

LAST DAY REVISION BOOK FOR CA FINAL IDT

**PREPARED BY
CA MAHESH GOUR**

**FOR
NOV 2018 EXAMS**

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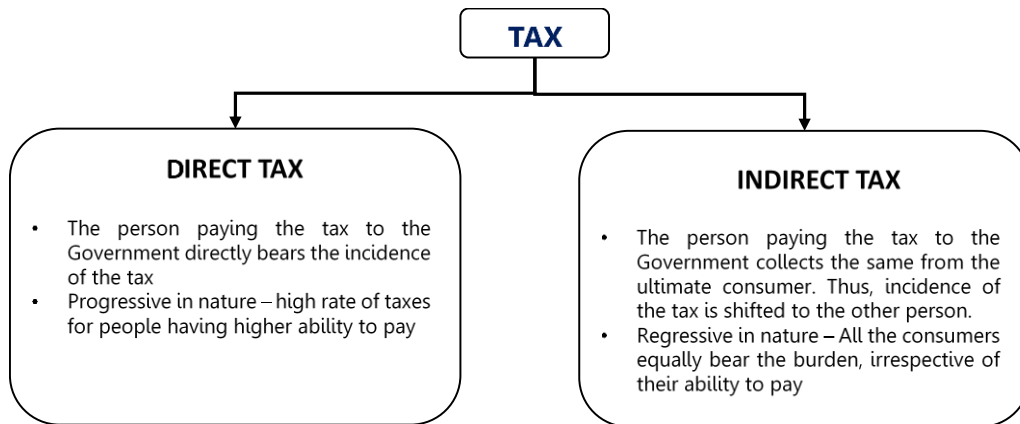


CHAPTER 1. GST IN INDIA – AN INTRODUCTION

WHAT IS TAX?

In simple words, tax is nothing but money that people have to pay to the Government, which is used to provide public services.

DIFFERENCE BETWEEN DIRECT AND INDIRECT TAX



WHAT IS GST?

Simply put, Goods and Service Tax is a tax levied on goods and services imposed at each point of sale or rendering of service. Such GST could be on entire goods and services or there could be some exempted class of goods or services or a negative list of goods and services on which GST is not levied. GST is an indirect tax in lieu of tax on goods (excise) and tax on service (service tax). The GST is just like State level VAT which is levied as tax on sale of goods.

GST IN INDIA

GST is a comprehensive Indirect Tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the Central and State Governments.

It is introduced as Constitution (101st Amendment) Act, 2016. The GST is governed by GST Council and its Chairman is Union Finance Minister of India.

France was the first country to implement GST in the year 1954. Presently about 160 countries across the world have adopted GST with Canada has a dual GST model just like India.



CONCEPT OF GST

GST IS A VALUE ADDED TAX

GST is a tax levied at multiple stages of production & distribution of goods & services in which tax paid on inputs are allowed as set-off against tax payable on output. In short, we can say that GST is charged on "Value Addition."

CHAIN OF TAX CREDITS

GST offers comprehensive and continuous chain of tax credits from the producer's point/service up to the retailer's level/consumer's level.

BURDEN ON FINAL CONSUMER

The final burden of GST is borne by the consumer as it is charged by the last supplier with set off benefits at all previous stages.

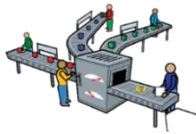
NO CASCADING EFFECT OF TAXES

The past tax structure of India has number of indirect taxes collected both by Central and State Government. Due to such *multiple taxes*, there had been **cascading effect** of taxes (*tax on tax*) and double taxation.

GST will subsume all these indirect taxes and will thus, facilitate *seamless flow of credit* resolving the problem of double taxation and cascading effect of taxes.

Manufacturer purchased raw material and GST paid Rs. 80

Rate of GST = 12%



MANUFACTURER

Invoice	
SP	Rs. 1,000
GST	Rs. 120
TOTAL	Rs. 1,120

Tax Payable	
Payable	Rs. 120
- ITC	Rs. 80
Net Tax	Rs. 40



WHOLEALER

Invoice	
COST	Rs. 1,000
PROFIT	Rs. 500
SP	Rs. 1,500
GST	Rs. 180
TOTAL	Rs. 1,680

Tax Payable	
Payable	Rs. 180
- ITC	Rs. 120
Net Tax	Rs. 60



RETAILER

Invoice	
COST	Rs. 1,500
PROFIT	Rs. 500
SP	Rs. 2,000
GST	Rs. 240
TOTAL	Rs. 2,240

Tax Payable	
Payable	Rs. 240
- ITC	Rs. 180
Net Tax	Rs. 60



CONSUMER

Invoice	
COST	Rs. 2,000
GST	Rs. 240
TOTAL	Rs. 2,240

GST – A CURE FOR ILLS OF EXISTING INDIRECT TAX REGIME

TAXES TO BE SUBSUMED IN GST

<p>AT CENTRAL LEVEL :</p> <ol style="list-style-type: none"> 1. EXCISE DUTY 2. SERVICE TAX 3. CVD 4. SACD 5. CST 6. CESS AND SURCHARGES <p>AT STATE LEVEL :</p> <ol style="list-style-type: none"> 1. VAT/Sales Tax 2. ENTERTAINMENT TAX 3. LUXURY TAX 4. TAX ON LOTTERY, BETTING & GAMBLING 5. ENTRY TAX NOT IN LIEU OF OCTROI 6. CESS AND SURCHARGES
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Single Uniform Tax

GST

Exclude

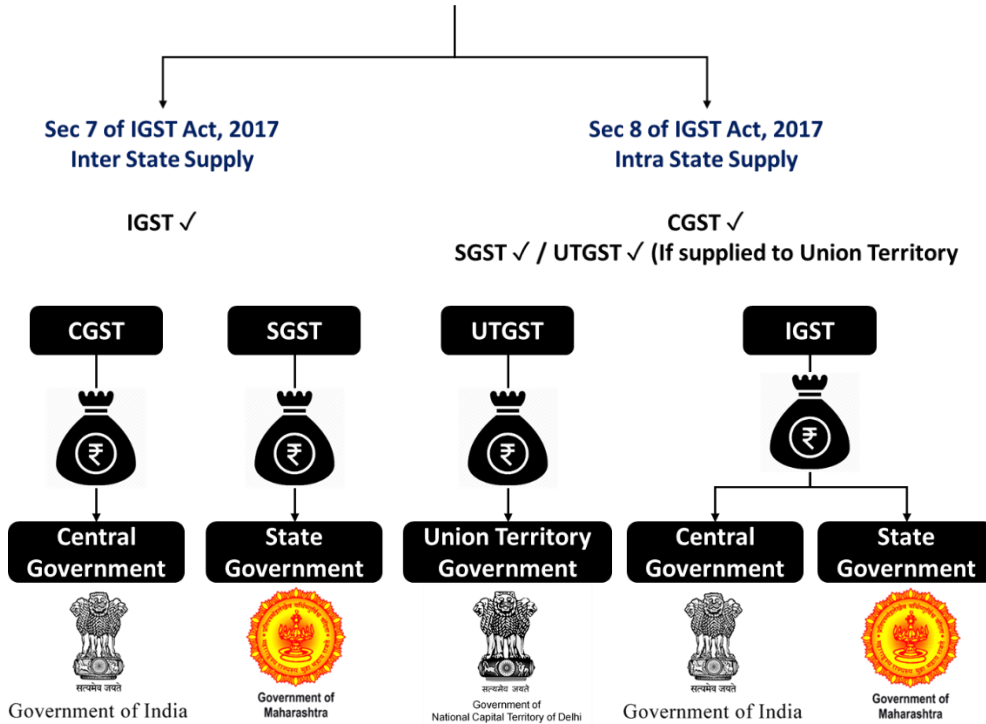
- Electricity Duty
- Property Tax & Stamp Duty
- Basic Custom Duty
- Alcohol
- Petroleum Crude
- High Speed Diesel
- Motor Spirit (Commonly known as Petrol)
- Natural Gas
- Aviation Turbine Fuel

FRAMEWORK OF GST IN INDIA

DUAL GST MODEL

A dual GST will, be in keeping with the constitutional requirement of fiscal federalism. GST in India will be dual model based i.e. state and central government will both levy GST termed as SGST/UTGST and CGST respectively.

However, chargeability, definition of taxable event and taxable person, measure of levy including valuation provisions, basis of classification etc. would be uniform under both CGST and SGST laws.



INTER STATE TRANSFER [Section 7 of IGST Act, 2017]

SUPPLY OF GOODS/SERVICES SHALL BE TREATED AS INTER-STATE SUPPLY: Where the location of the supplier and the place of supply are in –

- Two different states
- Two different Union Territories or
- A State and A Union Territory

Integrated Goods & Service Tax i.e. IGST shall be charged on an Inter State Transfer

INTRA STATE TRANSFER [Section 8 of IGST Act, 2017]

SUPPLY OF GOODS/SERVICES SHALL BE TREATED AS INTRA-STATE SUPPLY: Where the location of the supplier and the place of supply are in –

- Same State
- Same Union Territory

Central Goods & Service Tax i.e. CGST and State Goods & Service Tax i.e. SGST / Union Territory Goods & Service Tax i.e. UTGST shall be charged on an Intra State Transfer

EXAMPLE

Mr. P of Gujarat sold Product X for Rs. 300 to Mr. Q of Maharashtra. Mr. Q supplies such goods to Mr. R of Maharashtra for Rs. 400. Rate of GST is 18%.



TAX INVOICE → P	
Supply Price	Rs. 300
IGST@18%	Rs. 54
<hr/>	
Total	Rs. 354

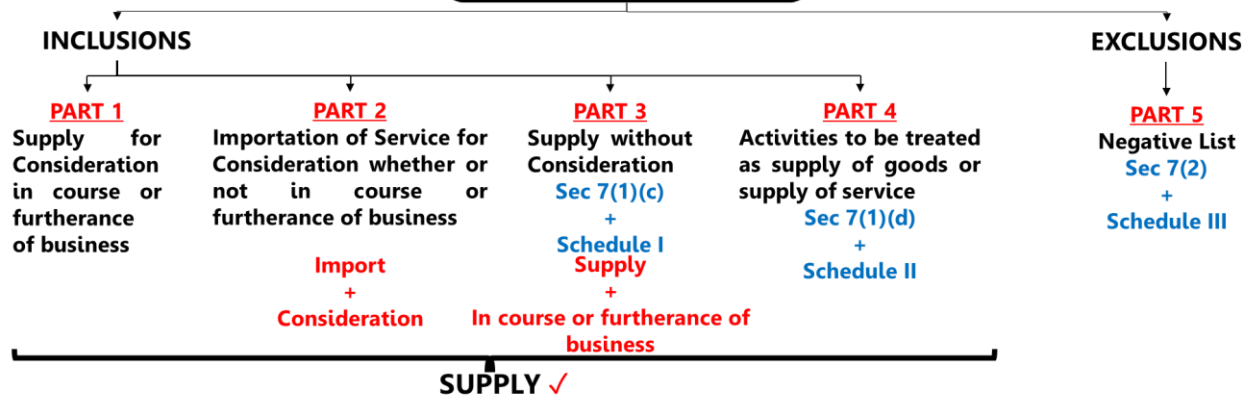
TAX INVOICE → Q	
Supply Price	Rs. 400
CGST@9%	Rs. 36
SGST@9%	Rs. 36
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Total	Rs. 472

CHAPTER 2. TAXABLE EVENT - SUPPLY

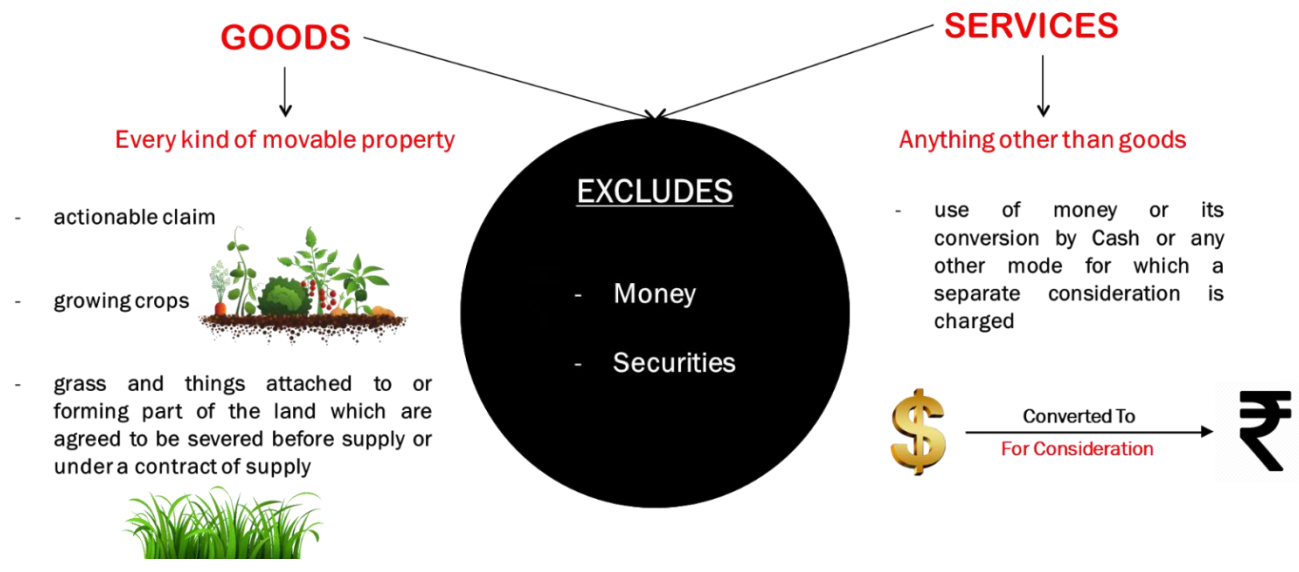
GST is a TAX applicable to whole of INDIA including the state of Jammu & Kashmir

GST → - is a TAX
 - Charged on the
 - Supply of Goods or Services or both

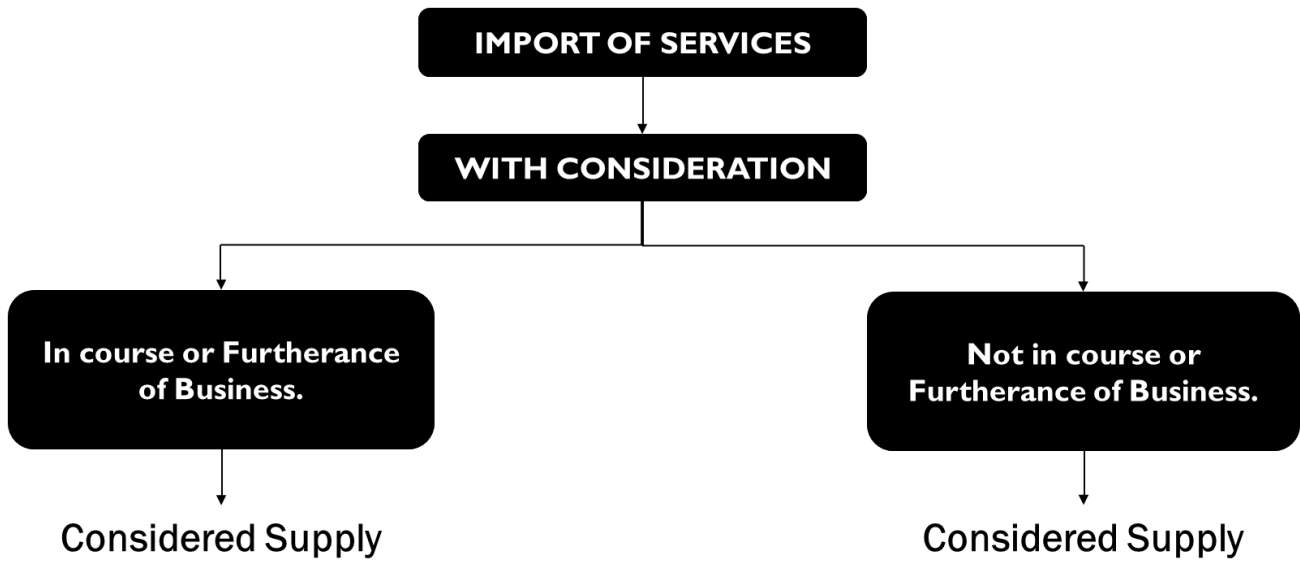
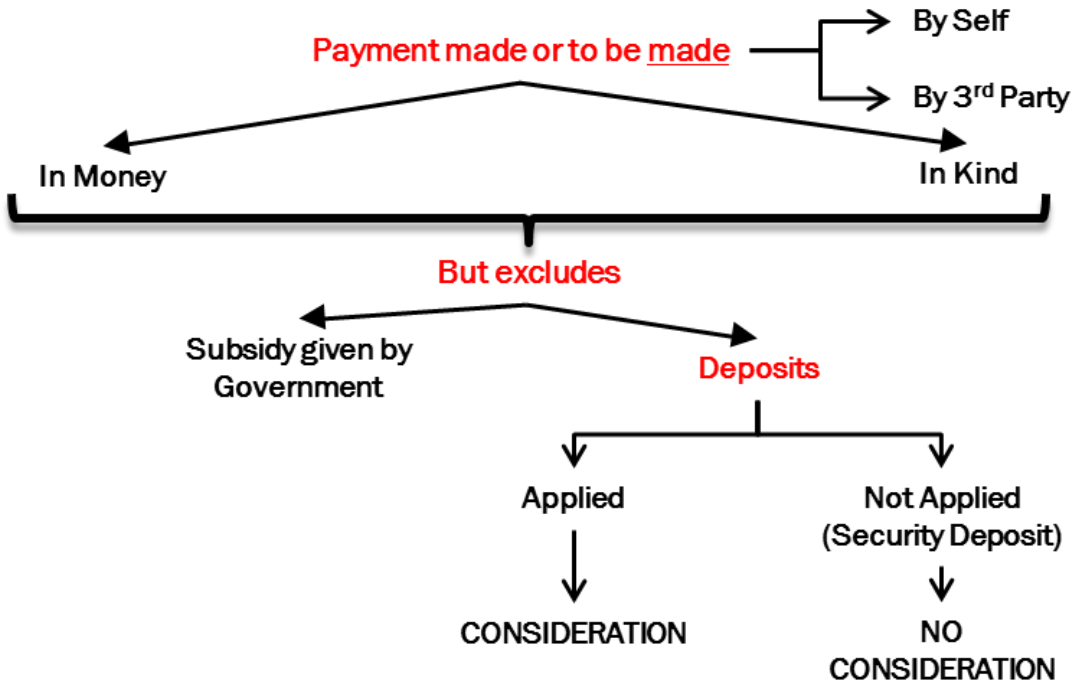
- SUPPLY INCLUDES**
- Sale
 - Transfer
 - Barter
 - Exchange
 - License
 - Rental
 - Lease
 - Disposal



DEFINITION OF GOODS & SERVICES



DEFINITION OF CONSIDERATION



SCHEDULE I- SUPPLY WITHOUT CONSIDERATION [Sec 7(1)(c)]

- 1) PERMANENT TRANSFER / DISPOSAL OF BUSINESS ASSETS, IF ITC HAS BEEN AVAILED
- 2) SUPPLY BETWEEN RELATED PERSON OR DISTINCT PERSONS
- 3) STOCK TRANSFERS OR BRANCH TRANSFERS:
- 4) PRINCIPAL-AGENT RELATIONSHIP

SCHEDULE II - ACTIVITIES TO BE TREATED AS SUPPLY OF GOODS OR SUPPLY OF SERVICES [Sec 7(1)(d)]

