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# GOODS & SERVICES TAX

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**KHANDHAR MEHTA & SHAH**

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With multiple laws and complex compliance requirements, one has to keep referring to several publications and web sites. This book is an attempt to bring several areas of legal compliance at a single place in a very simple and easy manner.

We are sure our readers will benefit from this useful compilation.

We welcome your comments at [amish@kmsindia.in](mailto:amish@kmsindia.in) | [rashmin@kmsindia.in](mailto:rashmin@kmsindia.in)

## Statistics of TAX Revenue in India (Rs. in Crores)

Source : [www.indiabudget.gov.in](http://www.indiabudget.gov.in)

Revenue	2017-18	2018-19	2019-20	2020-21 (Estimated)	2021-22 (Estimated)
<b>Corporation Tax</b>	5,71,202	6,63,572	5,56,876	4,46,000	5,47,000
<b>Income Tax</b>	4,30,835	4,73,056	4,92,673	4,59,000	5,61,000
<b>Customs</b>	1,29,030	1,17,812	1,09,283	1,12,000	1,36,000
<b>Central Excise</b>	2,59,731	2,30,993	2,39,452	3,61,000	3,35,000
<b>Service Tax</b>	81,228	7,893	6,029	1,400	1,000
<b>CGST+IGST+ UTGST+Cess</b>	4,42,562	5,84,338	6,01,784	5,17,819	6,33,327
<b>Gross Tax Revenue</b>	<b>19,14,588</b>	<b>20,77,664</b>	<b>20,06,097</b>	<b>18,97,219</b>	<b>22,13,327</b>

## 15 Digit GSTIN Format

State Code

10 Digit Permanent Account Number (PAN)

Entity number of  
same PAN holder  
in a state

Alphabet  
'Z' by  
default

Check  
sum  
digit

24

AAAAA0000A

1

Z

5

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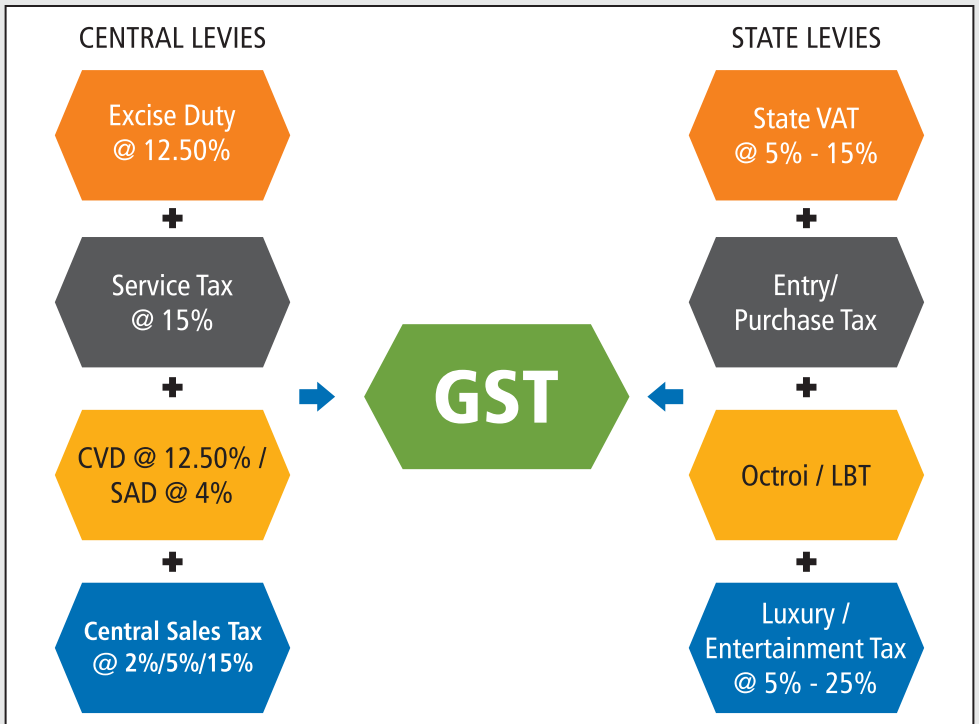
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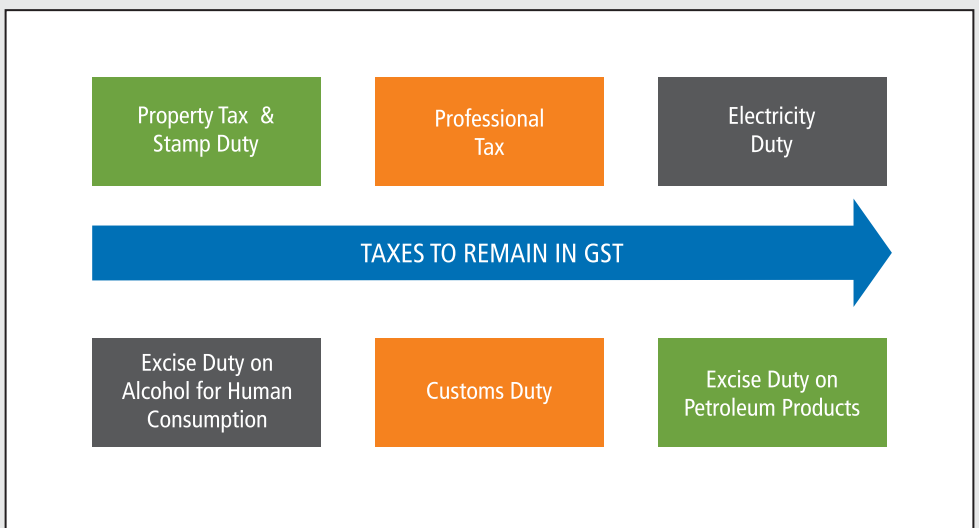
# 1

## Subsuming Indirect Taxes



# 2

## Taxes not subsumed in GST



### Threshold Limit for Registration

No.	States	01-07-2017 to 31-01-2019	01-02-2019 to 31-03-2019	01-04-2019 Onwards
<b>For Supplier Engaged Exclusively "Supply of Goods"</b>				
1	Manipur, Mizoram, Nagaland, Tripura	₹ 10 Lakh	₹ 10 Lakh	₹ 20 Lakh
2	Uttarakhand, Meghalaya, Sikkim, Arunachal Pradesh	₹ 10 Lakh	₹ 20 Lakh	₹ 20 Lakh
3	Himachal Pradesh, Assam	₹ 10 Lakh	₹ 20 Lakh	₹ 40 Lakh
4	Puducherry, Telangana	₹ 20 Lakh	₹ 20 Lakh	₹ 20 Lakh
5	Rest of India	₹ 20 Lakh	₹ 20 Lakh	₹ 40 Lakh
<b>For Supplier Engaged in Goods OR Services OR Both</b>				
1	Manipur, Mizoram, Nagaland, Tripura	₹ 10 Lakh	₹ 10 Lakh	₹ 10 Lakh
2	Uttarakhand, Assam, Meghalaya, Sikkim, Arunachal Pradesh, Himachal Pradesh	₹ 10 Lakh	₹ 20 Lakh	₹ 20 Lakh
3	Rest of India	₹ 20 Lakh	₹ 20 Lakh	₹ 20 Lakh

Other details with respect to Registration

- State/Union Territory wise Registration is required to be obtained.
- A person having multiple places of business in a State may be granted a separate registration for each such place.
- Option of Voluntary registration is also available.
- Input Service Distributor (ISD) registered under an earlier law, shall be required to apply for fresh registration and should follow procedure as prescribed in transitional provisions.
- Payment through online mode. Over the counter payment upto ₹ 10,000 per challan.
- Validity of Registration Certificate for Casual Taxable Person/ Non Resident Taxable Person will be 90 days. It can be extended by further period not exceeding 90 days
- Registration of a taxpayer can be suspended if there is a significant difference or anomaly between
  - Outward supplies in GSTR-1 and GSTR-3B
  - GSTR-2A and GSTR-3B
- Registration of a taxpayer can be cancelled if
  - He furnishes details of outward supplies in GSTR-1 for any tax period in excess of outward supplies declared in GSTR-3B
  - He violates provisions of Section 16 or Rule 86B

### Compulsory Registration Irrespective of Threshold Limit (Section 24)

No.	Particulars
1	Interstate taxable supply of goods
2	Supply by casual taxable person*
3	Person require to pay tax under Reverse Charge
4	E-commerce Operator specified u/s 9(5)
5	Non resident Taxable Persons making taxable supply
6	Person who is require to deduct tax (TDS)
7	Person who make taxable supply on behalf of other taxable person
8	Input Service Distributor
9	Person who supply goods and/or services [Other than supplies specified u/s 9(5)] through such e-commerce operator who is required to collect tax at source u/s 52
10	Every e-commerce operator (who is required to collect TCS u/s 52)
11	Person supplying OIDAR services from a place outside India to a person in India, other than a registered taxable person
12	Such other person or class of persons as may be notified by Central Govt. or a State Govt.

\* Except casual taxable person making taxable supply of handicraft goods and Job Worker as per Notification no. 07/2017-IGST on fulfilling certain conditions.

**Liable to GST (Inclusion)**

- Person who is registered or liable to be registered under section 22 or 24.
- A person who has obtained/required to be obtained more than one registration, whether in one or more state/UTs, shall in respect of each registration, to be treated as distinct person.
- An establishment of a person who has obtained/required to be obtain registration in a state, and any of his other establishment in another state/UTs shall be shall be treated as establishments of distinct person.

**Not Liable to GST (Exclusion)**

- An agriculturist, to the extent of supply of produce out of cultivation of land.
- Person exclusively supplying goods/services not liable to tax or wholly exempt from tax.
- Person who is engaged in making 100% of such supplies on which tax is to be paid by recipient of supply under reverse charge.
- Person having aggregate turnover in a Financial Year less than or equal to ₹ 20 or 40 or 10 Lakh as the case may be.
- Services provided by an employee to employer in course of his employment.
- Services by any Court of Tribunal established under any law.
- Functions performed by the Members of Parliament, Member of State Legislature, Members of Panchayats, Members of Municipalities and Members of other local authorities;
- 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.
- Services of Funeral, burial, crematorium or mortuary including transportation of the deceased.
- Sale of land and, subject to clause (b) of Para 5 of Schedule-II, Sale of Building.
- Actionable claims, other than lottery, betting and gambling.
- Individual Advocates including Senior Advocates.
- Individual Sponsorship Service providers including Players.

No.	Type	Definition/Reference	Nature	Implications
1	Taxable Supply	Section 7 of CGST Act	Taxable	GST to be paid
2	Non-Taxable / Non-GST Supply	Exclusion in Section 9 of CGST Act	Not Taxable - Outside purview of charging section (2 categories viz. Petroleum products and Alcohol for Human Consumption)	No GST is required to be paid, unconditionally
3	Zero Rated Supply	Section 16 of IGST Act	Taxable	GST is payable if procedure of LuT / Bond is not followed
4	Exempt Supply / Nil Rated Supply	Section 2(47) of CGST Act	Taxable but exempt	GST is not required to be paid
5	No Supply	Schedule III & Sec 7(2)(b) of CGST Act	Outside purview of GST Law	NO GST

## 6 Meaning and Scope of Supply

### SUPPLY INCLUDES

#### For Consideration & for business

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

#### For consideration whether or not for business

Importation of service for Consideration

### Supply without Consideration

- \* Permanent transfer/disposal of business assets only where ITC has been availed
- \* Supply b/w related persons and distinct person as specified
- \* Supply of goods by agent to principal and vice-versa
- \* Importation of service from related person or any of his other establishment o/s India in course or furtherance of business

#### Goods

"Goods" means every kind of movable property

Includes

- (1) actionable claim, (2) growing crops, (3) grass and things attached to or forming part of the land

Excludes

- (1) Money
- (2) Securities

#### Services

"Services" means anything other than goods

Includes

- (1) activity relating to the use of money or its conversion by cash or by any other mode, for which a separate consideration is charged

Excludes

- (1) Goods
- (2) Money
- (3) Securities

## 7 Mixed Supply, Composite Supply & Principal Supply

### Mixed Supply

Sec. 2(74)

- Means two or more individual supplies
- of goods or services, or any combination thereof,
- for a single price where such supply does not constitute a composite supply

### Composite Supply

Sec. 2(30)

- Means a supply of two or more taxable supplies of goods or services, or any combination thereof,
- which are naturally bundled and
- supplied in conjunction with each other in the ordinary course of business,
- one of which is a principal supply;

### Principal Supply

Sec. 2(90)

- Means the supply of goods or services which constitutes the predominant element of a composite supply and
- to which any other supply forming part of that composite supply is ancillary

**Illustration:** A supply of a package consisting of canned foods, sweets, chocolates, cakes, dry fruits, aerated drink and fruit juices when supplied for a single price is a mixed supply. Each of these items can be supplied separately and is not dependent on any other.

**Illustration :** Where goods are packed and transported with insurance, the supply of goods, packing materials, transport and insurance is a composite supply and supply of goods is the principal supply.



# 8

## Classification of Supply into Goods or Service (Schedule-II)

### Goods

- Transfer of Right in goods without transfer in title thereof
- Transfer in title in goods
- Supply of goods by unincorporated association of body to their members for consideration
- Transfer of business assets except transfer made for the private use with or without consideration\*

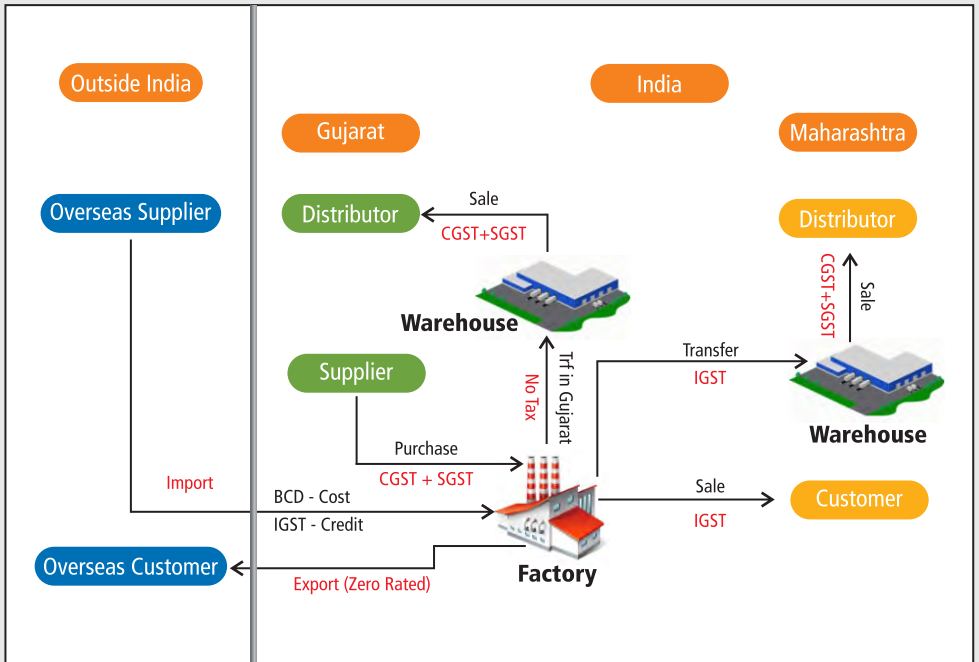
### Services

- Transfer of Right in goods without transfer in title thereof
- Transfer of business assets for the private use with or without consideration\*
- Lease, tenancy, license to occupy land
- Lease or letting out of commercial or residential building
- Treatment or process which is applied to another person's goods
- Services like Renting of Immovable Property, Construction of Complex, Temporary use of Intellectual property rights, Information Technology Software Service, Agreeing to do or not to do an act, Supply of property without transfer of right to use
- Works Contract, Services of supply of food or drinks for human consumption. (Composite Supply)

\* The effect of amendment has been made retrospectively. w.e.f. 01-07-2017

# 9

## GST Supply Chain - Lay Out



**BEVERAGES INDUSTRY**

Item	Rate
Water	NIL
Coconut Water other than branded and put in unit container	NIL
Ice and Snow	5%
Branded Coconut Water, Soya Milk Drink and Beverages containing milk	12%
Ethyl alcohol supplied to Oil Marketing Companies for blending with motor spirit (petrol)	5%
Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavoured, Vinegar	18%
Other non-alcoholic beverages [other than tender coconut water]	18%
Aerated water with added sugar	28%
Fruit & Vegetable Juices	12%
Drinking water packed in 20 Ltr. bottles	12%

**CHEMICAL INDUSTRY**

Item	Rate
<b>Inorganic Chemicals</b>	
Thorium Oxalate, Nuclear Fuel, Heavy Water, Compressed Air	5%
Anaesthetics, Potassium Iodate, Iodine Micronutrient, Steam	12%
Other products like Fluorine, Chlorine, Carbon, Hydrogen etc.	18%
<b>Organic Chemicals</b>	
Gibberellic Acid	12%
Fertilizer grade Phosphoric Acid	5%
Other Products like Acyclic Hydrocarbons, Cyclic Hydrocarbons etc.	18%

**TOBACCO PRODUCTS**

Item	Rate
Tobacco Leaves (Under Reverse Charge)	5%
Other Tobacco Products including Bidi	28%

**ENTERTAINMENT INDUSTRY**

Item	Rate
Cinema Tickets up to Rs.100/-	12%
Cinema Tickets over Rs.100/-	18%

**TEXTILES INDUSTRY**

Item	Rate
Raw Silk, Jute and Khadi	NIL
Cotton and natural Fibre	5%
Man-made filament yarn (other than sewing thread), put up for retail sale	12%
All categories of Natural Yarn	5%
Sewing thread of manmade staple fibres	12%
Fabric	5%
Apparels sale value above Rs. 1000/-	12%
Apparels sale value below Rs. 1000/-	5%
Textile & Fabrics Jobwork	5%

**METAL AND MINERALS INDUSTRY**

Item	Rate
Peat	5%
All Ores and Concentrates	5%
Kerosene PDS	5%
Petroleum Coke, Petroleum Bitumen	18%
Tar distilled from coal, lignite, peat	5%
Coal	5%
Lignite	5%
Copper Bars, Rods, Wires	18%
Copper Screws, Nuts, Bolts	18%
Nickel Bars, Rods, Wires	18%
Nickel screw, nuts, bolts	18%
Nickel Tubes, Pipes, Netting	18%
Aluminium bars, Rods, Wires	18%
Lead Plates, Sheets, Strips	18%
Zinc Goods	18%
Tin Bars, Rods	18%
Bio Gas	5%

