

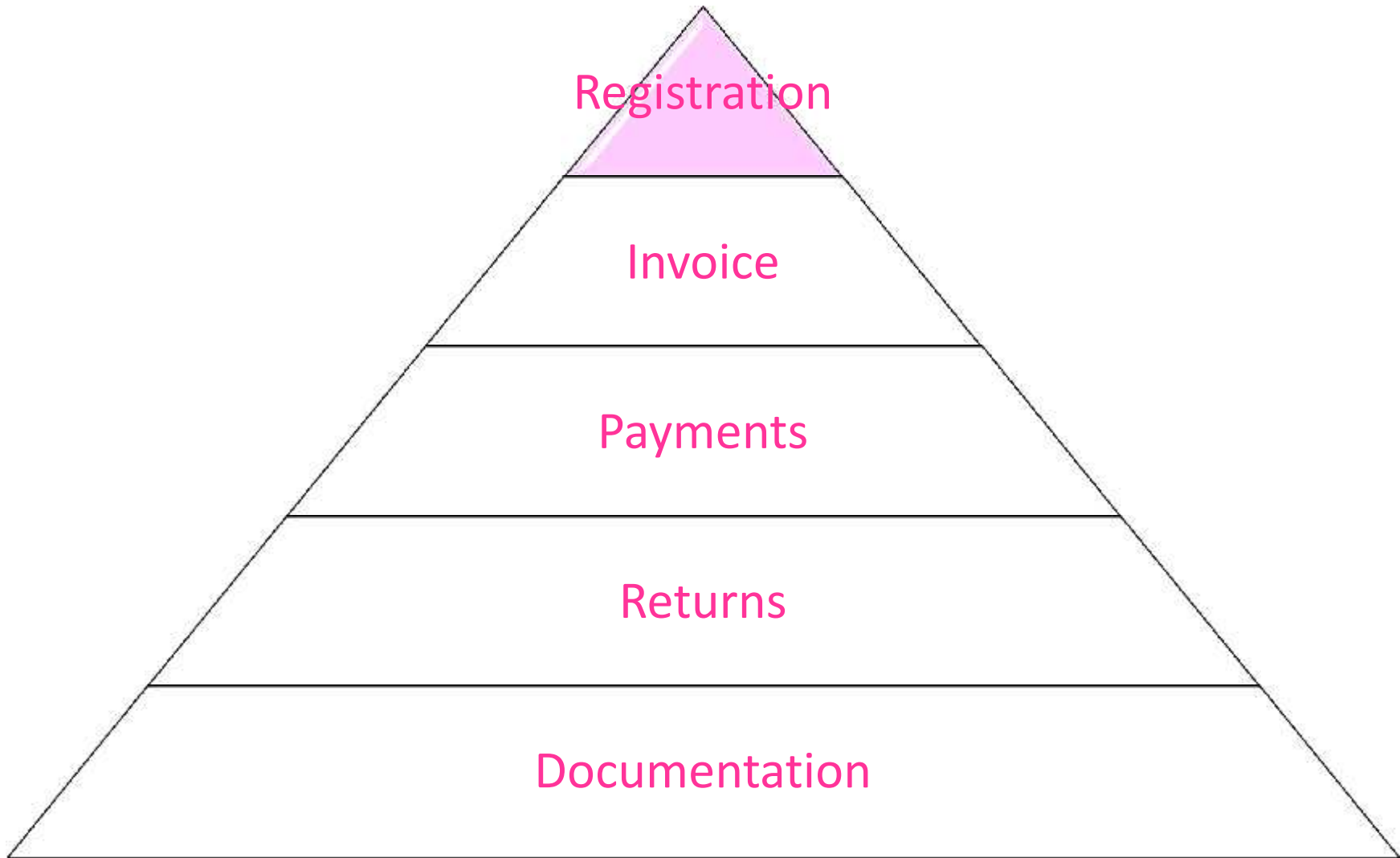
# GOODS AND SERVICES TAX IN INDIA

Presented by:

Ca. Jayesh Gogri

At: WIRC

On: 10<sup>th</sup> October, 2016



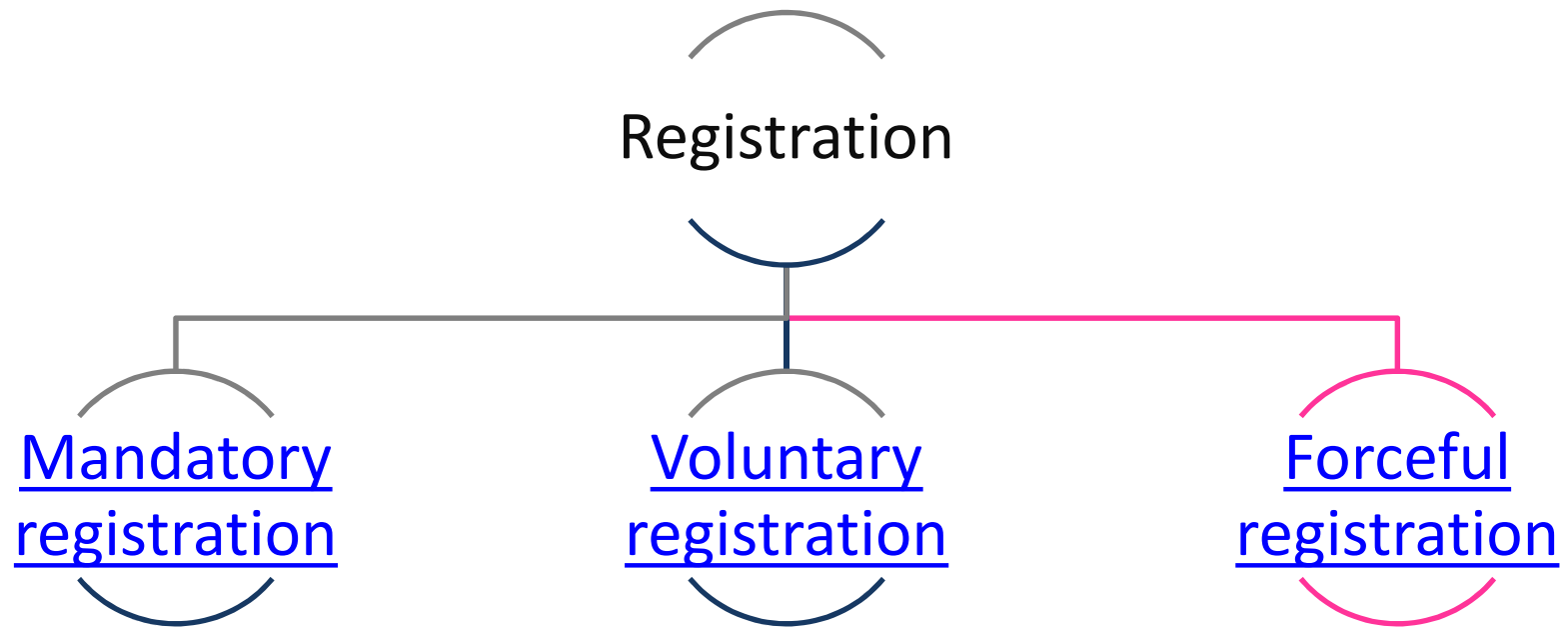
# REGISTRATION

# Registration

I am a Chartered Accountant and supply services to clients situated in 4 States. Should one registration at Delhi be sufficient?



# Registration (Section 19)



## Mandatory Registration (Section 19)

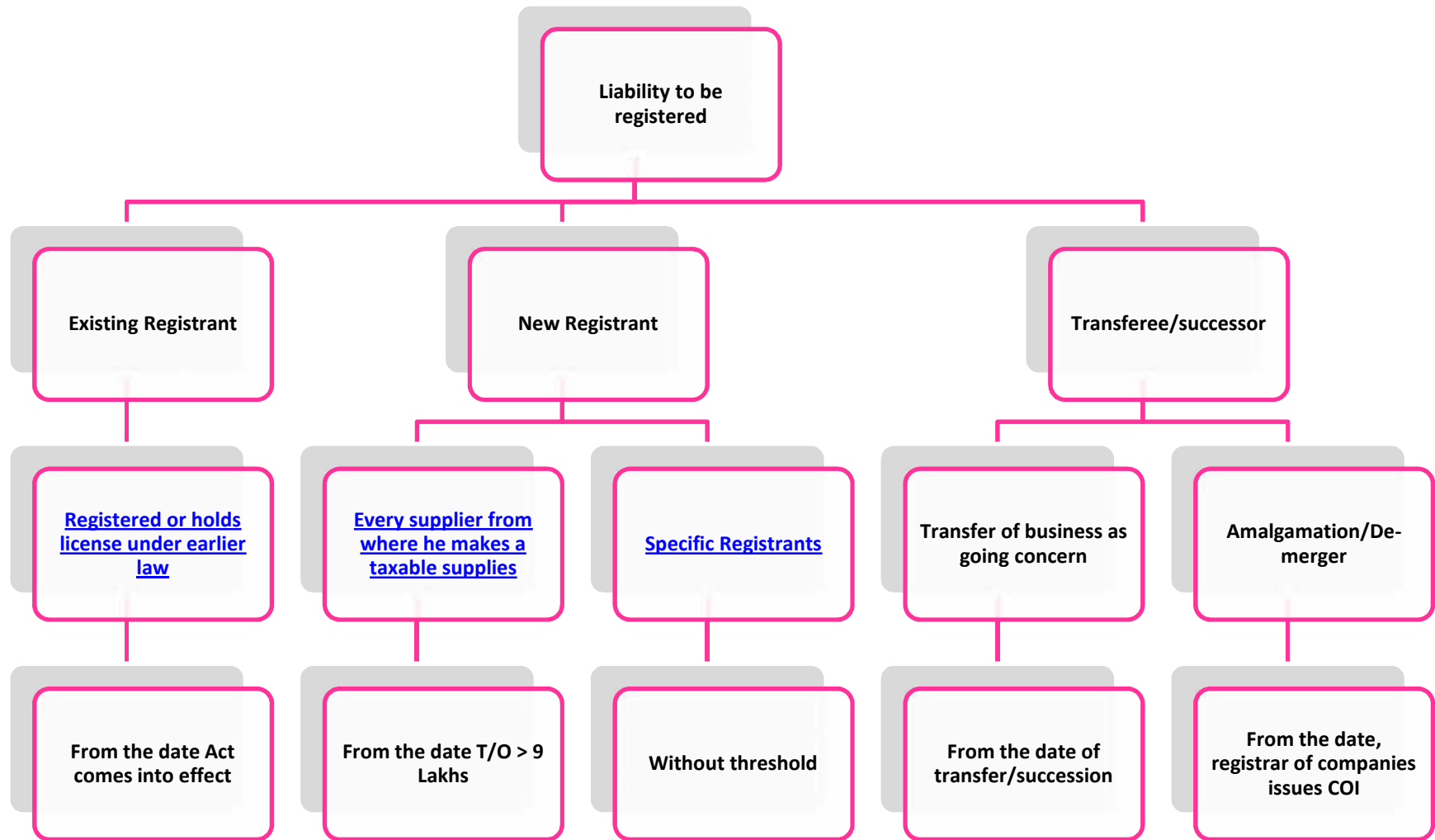
**Every person**  
liable to be  
registered under  
Schedule III of  
this Act

shall apply for  
**registration in**  
**every State in**  
**which he is so**  
**liable**

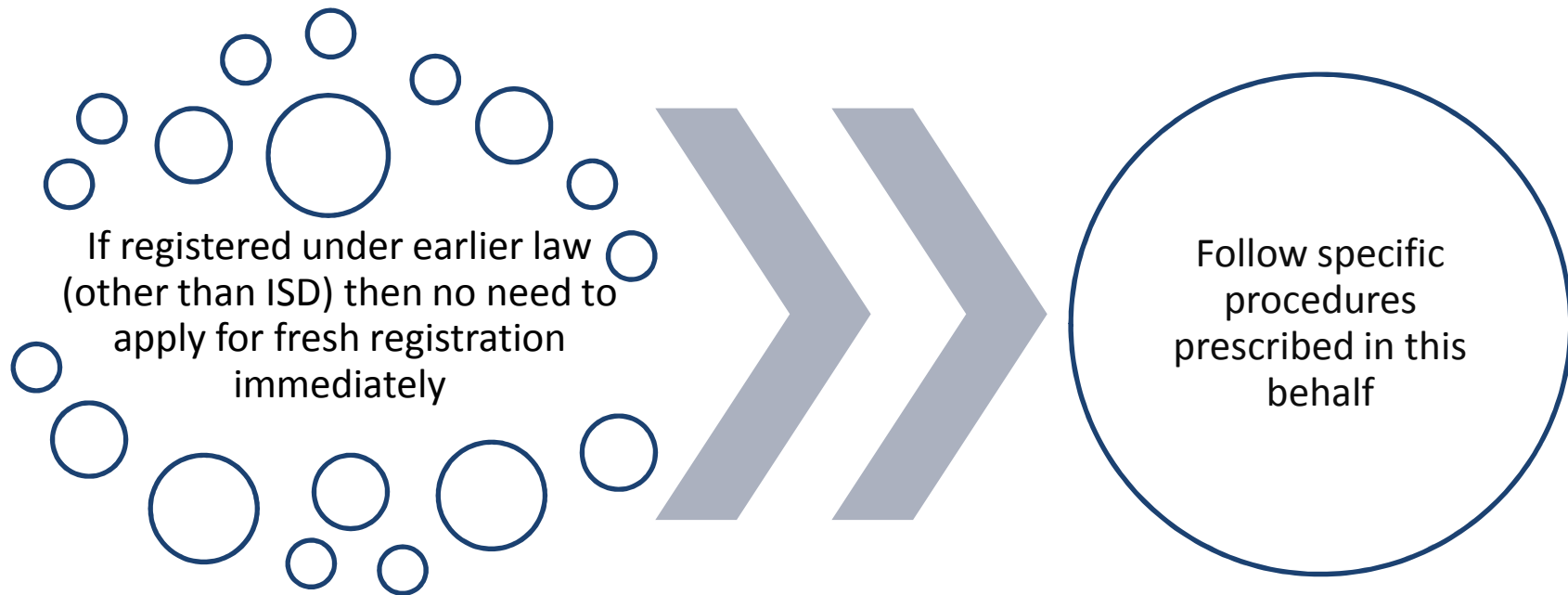
**within 30 days**  
from the date  
on which he  
becomes liable  
for registration

in such manner  
and subject to  
such conditions,  
as may be  
prescribed

# Schedule III



## Existing Registration (Section 19)



Apply in GST REG-20 (Rule 14)



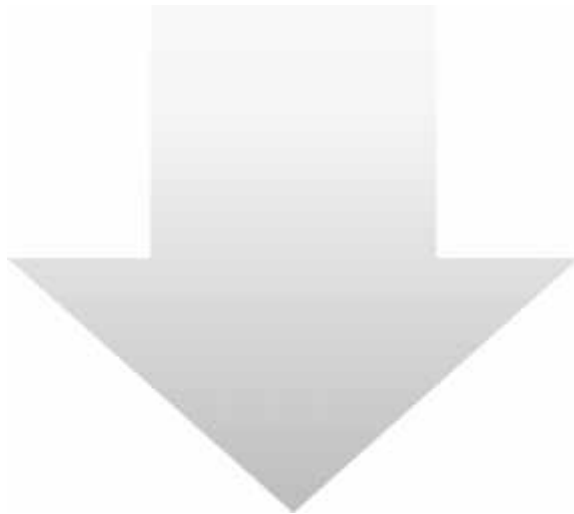


## Liability to be registered generally (Schedule III)



Every supplier shall be liable to be registered in the State from where he makes a taxable supply of goods and/or services if his aggregate turnover in a FY exceeds Rs. 9 Lakhs

- If taxable person conducts his business in any of the NE States including Sikkim
  - Threshold: Rs. 4 Lakhs



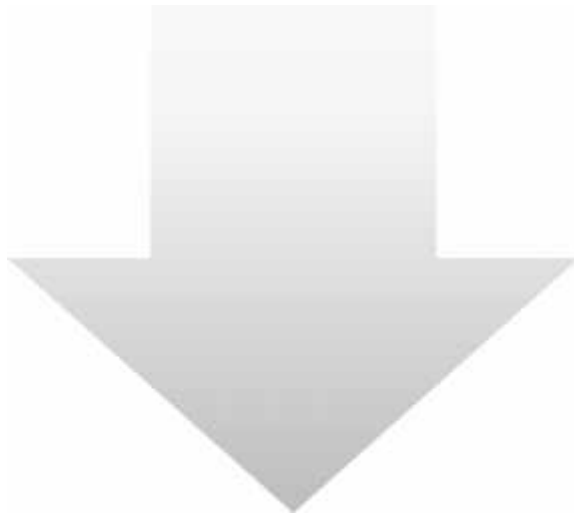
Not a taxable person till Aggregate turnover in a FY > 20\* Lakhs (Section 9)

- In case business in any of the NE States including Sikkim – Threshold: Rs. 10\* Lakhs

## Location of supplier



Location of supplier  
of goods-Not  
defined



Location of supplier  
of service means  
(Section 2 (65))

## Location of supplier of service means

Supply from registered place of business

- Location of such **place of business**

Supply from unregistered place of business, say, fixed establishment

- Location of **fixed establishment**

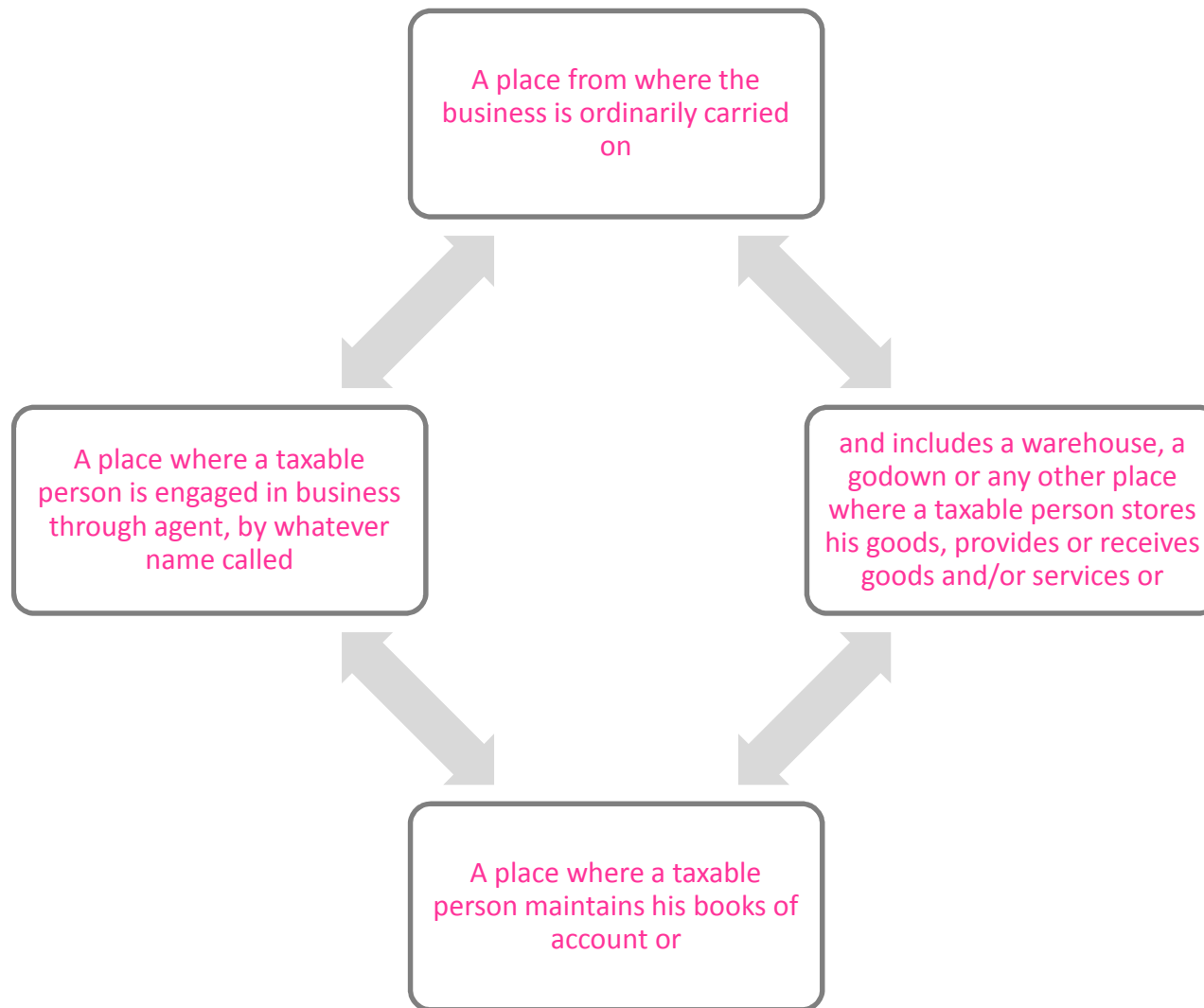
Supply from more than one establishment (business or fixed establishment)