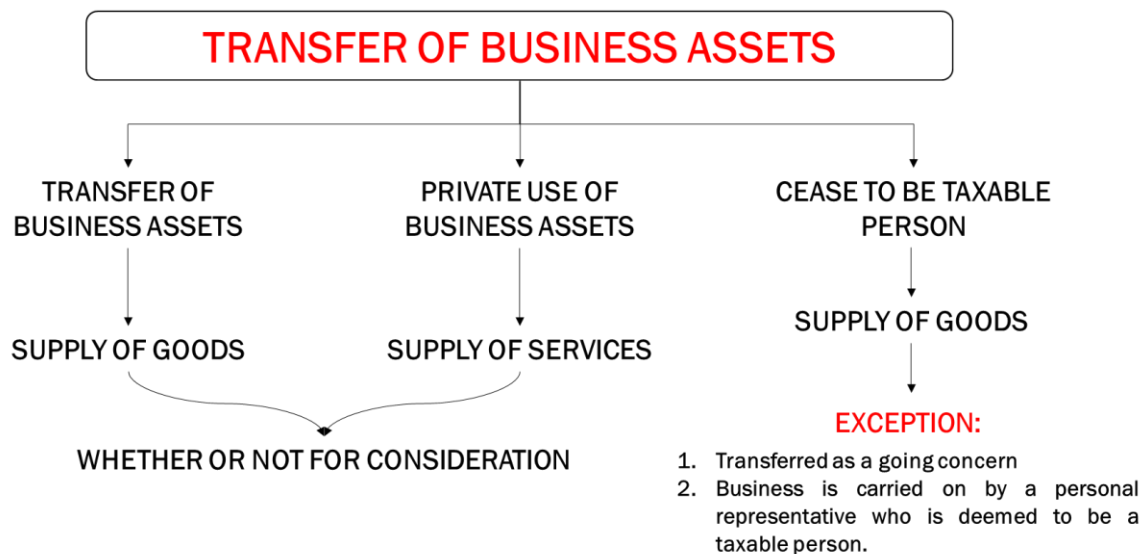
1) TRANSFER



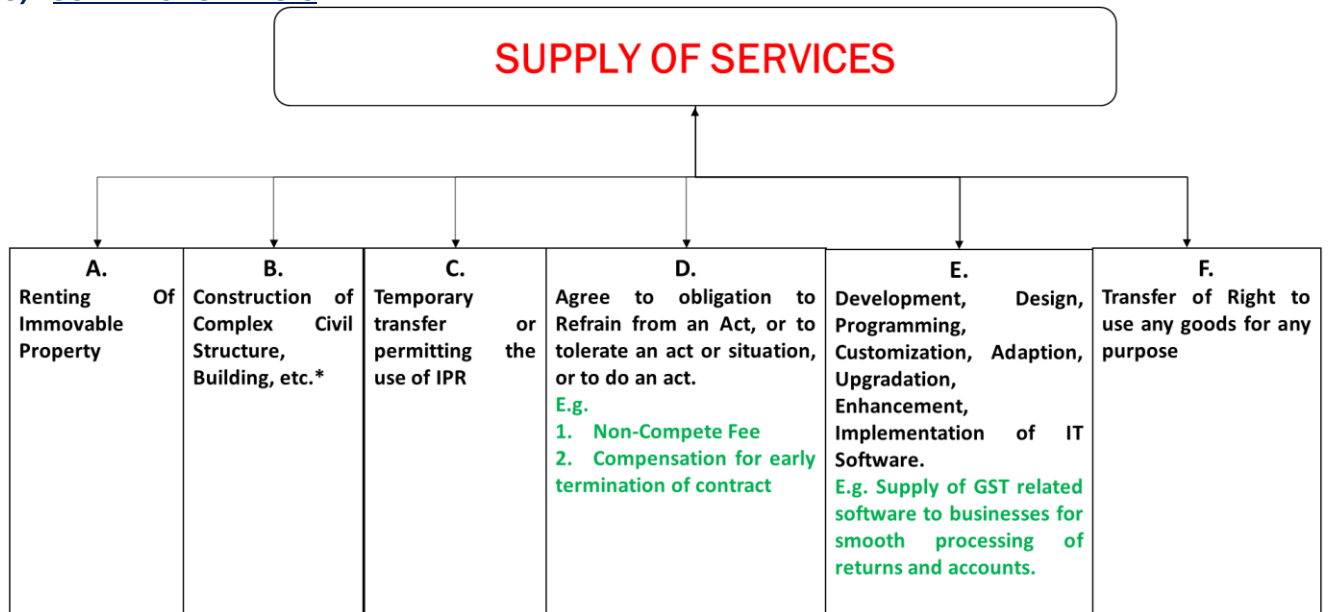
2) LAND & BUILDING → RENT/LEASE Etc. → Supply of Service

3) TREATMENT OR PROCESS → Supply of Service

4) TRANSFER OF BUSINESS ASSETS

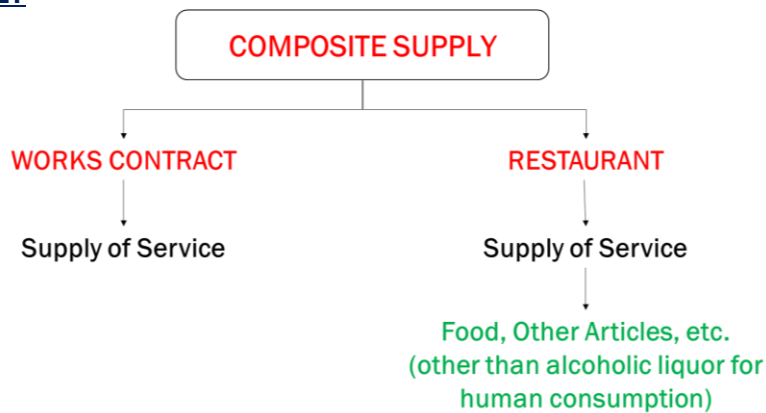


5) SUPPLY OF SERVICES



***NOTE:** Where the entire consideration has been received after issuance of completion certificate, or after its first occupation, whichever is earlier → Covered under Negative List → No Supply

6) COMPOSITE SUPPLY



NEGATIVE LIST UNDER GST – SCHEDULE III of CGST ACT

1. Services by an Employee to the Employer in the course of or in relation to his employment.
2. Services by any court or Tribunal established under any law for the time being in force.
3. The functions performed by Constitutional Authority
4. Services of Funeral, Burial, Crematorium or Mortuary including transportation of the deceased.
5. Sale of Land and, subject to clause (b) of Paragraph 5 of Schedule II, sale of Building.
6. Actionable Claims, other than lottery, betting and gambling.

COMPOSITE AND MIXED SUPPLY

1) COMPOSITE SUPPLY [Sec 2(30)]

- comprises two or more taxable supplies of goods or services or both, or any combination thereof.

- are naturally bundled and supplied in conjunction with each other, in the ordinary course of business
- one of which is a principal supply [Section 2(30) of the CGST Act]

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. [Section 2(90) of CGST Act]

TAX Rate → Rate of Principal Supply

EXAMPLE 1:

Taxable person supplies goods to recipient for Rs. 6 Lakhs (including transportation charges, packing material and Insurance.



TAX Rate → Rate of Principal Supply will be applicable on Rs. 6 Lakhs.

EXAMPLE 2:

When a consumer buys a television set and he also gets warranty and a maintenance contract with the TV, this supply is a composite supply. In this example, supply of TV is the principal supply, warranty and maintenance services are ancillary.

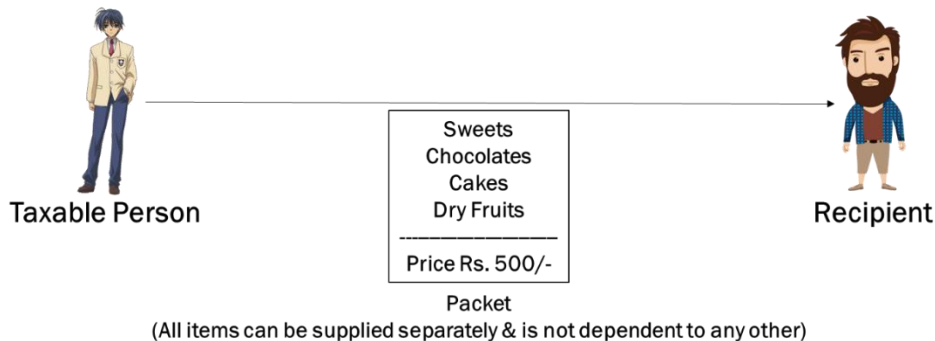
MIXED SUPPLY, [Sec 2(74)]

- two or more individual supplies of goods or services, or any combination thereof, made in conjunction with each other by a taxable person
- for a single price where such supply does not constitute a composite supply [Section 2(74) of the CGST Act]. The individual supplies are independent of each other and are not naturally bundled.

TAX Rate → Supply that attracts Highest Rate of Tax.

EXAMPLE 1:

Taxable person supplies packet consisting of Sweets, Chocolates, Cakes & Dry Fruits to recipient for Rs. 500 (All items can be supplied separately & is not dependent to any other).

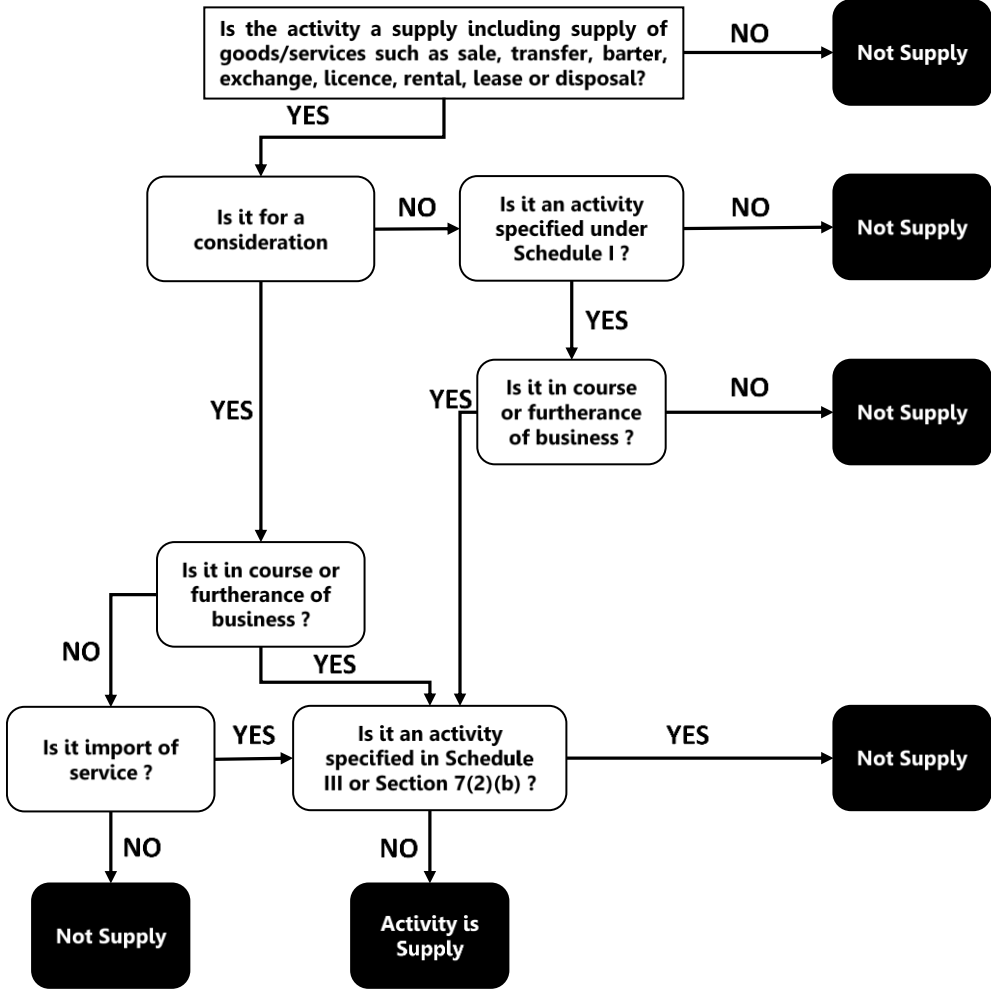


TAX RATE → Highest rate of tax will be applied on Rs. 500

EXAMPLE 2:

A taxable person selling water bottles along with refrigerator. Bottles and the refrigerator can easily be priced and sold independently and are not naturally bundled. So, such supplies are mixed supplies.

SUMMARIZED ANALYSIS OF SUPPLY UNDER GST



CHAPTER 3. CHARGES OF GST

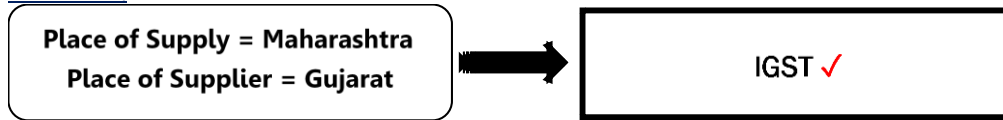
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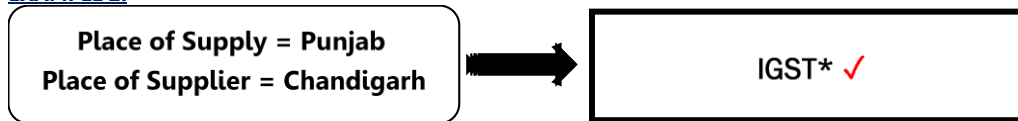
- Two different states
- Two different Union Territories or
- A State and A Union Territory

Integrated Goods & Service Tax i.e. IGST shall be charged on an Inter State Transfer

EXAMPLE 1:



EXAMPLE 2:



***NOTE:** Although Chandigarh is located within the state of Punjab, such supply will not be considered as Intra State supply because Punjab is a state and Chandigarh is a Union Territory. Therefore, such transfer is an Inter State supply as per section 7 of IGST Act, 2017.

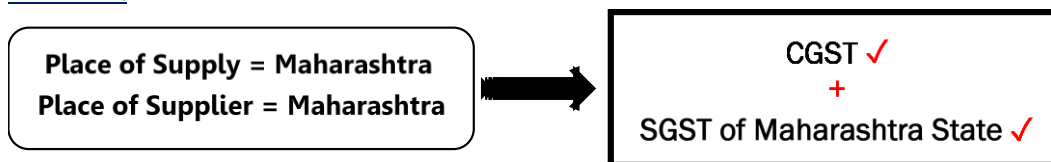
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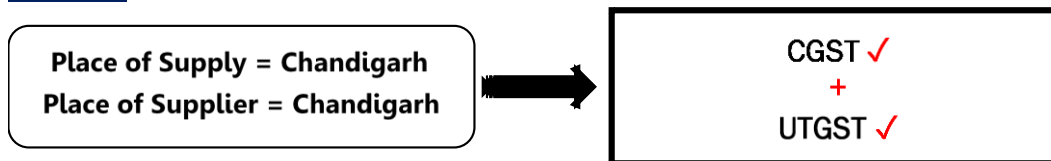
- Same State
- Same Union Territory

Central Goods & Service Tax i.e. CGST and State Goods & Service Tax i.e. SGST / Union Territory Goods & Service Tax i.e. UTGST shall be charged on an Intra State Transfer

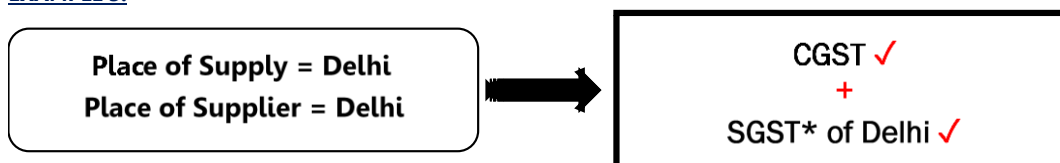
EXAMPLE 1:



EXAMPLE 2:



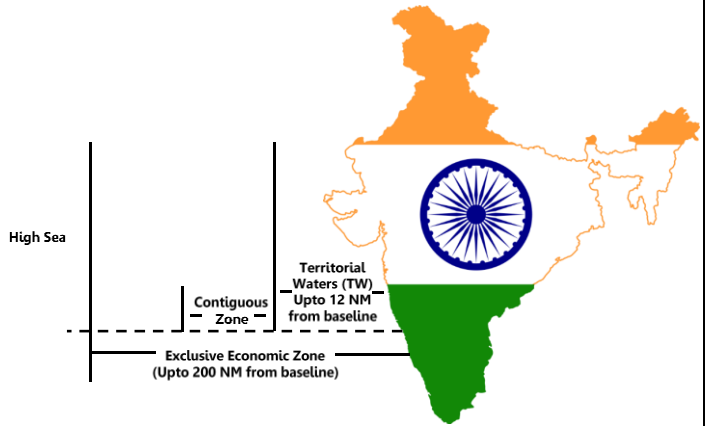
EXAMPLE 3:



DEFINITION OF INDIA

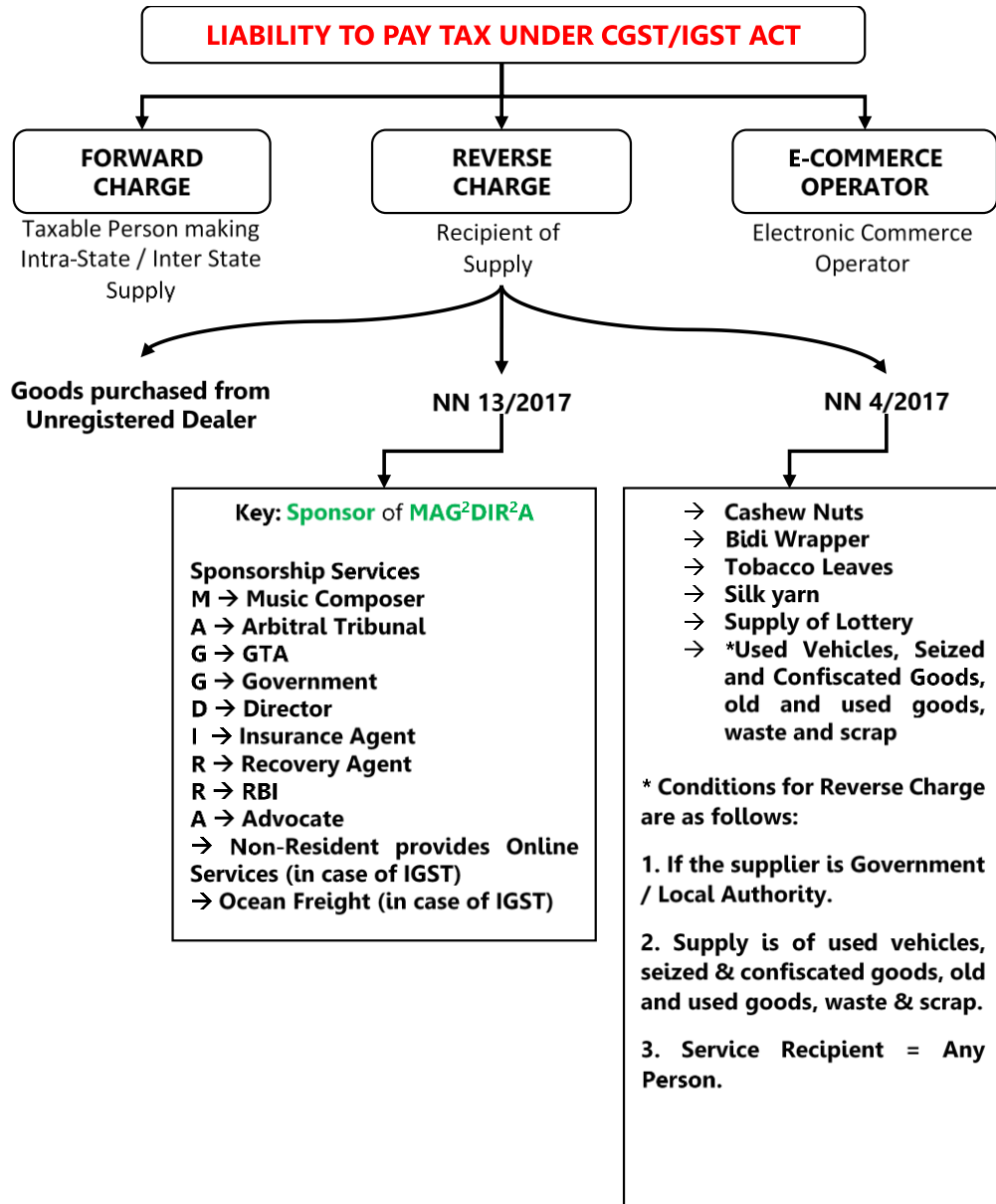
"India" means –

- Territory of India as referred to in article 1 of the Constitution.
- its territorial waters, seabed and sub-soil underlying such waters, continental shelf, exclusive economic zone or any other maritime zone as referred to in the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976
- the air space above its territory and territorial waters



VALUE FOR LEVY:

Transaction value under section 15 of the CGST Act



LIST OF SERVICES TAXABLE UNDER REVERSE CHARGE, I.E. THE SERVICES WHERE TAX (CGST) IS PAYABLE BY THE RECIPIENT:

Sr. No.	CATEGORY OF SUPPLY OF GST	SUPPLIER OF SERVICE	RECIPIENT OF SERVICE
1.	Services provided by way of Sponsorship to any body corporate or partnership firm.	Any Person	Any body corporate or partnership firm located in the taxable territory.
2.	Supply of services by an author, Music composer , photographer, artist or the like by way of transfer or permitting the use or enjoyment of a copyright covered under section 13(1)(a) of the Copyright Act, 1957 relating to original literary, dramatic, musical or artistic works to a publisher, music company, producer or the like.	Author or music composer, photographer, artist, or the like	Publisher, music company, producer or the like, located in the taxable territory.
3.	Services supplied by an individual Advocate including a senior advocate or a firm of Advocate by way of legal services, directly or indirectly, to any business entity located in the taxable territory , including where contract for provision of such service has been entered through another advocate or a firm of advocates, or by a firm of advocates, by way of legal services, to a business entity.	An individual advocate including a senior advocate or firm of advocates	Any business entity located in the taxable territory.
4.	Supply of services by a Goods Transport Agency (GTA) (who has not paid central tax at the rate of 6% [12% in case of IGST])* in respect of transportation of goods by road to- (a) any factory registered under or governed by the Factories Act, 1948; or (b) any society registered under the Societies Registration Act 1860 or under any other law for the time being in force in any part of India; or (c) any co-operative society established by or under any law; or (d) any person registered under the CGST Act or the IGST Act or the SGST Act or the UTGST Act; or (e) any body corporate established, by or under any law; (f) any partnership firm whether registered or not under any law including association of persons; or (g) any casual taxable person.	Goods Transport Agency (GTA)	(a) Any factory registered under or governed by the Factories Act, 1948; or (b) any society registered under the Societies Registration Act, 1860 or under any other law for the time being in force in any part of India; or (c) any cooperative society established by or under any law; or (d) any person registered under the CGST Act or the IGST Act or the SGST Act or the UTGST Act; or (e) any body corporate established, by or under any law; or (f) any partnership firm whether registered or not under any law including association of persons; or (g) any casual taxable person; located in the taxable territory. Note: The person who pays or is liable to pay freight for the transportation of goods by road in goods carriage, located in the taxable territory shall be treated as the person who receives the service for the purpose of this notification.
5.	Services supplied by the Central Government , State Government, Union territory or local authority to a business entity excluding, - (1) renting of immovable property, and (2) services specified below- (i) services by the Department of Posts by way of speed post, express parcel post, life insurance, and agency services provided to a person other than Central Government, State Government or Union territory or local authority; (ii) services in relation to an aircraft or a vessel, inside or outside the precincts of a port or an airport; (iii) transport of goods or passengers.	Central Government, State Government, Union territory or local authority	Any business entity located in the taxable territory.
5A.	Services supplied by the Central Government, State Government, Union Territory or Local Authority by way of renting of immovable property to a person registered under GST	Central Government, State Government, Union Territory or Local Authority	Any person registered under GST