## CONSUMER GOODS

Item	Rate
Broom and Brushes	NIL
Agarbatti, Dhoop Batti	5%
Saree Fall	5%
Rubber Band	12%
Fountain Pen Ink	12%
Tooth Powder	12%
Umbrella	12%
Walking Stick	5%
Hair Pin, Comb	12%
Spectacle Lense	12%
Computer Monitor upto 32 Inches	18%
Aluminium Foil	18%
Toothpaste, Hair Oil	18%
Toilet paper	18%
Hot Water Bottles	18%
Broomsticks	5%
Whey Protines & Fitness Supplement	18%
Dental Floss	18%
Deodrants, Perfumes	18%
Shoe Polish	18%
Leather Bags, Traveling Bags	18%
Cheese	12%
Storage Water Heater	18%
Dish Washing Machine	28%
Printer, Photocopier, Fax Machine	18%
Wrist Watches, Goggles	18%
Mahendi paste in cones	5%
Exercise Equipment	18%
Refrigerators	18%
Air conditioners	28%
Household or laundry-type washing machines	18%
Shavers, hair clippers and hair-removing appliances	18%
Television set (including LCD or LED television) of screen size not exceeding 32 inches	18%
Knitted cap/topi < 1000	5%
All Type of Matches	12%

## HOME APPLIANCES / KITCHEN WARE

Item	Rate
Stoves (other than Kerosene, LPG Stoves)	18%
Electrical Hot Plates	18%
Utensils	12%
LPG for Domestic Supply by IOCL, HPCL, BPCL	5%
Tables or Kitchen or other Household Articles of Copper	12%
Copper Utensils	12%
Iron / Steel / Ferrous Alloy Table or Kitchen or other Household Articles	12%
Iron / Steel / Ferrous alloy – Kerosene Burners and Stoves	12%

## FOOD INDUSTRY

Item	Rate
Prasad supplied by religious places	NIL
Cereals unbranded	NIL
Puffed Rice, Papad, Bread	NIL
Salt	NIL
Jaggery	NIL
Fresh Milk	NIL
Fresh Vegetables	NIL
Fresh Fruits	NIL
Sweets	5%
Cashew in Nut	5%
Roasted Cashew	12%
Walnut	5%
Tamarind Dried	5%
Roasted Gram	5%
Branded Paneer	5%
Branded Cereals	5%
Soyabean, Groundnut, Sunflower Oil Seeds of Seed Quality	NIL
Soyabean, Groundnut, Sunflower Oil Seeds of other than of Seed Quality	5%
Coffee	5%
Frozen Vegetables	NIL
Frozen Fish	NIL
Pizza Bread	5%
Namkin	12%
Batters, including Idli/Dosa Batter	5%
Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption	NIL
Dry Fruits (Other than Cashew and Walnut)	12%
Jams, Jellies, Pickle, Murraba, Ketchup	12%
Frozen Meat	12%
Soups, Ice Cream, Instant Food Mixes, Sharbat & Supari	18%
All types of Biscuits	18%
Custard Powder	18%
Instant use preparations, Corn Flakes, Waffles, Pastries	18%
Condensed Milk, Diabetic food	12%
Butter, Ghee	12%
Cocoa butter, Fat, Oil, Powder, Chocolates	18%
Instant Coffee, Aroma Coffee	18%
Coffee Concentrates	18%
Sugar boiled confectionery	12%
Tamrind Kernel Powder	5%

## JEWELLERY INDUSTRY

Item	Rate
Rough Diamond, Rough Precious and Semi Precious Stone	0.25%
Any other Precious/Semi Precious Stone/Metal including Gold and Imitation Jewellery	3%
Intra-state supply of gold falling in heading 7108 when supplied by Nominated Agency under the scheme for "Export Against Supply by Nominated Agency" to a registered person subject to specified conditions	NIL

**FURNITURE INDUSTRY**

Item	Rate
Kerosene Pressure Lantern and Parts Including Gas Mantles	5%
Hurricane Lantern, Kerosene Lamp, Petromax, Glass Chimney, LED Lights and Lamps,	12%
Medical, Surgical, Dental or Veterinary Furniture, Coir Mattresses, Cotton Pillows, Mattress and Quilts, Prefabricated Buildings	18%
Seats, Lamps and Lighting Fittings etc	18%

**LIFESTYLE AND HOME**

Item	Rate
Leather Bags	18%
Cell Phone	18%
Cell Phone Parts and Accessories	18%
Yachts	28%
Air Conditioners	28%
Dish Washing Machines	28%
Printer, Photocopier, Fax Machines	18%
Wrist Watches	18%
Spectacle Lens	12%
Whey Proteins & Fitness Supplement	18%
Tableware & kitchenware of wood	12%
Hand-woven tapestries	5%
Furniture of bamboo, rattan and cane	12%
Tableware and kitchenware of clay and terracotta, other clay articles	12%

**BEAUTY AND PERSONAL CARE**

Item	Rate
Kajal other than Pencil Stick	Nil
Kajal Pencil Stick	18%
Manicure, Pedicure Sets, Perfumes	18%
Beauty or Makeup Preparations	18%
Skincare Items including Sunscreen	18%
Shampoos, Hair Cream, Hair Dyes	18%
Wigs, False Beards, Eyelashes	18%

**EDUCATION PRODUCTS**

Item	Rate
Children's Drawing Book	NIL
Mathematical Box, Geometry Box	12%
Notebook, Graphbook	12%
School Bags	18%
Diaries, Letter pad	18%

**OTHER**

Item	Rate
Plastic Products	28%
Calcareous Stone	5%
Solar Water Heater	5%
Renewable Energy Devices	5%
Braille Typewriters	5%
Musical Instruments	18%
Revolvers	28%
Artificial Flowers	18%
Bangles (Non Precious Metals)	NIL
Printed Books	NIL
Calendars	12%
Animal or Human Blood Vaccines	5%
Power Driven Water Pumps	12%
Padlocks, Locks	18%
Helmets	18%
Fuel Cell Motor Vehicles	12%
Bio diesel	12%
Bio pesticides	12%
Tractor Parts	18%
Sewing Needles	12%
Agricultural Implements	NIL
Geometry Boxes	12%
Sprinklers, drip irrigation system	12%
Lottery	28%

**MEDICAL SUPPLIES**

Item	Rate
Human blood	NIL
Contraceptives	NIL
Glands and other Organs for Organo-Therapeutic Uses	12%
Ayurvedic, Unani, Homeopathic Siddha or Biochemic Systems Medicaments	12%
Photographic Plates and Films for X-ray	12%
Condoms and contraceptives	NIL

**TOYS AND SPORTS INDUSTRY**

Item	Rate
Sports goods other than for General Physical Exercise	12%
Electronics toys like Tricycles, Scooters, Pedal Cars etc.	18%
Video Game Consoles and Machines	18%
Festive, Carnival or other Entertainment Articles, Conjuring Tricks, Novelty Jokes	18%
Articles and Equipments for General Physical Exercise, Gymnastics, Athletics, other Sports or Outdoor Games, Swimming Pools and Paddling Pools, Swings, Shooting Galleries	18%

**CONSTRUCTION INDUSTRY**

Item	Rate
Wall paper	18%
Plaster	18%
Ceramics Tiles	18%
Tempered Glass	18%
Sand Lime Bricks	12%
Fly ash bricks or fly ash aggregate with 90 per cent. or more fly ash content; Fly ash blocks	5%
Labour Charges	18%
Putty	18%
Wall or Ceiling Covering of Plastics	18%
Resin Cements	18%
Cements	28%

**WOOD INDUSTRY**

Item	Rate
Fire Wood, Fuel Wood, Wood Charcoal	NIL
Particles, Wastes and Scrape of Wood	5%
Other Products like Hoop Wood, wood Wool, Railway / Tramway Sleepers of woods, Packing Cases	12%
Bamboo flooring, Table ware and kitchenware of woods	12%
Wooden frames for paintings, photographs, mirrors or similar objects	18%
Particle Board, Oriented Strand Board, Fibre board of Woods, Plywood, Venerated Panels, Densified wood	18%

**FOOTWEAR INDUSTRY**

Item	Rate
Upto Rs. 1,000/-	5%
Over Rs. 1,000/-	18%

**PAPER INDUSTRY**

Item	Rate
Judicial / Non-Judicial Stamp Paper, Envelope, Post Card etc Sold by Government	NIL
Newsprint in Rolls or Sheets	5%
Uncoated Paper, Aseptic Paper and Boxes, Pouches, Wallets, Writing Compendiums of Paper	12%
Toilet or Facial Tissue Paper, Vegetable Parchment, Carbon Paper, Cigarette Paper, Envelopes, Letter Card, Plain Post Cards, Accounts Books, Registers, Bobbins etc.	18%
Wall Paper and Similar Wall Coverings	18%

**RUBBER INDUSTRY**

Item	Rate
Natural Rubber, Balata, Toy Balloons, inner Tube Used in Bicycles, Rikshaw	5%
Latex Rubber Thread, Surgical Rubber Gloves, Nipples of Feeding Bottles	12%
Other Products like Synthetic Rubber, Reclaim Rubber, Compounded Rubber	
New Pneumatic Tyres Used in Motor Cars	18%
Retreaded or Used Tyres & Flaps	18%

**COLOUR INDUSTRY**

Item	Rate
Synthetic organic tanning, colouring matter of vegetables or animal origin, prepared, pigments, colour lakes etc.	18%
Printing writing or drawing ink	12%
Paints & varnishes	18%
Paints of Artist/Students/Signboard painters, Glazier's putty etc.	18%

**GOODS SALE AS SCRAP**

Item	Rate
Waste, parings, scrap of plastic, rubber, wood, glass, paper or paperboard	5%
Pulps of fibers derived from recovered paper & paper board	12%
Powder & Granules obtained from waste, parings or scraps of rubber	18%
Waste of Ferrous, Copper, Nickle, Aluminum, Lead, zinc Tin, cermets	18%
scrap of primary cells, primary batteries and electric accumulators, parts of machinery	18%
scrap of precious metal or of metal clad used for the recovery of precious Metal	3%

## AGRICULTURE INDUSTRY

Item	Rate
Agricultural Implements like Spade, Shovel	NIL
De-Oiled rice bran	NIL
Fertilizers	5%
Oil Cakes	5%
Tractor ≤ 1800CC	12%
Tractor > 1800CC	28%
Tube-well turbine pumps, submersible pumps	12%
Other Fertilizers (Clearly not to be used as fertilizers)	18%
Tractor Parts	18%

## SECOND HAND/USED VEHICLES

Item	Rate
Petrol, LPG & CNG Vehicles having more than 1200 C.C. engine capacity & 4000 M.M. length	18%
Diesel Vehicles having more than 1500 C.C. engine capacity & 4000 M.M. length	18%
SUV Vehicles having more than 1500 C.C. engine capacity	18%
Vehicles Other than above	12%

Vide notification no. 8/2018 CTR, Dated 25-01-2018, the supplier of second hand vehicles can pay tax on margin value; if supplier is not avail input tax credit on said motor vehicles.

# 11

## List of goods NOT included under GST and their respective rates

No.	Description of Goods	HSN	Excise	VAT
1	High speed Diesel (HSD)	27101930	14%	24%
2	Motor spirit (Petrol)	27101219	14%	26%
3	Crude Petroleum	27090000	-	5%
4	Aviation Turbine Fuel (Duty paid) (ATF)	27101920	14%	30%
5	Aviation Turbine Fuel (Bonded) (ATF)	27101920	14%	38%
6	Natural Gas	27111100/2100	14%	15%
7	Alcoholic liquor for Human consumption	2208	12.5%	65%

# 12

## GST Rates for Services

### TRANSPORTATION OF GOODS

No.	Particulars	Rates	Note
1	By Rail & Vessel* (incl. time charter of vessels)	5%	2
2	Natural Gas through pipeline	5%	3
3	By GTA without ITC	5%	3
4	By GTA with ITC	12%	1
5	By Rail other than Indian Railway	12%	1
6	Natural Gas through pipeline	12%	1
7	Multimodal transportation of goods	12%	1

\* Input Tax Credit of Ships, Vessels (Including bulk carriers & Tankers) will be available

### TRANSPORTATION OF PASSENGERS

No.	Particulars	Rates	Note
1	By Rail (Other than Sleeper Class)	5%	2
2	By A.C. Contract / Stage Carriage (other than motor cab)*	5%	3
3	By Radio Taxi*	5%	3
4	By Radio Taxi	12%	1
5	By Air (Economy Class)	5%	2
6	By Air (under Regional Connectivity Airport Scheme i.e. <b>UDAAN</b> )	5%	2
7	By Air (Other than Economy Class)	12%	1

\* Input Tax Credit of Input Service in the same line of business will be available

**Note : 1** ITC of Inputs, Inputs Service and Capital Goods Available. **Note : 2** ITC of Input Service Available. **Note : 3** No ITC Available

## RESTAURANT SERVICE

No.	Particulars	Rates	Note
1	Stand Alone Restaurant (Including Take away/Eating Joint/Mess/ Canteen)	5%	3
2	Restaurant in Hotel having declared tariff of "any" room per day is upto Rs. 7,500/-	5%	3
3	Restaurant in Hotel having declared tariff "any" room per day is more than Rs. 7,500/-	18%	1

## ACCOMODATION SERVICE

No.	Particulars	upto 30-09-2019	w.e.f. 01-10-2019
1	Room Rent per day is upto Rs.1,000/- and less	Exempt	Exempt
2	Room Rent per day is from Rs. 1,001/- to Rs. 2,500/-	12%	12%
3	Room Rent per day is from Rs. 2,501/- to Rs. 7,500/-	18%	12%
4	Room Rent per day is more than Rs. 7,500/-	28%	18%

## OUTDOOR CATERING SERVICE AND MANDAP KEEPER SERVICE

No.	Particulars	upto 30-09-2019	w.e.f. 01-10-2019
1	At premises (Hotel) having declared tariff more than Rs. 7,500 per room per day	18% (With ITC)	18% (With ITC)
2	By premises (Hotel) having declared tariff more than Rs. 7,500 per room per day		
3	By supplies located in premises (Hotel) having declared tariff more than Rs 7,500 per room per day		
4	Outdoor catering service/Mandap keeper service other than specified above	18% (With ITC)	5% (Without ITC)

## JOB WORK SERVICE

No.	Particulars	Rates	Note
1	Printing of Newspapers	5%	1
2	Textile and Textile Products	5%	1
3	Cut and polished diamonds; precious and semi-precious stones (upto 30-09-2019, Rate of Tax was 5%)	1.5%	1
4	Printing of books (including braille books) journals and periodicals	5%	1
5	Processing of leather, hides & skins, Tailoring service	5%	1
6	All food products and waste of food products except dog & cat food	5%	1
7	Manufacture of clay bricks and Handicraft goods	5%	1
8	Machine Job work service related to engineering industries (upto 30-09-2019, Rate of Tax was 18%)	12%	1
9	Job work in relation to Bus Body Building	18%	1
10	Other Job work Services	18%	1

**Note : 1** ITC of Inputs, Inputs Service and Capital Goods Available. **Note : 2** ITC of Input Service Available. **Note : 3** No ITC Available

## Renting of Motor Vehicle Service with operator

No.	Particulars	upto 30-09-2019	w.e.f. 01-10-2019
1	Renting of Passenger Motor Vehicle	5%* or 12% (With ITC)	5%* or 12% (With ITC)
2	Renting of Goods Transport Motor Vehicle	18% (With ITC)	18% (With ITC)

## Renting of Motor Vehicle Service without operator

No.	Particulars	upto 30-09-2019	w.e.f. 01-10-2019
1	Leasing/Renting of passenger motor vehicle	5%* or 12% (With ITC)	Same rate of Tax as applicable on supply of like goods involving transfer of title in goods (With ITC)
2	Leasing/Renting of goods transport motor vehicle	18% (With ITC)	

\* Input Tax Credit (ITC) of Input Service in the same line of business will be available

## Analysis on Rent - a - Cab service under RCM

No.	Category of service provider	Category of service recipient	Option opted	RCM applicable or not
1	Body Corporate	Body Corporate	5% without ITC except same line of business	No
2	Body Corporate	Body Corporate	12% with ITC	No
3	Non-Body Corporate	Non-Body Corporate	5% without ITC except same line of business	No
4	Non-Body Corporate	Non-Body Corporate	12% with ITC	No
5	Body Corporate	Non-Body Corporate	5% without ITC except same line of business	No
6	Body Corporate	Non-Body Corporate	12% with ITC	No
7	Non-Body Corporate	Body Corporate	5% without ITC except same line of business	Yes
8	Non-Body Corporate	Body Corporate	12% with ITC	No

## CONSTRUCTION SERVICE

No.	Particulars	Meaning	Construction Type	Upto 31-03-2019	W.e.f 01-04-2019
1.	Real Estate Projects (REP)	REP includes construction of Commercial and Residential Apartments with <b>more than 15%</b> commercial carpet area	Affordable	8%	1%
			Non-Affordable	12%	5%
			Commercial	12%	12%
2.	Residential Real Estate Projects (RREP)	RREP shall mean a REP in which Carpet area of the commercial apartments is <b>upto 15%</b> of total carpet area	Affordable	8%	1%
			Non-Affordable	12%	5%
			Commercial	12%	5%
3.	Work Contract services provided to Government			12%	12%
4.	Work Contract services of Earthwork provided to Government			5%	5%
5.	Work Contract services provided by sub-contractor to main contractor providing service to Government			12%	12%
6.	Work Contract services of Earthwork provided by sub-contractor to main contractor providing service to Government.			5%	5%
7.	Work Contract services where 50% or more carpet area of the project is for Affordable Housing			18%	12%
8.	Work Contract services not specified above			18%	18%

- For payment of GST at 5% & 1% in REP & RREP projects, No ITC can be utilised and GST is to be paid in **CASH ONLY**.
- No ITC will be available when output GST is 1% or 5% for Affordable and Non-Affordable Residential Projects.



