

**BEGINNERS' COURSE  
ON GST  
WIRC ICAI**

Deliberation by :-

**FCA VISHAL PODDAR**

A STUDENT OF GST™

Delhi, Mumbai, Pune, Bangalore, Chennai, Nashik.

# Tri Dev of Taxation

- Brahma - Parliament - Law Maker
- Vishnu - Consultants / Department Officials - Implementing
- Shiva - Judiciary - Interpretiting/Amending laws



# What is GST?

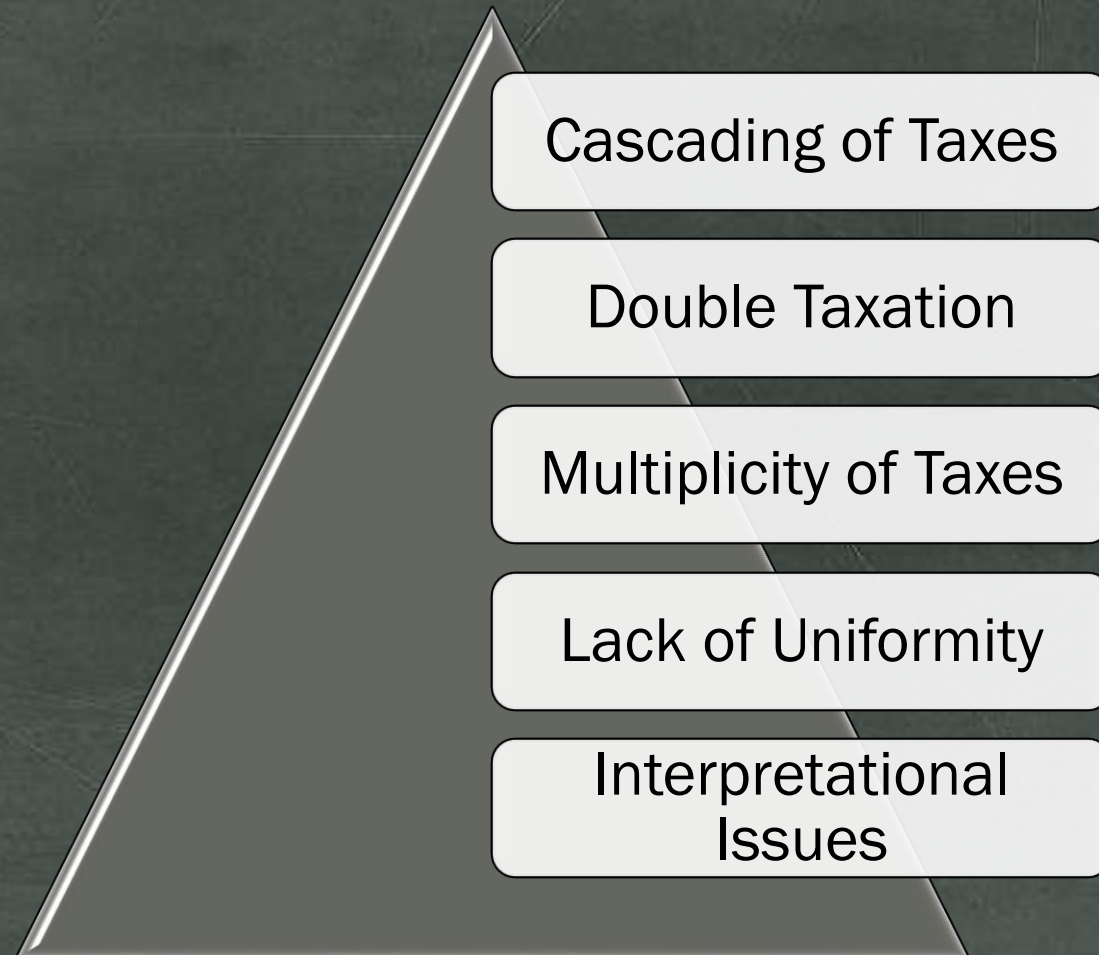
- Parliament – Goods & Services Tax
- NaMo – Good & Simple Tax
- RaGa – Gabbar Singh Tax
- Businessmen – Ghano Saroo Tax
- Me – Ghar Sansar Tyagi