6.	Services supplied by a Director of a company/body corporate to the said company/body corporate.	A director of a company or a body corporate	The company or a body corporate located in the taxable territory as per Sec 2(11) of Companies Act, 2013.
7.	Services supplied by an Insurance agent to a person carrying on insurance business.	An insurance agent	Any person carrying on insurance business, located in the taxable territory
8.	Services supplied by a Recovery agent to a banking company or a financial institution or a non-banking financial company.	A recovery agent	A banking company or a financial institution or a nonbanking financial company, located in the taxable territory.
9.	Services supplied by an Arbitral tribunal to a business entity	An arbitral tribunal.	Any business entity located in the taxable territory
10.	Supply of services by the members of Overseeing Committee to Reserve Bank of India (RBI)	Members of Overseeing Committee constituted by the Reserve Bank of India (RBI)	Reserve Bank of India (RBI)

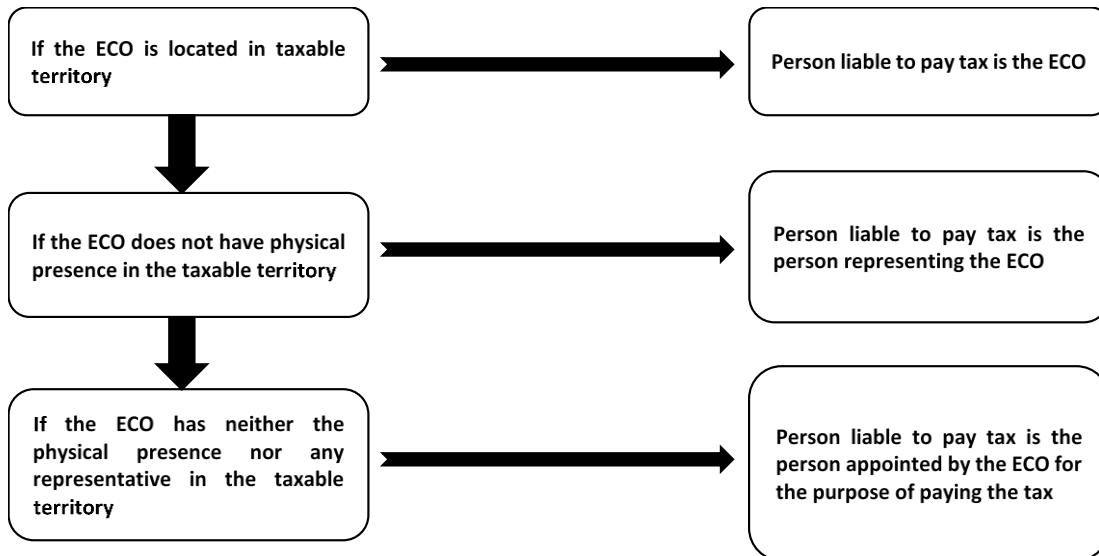
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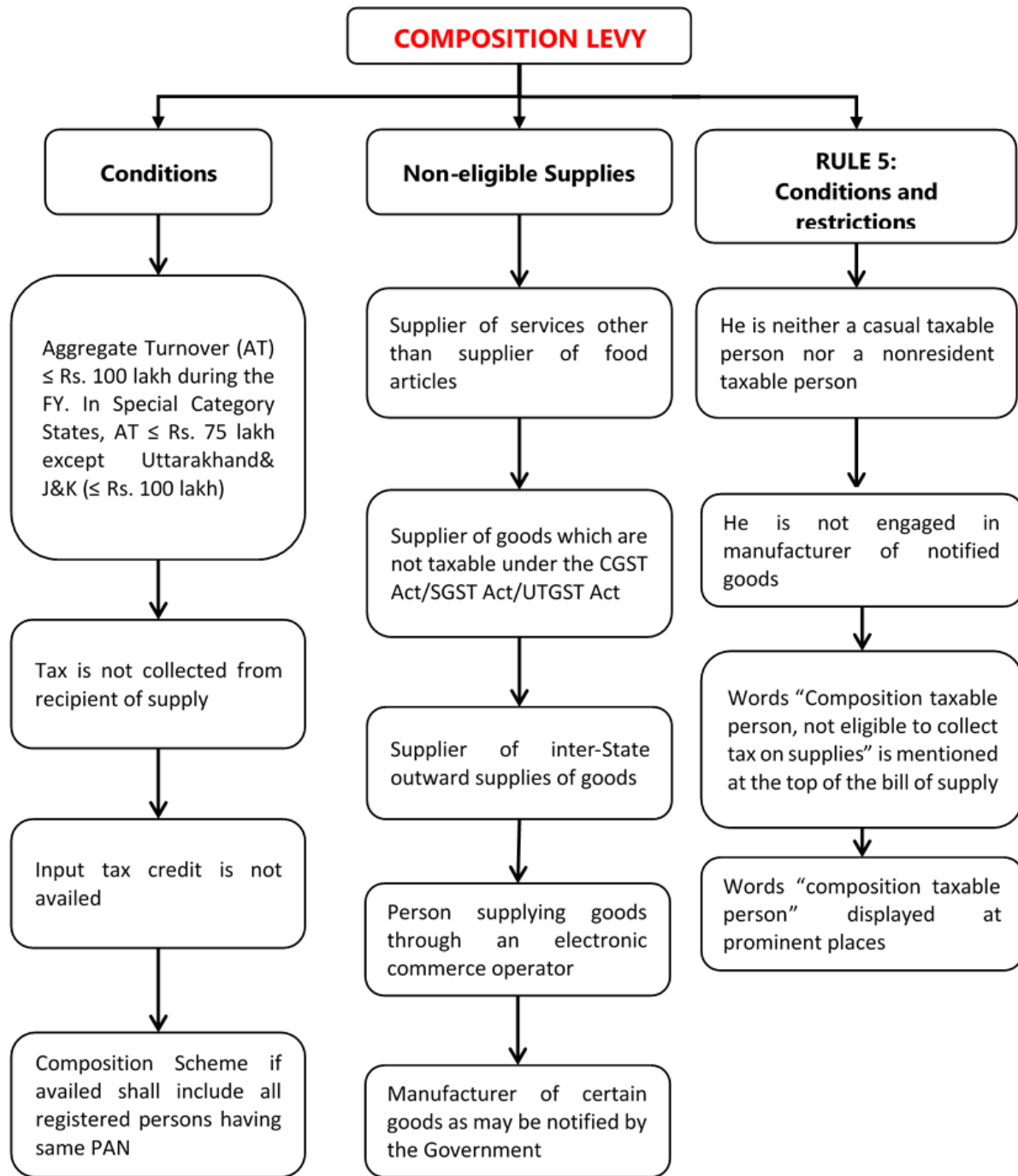
Sr. No.	CATEGORY OF SUPPLY OF GST	SUPPLIER OF SERVICE	RECIPIENT OF SERVICE
1.	Any service supplied by any person who is located in a nontaxable territory to any person other than non-taxable online recipient.	Any person located in a non-taxable territory	Any person located in the taxable territory other than nontaxable online recipient
2.	Services supplied by a person located in nontaxable territory by way of transportation of goods by a vessel from a place outside India up to the customs station of clearance in India	A person located in nontaxable territory	Importer, as defined in section 2(26) of the Customs Act, 1962, located in the taxable territory. Importer , in relation to any goods at any time between their importation and the time when they are cleared for home consumption, includes any owner, beneficial owner or any person holding himself out to be the importer [Section 2(26) of the Customs Act, 1962].

TAX PAYABLE BY E-COMMERCE OPERATOR ON NOTIFIED SERVICES

The following categories of services supplied through ECO are notified for this purpose –

- (a) services by way of transportation of passengers by a radio-taxi, motorcab (not more than 6 passengers), maxicab (Capacity > 6 passengers but less than 12 drivers excluding driver) and motor cycle;
- (b) services by way of providing accommodation in hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes, except where the person supplying such service through electronic commerce operator is liable for registration under section 22(1) of the CGST Act.
- (c) by way of housekeeping such as Plumbing, Carpentering etc. to an Unregistered Person.





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

CHAPTER 4. EXEMPTION OF GST


SPECIFIC SERVICES EXEMPT FROM CGST / IGST

Notification no. 12/2017 - Central Tax (Rate), dated: 28-06-2017 and effective from 01-07-2017

Notification no. 9/2017 - Integrated Tax (Rate), dated: 28-06-2017 and effective from 01-07-2017

The below list of exemption is common for the levy of IGST as well as CGST

S.L. No	Supplier	Nature of	Recipient	Purpose	Relevant Terms Used
1	Charitable Institution (an entity registered under section 12AA of the Income-tax Act, 1961)	Charitable Activities	Any Person	(i) Public health by way of – (A) Care of counseling of – (I) terminally ill persons or persons with severe physical or mental disability; (II) persons afflicted with HIV or AIDS; (III) persons addicted to a dependence-forming substance such as narcotics drugs or alcohol; or (B) Public awareness of preventive health, family planning or preventive of HIV infection; (ii) advancement of religion, spirituality or yogo; (iii) advancement of educational programmes or skill development relating to, - (A) abandoned, orphaned or homeless children; (B) Physically or mentally abused and traumatized persons; (C) prisoners; or (D) persons over the age of 65 years residing in a rural area; (iv) preservation of environment including watershed, forests and wildlife.	
2	Any Person	Transfer of going concern	Any Person	Whole Transfer / Independent Part Transfer	
3	Any Person	Pure Service (A service where no goods are involved)	Government (CG/SG/UTG/LA/ GE)	(i) In relation to any function entrusted to a Panchayat under article 243G of the Constitution, or (ii) In relation to any function entrusted to a Municipality under article 243W of the Constitution.	Governmental Authority (GA)

3A	Any Person	Composite Supply	CG/SG/UT/LA/GA/GE	 <p>Composite Supply of goods and services in relation to any function entrusted to a Panchayat under article 243G of the Constitution or to a Municipality under Article 243W of the Constitution</p> <p>CONDITION: Value of Supply of Goods ≤ 25%</p> <p>SUPPLIER</p>	 <p>CG / SG / UT / LA / GA / GE</p> <p>RECIPIENT</p>
4	CG/SG/UTG/LA/ GA	Service	Deemed to be a Municipality	Services by Central Government, State Government, Union territory, local authority or governmental authority by way of any activity in relation to any function entrusted to a municipality	
5	CG/SG/UTG/LA/ GA	Service	Deemed to be a Panchayat	Services by a Central Government , State Government , Union territory , local authority or governmental authority by way of any activity in relation to any function entrusted to a Panchayat under article 243G of the Constitution.	Notification no 32/2017 (Rate) (Bold Part)
6	CG/SG/UTG/LA	Soverign Service	i. Any Person other than CG/SG/UTG ii. Business Entities	(a) services by the Department of Posts by way of (i) speed post, (ii) express parcel post, (iii) life insurance, and (iv) agency services (b) services in relation to (i) an aircraft or (ii) a vessel, inside or outside the precincts of a port or an airport; (c) transport of goods or passengers; or	Aircraft, Vessel, Port, Airport, Business entity
7	CG/SG/UTG/LA	Any Service	Business Entities (an aggregate turnover of upto ` 20 lakh ` 10 lakh in case of a special category state)	Taxable Supplies - 1. (a) services by the Department of Posts by way of (i) speed post, (ii) express parcel post, (iii) life insurance, and (iv) agency services (b) services in relation to (i) an aircraft or (ii) a vessel, inside or outside the precincts of a port or an	Special Category States, Renting of Immovable Property
8	CG/SG/UTG/LA	Any Service	CG/SG/UTG/LA	Taxable Supplies - (a) services by the Department of Posts by way of (i) speed post, (ii) express parcel post, (iii) life insurance, and (iv) agency services (b) services in relation to	

9	CG/SG/ UTG/LA	Any Service (where the consideration for such services does not exceed ₹ 5,000)	Any Person	Taxable Supplies - (a) services by the Department of Posts by way of (i) speed post, (ii) express parcel post, (iii) life insurance, and (iv) agency services (b) services in relation to	In Case of Continuous Supply of Service - Entire Contract Value has to be lower than Rs. 5,000/- in a Financial Year
9A	Any person / FIFA	Related to any event under FIFA U-17 world cup	FIFA	Services provided by and to Federation International de Football Association (FIFA) and its subsidiaries directly or indirectly related to any of the events under FIFA U-17 World Cup 2017 to be hosted in India.	Notification No. 21/2017
9B	Any Person	Transit Cargo	Any Person	Supply of services associated with transit cargo to Nepal and Bhutan (landlocked countries).	Notification No. 30/2017
9C	CG/SG/UT/ LA/Any specified person	Supply Service of	Any Person	Supply of service by a Government Entity to Central Government, State Government, Union territory, local authority or any person specified by Central Government, State Government, Union territory or local authority against consideration received from Central Government, State Government, Union territory or local authority, in the form of grants.	Notification No. 32/2017
10	Any Person	Original Works Contract under the Housing for All (Urban) Mission or Pradhan Mantri Awas Yojana.	Individual	(i) construction, (ii) erection, (iii) commissioning, (iv) installation, structure or (v) completion, (vi) fitting out, (vii) repair, (viii) maintenance, (ix) renovation, or (x) alternation of a civil (xi) any other original works	Original works
11	Any Person	Pure Labour Contract for single residential unit otherwise than as a part of a residential complex	Any Person	(i) construction, (ii) erection, (iii) commissioning, or (iv) installation of original works	Residential complex , Single residential unit
11A	Fair Price shops	Supply of wheat rice and coarse grains under PDS, kerosene, sugar, edible oil etc	Central Government / State Government / Union Territory	Service provided by Fair Price Shops to Central Government / State Government / Union Territory by way of sale of wheat, rice and coarse grains under Public Distribution System (PDS) against consideration in the form of commission or margin.	Notification No. 21/2017

12	Any Person	Residential house for residential purpose	Any Person	Residential dwelling for use as residence	
13	Any Person	Religious Service	Any Person	Services by a person by way of – (a) conduct of any religious ceremony; (b) renting of precincts of a religious place meant for general public, owned or managed by an entity registered as a charitable or religious trust. Taxable in entry (b) if – (i) Charges for renting of rooms are Rs. 1,000 or more per day; (ii) Charges for renting of premises, community halls, kalyanmandapam or open area, and the like are Rs. 10,000 or more per day; (iii) Charges for renting of shops or other spaces for business or commerce are Rs. 10,000 or more per month.	General Public, Religious Place
14	Hotel, Inn, etc	Residential / Lodging Purpose	Any Person	Hotels, inn, guest house, club or campsite, by whatever name called, for residential or lodging purposes where declared tariff of a unit of	Declared Tariff
15	Any Airline / Non - air conditioned contract carriage / Stage carriage	Transportation of Passengers	Any Person	Transport of passengers, with or without accompanied belongings, by – (a) air, embarking from or terminating in an airport located in the state of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, or Tripura or at Bagdogra located in West Bengal; (b) non-air-conditioned contract carriage other than radio taxi , for transportation of passengers, excluding tourism, conducted tour, charter or hire; or (c) stage carriage other than air-conditioned stage carriage.	Contract carriage, Radio Taxi, Stage Carriage
16	Any Airline	Transportation of Passengers	CG	Transportation by air, embarking from or terminating at a regional connectivity scheme airport, against consideration in the form of viability gap funding. It is applicable for a period of 1—year 3 years from the date of commencement of operations of the regional connectivity scheme airport as notified by the	

17	Railways, Metro, Monorail, Tramway, Inland waterway, Vessel Transport, Metered Cabs	Transportation of Passengers	Any Person	Transportation of passengers, with or without accompanied belongings, by – (a) railways in a class other than – (i) first class; or (ii) an air-conditioned coach; (b) metro, monorail or tramway; (c) inland waterways; (d) public transport, other than predominantly for tourism purpose , in a vessel between places located in India ; and (e) metered cabs or auto rickshaws (including e-rickshaws)	E-rickshaw, Inland waterway, Metered cab
18	Any person	Transportation of Goods	Any Person	Taxable if transportation of goods – (a) by road is done by – (i) a goods transportation agency; (ii) a courier agency; (b) by inland waterways	Goods transport agency, Courier Agency
19	Any Person OUTSIDE India	Transportation of Goods	Any Person in India	An aircraft from a place outside India upto the customs station of clearance in India	Customs Station
19A	Any Person	Transportation of Goods by Aircraft (Export Freight)	Any Person	Services by way of transportation of goods by an aircraft from customs station of clearance in India to a place outside India.	
19B	Any Person	Transportation of Goods by Vessel (Export Freight)	Any Person	Services by way of transportation of goods by a vessel from customs station of clearance in India to a place outside India.	
20	Rail / Vessel	Transportation of Goods	Any Person	From one place in India to another place in India of the following goods – (a) relief materials meant for victims of natural or man-made disasters, calamities, accidents or mishap; (b) defence or military equipments; (c) newspaper or magazines registered with the Registrar of Newspapers; (d) railway equipments or materials; (e) agricultural produce; (f) milk, salt and food grain including flours, pulses and rice; and (g) organic manure	
21	Goods Transport Agency (GTA)	Transportation of Goods (consideration charged on a consignment transported in a single carriage does not exceed ₹ 1,500 OR consideration charged for	Any Person	Transport in a goods carriage of – (a) agricultural produce; (b) milk, salt and food grain including flour, pulses and rice; (c) organic manure; (d) newspaper or magazines registered with the Registrar of Newspapers; (e) relief materials meant for victims of natural or man-made disasters, calamities, accidents or mishap; or (f) defence or military equipments	Goods carriage

21A	Goods Transport Agency (GTA)	Transportation of goods	Unregistered person including unregistered casual taxable person other than those specified purpose of supply column	Services provided by a goods transport agency to an unregistered person, including an unregistered casual taxable person, other than the following recipients, namely: - (a) any factory registered under or governed by the Factories Act, 1948(63 of 1948); or (b) any Society registered under the Societies Registration Act, 1860 (21 of 1860) or under any other law for the time being in force in any part of India; or (c) any Co-operative Society established by or under any law for the time being in force; or (d) any body corporate established, by or under any law for the time being in force; or (e) any partnership firm whether registered or not under any law including association of persons; (f) any casual taxable person registered under the Central Goods and Services Tax Act or the Integrated Goods and Services Tax Act or the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act.	Notification No. 32/2017 (Rate)
22	Any Person	(i) Passengers (ii) Goods	(i) State transport undertaking (ii) GTA (iii) Motor Vehicle	(a) to a state transport undertaking, a motor vehicle meant to carry more than twelve passengers; or (b) to a goods transport agency (GTA), a means of transportation of goods (c) to a person providing services of transportation of students, faculty & staff to an education Institution providing services by way of pre-school education and education upto higher secondary school or equivalent.	Goods transport agency, State transport undertaking
23	Any Person	Access to Road / Bridge	Any Person	Access to a road or a bridge on payment of toll charges.	
23A	Any Person	Access to Road / Bridge	Any Person	Access to a road or a bridge on payment of Annuity.	Notification no. 32/2017 (Rate)
24	Any Person	Rice related	Any Person	(i) loading, (ii) unloading, (iii) packing, (iv) storage or (v) warehousing	
25	An electricity transmission or distribution utility.	Transmission or distribution	Any Person		Electricity transmission or distribution, State Electricity Board, State Transmission Utility, Central Electricity Authority, Central Transmission Utility

26	RBI	ALL	Any Person		Reserve Bank of India
27	Banks / Authorized Dealers	(i) Deposits, etc. (ii) Foreign Currency	Banks / Authorized Dealers	Services by way of – (a) extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount (other than interest involved in credit card services); (b) inter se sale or purchase of foreign currency amongst banks or authorized dealers of foreign exchange or amongst banks and such dealers	Authorised dealer of foreign exchange, Interest
28	PFRDAI	Life Insurance	Any Person	Life insurance business provided by way of annuity under the National Pension System regulated by the Pension Fund Regulatory and Development Authority of India (PFRDAI) under the Pension Fund Regulatory and Development Authority Act, 2013.	Life Insurance Business
29	Army, Naval and Air Force Group	Life Insurance	Members of Army, Navy and Air Force	Life insurance business provided or agreed to be provided by the Army, Naval and Air Force Group Insurance Funds to members of the Army, Navy and Air Force, respectively, under the Group Insurance Schemes of the Central Government.	
29A	Naval Group Insurance Fund	Life Insurance	Coast Guard	Service of Life Insurance provided or agreed to be provided by the Naval Group Insurance Fund to the personnel of Coast Guard under the Group Insurance Scheme of the Central Government.	
30	ESIC Organisation	Life Insurance	Employee	Employees' State Insurance Corporation to persons governed under the Employees' State Insurance Act, 1948.	
31	EPF Organisation	Provident Fund	Employee	Employees Provident Fund Organisation to the persons governed under the Employees Provident Funds and the Miscellaneous Provisions Act, 1952	
32	IRDA	Insurance	Insurers	Insurance Regulatory and Development Authority of India to insurers under the Insurance Regulatory and Development Au-	
33	SEBI	(i) Protecting the interests of investors in securities and (ii) Development of, and (iii) Regulation of securities market.	Securities Market	The Securities and Exchange Board of India set up under the Securities and Exchange Board of India Act, 1992 by way of – (i) protecting the interests of investors in securities and (ii) to promote the development of, and (iii) to regulate, the securities market.	
34	Acquiring Bank	Card Related	Any Person	Services by an acquiring bank, to any person in relation to settlement of an amount upto Services received by RBI, from outside India in relation to management of foreign exchange reserves. upto Rs. 2,000 in a single transaction transacted through credit card, debit card, charge card or other payment card service.	Acquiring bank

35	Insurer	General Insurance	Any Person (Disabled person in last entry)	Services of general insurance business provided under following schemes – (a) Hut Insurance Scheme; (b) Cattle Insurance under Swarnajaynti Gram Swarozgar Yojna (earlier known as Integrated Rural Development Programme); (c) Scheme for Insurance of Tribals; (d) Janata Personal Accident Policy and Gramin Accident Policy; (e) Group Personal Accident Policy for Self-Employed Women; (f) Agricultural Pumpset and Failed Well Insurance; (g) Premia collected on export credit insurance; (h) Restructured Weather Based Crop Insurance Scheme (RW-CIS) approved by the Government of India and implemented by the Ministry of Agriculture; (i) Jan Arogya Bima Policy; (j) Pradhan Mantri Fasal Bima Yojana (PMFBY) (k) Pilot Scheme on Seed Crop Insurance; (l) Central Sector Scheme on Cattle Insurance; (m) Universal Health Insurance Scheme; (n) Rashtriya Swasthya Bima Yojana; (o) Coconut Palm Insurance Scheme; (p) Pradhan Mantri Suraksha Bima Yojana; (q) Niramaya Health Insurance Scheme implemented by the Trust constituted under the provisions of the National Trust for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999	General Insurance business
36	Insurer	Life Insurance	Any Person	Services of life insurance business provided under following schemes – (a) Janashree Bima Yojana; (b) Aam Aadmi Bima Yojana; (c) Life micro-insurance product as approved by the Insurance Regulatory and Development Authority, having maximum amount of cover of Rs. 50,000 Rs. 2,00,000; (d) Varishtha Pension Bima Yojana; (e) Pradhan Mantri Jeevan Jyoti Bima Yojana; (f) Pradhan Mantri Jan Dhan Yojana; (g) Pradhan Mantri Vaya Vandana Yojana	Life micro insurance product
36A	Insurer	Reinsurance of General Insurance & Life Insurance	Person specified in Entry 35 & 36	Services by way of reinsurance of the insurance schemes specified in entry 35 & 36.	
37	Any Person	Collection service	Any Person	Services by way of collection of contribution under the Atal Pension Yojana	
38	Any Person	Collection service	State Government	Services by way of collection of contribution under any pension scheme of the State Governments.	