## GST Rates for Other Services

No.	Description of Services	GST(%)	Note
1	Renting of Motor cab (If fuel cost is borne by the Recipient, then 18% GST will apply)*	5%	3
2	Supply Tour operators' services*	5%	3
3	Leasing of Aircrafts under Schedule II [5 (f)] by a airlines for scheduled operations	5%	2
4	Selling of space for advertisement in print media	5%	1
5	Services provided by foreman of chit fund in relation to chit	12%	2
6	Temporary of Permanent transfer / permitting the use / enjoyment of and Intellectual Property (IP) other than Information Technology software	12%	1
7	Bundled service by way of supply of food / any other article of human consumption/any drink, in a premises (including hotel, convention center, club, pandal, shamiana/any other place, specially arranged for organizing a function) with renting of such premises	18%	1
8	Services by way of admission / access to circus, India classical dance including folk dance, theatrical performance, drama, planetarium	18%	1
9	Services by way of admission exhibition of cinematograph films where price of admission ticket is one hundred rupees or less.	12%	1
10	Services by way of admission to exhibition of cinematograph films where price of admission ticket is above one hundred rupees.	18%	1
11	Services provided by a race club by way of totalisator / a licensed bookmaker in club	28%	1
12	Gambling	28%	1
13	Rent-a-cab services with ITC*	12%	1
14	Services by way of printing of newspapers, books, journals and periodicals where only content is supplied by the publisher (Other than Job-work)	12%	1
15	Margin / Commission payable to Fair Price Shop Dealers by Central/State Govt.	NIL	1
16	Service by way of admission to amusement parks including theme parks, water parks, joy rides, merry-go rounds, go-carting and ballet.	18%	1
17	Services by way of admission to entertainment events or access to amusement facilities including casinos, race club, any sporting event such as Indian Premier League and the like	28%	1
18	Service of Storage and warehousing of goods like Cereals, pulses, fruits, nuts and vegetable, spices, copra, sugarcane, jaggery, raw vegetable fibers like cotton, flax, jute etc., indigo, unmanufactured tobacco, betel leaves, tendu leaves, rice, coffee and tea	NIL	3
19	Maintenance, repair or overhaul services in respect of aircraft, aircraft engines and other aircraft components or parts	5%	1
20	Services not elsewhere classified	18%	1

\* Input Tax Credit of Input (ITC) Service in the same line of business will be available

**Note : 1** ITC of Inputs, Inputs Service and Capital Goods Available. **Note : 2** ITC of Input Service Available. **Note : 3** No ITC Available

## 13

### GST Applicability in various scenarios

Consigner	Consignee	GST
DTA	Export	Zero Rated Supply
DTA	SEZ	Zero Rated Supply
DTA	EOU	IGST <b>OR</b> CGST + SGST
Import	DTA	Custom Duty + Custom Cess + IGST
SEZ	DTA	Custom Duty + Custom Cess + IGST
EOU	DTA	Benefit of Custom duty taken on import. + IGST
Import	SEZ	Zero Rated
Import	EOU	IGST
EOU	Export	Zero Rated Supply
SEZ	Export	Zero Rated Supply

# 14 Reverse Charge Mechanism (RCM)

## For Services

No.	Description of Service	Person Liable to Pay Tax	RCM under GST by Service Receiver
1	Taxable Service Provided by person located in Non-Taxable Territory	Person Located in Taxable Territory other than Non-Taxable online receiptent	100%
2	GTA Service	Factory/Society/Registered Person/Company/ Partnership Firm/Casual Taxable Person	100%
3	Legal Consultancy Service	Business Entity	100%
4	Arbitral Tribunal Service	Business Entity	100%
5	Sponsorship Service	Body Corporate / Partnership firm	100%
6	Director Service	Company / Body Corporate	100%
7	Insurance Agent Service	Any person carrying insurance business	100%
8	Recovery Agent Service	Banking Co. / NBFC / Financial Institution	100%
9	Transport of Goods in Vessel from Outside India up to custom station in India	Importer	100%
10	Transfer or use or enjoyment of Copyright Service	Publisher / Music Company / Producer*	100%
11	Radio Taxi/Passenger Transport Service through E-Commerce Operator	E-Commerce Operator	100%
12	Accommodation Service in Hotels etc., through E-Commerce Operator (Only if Hotel etc. is Unregistered)	E-Commerce Operator	100%
13	Services of Housekeeping through E-Commerce Operator	E-Commerce Operator	100%
14	Services provided by Government/Local Authority excluding a) Renting of Immovable Property b) Post, Parcel, Speed Post, Life Insurance Service c) service in relation to an aircraft or vessel, inside or outside precincts of port or Airport d) Transport of goods or passenger	Business Entity	100%
15	Services Provided by Overseeing committee Members to RBI	RBI	100%
16	Renting of Immovable Property Service Provided by Government to Registered Person.	Registered Person	100%
17	Services provided by business facilitator (BF) to a banking company	A banking company located in the taxable territory	100%
18	Services by individual Direct Selling Agent (DSA) to a banking co.	A banking company located in the taxable territory	100%
19	Services provided an agent of business correspondent(BC) to BC	A BC located in the taxable territory	100%
20	Security services provided by Non-body corporate to registered person	A registered person located in the taxable territory	100%
21	Renting of Motor Vehicle	Body Corporate located in Taxable territory	100%
22	Services by any person by way of TDR/FSI/Long Term Lease for commercial construction	Promoter	100%
23	Services of Lending of Securities under Securities Lending Scheme	Borrower	100%

\* w. e. f. 01-10-2019 registered author will have an option to pay GST under forward charge basis

## For Goods

No	Description of Goods	Supplier of Goods	Receiver of Goods	RCM Under GST by Receiver of Goods
1	Cashew nuts in shell	Agriculturist	Any Registered Person	100%
2	Bidi Wrapper Leaves (Tendu)			
3	Tobacco Leaves			
4	Raw Cotton			
5	Silk Yam	Manufacturer of Silk Yam	Any Registered Person	100%
6	Supply of Lottery	Government	Lottery Distributor or Selling Agent	100%
7	Used vehicles, seized & confiscated goods, old & used goods, waste & scrap	Government	Any Registered Person	100%
8	Priority Sector Landing Certificate	Any Registered Person	Any Registered Person	100%

## Reverse Charge Mechanism U/s 9(4) (URD to RD)

Date	Goods or Services acquired from Unregistered Person (URD Purchase)	Person Liable to pay tax	GST Liability
From 01-07-2017 to 12-10-2017	More than Rs. 5000/- per day	Any Registered Person	Yes
From 13-10-2017 to 31-03-2019	URD Purchase of any Amount	-	No
From 01-04-2019	Cement received by promoter from unregistered person	Promoter	Yes
	Capital Goods received by promoter from unregistered person	Promoter	Yes
	Goods/Services(Except TDR/FSI) which constitute shortfall from the minimum value (i.e. 80%) of Goods/Services required to be purchased by a promoter from Registered Person	Promoter	Yes

**Note :** Promoter shall have the same meaning as assigned to it in clause (zk) of section 2 of the Real Estate (Regulation and Development) Act, 2016 (16 of 2016)

## Composition Levy

Section	Supplier	Turnover Limit	Rate of GST	Limit of Service Portion
10(1) & 10(2) (Regular Composition Scheme)	Manufacturers	₹ 1.50 <sup>#</sup> Crore In Current FY & Previous FY	1% of <b>Aggregate Turnover</b> (w.e.f. 01-01-2018)*	<ul style="list-style-type: none"> <li>• 10% of turnover of Previous Financial Year</li> <li>OR</li> <li>• ₹ 5 Lakhs</li> <li>Whichever is Higher (w.e.f. 01-02-2019)</li> </ul>
	Restaurant Service		5% of <b>Aggregate Turnover</b> (w.e.f. 01-07-2017)	
	Traders		1% of <b>Taxable Supplies</b> (w.e.f. 01-07-2017)	
10(2A) (Mixed Composition Scheme)	Tax payers not eligible for above composition scheme (w.e.f. 01-04-2019)	₹ 50 Lakhs In Current FY & Previous FY	6% of the <b>Aggregate Turnover</b> of goods and services (w.e.f. 01-04-2019)	₹ 50 Lakhs (w.e.f. 01-04-2019)

\* Before 01-01-2018 it was 2%

# For Special Category States limit is ₹ 1 Crore.

### Conditions for eligibility

- He is not engaged in supply of service (other than restaurant services) more than the limit specified above.
- He is not engaged in making supply of goods and services which are not leviable to tax.
- He is not engaged in making inter-state outward supplies of goods and services.
- He is not engaged in making supply of goods and services through an electronic commerce operator who is required to collect tax at source under section 52
- He is not a manufacturer of Tobacco, Pan masala, Aerated water & Ice-creame.
- He is not a Casual Taxable Person or Non Resident Taxable Person.
- Composition scheme option is available on Permanent Account Number (PAN) basis. So, the firm who has opted for composition scheme in one state has to opt for composition scheme in other states compulsorily.
- Value of deposits, loans & advances shall not be considered for computing Aggregate Turnover for determining eligibility of this scheme, to determine tax payable under this scheme & for determining value of turnover in state/UT for the purpose of second proviso to section 10(1).
- Value of supplies made from 1st April of FY upto the date when such person becomes liable for registration under this Act for computing Aggregate Turnover for determining eligibility under this scheme. However, it will not be considered to determine tax payable u/s 10.

# 17 Returns

Return Frequency	Type of Return	Form	Time Period
Monthly Return	Outward Supplies (Regular Taxpayers)	GSTR-1	11th of next month
	Return for Regular Taxpayers	GSTR-3B	20th of next month
	Input Service Distributor (ISD)	GSTR-6	13th of next month
	Non Resident Taxable Person/OIDAR	GSTR-5/5A	20th of next month
	Person Paying TDS	GSTR-7	10th of next month
	Supplies affected through E-commerce Operator	GSTR-8	10th of next month
Quarterly Return	Outward Supplies (QRMP Taxpayers)	GSTR-1	13th of next month from the end of quarter
	Return for QRMP Taxpayers	GSTR-3B	22nd/24th of next month from the end of quarter
	Person Paying Tax Under Composition Scheme	CMP-08	18th of next month from the end of quarter
Annual Return	Registered Taxable Person (Except Under Composition Scheme, Liable for TDS, CTP & NRTP)	GSTR-9	31st December following the end of financial year
	Taxable Person registered under composition Scheme	GSTR-4	30th April of next F.Y.
Final Return	Registered Taxable Person applying for cancellation	GSTR-10	3 months from the date of cancellation or cancellation order whichever is later.
Special agencies having UIN	Details of taxable supply of goods or services	GSTR-11	At the time of filing of application for refund

**Particulars with respect to Return:**

- (1) Registered person shall not be allowed to file monthly GSTR-1, if he has not furnished GSTR 3B for the last 2 months.
- (2) Registered person shall not be allowed to file quarterly GSTR-1, if he has not furnished GSTR 3B for the last quarter.
- (3) In case of any error or omission, it can be rectified :-
  - Up to the date of filing of the periodic return for the month of September following the end of the financial year to which such details pertain; or
  - Filing of the relevant annual return, whichever is earlier.

# 18 Late Fee

Return	Return Period	Whether Tax Payable in return ?	Date of Filing of Return	Minimum Late Fee (Per Day Per Return)		Maximum Late Fee (Per Return)	
				CGST	SGST	CGST	SGST
GSTR-3B	July' 17 to Sept' 18	Yes/No	22-12-2018 to 31-03-2019	Nil			
	July' 17 onwards	No	01-07-2020 to 30-09-2020	Nil			
			Other than above	10/-	10/-	5000/-	5000/-
		Yes	01-07-2020 to 30-09-2020	25/-	25/-	250/-	250/-
Other than above	25/-		25/-	5000/-	5000/-		
GSTR-1	July' 17 to Sept' 18	Yes/No*	22-12-2018 to 31-03-2019	Nil			
	July' 17 to Nov' 19	Yes/No*	19-12-2019 to 10-01-2020	Nil			
	July' 17 onwards	No*	Other than above	10/-	10/-	5000/-	5000/-
		Yes*		25/-	25/-	5000/-	5000/-
GSTR-4	July' 17 to Sept' 18	Yes/No	22-12-2018 to 31-03-2019	Nil			
	July' 17 to March' 20	No	22-09-2020 to 31-10-2020	10/-	10/-	250/-	250/-
	July' 17 onwards	No	Other than above	10/-	10/-	5000/-	5000/-
		Yes		25/-	25/-	5000/-	5000/-
GSTR-5/5A	July' 17 onwards	No	Any	10/-	10/-	5000/-	5000/-
GSTR-5/5A/6		Yes		25/-	25/-	5000/-	5000/-
GSTR-7/8	July' 17 onwards	Yes/No	Any	100/-	100/-	5000/-	5000/-
GSTR-10	July' 17 to Sept' 20	Yes/No	22-09-2020 to 31-10-2020	100/-	100/-	250/-	250/-
GSTR-9	Any	Yes/No	Any	100/-	100/-	0.5% of Aggregate T/o	

\* Whether any outward supplies in a tax period ?

## 19 Interest on Delayed Payment

Particulars	Interest Rate (p.a.)
Undue or Excess claim of ITC	Maximum 18%
Delayed Payment of Tax	Maximum 18%
Undue or Excess claim of ITC or Undue or Excess reduction in Output Tax (Sec. 42/43)	Maximum 24%

## HSN Code Requirement

Particulars	Upto 31-03-21	w.e.f. 01-04-21
T/o upto 1.50 Cr.	Not Required	4 Digits*
T/o 1.50 to 5 Cr.	2 Digits	4 Digits*
T/o above 5 Cr.	4 Digits	6 Digits
Import/Export of goods	8 Digits	8 Digits
49 Specified goods	-	8 Digits

\* No HSN Required for B2C Supply

## 20 Manner of Calculation of Interest w.e.f. 01-07-2017 as proposed in Budget 2021

Case	Tax payable	Mode of payment	Delay	Interest Calculation	Interest
Tax paid <b>before</b> notice u/s 73 or 74	₹ 30,00,000	Credit: ₹ 20,00,000 Cash: ₹ 10,00,000	73 days	$10,00,000 \times 18\% \times \frac{73}{365}$	₹ 36,000
Tax paid <b>after</b> notice u/s 73 or 74	₹ 30,00,000	Credit: ₹ 20,00,000 Cash: ₹ 10,00,000	73 days	$30,00,000 \times 18\% \times \frac{73}{365}$	₹ 1,08,000

## 21 Inter-head cash balance transfer via PMT-09

Facility has been provided to transfer balance in Electronic Cash Ledger (from one head to another head of the taxpayer) via Form PMT 09 which can be accessed under the tab **Services > Ledgers > Electronic Cash Ledger > File GST PMT 09**.

### Possible Scenarios

Head	Transfer from \ Transfer to	Major				Minor			
		IGST	CGST	SGST	Cess	Interest	Late Fees	Penalty	Others
Major	IGST	NA	✓	✓	✓	✓	✓	✓	✓
	CGST	✓	NA	✓	✓	✓	✓	✓	✓
	SGST	✓	✓	NA	✓	✓	✓	✓	✓
	Cess	✓	✓	✓	NA	✓	✓	✓	✓
Minor	Interest	✓	✓	✓	✓	NA	✓	✓	✓
	Late Fees	✓	✓	✓	✓	✓	NA	✓	✓
	Penalty	✓	✓	✓	✓	✓	✓	NA	✓
	Others	✓	✓	✓	✓	✓	✓	✓	NA

## 22 Due Dates for GSTR-9 & 9C

Turnover	2017-18		2018-19		2019-20	
	GSTR-9	GSTR-9C	GSTR-9	GSTR-9C	GSTR-9	GSTR-9C
Upto 2 Cr	NO	NA	NO	NA	NO	NA
2 Cr to 5 Cr	YES	YES	YES	NO	YES	NO
More than 5 Cr	YES	YES	YES	YES	YES	YES
Due Date of filing	07-02-2020		31-12-2020		28-02-2021	

Due Dates Chart For Financial Year 2017-18 / 2018-19 / 2019-20 / 2020-21

YEAR	Month	GSTR-1		GSTR-3B		Composition Taxpayer		GSTR-5/5A	GSTR-6	GSTR-7	GSTR-9/9C	
		(Quarterly)	(Monthly)	(Monthly)	(Quarterly)	CMP-08	GSTR-4					
2017-18	July			25-08-2017								
	August	31-10-2018		20-09-2017		24-12-2017						
	September			20-10-2017								
	October			20-11-2017								
	November	31-10-2018	31-10-2018	20-12-2017		18-01-2018		31-01-2018	30-09-2018		05-02-2020/ 07-02-2020	
	December			22-01-2018								
	January			20-02-2018				20-02-2018				
	February	31-10-2018		20-03-2018		18-04-2018		20-03-2018				
	March			20-04-2018				20-04-2018				
	2018-19	April			22-05-2018				20-05-2018			
		May	31-10-2018		20-06-2018		18-07-2018		20-06-2018			
		June		31-10-2018	20-07-2018				20-07-2018	30-09-2018		
July				24-08-2018				20-08-2018				
August		31-10-2018		20-09-2018		18-10-2018		20-09-2018				
September				25-10-2018				20-10-2018	13-10-2018			
October			11-11-2018	20-11-2018				20-11-2018	13-11-2018		31-12-2020	
November		31-01-2019	11-12-2018	20-12-2018		18-01-2019		20-12-2018	13-12-2018			
December			11-01-2019	20-01-2019				20-01-2019	13-01-2019			
January			11-02-2019	22-02-2019		18-04-2019		20-02-2019	13-02-2019	31-08-2019		
February		30-04-2019	11-03-2019	20-03-2019				20-03-2019	13-03-2019			
March			13-04-2019	23-04-2019				20-04-2019	13-04-2019			

