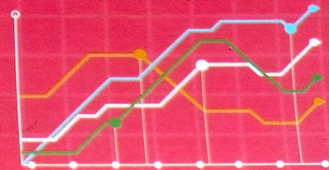
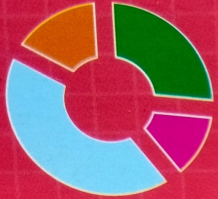


CA | CMA INTER
INDIRECT TAX

POCKET BOOK

May / June / Sept / Dec 2025



Kasa kaayyy!

Dosto,

I present you the GST Pocket Book.

This book has been written with immense effort, research, and a deep commitment to your learning. I have created it with the objective of helping you revise effectively, especially in the last days before the exam.

Keeping in mind the vastness of the syllabus, this book is structured to provide a clear and concise understanding of GST, making your revision process smoother and more efficient.

Every page, every explanation, and every example in this book is designed to simplify the complexities of GST and ensure that you grasp the concepts quickly.

While every effort has been made to ensure accuracy, if you come across any errors or mistakes, please communicate them to us. They are purely unintentional, and your feedback will help us improve.

Let's crack Tax! 

- Amit Bhaiya

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1. Basics

2. Supply under GST

3. Charge of GST

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7. Value of supply

8. ITC

9. Registration under GST

10. Tax invoice, debit & credit note, E-Way bill

11. Accounts and records

12. Payment of taxes

13. TDS and TCS

14. GST Returns



BASICS - GST

TAXES SUBSUMED UNDER GST

Central Taxes

- Excise duty
- Service tax
- CVD
- Central Sales tax
- Central surcharge & cess

State taxes

- State surcharge & cess
- Entertainment tax
- Tax on lottery, betting and gambling
- VAT/Sales tax
- Luxury tax
- Tax on advertisements

DEFICIENCIES IN VAT

- Double taxation
- Set off of CENVAT & State VAT against the credit of one another was not possible as CENVAT was a central levy & State-level VAT was a State levy
- Several Local taxes in the states (Ex: Luxury tax, Entertainment tax) were not subsumed in State VAT
- Non-integration of VAT & Service Tax: VAT on goods was not integrated with tax on services, at the state level, to remove cascading effect on Service Tax
- When goods were manufactured & sold, both Excise duty (CENVAT) & State-level VAT were levied

TAXES NOT SUBSUMED UNDER GST

- Basic custom duty
- ED/VAT/CST on alcoholic liquor for human consumption
- ED/VAT/CST on 5 petroleum products
- Stamp duty
- Property taxes
- Tax on motor vehicles
- Electricity duty

BENEFITS OF GST

- Boost to 'Make in India' initiative
- Enhanced investment, export and employment
- Certainty in tax administration
- Ease of doing business
- Benefits to small traders and entrepreneurs.
- Automated procedures with greater use of IT.
- Reduction in compliance costs.
- 1 registration in 1 state
- Small businesses can opt for composition scheme

DIRECT TAXES AND INDIRECT TAX

- Can the burden of tax be shifted by taxpayer?
No Yes
- Who makes the payment of taxes to the government?
Himself Supplier
- Progressive or regressive
Progressive Regressive

GST COMPENSATION CESS

Applicability - Specified luxury items or demerit goods, like pan masala, tobacco, aerated waters, motor cars etc., computed on value of taxable supply.

Purpose - Compensation cess is leviable on intra-State supplies and inter-State supplies to provide for compensation to the States for the loss of revenue arising on account of implementation of the GST.

Validity - Compensation is to be provided to a State for a period of 5 years from the date on which the State brings its SGST Act into force.

GST COUNCIL - ARTICLE 279A

- The Union Finance Minister is the Chairman of this Council
- Union Minister of State in charge of Finance as a member
- The function of the Council is to make recommendations to the Union and the States on important issues like tax rates, exemptions, threshold limits, dispute resolution etc

CONSTITUTIONAL PROVISIONS

Article 265 - It states that "no tax shall be levied or collected except by authority of law"

Article 246 - It gives the respective authority to Union and State Governments for levying tax

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

Intra state - parliament + state legislature has power to make laws

Inter state - Only parliament has power to make laws

GST APPLICABILITY

GST is levied on all goods and services, except alcoholic liquor for human consumption and petroleum, crude, diesel, petrol, ATF, and natural gas.

	Excise duty	VAT/GST	GST
Alcohol	Yes ✓	Yes ✓	No
Petroleum products	Yes ✓	Yes ✓	No
Tobacco and products	Yes ✓	No	Yes
Other goods	No	No	Yes

2

SUPPLY UNDER GST



1. **GOODS** = Movable property ✓ Money and Securities ✗

2. **SERVICES** = anything other than goods/ money/ securities. and conversion of money from one form or currency to another for a consideration



7(1)(b) & 7(1)(c)
Importation of Services

7(1)(a)

BEST L²DR

Barter, Exchange, Sale, Transfer, License, Lease, Disposal, Rental

Consideration

In the course/ furtherance of business

7(1)(aa)

unincorporated body (club)

supply

member

Consideration

supply ✓

7(1)(c) + SCH I

Supply without consideration

T
Transfer

R
Related Party
DP

I
Importation

P
Principal - Agent

conditions-

1. Transfer
2. Transfer should be permanent
3. ITC should be claimed

only if invoice is raised by the agent in his own name to customer

With Consideration

Without Consideration

Business ✓

Business ✗

Supply ✓

Supply ✓

Related Party/ Distinct Person ✓

Related Party/ Distinct Person ✗

not a supply ✗

Business ✓

Business ✗

Supply ✓

not a supply ✗

family

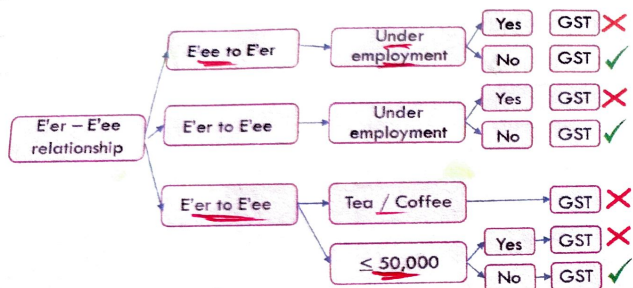
spouse/ children - dependent ✓/ ✗

Parents/ grand parents/ brother/ sister - dependent ✓

DISTINCT PERSON (SECTION 25)

- More than 1 registration - If obtained more than 1 registration, whether in 1 State or more - treated as DP.
- Taken Registration in 1 state, and has an office in another state - such establishments shall be treated as DP.
- Stock transfers / branch transfers - If the transfers are undertaken between 2 offices which are registered - Distinct persons
- Transfer between two units with SAME REGISTRATION - NOT considered as Distinct Persons

EMPLOYER - EMPLOYEE RELATIONS



SECTION 7(1A) + SCHEDULE II

- Transfer of Title - GOODS (Listing only V Imp. items below)
- Temporary Transfer - SERVICE
- Liquidation of assets transferred - GOODS
- Non compete Agreement - SERVICE
- Works Contract - SERVICE
- Intellectual property right - SERVICE
- Transfer of business as good concern - EXEMPT

SECTION 7(2) + SCHEDULE III

NEGATIVE LIST

1. Employment - Pre mature termination NO GST X
- Non Compete fees GST ✓
2. Services by court / tribunal
3. Services by MP/MLA/ SPECIFIED PERSON
4. Funeral / Burial / Crematorium / Mortuary
5. Sale of land - NO GST X

Sale of Building - Under Construction GST ✓

- After Construction if part/entire consideration is received before the following date, GST ✓ earlier of -
First occupation or issuance of completion certificate

6. Actionable Claims - Lottery, gambling, betting, casinos, horse riding, online gaming.

CLARIFICATIONS

1. Grant of alcoholic liquor license - NO GST X
2. Inter State movement between two district persons - NO GST on conveyance/truck. (rigs, tool, spares NO GST)
3. Display names or placing of name plates - NO GST If aimed not to give any publicity
4. No supply of services by the insured to the insurance company in lieu of - No claim Bonus ' offered by said insurance company to him.

COMPOSITE SUPPLY

It comprises

- Two or more taxable supplies of G/S or any combination thereof
- Naturally bundled & supplied in conjunction with each other in ordinary course of business
- one of which is a principal supply
- Treated as supply of principal supply
- **RATE** - Rate of principal supply

Buy 1 - Get 1 Free
Treat it - supply of 2 goods.
Taxability would be dependent
upon composite / mixed supply

Circulars regarding principal supply

Printing of books, pamphlet	Supply of Services - Paper is ancillary supply
Printed envelop, cartons	Supply of goods - Printing is ancillary supply
Re-treading of tyres	Supply of service, Rubber is ancillary supply
Supply of re-treaded tyres	Supply of Goods

Cancellation Charges

- naturally bundled ✓
- Tax rate of original Supply applicable

DEL-CREDERE AGENT (DCA)

DCA is an agent who guarantees payment to principal supplier. In order to guarantee timely payment to supplier, DCA can pay by short-term transaction-based loans to buyer or paying supplier himself & recovering from buyer with interest later. This loan is to be repaid by buyer along with interest to DCA @ mutually agreed rate b/w DCA & buyer. Whether 'DCA' falls under the ambit of 'Agent' under SCH I

Particulars	Case1 DCA is not an agent Supplier to buyer	Case2 DCA is an agent DCA to buyer
i) invoice issues by		
ii) Clarification	Interest charged by DCA <u>not</u> would not form part of value of supply of goods supplied by the supplier	Value of interest for such credit would be included in value of supply of goods by DCA to buyer

MIXED SUPPLY

Free samples - NO SUPPLY
ITC NOT available on
Inputs / InS / CG

It comprises

- Two or more individual supplies of G/S, made in conjunction with each other for a single price, where such supply does not constitute a composite supply
- Individual supplies are independent of each other & are not naturally bundled
- Tax Treatment - attracts Highest Rate of Tax

OTHER CASES

NATURE

1. Liquidated damages
2. Cheque dishonour
3. Forfeiture of earnest money in case of breach of agreement to sell
4. Penalty imposed for violation of laws
5. Late payment fees or Surcharge
6. Fixed Capacity charges for Power

Taxability

- NOT TAXABLE
- NOT TAXABLE
- NOT TAXABLE
- NOT TAXABLE
- TAXABLE
- NOT TAXABLE

3

CHARGE

Section 9

Sec. 9(1)

On INTRA state supply except Alcohol for human consumption

Rate not exceeding **20%**

Value u/s 15 Taxable person

Sec. 9(2)

No levy of GST 'petroleum products' till recommended by GST council



Sec. 9(3)

Power of government (on recommendation of GST council) to specify categories of supply on which RCM shall apply

1. Generally - Supplier is liable to pay GST
2. Under RCM, liability to pay GST is on recipient of Goods / Services
3. However, underlying principle of an indirect tax is that burden of such tax has to be ultimately passed on to the recipient.
4. GST being an indirect tax, this principle holds good for GST.
5. Therefore, under RCM, only the compliance requirements, [i.e. to obtain registration under GST, deposit the tax with the Government, filing returns, etc.] have been shifted from supplier to recipient

RCM

GOODS

Cashew nuts, Bidi wrapper leaves, tobacco leaves, Supply of Lottery: Silk yarn, used vehicles, Seized & confiscated goods, Old & used goods, Waste & scrap, Raw cotton.