- Location of the establishment most directly concerned with provision of supply

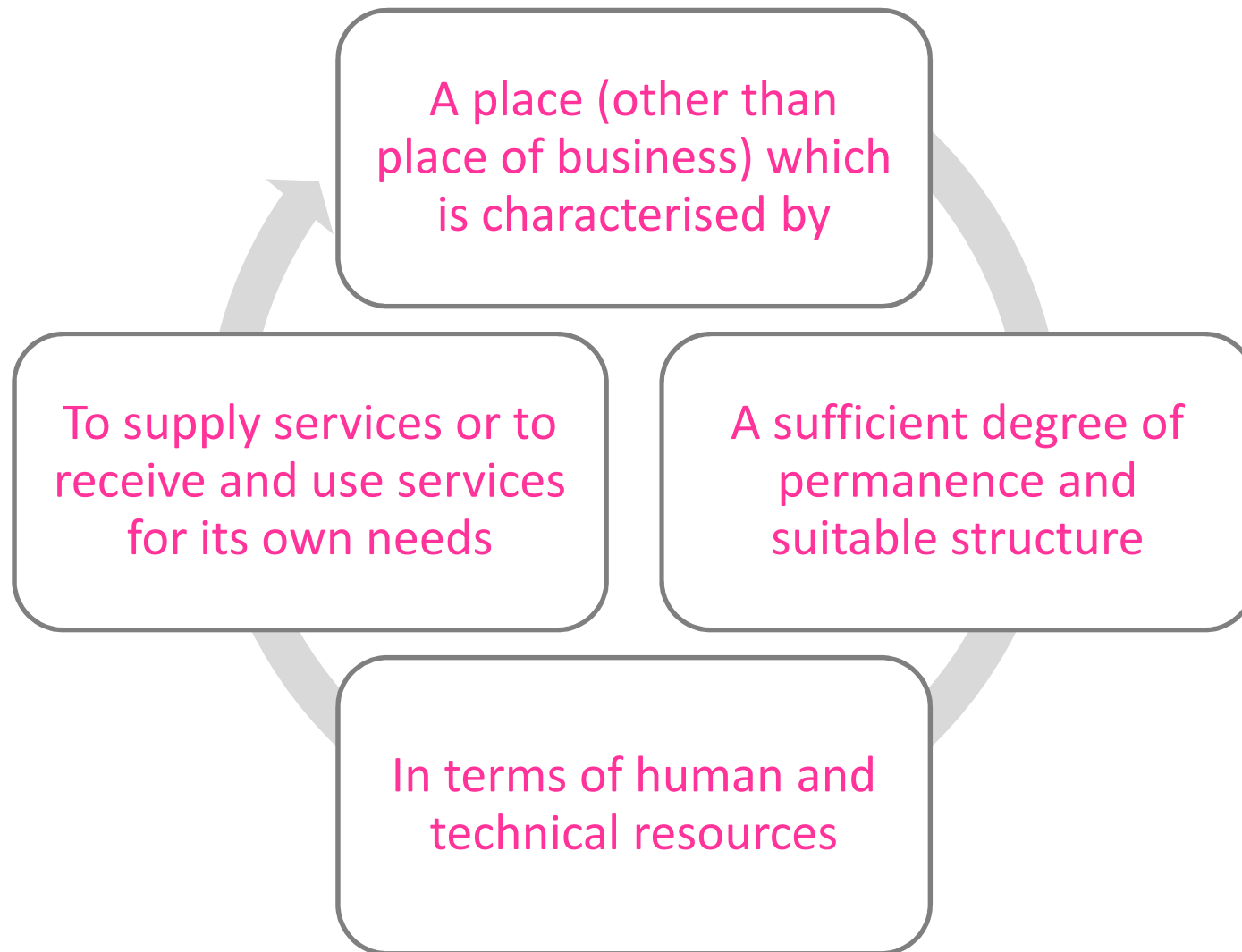
Other cases

- Location of usual place of residence of supplier

## Place of Business includes (Section 2 (75))



## Fixed establishment means (Section 2 (46))



# Mandatory Registration-Threshold not applicable

---

Inter-State Supplies

---

Casual taxable person

---

Person required to pay GST under RCM

---

Non-resident taxable person

---

Deductor of TDS

---

Agent

---

Vendor on E-commerce platform

---

E-commerce operator

---

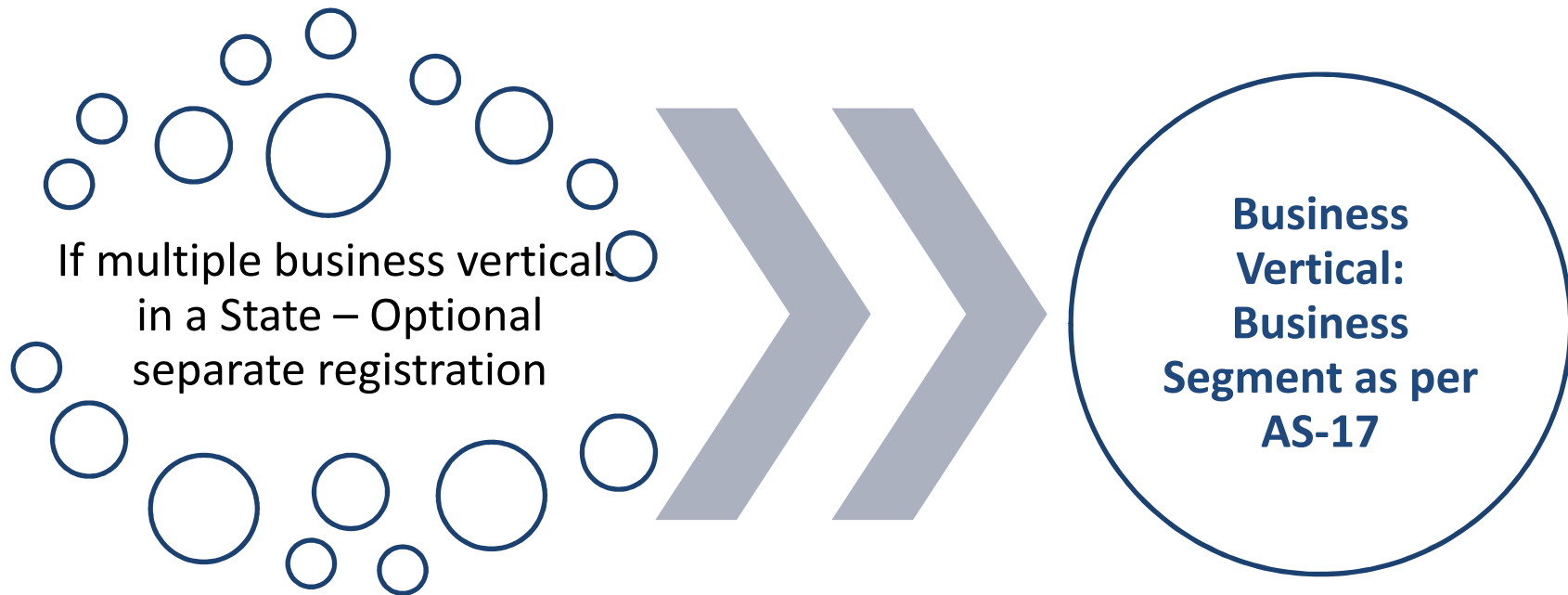
Aggregator

---

Persons notified by Central or State Government on recommendations of the Council



## Optional Registration (Section 19)



If multiple business verticals  
in a State – Optional  
separate registration

If either of the business  
verticals are not under  
composition, other  
business verticals cannot  
take benefit of the same  
(Rule 4(1))

## Business Segment – AS 17

A distinguishable component of an enterprise

engaged in providing individual product or service  
or a group of related products or services

and that is subject to risks and returns that are  
different from those of other business segments





## Voluntary Registration (Section 19)

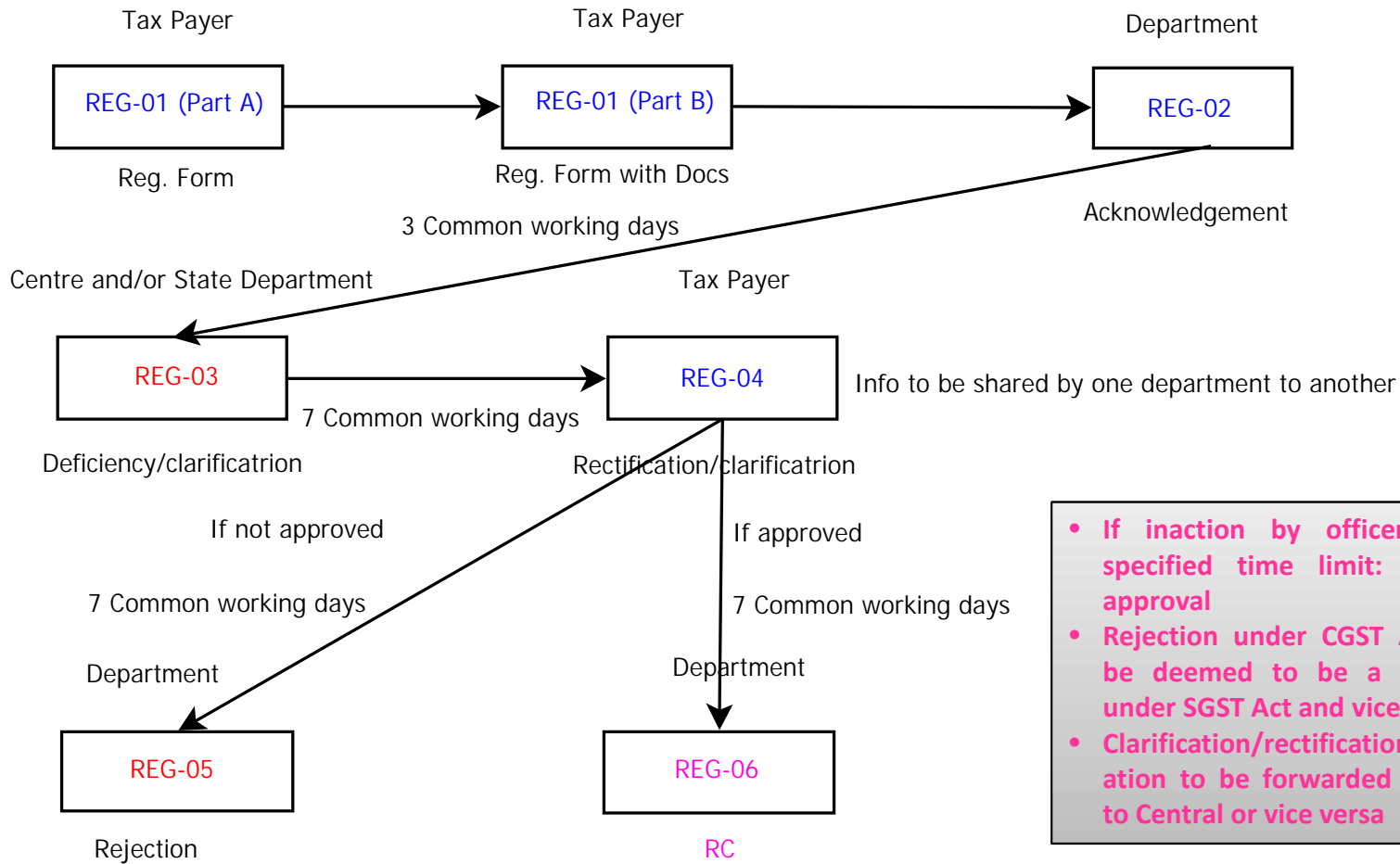
- All provisions of this Act applicable
- Why would one take voluntary registration?
  - For claiming ITC
  - Due to Customer's specific demand
  - To have unbroken chain of GST till the goods/services reach end consumer
  - To pass on the credit-ISD



# Forceful Registration (Section 19)

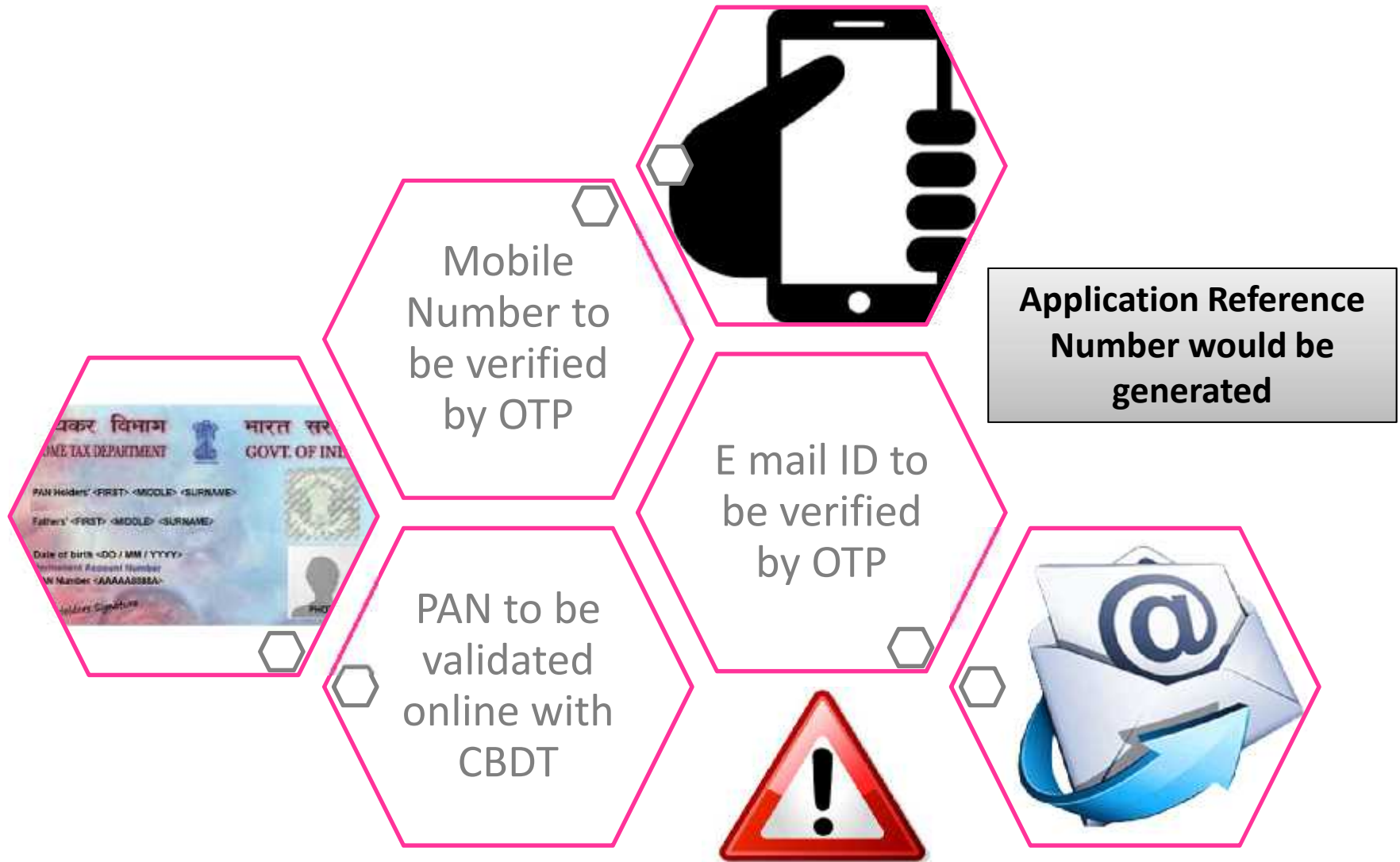


# Process of Registration



- If inaction by officer within specified time limit: Deemed approval
- Rejection under CGST Act shall be deemed to be a rejection under SGST Act and vice versa
- Clarification/rectification/information to be forwarded by State to Central or vice versa

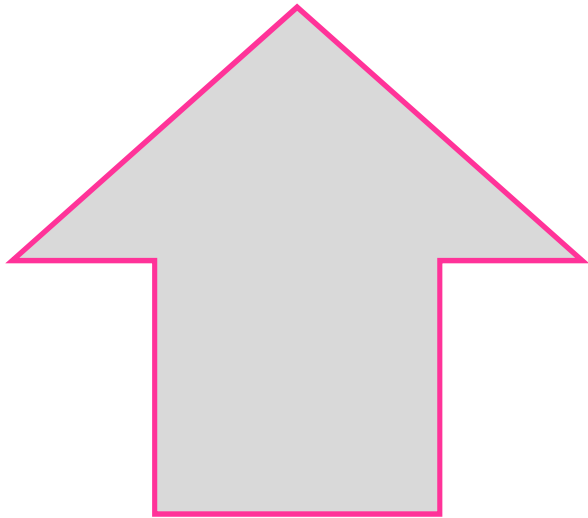
# GST REG 01 (Part A)



## GST REG 01 (Part B)

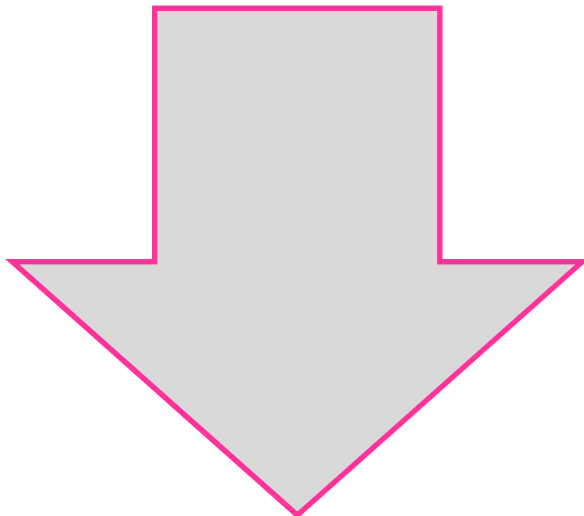
- Key Details/Information/Documents
  - PAN
  - Name as appearing in PAN
    - If proprietorship concern – Individual's name
  - Opted for composition
  - Casual dealer to provide estimated turnover and estimated liability of GST
  - Existing registrations including IEC, CIN etc.
    - GSTIN also to be mentioned
  - Details of all bank accounts maintained for conducting business
  - Details of top 5 goods and/or services
  - Photo, Passport, Aadhar No., residential address etc. of Partners, Managing Directors, Whole time Directors etc.
  - Details of authorised signatory with Photo, Passport, Aadhar No., residential address etc.
    - Optional
  - State Specific Information
    - PTEC, PTRC, State Excise License No.
  - Consent is to be given to GSTN for obtaining details from UIDA linked to Aadhar card

## GST REG 01 (Part B)



### File electronically

- If tax payer is not techno savvy:  
Facilitation Centre



### Duly signed

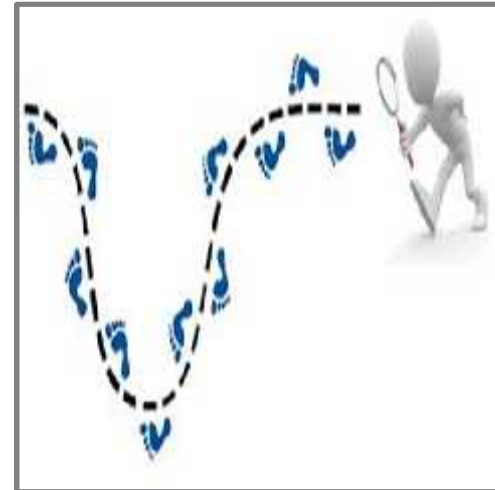
- Only Partner/Director/Key managerial personnel
- Body Corporates, PSUs and LLP: DSC
- Other than above: DSC/E-signature/as may be notified