YEAR	Month	GSTR-1		GSTR-3B		Composition Taxpayer		GSTR-5/5A	GSTR-6	GSTR-7	GSTR-9/9C
		(Quarterly)	(Monthly)	(Monthly)	(Quarterly)	CMP-08	GSTR-4				
2019-20	April		11-05-2019	20-05-2019	20-05-2019			20-05-2019	13-05-2019		
	May	31-07-2019	11-06-2019	20-06-2019	20-06-2019	31-08-2019		20-06-2019	13-06-2019		
	June		11-07-2019	20-07-2019	20-07-2019			20-07-2019	13-07-2019	31-08-2019	
	July		11-08-2019	22-08-2019	22-08-2019			20-08-2019	13-08-2019		
	August	31-10-2019	11-09-2019	20-09-2019	20-09-2019	22-10-2019		20-09-2019	13-09-2019	10-09-2019	
	September		11-10-2019	20-10-2019	20-10-2019			20-10-2019	13-10-2019	10-10-2019	28-02-2021
	October		11-11-2019	20-11-2019	20-11-2019			31-08-2020	13-11-2019	10-11-2019	
	November	31-01-2020	11-12-2019	23-12-2019	23-12-2019	18-01-2020			20-12-2019	13-12-2019	10-12-2019
	December		11-01-2020	20-01-2020	20-01-2020				20-01-2020	13-01-2020	10-01-2020
	January		11-02-2020	20-02-2020	22 <sup>#</sup> /24*-02-20				20-02-2020	13-02-2020	10-02-2020
	February	17-07-2020	11-03-2020	04-04-2020	30-06-2020	07-07-2020			31-08-2020	13-03-2020	10-03-2020
	March		10-07-2020	05-05-2020	03 <sup>#</sup> /05*-07-20				31-08-2020	31-08-2020	31-08-2020
2020-21	April		24-07-2020	04-06-2020	06 <sup>#</sup> /09*-07-20			31-08-2020	31-08-2020	31-08-2020	
	May	03-08-2020	28-07-2020	27-06-2020	12 <sup>#</sup> /15*-09-20	18-07-2020		31-08-2020	31-08-2020	31-08-2020	
	June		05-08-2020	20-07-2020	23 <sup>#</sup> /25*-09-20			31-08-2020	31-08-2020	31-08-2020	
	July		11-08-2020	20-08-2020	27 <sup>#</sup> /29*-09-20		30-04-2021	31-08-2020	31-08-2020	31-08-2020	
	August	31-10-2020	11-09-2020	20-09-2020	01 <sup>#</sup> /03*-10-20	18-10-2020		20-09-2020	13-09-2020	10-09-2020	
	September		11-10-2020	20-10-2020	22 <sup>#</sup> /24*-10-20			20-10-2020	13-10-2020	10-10-2020	
	October		11-11-2020	20-11-2020	22 <sup>#</sup> /24*-11-20			20-11-2020	13-11-2020	10-11-2020	31-12-2021
	November	13-01-2021	11-12-2020	20-12-2020	22 <sup>#</sup> /24*-12-20	18-01-2021		20-12-2020	13-12-2020	10-12-2020	
	December		11-01-2021	20-01-2021	22 <sup>#</sup> /24*-01-21			20-01-2021	13-01-2021	10-01-2021	
	January		11-02-2021	20-02-2021				20-02-2021	13-02-2021	10-02-2021	
	February	13-04-2021	11-03-2021	20-03-2021	22-04-2021 <sup>#</sup>	18-04-2021		20-03-2021	13-03-2021	10-03-2021	
	March		11-04-2021	20-04-2021	24-04-2021*			20-04-2021	13-04-2021	10-04-2021	

# List-1 States	* List-2 States
For taxpayers having principal place of business in Chhattisgarh, Madhya Pradesh, Gujarat, Daman and Diu, Dadra and Nagar Haveli, Maharashtra, Karnataka, Goa, Lakshadweep, Kerala, Tamil Nadu, Puducherry, Andaman and Nicobar Islands, Telangana and Andhra Pradesh	For taxpayers having principal place of business in Jammu and Kashmir, Ladakh, Himachal Pradesh, Punjab, Chandigarh, Uttarakhand, Haryana, Delhi, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand and Odisha

## Due dates for Form GSTR-3B for Taxpayers having Turnover more than Rs. 5 Cr. in Previous Year

Month	GSTR – 3B Due Date	No Interest and No Late Fees till	Interest @ 9% for the period	Interest @ 18% & late fees applicable if filed after
Feb – 20	20-03-2020	04-04-2020	05-04-2020 to 24-06-2020	24-06-2020
Mar – 20	20-04-2020	05-05-2020	06-05-2020 to 24-06-2020	24-06-2020
April – 20	20-05-2020	04-06-2020	05-06-2020 to 24-06-2020	24-06-2020
May – 20	27-06-2020	NA	NA	27-06-2020
June – 20	20-07-2020	NA	NA	20-07-2020

## Due dates for Form GSTR-3B for Taxpayers having Turnover upto Rs. 5 Cr. in Previous Year

Month	GSTR – 3B Due Date		No Interest and No Late Fees till		Interest @ 9% for the period		Interest @ 18% & late fees applicable if filed after
	List-1 States	List-2 States	List-1 States	List-2 States	List-1 States	List-2 States	
Feb – 20	22-03-2020	24-03-2020	30-06-2020	30-06-2020	01-07-2020 to 30-09-2020	01-07-2020 to 30-09-2020	30-09-2020
Mar – 20	22-04-2020	24-04-2020	03-07-2020	05-07-2020	04-07-2020 to 30-09-2020	06-07-2020 to 30-09-2020	
April – 20	22-05-2020	24-05-2020	06-07-2020	09-07-2020	07-07-2020 to 30-09-2020	10-07-2020 to 30-09-2020	
May – 20	12-07-2020	14-07-2020	12-09-2020	15-09-2020	13-09-2020 to 30-09-2020	16-09-2020 to 30-09-2020	
June – 20	22-07-2020	24-07-2020	23-09-2020	25-09-2020	24-09-2020 to 30-09-2020	26-09-2020 to 30-09-2020	
July – 20	22-08-2020	24-08-2020	27-09-2020	29-09-2020	28-09-2020 to 30-09-2020	30-09-2020	
Aug – 20	01-10-2020	03-10-2020	NA	NA	NA	NA	

## Due Dates for Monthly GSTR-1

Return Period	Due Date	No Late Fee if Filed by date
Mar' 20	11-04-2020	10-07-2020
Apr' 20	11-05-2020	24-07-2020
May' 20	11-06-2020	28-07-2020
Jun' 20	11-07-2020	05-08-2020

## Due Dates for Quarterly GSTR-1

Return Period	Due Date	No Late Fee if Filed by date
Jan' 20 - Mar' 20	30-04-2020	17-07-2020
Apr' 20 - Jun' 20	31-07-2020	03-08-2020

## Relaxation for Composition Tax Payers

Relaxation for Composition Dealers	Forms	Original Due Date	Extended Due Date
Due Date for opting Composition Scheme	CMP-02	31-03-2020	30-06-2020
Due Date for Payment of GST for Q4 of 2019-20	CMP-08	18-04-2020	07-07-2020
Due Date for Filing of Annual return for the year 2019-20	GSTR-4	30-04-2020	31-10-2020
Due Date for furnishing statement for ITC opting	ITC-03	30-05-2020	31-07-2020



## Manner of Calculation of Interest

### Assessees having Turnover more than Rs. 5 Crore in Previous Year

Return Period	Date of Filing of GSTR-3B	No. of Days of Delay	No Interest	9% Interest	18% Interest
Mar'20	02-05-2020	12	12 Days	-	-
Mar'20	20-05-2020	30	15 Days	15 Days	-
Mar'20	20-06-2020	61	15 Days	46 Days	-
Mar'20	24-06-2020	65	15 Days	50 Days	-
Mar'20	30-06-2020	71	15 Days	50 Days	6 Days

### Assessees having Turnover upto Rs. 5 Crore in Previous Year

Return Period	Specified Date of Filing of GSTR-3B	Date of Filing of GSTR-3B	No. of Days of Delay (From Due Date)	No Interest	9% Interest	18% Interest
Mar'20	03-07-2020	22-06-2020	61	61 Days	-	-
		22-09-2020	153	72 Days	81 Days	-
		22-10-2020	183	72 Days	89 Days	22 Days
Jun'20	23-09-2020	28-08-2020	37	37 Days	-	-
		28-09-2020	68	63 Days	5 Days	-
		28-10-2020	98	63 Days	7 Days	28 Days

### Extension in other compliances

No.	Particulars	Time limit expiring between	Extended due Date
1	Issue of Notice, Intimation, Notification, Sanction, Approval Order, Sanction Order by any Authority, Commission or Tribunal	20-03-2020 to 30-08-2020	31-08-2020
2	Reply to Notices, filing of appeal by taxpayer		
3	Furnishing of any return, statements, applications, reports or any other documents by taxpayer		
4	E-way bill validity	20-03-2020 to 29-06-2020	30-06-2020
5	Application for obtaining Letter of Undertaking (LuT) for export without payment of IGST*	20-03-2020 to 30-08-2020	31-08-2020
6	Applying for Refund in any case specified in Rules in GST RFD-01A		
7	Time limit of 1 year or 3 years as the case may be, for receiving goods back by principal from Job worker's place.	20-03-2020 to 30-08-2020	31-08-2020
8	Any action by any person w.r.t. goods sent or taken out of India on approval for sale or return	20-03-2020 to 30-10-2020	31-10-2020
9	Completion or compliance of any action prescribed u/s 171 by any authority.	20-03-2020 to 30-03-2021	31-03-2021
10	Issuance of order in terms of provisions of sec. 54(5) & 54(7)	20-03-2020 to 30-08-2021	31-08-2021

\* Till the extended time LuT is obtained, exporter can export without payment of Tax with LuT number of previous year.

### Relaxations for following ITC restriction specified in Rule 36(4)

Month	Restriction
Feb'20 to Aug'20	Take ITC in GSTR-3B without following ITC restriction given in Rule 36(4)
September'20	Give cumulative adjustment of ITC for the months Feb'20 to Sept'20 while filing GSTR-3B

<b>Eligibility under the scheme</b>	<ul style="list-style-type: none"> <li>Aggregate Annual Turnover should be up to Rs. 5 Cr. in preceding Financial Year.</li> <li>Registered person must have furnished the last return as on date of exercising such option.</li> <li>During any quarter Aggregate Turnover of the Taxpayer exceeds Rs. 5 Crore, the registered person shall not be eligible for the Scheme from the next quarter</li> <li>The option to avail the QRMP Scheme is GSTIN wise, therefore different GSTINs on same PAN have the option to avail the QRMP Scheme for one or more GSTINs.</li> <li>Opt out facility is available. If Registered person wants to opt out for July-Sept. quarter then he can opt out during 1st May to 31st July.</li> </ul>
<b>Invoice Furnishing Facility</b>	<ul style="list-style-type: none"> <li>For First two months of quarter, registered person will have facility to furnish the details of outwards supply to a registered person. However this Facility is optional.</li> <li>Such details can be furnished from 1st of succeeding month till 13th of succeeding month.</li> <li>However, The said details of outward supplies shall not exceed ` 50 Lacs in each month.</li> <li>The details which are already uploaded using IFF need not to be furnished at the time of filing of GSTR-1 of the said quarter.</li> </ul>
<b>Special Procedure for Payment of Tax</b>	<ul style="list-style-type: none"> <li>Options for Payment of Tax               <ol style="list-style-type: none"> <li>Fixed sum Method</li> <li>Self Assessment Method</li> </ol> </li> <li>Amount required to be deposited under Fixed Sum Method               <ol style="list-style-type: none"> <li>If Last return Filed was Monthly return Tax paid by debiting electronic cash ledger while filing last return</li> <li>If Last return Filed was Quarterly return 35% of Tax paid by debiting cash ledger while filing last return</li> </ol> </li> <li>Due Date for deposit amount is 25th of next month</li> <li>Taxpayer is not required to deposit any amount if he has adequate balance in Electronic Cash Ledger or Electronic Credit Ledger for the tax liability of 1st two months</li> <li>Taxpayer is not eligible for this scheme if he has not furnished return for any earlier tax periods.</li> <li>No late fees are applicable for late depositing amount as mentioned above</li> </ul>

### Example for Fixed Sum Method

#### Monthly Return Filing for last period

Cash payment for March, 2021- ₹ 1000/-

Tax Period	Actual Liability	Cash to be deposited
April'21	900	1000
May'21	1200	1000
June'21	1500	1600
		$[(900 + 1200 + 1500) - (1000 + 1000)]$

#### Quarterly Return Filing for last period

Cash payment for Jan-March, 2021- ₹ 10000/-

Tax Period	Actual Liability	Cash to be deposited
April'21	3000	3500
May'21	5000	3500
June'21	2000	3000
		$[(3000 + 5000 + 2000) - (3500 + 3500)]$

### Example for Self Assessment Method

Tax Period	Actual Liability	Cash deposited	Due date of Deposit	Date of deposit	Interest
April'21	900	700	25-05-2021	25-05-2021	6 $(200 \times 18\% \times 56^2/365)$
May'21	1200	1200	25-06-2021	30-06-2021	3 $(1200 \times 18\% \times 5/365)$
June'21	1500	1700 (1500 + 200)	20-07-2021 (GSTR-3B Due date)	20-07-2021	-

# 25-05-2021 to 20-07-2021 = 56 days

## 26 E-Way Bill

- \* For **Inter-state movement of goods**, E-way bill is compulsory from 01-04-2018 if the consignment value exceeds Rs. 50,000/-
- \* The delivery of Goods Transported through Railway will be given only upon presenting E-way Bill
- \* If Individual consignment value does not exceed Rs. 50,000/- then E-way Bill need not to be generated even if Total Consignment value exceeds Rs. 50,000/-
- \* when the person-in-charge of the conveyance is exempted from carrying the E-Way Bill, he will be required to carry the documents such as Tax invoice, delivery challan, bill of supply or bill of entry, as the case may be.
- \* E-way Bill is not required to be generated for transportation of goods within same city.

### The above provision is stated in below table:

Goods moved from	Goods moved to	Value of goods (Amt. in Rs.)	E-way bill applicability From effective date
Gujarat	Maharashtra	60,000/-	Yes
Gujarat	Maharashtra	20,000/-	No
Ahmedabad	Surat	70,000/-	Yes
Ahmedabad	Surat	40,000/-	No
C.G. Road (A'bad)	Maninagar (A'bad)	1,00,000/-	No
C.G. Road (A'bad)	Maninagar (A'bad)	30,000/-	No
Mundra SEZ (Guj)	Ahmedabad	1,00,000/-	Yes
Ahmedabad (Principal)	Surat (Job worker)	60,000/-	Yes
Gujarat (Principal)	Maharashtra (Job worker)	70,000/-	Yes
Gujarat (Principal)	Maharashtra (Job worker)	30,000/-	Yes

In case of 'Bill-To' - 'Ship-To' case, E-way bill will be generated as under:

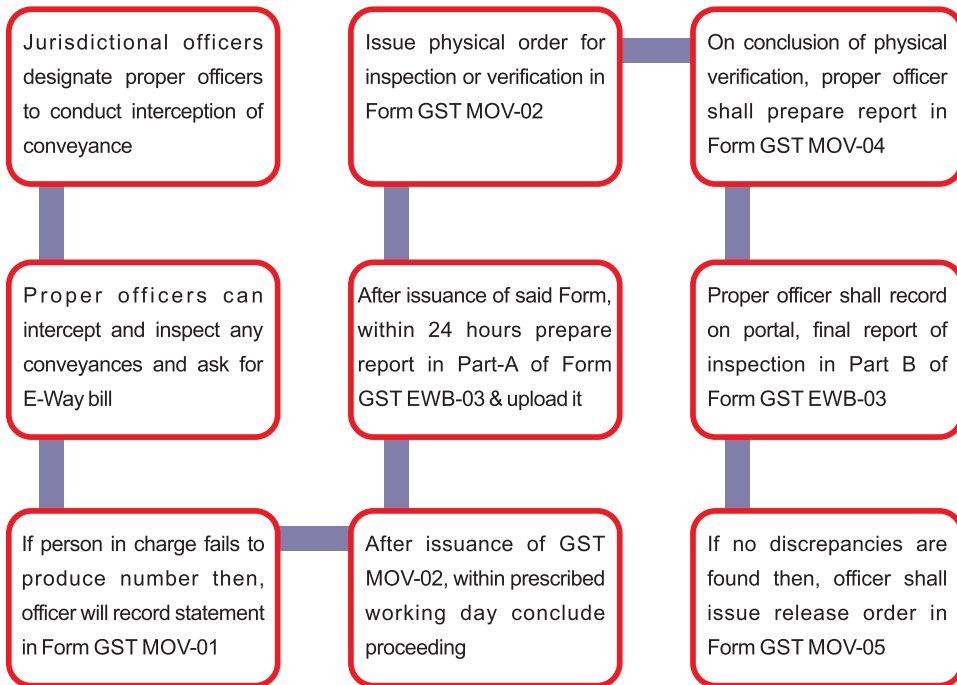
Location of supplier	Location of Recipient	Location of Buyer	Goods Movement	Value of Goods (Amt. in Rs.)	E-way bill applicability
Gujarat (A'bad)	Gujarat (Surat)	Maharashtra	Intra-state	60,000/-	Yes
Gujarat (A'bad)	Maharashtra	Gujarat (Surat)	Inter-state	40,000/-	No
Gujarat (A'bad)	Maharashtra	Gujarat (Surat)	Inter-state	70,000/-	Yes
Gujarat (A'bad)	Gujarat (A'bad)	Maharashtra	Intra-city	80,000/-	No
Gujarat (A'bad)	Gujarat (A'bad)	Maharashtra	Intra-city	60,000/-	No

### E-Way Bill Applicability in Gujarat is explained as under :

Particulars	Description of goods	Consignment value	E-way bill is required or not
Intra-city movement	All goods	Any value	No
Intra-state movement of goods for the purpose of job work	Hank, Yarn, Fabric and Garments	Any value	No
Intra-state movement of goods for the purpose of job work	All goods other than specified above	Rs. 50,001/- and above	Yes
Intra-state movement of goods for the purpose of job work	All goods other than specified above	Upto Rs. 50,000/-	No
Intra-state movement of goods other than job work purpose	All goods	Rs. 50,001/- and above	Yes
Intra-state movement of goods other than job work purpose	All goods	Upto Rs. 50,000/-	No

**Note :** W.e.f. 21-11-2019, if any taxpayer has not filed return in Form GSTR-3B for the last two successive months in GST Common portal, then that GSTIN will be blocked for generation of E-way bill either as consignor or consignee.