SERVICES

Transportation of passengers - OLA/

Uber - ECO ✓

Omnibus Barring > 6 passengers supply

Company - FCM

Other than Co.
RCM

Sec. 9(4)

Tax under RCM is payable on notified category of inward supplies of G/ & S received from any unregistered supplier by notified class of registered persons

Sec. 9(5)

Payment of GST by electronic commerce operator

Situation	Person liable to pay tax
If ECO does not have a physical presence in TT	Person representing such ECO for any purpose in TT
If ECO does not have a physical presence in TT & also he does not have a representative	Person appointed by ECO in TT

Notified Services are:

1. Transportation of passengers by a radio taxi, motor cab, Maxi cab & motor cycle.
2. Hotel business (if hotel owner is unregistered)
3. House keeping services (if service provider is unregistered)
4. Supply of restaurant services other than restaurants located at specific premises (hotels providing accommodation where declared tariff per unit per day is > 7500)

Services notified under RCM

RECIPIENT (liable to

Services notified under RCM

NATURE OF SERVICE	SUPPLIER (BY)	RECIPIENT (liable to pay GST)	NATURE OF SERVICE	SUPPLIER (BY)	RECIPIENT (liable to pay GST)
<u>1.</u> Goods Transport Agency (GTA) <div style="margin-left: 20px;"> GTA → Not specified → specified persons → FCM 12% ITC ✓ → 5% ITC ✗ </div>	GTA playing 5% CGST	a) factory b) society c) Cooperative society d) any body corporate excluding registered corporative Society e) partnership firm f) Casual taxable person g) Registered person under GST	<u>5.</u> AA. Services by way of <u>renting of residential dwelling.</u> <u>5.</u> B. Services of transfer of <u>developmental rights</u> <u>5.</u> C. Long-term lease of land against consideration in <u>upfront amount.</u>	Any person	Any registered person
<u>2.</u> Legal Services	Individual advocate	Business entity		Any person	Promoter
<u>3.</u> Services by arbitral tribunal.	Arbitral tribunal	Business entity		Any person	Promoter
<u>4.</u> Sponsorship	Any person	Body, corporate or partnership firm		Any person	Promoter
<u>5.</u> A. Services supplied by CG, SG, UT or LA by way of renting of immovable property and other than TAP (refer master chart of exemption)	CG, SG, UT or LA	any registered person under GST	<u>6.</u> Services supplied by a <u>director.</u> <u>7.</u> Services supplied by insurance agent. <u>8.</u> Services supplied by recovery agent. <u>9.</u> Supply of services by members of <u>RBI</u> overseeing committee.	Director Insurance agent Recovery agent members of overseeing committee	Company, or body corporate Insurance company Banking company or financial institution or NBFC RBI

NATURE OF SERVICE	SUPPLIER	RECIPIENT
10. Transfer/use of copyright relating to original artistic works	Author, music, composer, photographer, artist etc.	Publisher, Music Company, producer etc.
11. Services supplied by Individual Direct Selling Agents (DSA)	DSA other than BC, partnership or LLP	Banking or NBFC
12. Services provided by business facilitator to banking company	Business facilitator	Banking company
13. Services provided by agent of business correspondent	Agent of business correspondent	Business correspondent
14. Security services	any person other than BC	any registered person
15. Renting of motor vehicles designed to carry passengers	any person	any body corporate
16. Lending of securities.	Lender	Borrower
17. Renting of residential dwelling.	Any person	Registered person

Author can opt for FCM

I) Author is required to take registration

II) Author is required to intimate the jurisdictional commissioner stating that he is opting for FCM

III) Author shall opt for FCM for 1 year (He shall continue opting for FCM for 1 year)

IV) Author shall intimate about opting for FCM in the invoice raised on the publisher.

COMPOSITION SCHEME

SECTION 10(1)

Manufacturer

1%

(taxable + exempt)

Restaurant

5%

(taxable + exempt)

Trader

1%

(taxable supply)

Applicability -

In PY, Aggregate T/O does not exceed 1.5 Cr. / 75 lakhs (SCS)

In CY, he can opt to pay tax under composition scheme upto 1.5 Cr./75L

Beyond that he shall start paying tax as per normal scheme. (within 7 days file intimation for withdrawal)

Composition → PAN Below Branch wise X

Aggregate T/O – PREVIOUS YEAR – For eligibility purpose

	Taxable Supply	Exempt supply or NIL rated supply	Export of goods / services	Inter state supply	Interest on - Deposit - Advance - Loan	TOTAL
Mnfg	✓	✓	✓	✓	✗	This amount should be $\leq 1.5 Cr / 75L/yr$ (Of ALL offices together regd under 1 PAN)
Supplier or Dealer	✓	✓	✓	✓	✗	
Restaurant services	✓	✓	✓	✓	✗	
Sec 10(2A)	✓	✓	✓	✓	✗	

SECTION 10(2)

- Supply of service other than restaurant should not exceed: $10\% \times T/O$ in PY or $5L$, whichever is higher
- Should not supply goods & service that are not leviable to tax (ie. liquor for human consumption, 5 Petroleum Products)
- not engaged in inter-state outward supplies of goods/service
- not engaged in goods/service supplied through ECO
- Should not be a manufacturer of notified goods ie. ice cream and other edible ice, Pan masala, Tobacco, aerated water, fly ash, bricks, fly ash blocks, bricks of fossil meals or similar siliceous earths, building, bricks, earthen or roofing tiles

CONDITIONS

- NRTP & CTP Cannot opt for Composition Scheme
- If a RP has more than one branch then all branches shall opt for composition scheme. Pan wise ✓ Branch wise X
- Cannot collect tax (ie. he issues Bill of Supply) & not entitled to claim ITC
- Mention the words "composition taxable person, not eligible to collect tax on supplies" at top of bill of supply & "composition taxable person" on every sign board at prominent place of business

SECTION 10(2A)

$50L = 6\%$

Applicability

In PY, If Aggregate T/o does not exceed 50 lakhs.
In CY can opt composition scheme upto Rs. 50 lakhs on first supplies of goods/ services beyond that tax shall be payable as per normal scheme.
Rate = $6\% \times (\text{Taxable} + \text{Exempt})$

Aggregate T/O – CURRENT YEAR – For payment of TAXES

	Taxable Supply	Exempt supply or NIL rated supply	Export of goods / services	Inter state supply	Interest on - Deposit - Advance - Loan	TOTAL
Mnfg	✓	✓	✗	✗	✗	$XX * 1\%$
Supplier or Dealer	✓	✗	✗	✗	✗	$XX * 1\%$
Restaurant services	✓	✓	✗	✗	✗	$XX * 5\%$
Sec 10(2A) Other Service	✓	✓	✗	✗	✗	$XX * 6\%$

- Payment – quarterly (CMP 08) 18th of month following qtr.
- Returns – Annually (GSTR 4) 30th April of next FY

Important Point

Original law - supply of goods; supply of services - Eco (Can not opt for the composition scheme)

Now, supply of

Goods $\xrightarrow{\text{through}}$ Eco - Can opt for composition scheme condition

Service $\xrightarrow{\text{through}}$ Eco - No composition scheme

For the supplier of goods who wants to opt for composition scheme needs to fulfill the following conditions

- ✓ 1) ECO shall not allow inter state supply
- ✓ 2) ECO shall collect & pay the TCS
- ✓ 3) ECO shall furnish the details in form GSTR-8
- ✓ 4) ECO shall make necessary checks and variations on their system/platform

4

PLACE OF SUPPLY

Section 10

Supplier
INDIA

Recipients
INDIA

Place of supply



Movement

Bill to
ship to

Non
Movement

Supply
involving
assembling

On board
goods

Place of
termination
of delivery

Location of person
who is giving a
direction

Location of goods
at the time of
delivery

Location where
such goods are
loaded

Place of assembling

Section 11

Either SP or SR is located outside India.

1. Export - O/S India - NO GST
2. Import - In India - GST ✓ (RCM)



In cases where the delivery address differs from the billing address, the place of supply of goods will be the address of the delivery recorded on the invoice.

Section 12

Section 12(2)

RP ✓

GENERAL PR

address?

Receipient

Section 12(3)

a) Service on immovable property

- engineering
- interior decoration
- architect
- surveyor
- site-coordination

b) Rent for accommodation

- Hotel
- campsite
- guest house
- house boat

c) Rent for functions

- Marriage
- Ring ceremony
- official/social/cultural/religious functions

Location of
immovable property

India
o/s india

that location
SR Location
Receipient

Section 12(4) RcB FHG

Restaurant

Catering Services

Beauty treatment Services

Fitness services

Personal grooming

Health services including cosmetic and plastic surgery

Location

where

service is given

* Section 12(5)

Training and appraisal services

If RP — His Location

If URP — Location where training service is given.