# WHY GST??

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# MAJOR DRAWBACK IN PRE-GST TAX STRUCTURE IN INDIA

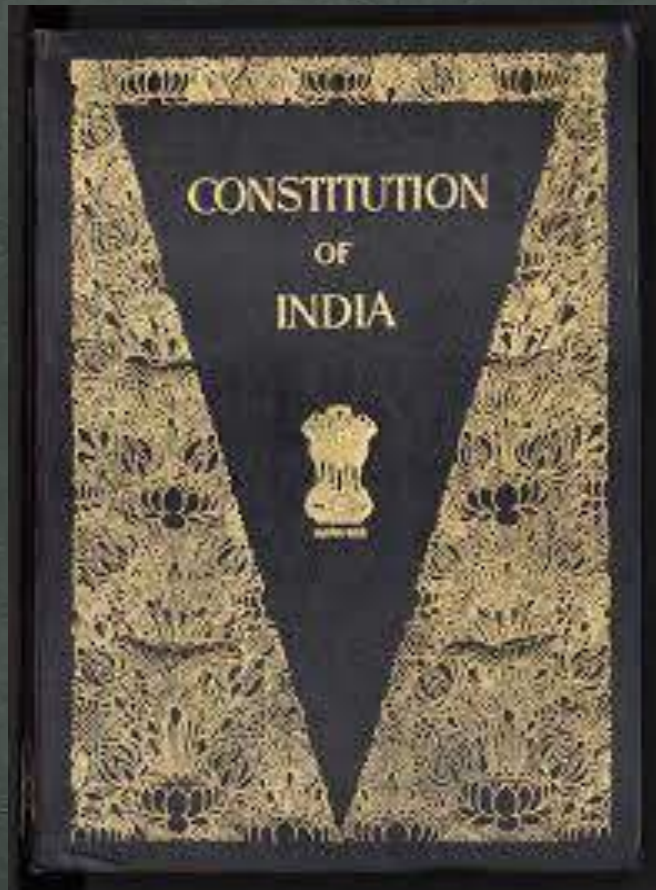


# CONSTITUTIONAL PROVISIONS & JOURNEY OF GST

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# Power to Levy Taxes



## CONSTITUTION OF INDIA

Article 265 of the Constitution of India provides that

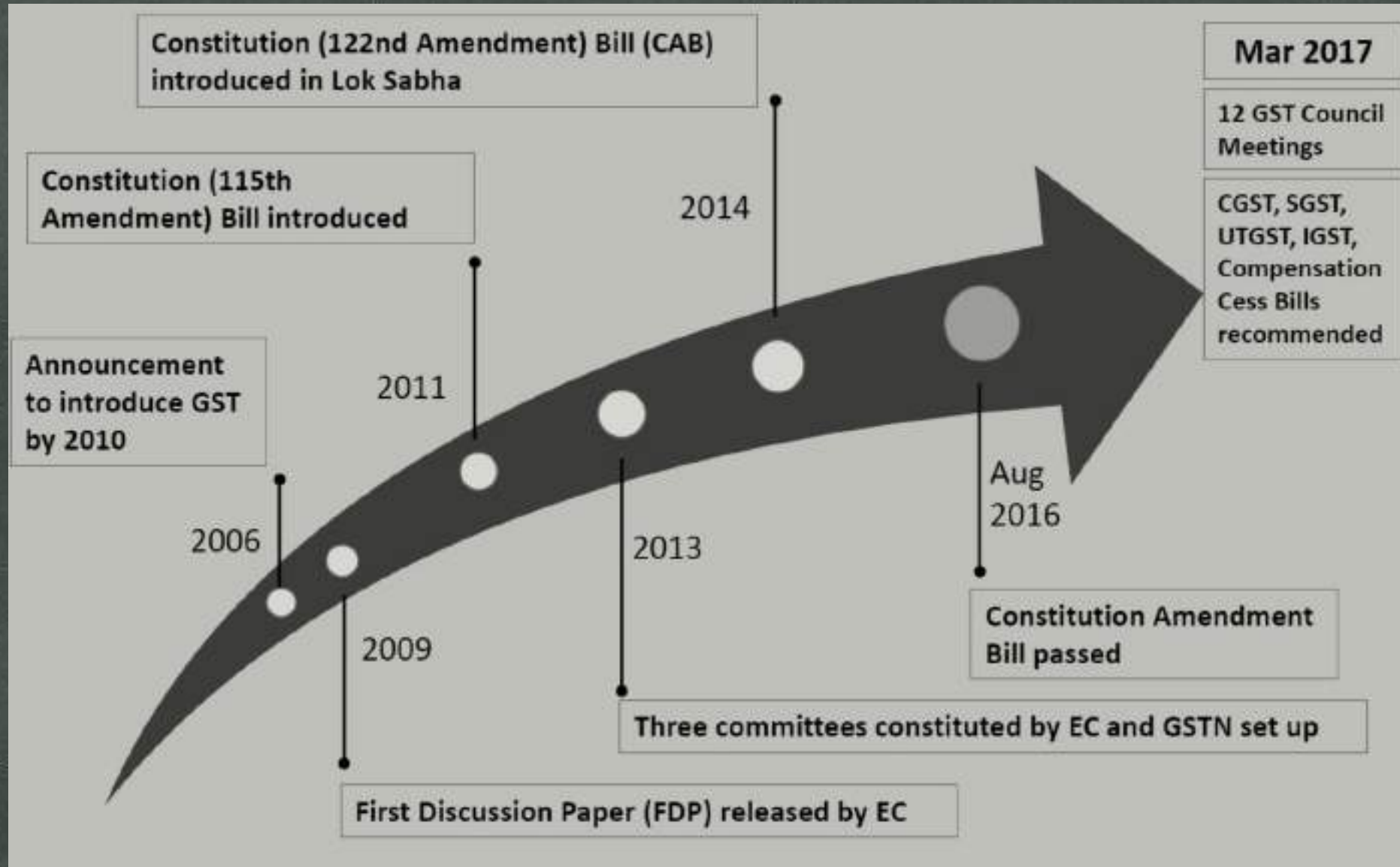
"no tax shall be levied or collected except by the authority of law".