## Procedure to be followed in case of interception of conveyances for inspection of goods in movement:



## Summary of Various MOV Forms:

Form Type	Description of Form
GST MOV-01	Statement of owner or person in charge of goods and conveyance
GST MOV-02	Order for physical verification of goods and conveyance
GST MOV-03	Order of extension of time limit beyond 3 working days
GST MOV-04	Physical verification report
GST MOV-05	Release report
GST MOV-06	Order for detention of goods
GST MOV-07	Notice specifying the Tax and Penalty payable by owner of goods
GST MOV-08	Bond for provisional release of goods and conveyance
GST MOV-09	Order of demand of Tax and Penalty
GST MOV-10	Notice for confiscation of goods and conveyance
GST MOV-11	Order for confiscation of goods specifying Tax and Penalty payable

## 27

## GST Applicability in 'Bill to' - 'Ship to' Model

No.	Supplier of Goods	Ship to (Receiver of Goods)	Billed to (Place of Supply)	Applicable GST
1	Ahmedabad (Gujarat)	Tamilnadu	Baroda (Gujarat)	CGST + SGST
2	Ahmedabad (Gujarat)	Baroda (Gujarat)	Mumbai (Maharashtra)	IGST
3	Ahmedabad (Gujarat)	Tamilnadu	Delhi	IGST
4	Ahmedabad (Gujarat)	Tamilnadu	Tamilnadu	IGST
5	Ahmedabad (Gujarat)	Baroda (Gujarat)	Baroda (Gujarat)	CGST + SGST

## 28

## Prescribed Documents List

No.	Transaction	Prescribed Document
1	Advance Payment from Customer	Receipt Voucher
2	On return of Advance	Refund Voucher
3	Supply of Taxable Goods or Service	Tax Invoice
4	Branch Transfer	Tax Invoice
5	Exempt Supply (incl. Export)	Bill of Supply
6	Composite Supply	Bill of Supply
7	Sales return/Downward Revision in Sales Price	Credit Note
8	Upward Revision in Sales Price	Debit Note
9	Job work	Delivery Challan
10	Any movement of goods above threshold limit	E-way Bill
11	Distribution of Credit by ISD	ISD Invoice
12	Import of Goods	Bill of Entry
13	Purchase from Unregistered Supplier	Invoice
14	Payment to Unregistered Supplier	Payment Voucher
15	Purchase of Goods/Service under RCM	Invoice
16	Payment to Supplier of RCM	Payment Voucher
17	Goods Transporter (RCM)	Transporter Invoice with GSTIN of Recipient
18	Tax Payable on Demand u/s 74/129/130	Invoice marked "ITC not Available"

## 29

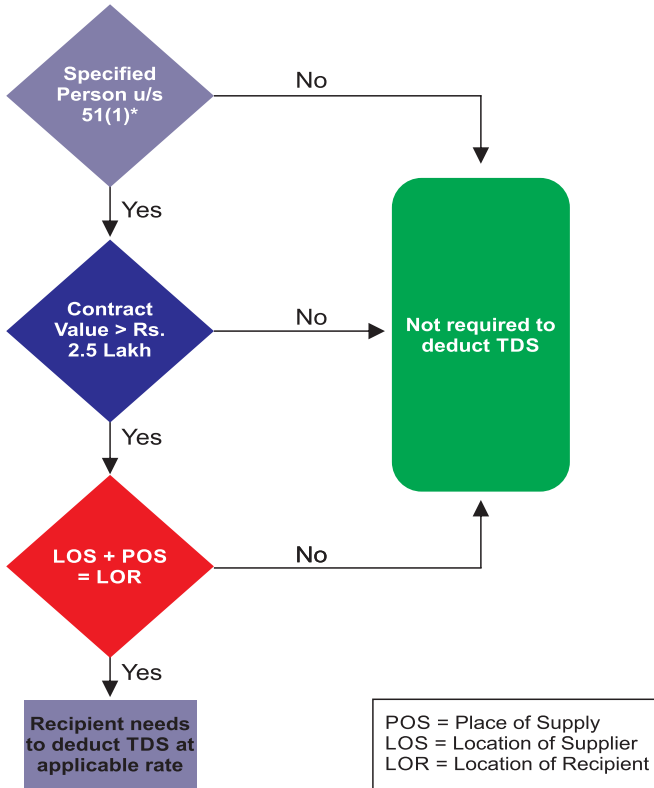
## Tax Deduction at Source (TDS)

Person liable to deduct TDS	Rate of Deduction	Payment date	Issuance of TDS certificate	Late fee for non issuance of TDS certificate
1. Department or establishment of Central or State Government; or 2. Local Authority; or 3. Governmental Agencies; or 4. Person or class of persons as notified vide notification no. 33/2017-Central Tax	2% from the payment made or credited to the supplier, where the total value of taxable supply under a contract, exceed Rs. 2.50 Lacs.	Within 10 days after the end of month in which such deduction is made	Within 5 days of payment of TDS by the deductor	Rs. 200 per day subject to maximum of Rs. 10,000/-

(\*Provisions of TDS will be applicable only in cases where the total value of supply under a contract exceed ₹ 2.5 Lacs & Credit of such TDS would be available to the deductee in his electronic cash ledger)

Provision of TDS are made effective from 1st October, 2018

## 30 Requirement of TDS



## 31 TDS Return

Every Registered TDS deductor is required to file a return in Form GSTR-7 (Online or Offline) within 10 days from end of the month

Furnish a Certificate in Form GSTR-7A to deductee

Deductee shall claim the credit of such deduction in his Electronic Cash Ledger

Deductee shall accept/reject TDS records auto populated in return dashboard

Also furnish the said certificate to Govt. within 5 days of furnishing return in Form GSTR-7

Location of Supplier	Place of Supply	Location of Recipient	Type of Supply	TDS applicable	GST
Gujarat	Gujarat	Gujarat	Intra State	Yes	CGST+SGST
Gujarat	Maharashtra	Gujarat	Inter State	Yes	IGST
Delhi	Punjab	Punjab	Inter State	Yes	IGST
Maharashtra	Maharashtra	Maharashtra	Intra State	Yes	CGST+SGST
Maharashtra	Gujarat	Gujarat	Inter State	Yes	IGST
Maharashtra	Gujarat	Maharashtra	Inter State	Yes	IGST
Gujarat	Rajasthan	Maharashtra	Inter State	Yes	IGST
Maharashtra	Maharashtra	Gujarat	Intra-State	No	-
Gujarat	Gujarat	Maharashtra	Intra-State	No	-

Special Procedure	<ul style="list-style-type: none"> <li>A registered taxable person (principal) may send any inputs/capital goods to a job worker for job-work and from there to another job-worker without payment of tax. But, he must bring back               <ul style="list-style-type: none"> <li>- inputs within 1 year of their being sent out.</li> <li>- capital goods (other than moulds &amp; dies, jigs &amp; fixtures or tools) within 3 years of their being sent out.</li> </ul> </li> <li>He can supply such inputs/capital goods within time limit specified above directly from the place of job-worker on payment of tax only if principal declares place of job worker as additional place of business. However if job-worker is registered then no need to declare his place as additional place of business.</li> </ul>
Responsibility for inputs and / or Capital Goods with payment of Tax	Shall lie with the Principal
Deemed supply by Principal to the Job worker	<p><b>For Inputs:</b> If inputs sent to job-worker, after completion of process is not received back in 1 Year from the date of being sent out. (In case inputs are directly sent to job-worker, the date shall be counted from the date of receipt of inputs by job worker)</p> <p><b>For Capital goods:</b> Capital goods sent to a job-worker if the said capital goods, after completion of job-work are not received back in 3 years from the date of being sent out. (In case the capital goods are sent directly to the job-worker, the date shall be counted from the date of receipt of capital goods by job-worker)</p>
Waste and Scrap generated	Any waste and scrap generated during the job work may be supplied by the job worker directly from his place of business on payment of tax if such job worker is registered, or by the principal, if the job worker is not registered.

Turnover Limit	Return Type	Forms	Likely Due Date
Turnover more than Rs. 5 Crore (Large Taxpayers)	Monthly return and monthly payment of Tax	ANX1 - Outward Supply Details	10th of subsequent month
		ANX2 - Inward Supply Details	18th of subsequent month
		RET1 - Monthly return	20th of subsequent month
Turnover upto Rs. 5 Crore (Small Taxpayers)	Quarterly normal return and monthly Tax payment (It can be opted by person having all type of outward supply and inward supply incl. Import and Export	ANX1 - Outward Supply Details	10th of subsequent month
		ANX2 - Inward Supply Details	18th of subsequent month
		RET1 - Quarterly Normal return	25th of subsequent quarter
		PMT08 - Monthly payment of Tax	20th of subsequent month
	Quarterly Sahaj return and monthly Tax payment (It can be opted by person having only B2C outward supply)	ANX1 - Outward Supply Details	10th of subsequent month
		ANX2 - Inward Supply Details	18th of subsequent month
		RET2 - Quarterly Sahaj return	25th of subsequent quarter
		PMT08 - Monthly payment of Tax	20th of subsequent month
	Quarterly Sugam return and monthly Tax payment (It can be opted by person having only B2B as well as B2C outward supply)	ANX1 - Outward Supply Details	10th of subsequent month
		ANX2 - Inward Supply Details	18th of subsequent month
		RET2 - Quarterly Sugam return	25th of subsequent quarter
		PMT08 - Monthly payment of Tax	20th of subsequent month
	Option to file monthly return and monthly payment of Tax	ANX1 - Outward Supply Details	10th of subsequent month
		ANX2 - Inward Supply Details	18th of subsequent month
		RET1 - Monthly return	20th of subsequent month

**Note :** As per information received from Business Today, this new return system will be scrapped and in existing returns additional features like Import Duty to be displayed in GSTR-2A and new GSTR-2B shall be introduced.

### Critical points to take care before 20-10-2021 (before September GSTR-3B due date) for the year 2020-21

Particulars	Specified date (A)	Filing of Annual return (B)	Last Date for Adjustment
Claiming Input Tax Credit (ITC) for F.Y. 2020-21	20th October, 2021	31st December, 2021	Earliest of (A) & (B)
Reversal of Input Tax Credit (ITC) for F.Y. 2020-21			(A)
Issuing credit note for the supply made in F.Y. 2020-21			Earliest of (A) & (B)
Amendments/rectification for supply made in F.Y. 2020-21			Earliest of (A) & (B)



### ● Introduction of E- Invoicing

- Registered person whose aggregate turnover in a financial year exceeds **Specified Limit** will have to generate E-Invoice in respect of supply of goods or services, or both **made to a registered person**.
- Timeline for applicability of E-Invoicing for B2B transactions as follows:

With Effect From	Applicability	Turnover
01-01-2020	Voluntary	-
01-10-2020	Mandatory	> ₹ 500 Cr.
01-01-2021	Mandatory	> ₹ 100 Cr.

- Practical scenarios on E-invoice applicability:

No.	Aggregate Turnover of Supplier	Status of Supplier	Aggregate Turnover of Buyer	Status of Buyer	E-invoicing applicability
1	₹ 550 Crore	Registered	₹ 400 Crore	Registered	Yes
2	₹ 50 Crore	Registered	₹ 400 Crore	Registered	No
3	₹ 550 Crore	Registered	₹ 50 Crore	Registered	Yes
4	₹ 550 Crore	Registered	₹ 10 Lacs	Unregistered	No
5	₹ 10 Lacs	Unregistered	₹ 400 Crore	Registered	No
6	₹ 10 Lacs	Unregistered	₹ 10 Lacs	Unregistered	No
7	₹ 550 Crore	Registered	₹ 10 Lacs	Registered	Yes

### ● Introduction of Quick Response (QR) Code:

- Registered person whose aggregate turnover in a financial year exceeds **Rs. 500 Crore** shall issue invoice containing Quick Response (QR) Code in case of supply **made to unregistered person**.
- Practical scenarios on QR code applicability:

No.	Aggregate Turnover of Supplier	Status of Supplier	Aggregate Turnover of Buyer	Status of Buyer	QR Code applicability
1	₹ 550 Crore	Registered	₹ 10 Lacs	Unregistered	Yes
2	₹ 400 Crore	Registered	₹ 400 Crore	Registered	No
3	₹ 10 Lacs	Unregistered	₹ 550 Crore	Registered	No
4	₹ 10 Lacs	Unregistered	₹ 10 Lacs	Unregistered	No

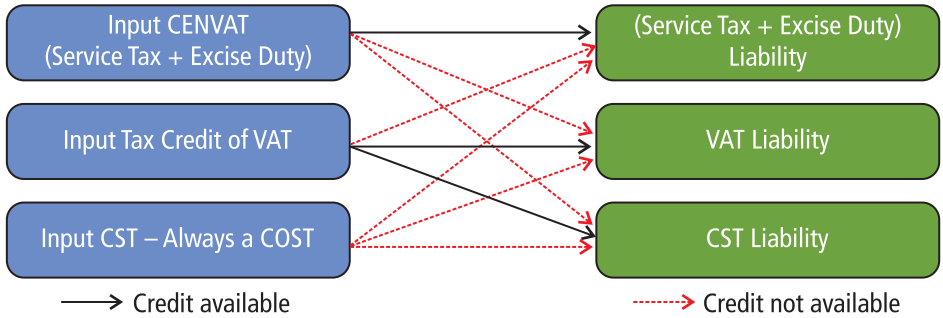
### ● Exemption from applicability of E-invoicing and QR Code provided to:

- Insurer, Banking Company, Financial Institution and Non-Banking Financial Institution
- Goods Transport Agency
- Supplier of Passenger Transportation Service
- Person supplying services by way of admission to exhibition of cinematograph films in multiplex screen

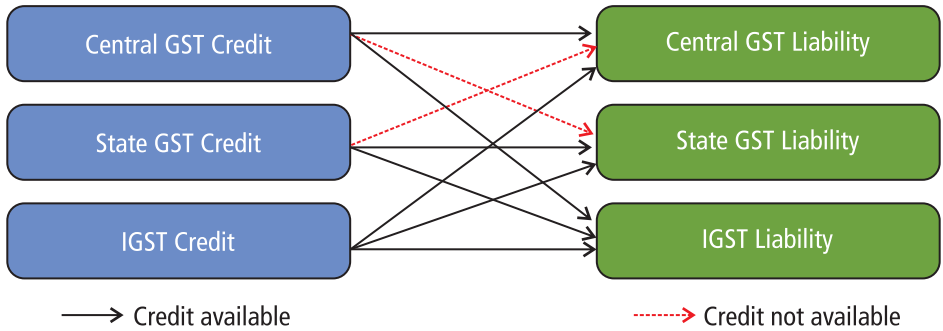
### ● Applicability of E-Invoice

Applicable	Not Applicable
• Tax Invoice for B2B supply	• Tax Invoice for B2C supply
• Export	• Receipt Voucher
• Debit note	• Payment Voucher
• Credit note	• Refund Voucher
	• Bill of Supply

**CENVAT Credit Structure - Pre-GST Regime**



**Availability of Input Tax Credit - GST Regime**



**Method of Utilization from 01-07-2017 to 31-03-2019**

To be Setoff in the same order	Credit of IGST	Credit of CGST	Credit of SGST
1	IGST Liability	CGST Liability	SGST Liability
2	CGST Liability	IGST Liability	IGST Liability
3	SGST Liability	×	×

**Method of Utilization w.e.f. 01-04-2019**

To be Setoff in the same order	Credit of IGST *	Credit of CGST	Credit of SGST
1	IGST Liability	CGST Liability	SGST Liability
2	CGST/SGST Liability (Any Order)	IGST Liability	IGST Liability
3		×	×

\* ITC of CGST & SGST can be utilized only if ITC of IGST is **FULLY UTILIZED FIRST.** (w.e.f. 01-04-2019)

Definition	<ul style="list-style-type: none"> <li>• "Input Tax Credit" means credit of 'input tax' as defined in section 2(63)</li> <li>• Input tax in relation to a registered person, means the central tax, state tax, integrated tax or union territory tax charged on any supply of goods or services or both made to him and includes             <ul style="list-style-type: none"> <li>(a) The integrated goods and services tax charged on import of goods,</li> <li>(b) The tax payable under provisions of sub-section (3) and (4) of section 9,</li> <li>(c) The tax payable under the provisions of sub-section (3) and (4) section 5 of the IGST Act,</li> <li>(d) The tax payable under the provisions of sub-section (3) and (4) section 9 of respective State Goods and Services Tax Act,</li> <li>(e) The tax payable under the provisions of sub-section (3) and (4) section 7 of the Union Territory Goods and Services Tax Act,</li> </ul> </li> <li>• But does not include the tax paid under the composition levy.</li> </ul>	
Time limit	<ul style="list-style-type: none"> <li>• Credit in respect of any invoice pertaining to a financial year cannot be taken after:             <ul style="list-style-type: none"> <li>• Filing of return for the month of September following the end of financial year to which such invoice pertains, or:</li> <li>• Filing of the relevant annual return,</li> </ul> </li> <li>• Whichever is earlier</li> </ul>	
Pre requirement for taking Input Tax Credit	<ul style="list-style-type: none"> <li>• Possession of a tax invoice, or other tax-paying document issued by a supplier;</li> <li>• Received the goods/services'</li> <li>• Tax charged in respect of said supplies has been actually paid to the credit of the appropriate Government'</li> <li>• Return is furnished as per section 34</li> <li>• Credit for goods against an invoice, which are received in lots or installments, can be taken only upon receipt of the last lot or installment.</li> </ul>	
Capital Goods	<ul style="list-style-type: none"> <li>• Credit not admissible on such tax component of the cost of capital goods, for which depreciation has been claimed under the Income Tax Act, 1961.</li> <li>• In case of supply of capital goods on which input tax credit has been taken, payment is required to be made</li> <li>• for an amount equal to input tax credit reduced by percentage as may be specified, or;</li> <li>• tax on the transaction value of such capital goods, whichever is higher</li> </ul>	
Exclusions In ITC	<ul style="list-style-type: none"> <li>• Motor Vehicle for transportation of persons having approved seating capacity of not more than 13 persons (including the driver)</li> <li>• Services of General insurance, servicing, repair and maintenance of such motor vehicles.</li> <li>• Food &amp; Beverages, Outdoor Catering, Beauty Treatment, Health Services, Cosmetic and Plastic Surgery.**</li> <li>• Rent-a-cab, life insurance, health insurance for employees except when such services are notified as obligatory upon employer**</li> <li>• Travel benefit extended to employees on vacation**</li> </ul>	<ul style="list-style-type: none"> <li>• Works Contract Service supplied for construction of immovable property</li> <li>• Goods/Service for construction of immovable property on his own account</li> <li>• Tax paid under Composition Scheme</li> <li>• Personal Consumption</li> <li>• Goods lost, stolen, disposed by way of gift or free samples.</li> <li>• Tax paid pursuant to notice issued u/s. 74, 129 and 130</li> </ul>

\*\*When it is not similar line of business and it is not obligatory for employer to provided to its employee