## GST REG 01 -Unique Features

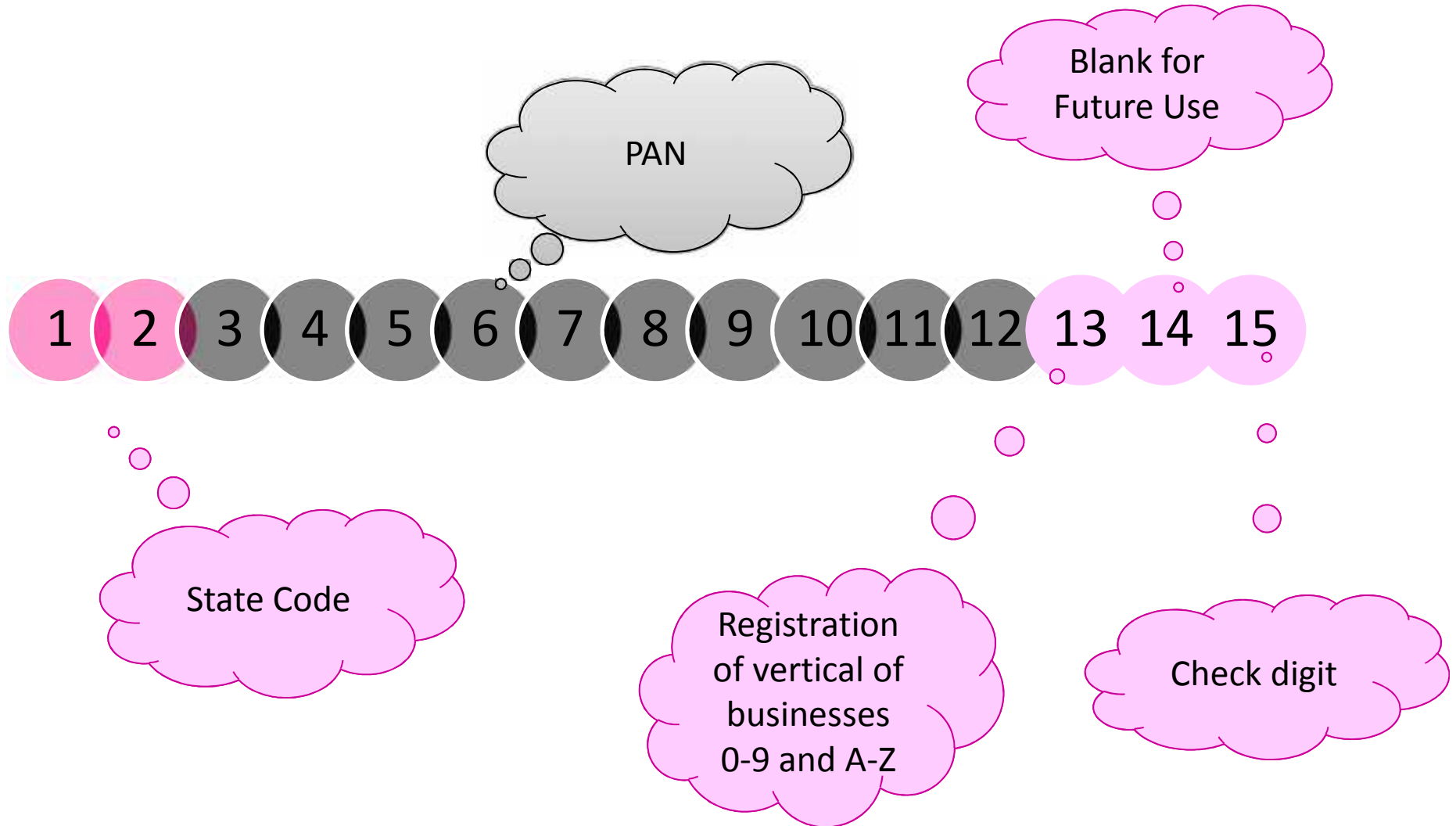


No Fees

Status of  
application can be  
tracked online

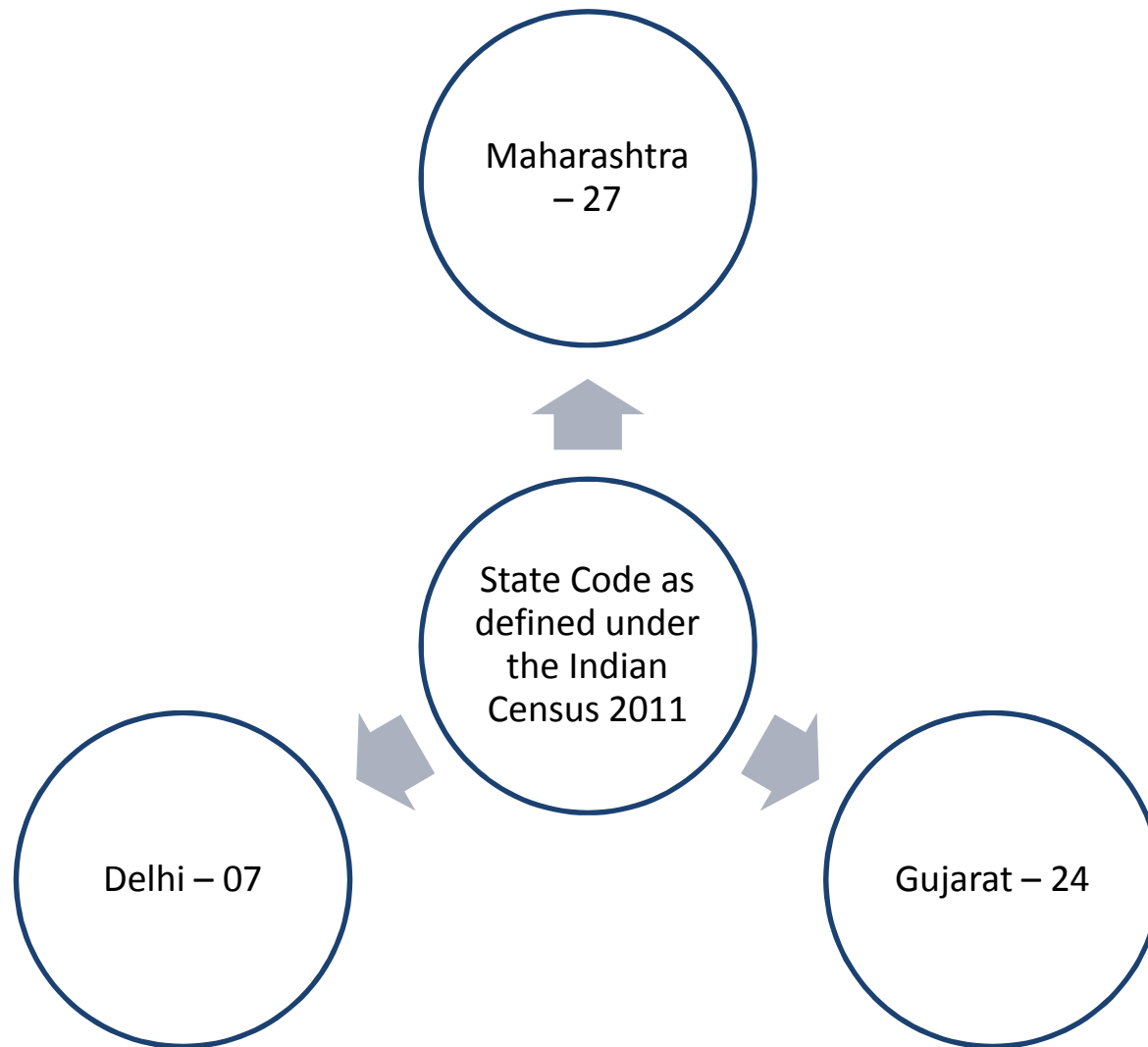


# GSTIN (Goods and Services Tax Identification Number)

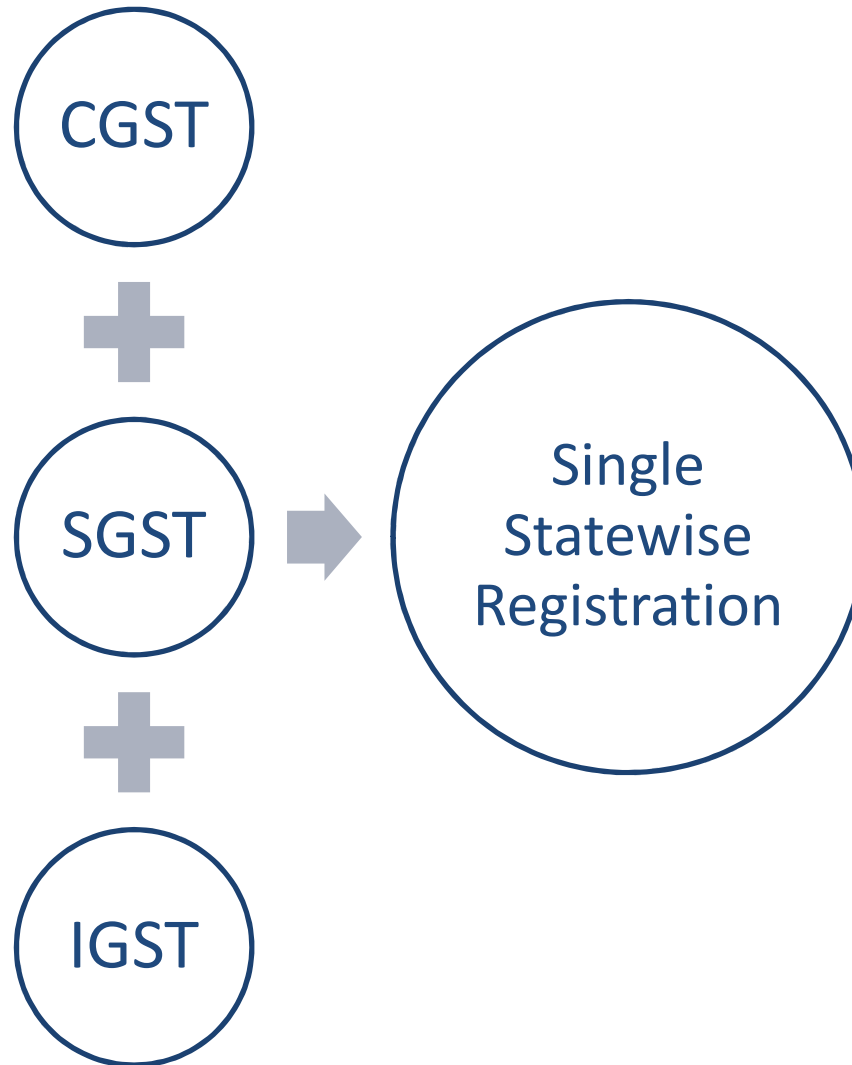




# GSTIN (Business Process)



# Registration Business Process

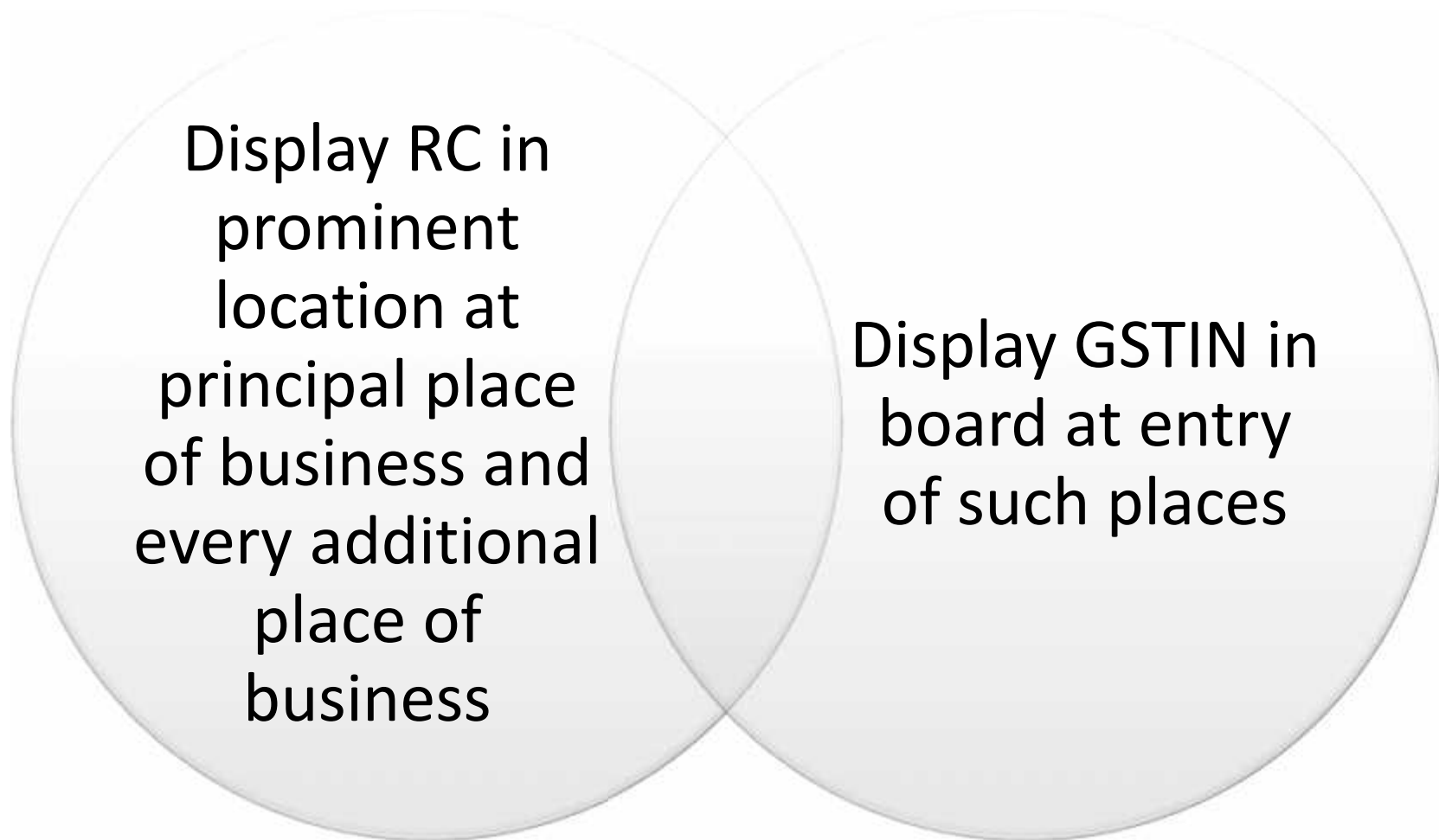


## Registration Certificate-Effective Date

If applied within time limit – Date when the person became liable for registration

If not applied within time limit – date of grant of registration

## Display Registration



# Existing registrants

Registered under earlier law and have PAN

Registration on provisional basis

Provisional RC in GST REG-21

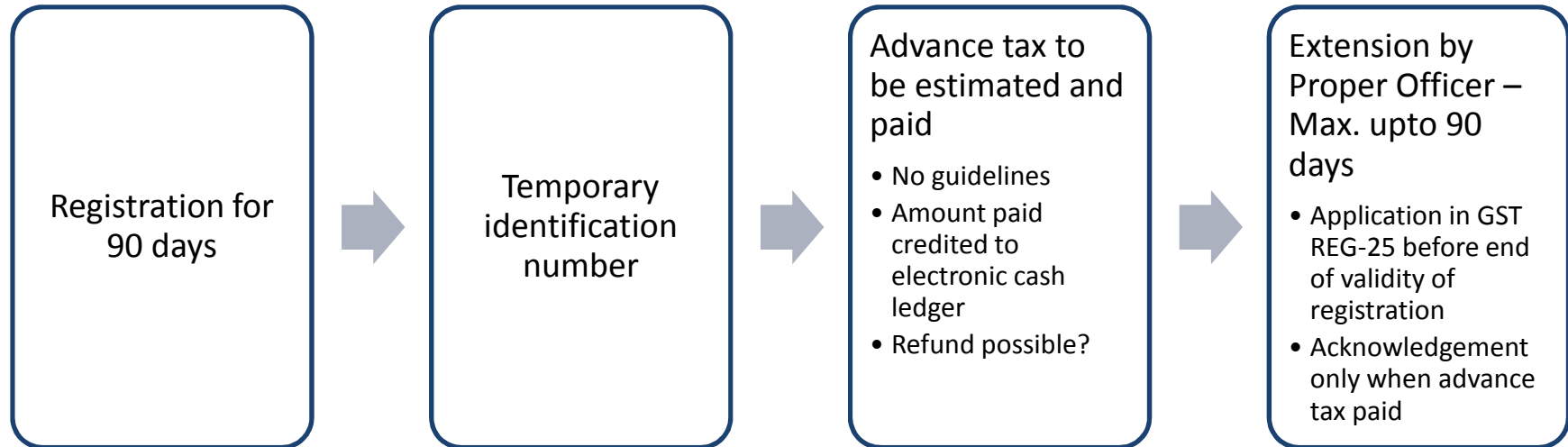
Application by registrant in GST REG-20

Information to be furnished in 6 months or extended period

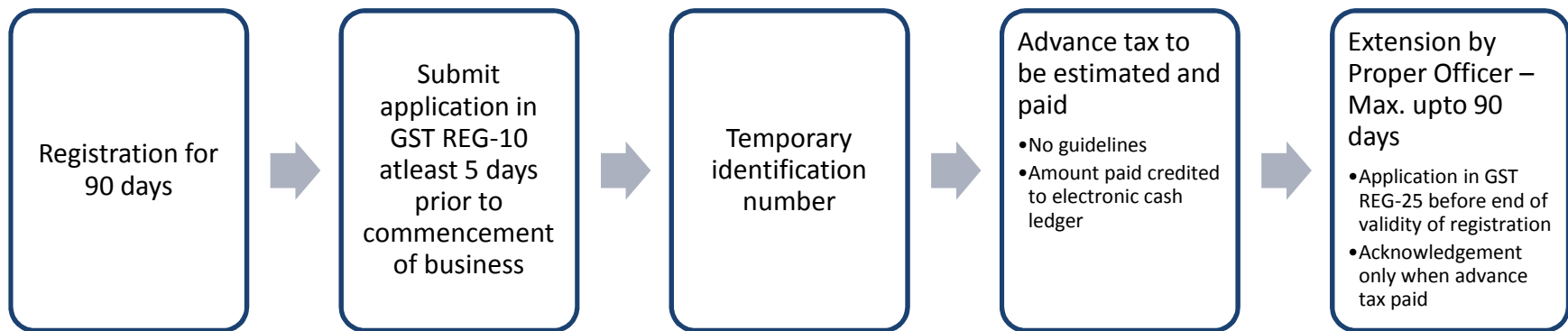
Cancellation if information not given or incorrect or incomplete details in GST REG 22

If not liable to be registered, file application for cancellation in GST REG-24

# Casual Dealer



# Non-resident taxable person



# TDS/TCS

Application  
electronically in GST  
REG-07

If no longer liable for  
TDS/TCS

- Officer may cancel registration
- Issue SCN and give reasonable opportunity of being heard
- Communication to the assessee in GST REG-08

Registration in GST REG-  
06 in 3 Common  
Working Days



## Suo-moto Registration

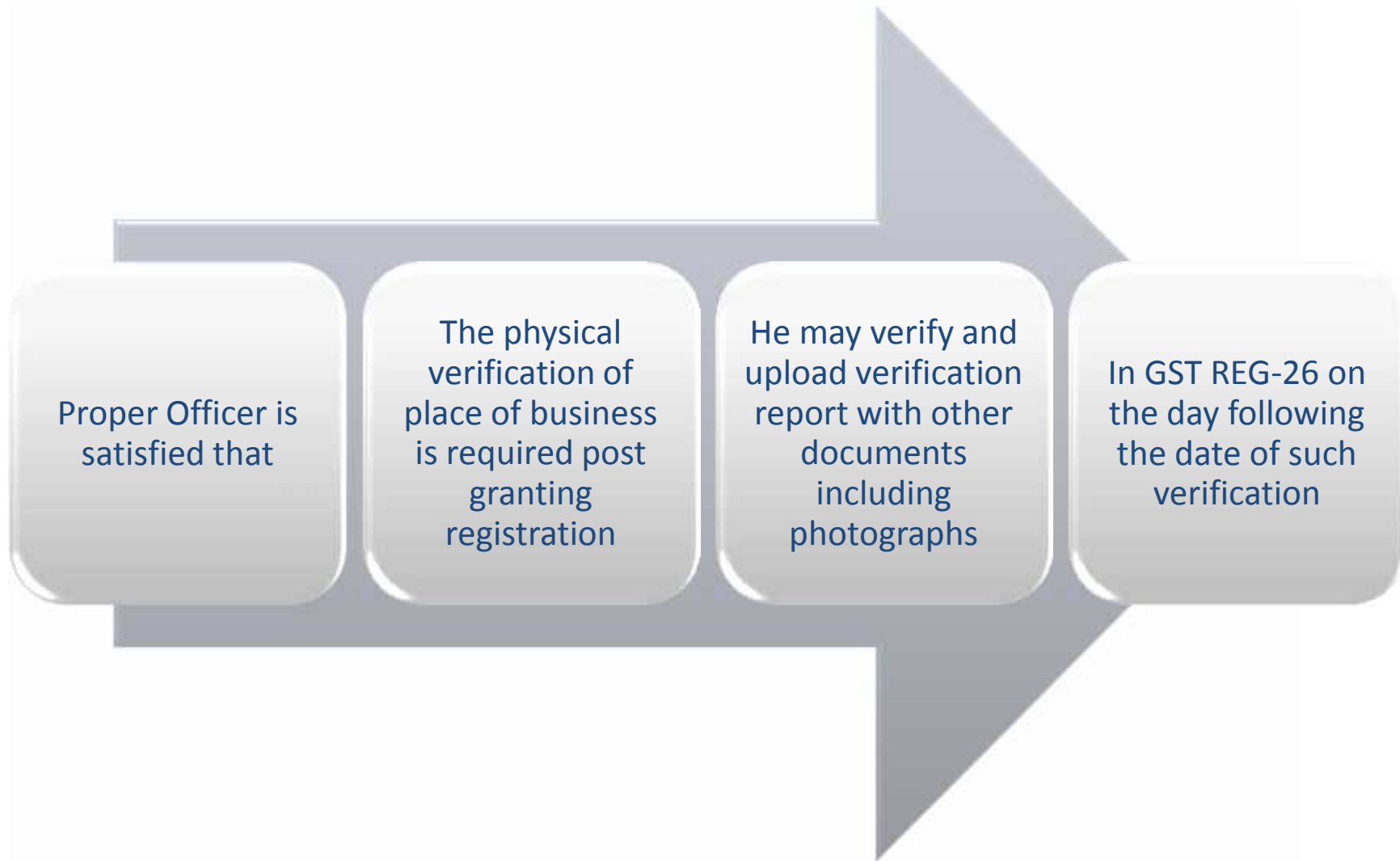
- During the course of survey, inspection, search, enquiry or any other proceeding under GST Act, registration may be granted *suo moto* by department
  - Temporary registration by officer in GST REG-13
  - RC Effective date: From the date of order of registration
  - Such person to file application for registration
  - Within 30 days from the date of grant of temporary registration unless appeal is filed
  - If appeal is filed then within 30 days from the date of issuance of unfavourable order by appellate authority

## Misc.

Certain special entities such as UN Organisations, embassy of foreign countries etc.

Need to obtain Unique Identity Number

# Physical verification of business premises



## Amendment to RC

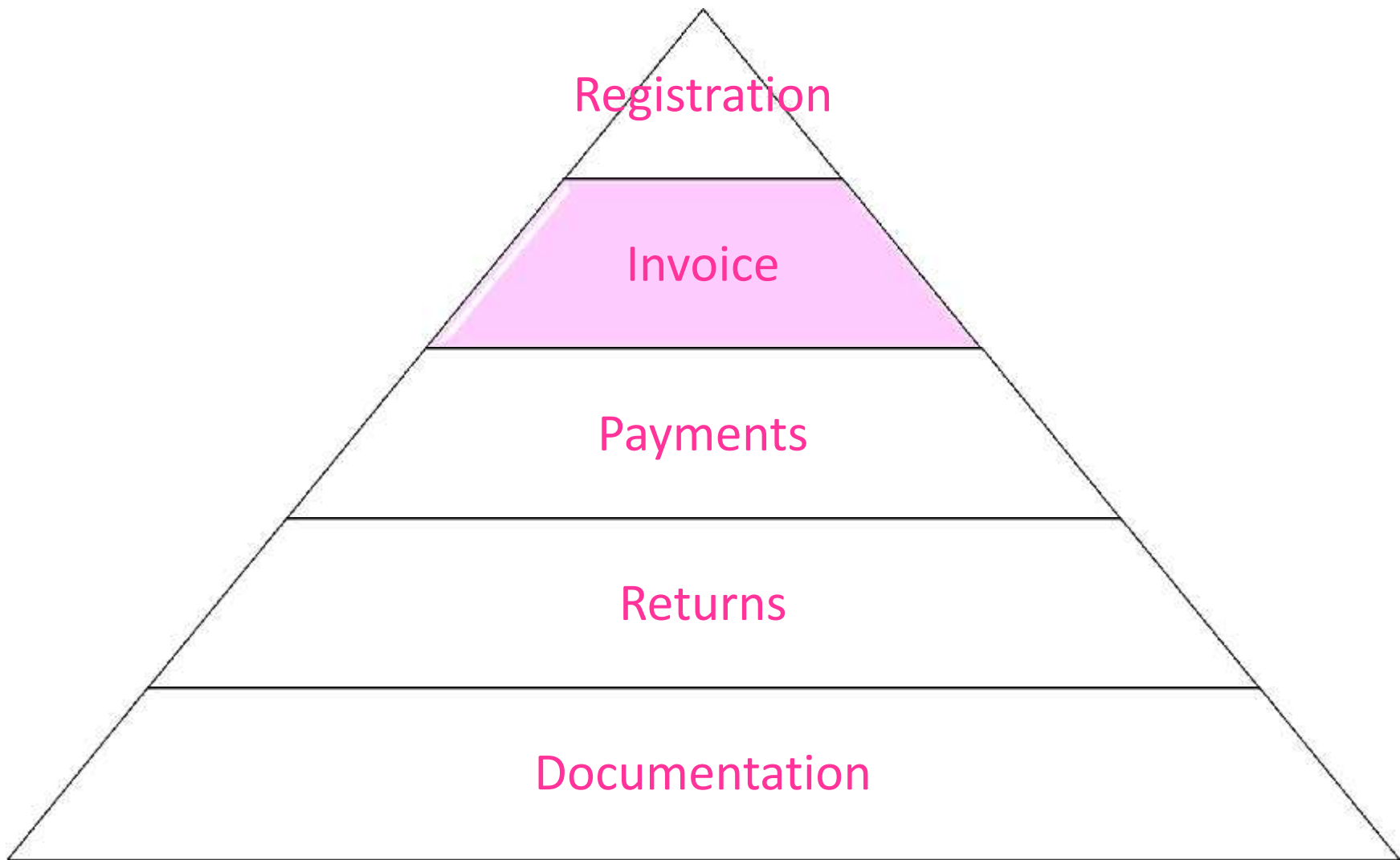
- If change relates to name of business, principal place of business, details of partners/directors/CEO etc.
  - Amendment application in **15 days** in GST REG-11 with documents
  - Approval in **15 common working days** after verification
  - Order in Form GST REG-12
    - Effective from the date of occurrence of event warranting amendment
- Other changes
  - Amendment on submission of application in Form GST REG-11
  - Change in mobile number and E-mail ID of authorised signatory
    - Online verification
- Change in constitution of business resulting in change of PAN
  - Fresh application

## Cancellation of registration

- Cancellation by tax payer **or Proper Officer**
  - Proper officer to cancel registration only after issuance of SCN and providing reasonable opportunity of being heard
  - Cancellation under CGST Act shall be deemed to be cancellation under SGST Act and vice versa
- Reasons for cancellation
  - Discontinuation of business
    - Transfer of business
    - Death of proprietor
    - Amalgamation
    - De-merger
    - Disposal of business
  - Change in constitution of business
  - No longer liable to be registered

## Cancellation of registration

- Cancellation possible even from earlier date if
  - Contravention of provisions of GST Law
  - Composition dealer has not filed returns consecutively for 3 tax periods
  - Other dealers – returns not furnished consecutively for 6 months
  - Voluntary registration – Business not commenced in 6 months from the date of registration
- If registration obtained by fraud, willful mis-statement, suppression of facts
  - Cancellation with retrospective effect
- ITC
  - Pay ITC of inputs in stock, contained in semi-finished or finished goods or output tax, whichever is higher
  - Capital goods: Pay after reducing ITC by specific %
- Revocation of cancellation in 30 days from the date of service of cancellation order



# **TAX INVOICE, BILL OF SUPPLY, DEBIT/CREDIT NOTES**



# TAX INVOICE – SECTION 23

## Relevance of Tax Invoice

Disallowance of credit to the recipient

Non issuance -Penalty upto 10,000 or amount of tax whichever is higher (Section 66)

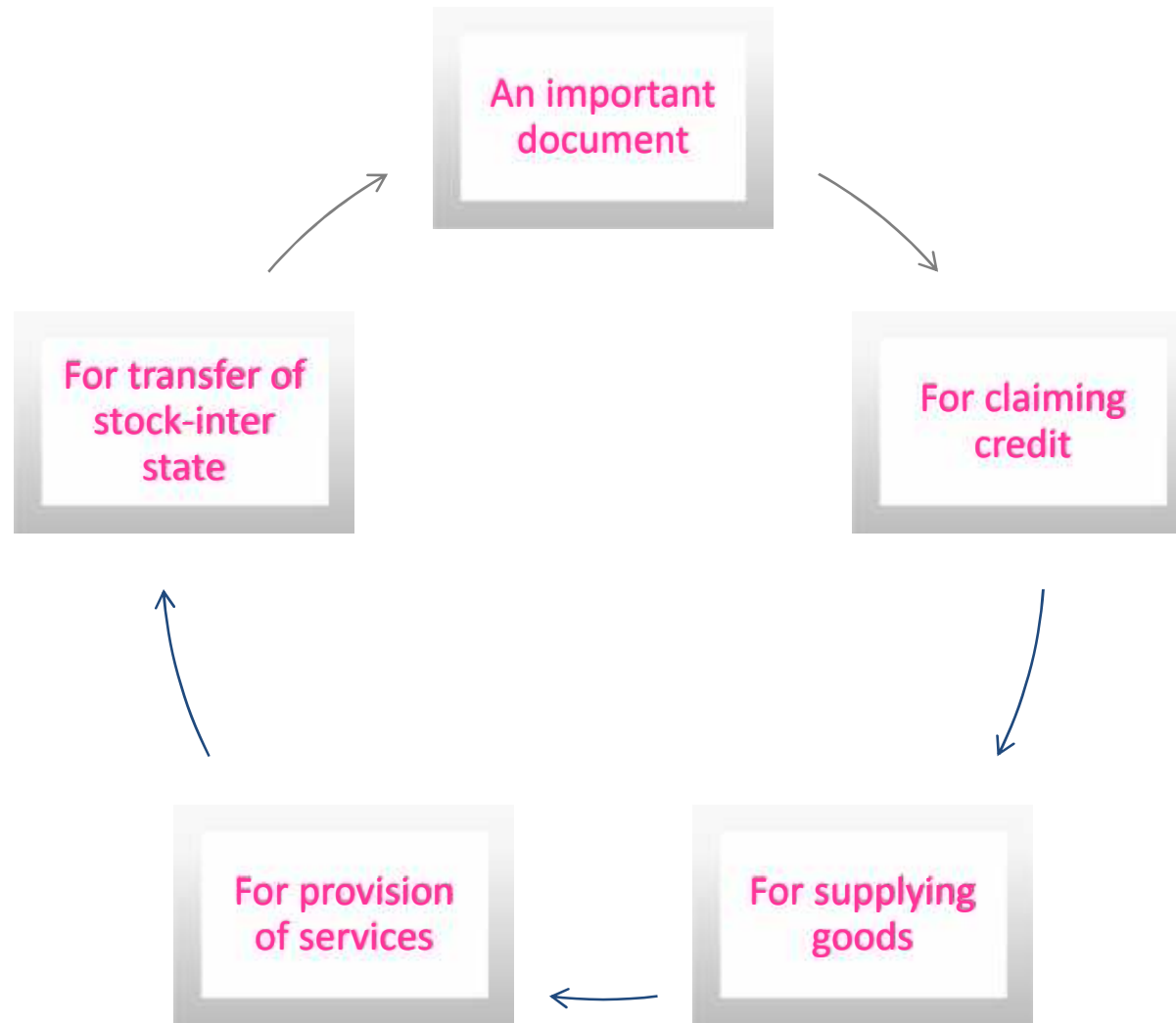
Improper invoice-upto 25,000

Confiscation of goods (Section 70)