In the below 5 cases, preference given to RP

1. Training and appraisal service
2. Event organising services
3. Transportation of goods
4. Transportation of passengers
5. Insurance

Section 12(6)

EVENT related - cultural, artistic, sporting, entertainment, amusement park

POS - Location where event is held/ amusement park is situated. ✓

* Section 12(7)

Organising event service

If RP — Location of such RP

If URP — Place where event is held

If event is held o/s india — location of SR

12(7) includes sponsorship services as well.

* Section 12(8)

Transportation of goods

POS 1. If RP — his location

2. If URP — Location where goods are handed over to the transporter for delivery.

* Section 12(9)

Transportation of passengers

I. Single ticket

II. Pass

If RP — His location

If RP — His location

If URP — place of embarkation

If URP — address of recipient, if

unavailable address of supplier.

In Case of return journey ticket, two ways always considered separately.

Section 12(10)

Service supplied on board a conveyance

POS - First scheduled point of departure

Section 12(11)

Services of telecommunications

1. Installation — Place of installation
2. Post paid — Billing address
3. Pre paid — Place where voucher is sold.
4. Prepaid voucher sold over app/ internet — Billing address.

Section 12(12)

Banking, Broking Service

POS - Location of SR, if not available, Location of SP

* Section 12(13)

Insurance Service

POS - If RP — His location

If URP — Location of SR

Section 12(14)

Advertisement

According to type of advertisement and the various factors which determines the proportionate value of service attributable to the dissemination in each State / Union territory. (refer rapider for detailed chart)

CG/SG

5

EXEMPTIONS

SERVICES BY GOVT.

T

Transportation of
GOODS/PASSENGERS



Provided to ANY
(LA, Govt, BE)

GST ✓

A

Services w.r.t
aircraft/vessels



Provided to ANY
(LA, Govt, BE)

GST ✓

P

Dept. of Post

भारतीय डाक



India Post

- Post card
- Inland letter
- Book post
- Ordinary post

To any
GST ✗

Other than TAP

Govt.	BE	Others
>10L/20L/40L		
<u>GST</u> ✗		<u>GST</u> ✗

GST ✓
IF >5000 RCM

Other

To any
(LA, Govt, BE)

GST ✓

Renting of
immovable property

Value

≤ 5000	>5000
<u>GST</u> ✗	<u>GST</u> ✓

OTHER POINTS

EXEMPT

- Old age home run by CG/SG consideration upto Rs.25,000 per month per member inclusive of charges for boarding, lodging and maintenance.

Resident aged
≥ 60 years

- Service by the way of Issuing Passport, visa, birth/death, certificate, driving licence **EXEMPT**

- Govt. providing Testing, calibration, safety check or certification relating to safety of workers or consumers

RP	URP
RCM	FCM

Service By ministry of Railway - Tax at RCM

SERVICES TO GOVT.

- Services provided by govt. by way of tolerating nonperformance of a contract for which consideration in form of fines or damages is payable to the government.
- Services by govt. by deputing officer after office hours or on holidays for inspection or containers, stuffing for import export cargo on payment of merchant overtime charges.
- Services supplied by SG to ERCC, by way of assigning right to collect royalty on behalf of SG on minerals dispatched by mining leaseholders.
- Services provided by recognised rehabilitation professionals by way of rehabilitation therapy, counselling or medical establishments, established by govt.
- Service provided by Fair Price Shops to govt. by way of sale of food grains, kerosene, sugar, edible oil, etc. under Public Distribution System against consideration in the form of commission or margin.
- To government, under any training programme where 75% or more all expenditure is borne by government.
- To Government under any insurance scheme for which total premium is paid by government
- Pure services provided to government by way of any activity in relation to any function, interested to a Panchayat or municipality.
- Composite supply of goods and services in which value of goods is more than 25% of total value provided to government by way of any activity in relation to Panchayat or municipality.

ADMISSION TO ENTERTAINMENT EVENTS

- | | |
|---|---------------|
| a) <u>circus, dance, or theatrical performance.</u> | Museum |
| b) <u>award function, concert, musical performance.</u> | Zoo |
| c) <u>recognised sporting event</u> | National Park |
| d) <u>planetarium</u> | Wildlife |
| | Tiger Reserve |
- Consideration upto ₹500 = EXEMPT EXEMPT



Protected monument
under Monuments &
Archaeological Sites &
Remains Act, 1958

EXEMPT

PERFORMANCE BY AN ARTIST

In folk classical art forms of music/dance/
theatre.
if consideration charge more than ₹1,50,000
Note activities by an artist in any other art
form GST applicable
service provided by an artist as brand
ambassador GST applicable

CHARITABLE / RELIGIOUS TRUST

- Entity should be registered u/s 12AA, IT

Care or counselling
(I) terminally ill
persons or persons
with severe physical
or mental disability;
(II) persons afflicted
with HIV or AIDS;
(III) persons addicted
to a dependence-
forming substance

Public awareness
of preventive
health family
planning prevention
of HIV infection

Religion
yoga
spirituality



Education or skill
Development

(i) abandoned, orphaned or homeless children;
(ii) physically or mentally abused and traumatised
(iii) prisoners; or

(iv) persons over the age of
65 years residing in

- rural area - Exempt
- urban area - Taxable

Preservation of
Environment

> 65 → Rural Area
(E)

Note:

- Charitable trust U/s 12AA providing Advertisement service = taxable
- KMVN, an uttarakhand Govt unit organizing tour of Kailash mansarovar
• Haj Committee organising Haj (EXEMPT)
- In case of Residential programmes - Religion, yoga, Spirituality EXEMPT
- Activities such as Fitness Camps, Classes in Aerobics, dance, music = Taxable
- Service provided to charitable Trust u/s 12AA/AB = Taxable

Renting or precincts of religious
place where the

Charitable/Religious Trust

Renting of Room	Upto	₹999/day
Renting of Shop		₹9,999/month
Renting of Community halls		₹9,999/day



- Conduct of religious ceremonies like
birth, marriage, death rituals
EXEMPT

PENSION SCHEME

- Services by way of collection of
contribution under Atal Pension
Yojana.
- Services by way of collection
under any pension scheme of SG.

AGRICULTURAL ACTIVITIES

Agriculture includes cultivation of plants, crops and rearing of all life forms Sericulture, horticulture etc.

Except - rearing of horses

Agricultural Operations directly related to production of any agricultural produce including cultivation, harvesting, threshing, plant protection or testing;

Agricultural Produce

Marketing Committee or Board is Exempt

commission agent for sale or purchase of agricultural produce (& not a product made out of agriculture produce) Exempt

Services relating to agriculture or agricultural produce by way of - **exempt**

processes carried out at an agricultural farm including tending, pruning, cutting, harvesting, drying, cleaning, trimming, fumigating curing, sorting, grading, cooling or bulk packaging and such like operations which do not change essential characteristics of agricultural produce but make it only marketable for the primary market;

Fumigation of agriculture produce in warehouse -

TAXABLE

agricultural extension services; Exempt

Storage/warehousing of cereals, pulses, fruit, vegetables
Exempt

supply of farm labour; **Exempt**

renting or leasing of agro machinery or vacant land with or without a structure incidental to its use

Farm - **exempt**
Warehouse - **taxable**

loading, unloading, packing, storage or warehousing of agricultural produce.

Preconditioning, pre-cooling, ripening, waxing, retail packing, label of fruits and vegetable. **Exempt**

Artificial insemination of livestock (other than **horses**) **Exempt**

Warehousing of minor forest produce **Exempt**

Warehouse - rice - **Exempt**
Milling of paddy - rice - **taxable** ✓



EDUCATION

What is education institution?

CATEGORY I - pre school education & education upto 12th



CATEGORY II - other qualification recognised by law in India



CATEGORY III - Industrial training Institute, ITC, Modular employable skill course (affiliated to national Council or state Council for vocational training)



CATEGORY IV - IIM



1. **CATEGORY I, II, III, IV**

Educational institution



EXEMPT ✓

Faculty

Staff

Student

2. **CATEGORY I, II, III, IV** - ENTRANCE EXAM

Any educational institution

EXEMPT ✓



Exam fee

3. Transport service given to the Schools

CATEGORY I



Faculty

Student

Staff

ii) Catering



Sponsored by govt.

EXEMPT ✓

iii) Security + Cleaning



EXEMPT ✓

iv) CATEGORY I, II, III, IV



EXEMPT ✓



Exam related services

v) ONLINE
JOURNALS OR
PERIODICALS

Educational

Institutions
(applicable only
to college)

I, III ✗



Exempt ✓

Duration more than 1 year - long duration
course

Short duration course - GST ✓



Fees for recruitment service in
campus GST ✓



Education + accommodation + food
naturally bundled composite supply
Exempt (treated as education)

• DUAL COURSE

Recognised by law

Situation 1

₹50,000 GST ✗

Situation 2

₹80,000 - Artificially bundled ✓

Tax on 80,000, highest rate ✓

Not Recognised by law

₹30,000 GST ✓

• MESS SERVICE

Owned by college/ hostel

Exempt ✓

Outsourced to 3rd

party - GST ✓ if to

school Exempt

SERVICE OF GIVING VEHICLES ON HIRE



Transport of passengers

Seating Capacity > 12 GST ✗

State Transport Undertaking

GTA - transport of goods GST ✗

Transport
Service
provider



School
(Not college)
Students,
faculty, staff
(Pick & drop)

Local
Authority



Capacity > 12

HEALTH/ CLINICAL RELATED SERVICES



Clinical establishment



Authorised medical practitioner + paramedics



Service



Patient

Means - diagnosis or treatment or care for illness, injury, abnormality or pregnancy or yoga/ allopathy/ homeopathy.

Includes transportation of the patient

Excludes hair transplant or cosmetic/ plastic surgery

Veterinary Clinic **EXEMPT**

Preservation of stem cells (cord blood bank) **taxable**

Bio medical operators providing waste management facility to clinical establishment **taxable**

- services provided by pathological labs = **exempt**
- IVF = **exempt**
- Palliative care of terminally ill patients = **exempt**

- Healthcare service (renting of room service)

Upto ₹5,000 **exempt**

More than ₹5,000

ICU/ ICCU/ CCU/ NICU - **exempt**

Other rooms - **taxable**

- Display of ADS, Renting of shops = **taxable**
- Foods supplied to i) In patients - composite supply - **exempt**
ii) others - **taxable**

- Senior Doctor ₹7500

Consultancy

changes - **exempt**



₹10,000

Health service

Exempt



No GST 



Material provided by
govt. builder provided
ONLY PURE LABOUR

Builders

Construction and related services by way of pure labour contracts of original works pertaining to single resident unit and not residential complex.