39	Any Person	Business facilitator and Agent thereof	Any Person	Services by the following persons in respective capacities – (a) business facilitators or a business correspondent to a banking company with respect to accounts in its rural area branch; (b) any person as an intermediary to a business facilitator or a business correspondent with respect to services mentioned in entry (a); or (c) business facilitator or a business correspondent to an insurance company in a rural area.	Banking company, Business facilitator or business correspondent, Insurance company, Intermediary, Rural area
39A	Recognised by GOI or any Regulator appointed for regulation of IFSC; or Person resident outside India under FEMA; or Registered under IRDA guidelines as IFSC Insurance Office; or Who is permitted by SEBI under SEBI Guidelines	International Financial Service Centre	Customer Located Outside India	Services by an intermediary of financial services located in a multi services SEZ with International Financial Services Centre (IFSC) status to a customer located outside India for International Financial Services in Currencies other than Indian Rupees (INR). EXPLANATION: For the purpose of this entry, the Intermediary of financial services in IFSC is a person- (i) who is permitted or recognised as such by the Government of India or any Regulator appointed for regulation of IFSC; or (ii) who is treated as a person resident outside India under the Foreign Exchange Management (International Financial Services Centre) Regulations, 2015; or (iii) who is registered under the Insurance Regulatory and Development Authority of India (International Financial Services Centre) Guidelines, 2015 as IFSC Insurance Office; or (iv) who is permitted as such by Securities and Exchange Board of India (SEBI) under the Securities and Exchange Board of India (International Financial Services Centre) Guidelines, 2015.	
40	Any Person	Any Insurance Scheme	CG/SG/UTG	Services provided to the Central Government, State Government, Union territory under any insurance scheme for which total premium is paid by the Central Government, State Government and Union territory.	
41	SGIDC	Long Term Lease of Industrial Plots	Any Person	Upfront amount (called as premium, salami, cost, price, development charges or by any other name) payable in respect of service by way of granting of long term lease of thirty years, or more) of industrial plots or plots for development of infrastructure for financial business, provided by the State Government Industrial Development Corporations or Undertakings or by any other entity having 50 per cent. or more ownership of Central Government, State Government, Union territory to the industrial units or the developers in any industrial or financial business area.	Notification No. 32/2017 (Rate)

42	CG/SG/ UTG/LA	Telecom Service Provider	A Business Entity	Services provided by the Central Government, State Government, Union territory or local authority by way of allowing a business entity to operate as a telecom service provider or use radio frequency spectrum during the period prior to 1st April, 2016, on payment of license fee or spectrum user charges, as the case may be.	
43	IRFC	Leasing of Assets	Indian Railways	Services of leasing of assets (rolling stock assets including wagons, coaches, locos) by the Indian Railways Finance Corporation to Indian Railways.	
44	Incubatee		Any Person	Services provided by an incubatee up to a total turnover of Rs. 50 lakh in a financial year subject to the following conditions, namely:- (a) the total turnover had not exceeded Rs. 50 lakh during the preceding financial year; and (b) a period of 3 years has not elapsed from the date of entering into an agreement as an incubatee	Incubatee
45	(a) An Arbitral tribunal (b) A Partner- ship firm of advocates other than senior advocate (c) Senior Advocate	Legal Services	(a) Business Entity (b) Other than business entity (c) CG/SG/UT/GA/GE	Services provided by – (a) an arbitral tribunal to – (i) any person other than a business entity; or (ii) a business entity with an aggregate turnover upto Rs. 20 lakh (Rs. 10 lakh in the case of special category states) in the preceding financial year; (b) a partnership firm of advocates or an individual as an advocate other than a senior advocate to – (i) an advocate or partnership firm of advocates providing legalservices; (ii) any person other than a business entity; or (iii) a business entity with an aggregate turnover up to Rs. 20 lakh (Rs. 10 lakh in the case of special category states) in the preceding financial year; (c) a senior advocate to - (i) any person other than a business entity; or (ii) a business entity with an aggregate turnover up to Rs. 20 lakh (Rs. 10 lakh in the case of special category states) in the preceding financial year	Arbitral Tribu- nal, Advocate, Senior Advocate, Legal service
46	Veternity clinic	Veternity	Animals	Services by a veterinary clinic in relation to health care of animals or birds	
47	CG/SG/ UTG/LA	Registration, Test- ing, etc.	Any Person	Services provided by the Central Government, State Government, Union territory or local authority by way of – (a) registration required under any law for the time being in force; (b) testing, calibration, safety check or certification relating to protection or safety of workers, consumers or public at large, including fire license, required under any law for the time being in force.	

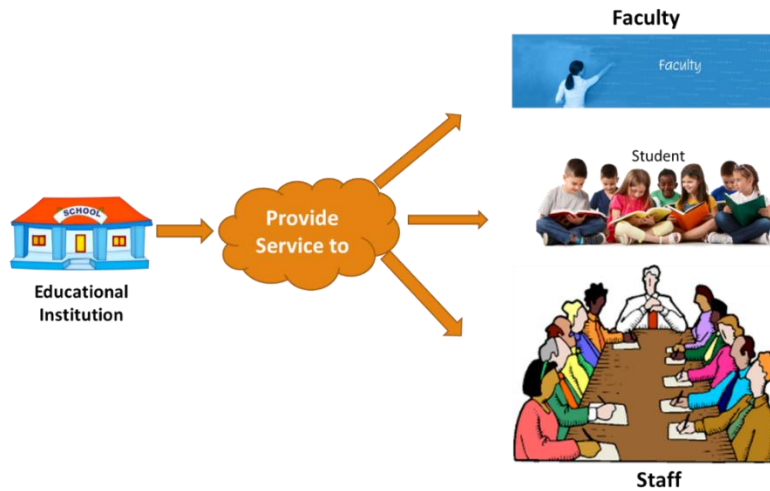
48	TBI/STEP		Any Person	Taxable services, provided or to be provided, by a Technology Business Incubator or a Science and Technology Entrepreneur- ship Park recognised by the National Science and Technology Entrepreneurship Development Board of the Department of Science and Technology, Government of India or bio-incubators recognized by the Biotechnology Industry Research Assistance Council, under the Department of Biotechnology, Government of India	
49	Independent Journalist	Collecting / Pro- viding news	Any Person	Services by way of collecting or providing news by an independent journalist, Press Trust of India or United News of India	
50	Any Person	Public Libraries	Any Person	Services of public libraries by way of lending of books, publications or any other knowledge enhancing content or material.	
51	GSTN	Implementati on of GST	CG/SG/UTG	Services provided by the Goods and Services Tax Network to the Central Government or State Governments or Union territories for	
52	Organiser	Business Exhibition	Any Person	Services by an organiser to any person in respect of a business exhibition held outside	
53	National Sports Federation / Indian Olympic Associatio n, etc.	Sponsorship	Any Person	Services by way of sponsorship of sporting events organised – (a) by a national sports federation, or its affiliated federations, where the participating teams or individuals represent any dis- trict, State, zone or Country; (b) by Association of Indian Universities, Inter-University Sports Board, School Games Federation of India, All India Sports Council for the Deaf, Paralympic Committee of India or Special Olympics Bharat; (c) by the Central Civil Services Cultural and Sports Board; (d) as part of national games, by the Indian Olympic Association; or (e) under the Panchayat Yuva Kreedha Aur Khel Abhiyaan Scheme	
53A	Any Person	Agriculture / Agriculture Produce	Any person	Fumigation in Warehouse	

54	Any Person	Agiculture / Agricultural Produce	Any Person	<p>Services relating to cultivation of plants and rearing of all life forms of animals, <i>except the rearing of horses</i>, for food, fibre, fuel, raw material or other similar products or agricultural produce by way of –</p> <p>(a) agricultural operations directly related to production of any agricultural produce including cultivation, harvesting, threshing, plant protection or testing;</p> <p>(b) supply of farm labour;</p> <p>(c) processes carried out at an agricultural farm including tending, pruning, cutting, harvesting, drying, clearing, trimming, sun drying, fumigating, curing, sorting, grading, cooling or bulk packaging and such like operations which do not alter the essential characteristics of agricultural produce but make it only marketable for the primary market;</p> <p>(d) renting or leasing of agro machinery or vacant land with or without a structure incidental to its use;</p> <p>(e) loading, unloading, packing, storage or warehousing of agricultural produce;</p> <p>(f) agricultural extension services;</p> <p>(g) services by any Agricultural Produce Marketing Committee or Board or services provided by a commission agent for sale or purchase of agricultural produce.</p> <p>(h) Fumigation in a warehouse of Agriculture Produce</p>	Agricultural Extension, Agricultural Produce, Agricultural Produce Marketing Committee or Board
55	Any Person	Intermediate Pro- duction Process	Any Person	<p>Carrying out an intermediate production process as job work in relation to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for</p> <p>(a) food,</p> <p>(b) fibre,</p> <p>(c) fuel,</p> <p>(d) raw material or</p> <p>(e) other similar products or</p> <p>(f) agricultural produce.</p>	
56	Any Person	Slaughtering of animals	Any Person	Services by way of slaughtering of animals.	
57	Any Person	Related to Fruits and vegetables	Any Person	<p>Services by way of –</p> <p>(a) pre-conditioning,</p> <p>(b) pre-cooling,</p> <p>(c) ripening,</p> <p>(d) waxing,</p> <p>(e) retail packing,</p> <p>(f) labeling of fruits and vegetables which do not change or alter the essential characteristics of the said fruits or vegetables.</p>	
58	NCCCD	Cold chain knowledge dissemination.	Any Person	Services provided by the National Centre for Cold Chain Development under the Ministry of Agriculture, Cooperation and Farmer's Welfare by way of cold chain knowledge dissemination.	
59	Foreign Diplomatic Mission	Any Service	Any Person	Services by a foreign diplomatic mission located in India.	

60	Specified Organisations	Religious Pilgrimage	Any Person	Services by a specified organisation in respect of a religious pilgrimage facilitated by the Ministry of External Affairs , the Government of India, under bilateral arrangement	Specified organisation
61	CG/SG/UTG/LA	Specified Services	An Individual	Services provided by the Central Government, State Government, Union territory or local authority by way of (a) issuance of passport, (b) visa, (c) driving license, (d) birth certificate or (e) death certificate.	
62	CG/SG/UTG/LA	Tolerating Non-Performance	Any Person	Services provided by the Central Government, State Government, Union territory or local authority by way of tolerating non-performance of a contract for which consideration in the form of fines or liquidated damages is payable to the Central Government, Union territory or local authority under such contract.	
63	CG/SG/UTG/LA	Right to use Natural Resource	Individual Farmer	Services provided by the Central Government, State Government, Union territory or local authority by way of assignment of right to use natural resources to an individual farmer for cultivation of plants and rearing of all life forms of animals, except the rearing of horses , for food, fibre, fuel, raw material or other similar products.	
64	CG/SG/UTG/LA	Right to use Natural Resource assigned before 1st April 2016	Any Person	Services provided by the Central Government, State Government, Union territory or local authority by way of assignment of right to use any natural resource where such right to use was assigned by the Central Government, State Government, Union territory or local authority before the 1st April, 2016 . The exemption shall apply only to tax payable on one time charge payable, in full upfront or in installments , for assignment of right to use such natural resource.	
65	CG/SG/UTG	Inspection	Any Person	Services provided by the Central Government, State Government, Union territory by way of deputing officers after office hours or on holidays for inspection or container stuffing or such other duties in relation to import export cargo on payment of Merchant Overtime charges	
65A	Any Person	Service of providing Information	Any Person	Service by way of Providing info under Right to Information Act, 2005	

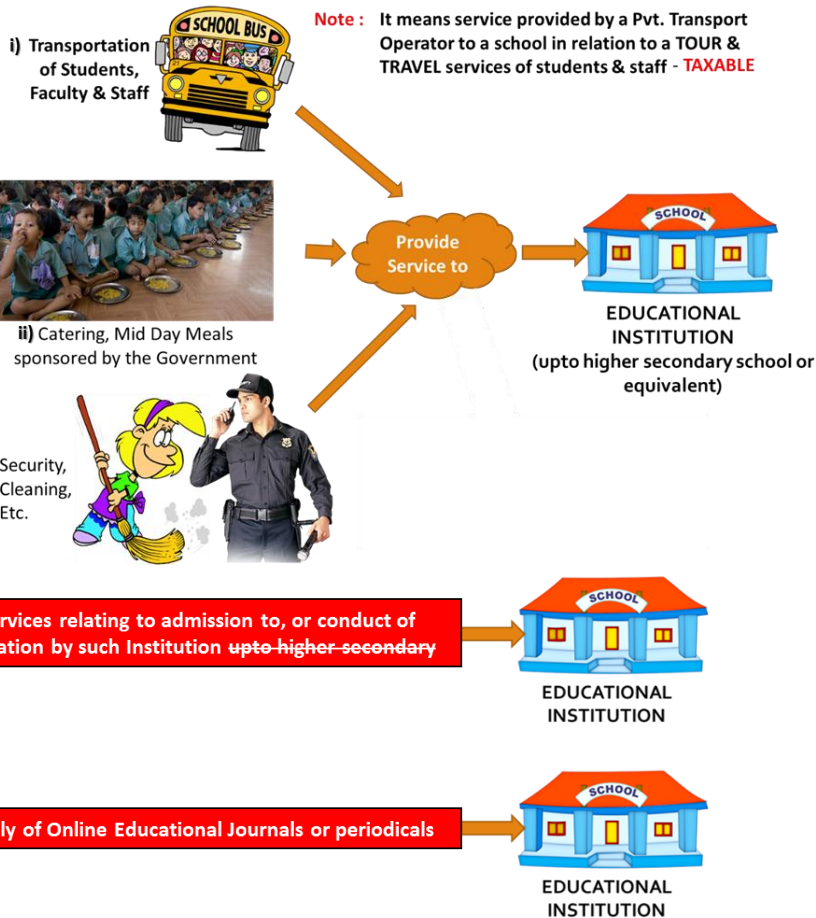
ENTRY NO. 66 - SERVICES TO & BY EDUCATIONAL INSTITUTION

a. Services Provided BY Educational Institution



aa. Conduct of Entrance Examination against Consideration in the form of Exam Fee.

b. Services Provided TO Educational Institution



Except to an Institution providing services by way of –
 (i) Pre-school education and education upto higher secondary school or equivalent;
 (ii) Education is a part of an approved vocational education course;

c. ITI / ITC affiliated by CG / SG

MEANING OF EDUCATIONAL INSTITUTION [Para 2(y) of Notification No. 12/2017-CT (Rate)]: "Educational Institution" means an institution providing services by way of –

- (i) Pre-school education and education up to higher secondary school or equivalent;
- (ii) Education as a part of curriculum for obtaining a qualification recognised by any law for the time being in force.
- (iii) Education as a part of an approved vocational education course.

are exempt.

MEANING OF APPROVED VOCATIONAL EDUCATION COURSE [Para 2(h) of Notification No. 12/2017-CT (Rate)]: "Approved Vocational Education Course" means-

- (i) A course run by an industrial training institute or an industrial training centre affiliated to the National Council for Vocational Training or State Council for Vocational Training offering courses in designated trades notified under the Apprentices Act, 1961; or
- (ii) A Modular Employable Soft Skill Course, approved by the National Council of Vocational Training, run by a person registered with the Directorate General of Training, Ministry of Skill Development and Entrepreneurship.

67	IIM	Educational programmes, except Executive Development Programme	Students	Services provided by the Indian Institutes of Management, as per the guidelines of the Central Government, to their students, by way of the following educational programmes, except Executive Development Programme: (a) 2 year full time Post Graduate Programmes in Management for the Post Graduate Diploma in Management, to which admissions are made on the basis of Common Admission Test (CAT) conducted by the Indian Institute of Management; (b) fellow programme in Management; (c) 5 year integrated programme in Management	
68	An Individual / Another Recognised Sports Body	Specified Services	Recognised Sports Body	Services provided to a recognised sports body by – (a) an individual as a player, referee, umpire, coach or team manager for participation in a sporting event organised by a recognised sports body; (b) another recognised sports body	Recognised Sports Body

69	NSDC / SSC, etc.	Skill Development / Sector Skill Development	Any Person	Any services provided by, - (a) the National Skill Development Corporation set up by the Government of India; (b) a Sector Skill Council approved by the National Skill Development Corporation; (c) an assessment agency approved by the Sector Skill Council or the National Skill Development Corporation; (d) A training partner approved by the National Skill Development Corporation or the Sector Skill Council in relation to – (i) the National Skill Development Programme implemented by the National Skill Development Corporation; or (ii) a vocational skill development course under the National Skill Certification and Monetary Reward Scheme; or (iii) any other Scheme implemented by the National Skill Development Corporation.	
70	Assessing Bodies	Assessment	DGT / MSDE	Services of assessing bodies empanelled centrally by the Director-ate General of Training (DGT), Ministry of Skill Development and Entrepreneurship (MSDE) by way of assessments under the Skill Development Initiative Scheme.	
71	Training Providers	Training under DDUGKY	Any Person	Services provided by training providers (Project implementation agencies) under Deen Dayal Upadhyaya Grameen Kaushalya Yojana implemented by the Ministry of Rural Development, Government of India by way of offering skill or vocational training courses certified by the National Council for Vocational Training.	Approved vocational education course
72	Any Person	Training Programme	CG/SG/UTG	Services provided to the Central Government, State Government, Union territory administration under any training programme for which total expenditure is borne by the Central Government, State Government, Union territory administration.	
73	Cord Blood Bank	Preservation of stem cell, etc.	Any Person	Services provided by the cord blood banks by way of preservation of stem cells or any other service in relation to such preservation	
74	(i) Clinical Establishment (ii) Transportation of Patient	Health Care	Any Person	Services by way of – (a) health care services by a clinical establishment, an authorized capital practitioner or para-medics; (b) services provided by way of transportation of a patient in an ambulance, other than those specified above	Clinical establishment, Authorised medical practitioner, Health care services
75	Operator	Bio-medical waste treatment	Clinical Establishment	Services provided by operators of the common bio-medical waste treatment facility to a clinical establishment by way of treatment or disposal of bio-medical waste or the processes incidental	
76	Any Person	Public Conveniences	Any Person	Services by way of public conveniences such as provision of facilities of bathroom, washrooms, lavatories, urinal or toilets.	