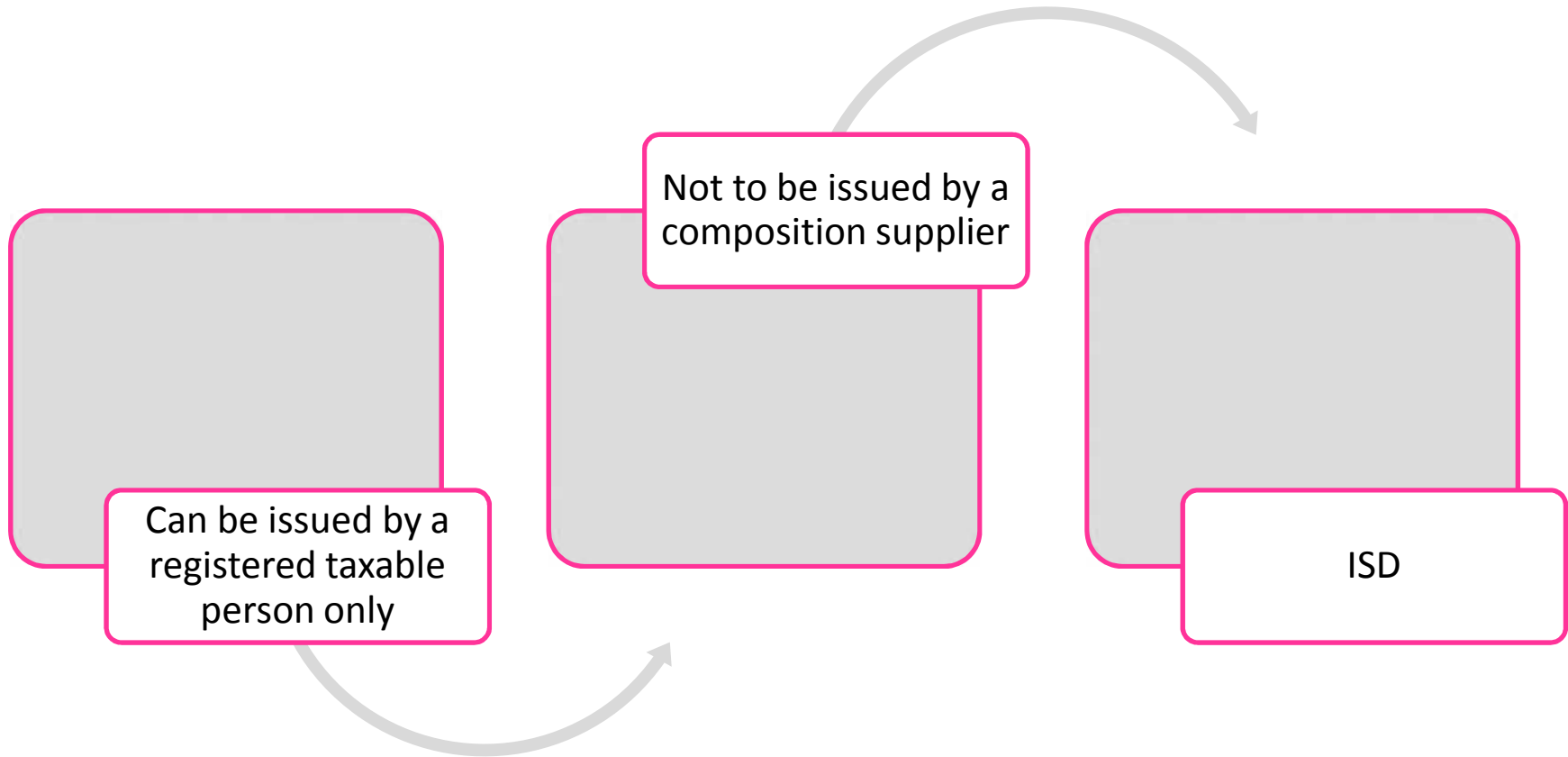
Confiscation of conveyance ( Section 71)

Prosecution ( Section 73)

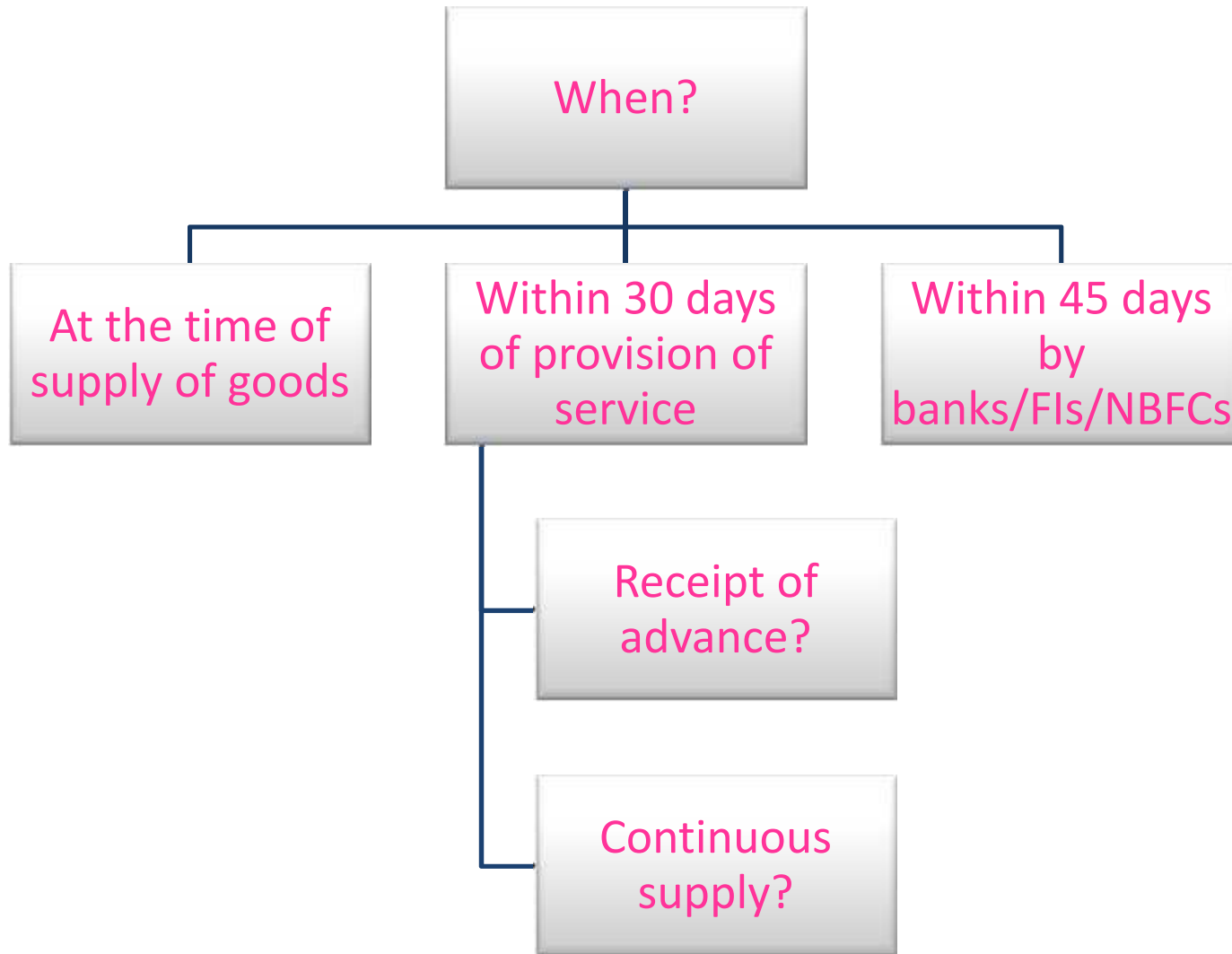
# Tax Invoice – What?



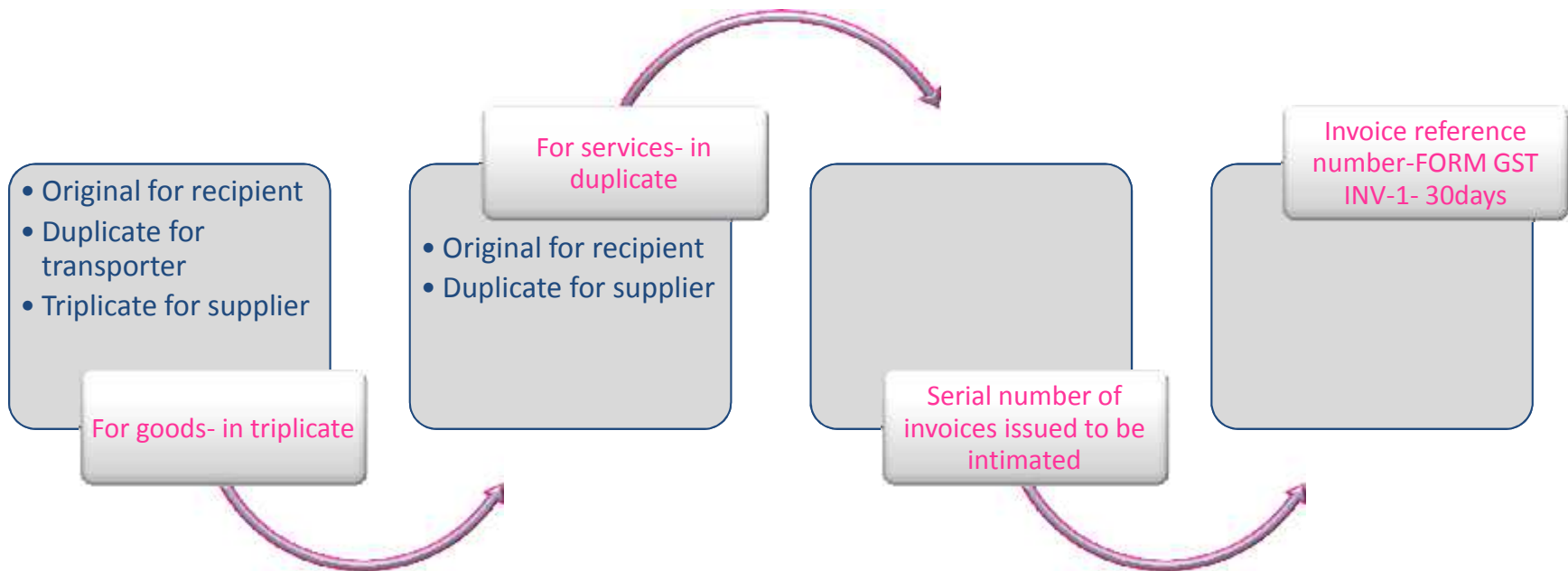
# Tax Invoice – Who?



# Tax Invoice – When?



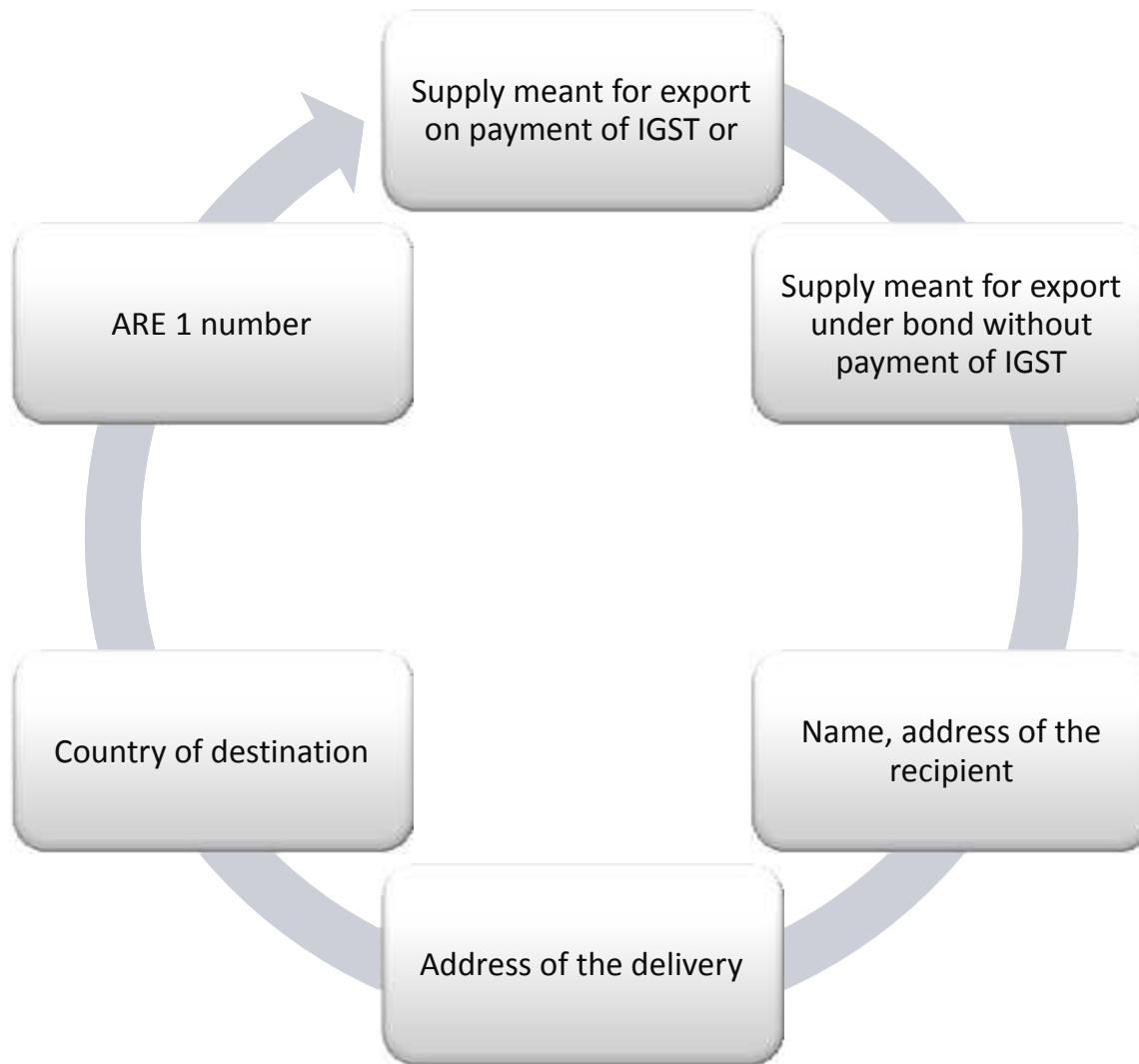
# Tax Invoice – How?



## Tax Invoice – Contents

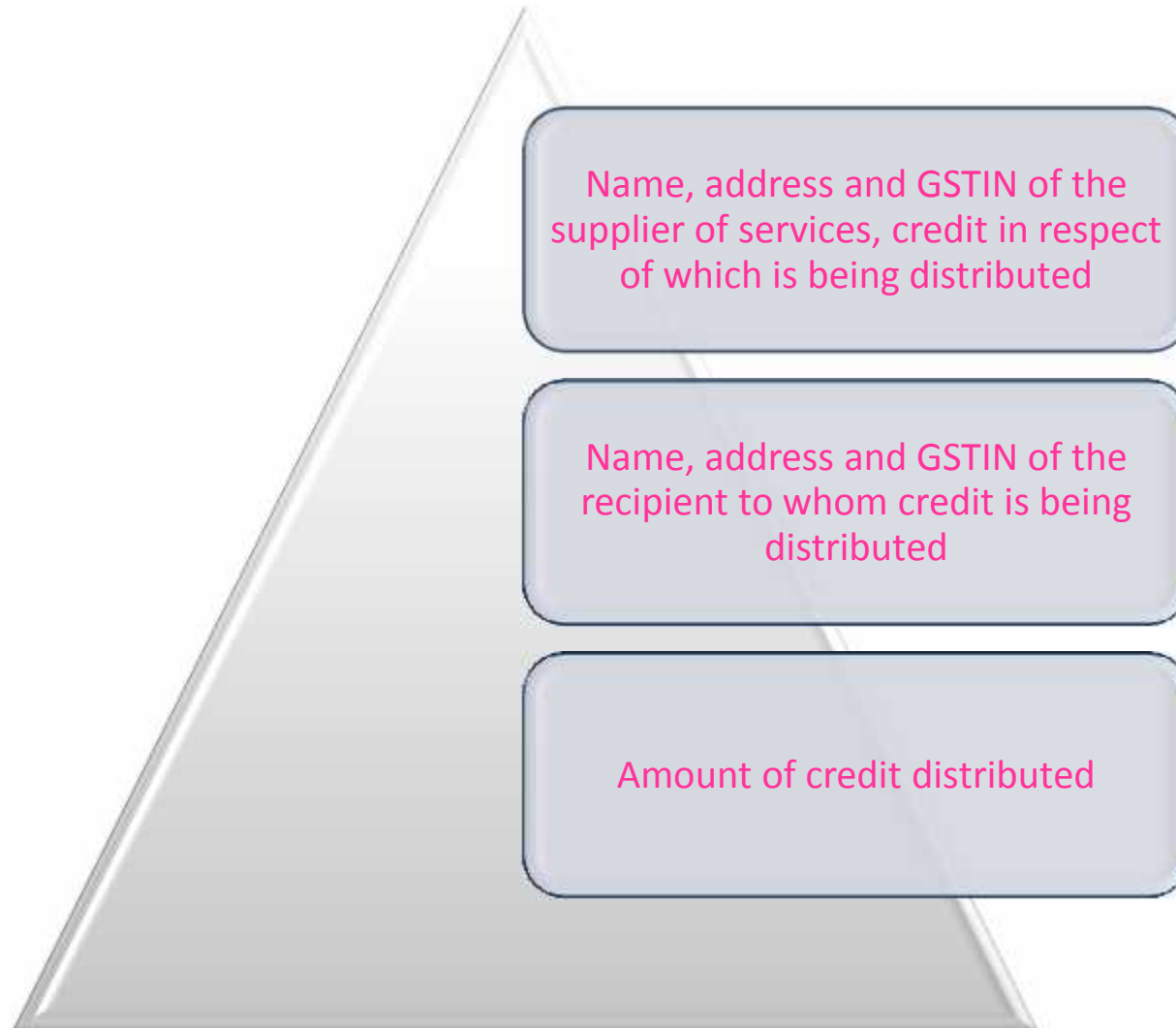
- Name, address and GSTIN of the supplier
- Name, address, GSTIN/UIDN of the recipient
- Consecutive serial number unique for a financial year
  - Alphabets/numbers/both
- In case of unregistered recipient and supply more than 50,000- Name, address of the recipient, address of delivery
- HSN code of goods/Accounting code for services
- Description of goods/services
- Quantity, unit/unique quantity code
- Value
- Taxable value
  - Discount
  - Abatement
- Rate and amount of tax
- Inter state supply-place of supply
- Reverse charge?