Entitlement of Credit of Input tax in respect of input held in stock and Inputs contained in Semi Finished or Finished Goods	<b>Person Eligible</b>		<b>Point in Time</b>	
	<ul style="list-style-type: none"> <li>Person who has applied for registration within 30 days from the date he become liable and has been granted certificate of registration</li> </ul>		<ul style="list-style-type: none"> <li>On the day immediately preceding the date from which he becomes liable to pay tax</li> </ul>	
	<ul style="list-style-type: none"> <li>Person who has taken Voluntary Registration u/s 25(3) of GST Act</li> </ul>		<ul style="list-style-type: none"> <li>On the day Immediately preceding the date of registration</li> </ul>	
	<ul style="list-style-type: none"> <li>Registered Taxable person ceases to pay tax u/s 10 i.e. Composition Levy (switch over to normal levy)</li> </ul>		<ul style="list-style-type: none"> <li>On the day immediately preceding the date from which he becomes liable to pay tax under section 9</li> </ul>	
Banking company or a financial institution or a NBFC	<ul style="list-style-type: none"> <li>An amount equal to 50% of the eligible ITC on inputs, capital goods, input services can be avail in that month &amp; rest shall lapse.</li> </ul>			
Reversal of Input Tax Credit	<b>ITC on Goods / Services</b>			
	<b>Situations</b>		<b>Consequences</b>	
	<ul style="list-style-type: none"> <li>Partly used for Business</li> </ul>		<ul style="list-style-type: none"> <li>ITC attributable to business purposes will be eligible</li> </ul>	
	<ul style="list-style-type: none"> <li>Partly used for other purpose</li> </ul>			
	<ul style="list-style-type: none"> <li>Partly used for taxable supply*</li> </ul>		<ul style="list-style-type: none"> <li>ITC attributable to taxable supply will be eligible</li> </ul>	
	<ul style="list-style-type: none"> <li>Partly used for non-taxable supply</li> </ul>			
<p>* Taxable supply shall include zero rated supply but exclude exempted supply</p>				<ul style="list-style-type: none"> <li>Where recipient fails to pay to the supplier the amount of value of supply along with tax payable thereon within a period of 180 days from the date of issue of invoice by the supplier, the said amount shall be added to his output tax liability along with interest.</li> </ul>
Restrictions to avail / utilise ITC	<p><b>From 01-07-2017 to 09-10-2019</b>          Availment of ITC on self assessment basis</p>			
	<p><b>From 10-10-2019 to 31-12-2019</b>          Rule 36(4) : Availment of ITC restricted to 120% of ITC appearing in GSTR-2A</p> <p><b>From 01-01-2020 to 31-12-2020</b>          Rule 36(4) : Availment of ITC restricted to 110% of ITC appearing in GSTR-2A</p> <p><b>From 01-01-2021 onwards*</b>          Rule 36(4) : Availment of ITC restricted to 105% of ITC appearing in GSTR-2A</p> <p>Rule 86B : Registered persons (other than specifically excluded) having value of taxable supply more than ₹ 50 Lakhs (other than exempt supply &amp; zero-rated supply) in a month will not be allowed to utilise ITC more than 99% Output Tax liability of that month. However, Rule 86B will not be applicable in following cases:</p> <ul style="list-style-type: none"> <li>Tax payer have paid more than ₹ 1 Lakh of Income tax in each of last two F.Y.</li> <li>Where taxpayer have received refund of unutilized ITC of ₹ 1 Lakh in previous F.Y. on account of export of goods/services or supplies to SEZ under LUT or inverted duty structure.</li> <li>Tax payer has discharged his tax liability through electronic cash ledger which is more than 1% of total tax liability applied cumulatively upto current month.</li> <li>Tax payer is Government Department, Public Sector Undertaking, Local Authority or Statutory Body</li> </ul>			

\* GST council has proposed to restrict ITC upto 100% of ITC appearing in GST-2A in Finance Bill, 2021 to be effective from notified date.

## Example of Rule 36(4) :

From 01-07-2017 to 09-10-2019

Restriction	ITC as per books	Eligible ITC as per GSTR-2A	ITC available as per 36(4)	ITC available
No	₹ 1,00,000/-	₹ 70,000/-	NA	₹ 1,00,000/-
No	₹ 1,00,000/-	₹ 90,000/-	NA	₹ 1,00,000/-

From 10-10-2019 to 31-12-2019

Restriction	ITC as per books	Eligible ITC as per GSTR-2A	ITC available as per 36(4)	ITC available
120% of 2A	₹ 1,00,000/-	₹ 70,000/-	₹ 84,000/-	₹ 84,000/-
120% of 2A	₹ 1,00,000/-	₹ 90,000/-	₹ 1,08,000/-	₹ 1,00,000/-

From 01-01-2020 to 31-12-2021

Restriction	ITC as per books	Eligible ITC as per GSTR-2A	ITC available as per 36(4)	ITC available
110% of 2A	₹ 1,00,000/-	₹ 70,000/-	₹ 77,000/-	₹ 77,000/-
110% of 2A	₹ 1,00,000/-	₹ 95,000/-	₹ 1,04,500/-	₹ 1,00,000/-

From 01-01-2021 onwards

Restriction	ITC as per books	Eligible ITC as per GSTR-2A	ITC available as per 36(4)	ITC available
105% of 2A	₹ 1,00,000/-	₹ 70,000/-	₹ 73,500/-	₹ 73,500/-
105% of 2A	₹ 1,00,000/-	₹ 98,000/-	₹ 1,02,900/-	₹ 1,00,000/-

From Date to be notified later

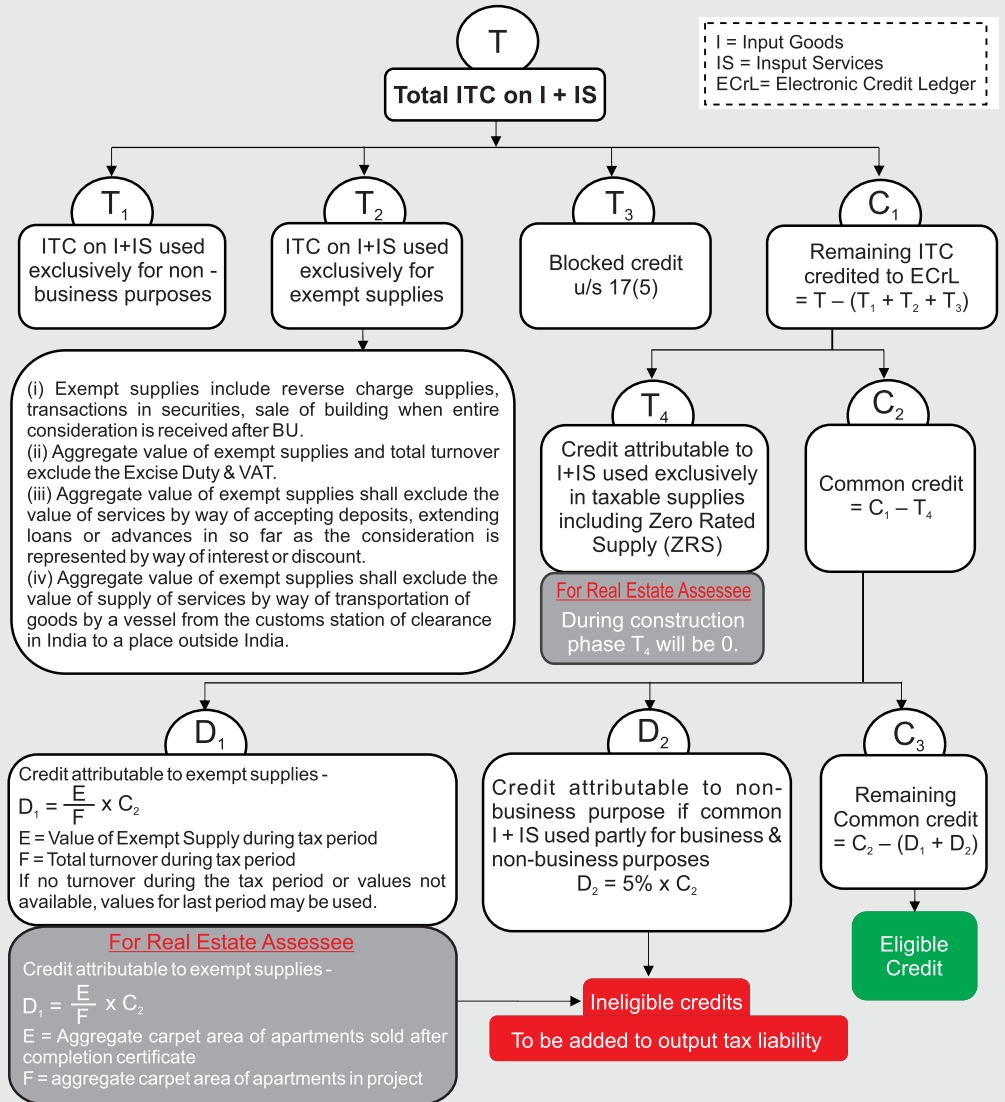
Restriction	ITC as per books	Eligible ITC as per GSTR-2A	ITC available as per 36(4)	ITC available
100% of 2A	₹ 1,00,000/-	₹ 70,000/-	₹ 70,000/-	₹ 70,000/-
100% of 2A	₹ 1,00,000/-	₹ 98,000/-	₹ 98,000/-	₹ 98,000/-

## Example of Rule 86B :

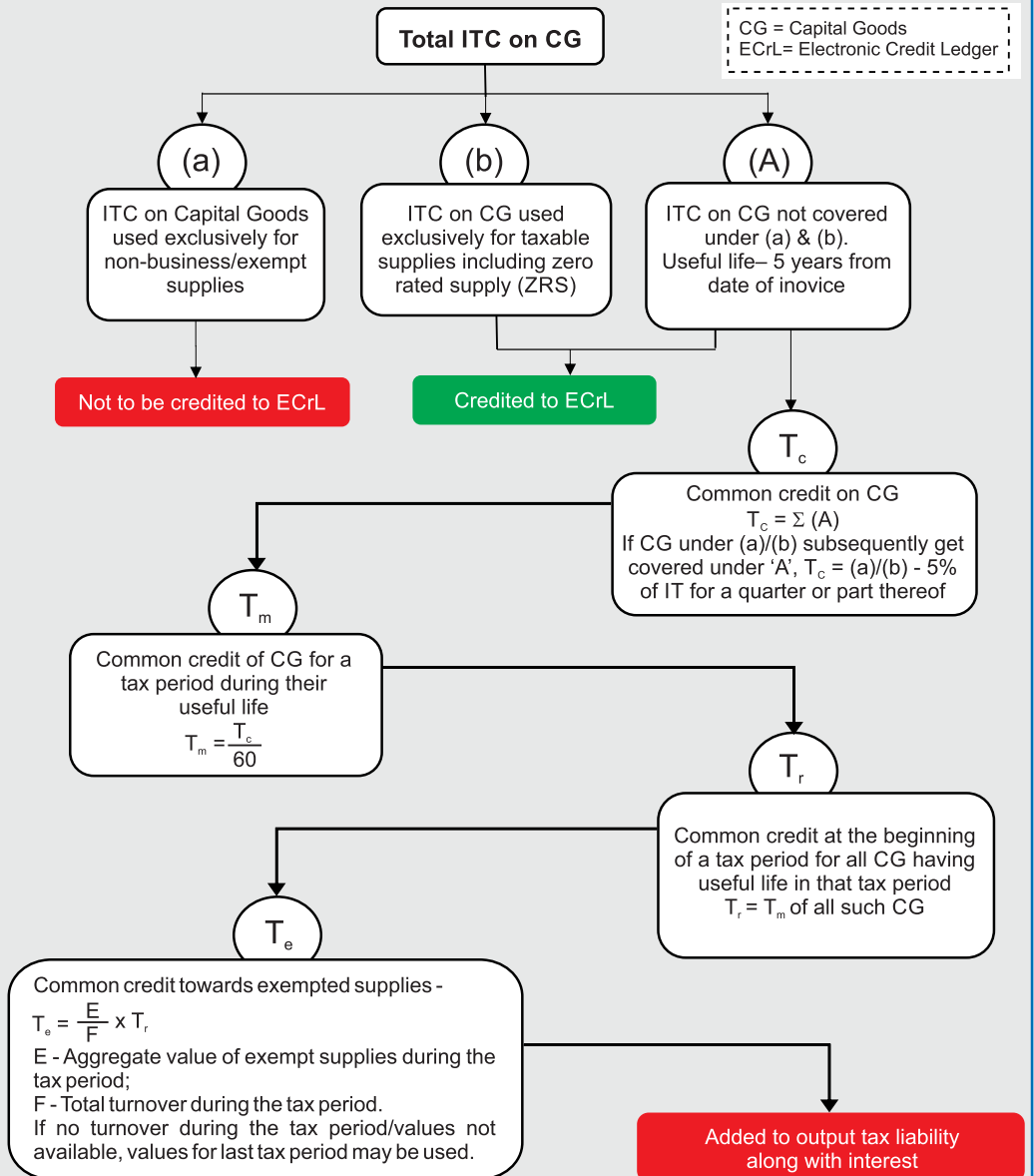
Month	Tax Liability during month	ITC available during month	ITC Utilised	Amount Paid in Cash	Closing ITC	Cumulative Liability	Cumulative Tax paid in Cash	Percentage	Rule 86B applicability
April	1,000	1,100	990	10	110	-	-	0%	Yes
May	1,000	1,000	990	10	120	1,000	10	1.00%	Yes
June	1,000	1,000	990	10	130	2,000	20	1.00%	Yes
July	1,000	1,000	990	10	140	3,000	30	1.00%	Yes
August	1,000	1,000	990	10	150	4,000	40	1.00%	Yes
September	1,000	500	650	350	-	5,000	50	1.00%	Yes
October	1,000	1,000	1,000	-	-	6,000	400	6.67%	No
November	10,000	10,000	10,000	-	-	7,000	400	5.71%	No
December	10,000	10,000	10,000	-	-	17,000	400	2.35%	No
January	10,000	10,000	10,000	-	-	27,000	400	1.48%	No
February	10,000	10,000	10,000	-	-	37,000	400	1.48%	No
March	10,000	10,000	9,900	100	100	47,000	400	0.85%	Yes

No.	Type of ITC	Conditions/Situations for ITC Eligibility	Credit Eligibility
1	Motor Vehicle for Transportation of Person having seating capacity more than 13 person & Related Services*	Any purpose	Yes
2	Motor Vehicle for Transportation of Person having seating capacity upto 13 person & Related Services*	a) Used for further supply of motor vehicle	Yes
		b) Used to provide passenger transportation service	
		c) Used for Training on driving	
		d) Other than above	No
3	Motor Vehicle for Transportation of Goods & Related Services*	Used for Transportation of Goods	Yes
4	Vessels, Aircrafts & Related Services*	a) Used for further supply of vessel/aircraft	Yes
		b) Used for transportation of passengers	
		c) Used for training on navigating/flying	
		d) Used for transportation of Goods	
		e) Other than above	No
5	Related Services* as per Point 2(d) and 4(e) above	a) Received by manufacturer of such vehicle	Yes
		b) Received by supplier of general insurance service of such vehicle	
6	leasing, renting or hiring of motor vehicles, vessels/aircraft as per point 2(d) and 4(e) above	a) For making an outward taxable supply of similar line of business or as an element of a taxable composite or mixed supply	Yes
		b) Taxpayer engaged in other Line of Business	No
7	Food and Beverages, Outdoor catering, Beauty treatment, Health services, Cosmetic and Plastic surgery, Life Insurance and Health Insurance	a) For making an outward taxable supply of similar line of business or as an element of a taxable composite or mixed supply	Yes
		b) Taxpayer engaged in other Line of Business	No
8	Membership of club, health and fitness center	—	No
9	Travel Benefits extended to employees	a) On vacation	No
		b) For Business trip	Yes
10	ITC of Point no. 7(b), 8, 9(a) as above	If it is obligatory for Employer to provide to its Employees	Yes
11	Works Contract Service(WCS) for construction of immovable property	a) Used for further supply of WCS (Whether Capitalized or not)	Yes
		b) Used to construct Plant & Machinery (Whether Capitalized or not)	
		c) Other than above if capitalized in books of accounts	No
12	Goods or services for construction of immovable property on his own account (including used in the course or furtherance of business)	a) Used to construct Plant & Machinery (Whether Capitalized or not)	Yes
		b) Other than above if capitalized in books of accounts	No
13	Goods or Services or both received by N RTP	a) Goods Imported	Yes
		b) Other Goods and Services	No
14	Goods or services or both on which tax has been paid u/s 10	—	No
15	Goods or services or both used for personal consumption	—	No
16	Goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples	—	No
17	Any tax paid u/s 74, 129, 130	—	No

\* Related service includes (1) General Insurance Service, (2) Repair & Maintenance, (3) Leasing, (4) Renting and (5) Hiring.

**Note:**

- "For Real Estate Assessee" part is applicable only to builders who commences New project after 01.04.2019 **AND** in case of Ongoing Projects who has opted for Old Rates in which completion Certificate is received on or after 01-04-2019.
- C<sub>2</sub> will be computed separately for ITC of CGST, SGST/UTGST and IGST.
- D<sub>1</sub> & D<sub>2</sub> will be computed for the whole financial year, by taking exempted turnover and aggregate turnover for the whole financial year. If this amount is more than the amount already added to output tax liability every month, the differential amount will be added to the output tax liability in any of the month till September of succeeding year along with interest @ 18% from 1st April of succeeding year till the date of payment.
- If this amount is less than the amount added to output tax liability every month, the additional amount paid has to be claimed back as credit in GSTR-3B or any month till September of the succeeding year.

**Note:**

- $T_e$  will be computed separately for ITC of CGST, SGST/UTGST and IGST.
- Exempt supplies include reverse charge supplies, transactions in securities, sale of land and sale of building when entire consideration is received after completion certificate.
- Aggregate value of exempt supplies and total turnover excludes the Excise duty & VAT.
- Aggregate value of exempt supplies shall exclude the value of services by way of accepting deposits, extending loans or advances in so far as the consideration is represented by way of interest or discount.
- Aggregate value of exempt supplies shall exclude the value of supply of services by way of transportation of goods by a vessel from the customs station of clearance in India to a place outside India.