77	Unincorporated Body / NPO	Reimbursement of charges / Share of contribution	Members	Service by an unincorporated body or a non-profit entity registered under any law for the time being in force, to its own members by way of reimbursement of charges or share of contribution – (a) as a trade union; (b) for the provision of carrying out any activity which is exempt from the levy of Goods and service Tax; or (c) up to an amount of Rs. 5,000 Rs. 7,000 per month per member for sourcing of goods or services from a third person for the common use of its members in a housing society or a residential complex	Trade Union
78	Artist	Music / Dance , etc.	Any Person	Services by an artist by way of a performance in folk or classical art forms of – (a) music, or (b) dance, or (c) theatre, if the consideration charged for such performance is not more than Rs. 1,50,000 are exempt. <i>The exemption shall not apply to service provided by such artist as a brand ambassador.</i>	Brand Ambassador
79	Any Person	Admission to an event	Any Person	Services by way of admission to a museum, national park, wildlife sanctuary, tiger reserve or zoo	National Park, Tiger Reserve, Wildlife Sanctuary, Zoo
79A	Any Person	Admission to a Protected Monument	Any Person	Services by way of admission to a protected monument so declared under the ancient monuments & archaeological sites & remains act, 1958 or any state archaeological & remains act 1958, or any state acts for the time being in force	
80	Any Person	Training / Coaching	Any Person	Services by way of training or coaching in recreational activities relating to – (a) arts or culture, or (b) sports by charitable entities registered under section 12AA of the Income-tax Act	
81	Any Person	Admission to an event	Any Person	Services by way of right to admission to – (a) circus, dance, or theatrical performance including drama or ballet; (b) award function, concert, pageant, musical performance or any sporting event other than an recognised sporting event; (c) recognised sporting event, (d) Planaterium where the consideration for admission is not more than Rs. 250 Rs. 500 per person as referred to in (a), (b) and (c) above	Recognised sporting event
82	Any Person	Admission to an event	FIFA	Services by way of right to admission to the event organized under FIFA U-17 World Cup 2017	Notification No. 25/2017

The below list of exemption is ONLY on levy of IGST

Sr No	Supplier	Nature of	Recipiet	Purpose of Supply	Notification Numbers
1	Located in a non-taxable territory	Any Supply	CG/SG/UTG/LA /GA/Charitable Institution/Pers on located in non-taxable territory	<p>Services provided from a provider of service located in a non- taxable territory by –</p> <p>(a) The Central Government, State Government, Union Territory, a local authority, a governmental authority or an individual in relation to any purpose other than commerce, industry or any other business or profession;</p> <p>(b) An entity registered under section 12AA of the Income-tax Act, 1961 for the purpose of providing charitable activities or (c) A person located in a non-taxable territory.</p> <p>However, the exemption shall not apply to –</p> <p>(i) Online information and database access or retrieval services received by persons specified in entry (a) or (b); or</p> <p>(ii) Services by way of transportation of goods by a vessel from a place outside India up to customs station of clearance in India received by persons specified in the entry.</p>	Notification No. 9/2017 (Rate)
2	Any Person	Management of Foreign Exchange	RBI	Services received by RBI, from outside India in relation to management of foreign exchange reserves.	Notification No. 9/2017 (Rate)
3	Tour Opera- tor	Tour services	Foreign Tourist	Services provided by a tour operator to a foreign tourist in rela- tion to a tour outside India.	Notification No. 9/2017 (Rate)
4	Any Person	All Services	SEZ Unit/ Developer	All services imported by a unit/developer in the Special Economic Zone (SEZ) for authorised operations are exempt from the whole of the Integrated tax leviable thereon under section 3(7) of the customs tariff act, 1975 read with section 5 of the IGST Act, 2017.	Notification No. 18/2017 (Rate)

SOME OTHER EXEMPTION NOTIFICATION

1	CG/SG/UT/LA/GA/GE	Supply of Service by way of grant of license or lease to explore or mine petroleum crude or natural gas or both	Any Person	Supply of services by way of grant of license or lease to explore or mine petroleum crude or natural gas or both, from so much of the central tax as is leviable on the consideration paid to the Central Government in the form of Central Government's share of profit petroleum as defined in the contract entered into by the Central Government in this behalf.	
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CHAPTER 5. PLACE OF SUPPLY

A. PLACE OF SUPPLY OF GOODS OTHER THAN IMPORT AND EXPORT [SECTION 10]

Sr. No.	NATURE OF SUPPLY	PLACE OF SUPPLY
1.	Where the supply involves the movement of goods, whether by the supplier or the recipient or by any other person	Location of the goods at the time at which, the movement of goods terminates for delivery too the recipient.
2.	Where the goods are delivered to the recipient, or any person on the direction of the third person by way of transfer of title or otherwise, it shall be deemed that the third person has received the goods.	The principal place of business of such third person.
3.	Where there is no movement of goods either by supplier or recipient	Location of such goods at the time of delivery of the recipient
4.	Where goods are assembled or installed at site	The place where the goods are assembled or installed
5.	Where the goods are supplied on-board a conveyance like a vessel, aircraft, train or motor vehicle	The place where such goods are taken on-board a conveyance
6.	Where the place of supply of goods cannot be determined in terms of the above provisions	It shall be determined in such manner as may be prescribed.

B. PLACE OF SUPPLY OF GOODS IMPORTED INTO, OR EXPORTED FROM INDIA [SECTION 11]

Sr. No.	NATURE OF SUPPLY	PLACE OF SUPPLY
1.	IMPORT	Location of importer
2.	Export	Location outside India

C. PLACE OF SUPPLY OF SERVICES WHERE LOCATION OF SUPPLIER AND RECIPIENT IS IN INDIA [SECTION 12]

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

Sr. No.	NATURE OF SUPPLY	PLACE OF SUPPLY
1.	Immovable property related-services including accommodation in hotel/boat/vessel	Location at which the immovable property or boat or vessel is located or intended to be located → If location outside India, then Location of recipient
2.	Restaurants and catering services, personal grooming, fitness, beauty treatment and health service	Location where the services are actually performed
3.	Training and performance appraisal	→ B2B: Location of such registered person. → B2C: Location where the services are actually performed
4.	Admission to an event or amusement park	Place where the event is actually held or where the park or the other place is located

5.	Organization of an event	→ B2B: Location of such registered person. → B2C: Location where the event is actually held • If the event is held outside India: Location of the recipient.
6.	Transportation of goods, including mails	→ B2B: Location of such registered person. → B2C: Location at which such goods are handed over for their transportation.
7.	Passenger Transportation	→ B2B: Location of such registered person. → B2C: Location where the passenger embarks on the conveyance for a continuous journey
8.	Services on board a conveyance	Location of the first scheduled point of departure of that conveyance for the journey.
9.	Banking and other financial services	→ Location of the recipient of services on the records of the supplier → Location of the supplier of services if the location of the recipient of services is not available.
10.	Insurance Services	→ B2B: Location of such registered person. → B2C: Location where the passenger embarks on the conveyance for a continuous journey
11.	Advertisement Services to the Government	→ Each of States/Union Territory where the advertisement is broadcasted/displayed/run. → Proportionate value in case of multiple States.
12.	Telecommunication services	→ Services involving fixed line, circuits, dish etc: Location of such fixed equipment → Mobile/Internet post-paid services: Location of billing address of the recipient → Sale of pre-paid voucher: Place of sale of such vouchers → Other Cases: Address of the recipient in records

b. For the rest of the services other than those specified above, the default provision has been prescribed as under:

DEFAULT RULE FOR SERVICES OTHER THAN 12 SPECIFIED SERVICES		
Sr. No.	DESCRIPTION OF SUPPLY	PLACE OF SUPPLY
1.	B2B	Location of such registered person
2.	B2C	→ Where the address of record exists: Location of the recipient → Other Cases: Location of the supplier of services

D. PLACE OF SUPPLY OF SERVICES WHERE LOCATION OF SUPPLIER OR RECIPIENT IS OUTSIDE INDIA [SECTION 13]

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

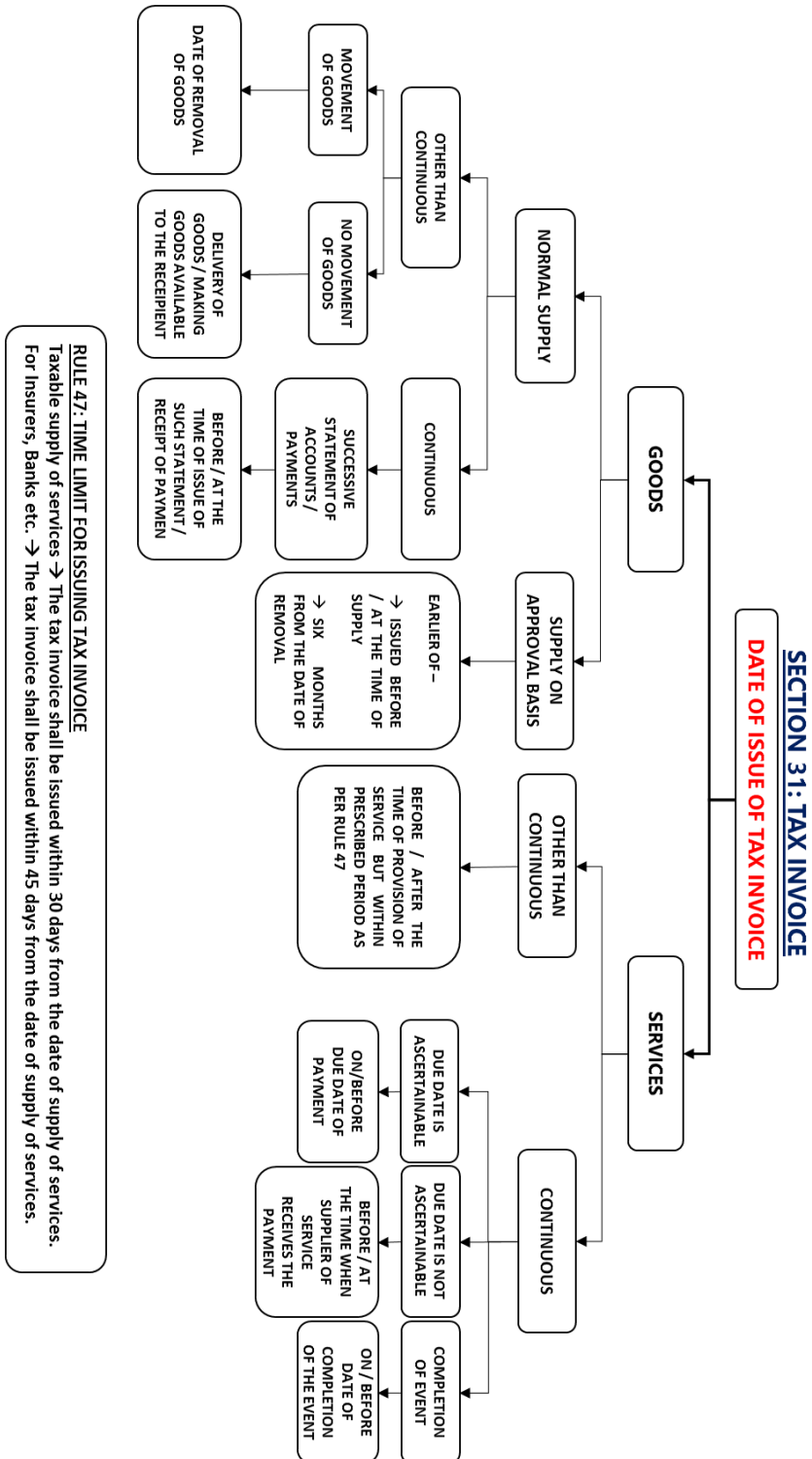
Sr. No.	NATURE OF SUPPLY	PLACE OF SUPPLY
1.	Services supplied in respect of goods which are required to be made physically available	Location where the services are actually performed

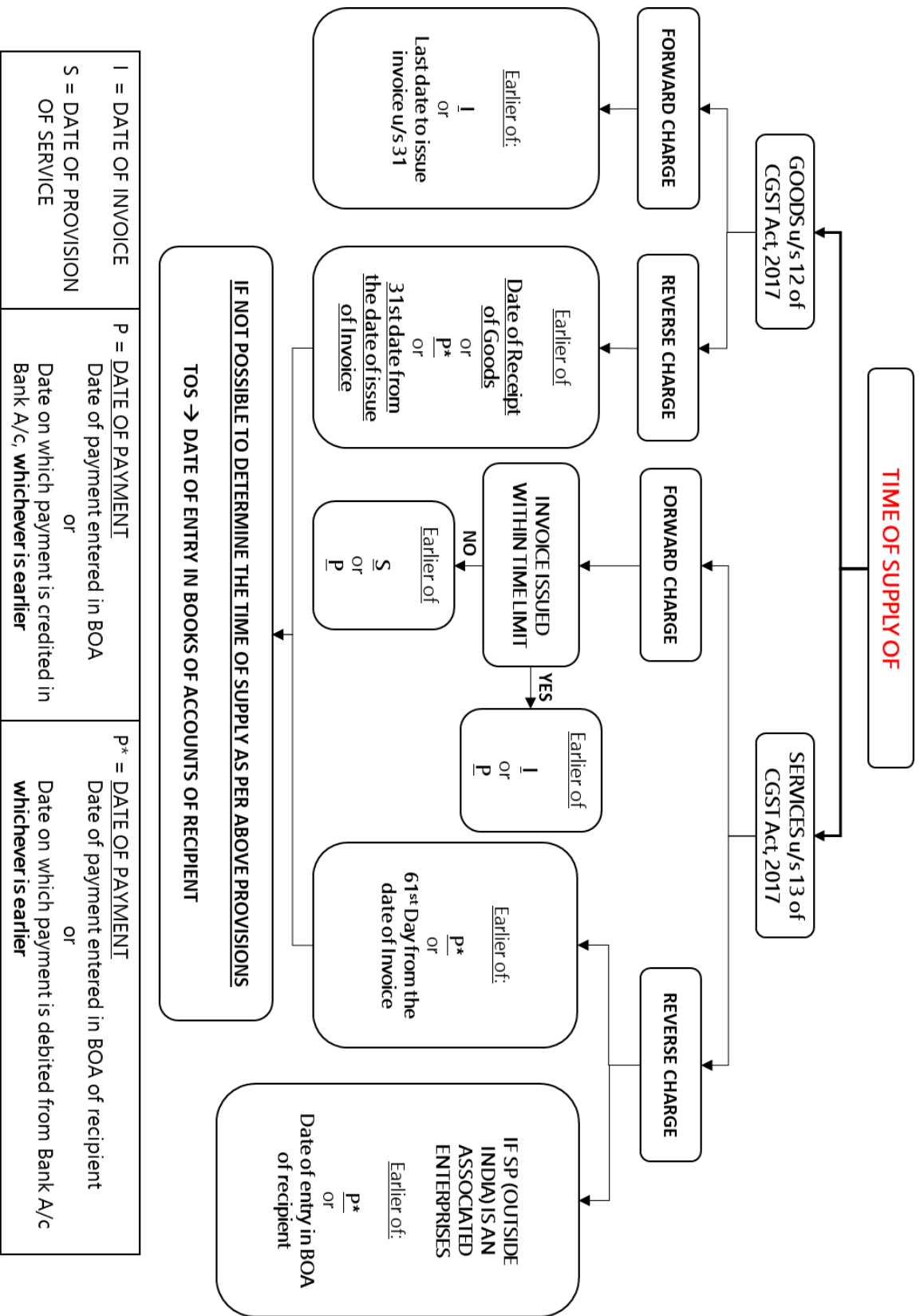
	Services supplied in respect of goods but from a remote location by way of electronic means	Location where the goods are situated at the time of supply of services
	Above provisions are not applicable in case of goods that are temporarily imported into India for repairs and exported after repairs.	
2.	Services which require the physical presence of the recipient or the person acting on his behalf with the supplier of services	Location where the services are actually performed
3.	Services supplied directly in relation to an immovable property	Place where the immovable property is located or intended to be located
4.	Admission to or organization of an event	Place where the event is actually held
	If the above services are supplied at more than one locations i.e. (i) Goods & individual related (ii) Immovable property-related (iii) Event related	
8.	Services on board a conveyance	Location of the first scheduled point of departure of that conveyance for the journey.
	At more than one location, including a location in the taxable territory	Location in the taxable territory
	In more than one State	Each State in proportion to the value of services provided in each State.
5.	Services supplied by a banking company, or a financial institution, or a NBFC to account holders.	Location of the supplier of services
	Intermediary Services	
	Services consisting of hiring of means of transport, including yachts but excluding aircrafts and vessels, up to a period of one month.	
6.	Transportation of goods, other than by way of mail or courier	Place of destination of such goods
7.	Passenger transportation	Place where the passengers embarks on the conveyance for a continuous journey.
8.	Services provided on-board a conveyance	First scheduled point or departure of that conveyance for the journey
9.	Online information and database access or retrieval services	Location of recipient of service

- b. For the rest of the services other than those specified above, a default provision has been prescribed as under:

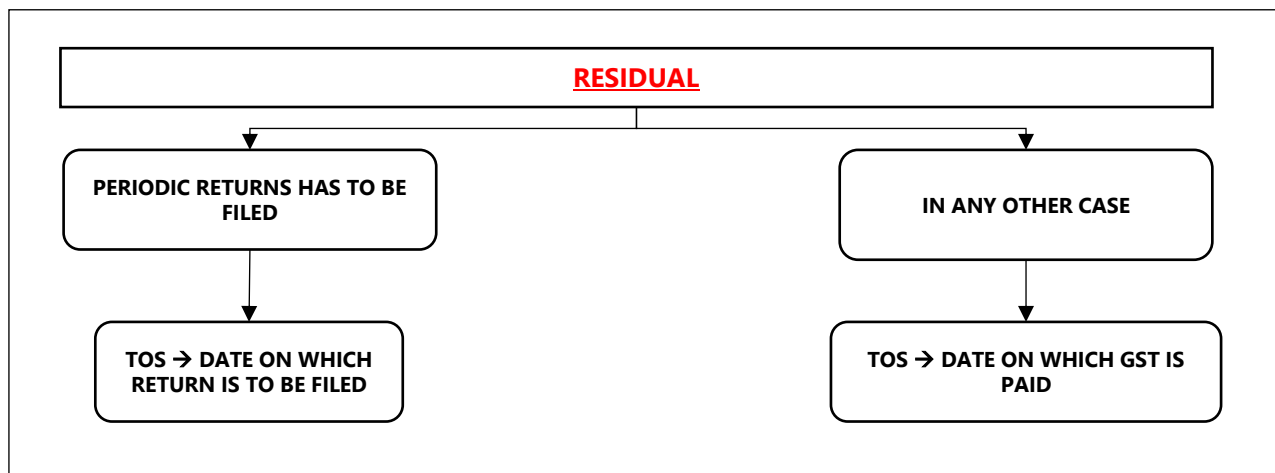
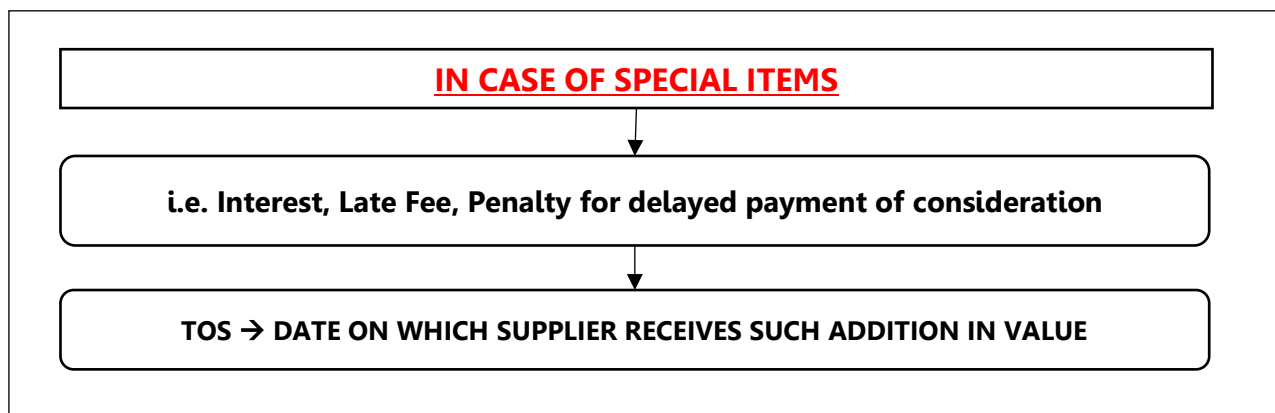
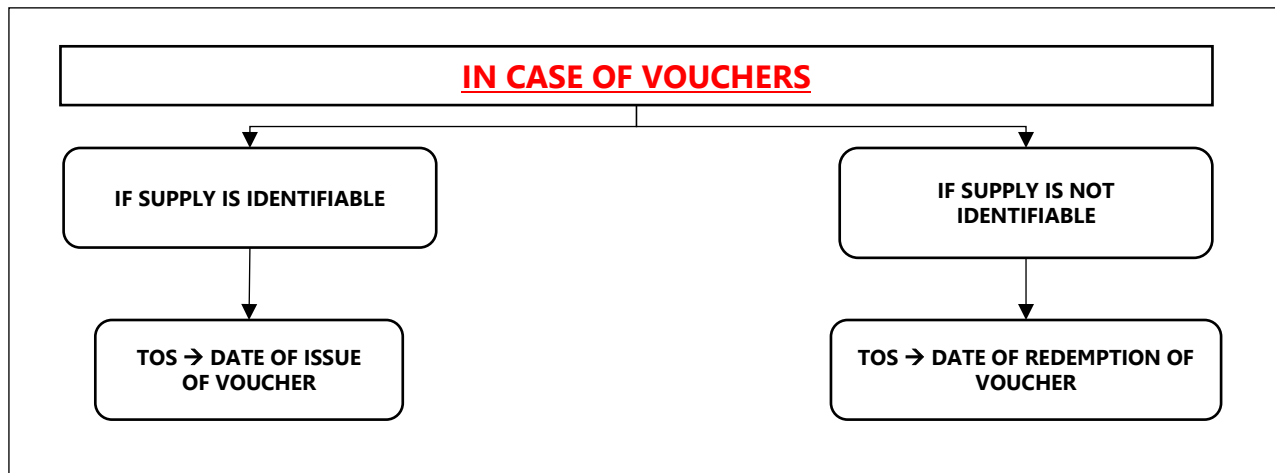
DEFAULT RULE FOR THE CROSS-BORDER SUPPLY OF SERVICES OTHER THAN NINE SPECIFIED SERVICES		
Sr. No.	DESCRIPTION OF SUPPLY	PLACE OF SUPPLY
1.	Any	→ Location of the recipient of service → Location of the supplier of service, if location of recipient is not available in the ordinary course of business