# Tax Invoice – Exports

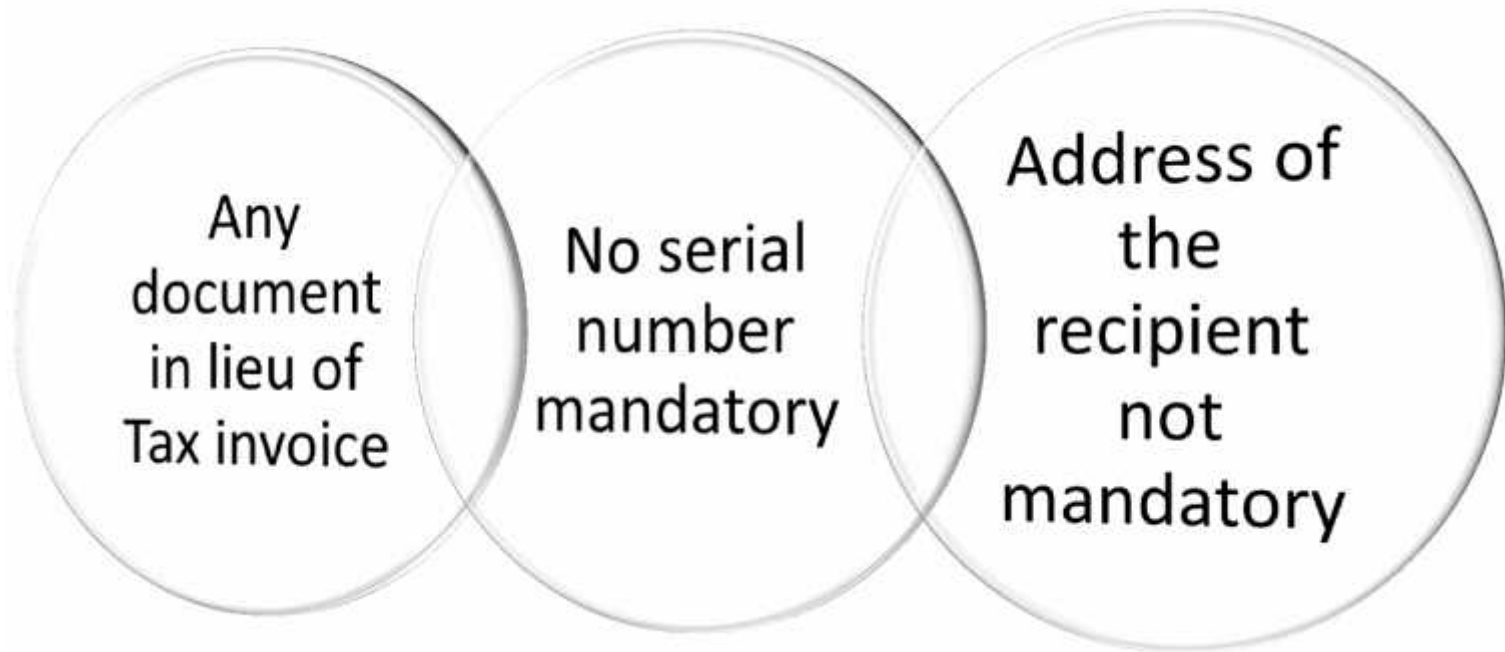




## Tax Invoice – ISD



## Tax Invoice – Banking Company



## Tax Invoice – GTA

Any document

Gross weight of consignment

Name of the consignor/consignee

Registration number of the goods carriage

Details of goods transported

Place of origin and destination

GSTIN of person liable to pay tax

## Tax Invoice – Passenger transportation

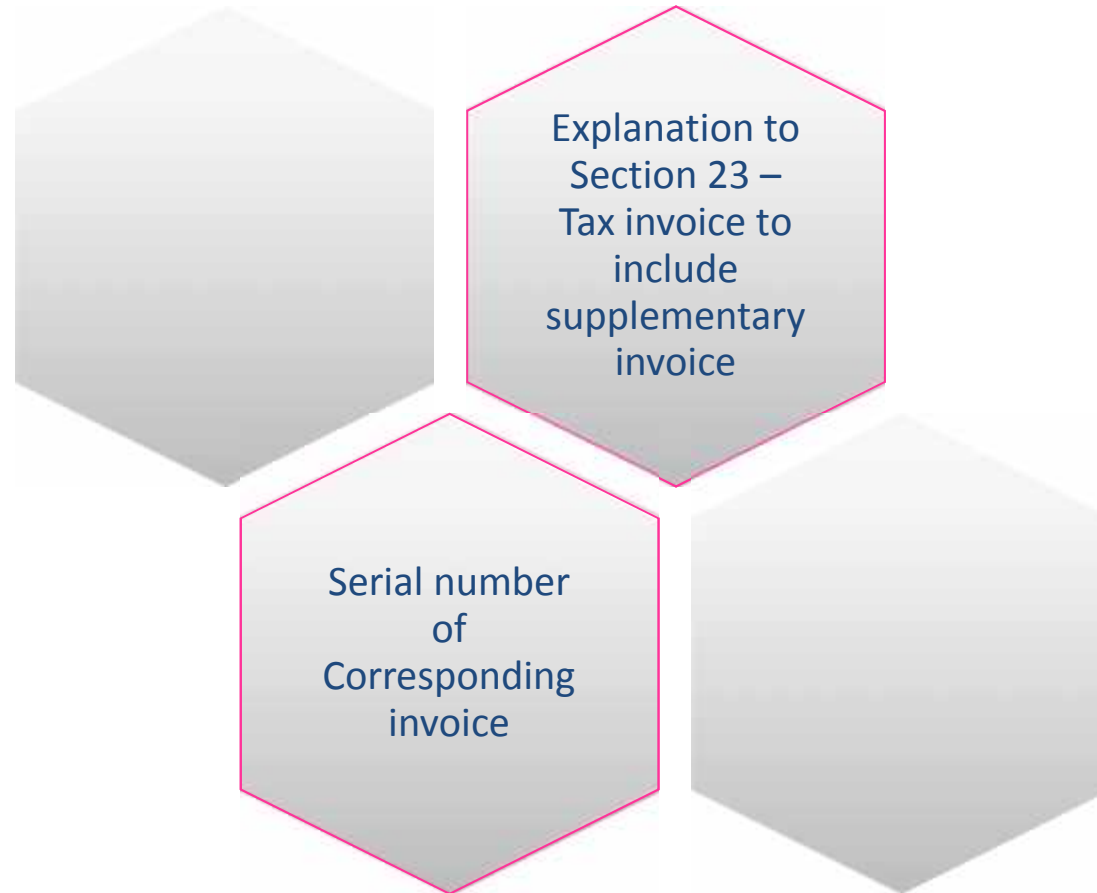


Tax invoice shall include ticket in any form

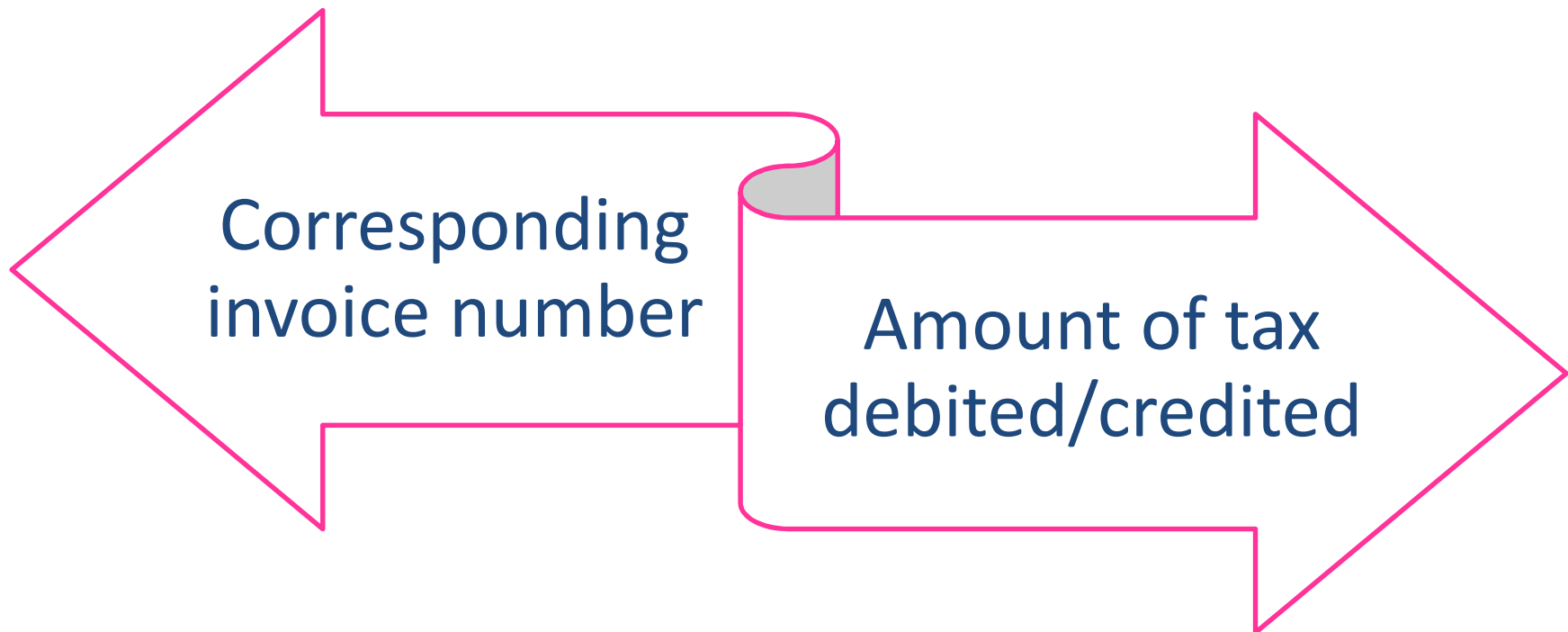


Address of the recipient not mandatory

# Supplementary Tax invoice



## Debit / Credit notes



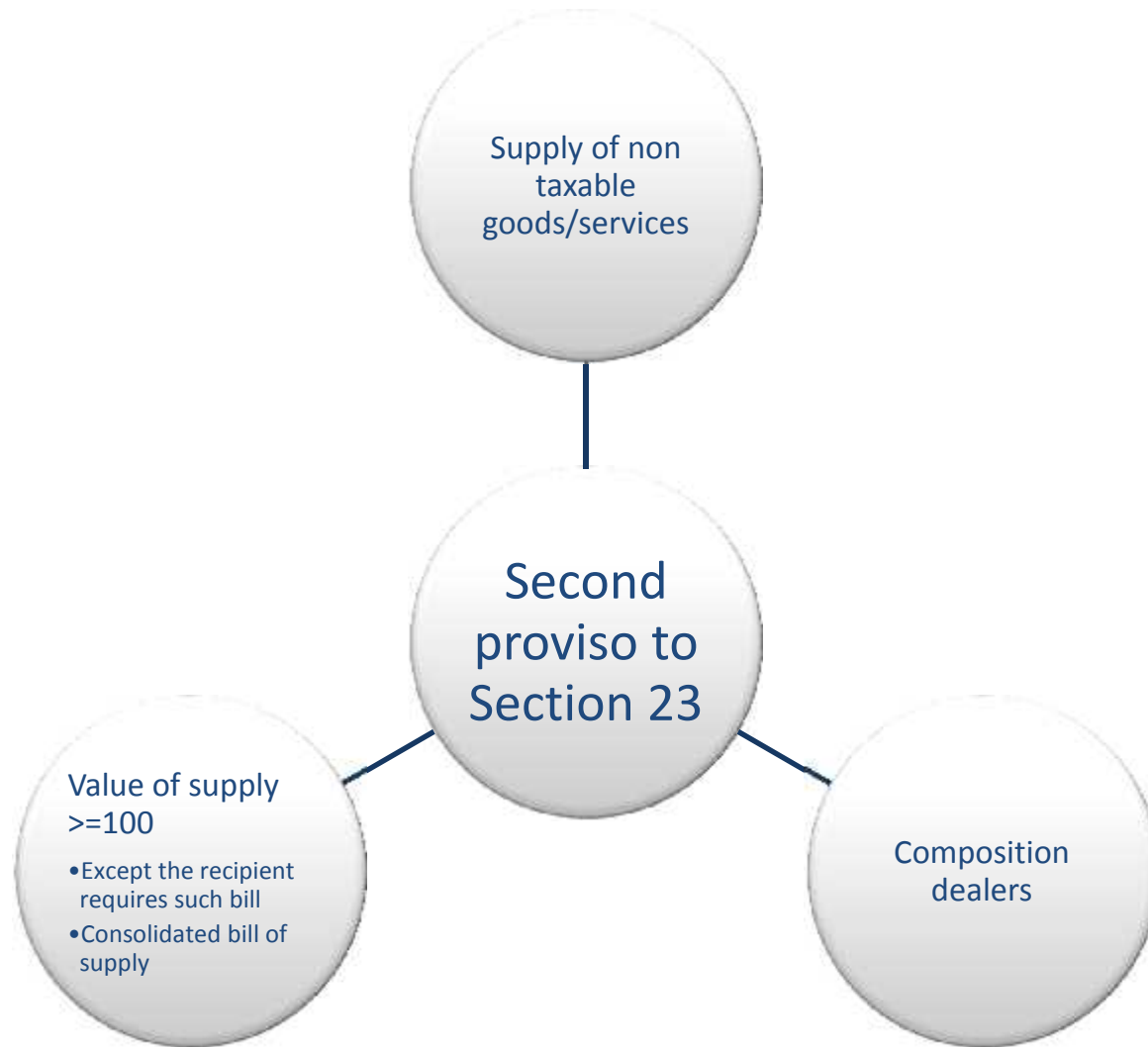
## Revised invoice

Taxable supplies during  
the effective date of  
registration and issuance of  
certificate of registration

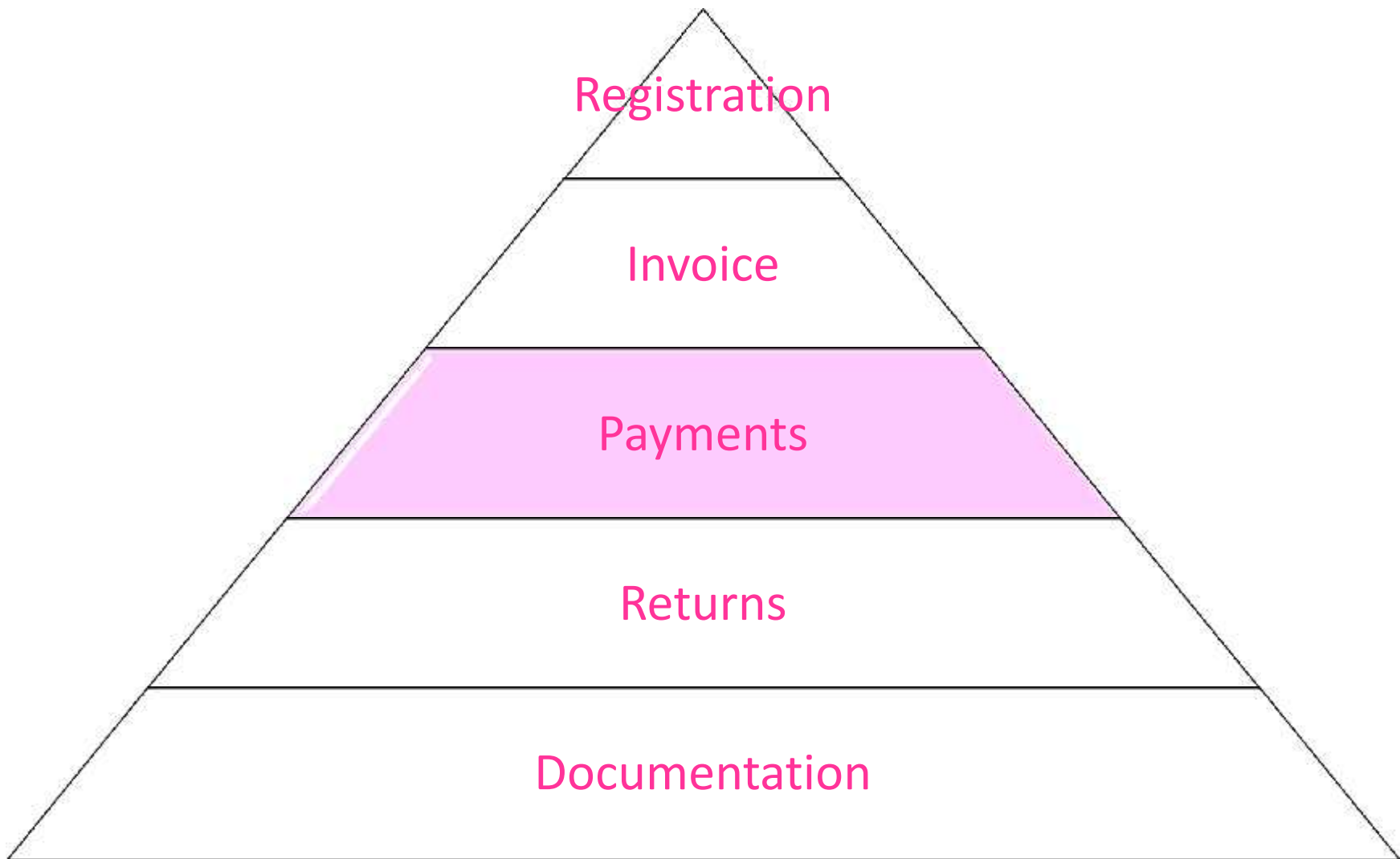
Consolidated revised  
invoice in respect of non  
registered recipient

Inter state supplies <  
2,50,000 consolidated  
revised invoice in respect  
of non registered assesseees