Therefore, no tax can be levied or collected in India, unless it is explicitly and clearly authorized by way of legislation.

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# GST Journey





# Key Constitutional Amendments - Levy

## **Definitions - Article 366**

(12A) “goods and services tax” means any tax on supply of goods, or services or both except taxes on the supply of the alcoholic liquor for human consumption

## **Power to levy GST - Article 246A**

Parliament, and Legislature of every State, have power to levy GST on intra-State supply. Parliament has exclusive power to levy GST on inter-State supply

## **GST on Inter State Supply & Imports - Article 269A**

Goods and services tax on inter-State supplies (including Imports) shall be levied and collected by the Government of India and such tax shall be apportioned between the Union and the States in the manner as may be provided by Parliament by law on the recommendations of the Goods and Services Tax Council



# Seventh Schedule to the Constitution

Union List (List I)	State List (List II)
Entry 82 - Taxes on income other than agricultural income i.e. Income-tax	Entry 46 - Taxes on agricultural income.
Entry 83 - Duties of customs including export duties i.e., Customs Act	Entry 51 - Duties of excise on the following goods manufactured or produced in the State and countervailing duties at the same or lower rates on similar goods manufactured or produced elsewhere in India: <ul style="list-style-type: none"> <li>a. alcoholic liquors for human consumption;</li> <li>b. opium, Indian hemp and other narcotic drugs and narcotics, but not including medicinal and toilet preparations containing alcohol / opium / Indian hemp / narcotic drugs / narcotics</li> </ul>
Entry 84 - Duties of excise on the following goods manufactured or produced in India, namely:— (a) petroleum crude; (b) high speed diesel; (c) motor spirit (commonly known as petrol); (d) natural gas; (e) aviation turbine fuel; and (f) tobacco and tobacco products.";	<del>Entry 52. Taxes on entry of goods into a local areas for consumption, use or sale therein</del>
	Entry 54 Taxes on the sale of petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas, aviation turbine fuel and alcoholic liquor for human consumption, but not including sale in the course of inter-State trade or commerce or sale in the course of international trade or commerce of such goods.
<del>Entry 92A - Taxes on the sale or purchase of goods other than newspapers, where such sale or purchase takes place in the course of inter-State trade or commerce i.e., Central Sales Tax</del>	<del>Entry 55. Taxes on advertisement other than advertisements published in the newspapers and advertisements broadcast by radio or television</del>
<del>Entry 92C - Tax on services</del>	Entry 60 - Taxes on professions, trades, callings and employments i.e.. Professional Tax
Entry 97 - Any other matter not enumerated in List 11 or List III including any tax not mentioned in either of those Lists.	Entry 62. Taxes on entertainments and amusements to the extent levied and collected by a Panchayat or a Municipality or a Regional Council or a District Council."