CHAPTER 6. TIME OF SUPPLY

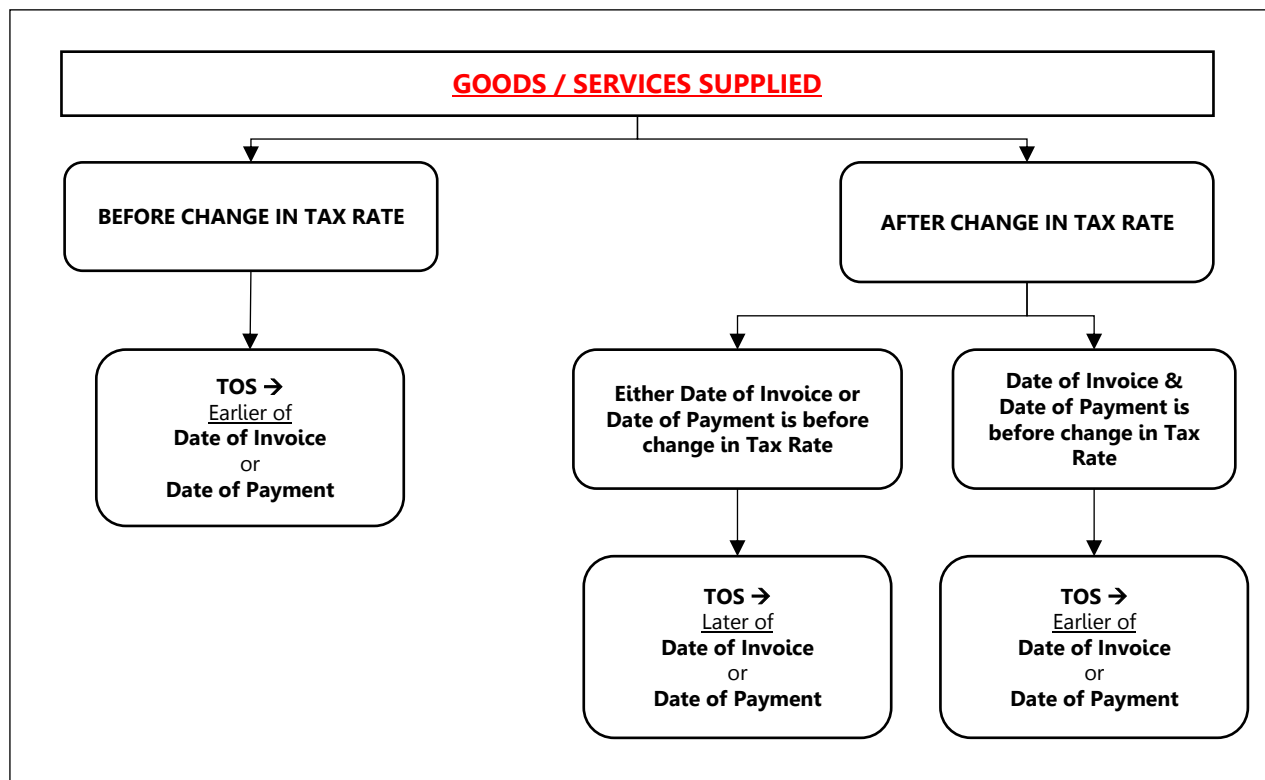




COMMON PROVISIONS FOR TIME OF SUPPLY OF GOODS OR SERVICES

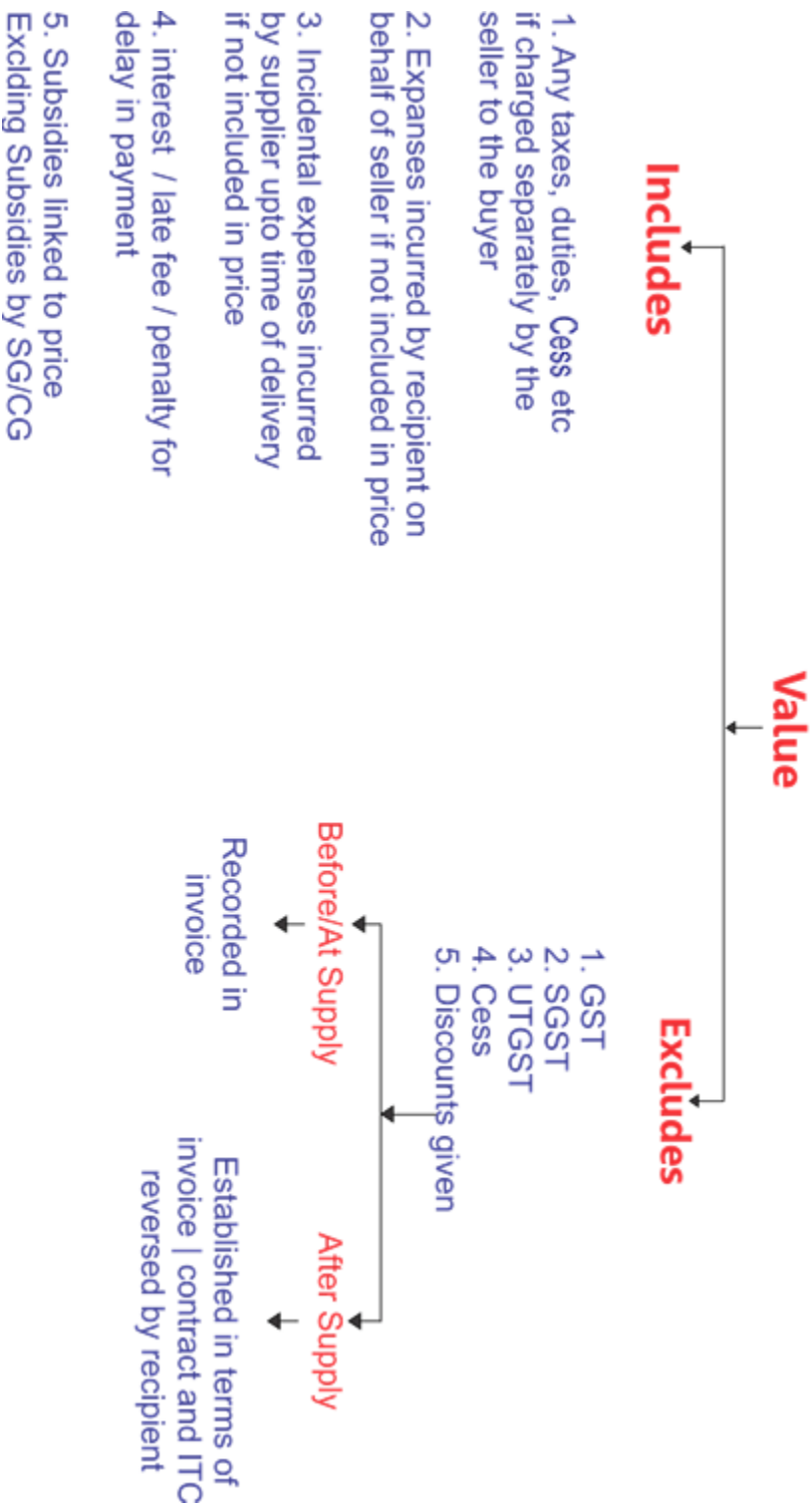


CHANGE IN TAX RATE



CHAPTER 7. VALUE OF SUPPLY

Transaction Value = Price actually paid / payable
 + Supply of goods / services / both
 + Supplier and receiver are unrelated parties
 + Price is the sole consideration



<p><u>RULE 27: CONSIDERATION NOT WHOLLY IN MONEY</u> Value shall be either of the following in the given order</p> <ul style="list-style-type: none"> • Open Market Value • Total of consideration in money + amount equal to the consideration not in money • Value of supplies of like kind and quality. • Consideration in money + money value of consideration as per rule 30 or 31 in that order. 	<p><u>RULE 28: SUPPLY BETWEEN DISTINCT / RELATED PERSONS, OTHER THAN AGENT</u> Value shall be either of the following in the given order</p> <ul style="list-style-type: none"> • Open Market Value • Value of supplies of like kind and quality. • Value as per rule 30 or 31 in that order. <p># Option to supplier to value goods sold as such by recipient → Value = 90% of price charged by recipient to its unrelated customer</p>	<p><u>RULE 29: SUPPLY MADE/RECEIVED THROUGH AN AGENT</u> Value shall be either of the following in the given order</p> <ul style="list-style-type: none"> • Open Market Value or 90% of price charged by recipient to his unrelated customer for supplies of like kind and quality; • Value as per rule 30 or 31 in that order 	<p><u>RULE 31: RESIDUAL METHOD (BEST JUDGEMENT METHOD)</u> Value shall be determined using reasonable means consistent with the principles and general provisions of Section 15 & valuation rules. For services, rule 31 can be adopted before rule 30.</p>
<p><u>RULE 33: SUPPLY ASA PURE AGENT</u> Costs incurred by the supplier as pure agent of recipient shall be excluded from value.</p>	<p># Recipient eligible for ITC → Invoice Value = Open Market Value (Taxable Value)</p>	<p><u>RULE 30: VALUE BASED ON COST</u> Value shall be 110% of cost of production / acquisition / provision of goods or services</p>	<p><u>RULE 34: RATE OF EXCHANGE FOR DETERMINATION OF VALUE</u> Goods → Rate notified by CBEC under Customs Act on the date of time of supply of such goods; Services → Rate as per GAAP on the date of time of supply of such services</p>

RULE 35: VALUE INCLUSIVE OF TAXES

Where value of supply is inclusive of CGST, SGST/UTGST or IGST, the tax amount is calculated by making back calculations. Tax Amount = (Value inclusive of GST x GST Rate in % of IGST or CGST, SGST or UTGST)/100 + Sum of applicable GST Rate in %

RULE 32: VALUE IN RESPECT OF CERTAIN SPECIFIED SUPPLIES

→ **Purchase/sale of foreign currency:** 1st method: Value = [Buying/Selling Rate – RBI Reference Rate at that time] x Total Units.
If no RBI Reference Rate, Value = 1% of INR Received/Provided.
If the currencies exchanged are not in INR, Value = Lesser of 2 amounts that would have been received by converting any of currencies into INR at RBI Reference Rate **OR** 2nd Method

Sr. No.	Value of Currency Exchanged	Value
1	Upto Rs. 1,00,000	1% of the gross amount of currency charged Or Rs. 250, whichever is higher.
2	Rs. 1,00,001 – Rs. 10,00,000	Rs. 1,000 + 0.50% of the (gross amount of currency exchanged – Rs. 1,00,000)
3	More than Rs. 10,00,000	Rs. 5,500 + 0.1% of the (gross amount of currency exchanged – Rs. 10,00,000) Or Rs. 60,000, whichever is lower.

→ **Booking of tickets by air travel agent:** Value = 5% of basic fare for domestic bookings and 10% of basic fare for for international bookings.

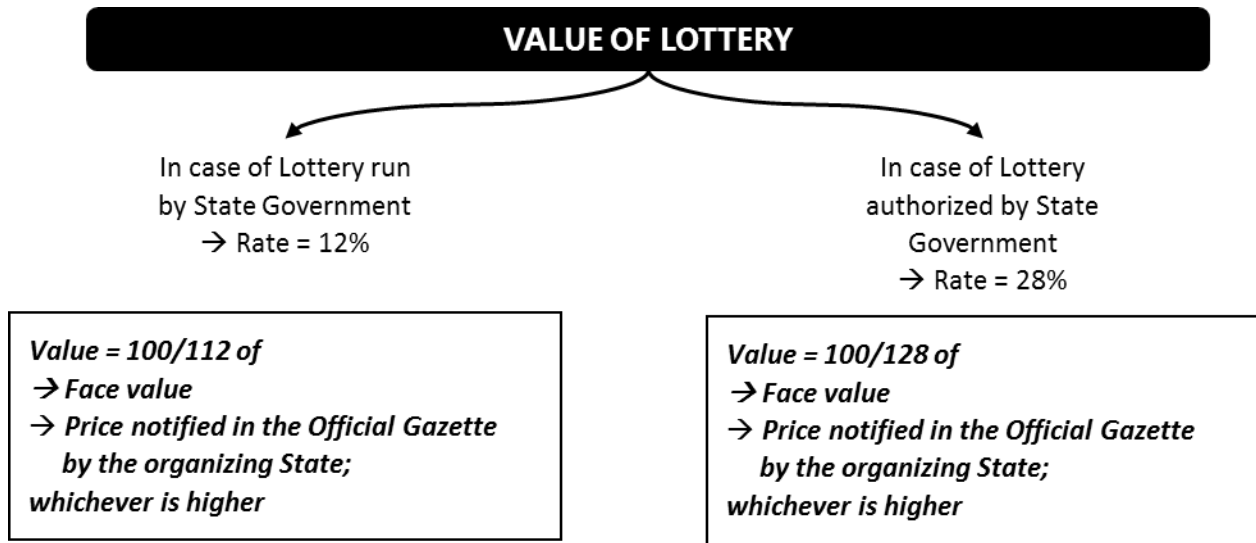
→ **Life Insurance Business:** If amount allocated form investing is intimated – Value = Gross Premium less amount allocated for investment; Single Premium Annuity Policies where amount allocated for investment is not intimated – Value = 10% of the single Premium; Other Cases – Value = 25% of premium in 1st year and 12.5% of premium in subsequent years; Policy only towards risk cover – Value = Entire Premium

→ **Buying & Selling of Second Hand Goods:** Value = Selling Price – Buying Price (Ignore if value is negative); Purchase vs value of goods repossessed from unregistered borrower = Purchase Price – 5% per quarter or part thereof from date of purchase till the date of disposal by the person making repossession.

→ **Coupon/Voucher:** Value = money value of supplies redeemable against such voucher/coupon

→ **Notified Services between distinct persons without consideration:** Value = Nil, if ITC is available

RULE 31A: VALUE OF SUPPLY IN CASE OF LOTTERY, BETTING, GAMBLING AND HORSE RACING



EXEMPTION:

Supply of Lottery by any person other than State Government / Union Territory / Local Authority subject to the condition that the supply of such lottery has suffered appropriate GST when supplied

→ by the State Government, Union Territory, Local Authority

→ to the lottery distributor or selling agent appointed by the State Government, Union Territory, Local Authority

EXPLANATION:

For the purpose of this sub-rule, the expression,

(a) "lottery run by State Governments" means a lottery not allowed to be sold in any State other than the organizing State;

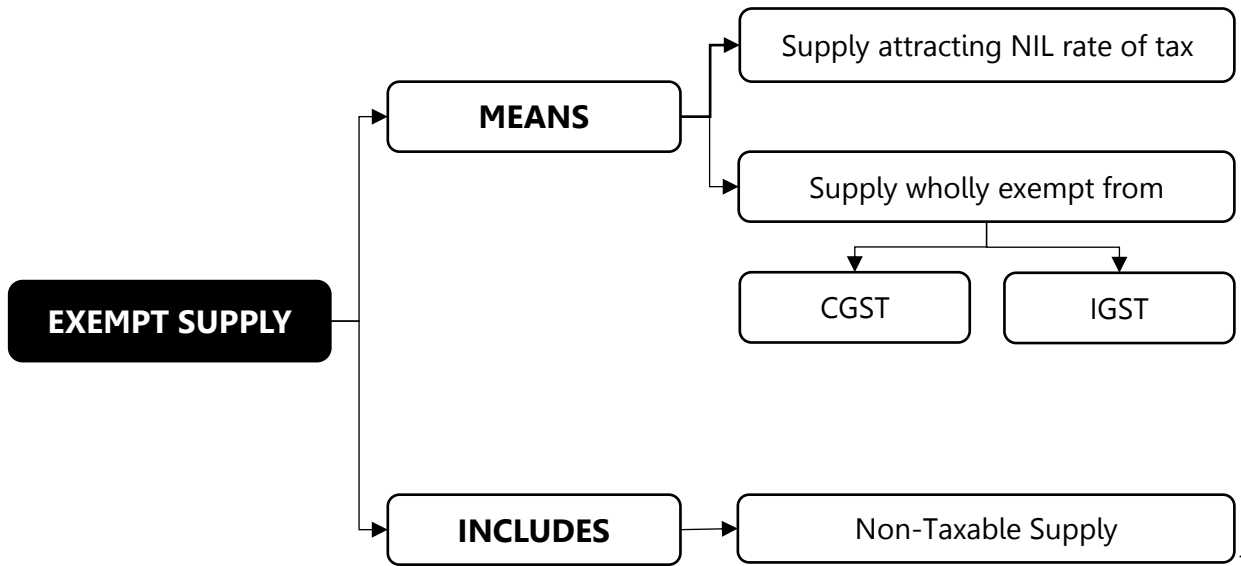
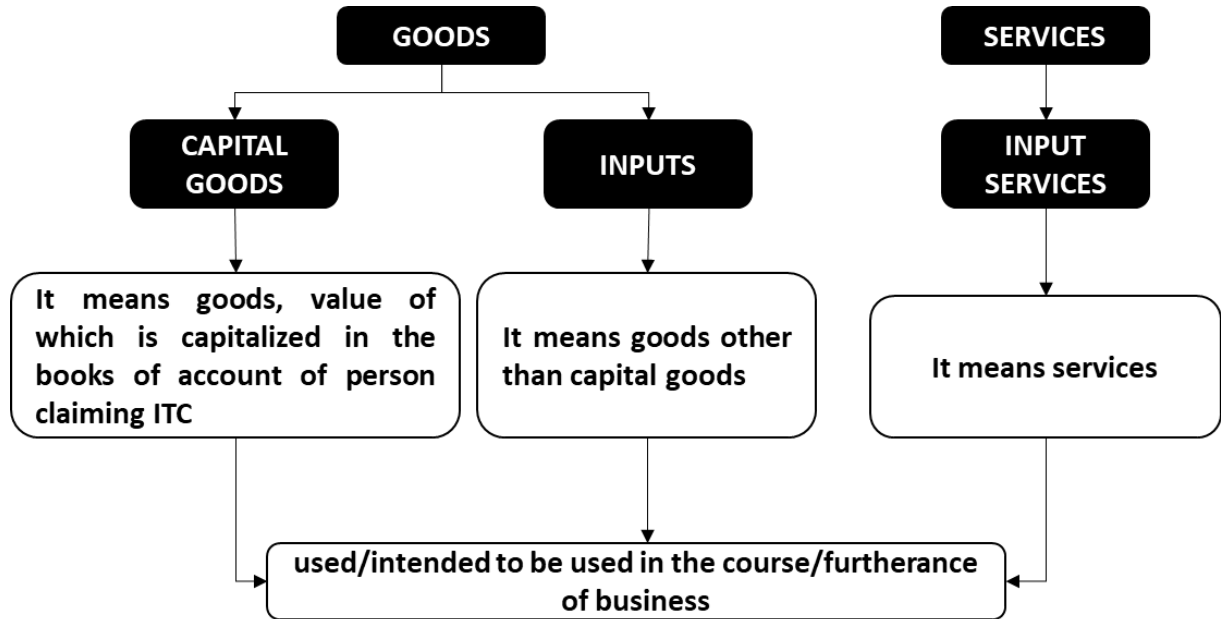
(b) "lottery authorized by State Governments" means a lottery which is authorised to be sold in State(s) other than the organising State also; and

(c) "Organising State" has the same meaning as assigned to it in clause (f) of the sub-rule (1) of Rule 2 of the Lotteries (Regulation) Rules, 2010.