Supply of TDR, FSI, long term lease (premium) of land by a landowner to a developer.

Repairs of single residential unit - TAXABLE

Condition for Exemption

Constructed flats are sold before earlier of:

- (i) issuance of completion certificate or
- (ii) first occupation of project, & tax is paid on them.

Withdrawal of Exemption

If flats are sold after issue of completion certificate. Such withdrawal shall be limited to 1% of value (in case of affordable houses) & 5% of value (in case of other houses).

BANKING SERVICES

1. Bank

Loan

Interest

GST ❌

2. Bank/ AD

₹ \$

Bank/ AD

₹ \$

RBI

GST ❌

GST ✅

The diagram illustrates the flow of banking services and the application of GST. It shows a sequence of transactions between different entities: 1. A Bank provides a Loan to a customer (represented by a man in a white shirt and blue pants). Interest is charged on the loan. GST is not applicable (marked with a red X). 2. A Bank/AD (Authorized Dealer) converts Indian Rupees (₹) to US Dollars (\$) for the customer. GST is not applicable (marked with a red X). 3. The Bank/AD then converts US Dollars (\$) back to Indian Rupees (₹) for the RBI (Reserve Bank of India). GST is applicable (marked with a green checkmark). The diagram uses arrows to show the direction of the flow of money and services. A green checkmark is also present next to the Bank/AD entity, indicating that GST is applicable on its services.

SPONSORSHIP SERVICES

Services by sponsorship of sporting events organised by:

- a) National Sports federation/its affiliated federations/ its affiliated federations
- b) Association of Indian Universities, Inter Universities Sports Board, School games federation of India.
- c) All India sports council deaf, Paralympic Committee or Special Olympics Bharat
- d) Panchayat Yuva kreedha aur khel abhiyaan scheme.

TRANSPORTATION OF PASSENGERS

ROADWAYS

Radio taxi - taxable
Others - **exempt**
Bus

Contract carriage Stage carriage

A/c = **Taxable** A/c = **Taxable**

Non A/C = **Exempt** Non A/C = **Exempt**
(Taxable in case such Services
are supplied through ECO)

For the purpose Not for the purpose
of hire, tourism,
charter = **taxable** charter = **exempt**

AIRWAYS

To/From North East

- Economy class = **exempt**
- Business class = **taxable**
- Any other case = **taxable**

RAILWAYS

Local Train

Second class = **exempt**
First class = **taxable**

Outstation Train

AC = **taxable**
Non AC = **exempt**

Tramway

Monorail
Metro rail
Exempt



WATERWAYS

Inland
waterways
Exempt

Public transport
not predominantly
used for the
purpose of tourism
Exempt

- Cruise - **taxable**



TRANSPORTATION OF GOODS

ROADWAYS

GTA, Courier Agency
= **Taxable**
Others = **Exempt**

- Any govt. Grants national
permit to operate
throughout India to GTA =
EXEMPT

RAILWAYS

Taxable

AIRWAYS

Goods sent from
place outside India
to customs stations
in India **Exempt**

Others = **taxable**



WATERWAYS

Inland waterways **Exempt**

Others = **taxable**

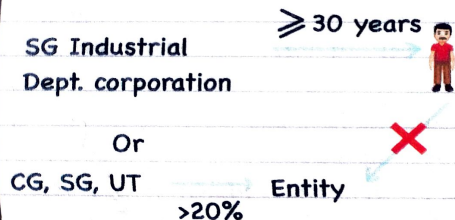
Transportation of the following
goods by rail/vessel/GTA = **Exempt**

- Agricultural produce
- Milk, salt and food grain
- Chemical fertilisers, oil cakes
and organic manure
- Newspaper
- Relief materials
- Defence/military equipment

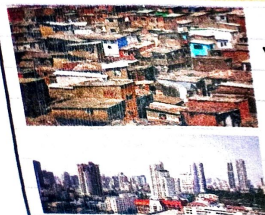
EXCESS ROYALTY COLLECTION CONTRACTOR



LEASING SERVICE



PREFERENTIAL LOCATION CHANGES

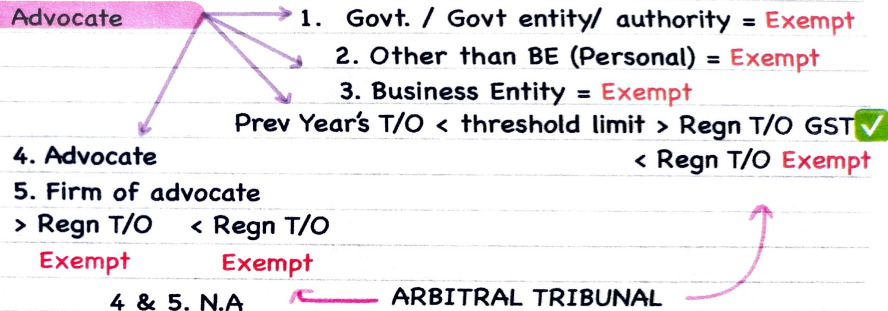
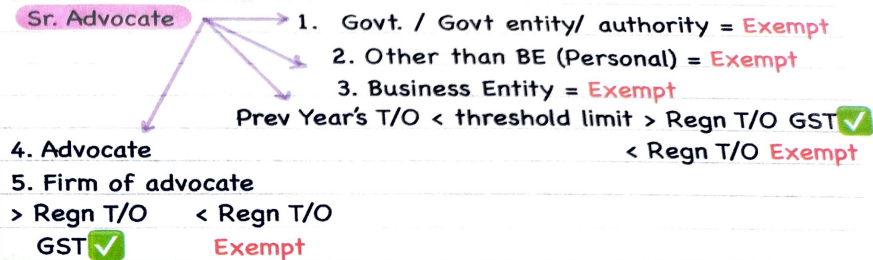


Value → 3cr.
pref.
Local → 1cr.
charger

Treatment
will be same
or sale of
land

PLC - Not taxable. -ve list

LEGAL SERVICES



MISCELLANEOUS

1. Transfer of a going concern (running business), as a whole or independent part thereof.
2. Supply of services associated with transit cargo to Nepal & Bhutan (landlocked countries).
3. Services by way of Renting of residential dwelling for use as residence.
4. Even if hotel charge < 1,000 - it is taxable - no exemption
5. Services by way of giving on hire (IMP)
 - Motor vehicle (carrying > 12 passengers) to state transport undertaking only
 - To the local authority, an Electrically Operated Vehicle meant to carry >12 passengers
 - Means of transportation of Goods to GTA.
 - Motor vehicle for transport of Student, Staff and Faculty to a person providing transportation services to schools.
6. Access to a road or a bridge on payment of toll charges. Additional toll charges from NON FASTAG vehicles - EXEMPT
7. Service by way of access to a road or a bridge on payment of annuity.
8. Transmission/ distribution of electricity by an electricity transmission/ distribution utility; GST applicable
 - Application fee for releasing connection of electricity; Rental
 - Charges against metering equipment;
 - Testing fee for meters/transformers, capacitors etc.;
 - Labour charges from customers for shifting of meter or service line;
 - Charges for duplicate bill
9. Services provided by incubatee upto total turnover of Rs. 50 lacs in a FY subject to:
 - Total turnover during preceding FY \leq Rs. 50 lacs &
 - 3 years has not elapsed from the date of entering into an agreement as an incubatee

Incubatee: means an entrepreneur located in Technology Business Incubator (TBI)/ Science & Technology Entrepreneurship Park (STEP) recognised by NSTEDB.
10. Taxable services, provided by TBI/STEP or bio-incubators,
11. Licensing, registration & analysis or testing of Food Samples.
12. Services by way of Collecting or Providing News by an independent journalist, PTI or UNI

13. Services by way of providing information under the RTI Act
14. Services of Public Libraries by way of lending of books, publications.
15. Services by organiser to any person in respect of a business exhibition held outside India.
16. Services by a foreign diplomatic mission located in India. ?
17. Satellite launch services provided by Isro
18. services provided to Govt - water supply, public health., sanitation Conservancy, Solid waste management, slum improvement & upgradation.

Tour Operator Service

Performed Partly
in India & partly
o/s India.

TO

Foreign Tourist

- Who is a foreign tourist ???

Person not normally resident in India.

To the extent of service
performed o/s India

Enters India for a stay \leq 6 months

1. Proportion of total capital,
equal to the number of days
service performed o/s India.
2. Or 50% of total consideration
for the entire tour.

*Things to consider while computing service performed o/s India

- | | |
|----------------------------------|-----------|
| > 12 hours shall be considered | -1 day |
| < 12 hours | -half day |

6

TIME OF SUPPLY



GOODS

FCM

I

Date of Invoice

L

Last date of issuing invoice

whichever is earlier

1. Movement - removal of goods for supply to recipient
2. Non Movement - Delivery
3. Continuous - Before or at the time of

Each statement or, Receipt of Payment

4. Goods sent on approval basis - At the time of supply (When buyer gives his assent); OR 6 months from the date of removal

RCM

R

Receipt of goods

P

Date of Payment

31

31st day from the date of issue of invoice by supplier

whichever is earlier

- Gift voucher - supply is identifiable at the time of issue of voucher

Yes
No

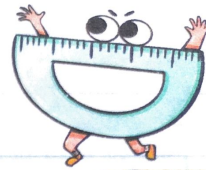
Date of issue ✓

Date of Redemption ✓

- In case of Int/Penalty - as and when recorded
- What if we are unable to identify the TOS under FCM? TOS- Date of entry in BOA of the recipient

I LIKED RAJU PANDYA WHEN HE WAS 31

SERVICES



FCM

Whether invoice issues within time?