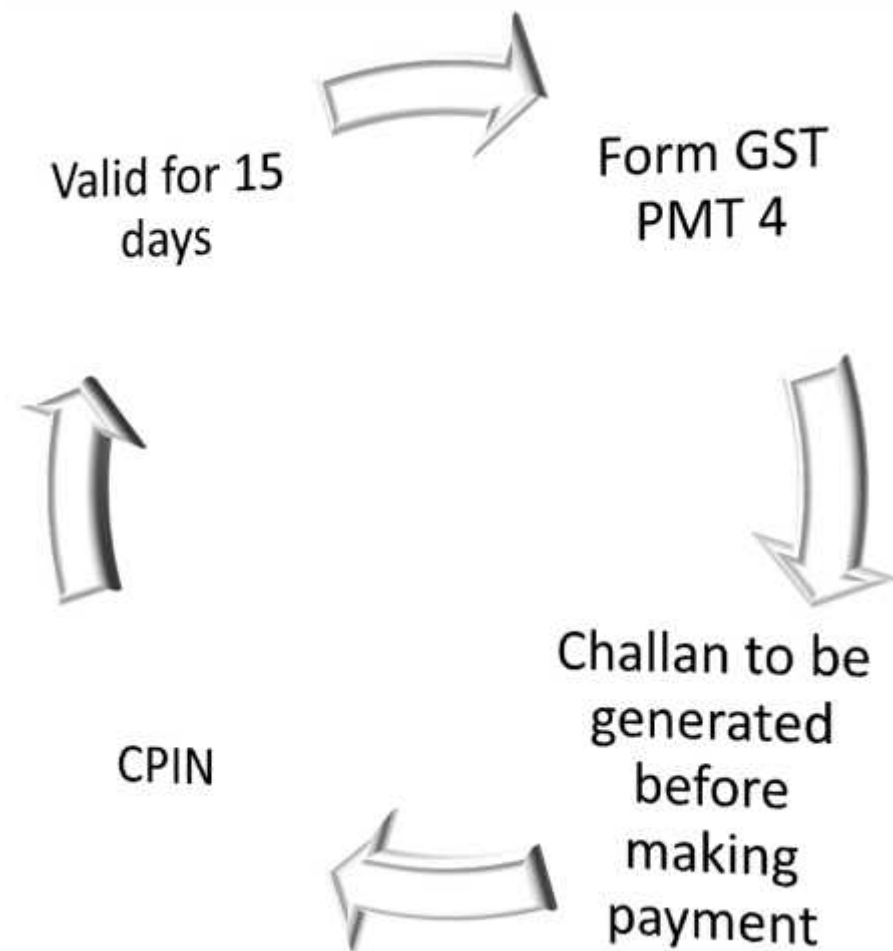
# Bill of supply



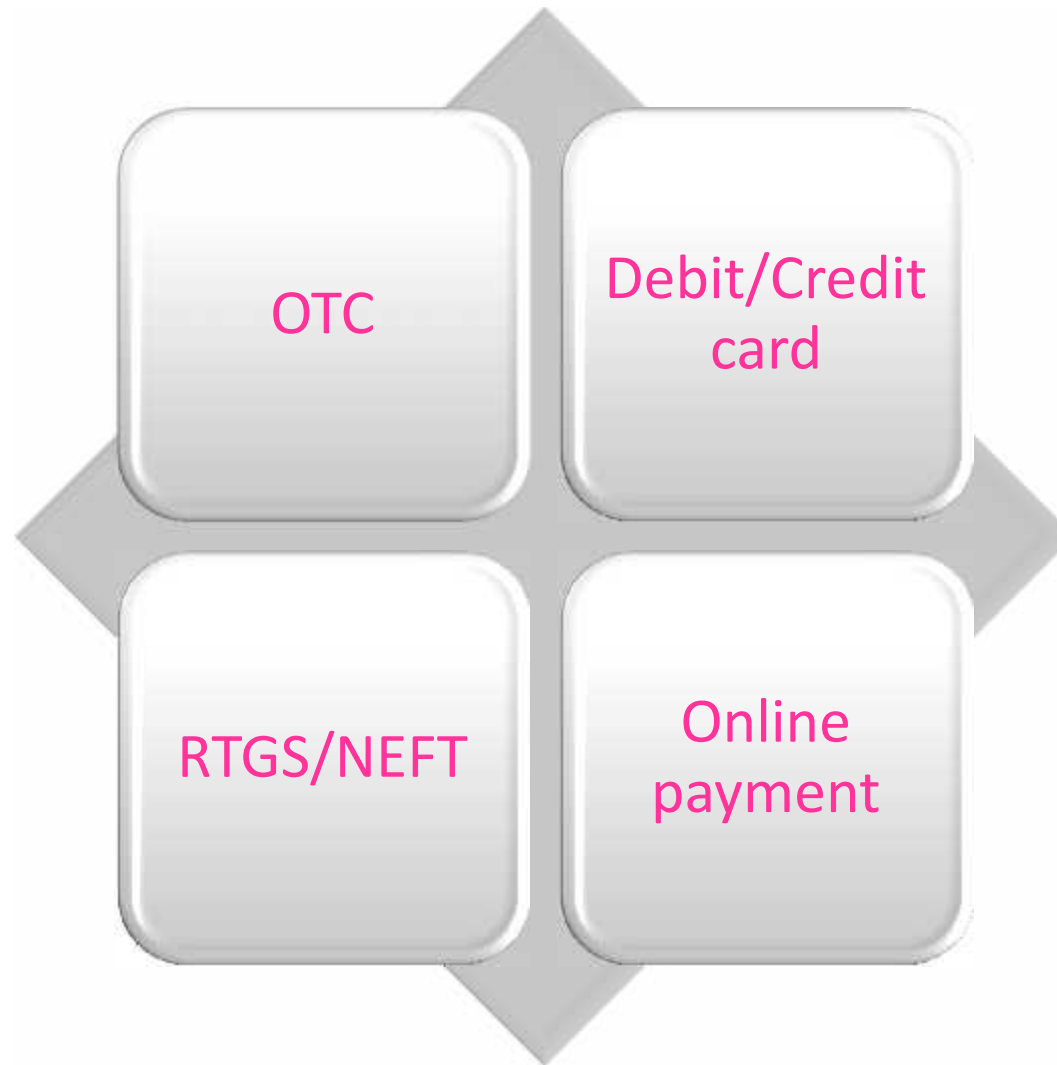




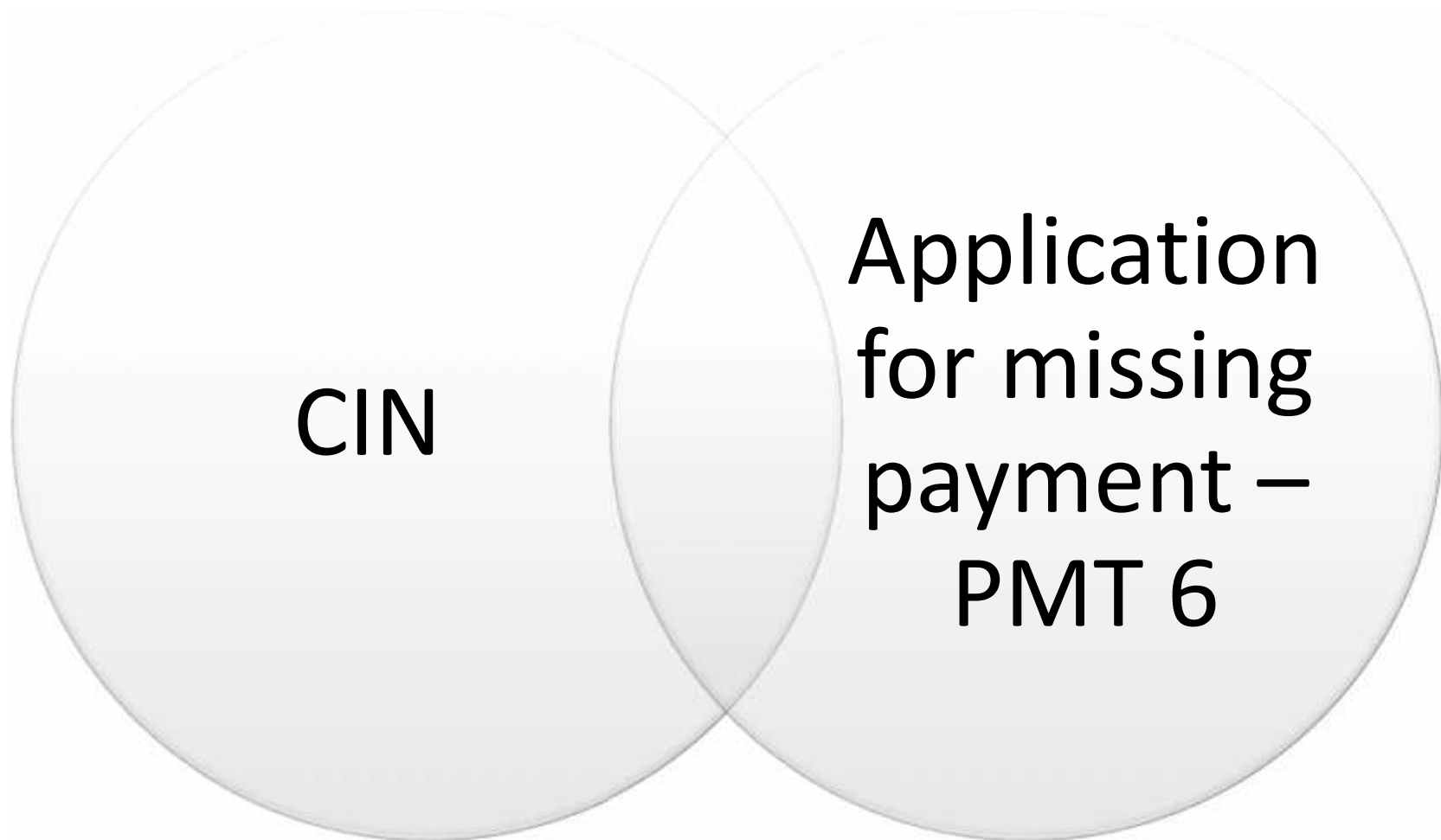
# Challan

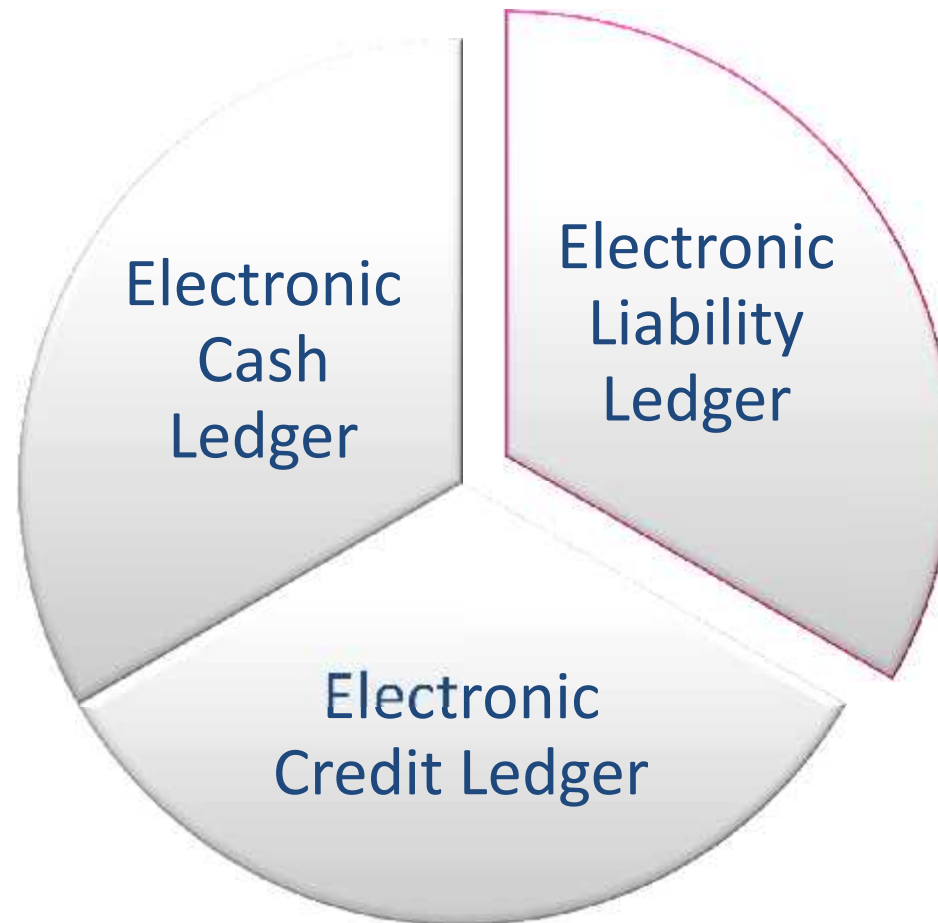


# Challan-Payment Options



## Challan





# Electronic Liability Register-FORM GST PMT 1



## Debits:

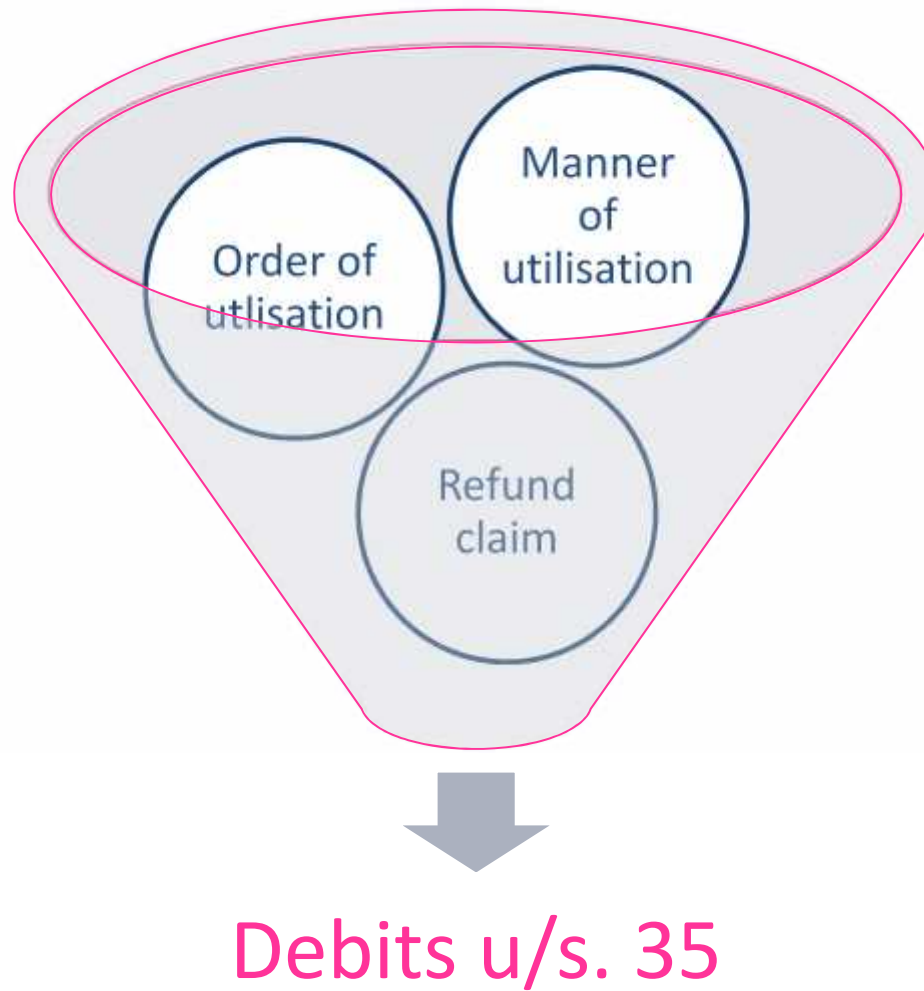
- As per return
  - Tax
  - Interest
  - Late fee
  - Any other amount payable
- As determined by the officer
  - Tax
  - Interest
  - Penalty
  - Any other amount payable
  - Tax and interest – mismatch
  - TDS/TCS/Composition tax



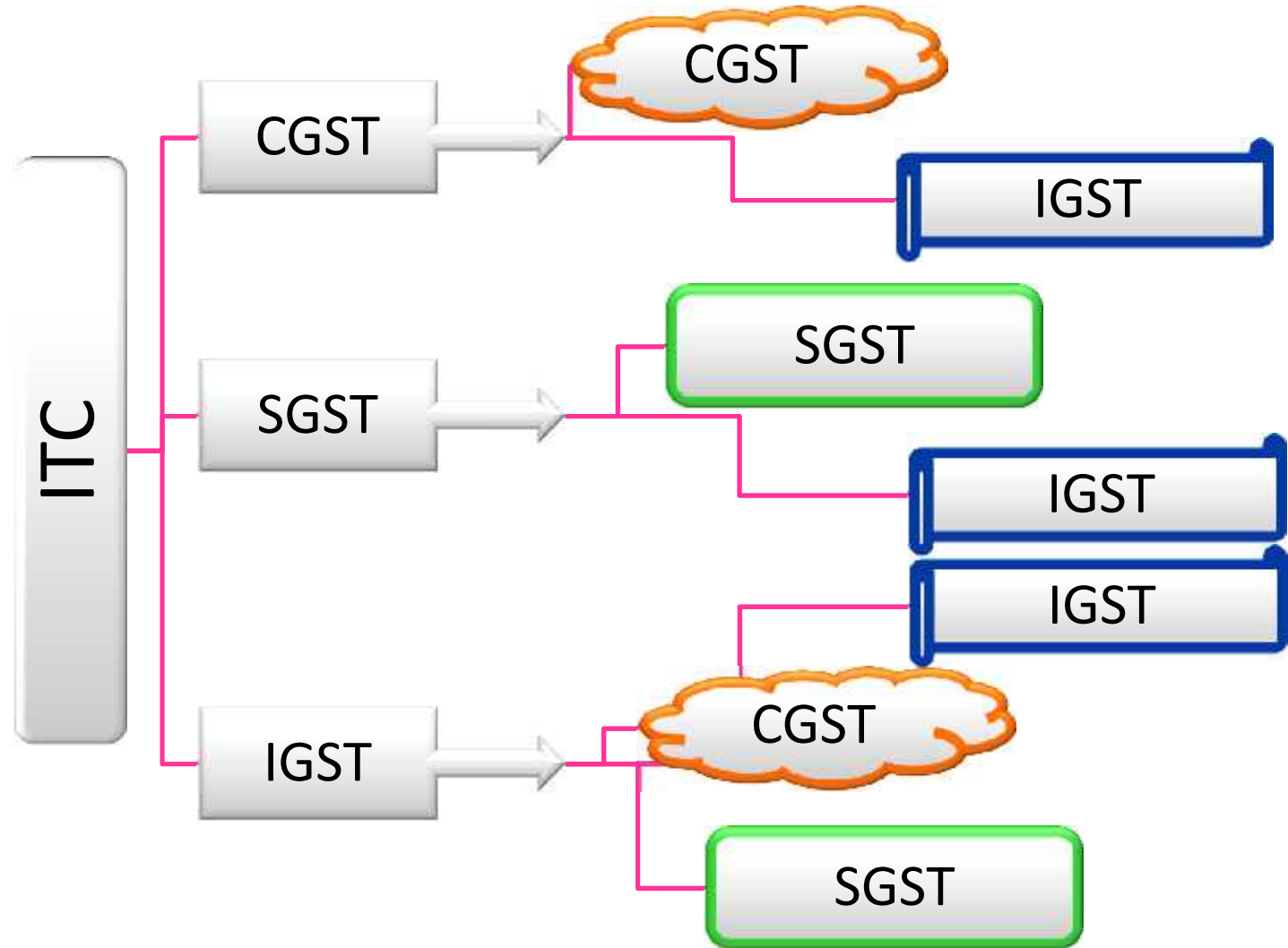
## Credits:

- Relief granted by appellate authority
- Penalties reduced due to payment of tax against SCN

## Electronic Credit Register-FORM GST PMT 2



## Manner of utilisation





## Order of utilisation

Self-assessed tax and other dues related to returns of previous tax periods

```
graph TD; A[Self-assessed tax and other dues related to returns of previous tax periods] --> B[Self-assessed tax and other dues related to return of current tax period]; B --> C[Any other amount payable under the Act or the rules made thereunder including the demand determined under section 51];
```

Self-assessed tax and other dues related to return of current tax period

Any other amount payable under the Act or the rules made thereunder including the demand determined under section 51

## Refund claim



**Rejection shall be reccredited**

# Electronic Cash Ledger-Form GST PMT


## 3

### Credits

- Payments by challan PMT 4
  - Payments under temporary to be recorded in PMT 5
  - Missing credits- PMT 6
- TDS/TCS to be credited
- Refunds rejected – Order PMT 2A

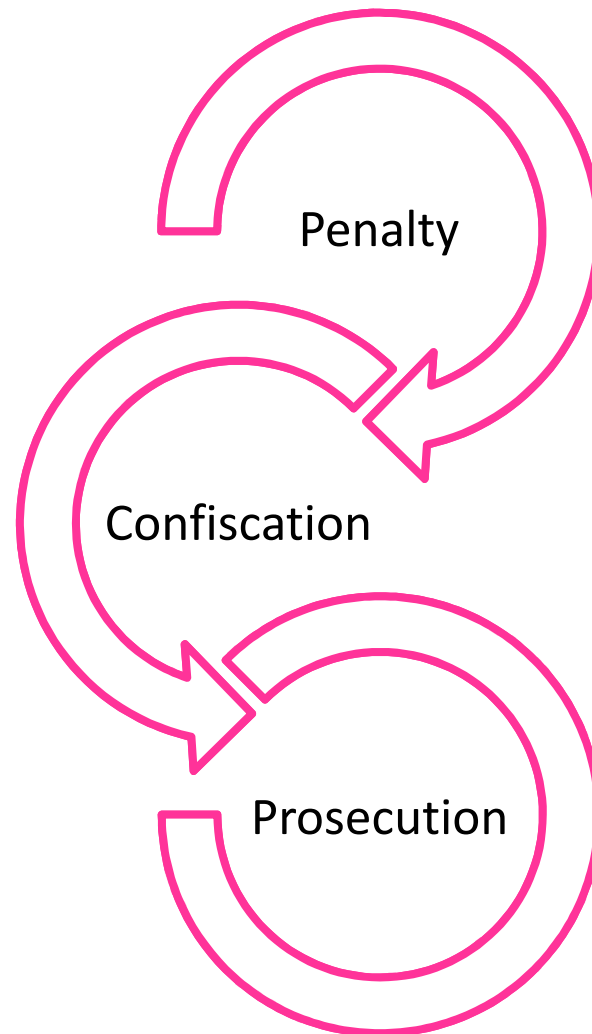
### Debits

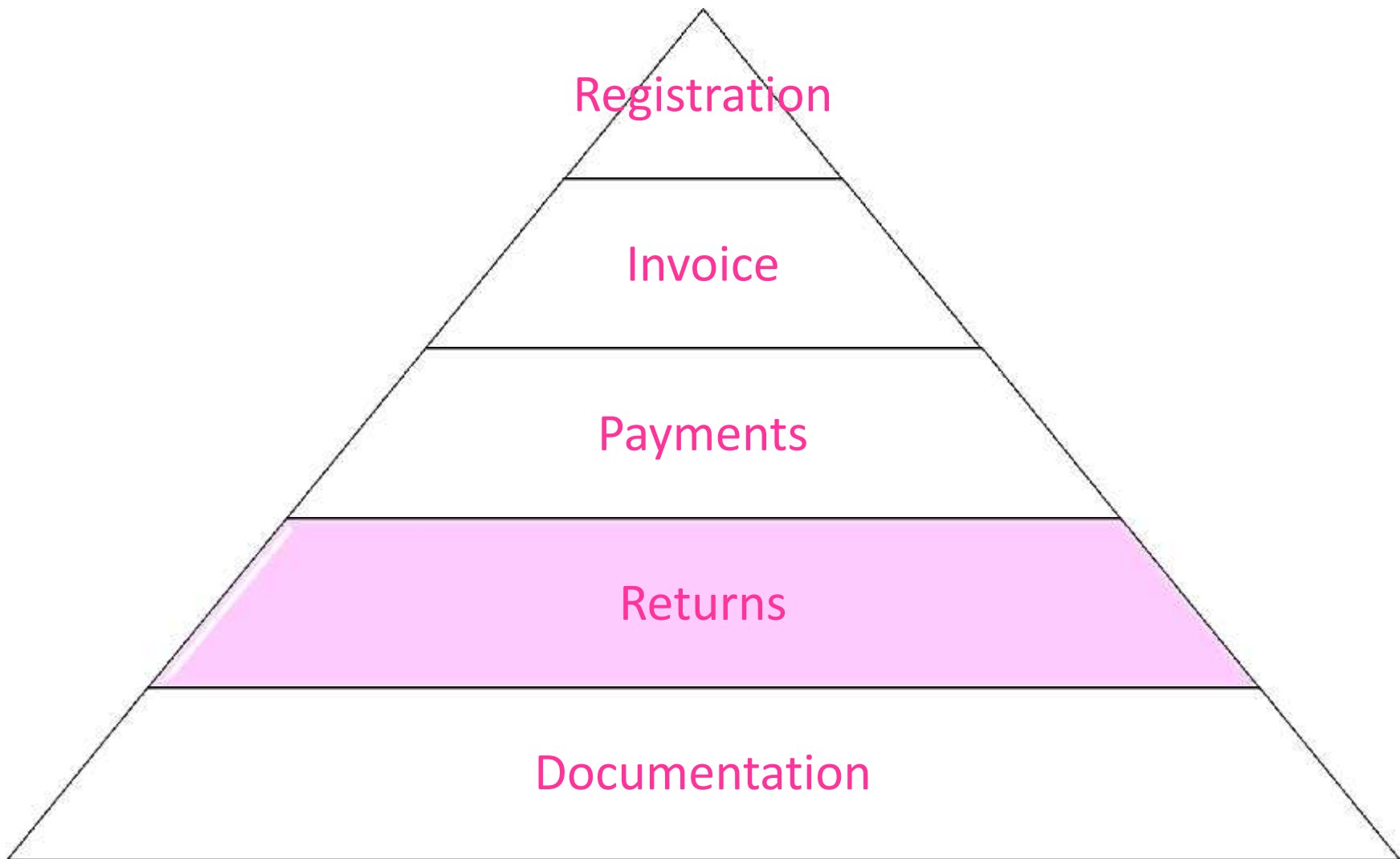
- Taxes
- Interest
- Late Fees
- Penalties



Unique identification  
number for each  
debit/credit

# Consequences of non-payment





# RETURNS

# GST Returns

## Model GST Law

Published in June, 2016

## GST Return Rules

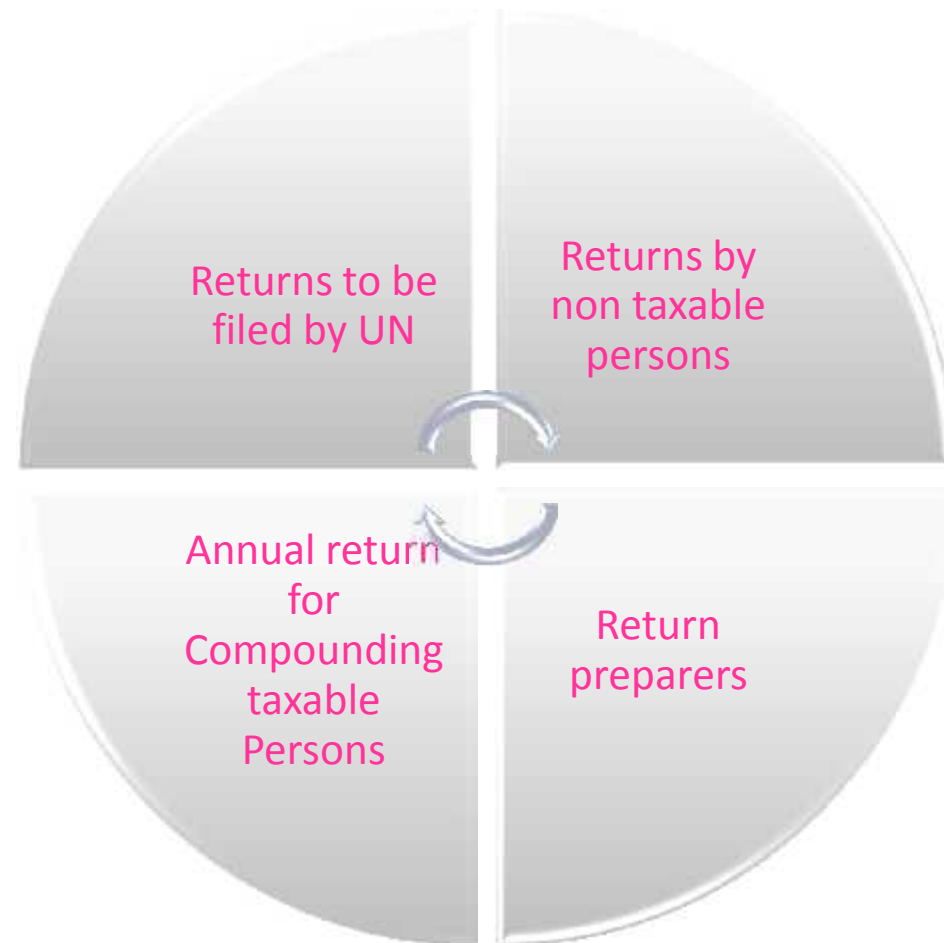
Published on 26<sup>th</sup> September, 2016

Note: Corresponding changes in the Model GST Law are being carried out separately. Comments, if any may kindly be given by 28<sup>th</sup> September, 2016

## GST Return Formats

Published on 26<sup>th</sup> September, 2016

## Details not covered in the presentation





## GST Returns

<b>Return</b>	<b>Purpose</b>	<b>Due Date</b>
GSTR-1	<b>Outward Supplies</b>	10 <sup>th</sup> of next month
GSTR-1A	<b>Outward Supplies as added, corrected or deleted by recipient</b>	To be made available after submission by recipient in GSTR-2 or GSTR-4
GSTR-2	<b>Inward Supplies</b>	15 <sup>th</sup> of next month
GSTR-2A	<b>Inward Supplies made available to recipient</b>	To be made available after due date of GSTR-1 filed by supplier
GSTR-3	<b>Monthly return</b>	20 <sup>th</sup> of next month
GSTR-3A	<b>Notice to defaulter</b>	After completion of due date of filing return

## GST Returns

<b>Return</b>	<b>Purpose</b>	<b>Due Date</b>
GSTR-4	<b>Compounding dealer</b>	18 <sup>th</sup> of month following the quarter
GSTR-4A	<b>Inward supplies made available to recipient under composition</b>	To be made available after submission by supplier in GSTR-1
GSTR-5	<b>Non-resident foreign taxable person</b>	20 <sup>th</sup> of next month/quarter or 7 days from the date of completion of registration period, whichever is earlier
GSTR-6	<b>ISD</b>	13 <sup>th</sup> of next month
GSTR-6A	<b>Inward Supplies made available to ISD recipient</b>	To be made available after submission by supplier in GSTR-1
GSTR-7	<b>TDS Deductor</b>	10 <sup>th</sup> of next month

## GST Returns

<b>Return</b>	<b>Purpose</b>	<b>Due Date</b>
GSTR-7A	<b>TDS Certificate</b>	
GST-ITC-1	<b>Communication of acceptance, discrepancy or duplication of ITC</b>	
GSTR-8	<b>E-commerce Operators</b>	
GSTR-9	<b>Annual return</b>	31 <sup>st</sup> December of next FY
GSTR-9A	<b>Annual return for Composition dealer</b>	31 <sup>st</sup> December of next FY
GSTR-9B	<b>Reconciliation Statement</b>	

## GST Returns

<b>Return</b>	<b>Purpose</b>	<b>Due Date</b>
GSTR-10	<b>Final Return</b>	3 months of date of cancellation or date of cancellation order, whichever is later
GSTR-11	<b>Inward Supplies by person having UIN</b>	
GST-TRP-1 to 7	<b>Tax return preparers</b>	

