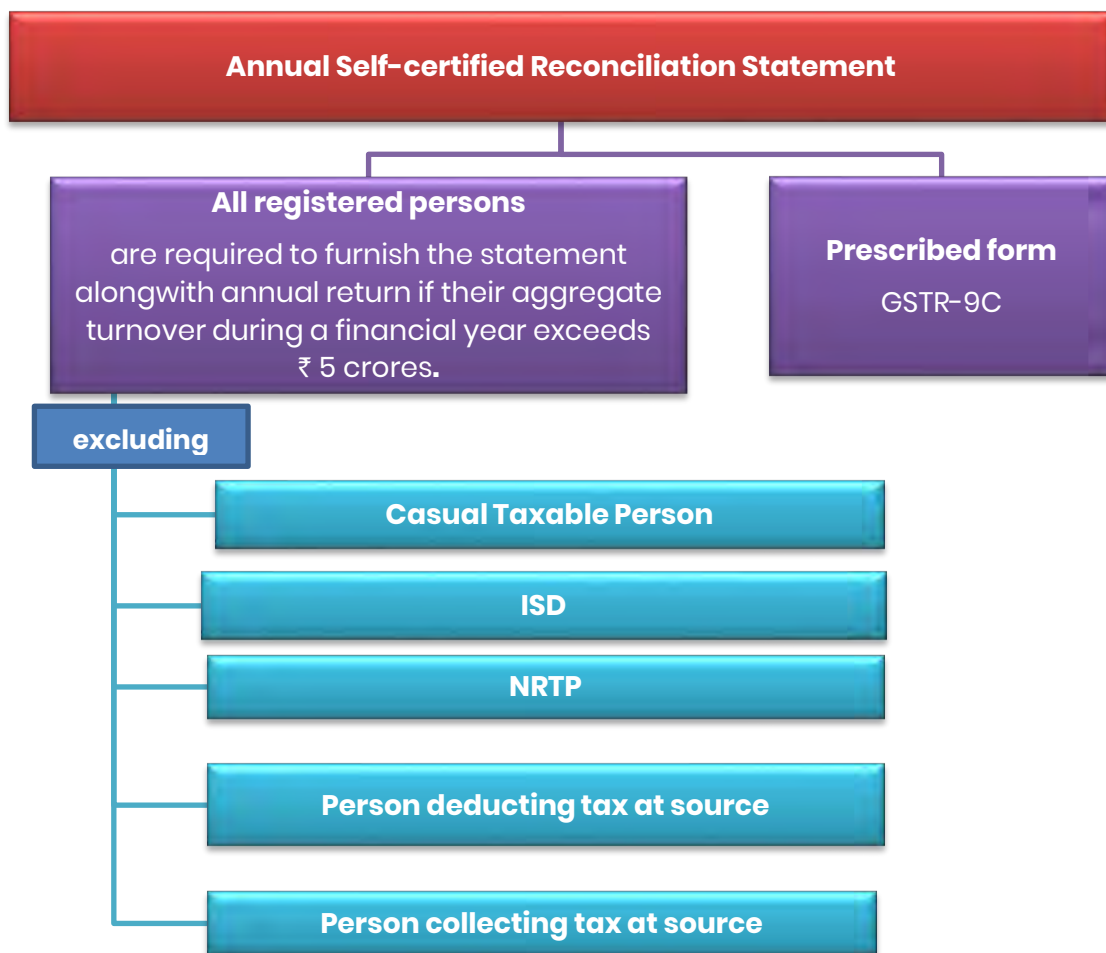


(iii) Final return

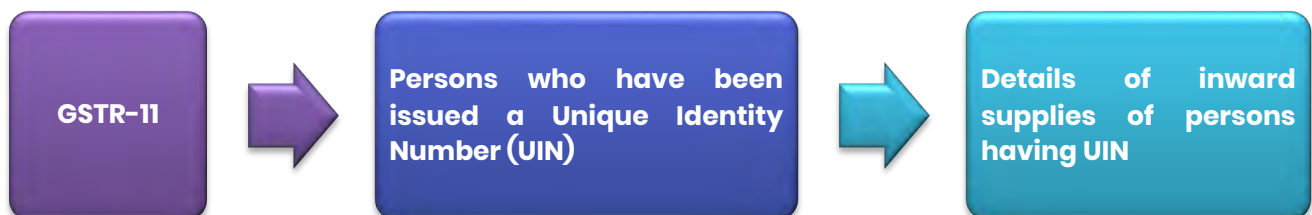


(iv) Annual Return & Annual Statement





(v) GSTR – 11 – Details of inward supplies of persons having UIN



NOTES

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The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

Board of Studies

The Institute of Chartered Accountants of India

ICAI Bhawan, A-29,

Sector-62, Noida 201 309

E-mail: bosnoida@icai.in

Phone: 0120 - 3045930

<https://boslive.icai.org>
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