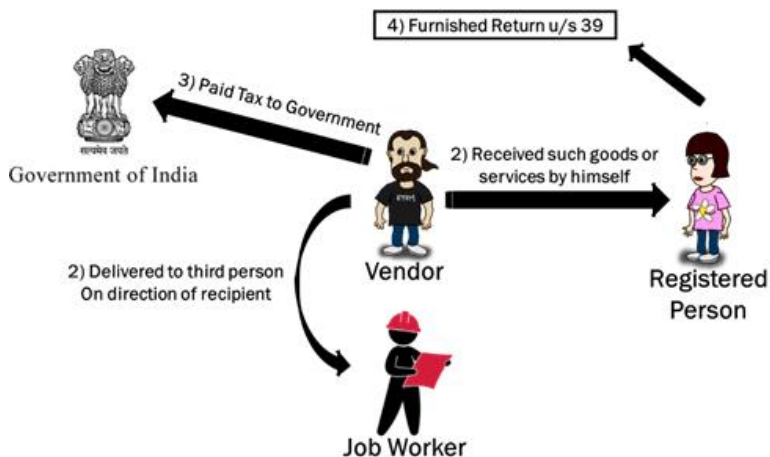
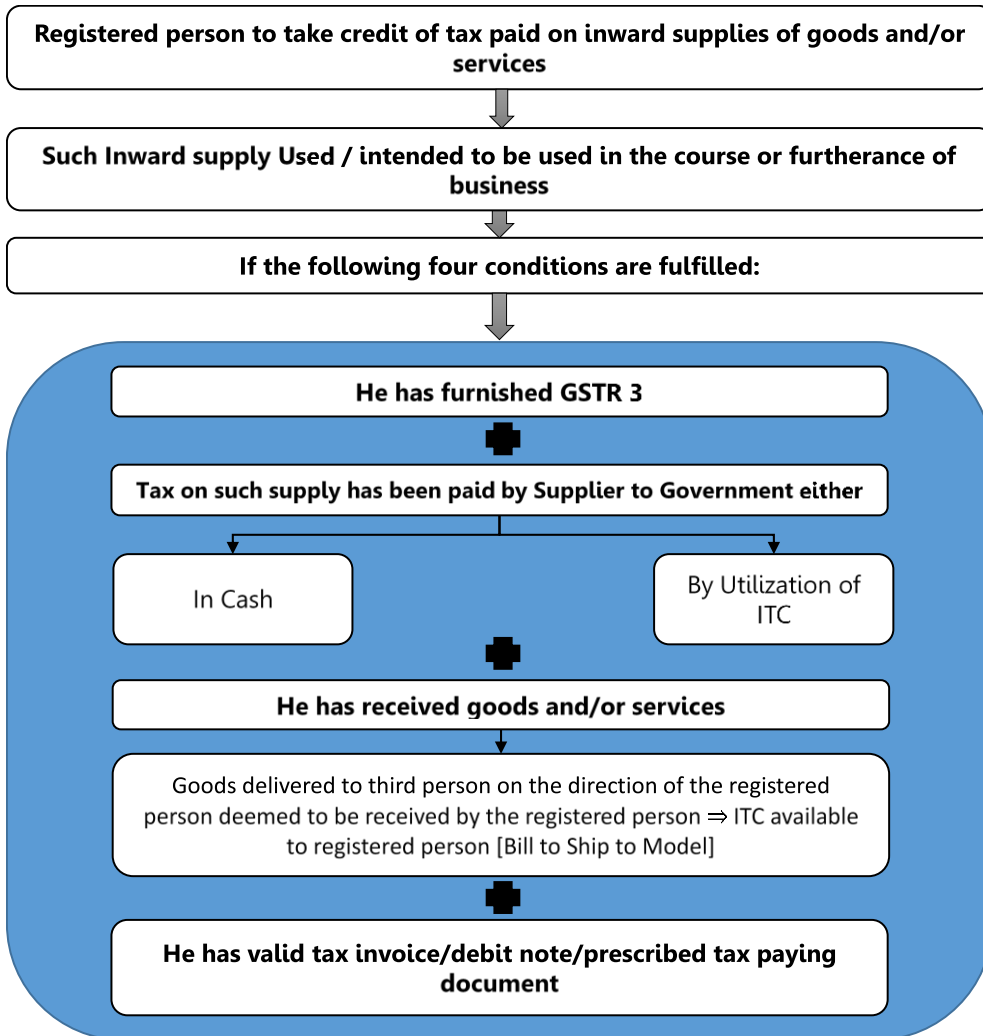
VALUE OF SUPPLY IN CASE OF BETTING, GAMBLING AND HORSE RACING

VALUE = 100% of the face value of the bet or the amount paid into the totalisator;

CHAPTER 8. INPUT TAX CREDIT



ELIGIBILITY AND CONDITIONS FOR TAKING ITC U/S 16:



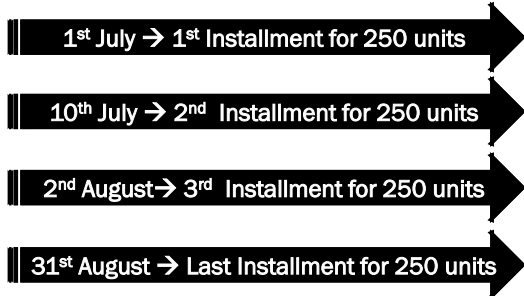
NOTE 1 → Goods received in lots – ITC allowed upon receipt of last lot.

Bought 1000 units @ Rs. 100 & GST18%

Value	Rs.100000
CGST @9%	Rs. 9000
SGST @9%	Rs. 9000



SUPPLIER



Registered Person

ITC will be allowed on or after 31st August

NOTE 2 → If depreciation claimed as per IT Act, 1962 on tax component, ITC not allowed

NOTE 3 → Time limit for availing ITC - ITC pertaining to a particular FY can be availed by 20th October of next FY or filing of annual return, whichever is earlier.

Exception: Re-availment of ITC reversed earlier

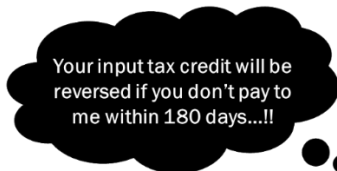
NOTE 4: PAYMENT FOR THE INVOICE TO BE MADE WITHIN 180 DAYS.

- ITC to be reversed with interest @ 18% if value + tax of goods and /or services is not paid within 180 days of the issuance of invoice.
- Such supplies will be specified in GSTR-2 of the month immediately following 180 days and ITC added in the output tax liability of the said month.
- However, once the payment is made, the recipient will be entitled to avail the credit again without any time limit.

EXCEPTIONS

Supplies under reverse charge

Deemed supplies without consideration



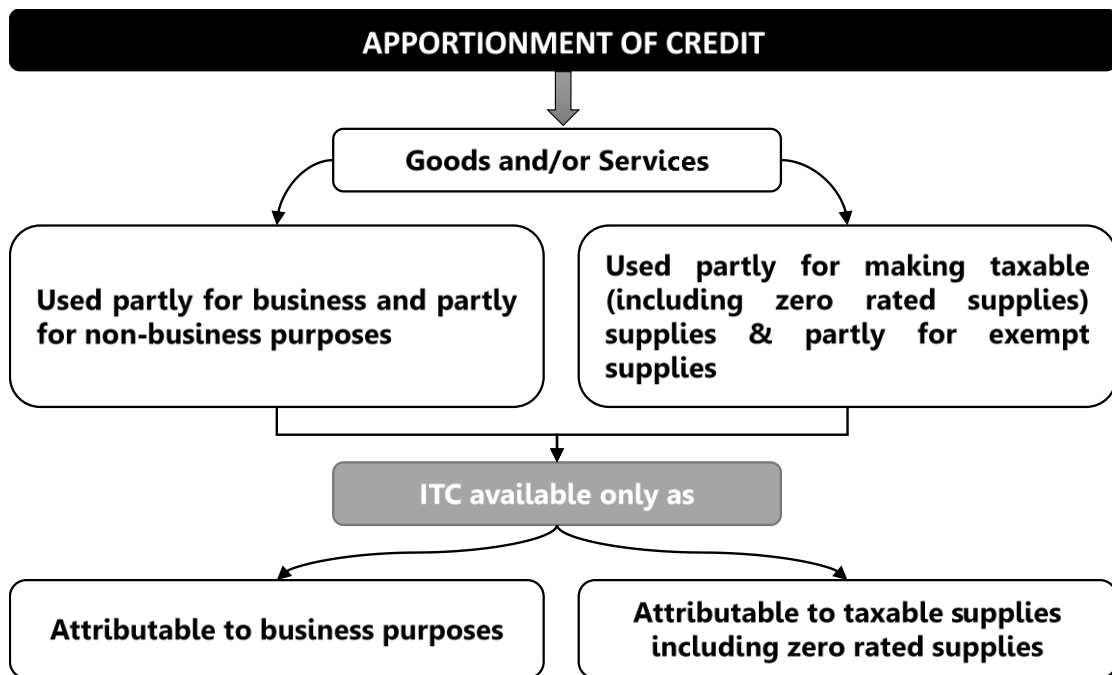
Supplier

Service/Goods supplied
Payment not made but credit availed by recipient



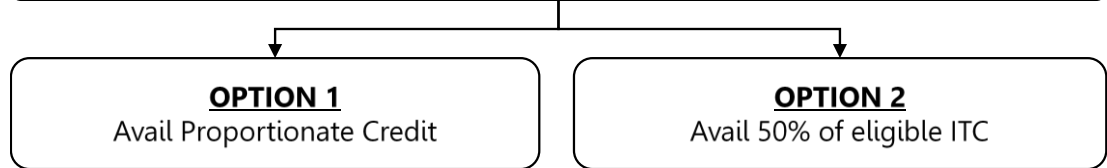
Recipient

PROVISIONS OF SECTION 17 RELATING TO APPORTIONMENT OF CREDIT AND BLOCKED CREDIT READ WITH RELEVANT RULES ARE SUMMARIZED BELOW:



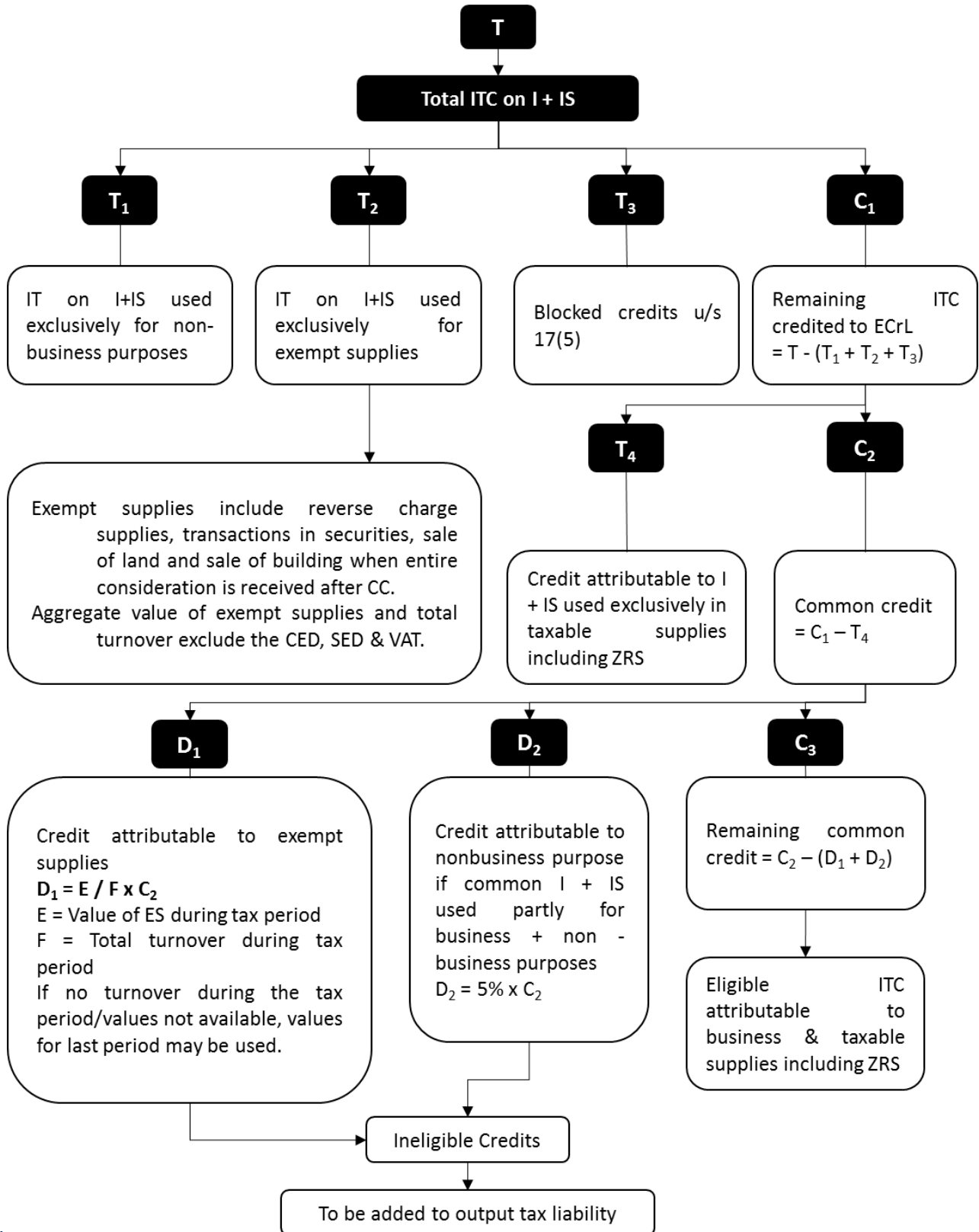
→ Exempt supplies include supplies charged to tax under reverse charge, transactions in securities, sale of land and sale of building when entire consideration is received post completion certificate.

SPECIAL PROVISIONS FOR BANKING COMPANIES AND NBFC's



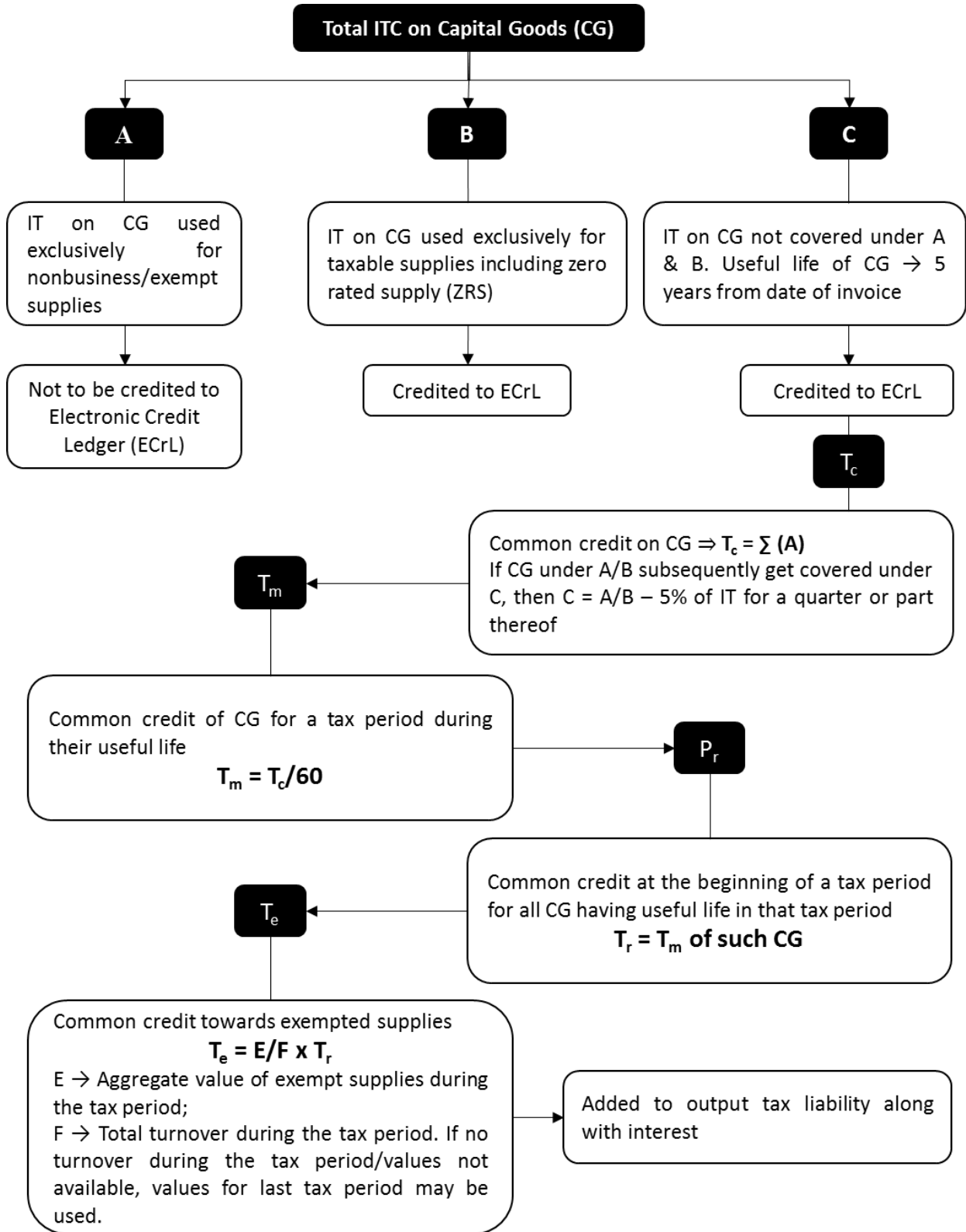
- Remaining 50% ITC will lapse.
- The restriction of 50% shall not apply to tax paid on supplies made by one registered person to another registered person having same pan
- Option once exercised cannot be withdrawn during remaining part of the year.

APPORTIONMENT OF COMMON CREDIT IN CASE OF INPUT AND INPUT SERVICE



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APPORTIONMENT OF COMMON CREDIT IN CASE OF CAPITAL GOODS



- ✓ P_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 central excise duty, State excise duty & VAT.

***NOTE: For RULE 42 & 43, Exempt Supplies shall exclude -**

1. Supply of Service having POS in Nepal or Bhutan against payment in INR.
2. Entry 27 of CGST Exemption: 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, except in case of a banking company or a financial institution including a non-banking financial company, engaged in supplying services by way of accepting deposits, extending loans or advances; and
3. 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.

BLOCKED CREDIT

- a) Motor vehicles and conveyances, EXCEPT WHEN USED

→ For transportation of goods

→ For making the following taxable supplies:

(i) Further supply of such vehicles or conveyances; or

(ii) Transportation of passengers; or

(iii) Imparting training on driving, flying, navigating such vehicles or conveyances.

EXAMPLE: RsM Car Dealers Pvt Ltd is allowed ITC on cars purchased for resale; a cab service is allowed ITC on cars purchased for use as cabs; a driving school is allowed ITC on cars purchased for use in teaching driving.

- b) Foods and beverages, outdoor catering, beauty treatment, health services, cosmetic and plastic surgery, EXCEPT WHEN

→ An inward supply of these is used for making an outward taxable supply of the same category or as an element of a taxable composite or mixed supply.

EXAMPLE: A makeup artist for a wedding gets the Facial Pack supplied by a specialist in cosmetics. He is allowed ITC of the tax paid by him to the specialist.

- c) Membership of a club, health and fitness centre

- d) Rent-a-cab, life insurance and health insurance, EXCEPT WHERE

→ The Government has made it obligatory for an employer to provide any of these services to its employees; or

→ Inward supply of these services is used for making an outward taxable supply of the same category or as an element of a taxable composite or mixed supply.

- e) Travel benefits to employees on vacation such as LTC or home travel concession

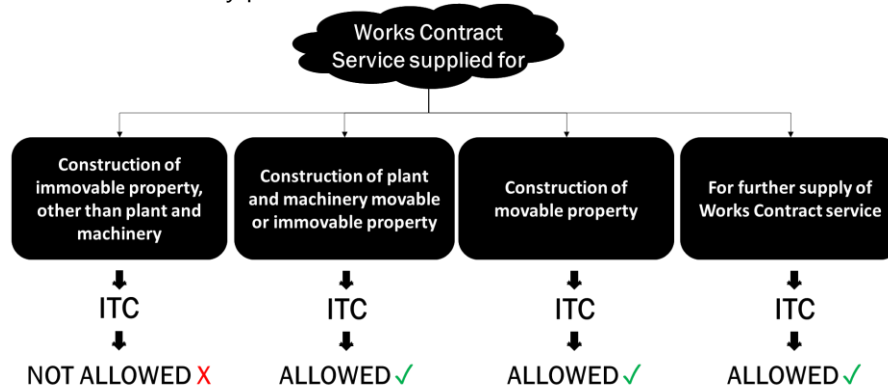
- f) Works contract services for construction of an immovable property EXCEPT WHEN

→ It is input service for further supply of works contract service

→ Immovable property is plant and machinery

MEANING OF CONSTRUCTION AND PLANT AND MACHINERY

“Construction”, both in this clause and the previous one, includes reconstruction, renovation, additions or alterations or repairs, to the extent of capitalization, to the said immovable property;
 “Plant and machinery” means apparatus, equipment, and machinery fixed to earth by foundation or structural supports but excludes land, building or other civil structures, telecommunication towers, and pipelines laid outside the factory premises.



- g) Inward supplies received by a taxable person for construction of an immovable property (other than plant and machinery) on his own account even when such supplies are used in the course or furtherance of business



Note: ITC on expenses incurred on re-construction, renovation, additions or alterations and repairs would be allowed in case such expenses are charged to revenue and not capitalized.