YES

I Issue of **I**nvoice
P Receipt of **P**ayment

NO

S Provision of **S**ervice
P Receipt of **P**ayment

whichever is earlier

RCM

Non Associated
Enterprises

Associated
Enterprises

P
61 Date of **P**ayment
61st day from the
date of invoice

P Date of **P**ayment
E Date of **E**ntry in the
BOA of the recipient

whichever is earlier

Non Continuous Supply

Normal case
< 30 DAYS from
provision of service

Banks/Insurance/NBFC
< 45 DAYS from provision
of service

due date of payment
is ascertainable
ON or before DUE
DATE OF PAYMENT

due date of payment is
NON ascertainable
before or at the time
of receipt of payment

Continuous Supply

payment is linked to
completion of events
ON or before
completion of that
event

I Proposed **S**haki **P**andya when **P**andya was **61** in
Pakistan **E**ngland match

7

VALUE OF SUPPLY



Section 15(1)

Transaction Value

Conditions:-

1. Recipient is not related
2. Price is the sole consideration

refundable
(not forming part of
consideration)

GST **X**

non refundable
(part of
consideration)

GST **✓**

Section 15(2)

inclusions

Taxes/duties, except
GST and TCS

Amount liable to
be paid by supplier
has been incurred
by recipient on
behalf of supplier

Interest, late fee,
penalty for delayed
payment of any
consideration.

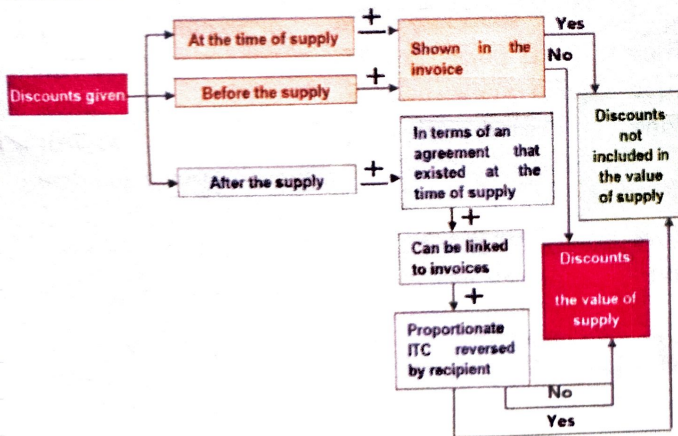
Subsidy should
be directly linked
to the price

Incidental expenses

Received from CG/SG	Not added to the value of supply	
Received from others	Directly Linked to price of supply	Added to value
	Not Linked to price of supply	Not added to value

Section 15(3)

exclusions



supplier pays

Composite Supply

Principal Supply = goods

include in VOS

recipient pays
(ex-factory)

Not included in VOS

- Discounts, including **buy more save more** offers, supplier offers staggered discount to his customers. Such discounts are excluded to determine the value of supply.

8

INPUT TAX CREDIT

SECTION 16(1) - RP can avail ITC on Inputs, capital goods, inputs service used in the course of business

SECTION 16(2) CONDITIONS FOR AVAILING ITC

Recipient should possess:

Also read Rule 37A

• invoice

• debit note

• Bill of entry

• Invoice prepared in respect of RCM

• ISD invoice

Registered person
taking the ITC must
have received the
goods/services

Supplier should have
actually paid the tax charge
on goods or services for
which ITC is being taken.

taxpayer should file
GSTR 3B to avail ITC on
eligible inverse supplies.

In case of bill to ship to model,
the goods are delivered to a third
party on direction of the of the
customer who purchases the
goods from the supplier

In case goods received in
lots, ITC only in the receipt
of last instalment.

SECTION 16(3)

RP has claimed dep. on tax component

of cost of Capital goods = No ITC

Input GST is capitalised = No ITC

Input GST is not capitalised = ITC = ✓

Recipient should make a payment within 180 days from the date

invoice. If he fails to pay, whatever ITC availed by the recipient would

be reversed and added to outward tax liability plus interest (18%

except in case of RCM supplies, deemed supply without consideration

and Where additions are made to supplier's liability u/s 15(2)(b)

SECTION 16(4) TIME LIMIT FOR AVAILING ITC

30th November following the FY in which invoice/
debit note pertains

or

Actual date of filing annual return for relevant FY
Whichever is earlier

SECTION 17

The services or both are used by RP, partly for purpose of business and partly for other purposes, the amount of credit shall be restricted to so much of the input tax as it is attributed to the purpose of his business.

Inward supply

GST ✓



Business (60%) ITC ✓

Non Business (40%) ITC ✗

Where the good or services are used by RP, partly for effecting taxable supplies, including including zero supplies, and partly for affecting exempt supplies. The amount of credit shall be restricted to so much of the input tax as it is attributed to the said taxable supplies.

Inward supply

GST ✓



Taxable (60%)

ITC ✓

Exempt (40%) ITC ✗

A banking company or a financial institution, including NBFC, supplying services by way of accepting deposits, extending loans, or advances shall have the option to either comply with provisions of subsection (2) or avail of, every month, an amount equal to 50% of the eligible input tax credit on inputs, capital goods, and input services in that month; this option once exercise shall not be withdrawn during the remaining part of the financial year; provided further that the restriction of 50% shall not apply to the tax paid and supplies made by one registered person to another registered person having same pan. (**ONLY FOR CMA**)

SECTION 17(5) BLOCKED CREDIT

1. **MOTOR VEHICLES** Transportation of passengers

Seating capacity upto 13 persons (including Driver)

ITC ✗

Seating capacity more than 13 persons

ITC ✓

ITC Allowed ✓ :- Further supply of motor vehicles, Transportation of passengers, Imparting motor vehicle skills & transportation of goods.

2. VESSELS AND AIRCRAFTS

other than specified

ITC ✗

- ITC on aircraft purchased by a manufacturing company for official use of its CEO is blocked
- ITC on aircraft purchased by an aviation school, providing training is allowed

ITC ✓

Vessels and aircraft when used for making following taxable supplies,

1. further the supply of such special vessels or aircraft (sale)
2. transportation of passengers
3. imparting training on navigating/flying such vessels/aircraft.
4. transportation of goods

3. INSURANCE, SERVICING, REPAIR AND MAINTENANCE

other than specified

ITC ✗

1. person who can avail ITC of Motor vehicles, vessels and aircraft (further supply, taxi business, driving school)
2. supply of general insurance services
3. manufacturer of motor vehicles, vessels, aircrafts.

ITC ✓

4. MEMBERSHIP OF CLUB, HEALTH & FITNESS CENTRE.

ITC ✗

Membership of club, health and fitness Centre

ITC ✓

such services are provided by employer to employees under statutory obligation

5. TRAVEL BENEFITS

ITC ✗ Travel benefits extended to employees on vacation

ITC ✓

when such services are provided by employer to employees under statutory obligation

ITC ✗

Food, beverages, catering, cosmetic surgery, health services, life, insurance and health insurance, leasing, renting or hiring of motor vehicle/vessel/aircraft on which ITC is blocked

ITC ✓

Such goods and services when used by RP for making an output tax bill, supply of the same category of goods and services or as an element of a taxable composite or mix supply

1.

When such goods and services are provided by employer to its employees under a statutory obligation.

OTHER POINTS

ITC blocked when goods or services

1. Used for personal consumption
2. stolen, destroyed, disposed by way of gift or free sample
3. Purchase from a composite taxpayer



ITC on goods imported by NRTP is allowed (but) ITC on services imported by him is blocked.

WORKS CONTRACT

immovable property

movable property

plant and machinery

ITC ✓

other than P&M

ITC ✗

Capital goods

Repairs- other than P/M

Capitalise ✗ P/L Dr side - ITC ✓

Capitalise ✓ - CG - Works contract restriction

ITC ✓

ITC allowed when

It is an input service for further supplier works contract service

When the value of work contract service is not capitalised. In this case ITC is allowed to all recipients irrespective of their line of business

1) Telecom tower is not considered as P/M

2) Works Contract for making a cement foundation to play a machinery - P/M ✓

SELF CONSTRUCTION

- ITC is blocked in case of self construction goods/services received by taxable person for construction of immovable property, other than plant and machinery on his account, including when such G/&S are used in course of business.
- ITC is available when the construction is not on account or is of P & M.



ORDER OF REVERSAL

1. ITC of IGST shall first be utilised towards payment of IGST & amount remaining (if any) may be utilised towards the payment of CGST & SGST in that order.
2. ITC of CGST shall first be utilised towards payment of CGST & amount remaining (if any) may be utilised towards the payment of IGST;
3. ITC of SGST / UTGST shall first be utilised towards payment of SGST / UTGST & amount remaining (if any) may be utilised towards payment of IGST;

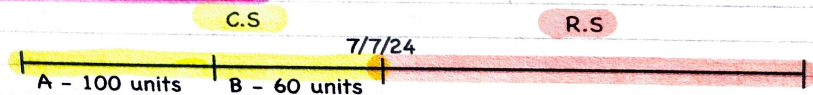
Note: ITC of SGST shall be utilised towards payment of IGST only where the balance of ITC of CGST is not available for payment of IGST;

4. CGST shall not be utilised towards payment of SGST or UTGST &
5. SGST or UTGST shall not be utilised towards payment of CGST.

Section 18

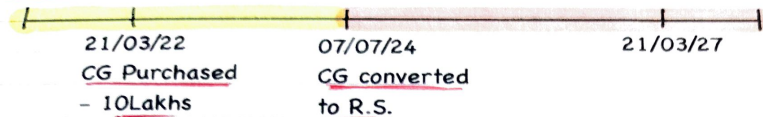
Part I - Zero to Hero

(a) Composition Scheme - Regular



1. Inputs in stock as in 1 day prior to conversion - ✓ - only on the invoices raised during 1 year prior to conversion
2. Input service - presumption - input services utilised on the same day, I will never get ITC

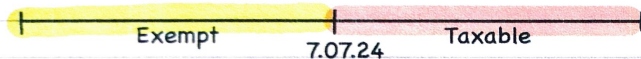
3. Capital goods - Life = 5 years/60 months



First identify number of quarters between 21/03/22 till 7/7/24, each quarter worth 5%
 In above case 11 quarters ineligible, total percentage ineligibility = 55% (11x5%)

Total ITC.	10,00,000
(-) Ineligible ITC.	(5,50,000)
Eligible ITC.	4,50,000

b) EXEMPT SUPPLY to TAXABLE SUPPLY



Inputs, Input services, Cap Goods - SAME ✓

c) URP TO RP



Inputs in stock ✓; Input Services ✗; Capital Goods ✗

- Declaration in form ITC01 < 30 days from receipt of registration certificate.
- If value of ITC > 2,00,000 certification from CA/CMA.