# Outward Supplies (Section 25)-GSTR-1

Every registered taxable person

~~ISD, Composition dealer and TDS Deductor~~

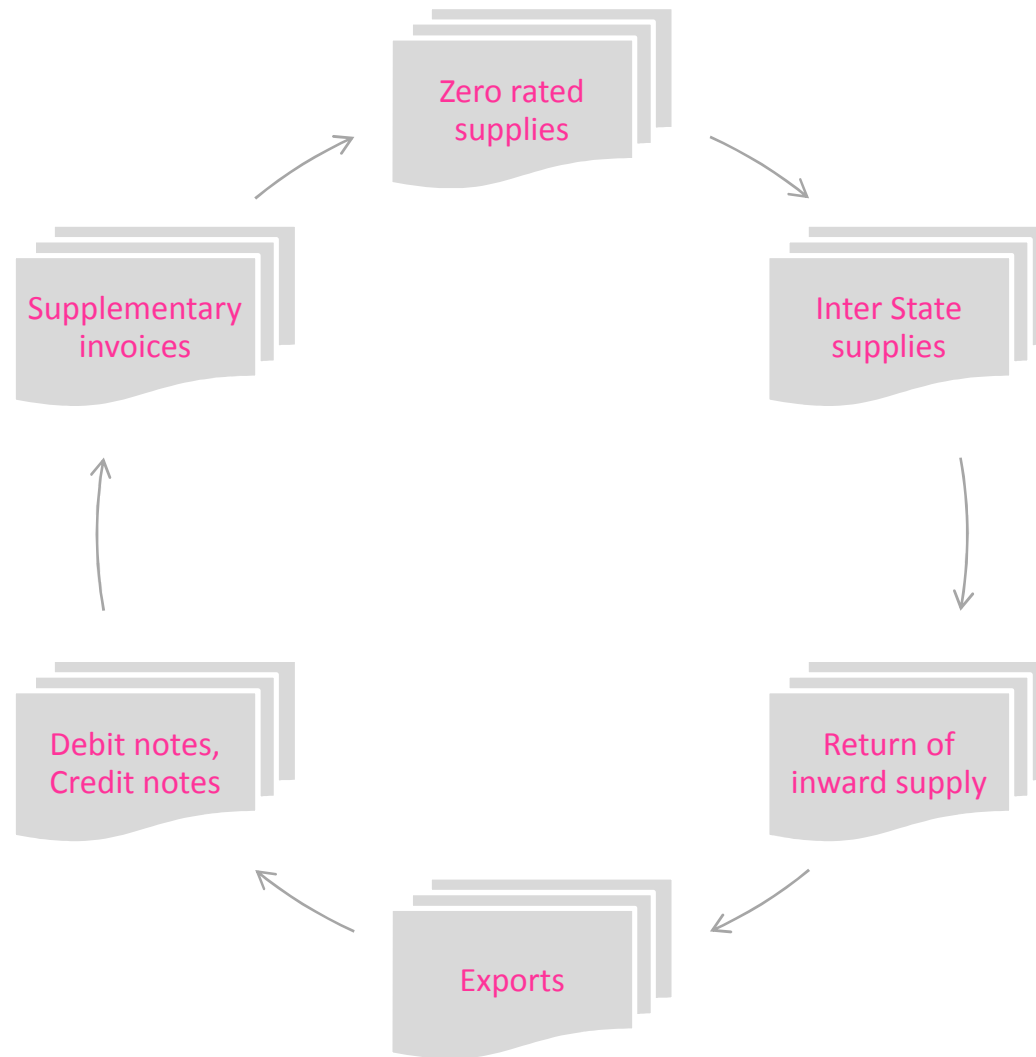
Furnish Electronically

Details of outward supplies of goods and/or services

By 10<sup>th</sup> of next month

Extension by Board/Commissioner by Notification

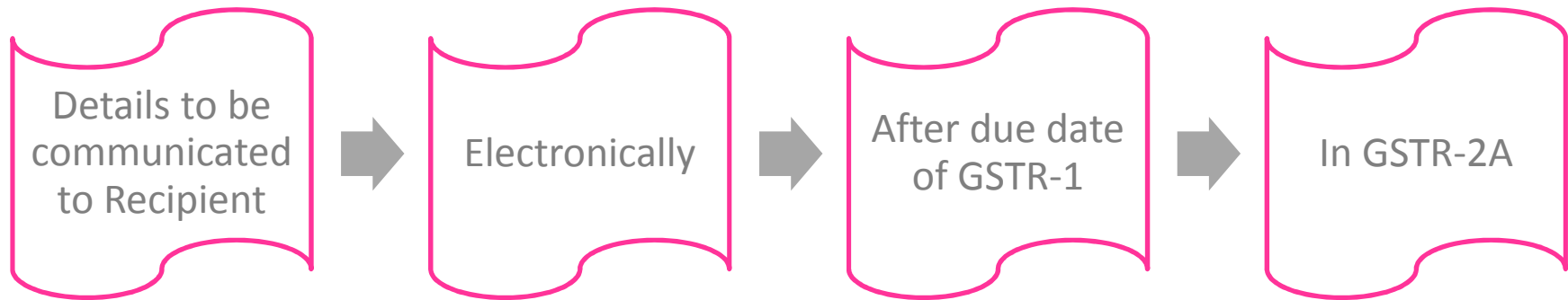
# Details of Outward Supplies includes (Section 25)



# Outward Supplies (Section 25)-GSTR-1

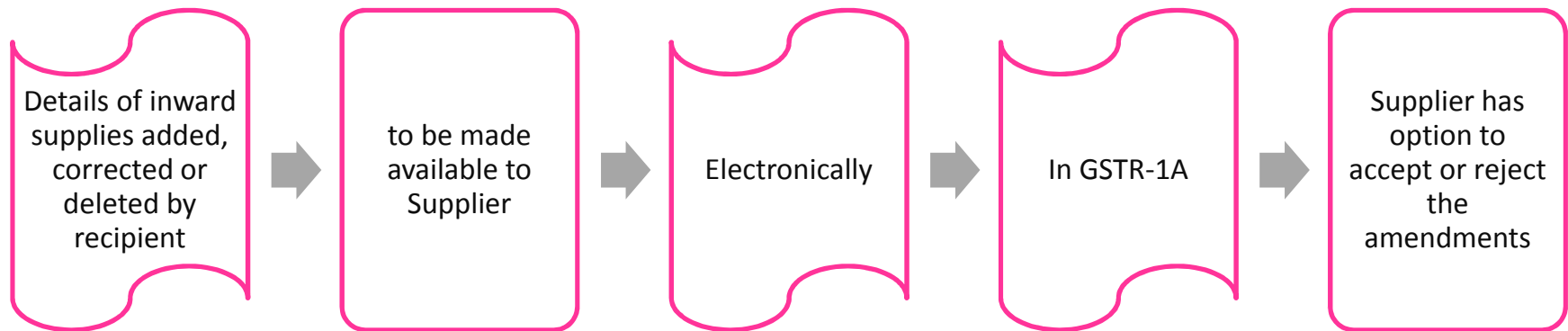


## Outward Supplies (Rule 1 (2))





## Outward Supplies (Rule 1 (3))



## Outward Supplies (Section 25)

Hey! It's a good deal.  
You would enjoy our  
professional services.

I would give advance  
of Rs. 25,000/- on  
account and balance  
on completion of  
assessment



## Outward Supplies (Section 25)

Should I provide details in outward supplies? I have not raised any invoice for advance...



## Outward Supplies (Section 25)



## GSTR 1

Sr. No.	Particulars
1 to 4	Basic Details such as GSTIN, Name, Aggregate T/o in previous FY, Period
5	Taxable outward supplies to a registered person
5A	Amendments to details of outward Supplies to a registered person of earlier tax periods <ul style="list-style-type: none"> <li>• Original invoice details to be provided twice?</li> <li>• POS – Only if different from the location of recipient</li> </ul>
6	Taxable outward supplies to a consumer where place of supply (State Code) is other than the State where supplier is located (Inter-state supplies) and invoice value is more than Rs. 2.5 Lakh
6A	Amendment to taxable outward supplies to a consumer of earlier tax periods where place of supply (State Code) is other than the State where supplier is located (Inter-state Supplies) and invoice value is more than Rs. 2.5 Lakh
7	Taxable outward supplies to consumer (Other than 6 above)
7A	Amendment to Taxable outward supplies to consumer of earlier tax periods (original supplies covered under 7 above in earlier tax period (s))

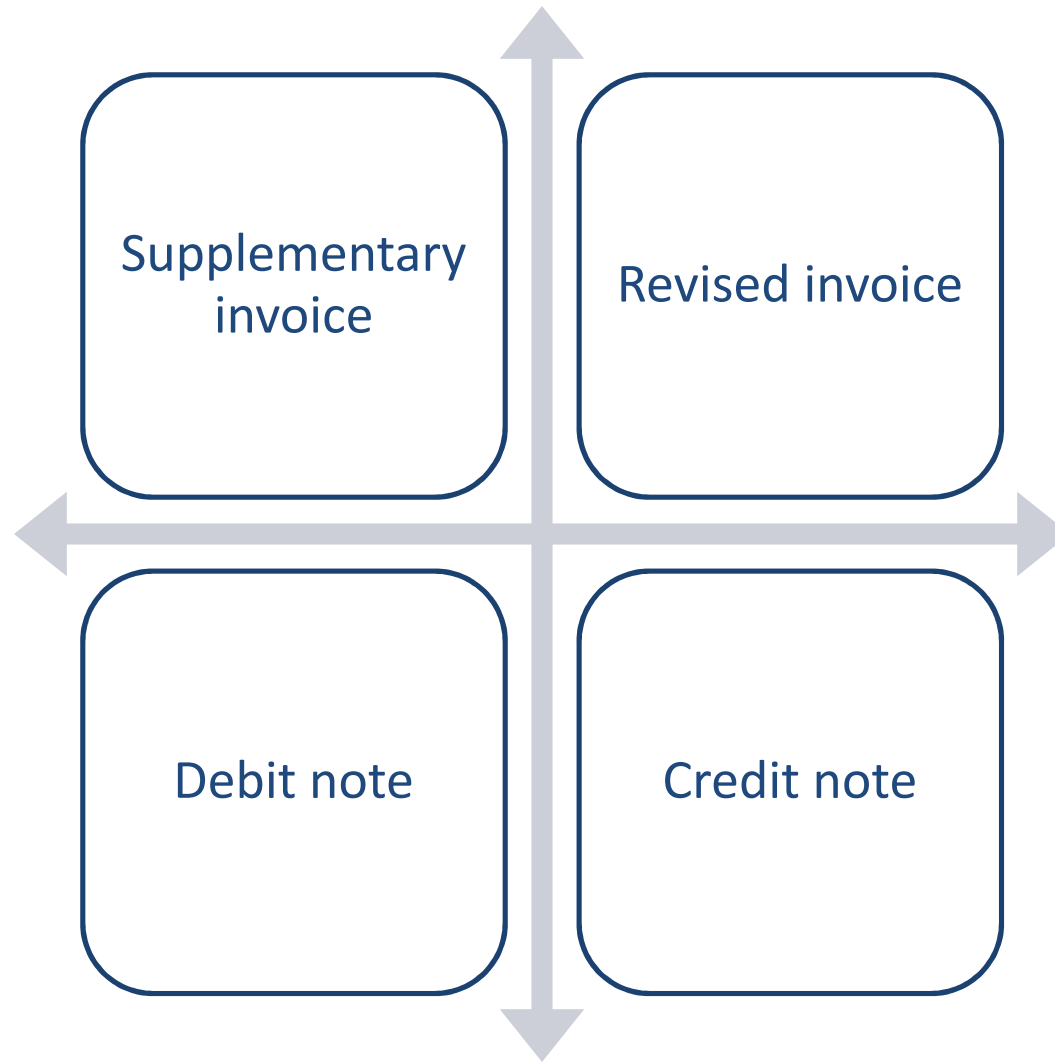
## GSTR 1

Sr. No.	Particulars
8	Details of Credit/Debit Notes
8A	Amendment to Details of Credit/Debit Notes of earlier tax periods
9	NIL rated, exempted and Non-GST outward supplies
10	Supplies Exported (including deemed exports)
10A	Amendment to Supplies Exported (including deemed exports)
11	Tax liability arising on account of Time of Supply without issuance of invoice in the same period
11A	Amendment to Tax liability arising on account of Time of Supply without issuance of invoice in the same tax period
12	Tax already paid (on advance receipt/on account of time of supply) on invoices issued in the current period
13	Supplies made through e-commerce portals of other companies <ul style="list-style-type: none"> <li>• Part 1-Supplies made through e-commerce portals of other companies to Registered taxable persons</li> <li>• Part 2-Supplies made through e-commerce portals of other companies to Unregistered persons</li> </ul>

## GSTR 1

Sr. No.	Particulars
	<ul style="list-style-type: none"><li>• Part 2A-Amendment to Supplies made through e-commerce portals of other companies to Unregistered Taxable Persons</li><li>• No amendment to supplies through e-commerce portal to registered taxable person?</li></ul>
14	Invoices issued during the tax period including invoices issued in case of inward supplies received from unregistered persons liable for reverse charge

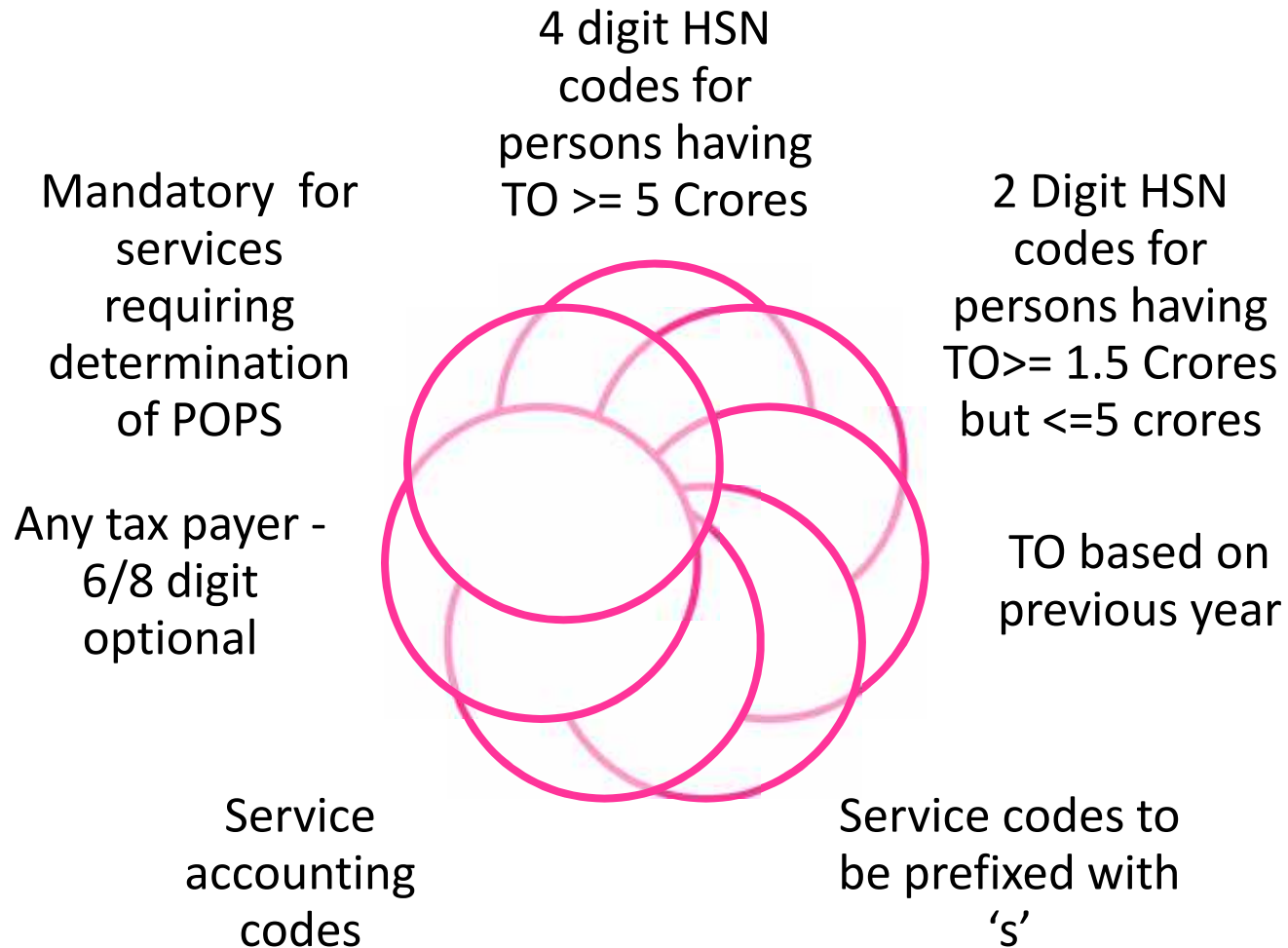
# GSTR 1



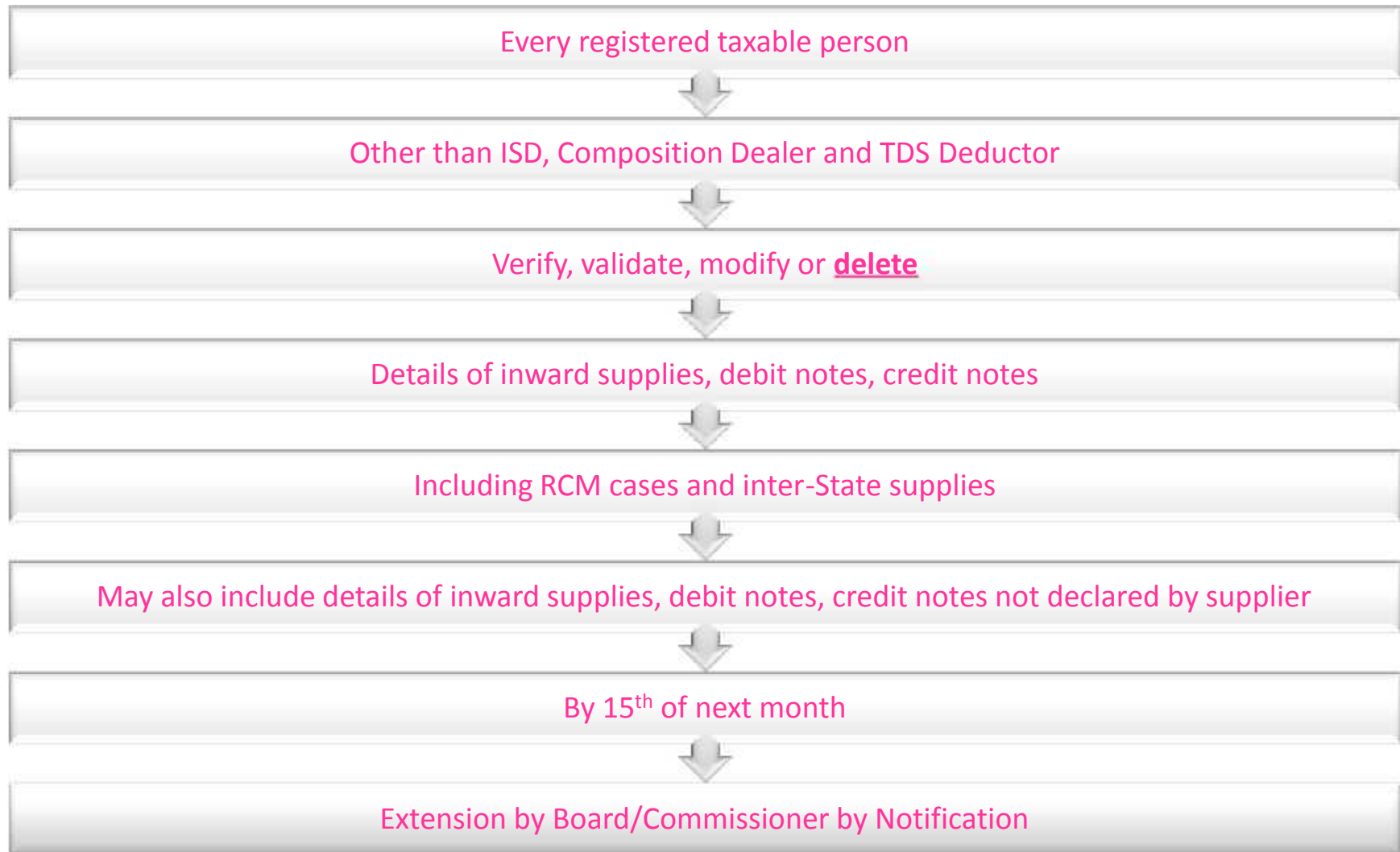


# GSTR 1

- Invoice Particulars



# Inward Supplies (Section 26)-GSTR-2





# Inward Supplies (Section 26)-GSTR-2



## Inward Supplies (Rule 2)-GSTR-2



- Every registered taxable person



- On the basis of Form A of GSTR-2A



- Furnish GSTR-2 electronically



- Include details of other inward supplies



- Specify if not eligible for ITC



- Details of invoices received from ISD in Part B of GSTR-2A

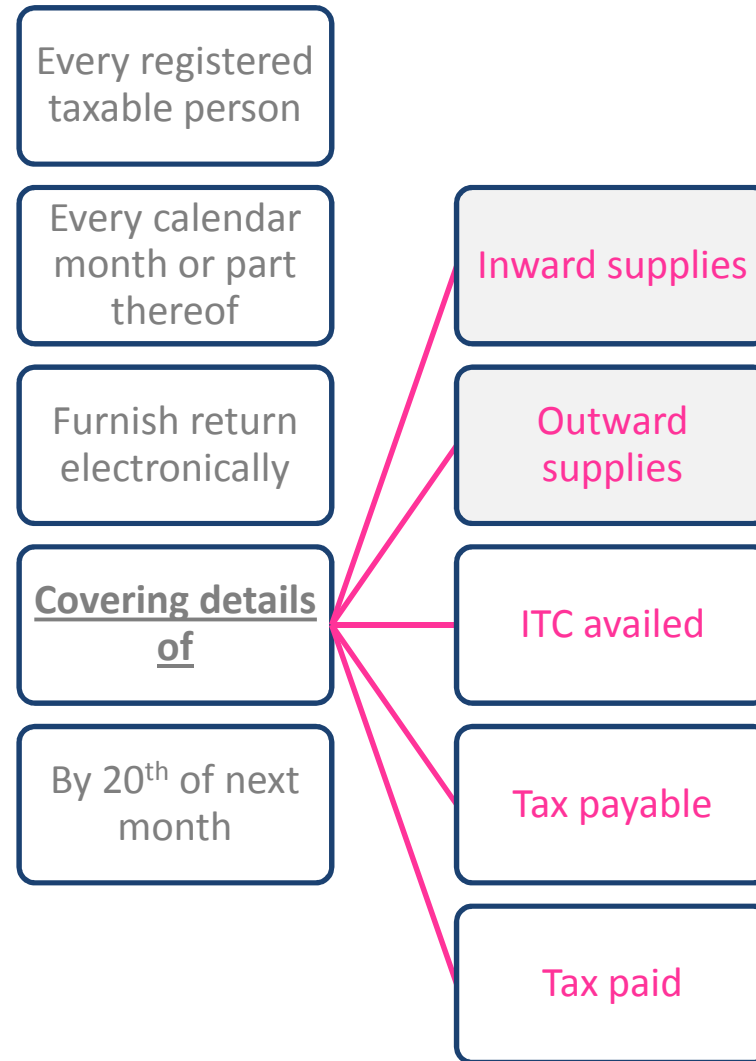


- Details of TDS in Part C of GSTR-2A

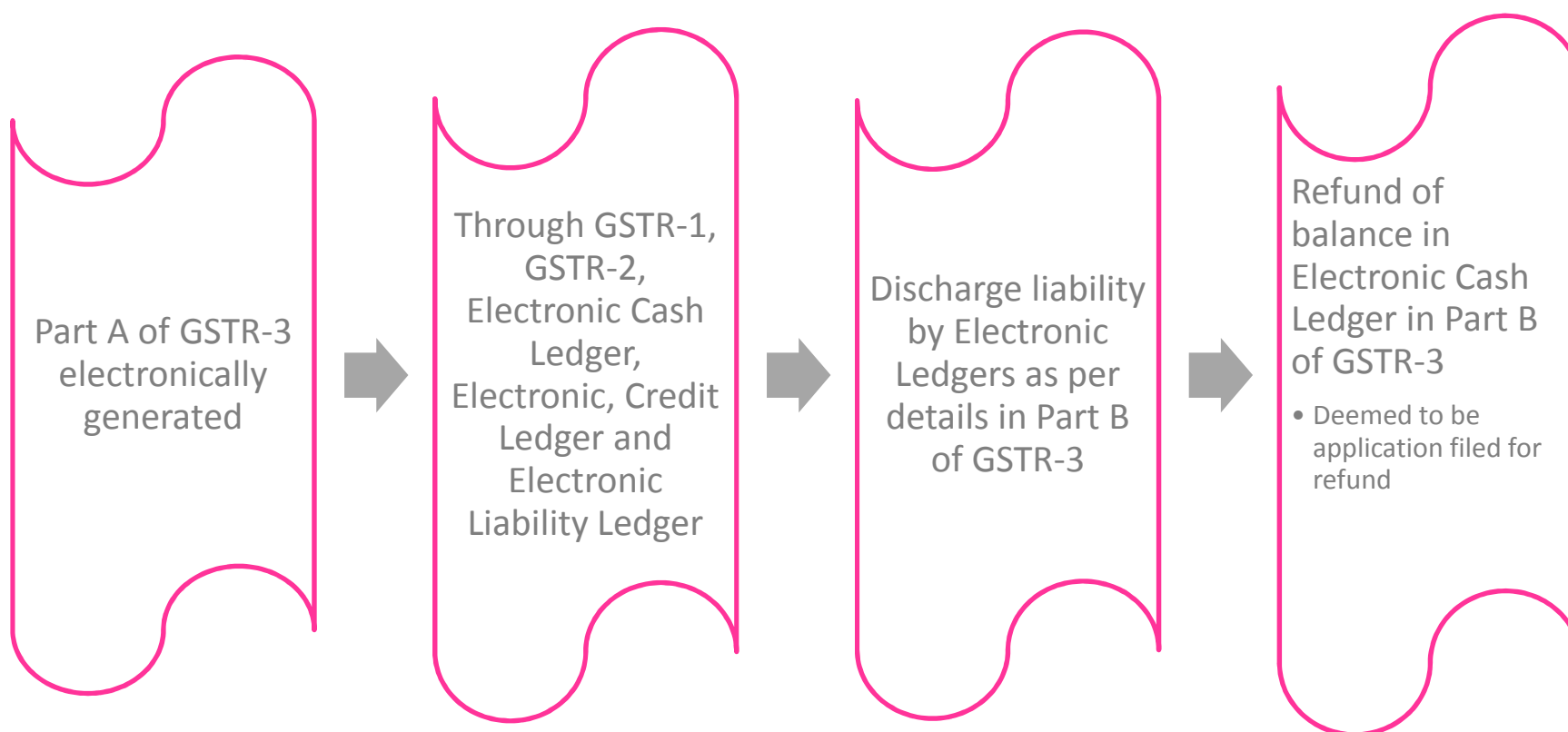


- Details of TCS in Part D of GSTR-2A

## Returns (Section 27)-GSTR-3



## GST monthly Return (Rule 3)-GSTR-3



## Returns (Section 27)-GSTR-3





## Returns (Section 27)-GSTR-3

If no supplies  
of goods  
and/or  
services

Return to be  
furnished?