No.	Types of Inward Supply	Types of Property	Use of the Property for	Type of Expenditure	Credit Eligibility
1	Works Contract Services	Immovable Property	Own use	Capital	No
				Revenue	Yes
			Further supply of works Contract Service	Capital	Yes
			Revenue	Yes	
		Further supply of other service (e.g. Renting, etc.)	Capital	No	
			Revenue	Yes	
	Plant & Machinery#	Any Business use	Capital or Revenue	Yes	
2	Goods or Services	Immovable Property	Own use	Capital	No
				Revenue	Yes
			Further supply of works Contract Service	Capital	No
			Revenue	Yes	
		Any Business use	Capital or Revenue	Yes	

# The expression "Plant and machinery" means apparatus, equipment, and machinery fixed to earth by foundation or structural support that are use for making outward supply of goods or services or both and includes such foundation and structural support but excludes - (I) Building or any other civil structures; (II) Telecommunication towers; and (III) Pipelines laid outside the factory premises.

## Refund claim available in case of

Export

Accumulated credit due to inverted duty structure

Deemed Export

Excess Balance of cash ledger

Particulars	Time Period
Refund claim of Tax & Interest	Within 2 years from relevant date except payment of Tax under protest
Issue of Refund Order	Within 60 days from the date of receipt of complete application
Interest on Delayed Refunds	Not refunded within 60 days from the date of receipt of application

## Note:

- No. refund shall be paid if the amount is less than Rs. 1,000/-
- 90% refund can be claimed provisionally and balance 10% after verification
- Refund of ITC in the course of inverted duty structure is restricted to the extent of ITC reflected in GSTR-2A in relation to inward supply of inputs only.
- Restriction on spreading of month/quarter in different F.Y.'s removed via Circular No. 13/05/2020-GST.
- Relevant date:
  - Goods Exported out of India by-
    - Sea or air - date on which goods loaded in ship or aircraft leave India
    - Land - date on which goods passes frontier
    - Post - date of dispatch of goods by post office concerned to place outside India
  - Deemed Export - Date of return filed relating to deemed export
  - Goods returned for specific purpose in any place of business - Date of entry into the place of business
  - Service Export -
    - Receipt of payment in convertible foreign exchange - where supply completed prior to receipt of payment
    - Issue of invoice - where payment received in advance prior to issue of invoice
  - Date of communication of Judgment, decree, order or direction - where refund becomes receivable due to such judgement, decree, order or direction of Appellate authority, appellate tribunal or court
  - Unutilized input tax credit - at the end of financial year in which refund claim arises
  - Tax paid provisionally under this act or rules - date of adjustment of tax after final assessment

Documents	Refund	
	Unutilized ITC on account of exports w/o payment of tax	Tax paid on export of services made with payment of tax
<b>Declaration/Statement/Undertaking/Certificates</b>		
Declaration under rule 89(2)		
Declaration under section 54(3)(ii)		
Declaration under second and third proviso to section 54(3)	√	√
Statement 1 under rule 89(5)		
Statement 1A under rule 89(2)(h)		
Statement 2 under rule 89(2)(c)		√
Statement 3 under rule 89(2)(b) and rule 89(2)(c)	√	
Statement 3A under rule 89(4)	√	
Statement 4 under rule 89(2)(d) and rule 89(2)(e)		
Statement 5 under rule 89(2)(d) and rule 89(2)(e)		
Statement 5(B) under rule 89(2)(g)		
Statement 5A under rule 89(4)		
Statement 7 under rule 89(2)(k)		
Undertaking in relation to sections 16(2)(c) and section 42(2)	√	√
CA certification under rule 89(2)(m) otherwise if amount claimed exceeds 2 lakh rupees*	x	x
Self-declaration under rule 89(2)(l) if amount claimed does not exceed 2 lakh rupees		
<b>Supporting Documents</b>		
Copy of GSTR-2A of the relevant period	√	√
Statement of invoices (Annexure-B)	√	√
BRC/FIRC in case of export of services and shipping bill (only in case of exports made through non-EDI ports) in case of goods	√	√
Self-declaration regarding non-prosecution under sub-rule (1) of rule 91 of the CGST Rules for availing provisional refund		√
Endorsement(s) from the specified officer of the SEZ regarding receipt of goods/services for authorized operations under second proviso to rule 89(1)		
Documents required under Notification No. 49/2017-Central Tax dated 18.10.2017 and Circular No. 14/14/2017-GST dated 06.11.2017		

\* As per rule 89(2)(m), a Certificate in Annexure 2 of FORM GST RFD-01 issued by a chartered accountant or a cost accountant to the effect that the incidence of tax, interest or any other amount claimed as refund has not been passed on to any other person, in a case where the amount of refund claimed exceeds two lakh rupees:

Provided that a certificate is not required to be furnished in respect of following cases :

- refund of tax paid on zero-rated supplies of goods or services or both or on inputs or input services used in making such zero-rated supplies;
- refund of unutilised input tax credit under sub-section (3) of section 54;

## Application in various scenarios

### Application for

Unutilized ITC on account of Supplies made to SEZ w/o payment of tax	Tax paid on supplies made to SEZ with payment of tax	Unutilized ITC on account of Inverted Duty Structure	Tax paid on Deemed Export Supplies	Excess payment of Tax
√	√		√	
		√		
√	√	√		
		√		
		√		
	√			
√			√	
√				
				√
√	√	√	√	√
x	x	x	x	x
√	√	√	√	√
√		√		
√		√		
	√			
√	√			
			√	

(c) refund of tax paid on a supply which is not provided, either wholly or partially, and for which invoice has not been issued, or where a refund voucher has been issued;

(d) refund of tax in pursuance of section 77;

(e) the tax or interest borne by such other class of applicants as the Government may, on the recommendations of the Council, by notification, specify

## 45 Process of filing of refund claim

Category of Refund	Process of filing of refund claim
Export of goods with payment of IGST	Details will be mentioned in <b>Table 6A of GSTR-1</b> . No separate manual submission required as shipping bill itself will be treated as application of refund.
Export of services with payment of IGST	File Form GST RFD -01A on the Common Portal along with all supporting documents submitted electronically.
Supply of goods and /or services made to SEZ/SEZ developers with payment of IGST	
Zero rated supplies of Goods or services made without payment of IGST (Refund of Accumulated ITC)	File Form GST RFD -01A on the Common Portal along with all supporting documents submitted electronically & Electronic credit ledger will be debited.
Refund of duties in case of inverted duty structure	
Duty paid in case of supplies covered under Deemed Export	File Form GST RFD -01A on the Common Portal along with all supporting documents as required under Notification No. 49/2017-CT dated 18.10.2017 & procedure specified in Circular No. 14/14/2017-GST dated 06.11.2017 submitted electronically.
Refund of Excess payment of tax	File Form GST RFD -01A on the Common Portal along with all supporting documents submitted electronically & Electronic cash ledger will be debited.
Refund of tax paid on intra-state supply which is subsequently held to be an inter-state supply and vice versa	File Form GST RFD -01A on the Common Portal along with all supporting documents submitted electronically.
Refund on account of assessment/ provisional assessment/appeal / any other order	File Form GST RFD -01A on the Common Portal along with all supporting documents submitted electronically with proof of payment of pre-deposit made earlier for which refund is being claimed.
Refund on account of any other ground or Reason.	File Form GST RFD -01A on the Common Portal along with all supporting documents submitted electronically.

## 46 Treatment in Case of Cancellation of Supply

Nature of Supply	Original Event	Document issued	Subsequent Event	Treatment Suggested in Circular
Services	Advance Received	Tax Invoice	Contract cancelled before supply of service	(a) Credit note to be issued u/s 34 for reduction of tax liability (upto September of next financial year) (b) Adjust tax against output tax and where there is no output tax, refund can be claimed under 'Excess payment of tax'
Services	Advance Received	Receipt Voucher	Contract cancelled before supply of service	(a) Refund voucher to be issued at the time of cancellation of supply (b) Adjust tax against output tax and where there is no output tax, refund can be claimed under 'Excess payment of tax'
Goods	Supply of Goods	Tax Invoice	Goods Returned	(a) Credit note to be issued u/s 34 for reduction of tax liability (upto September of next financial year) (b) Adjust tax against output tax and where there is no output tax, refund can be claimed under 'Excess payment of tax'

## 47 Deemed Export

- Vide Notification no. 48/2017 – Central Tax dated 18.10.2017, CBEC publishes the list of transactions relating to supply of goods which shall be treated as deemed export as under:

1.	Supply of goods by a registered person against Advance Authorization
2.	Supply of capital goods by a registered person against Export Promotion Capital Goods Authorization [EPCG]
3.	Supply of goods by a registered person to Export Oriented Unit [EOUs]
4.	Supply of gold by a bank or Public Sector Undertaking specified in the notification no. 50/2017-Customs, dated the 30 <sup>th</sup> June, 2017 (as amended) against Advance Authorization

### Deemed Export Procedure:

1.	The specified unit needs to give prior intimation in 'Form - A' before such deemed export supplies are made. The said intimation shall be given to – a. the registered supplier; b. the jurisdictional GST officer in charge of such registered supplier; and c. Jurisdictional GST officer of such specified unit.
2.	The registered supplier thereafter will supply goods under tax invoice to the recipient specified unit.
3.	On receipt of such supplies, the specified unit shall endorse the tax invoice and send a copy of the endorsed tax invoice to – a. the registered supplier; b. the jurisdictional GST officer in charge of such registered supplier; and c. Jurisdictional GST officer of such specified unit.
4.	The endorsed tax invoice will be considered as proof of deemed export supplies by the registered person to specified unit.
5.	The recipient specified unit shall maintain records of such deemed export supplies in digital form, based upon data elements contained in "Form-B".
6.	Both the Forms are appended to Circular No. 14/14/2017 - GST, dated 06-11-2017

## 48 Place of Supply of Goods

Particulars	Location of Supplier <u>AND</u> Recipient is in India
Movement of Goods	Place where movement of goods terminates for delivery to the recipient
Supply on direction of Third Person	Principal place of business of such third person
Supply without movement	Location of goods at the time of delivery to recipient
Supply of goods assembled or installed at site	Place where such assembly or installation took place
Supply on Board Conveyance	Location at which goods are taken on board
Others	As per law of Parliament based on Council's suggestion
Particulars	Location of Supplier <u>OR</u> Recipient is Outside India
Import of Goods in India	Location of Importer
Export of Goods Outside India	Location outside India

Particulars	Location of Supplier AND Recipient is in India	Location of Supplier OR Location of Recipient is Outside India
General Provision	<ul style="list-style-type: none"> <li>Supply to Registered Person - Location of such person</li> <li>Supply to Unregistered Person - Location of recipient where the address is on record; and in other cases location of supplier of service</li> </ul>	<ul style="list-style-type: none"> <li>Location of recipient</li> <li>If Location of recipient is not available - location of supplier of service</li> </ul>
Immovable property incl. Hotel, inn, etc.	<ul style="list-style-type: none"> <li>Location of such property</li> <li>Property o/s India - Location of recipient</li> </ul>	<ul style="list-style-type: none"> <li>Location of such property</li> </ul>
Restaurant, personal grooming, fitness	<ul style="list-style-type: none"> <li>Location where the services are performed</li> </ul>	<ul style="list-style-type: none"> <li>Place of Performance</li> <li>This rule shall not apply to any Goods which are temporarily imported for repairs or any treatment or process &amp; are re-exported without any use.</li> </ul>
Training & Performance Appraisal Service	<ul style="list-style-type: none"> <li>Supply to Registered Person - Location of such person</li> <li>Supply to Unregistered Person - Location where services are performed</li> </ul>	<ul style="list-style-type: none"> <li>Place where event is actually held</li> </ul>
Admission to a cultural, sporting event / amusement facility etc.	<ul style="list-style-type: none"> <li>Place where event is actually held or where the park or such other place is located</li> </ul>	<ul style="list-style-type: none"> <li>Place where event is actually held</li> </ul>
Organization of a cultural, sporting event, fair, exhibition etc	<ul style="list-style-type: none"> <li>Supply to Registered Person - Location of such person</li> <li>Supply to any other person - Location where event is held</li> <li>If event is held o/s India - Location of recipient</li> </ul>	<ul style="list-style-type: none"> <li>Place where event is actually held</li> </ul>
Goods Transportation Service including mail & courier	<ul style="list-style-type: none"> <li>Supply to Registered Person - Location of such person</li> <li>Supply to any other person - Location where goods are handed over for their transportation</li> <li>Transportation of Goods is outside India - Place of Destination of Goods</li> </ul>	<ul style="list-style-type: none"> <li>Place of Destination of Goods</li> </ul>
Passenger Transportation Service	<ul style="list-style-type: none"> <li>Supplied to Registered Person - Location of such person</li> <li>Supply to any other person - Location from where the passenger embarks on the conveyance for a continuous journey</li> </ul>	<ul style="list-style-type: none"> <li>Location from where the passenger embarks on the conveyance for a continuous journey</li> </ul>
Services provided on board a conveyance	<ul style="list-style-type: none"> <li>Location of first scheduled point of departure of that conveyance</li> </ul>	<ul style="list-style-type: none"> <li>Location of first scheduled point of departure of that conveyance</li> </ul>
Banking & other financial services	<ul style="list-style-type: none"> <li>Location of recipient as per record of supplier</li> <li>If record is not available - Location of supplier of service</li> </ul>	<ul style="list-style-type: none"> <li>Location of supplier of service</li> </ul>
Insurance Services	<ul style="list-style-type: none"> <li>Supplied to Registered Person - Location of such person</li> <li>Supply to any other person - Location of recipient of services on record of supplier</li> </ul>	<ul style="list-style-type: none"> <li>Location of recipient of service</li> </ul>
Online information and database access or retrieval services	<ul style="list-style-type: none"> <li>As per General Provisions</li> </ul>	<ul style="list-style-type: none"> <li>Location of recipient of service</li> </ul>
Intermediary Services	<ul style="list-style-type: none"> <li>As per General Provisions</li> </ul>	<ul style="list-style-type: none"> <li>Location of supplier of service</li> </ul>
Hiring of means of transport for less than a month (incl. Yachts but excludes Aircrafts and Vessels)	<ul style="list-style-type: none"> <li>As per General Provisions</li> </ul>	<ul style="list-style-type: none"> <li>Location of supplier of service</li> </ul>

Value of supply

=

Transaction Value, subject to

- Unrelated Parties
- Price is sole consideration

## Transaction Value

### Shall Include

- Taxes, duties, cesses, fees other than GST
- Amount paid by recipient instead of supplier and not included in price
- Incidental costs/ expenses (such as commission, packing, royalties etc.)
- Interest or late fee or penalty for delayed payment of any consideration
- Subsidies directly linked to the price except for Central / State Government subsidies

### Shall not Include

- Any discount allowed before or at the time of supply as recorded in invoice
- Post Supply Discount provided
  - Discount is as per agreement entered into / before supply
  - Discount is specifically linked to relevant invoices
  - Input Tax Credit is reversed by recipient as is attributable to the discount

## Valuation Rules

Rule	Particulars	Value
1	Value of supply in money where consideration is not wholly in money	(a) Open market value of supply, (b) If open market value is not available, sum of consideration in money and equivalent value of consideration not in money if such amount known at the time of supply, (c) If not determinable under (a) or (b) above, value of supply of like kind and quality, (d) If not determinable under (a), (b) or (c) above, sum of consideration in money and equivalent value of consideration not in money as determined under rule 4 or 5
2	Value of supply of goods/services between distinct or related persons other than through agent	(a) Open market value of supply, (b) If not determinable under (a) above, value of supply of like kind and quality, (c) If not determinable under (a) or (b), value as determined under rule 4 or 5
3	Value of supply of goods made or received through an agent	(a) Open market value of goods; or (b) 90% of value charged for like kind and quality of goods supplied by recipient to the customers not being a related party (c) As per Rule 4 or rule 5 if value cannot be derived as per (a) or (b) above.
4	Value of supply of goods or services or both based on cost	110% of the cost of production / manufacture / cost of acquisition of goods or cost of provision of service (if value is not determined by any of the preceding rules)
5	Residual Method	Value consistent with the principles and general provisions of section 15 and these rules

## Valuation in Special Cases

No.	Nature of Services	Value of Service for GST												
1	Sale or Purchase of Foreign Currency including money changing	<b>Option-1</b>												
		<table border="1"> <thead> <tr> <th>No.</th> <th>Particulars</th> <th>Value of Supply of Service</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Currency exchanged to or from INR (eg. USD ↔ INR)</td> <td>- Difference between Buying/selling rate and RBI Reference rate - If RBI reference rate is not available 1% of Gross amount of INR exchanged</td> </tr> <tr> <td>2</td> <td>Neither of the currency exchanged is INR (eg. USD ↔ GBP)</td> <td>1% of lesser of the following – - Amount received by converting USD into INR - Amount received by converting GBP into INR</td> </tr> </tbody> </table>	No.	Particulars	Value of Supply of Service	1	Currency exchanged to or from INR (eg. USD ↔ INR)	- Difference between Buying/selling rate and RBI Reference rate - If RBI reference rate is not available 1% of Gross amount of INR exchanged	2	Neither of the currency exchanged is INR (eg. USD ↔ GBP)	1% of lesser of the following – - Amount received by converting USD into INR - Amount received by converting GBP into INR			
		No.	Particulars	Value of Supply of Service										
		1	Currency exchanged to or from INR (eg. USD ↔ INR)	- Difference between Buying/selling rate and RBI Reference rate - If RBI reference rate is not available 1% of Gross amount of INR exchanged										
		2	Neither of the currency exchanged is INR (eg. USD ↔ GBP)	1% of lesser of the following – - Amount received by converting USD into INR - Amount received by converting GBP into INR										
		<b>Option-2</b>												
		<table border="1"> <thead> <tr> <th>No.</th> <th>Gross Amount of currency exchanged</th> <th>Value of Supply of Service</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Upto ₹ 1,00,000</td> <td>1% of amount exchanged subject to ₹ 250</td> </tr> <tr> <td>2</td> <td>Amount exceeding ₹ 1,00,000 and upto ₹ 10,00,000</td> <td>₹ 1,000 + 0.5% of amount exchanged exceeding ₹ 1,00,000</td> </tr> <tr> <td>3</td> <td>Amount exceeding ₹ 10,00,000</td> <td>₹ 5,500 + 0.1% of amount exchanged subject to maximum of ₹ 60,000</td> </tr> </tbody> </table>	No.	Gross Amount of currency exchanged	Value of Supply of Service	1	Upto ₹ 1,00,000	1% of amount exchanged subject to ₹ 250	2	Amount exceeding ₹ 1,00,000 and upto ₹ 10,00,000	₹ 1,000 + 0.5% of amount exchanged exceeding ₹ 1,00,000	3	Amount exceeding ₹ 10,00,000	₹ 5,500 + 0.1% of amount exchanged subject to maximum of ₹ 60,000
		No.	Gross Amount of currency exchanged	Value of Supply of Service										
		1	Upto ₹ 1,00,000	1% of amount exchanged subject to ₹ 250										
		2	Amount exceeding ₹ 1,00,000 and upto ₹ 10,00,000	₹ 1,000 + 0.5% of amount exchanged exceeding ₹ 1,00,000										
3	Amount exceeding ₹ 10,00,000	₹ 5,500 + 0.1% of amount exchanged subject to maximum of ₹ 60,000												
2	Air Travel Agent	<ul style="list-style-type: none"> <li>• Domestic booking – 5% of Basic Fare</li> <li>• International Booking – 10% of Basic Fare</li> </ul>												
3	Life Insurance Business <b>(not applicable where entire premium paid is only towards risk cover in life insurance)</b>	<ul style="list-style-type: none"> <li>• 10% of single premium charged in case of single premium annuity policy</li> <li>• 25% of gross amount of premium charged from policy holder in first year</li> <li>• 12.5% of gross amount of premium charged from policy holder in subsequent years</li> </ul>												
4	Person dealing in Second hand goods where no ITC is availed	<ul style="list-style-type: none"> <li>• Selling Price - Purchase Price</li> <li>• Value to be ignored if the above difference is negative</li> </ul>												
5	Supply of Token, Voucher, Coupon or Stamp (other than postage stamp)	Money value of goods or services or both redeemable against redemption												
6	Taxable service provided between distinct person without consideration	Value shall be NIL for such class of service provider as may be notified by Government on recommendations of Council other than those where ITC is not available under section 17(5)												