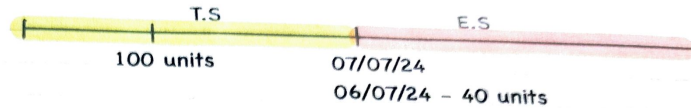
Part II - Change in constitution due to sale/merger/amalgamation etc

1. Transferor has to file GST ITC 02
2. Transferor to file the request to transfer the credit
3. Transferee to accept the details on common portal
4. Also, submit declaration certificate by CA/CMA

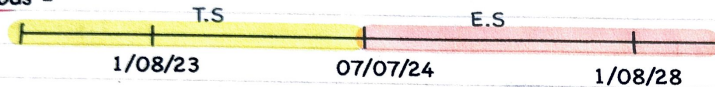
- In case of free samples and gifts, ITC not allowed if ITC is availed, it will be considered as deemed Supply.
- In case of Buy one get one offer - if we purchase 2 products by paying GST and offer them to sale as buy get 1, we will get ITC for both the products because per the provisions, it is assumed that both the products are provided/sold for a single price and that both will be considered at taxable supply.

Part III - Hero to Zero

- a) Regular Scheme to Composition Scheme
- b) Taxable Supply to Exempt Supply
- c) Registered Person to URP



- 1. Inputs in stock - reverse ✓
- 2. Input service - presumption - input services utilised on the same day, I will get the ITC for the service avail prior to 07/07/24
- 3. Capital goods -



Eligible period - 12 months

Ineligible period = $60 - 12 = 48$ months

Total ITC availed = ₹10,00,000

ITC to be reversed = $10L \times 48/60$

*Read Rapider - RULE 37A, RULE 86B, Section 18(6)

↓
Pg:-75

↓
P. 75

↓
P. 83/84

9

Not liable to register

1. Engaged in non-taxable or exempt supply
2. Agriculturist (Supply of produce out of land)
3. Person making RCM supplies

• Casual taxable person

has to register without any threshold limit.

Exception - If supplier handicraft goods, no registration required if turnover < 20/10L

• Notified Goods

Masala/tobacco/ice cream/edible ice/fly ash bricks/fly ash blocks

Even if exclusive supply of these goods; Limit < 20/10L

• Principal - Agent

If agent provides Supply on behalf of principal include it in agent's turnover, as well as principal's turnover

WHAT IS AGGREGATE T/O ?

<u>Taxable supply</u>	XX
<u>Exempt Supply</u>	XX
<u>Interstate Supply</u>	XX
<u>Export supply</u>	XX
<u>Receiving Supply under RCM</u>	<u>exclude</u>
<u>GST charge from customer</u>	<u>exclude</u>

REGISTRATION



Based on THRESHOLD

10 LAKHS

M - Mizoram
M - Manipur
T - Tripura
N - Nagaland

20 LAKHS

S - Sikkim
A - Arunachal Pradesh
M - Meghalaya
P - Puducherry
U - Uttarakhand
T - Telangana

other states

Exclusively goods

G+/S

(Inter + Intra = 20 L)

Handicraft goods

Other goods

Intra
40 L

Inter
20 L

Intra
40 L

Inter
No Limit
Compulsory registration

Compulsory Registration

- ✓ Person registered under any existing law
- ✓ Transfer of business
- ✓ Amalgamation/demerger
- ✓ Person, availing RCM Supply
- ✓ Casual taxable person
- ✓ N RTP
- ✓ ECO
- ✓ OIDAR
- ✓ ISD
- ✓ O/S India supplier of online gaming

PROCEDURE FOR REGISTRATION

PART 1

Person becomes liable for registration

within 30 days = date of becoming liable to register

Person applies

after 30 days = date of grant of certificate

Declare PAN, Mobile, State in PART A - FORM GST REG 01

After verification, TRN is generated, use TRN to fill PART B - FORM GST REG 01

Application shall be forwarded to PO for verification

Satisfied

< 7 working days

Registration Certificate

Not satisfied

Notice + Clarification
GST REG 03

Received < 7 days

Satisfied

< 7 working days

GRANT REGISTRATION ✓

Not satisfied

(Not) received < 7 working days

Reject application ✗

Inform 🧑

EFFECTIVE DATE OF REGISTRATION

1. Mandatory Registration

Application is made < 30 days from the date of crossing the threshold.

Yes

Registration effective from the date on which threshold was crossed.

No

Effective from the date on which registration certificate is granted

2. Voluntary Registration

Effective from - Registration Certificate granted ✓

Certificate to be granted in REG 06

If more than 1 office in 1 state - Registration certificate will mention about those office.

RULE 10 A

Part B requires us to file bank details ✓

Relaxation - Bank Details can be filed within 30 days from grant of RC or due date of furnishing return (earlier)

Relaxation NOT APPLICABLE - TDS deductor ✓

- TCS Collector

- Suo Moto Registration

Registration for CTP/NRTP

- Mandatory
- Apply at least 5 days prior to start of business.
- Max. License period - 90 days or any period mentioned in license (earlier)
- Payment in advance on estimation
- Extension possible, if yes, max 90 days with prior approval.

For CTP

- Normal Registration Process
- REG 01
- PAN required (PAN based)

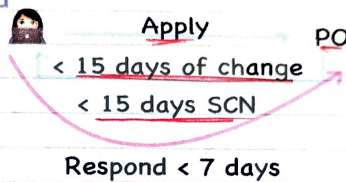
For NRTP

- In case of business entity estimated outside INDIA. Application + tax identification No. or any unique No. given by Govt. or PAN.
- NRTP can make an application with self attested copy of valid passport.
- Application needs to be e-verified by his authorised signature who is an Indian registered having valid PAN

Application in the registration

Core field
Approval required

Non core field
No approval required



Respond < 7 days of receipt of supply



Cancellation of registration

- SuoMotu by RP

1. Business Discontinued
Business transferred
 - Death of proprietor
 - Demerged
 - Transferred as going concern
2. Change in constitution of business
3. RP - no longer liable to register
Cancellation by PO

Business (not carried out from PPOB, Issues invoice without supply of goods in violation of provisions, violates the provisions of 10A, Availed ITC wrongly, value mentioned in GSTR1 as in GSTR 3B, Business commenced within six months, Return not filed beyond three months from the due date of filing return)

Revocation or cancellation of registration

 < 90 days  PO
Cancellation order

Application for
revocation

Accept
< 30 days

Reject
< 30
days

Communicate
and SCN to
RP

Response < 7 days

 PO
Dispose off < 30 days

Accept

Reject

SUSPENSION

Cancellation
proceedings
initiated

- No taxable supply
- No GST return to be furnished
- No refund can be initiated

• Suo motu by RP for cancellation

Suspension period

Date of
submission of
application

Cancellation
order passed

Cancellation
proceeding
are complete

• Cancellation by proper officer

Suspension period

Date determined
by PO

Cancellation
proceedings are
completed

No Aadhar Authentication required

1. Person not a citizen of India
2. CG/SG Department
3. Local Authority
4. Statutory Body
5. PSU
6. Person applying UIN

Supplier supplying good through ECO exempt for compulsory registration

1. Persons shall not make inter state supply
2. Persons shall not make supply through ECO in more than 1 state/UT
3. Shall have a PAN
4. Such persons shall declare on common portal- PAN, State of operation, Addresses of place of business.
5. Would be provided with enrolment no.
6. Only 1 enrolment no.
7. ECO shall allow only such supplier who has provided enrolment no.
8. Once registration is granted, such enrolment no. would be cancelled

NEW SECTION - AADHAR AUTHENTICATION FOR RP - SECTION 10B

Entity	Person needed to undergo Aadhar authentication
Proprietorship firm	Proprietor
Partnership firm	Partner
Hindu undivided family	Karta
A company	Managing Director or any whole time Director
An AOP / BOI / Society,	Any of the Members of the Managing Committee
Trust	Trustee in the Board of Trustees; authorized signatory

In order to be eligible for the purposes as specified in column (2) of the Table below:

1	For filing of application for revocation of cancellation of registration in FORM GST REG-21 under Rule 23
2	For filing of refund application in FORM RFD-01 under rule 89
3	For refund u/r 96 of the integrated tax paid on goods exported out of India

Provided that if Aadhar number has not been assigned to the person required to undergo authentication of the Aadhar number, such person shall furnish the following identification documents, namely: -

a.	her/his Aadhaar Enrolment ID slip; and
b.	i. Bank passbook with photograph; or
	iii. Voter identity card issued by the Election Commission of India; or
	iii. Passport; or
	iv. Driving license issued by the Licensing Authority under the Motor Vehicles Act, 1988

Provided further that such person shall undergo the authentication of Aadhar number within a period of 30 days of the allotment of the Aadhar number

Does cancellation of registration impose any tax obligations on the person whose registration is so cancelled?

Yes, every RP whose registration is cancelled shall pay an amount, by

- debit in the electronic credit ledger or
- electronic cash ledger, equivalent to the credit of input tax in respect of inputs held in stock or capital goods on the day immediately preceding the date of such cancellation or the output tax payable on such goods, whichever is higher.

10

Tax Invoice / Debit & Credit Note / E-Way Bill

Time limit for issuing tax invoice

GOODS

Movement

Removal of goods for supply to recipients

Non Movement

Delivery

Continuous

Before or at the time of

- each statement; OR
- Receipt of payment

Goods sent on approval basis

- At the time of supply (when buyer gives his assent); OR

- 6 months from the date of removal

SERVICES

Non Continuous supply

Normal case

<30 days from provision of service

Banks/NBFC/ Insurance Co

<45 days from provision of service

Continuous supply

Due date of payment is

ASCERTAINABLE

On or before DUE DATE OF PAYMENT

Payment is linked to completion of events

On or before completion of event

Due date of payment is NON ASCERTAINABLE

Before or at the time of Receipt of payment

Revised tax invoice

Registered person shall issue Revised Tax Invoice for all the taxable supplies from Effective Date of Registration upto Date of grant R/C within 1 month from date grant of registration

Consolidated Revised tax invoice

RP may issue consolidated revise tax invoice in respect of all taxable supplies made to an unregistered recipient.