Yes

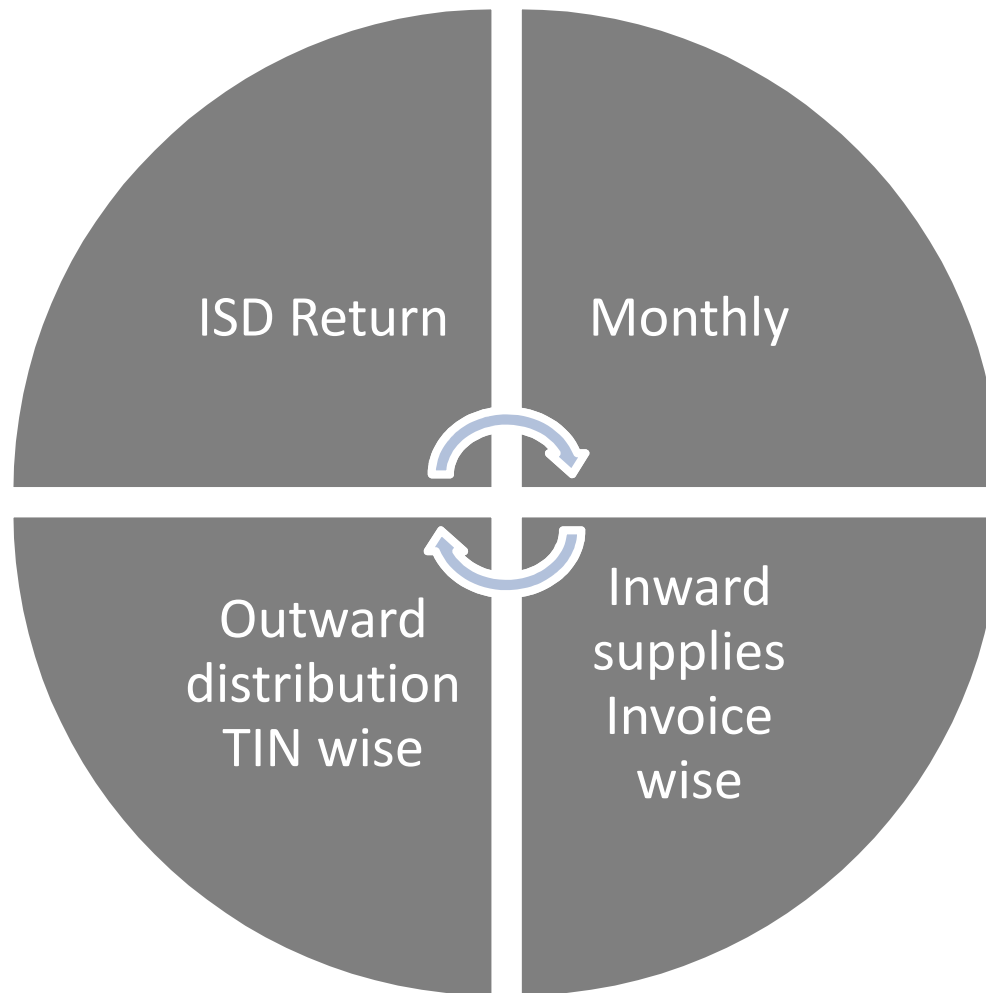
## Returns (Section 27)-GSTR-3

- If taxable person discovers
- Omissions or incorrect particulars
- Other than scrutiny, audit, inspection or enforcement by tax authorities
- Rectify in the return of tax period when the issue was noticed
- Pay interest where applicable
- No rectification allowed after either of following dates whichever is earlier:
  - Due date of filing return for September month/second quarter following end of FY or
  - Actual date of filing relevant annual return

## GSTR 4

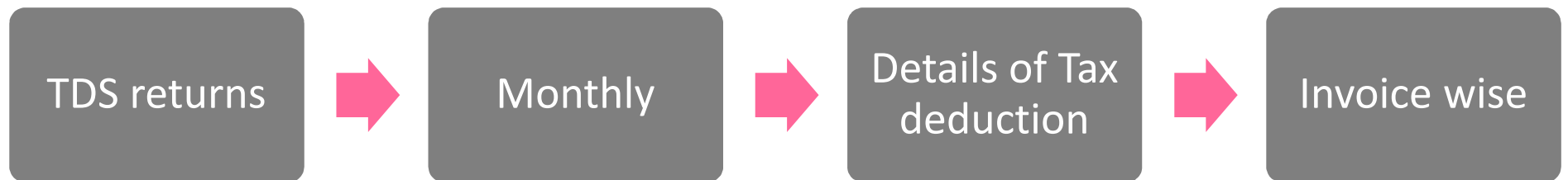
- Compounding dealers
- Quarterly
- Inward supplies
  - Invoice number wise
  - For registered /unregistered supplier
  - Auto populated/non auto populated
  - Reverse charge
    - Auto populated
    - Others
- Import of goods
  - Bill of entry wise details
- Import of services
  - Invoice wise details
- Outward supplies made
  - Only consolidated turnover and tax details
    - Intra state
    - Non GST
- Debit/Credit notes
- TDS credit-auto populated only
- Liability without supply
- Amendments
- Liability
- Payment/refund claim
- Likelihood of crossing limit for composition

# GSTR 6



# GSTR 7

Normally for authorities – Draft return formats



# **E COMMERCE OPERATORS**

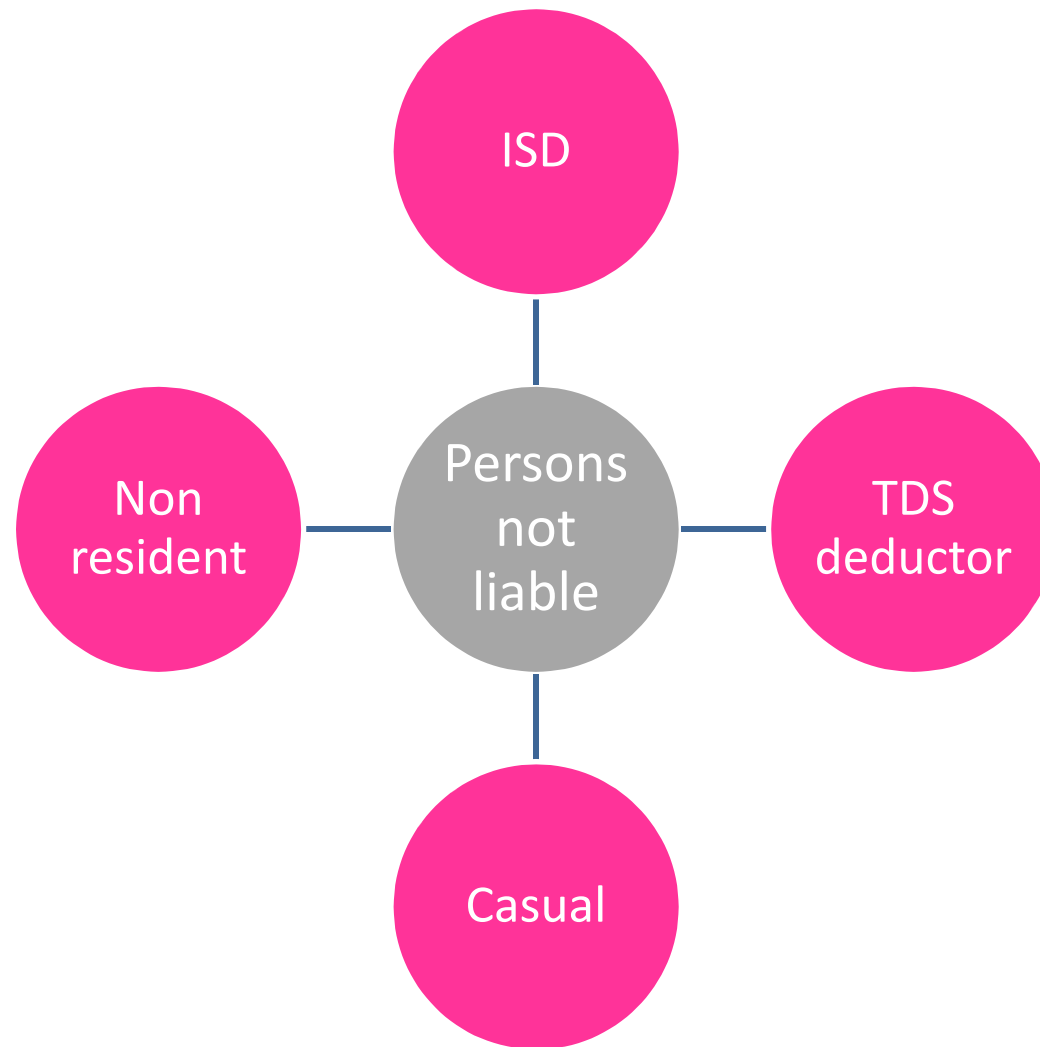
## GSTR 8 (Sec. 43C (4))

- Details of the supply made through the e-commerce operator
  - To Registered taxable persons
    - Invoice wise details
    - Merchant ID
    - GSTIN of supplier
    - Taxable value
    - HSN/SAC
    - Rate and amount of tax
    - State code of place of supply
  - Amendments to previous period details
  - Supplies to unregistered persons
    - Invoice wise details not required
  - TCS
    - Tax period
    - Merchant ID
    - Name of the supplier
    - Value on which TCS collected
    - Nature of supply: b2b or b2c
    - Rate and amount of TCS
      - IGST
      - CGST
      - SGST
  - Liability payable and paid

**ANNUAL RETURN**



## Annual Return GSTR 9 Sec. 30(1)





Composition  
dealer in form  
GSTR 9A



Audited  
reconciliation in  
form 9B

## GSTR 9

- Details of the Taxable person
- Details of the Audit/auditors
- Details of expenditure
  - Total value of purchases
    - On which ITC claimed
      - Inter state (separate details for imports)
        - » Goods
          - HSN Code wise
          - Quantity details
          - Tax rate and ITC
        - » Services
          - Accounting code
      - Intra state
        - On which No ITC claimed
        - Sales returns
        - Other expenditure
- Details of Income
  - On which GST paid
    - Inter state (separate for exports)
    - Intra state
  - On which no GST paid
  - Purchase returns
  - Income other than supplies
- Return reconciliation
- Current status of arrears/refunds

**FINAL RETURN**

## GSTR 10 (Section 31)

- Time limit: within three months of the date of cancellation or date of cancellation order, whichever is later
- Application reference number of surrender
- Effective date of cancellation
- Details of cancellation order
- Details of closing stock
  - Inputs as such
    - HSN code wise
    - Quantity
    - Price
    - ITC availed
    - Output tax
  - Inputs as semi-finished goods
  - Inputs in finished goods
  - Input services
  - Capital goods
- Amount of tax payable on closing stock
  - Higher of ITC availed or output tax

# Consequences of non-filing/wrong filing of return

Notice to  
return  
defaulters  
(Section 32)

Late fees  
(Section 33)

Annual return:  
100/- per day  
or 0.25% of  
aggregate  
turnover,  
whichever is  
lower

Other than  
annual return:  
Rs. 100/- per  
day or Rs.  
5,000/-,  
whichever is  
lower

Mis-match  
and  
Disallowance  
of ITC

To self

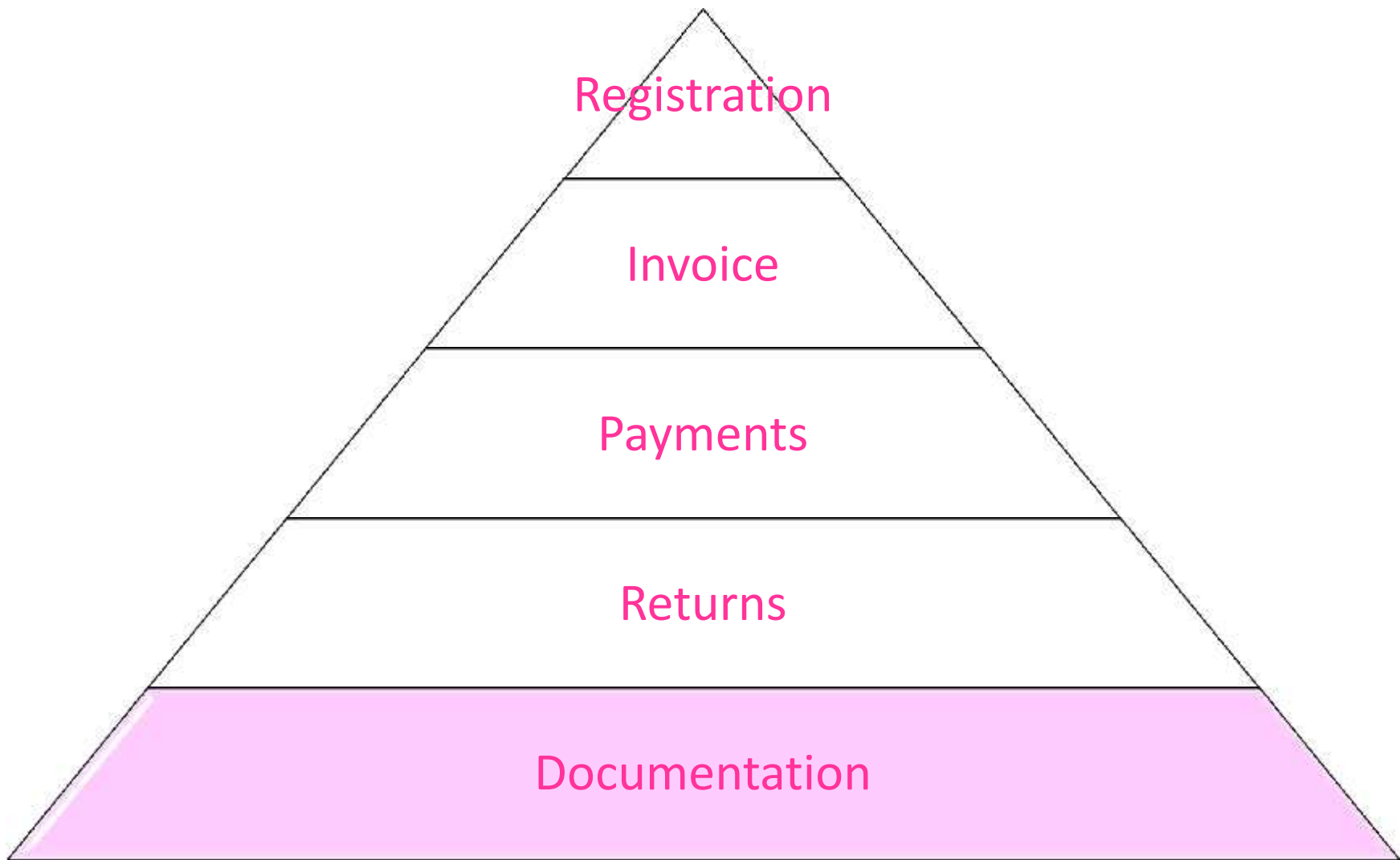
To recipient

Penalty

Max. upto Rs.  
5,000/-  
(Section 67)

Prosecution

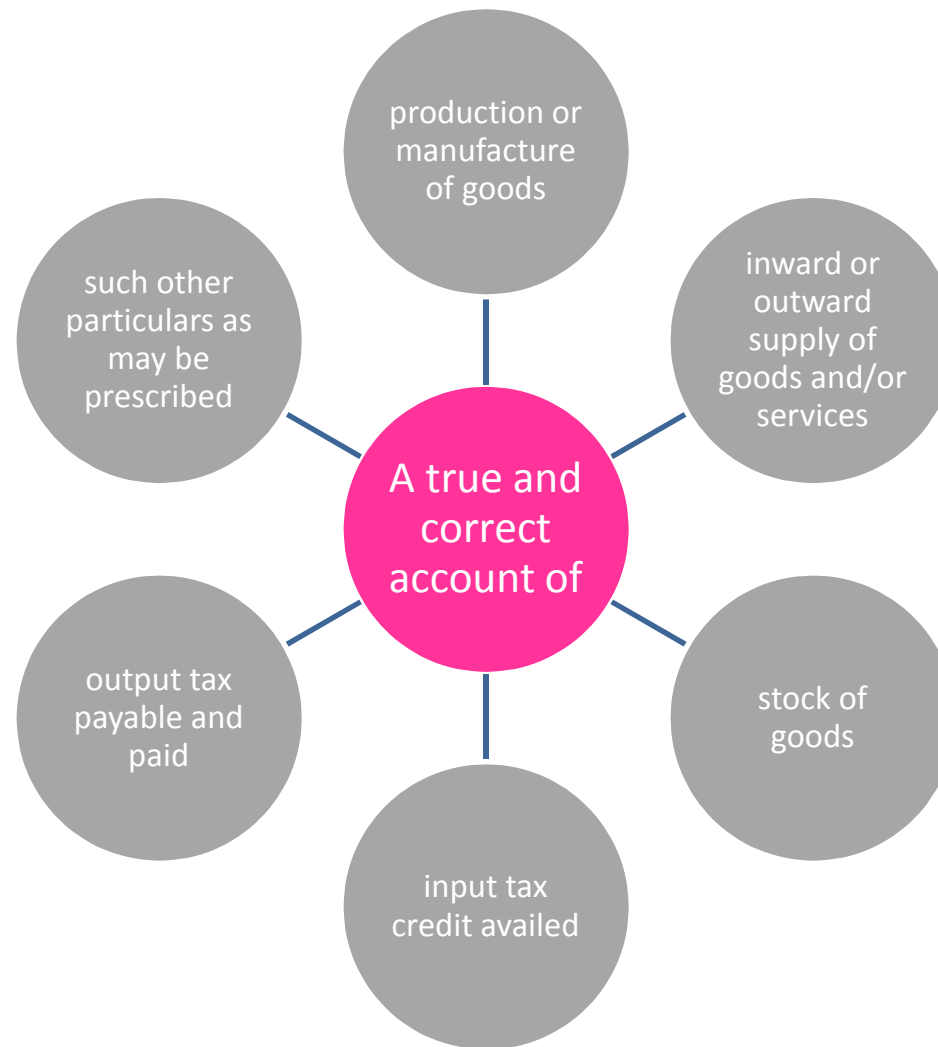
If the  
information is  
false and  
amount  
involved is  
more than 25  
lacs



**DOCUMENTATION**



## Accounts and records to be maintained ( Sec. 42)



To be preserved for 60 months from the last date of filing of Annual Return



where more than one place of business is specified in the certificate of registration, the accounts relating to each place of business shall be kept at such places of business concerned

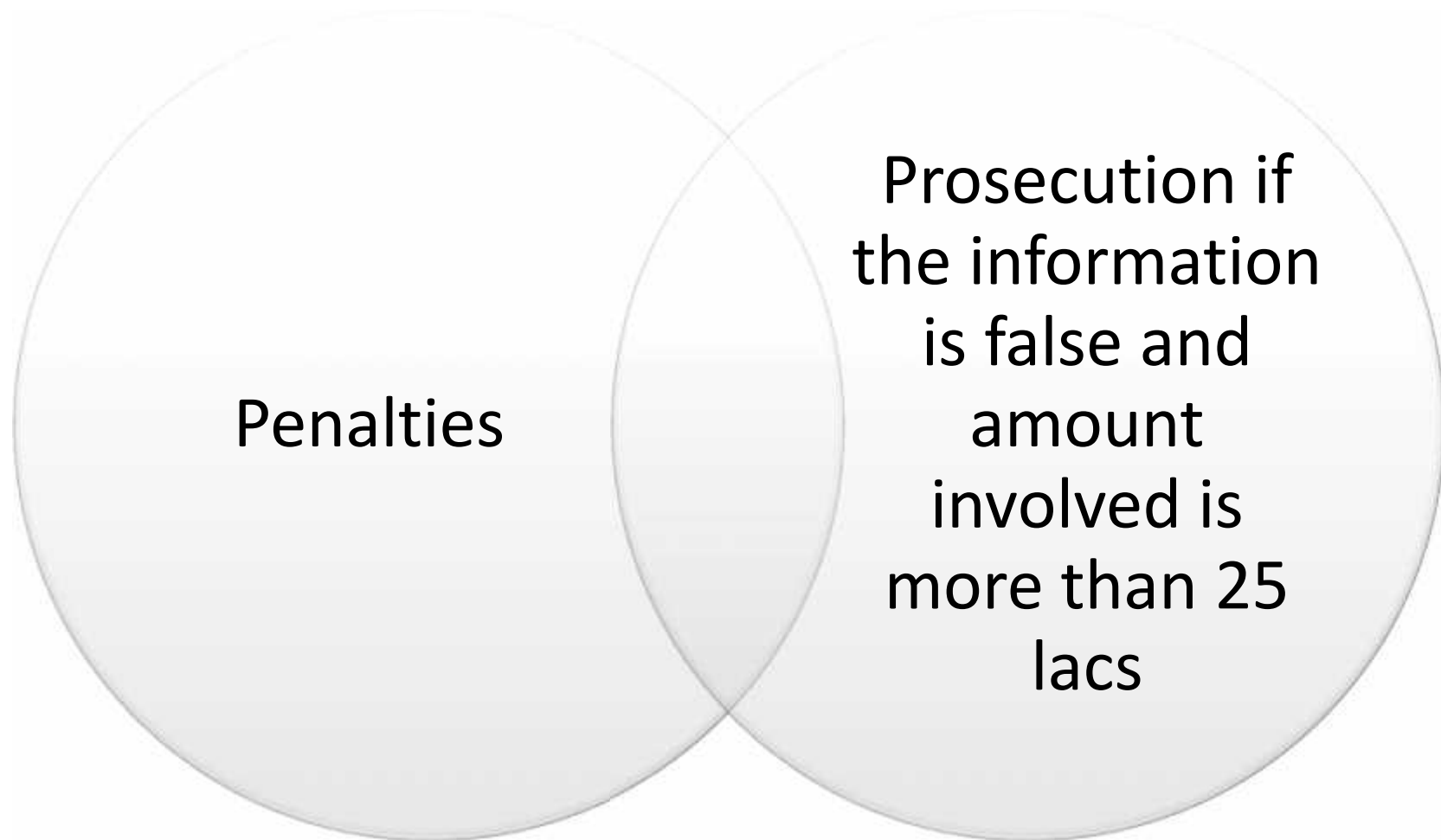


the registered person may keep and maintain such accounts and other particulars in the electronic form in the manner as may be prescribed



The [Commissioner/Chief Commissioner] may notify a class of taxable persons to maintain additional accounts or documents for such purpose as may be specified

## Consequences of non filing/wrong filing of returns



# Contact us...



*Right advice at right time...*



2/19 Nityanand Nagar, Sahar Road, Andheri  
(East), Mumbai-400 069.

+91 22 2683 6519  
+91 98210 12151

[jayeshgogri@gscintime.com](mailto:jayeshgogri@gscintime.com)  
[info@gscintime.com](mailto:info@gscintime.com)

[www.gscintime.com](http://www.gscintime.com)