## 51 Time of Supply of Goods

### Normal/ Continuous Supply

Earliest of :

- Date of issue of invoice or last date of invoice required to issue
- Invoice shall issue on date of removal of goods or date on which goods made available to recipient

- ~~Date on which supplier receives payment.~~

**Notification - 66/2017 - CT, 15-11-2017**

### Reverse Charge

Earliest of :

- Date of receipt of goods
- Date of payment - earlier of entered in books or debited in bank
- Date immediately following thirty days from the date of issue of invoice by the supplier

If not possible to determine from above - date of entry in books of recipient

### Other Cases

- In case of supply of vouchers, supply shall be
  - date of issue of voucher, if supply is identifiable at that point or
  - the date of redemption of voucher, in all other cases
- If time of supply is not determinable
  - in a case where a periodical return has to be filed, be the date on which such return is to be filed, or
  - in any other case, be the date on which the CGST/SGST is paid

## 52 Time of Supply of Services

### Normal/ Continuous Supply

Earliest of :

- Date of issue of invoice or last date of invoice required to issue
- Invoice shall issue before or after the provision of service but within period prescribed
- Date on which supplier receives payment

### Reverse Charge

Earliest of :

- Date of payment - earlier of entered in books or debited in bank
- Date immediately following Sixty days from the date of issue of invoice by the supplier

If not possible to determine from above - date of entry in books of recipient

### Other Cases

- In case of supply of vouchers, supply shall be
  - date of issue of voucher, if supply is identifiable at that point or
  - the date of redemption of voucher, in all other cases
- If time of supply is not determinable
  - in a case where a periodical return has to be filed, be the date on which such return is to be filed, or
  - in any other case, be the date on which the CGST/SGST is paid

**53****Liability on Advance Received for Goods**

Particulars	From 01-07-17 to 12-10-17	From 13-10-17 to 14-11-17	From 15-11-17 Onwards
Any amount	Yes	Yes	No
Turnover upto Rs. 1.50 Crore	Yes	No	No

**54****Liability on Advance Received for Service**

Particulars	From 01-07-17 to 12-10-17	From 13-10-17 to 14-11-17	From 15-11-17 Onwards
Any amount	Yes	Yes	Yes
Turnover upto Rs. 1.50 Crore	Yes	Yes	Yes

**55****Rate Applicable for Supply of Goods & Services when Tax Rate Changes****Supply of Goods or Services before change in Rate of Tax**

No.	Invoice Issued on	Payment Received on	Point of Taxation
1	After change of rate	After change of rate	Whichever is earlier
2	Before change of rate	After change of rate	Invoice date
3	After change of rate	Before change of rate	Payment date

**Supply of Goods or Services after change in Rate of Tax**

No.	Invoice Issued on	Payment Received on	Point of Taxation
1	Before change of rate	After change of rate	Payment Date
2	Before change of rate	Before change of rate	Whichever is earlier
3	After change of rate	Before change of rate	Invoice date

## 56 Assessment & Audit

Type of Assessment	Provisions
Audit	Every registered person whose aggregate Turnover during Financial Year exceeds <b>Rs. 2.00 Cr. shall get his accounts audited by CA or CMA</b> & have to prepare Reconciliation Statement in form 9C
Self Assessment	A registered taxable person shall undertake self assessment of the tax payable and furnish a return for each tax period.
Provisional Assessment	Where taxable person is unable to determine :- (i) The value of goods and/or services or (ii) The rate of tax applicable, may request the proper officer for payment of tax on a provisional basis, Proper officer shall by passing an order allow payment of tax at such rate or on such value as may be prescribed.
Scrutiny of Returns	The proper officer may scrutinize the return and shall inform the taxable person of the discrepancies noticed.
Assessment of non filers of return	<ul style="list-style-type: none"> <li>The proper officer may after allowing 15 days time to furnish the return, assess the tax liability to the best of his judgment and issue an assessment order.</li> <li>In case of a valid return has been furnished within 30 days of passing of the order, the proper officer may withdraw the said assessment order.</li> </ul>
Assessment of Unregistered Persons	Where taxable person fails obtain registration even though liable to do so, proper office may proceed to assess best judgment assessment for relevant tax periods and issue assessment order within 5 years from the due date for filing the annual return
Summary Assessment in Certain Special Cases	The proper officer may, in case of sufficient grounds to believe that delay in assessment will adversely affect the interest of revenue, may proceed to assess the tax liability.
Audit by Tax Authorities	<ul style="list-style-type: none"> <li>The Commissioner of CGST/ SGST or any officer authorized by him, at the place of business of the taxable person, may undertake audit of the business transactions.</li> <li>The audit shall be completed within a period of 3 months or under certain conditions extend such period by a period not exceeding 6 months.</li> <li>On conclusion of audit, the officer shall notify findings to taxable person where the audit results in tax not paid or tax short paid or tax erroneously refunded or input tax credit erroneously availed, the proper officer may initiate action under Section 73 or 74.</li> </ul>
Special Audit	<ul style="list-style-type: none"> <li>The officer not below the rank of [DC/AC] with the prior approval of Commissioner direct taxable person to get his records examined and audited by a CA/CMA in case the value has not been correctly declared or the credit availed is not proper.</li> <li>The audit report shall be submitted within a period of 90 days which may further be extend by another 90 days.</li> <li>This Audit is applicable irrespective of the fact that accounts have been audited under any other law.</li> </ul>

## 57 Imprisonment Terms for Various Offences

Sub-section	Nature of Offence	Punishment
132(1)(i)	Tax evasion of more than Rs. 5 Cr.	Imprisonment upto 5 years with fine
132(2)	In case of repetitive offence	Imprisonment upto 5 years with fine
132(1)(ii)	Tax evasion between 2 Cr. to 5 Cr.	Imprisonment upto 3 years with fine
132(1)(iii)	Tax evasion between 1 Cr. to 2 Cr.	Imprisonment upto 1 years with fine
132(1)(iv)	Commits or abets the commission of an offence specified under Section 132(1) clause, (f)- False records (g)- Obstructing officer (j)- Tamper records	Imprisonment upto 6 months with fine

## 58 Penalty

Particulars	Tax not paid / short paid / erroneously refunded on account of	
	Other than fraud/ willful misstatement / suppression of facts	Fraud/ willful misstatement/ suppression of facts
Time period for issue of notice	3 Months prior to issuance of order	6 Months prior to issuance of order
Time period for issue of order	Three years from Due date of filing of Annual Return In case of Refund, three years from the date of refund	Five years from Due date of filing of Annual Return In case of Refund, five years from the date of refund
Levy of Penalty before service of Notice	No penalty, if Tax + Interest is paid	Penalty @ 15%, if Tax + Interest is Paid
Levy of Penalty after issue/ communication of Notice	No penalty, if Tax + Interest is paid within 30 days of issue of notice	Penalty @ 25%, if Tax + Interest is paid within 30 days of communication of notice
Levy of Penalty in the order	10% of the tax or ₹ 10,000/- whichever is higher	Penalty @ 50% of Tax, if Tax + interest is paid within 30 days of communication of order else 100% of Tax

## 59 Pre-deposit payment in an Appeal

Appeal to be made before	Time Limit	% of pre-deposit
Appellate Authority	3 months from date of communication of the impugned order (Condonation upto 1 month is allowed)	Full amount of tax, interest, fine, fee and penalty of <b>admitted</b> liability
		Sum equal to 10% of the <b>disputed</b> tax or Rs. 25 Cr. whichever is less.
Appellate Tribunal	3 months from date of communication of the order under Appeal (Condonation upto 3 months is allowed)	Full amount of tax, interest, fine, fee and penalty of <b>admitted</b> liability
		Sum equal to 20% of the <b>disputed</b> tax, in addition to the amount deposited before the AA or Rs. 50 Cr. whichever is less.

### Matters for which we can file an application for Advance Ruling

No.	Matter
1	Classification of any goods or services or both
2	Applicability of a notification issued under provisions of the GST Act(s)
3	Determination of time and value of supply of goods or services or both
4	Admissibility of input tax credit of tax paid or deemed to have been paid
5	Determination of the liability to pay tax on any goods or services under the GST Act(s)
6	Whether applicant is required to be registered under the Act
7	Whether any particular thing done by the applicant with respect to any goods or services amounts to or results in a supply of goods or services, within the meaning of that term.

### Pre-Deposit

No.	Form	Description	Rule	Fee
1	GST ARA-01	Application Form for Advance Ruling	104(1)	Rs. 5,000/-
2	GST ARA-02	Appeal to the Appellate Authority for Advance Ruling	106(1)	Rs. 10,000/-
3	GST ARA-03	Appeal to the Appellate Authority for Advance Ruling	106(2)	NIL

**Sec.16 : Eligibility and conditions for availing ITC**

- Section 16 (2) (aa) of the CGST Act is proposed to be inserted to provide that ITC on invoice or debit note should be availed only when such details are uploaded by supplier in GSTR-1. In nutshell, only ITC appearing in GSTR-2A/2B will be available
- Rule 36(4) of CGST Rules, 2017, was introduced to put restriction on availment of ITC. The said Rule has been amended several times and after the insertion of this sub-clause in Section 16, the date wise impact on ITC restriction is tabulated as under :  
ITC as per Books - ₹ 50,000/-      Eligible ITC as per GSTR-2A/GSTR-2B - ₹ 35,000/-

Time Period	Restriction (%)	ITC Available (₹)
From 01-07-2017 to 09-10-2019	NA	50,000/-
From 10-10-2019 to 31-12-2019	120% of 2A	42,000/- (120% of 35,000)
From 01-01-2020 to 31-12-2020	110% of 2A	38,500/- (110% of 35,000)
From 01-01-2021 to as on date	105% of 2A	36,750/- (105% of 35,000)
From the date to be notified later	100% of 2A	35,000/- (100% of 35,000)

**Sec. 35 & Sec. 44 : GST Audit and Annual Return**

- Section 35(5) of CGST Act, 2017 is proposed to be omitted and Section 44 is proposed to be substituted as to remove the mandatory requirement of furnishing a reconciliation statement (Form GSTR-9C) duly audited by CA / ICWA and to file the annual return (GSTR-9 & GSTR-9C) on self-certification basis.
- Further, It must be noted that such reconciliation statement (Form GSTR-9C) is mandatorily required to be prepared and filed; but certification by a Chartered Accountant/Cost Accountant will not be required.

**Sec. 7 : Supply & Schedule II**

- W.e.f. 01.07.2017, goods or services supplied by a Club or Association to its members or vice-versa for consideration shall be liable to GST @ 18%.

**Sec. 50 : Interest on delayed payment of Tax**

- Section 50 of the CGST Act is being amended retrospectively to substitute the proviso to sub-section (1) so as to charge interest on net GST liability paid in Cash w.e.f. 01.07.2017 except where such return is furnished after commencement of any proceedings under section 73 or section 74 in respect of the said period.

**Example:** Case 1-Return filed & Tax paid **before** initiation of proceeding u/s 73 or 74  
Case 2-Return filed & Tax paid **after** initiation of proceeding u/s 73 or 74

Return period	Return Filed in	Tax payable	Mode of payment	Interest payable on (Case-1)	Interest payable on (Case-2)
July' 17	Sept' 18	₹ 30,00,000	Credit: ₹ 20,00,000 Cash: ₹ 10,00,000	₹ 10,00,000	₹ 30,00,000

**Sec. 74 & Sec. 75 : Demand & Recovery**

- Section 74 is proposed to be amended so as to make seizure and confiscation of goods and conveyances in transit u/s. 129 and 130 of CGST Act, a separate proceeding from recovery of Tax.
- An explanation to sub-section (12) of Section 75 of the CGST Act is being inserted to clarify that "self-assessed tax" shall also include the tax payable on outward supplies shown in Form GSTR-1 but not shown in the Form GSTR-3B.

**Sec. 83 : Provisional Attachment**

- Section 83 of the CGST Act is being amended so as to provide that provisional attachment shall remain valid for the entire period starting from the initiation of any proceedings under Chapter XII, Chapter XIV or Chapter XV till the expiry of a period of one year from the date of order made thereunder.

### Sec. 107 : Appeal

- Where appeal is required to be filed u/s. 107 against an order u/s 129 (3), pre-deposit equal to 25% of the penalty is proposed to be paid. This amendment is in lines with the amendment proposed in Section 129 of the said Act wherein for release of goods and conveyance, requirement of tax is removed while penalty is increased to 200% from 100%.

#### Example:

Tax payable - ₹ 5,00,000/-

Particulars	Before Amendment	After Amendment
Demand of Tax under section 129	₹ 5,00,000/-	₹ 0/-
Demand of penalty equal to (100%/200% of tax payable)	₹ 5,00,000/-	₹ 10,00,000/-
Pre-deposit (10% of Tax/25% of Penalty)	₹ 50,000/-	₹ 2,50,000/-

### Sec. 129 & Sec. 130 : Detention, Seizure, Confiscation & Release of goods in transit

- The said sections are amended to delink the proceedings from each other i.e.  
Section 129 - proceedings relating to detention, seizure and release of goods or conveyances in transit and  
Section 130 - the proceedings relating to confiscation of goods or conveyances and levy of penalty.
- There is a change in penalty under this sections. Proposed change is tabulated as under

Present scenario	Proposed scenario
<p><b>Owner of Goods makes payment:</b></p> <ul style="list-style-type: none"> <li>In case of Taxable supply: Tax + Penalty at 100% of Tax</li> <li>In case of Exempt supply: Lower of 2% of value of goods and ₹ 25,000/-</li> </ul>	<p><b>Owner of Goods makes payment:</b></p> <ul style="list-style-type: none"> <li>In case of Taxable supply: Penalty at 200% of Tax</li> <li>In case of Exempt supply: Lower of 2% of value of goods and ₹ 25,000/-</li> </ul>
<p><b>Other than above:</b></p> <ul style="list-style-type: none"> <li>In case of Taxable supply: Tax + Penalty at 50% of value of goods</li> <li>In case of Exempt supply: Lower of 5% of value of goods and ₹ 25,000/-</li> </ul>	<p><b>Other than above:</b></p> <ul style="list-style-type: none"> <li>In case of Taxable supply: Higher of Penalty at 50% of value of goods or 200% of Tax</li> <li>In case of Exempt supply: Lower of 5% of value of goods and ₹ 25,000/-</li> </ul>

### Sec. 16 of IGST Act, 2017 : Zero rated supply

Present scenario	Proposed scenario
Supply to SEZ developer/unit shall be treated as "Zero Rated Supply".	<ul style="list-style-type: none"> <li>Supply to SEZ developer/unit shall be treated as "Zero Rated Supply" only when made for "<b>Authorized Operation</b>".</li> <li>"Authorized operation means the operations which are approved by board or specified in letter of approval as issued by development commissioner as per the SEZ Act, 2005".</li> </ul>
Under Zero Rated Supply, two options were given: <ul style="list-style-type: none"> <li>Supply with payment of IGST</li> <li>Supply under LUT</li> </ul>	<ul style="list-style-type: none"> <li>Supply with payment of IGST would <b>ONLY</b> be allowed to specified category of taxpayers as may be notified by Government.</li> <li>Hence, all taxpayers, are required to undertake zero rated supply under LUT <b>ONLY</b> and accordingly file refund of ITC.</li> </ul>
No restriction of receipt in convertible foreign exchange against export of goods with payment of IGST.	<ul style="list-style-type: none"> <li>In case of export of goods with payment of IGST, consideration must be received in convertible foreign exchange within timeframe permitted under FEMA, 1999. In case of non-fulfilment of said condition, refund claimed needs to be paid back with interest as per Section 50 within <b>30 days of time limit as per FEMA</b>.</li> </ul>

## Indirect Taxation Consultancy

- Service Tax
- GVAT & CST
- Excise & Customs
- Goods & Service Tax (GST)
  - Impact Analysis of GST
  - Due Diligence
  - Sector Specific Structuring
  - Opinion Regarding Applicability
  - Filing of Returns
  - Preventive/Raid Matters
  - DGGI Matters
  - GST Audit
  - Representation of GST Issues of Industry before Finance Ministry
  - GST Knowledge Partner of various ERP/Software Companies

## Management Consultancy Services

- Solutions to Core Management Problems
- Financial Advisory
- Business Valuation
- Management Assurance & Risk Review
- Family/ Business Arbitration
- Management Transition/ Trust Office

## Inbound/ Outbound Investments

- Setup of 100% Indian Subsidiary of a Foreign Corporation
- Setting up of Overseas Subsidiary of Indian Corporation



## Audit and Assurance Services

- Statutory Audit
- System Audit
- Due Diligence Audit
- Internal Audit
- Compliance Review Report
- Forensic Audit
- Fraud and Investigation Audit

## Domestic & International Taxation

- Compliance with Transfer Pricing Regulations
- Filing of Ex-Patriate Returns
- DTAA related services
- Income Tax
- ROC Matters including LLPs

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