In case of interstate supplies, consolidated tax invoice cannot be issued in respect of all unregistered recipients if value exceeds ₹2,50,000

VOS < ₹200, recipient unregistered, recipient does not require invoice - issue consolidated invoice

BILL OF SUPPLY

Required to be issued by

1. RP supplying exempted goods or services or both
2. RP paying tax under composition levy (or Sec 10(2A))

Receipt Voucher

RP shall on receipt of advance payment, issue a receipt voucher.

If rate of tax is not determinable - 18%

Nature of supply not determinable- inter state supply

Refund Voucher

Where, on receipt of advance payment, the RP issues a receipt voucher, but subsequently no supply is made, the RP then may issue REFUND VOUCHER

INVOICE & PAYMENT VOUCHER

RP who is liable to pay tax under RCM, shall issue invoice in respect of G/&S received by him from the supplier who is not registered on the date of receipt. Besides, a RP who is liable to pay under RCM, shall invoice a payment voucher at the time of making payment to the supplier.

Invoice
cum bill
of supply

RP T & E
Supply

URP

DEBIT NOTE

Situations where debit note needs to be issued-

1. The supplier has a nicely declared a value which is less than the actual value of goods or services or both
2. Supplier has erroneously Declared the lower tax rate, then what is applicable for the kind of goods or services of both
3. The quantity received by the resident is more than what has been declared.

CREDIT NOTE

1. Supplier has erroneously declared a value which is more than the actual value
2. Supplier had erroneously declared a higher tax rate than what is applicable
3. The quantity received by the recipe is less than what has been declared
4. The quality of the goods or services or both supplied is not to the satisfaction of the recipient, thereby necessitating a partial or total reimbursement.

DELIVERY CHALLAN (RULE 55) — cases where delivery challan is issued

1. Supply of liquid gas where the quantity at the time of removal from the place of business of the supplier is not known.
2. Transportation of goods for job work
3. Transportation of goods for reasons other than by way of supply
4. Other notified supplies

Particulars of delivery challan - date and number, name, address and GSTIN of consignor and consignee, HSN code, quantity, taxable value, rate, and amount of GST, place of supply, signature

In case good sentence semi/completely knockdown condition/in batenes/lots

1. Issue invoice- Before Dispatch of 1st lot
2. Issue delivery challan- In subsequent lots
3. Delivery challan to accompany the invoice copy, which is certified
4. Original invoice with the last lot.

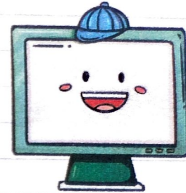
E WAY BILL

- When there is a movement of goods of consignment value exceeding ₹50,000, it includes value declared in the invoice and GST, but will not include exempt Supply.

- Mandatory EWB** - 1. Interstate transfer of goods by principal to job worker.
2. Interstate transfer of handicraft goods by a person exempted from obtaining registration

- EWB to be generated by the person who causes movement of the goods.

- If supplier is RP - Undertakes to transport, the goods, movement of goods is caused by the supplier.
- If recipient arranges transport, movement is caused by him.
- If goods are supplied by URP to RP, movement shall said to be caused by such recipient.



- Information to be furnished in EWAY BILL

PART A - supplier details, recipient details, value, rate, HSN, distance

PART B - Transporter Details, vehicle registration number, Driver details, drivers license

- EWB in case of bill to ship to model only one eWAY bill is required to be generated, either the original customer or the second.
- IF value > ₹50,000 and consignor and consignee, don't issue EWAY Bill. It is then the mandatory responsibility of the transporter.
- E WAY Bill is valid for movement of goods by road when the information in part B is furnished. Exceptions, however, details of conveyance may not be furnished in part B of the EWAY bill where the goods are transported for a distance of up to 50 km within the state/union territory.
- Consolidated E WAY Bill is a document containing multiple EWAY bills for multiple consignments being carried in one conveyance.
- Cancellation of E WAY bill within 24 hours of generation
 - Goods are either not transported or
 - Not transported as per the details furnished in e way bill



- Validity of E WAY Bill

1. Normal cargo - one day for every 200 km or part there of
2. Over-dimensional cargo - One day for every 20 km or part there of
3. Multidimensional shipment in which at least one leg involves Transport by ship - One day for every 20 km or part there of

- Acceptance of E WAY BILL

Time limit - 1. 72 hours of the details being made available to him on the common portal or
2. Time of delivery of goods. whichever is earlier

- Inspection and verification of goods

A summary report of every inspection of goods and transit shall be recorded online by the proper officer in part A within 24 hours of inspection and final report and part B within three days of such inspection.

- Blocking of E WAY Bill generation facility

1. Person paying tax under composition scheme has not furnished the statement for payment of self assessed tax for 2 consecutive quarters
2. Person paying tax under regular scheme has not furnished returns for consecutive period of 2 Tax periods.
3. Person paying tax under regular scheme has not furnished GSTR1 for any two months or quarters as the case maybe
4. Person whose registration has been suspended under the provisions of rule 21, a of the CGST rules.

E-INVOICING

- E invoicing. is the system in which B2B invoices are authenticated electronically by GSTN for further use on common GST portal.
- All invoice information will be transferred from this portal for both GST portal and eBay bill portal in real time.
- Under E invoicing system an identification number will be issued against every invoice by invoice registration portal (IRN)
- Applicable to Only B2B Supplies (Including Exports) If Agg. T/o of a registered person in any FY from 2017-18 exceeds ₹5 Cr
- EXCEPTIONS SEZ units, insurer/banking company/ NBFC, GTA, Supplier of passenger transportation service, Govt./local body.
- A registered person whose aggregate TO in any preceding FY from 2017-18 onwards exceeds ₹ 500 crores will have a QR code.

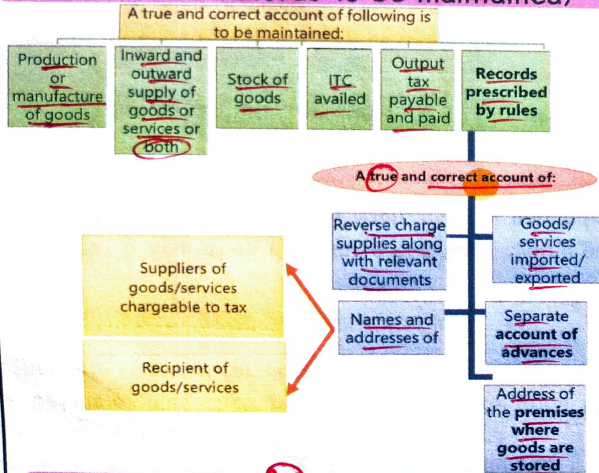
ACCOUNTS AND RECORDS

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

Every registered person is required to maintain his books of accounts at

- i) Principal place of business
- ii) additional place of business

Accounts and records to be maintained;



Composition person not to maintain the following records and documents:

commodity wise stock of goods and details of tax payable and paid, ITC, register of invoice, credit note, debit note, delivery challan

ACCOUNTS TO BE MAINTAINED BY SPECIFIC PERSONS

AGENT

Authorisation received from each principal to receive/supply G/S on his behalf;

Particular - description, value, quantity of goods or services supplied on behalf of every principal

Tax paid on receipt or supply of goods/ services affected on behalf of each supplier

Details of accounts furnished to every principle

Particular - description, value, quantity of goods or services received on behalf of every principal

MANUFACTURER

1. Monthly production account showing quantitative details of the raw materials of service is used in manufacturing.
2. Quantitative returns of the goods manufactured, including waste and by product

SUPPLIER

- Account showing quantitative details of goods used in the provision of services and details of input services utilised, and the services supplied

CUSTODIAN/ CLEARING & FORWARDING AGENT

- Maintain true and correct records in respect of goods handled by him on behalf of the registered person and shall produce the details thereof as and when required by the proper officer

WORKS CONTRACT

- The name and addresses of person whose behalf the works contracted is executed
- Description, value, quantity of goods or services received for execution of works contract
- Description, value, quantity of Gujarat services utilised in execution of works contract. The details of payment received in respect of each contract, the names and addresses of supplies from whom he receives car services

How Accounts and records will be maintained?

Records in electronic form

1. Record in electronic form be authenticated by digital signature
2. Proper electronic backup of records be maintained and preserved
3. Such records need to be Produced, on demand, in hard copy or in any electronically readable format.
4. Details of files, their passwords and explanation for codes and any other info required for access

No entry to be erased/overwritten

1. Incorrect entries, other than those of clerical nature, be scored out under attestation and thereafter correct entry be recorded
2. In case, electronic records being maintained, a log of every entry, edited or deleted shall be maintained.
3. Books of accounts maintained manually be serially numbered
4. Books of Accounts, required to be produced, on demand

FAILURE TO MAINTAIN THE ACCOUNTS

1. Proper officer shall determine the tax payable on uncounted goods and/or services as if same had been supplied by such person
2. Provisions of section 73/74 shall, mutatis mutandis, apply for determination of such tax.

PERIOD OF RETENTION

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 or investigation is going on -

1 year after final disposal of such appeal/revision/proceeding/investigation or

72 months from the due date of furnishing of annual return for the year pertaining, which ever is **LATER**

ITEM WISE STOCK A/C

RP under regular scheme, shall maintain accounts of opening balance, receipt, supply, goods, stolen, loss, destroyed, returns, or disposed by way of gift or free sample and the balance of stock, including raw materials, finished goods, scrap and wastage.