# GST TODAY

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# Features of GST?

- Federal Structure of India – Centre & State
- GST – Dual Tax – Centre & State both have power to levy
- GST Council - Recommendations
- Nature of Transaction – Intra State, Inter State
- Types of GST levied – CGST + S/UTGST , IGST
- Destination based tax – Compensation to states
- Registration Statewise – Distinct Person
- Implementation is System based - GSTN



# VARIOUS ACTS UNDER GST

**CGST  
Act**

**IGST  
Act**

**UTGST  
Act**

**SGST  
Act**

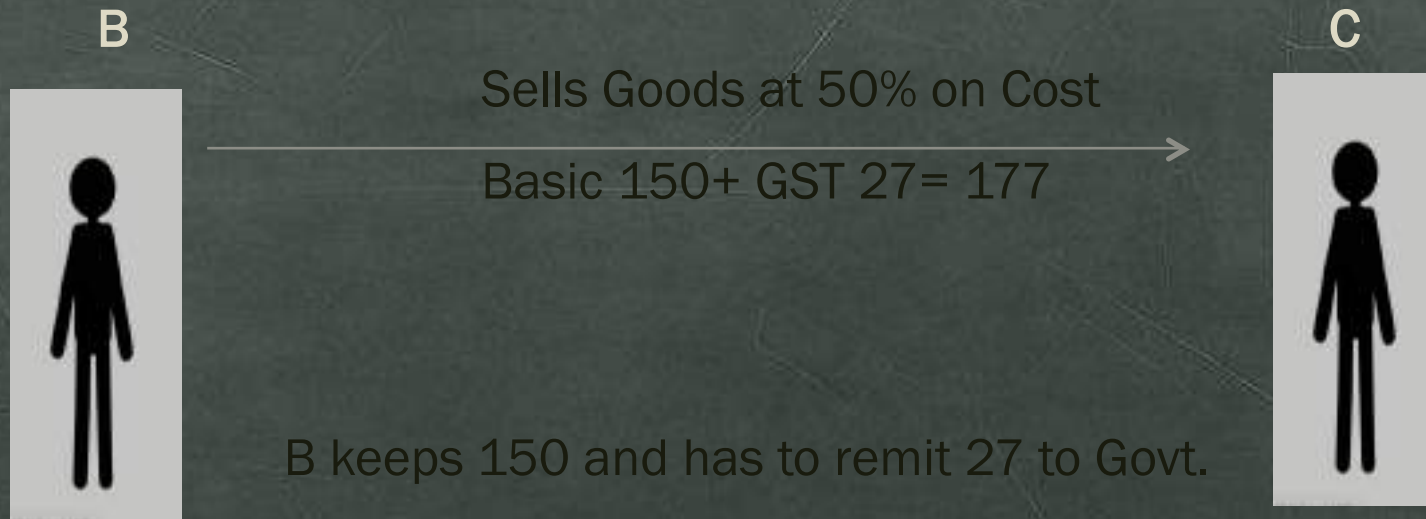
**Cess  
Act**

# GST - VALUE ADDITION TAXATION MODEL





# Value Addition Tax : Basic Model Contd...



**B will remit tax Only Rs. 9 (27-18)  
after deducting 18 (already remitted through A)**



# Chain of Value Addition

Stage	Selling Pricing, GST	GST Credit	Tax to Govt
Manufacturer to Distributor	100, 18		18
Distributor to Wholesaler	150, 27	18	9
Wholesaler to Retailer	200, 36	27	9
Retailer to Consumer	250, 45	36	9
TOTAL	126	81	45



*Government  
revenue = 45  
(18 + 9 + 9  
+9)*

# GST # Bhagwat Geeta

## *Different Interpretations by DIFFERENT persons at the SAME time*

- GST as per Law (Implemented / Proposed/Announced/Press Release)
- GST as per Businessmen
- GST as per Consultants
- GST as per Officers
- GST as per GSTIN

## Different Interpretations by SAME person at DIFFERENT time periods





Thank you

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