DETAILS OF ITC CLAIMED

Every RP under the regular scheme shall keep and maintain an account containing details of tax, payable, tax, collected, and paid, input tax, ITC claim, together with the register of tax invoice, credit, and debit notes and, delivery challan

PAYMENT OF TAXES



E LEDGERS

Electronic Cash Ledger

- ✓ 1. Can be utilised to pay off Output Tax, interest, late fees, Penalty
2. Money can be credited through: NEFT/ RTGS, Debit/Credit card, Net banking, UPI, IMPS, Cash/cheque/DD upto Rs. 10,000. except
 - ✓ 1. PO to recover outstanding dues
 - ✓ 2. PO to collect the amount by way of cash/cheque/ demand draft during any investigation/ enforcement activity
 - ✓ 3. GOVT dept.
- ✓ 3. E cash ledger shall be maintained in form GST PMT05.
- ✓ 4. Person depositing the amount in E cash ledger shall generate a challan in form GST PMT06. (14 digit unique CPIN and valid for 15 days)
- ✓ 5. Ledger is displayed major heads (IGST, CGST, SGST) and each major head is divided into five minor heads (tax, interest, penalty, fee, and others).

Electronic Credit Ledger

- ✓ 1. E-credit ledger represents I.T.C
- ✓ 2. Credits can be used to make payments of only tax and not other amounts
- ✓ 3. ITC cannot be utilised for tax payable under RCM.
- ✓ 4. E credit ledger shall be maintained in form GST PMT02.

GST PMT - 09 Form can be used to

- i) Transfer Erroneous deposits under any minor head of a major head to any other minor head of same or other major heads.
- ii) Transfer of any of amounts already lying non utilised under any of the minor heads in E-Cash ledger.

E-cash balance can be transferred between Distinct Person only if Transferor has paid all its liabilities in his E-Liability ledger

Electronic Liability Ledger

- ✓ 1. All liabilities of taxable person shall be recorded and maintained in this ledger
 - ✓ 2. Order of adjustment in settling tax liability.
 - First self assessed tax, and other dues of previous tax periods
 - Second self assessed tax, and other dues related of current tax periods
- Any other amount payable under this act, including the demand.

Interest on delayed payment 18%

- ✓ 1. Every person who is liable to pay but fails
 - delay in payment of tax due to delay in filing return - Calculate on NET AMT.
 - delay in payment of tax but return filed on time - Calculate on GROSS AMT.
- ✓ 2. ITC has been wrongly availed & utilised

If, GSTR 3B - Delayed Basis

Payment Delayed Basis

For example,

Liability of - July 2024

Due date - 20/08/24

GSTR 3B - 20/11/24

Payment - 20/11/24

Liability of July - ₹1,00,000

ITC - ₹40,000

Interest = $60,000 \times 18\% \times 92/365 = ₹2722$

If, GSTR3B - within due date ✓

Payment - delayed basis

Liability of - July 2024

Due date - 20/08/24

GSTR 3B - 18/8/24

Payment - 20/11/24

Liability - ₹1,00,000

ITC - ₹40,000

Interest = $₹1,00,000 \times 18\% \times 92/365 = ₹4537$

IMP. POINTS

- Rate of TDS = 2% (Intra:- CGST @ 1% SGST @ 1% Inter:- IGST @ 2%)
- Deductors of tax - CG/SG/ Local Authority/Government agencies/ Notified persons (refer rapider)
- Threshold- Total Value of supply of taxable goods/or services under a contract exceeds ₹2,50,000 (exclusive of tax and cess as per the invoice)
- TDS@2% of to be deducted on amount paid & not on contract value
- Delayed payment of TDS = Interest @ 18% p.a.
- Return = Form No:- GSTR - 7
- Due date:- 10th of next month
- TDS certificate- GSTR 7A
- Delayed return; Late fees - ₹100 every day, maximum ₹5000

Categories of persons not liable to deduct TDS

1. When Goods/Services are supplied from one PSU to another PSU (Whether or not distinct person)
2. If any supply of Goods/Services takes place between 'Specified Recipients' of section 51
3. No TDS shall be deducted when supplier and place of supply are of same state, but recipient different state

TCS not applicable

- If services are falling under section 9(5)
Collected TCS will be shown in F.lec.cash ledger

TDS-TCS

TAX COLLECTED AT SOURCE

Every ECO who supplies goods & collects consideration on behalf of supplier from customer on net value of taxable supplies made through it by suppliers has to collect TCS.

Net Value of taxable supplies:

Add: Aggregate value of taxable supplies of G/S (other than notified services under section 9(5) by all RP through operator)

Less: Taxable supplies returned to suppliers

IMP. POINTS

- Rate of TCS = 0.5% (Intra:- CGST @ 0.25% SGST @ 0.25% Inter:- IGST @ 0.5%)
- Due date of TCS = 10th of next month
- Delay in Depositing TCS = Interest @ 18% p.a.
- Return = Form No:- GSTR-8
- Due date of filing Annual Statement = 31st Dec of next FY.
- The TCS amount collected by eco has to be remitted to the government treasury within 10 days after the end of the month
- An electronic statement has to be filed containing details of the outward supplies during the month within 10 days after the end of each month.
- An officer not below the rank of deputy commissioner can issue notice to furnish details, the ECO is required to furnish details within 15 working days. in case of failure, there is liability up to 25,000/-

14

GSTR 1

Due Date: GSTR1 of a month can be filed by 11th of succeeding month.

Details of Outward Supplies.

Registered persons

Unregistered persons

Invoice wise

Intra

Inter

Consolidated details

Invoice
value <
₹1 lakh

Invoice
value >
₹1 lakh

Invoice wise
details

State wise
consolidated
details

GSTR2B

Details of inward supplies,
Auto-populated on the basis
of details filled in GSTR 1 by
supplier.

QUICK REVISION



GSTR1 11th next month

GSTR 2B Auto-populate

GSTR 3B 20th of the next month

GSTR 4 30th April of the succeeding FY

CMP-08 18th of succeeding quarter

GSTR 5 13 days after end of calendar
month or 7 days after the last date of
validity of registration, earlier

GSTR 9 31st December of next FY

GSTR 10 Within 3 months of; Later of; date of
cancellation or date of order of cancellation

Rectification earlier of; 30th day of November
of FY or date of filing of relevant annual return.

NIL RETURNS

- GSTR1/3B
- no business activity
- can be filed through
SMS by OTP

GSTR3B

Summary of Outward supplies, Inward supplies, Output tax
ITC, Net tax payable + Payment of tax.

DUE DATE: 20th day of the month succeeding the relevant
calendar month

AMENDMENT

RECTIFICATION of Errors

earlier of the following dates:

- 30th day of November of the following FY; or
- Date of filing of the relevant annual return

Cases where RP is debarred from IFF/GSTR-I

- A RP shall not be allowed to furnish the details of outward supplies in
GSTR-1, if **not furnished** the return in GSTR-3B for preceding months.
- (iv) RP shall not be allowed to furnish GSTR-1 if not furnished the details of
bank account **as per rule 10A**.
- (iii) Intimation **u/r 88C** to pay or explain the difference in GSTR-1 & 3B received
- (iv) Intimation **u/r 88D** has been issued on common portal in respect of a tax
period

GSTR 4

Composition Tax Payer

Due Date: 30th April of next FY

PAYMENT: CMP-08; 18th of the following quarter.

GSTR 5

NRTP

Due Date: 13th of next month; OR
7 days from expiry of registration certificate. earlier

GSTR 9

Annual Return

Can be filed by all registered person except-

- i) CTP ii) NRTP iii) ISD iv) TCS/TDS
- v) OIDAR outside india

Due Date: 31st December of next FY

GSTR 10

Final Return

Can be filed by normal taxpayer, including CTP, whose registration certificate has been cancelled or surrendered

Due Date: within three months from date of cancellation or date of order of cancellation; LATER

FIRST RETURN

All the outward supplies made from the date of becoming liable to register upto date of grant of registration certificate, shall be filed in first return.

1/4/23

URP

1/7/23

TO exceeds
₹20 Lakhs

30/8/23

Registration
certificate

31/3/24

Details to be filled
in first return

GSTR 11

GST paid on
inward supplies

UIN Holders

Issue temporary invoice, after registration certificate, issue revised tax invoice within 1 month

ITC = REFUND

File GSTR11

LATE FEES

For Delayed Filing Of GSTR-1 And/Or GSTR-3B

Registered Persons who have Nil
Outward Supplies in Tax Period; or RP
whose Total Amount Of Tax Payable As
Per GSTR-3B Is Nil

Lower Of the Following Two:

- Rs ₹20 (Rs10 under each act) for every day during which such failure continues; or
- 500 (Rs 250 under each act)

OTHER CASES (not nil return)

Aggregate TO Of Preceding FY Doesn't
Exceed Rs 1.5 Cr $\geq 1.5 \text{ Cr}$

- Rs 50 (Rs25 under each act) for every day during which failure continues; or
- Rs 2,000 (Rs1,000 each under each act)

Aggregate TO Of Preceding FY Exceeds
Rs 1.5 Cr But Doesn't Exceed Rs 5 Cr

$1.5 < 5 \text{ Cr}$

- Rs 50 (Rs25 under each act) for every day during which failure continues; or
- Rs 5000 (Rs 2,500 each under each act)

Aggregate Turnover Of Preceding FY
Exceeds Rs 5 Cr

5 Cr

- Rs 50 (Rs25 under each act) for every day during which such failure continues; or
- Rs 10,000 (Rs5000 under each act)

For Delayed Filing Of GSTR-4 (Return By A Composition Supplier)

Total Tax Payable as Per GSTR-4 Is Nil

Lower Of the Following Two:

- Rs 20 (Rs 10 under each act) for every day during which such failure continues; or
- Rs 500 (Rs 250 under each act)

Total Tax Payable as Per GSTR-4 Is NOT Nil

Lower of

- Rs 50 (Rs 25 under each act) for every day during which such failure continues; or
- Rs 2,000 (Rs 1000 under each act)

For Delayed Filing Of GSTR-9

Registered persons having aggregate turnover < ₹ 5CR in the relevant FY

Lower Of the Following Two:

- Rs 50 (Rs 25 under each act) per day
- 0.04% of turnover in the State (0.02% under each act)

Registered persons having aggregate turnover < ₹ 20 CR in the relevant FY

- Rs 100 (Rs 50 under each act) per day
- 0.04% of turnover in the State (0.02% under each act)

Registered persons having aggregate turnover > ₹ 20 CR in the relevant FY

- Rs 200 (Rs 100 under each act) per day
- 0.05% of turnover in the State (0.02% under each act)