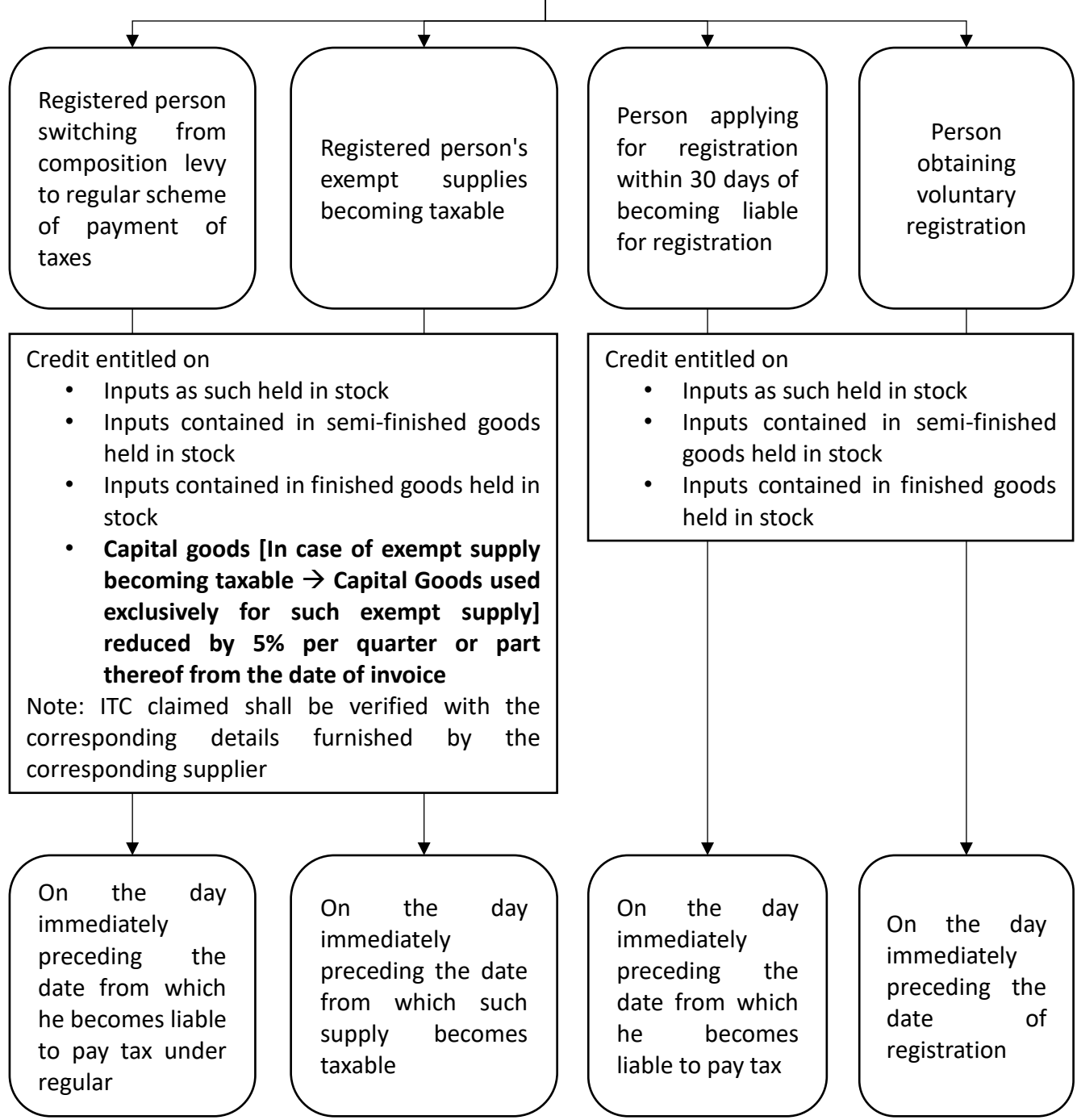
Note: Foundation and structural support required for any plant and machinery will be eligible for ITC. However, ITC in relation to any land, building or civil construction, telecommunication towers and pipelines will not be eligible for ITC

EXAMPLE: A company buys material and hires a contractor to construct an office building to house the plant supervisory staff. The input tax paid on such goods and services is not allowed as credit.

- h) Inward supplies on which tax has been paid under the composition scheme
- i) Inward supplies received by a non-resident taxable person except goods imported by him
- j) Goods and / or services used for personal consumption
- k) Goods that are lost, stolen, destroyed, written off or disposed of by way of gift or free samples
- l) Tax paid under sections 74, 129 and 130. (These sections prescribe the provisions relating to tax paid as a result of evasion of taxes, or upon detention of goods or conveyances in transit, or towards redemption of confiscated goods/conveyances.)

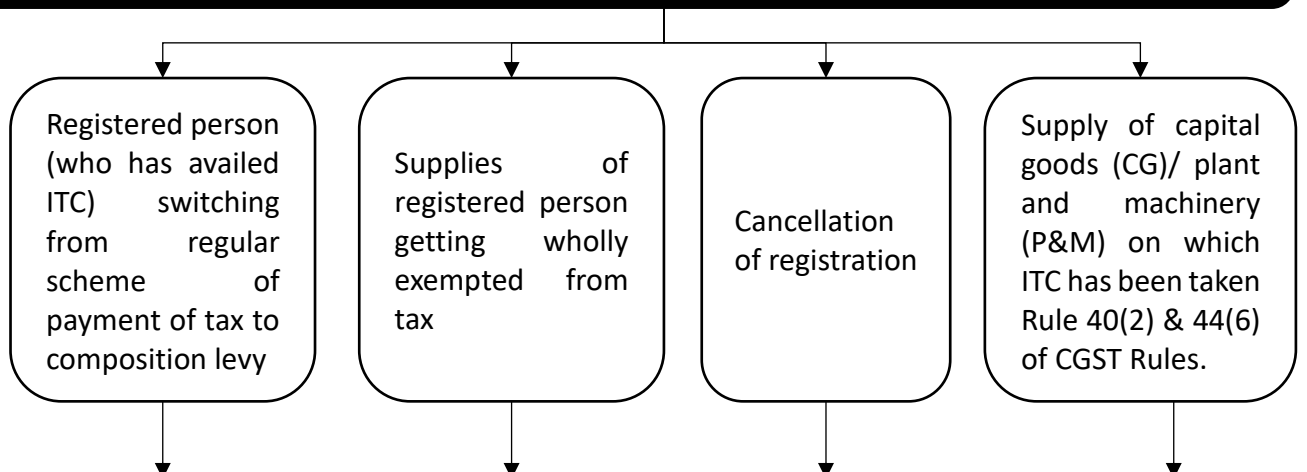
THE PROVISIONS OF SECTION 18 READ WITH RELEVANT RULES HAVE BEEN SUMMARIZED AS UNDER

SPECIAL CIRCUMSTANCE ENABLING AVAILING OF CREDIT



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

SPECIAL CIRCUMSTANCES LEADING TO REVERSAL OF CREDIT/PAYMENT OF AMOUNT



Amount to be reversed is equivalent to ITC on :

- Inputs held in stock/ inputs contained in semi-finished or finished goods held in stock
 - Capital goods
- on the day immediately preceding the date of switch over/ date of exemption/date of cancellation of registration

Amount to be paid is equivalent to higher of the following:

- (i) ITC on CG or P&M less 5% per quarter or part thereof from the date of invoice
- (ii) Tax on transaction value of such CG or P & M
 - If amount at (i) exceeds (ii), then reversal amount will be added to output tax liability.
 - Separate ITC reversal is to be done for CGST, SGST/UTGST and IGST
 - Tax to be paid on transaction value when refractory bricks, moulds, dies, jigs & fixtures are supplied as scrap.

Manner of reversal of credit on inputs and capital goods & other conditions

- (i) **Inputs** ⇒ Proportionate reversal based on corresponding invoices. If such invoices not available, prevailing market price on the effective date of switch over/ exemption/cancellation of registration should be used with due certification by a practicing CA/ Cost Accountant
- (ii) **Capital goods** ⇒ Reversal on pro rata basis pertaining to remaining useful life (in months), taking useful life as 5 years.
EXAMPLE: Capital goods have been in use for 4 years, 3 month and 20 days. The useful remaining life in months = 8 months ignoring a part of the month.
ITC attributable to remaining useful life = ITC Taken x 8/60
- (iii) ITC to be reversed will be calculated separately for ITC of CGST, SGST/UTGST and IGST.
- (iv) Reversal amount will be added to output tax liability of the registered person.
- (v) Electronic credit/cash ledger will be debited with such amount. Balance ITC if any will lapse.

THE PROVISIONS OF SECTION 19 RELATING TO ITC ON GOODS SENT FOR JOB WORK READ WITH RELEVANT RULES ARE SUMMARIZED AS UNDER:

- Principal can take credit on goods (inputs and capital goods) sent for job work.
- Credit can be taken even if the said goods are sent directly to job worker without being first brought to the principal's place of business

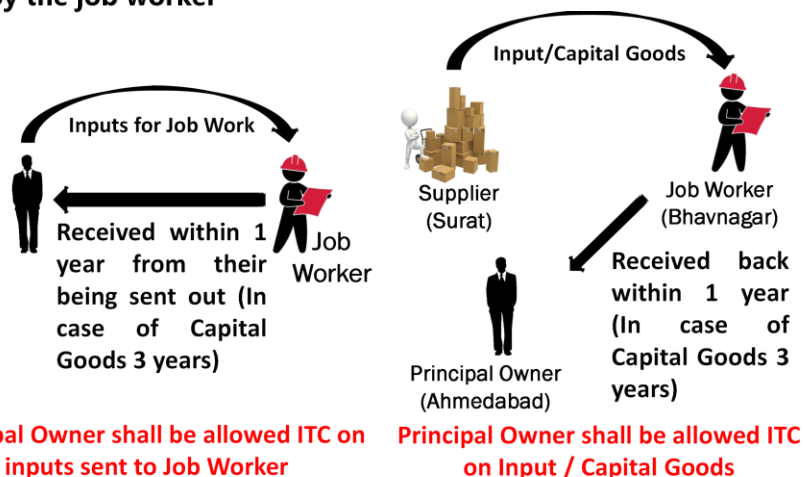


As per rule 45(3), (6), (7) of CGST Rules

Time limit for return of goods sent for job work/supply from job worker's place of business

- Inputs - 1 year
- Capital goods - 3 years

from the date of sending the same for job work or from the date of receipt of the same by the job worker



- ✓ On failing to comply with the timelines for return of goods, the goods will be deemed to be supplied to the job worker on the day they were sent out.
- ✓ Principal is liable to pay tax along with applicable interest on such supply.
- ✓ Time-lines for return of goods do not apply to moulds and dies, jigs and fixtures or tools sent out for job work.

THE PROVISIONS OF SECTION 20 RELATING TO ISD ARE EXPLAINED AS UNDER:

Meaning → ISD is basically an office meant to receive tax invoices towards receipt of input services and distribute the credit of taxes paid on such input services to supplier units (having the same PAN) proportionately

Registration → An ISD is required to obtain a separate registration even though it may be separately registered. The threshold limit of registration is not applicable to ISD.

Attributable ITC →

- ITC of input services is distributed only amongst those recipients to whom the input services are attributable.
- ITC is distributed amongst the operational units only **and in the ratio of turnover in a State/UT of the recipient during the relevant period to the aggregate of turnover of all recipients during the relevant period to whom input service being distributed is attributable.**

ITC Attributable = Credit to be distributed/Aggregate TO of relevant period * TO of the Recipient during relevant period.

EXAMPLE: XYZ Ltd. A manufacturer, has paid tax on input service, amounting to Rs. 30 Lakh. Such IPS are used in two units of XYZ Ltd, one is in Mumbai and another is in Baroda. The total TO of XYZ Ltd. Is Rs.120 Cr in Previous FY. The TO of the Mumbai unit is Rs. 10 Cr and that of Baroda unit is Rs. 20 Cr.

- The ITC to be distributed to Mumbai Unit = 30 Lakh/30 Cr * 10 Cr = Rs. 10 lakh
- The ITC to be distributed to Baroda Unit = 30 Lakh/30 Cr * 20 Cr = Rs. 20 Lakh

- Relevant period is previous FY or last quarter prior to the month of distribution for which turnover of all recipients is available.
- Distributed ITC should not exceed the credit available for distribution.

Procedure as per Rule 39 of CGST Rules →

- ISD should issue an ISD invoice for distributing ITC. It should be clearly indicated in such invoice that it is issued only for distribution of ITC.
- The ISD needs to issue a ISD credit note, for reduction in credit if the distributed credits reduced for any reason.
- The ISD invoice and ISD credit note must contain the following information:
 - ✓ Name, address and GSTIN of the ISD and recipient of credit;
 - ✓ A consecutive serial number up to 16 characters, containing alphabets or numerals or special characters or any combination thereof, for a financial year;
 - ✓ Date of issue;
 - ✓ Amount of the credit distributed;

Relaxation for banks & FIs: If the ISD is a banking company/ financial institution including NBFC, the document for distributing credit need not be serially numbered.

- ITC available for distribution in a month is to be distributed in the same month.
- Details of distribution of credit and all ISD invoices issued should be furnished by ISD in monthly GSTR-6 within 13 days after the end of the month.

Recovery of excess credit distributed to a recipient u/s 21 →

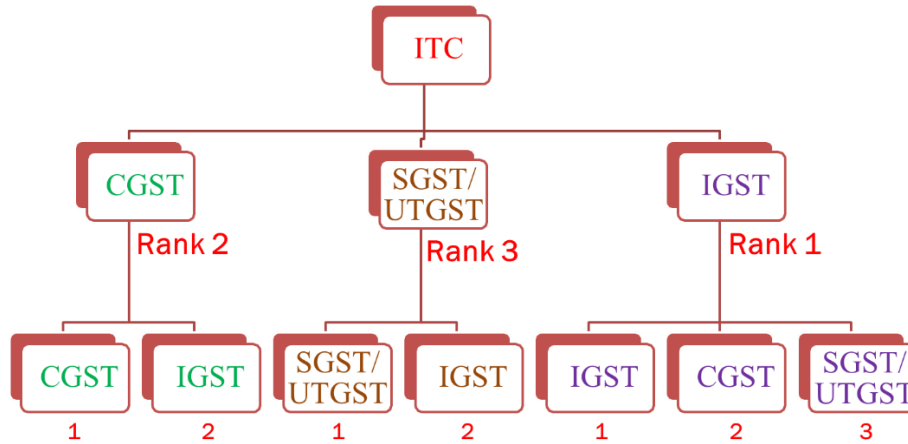
If the ISD has distributed excess credit to any recipient, the excess will be recovered from the recipient with interest as if it was tax not paid.

THE PROVISIONS OF AVAILING AND UTILIZING CREDIT ARE EXPLAINED AS UNDER:

A registered person is entitled to credits as under:

- ✓ Intra-state supply → CGST & SGST/UTGST.
- ✓ Inter-state supply → IGST
- ✓ Import of goods & services → IGST

The protocol to avail and utilize the credit of CGST, SGST/UTGST and IGST is as follows:





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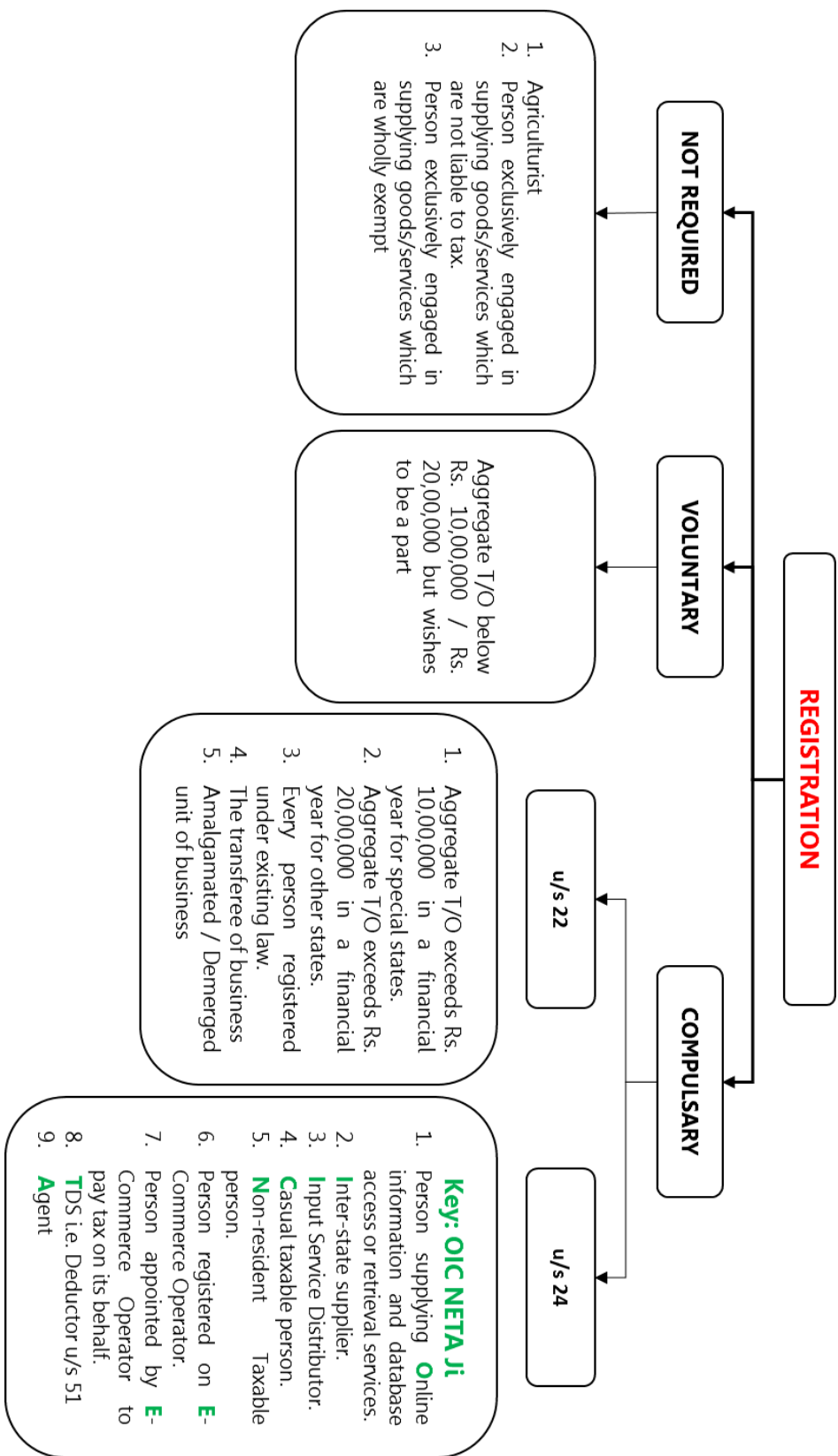
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CHAPTER 9. REGISTRATION



VOLUNTARY REGISTRATION

- ✓ Persons not liable to be registered under sections 22/24 may get himself registered voluntarily

UNIQUE IDENTIFICATION NUMBER

- ✓ In respect of supplies to some notified agencies of United Nations Organization multinational financial institutions and other organizations, a UIN is issued.

RULE 10: EFFECTIVE DATE OF REGISTRATION

WHERE AN APPLICANT SUBMITS APPLICATION FOR REGISTRATION	EFFECTIVE DATE OF REGISTRATION
Within 30 days from the date he become liable to registration	The date on which he becomes liable to registration
After 30 days from the date he become liable to registration	Date of grant of registration

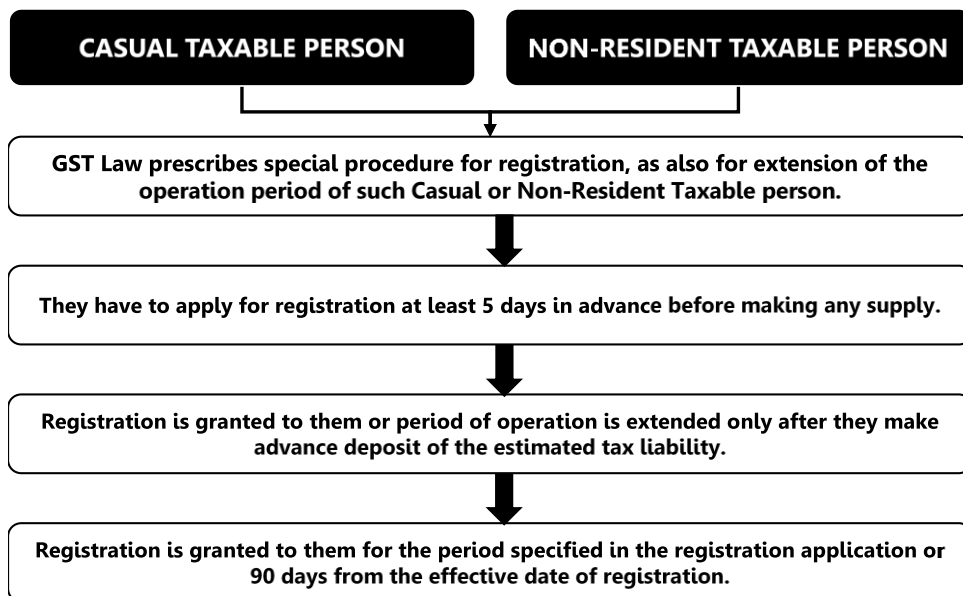
SPECIAL PROCEDURE FOR REGISTRATION OF CTP / NRTP [SEC 27]

CASUAL TAXABLE PERSON (CTP)

- ✓ A Casual Taxable Person is one who has a registered business in some State in India, but wants to effect supplies from some other State in which he is not having any fixed place of business.
- ✓ Such person needs to register in the State from where he seeks to supply as a Casual Taxable Person.

NON-RESIDENT TAXABLE PERSON (NRTP)

- ✓ A Non-Resident Taxable person is one who is a foreigner and occasionally wants to effect taxable supplies from any State in India and or that he needs GST registration.



NOTIFICATION NO. 65/2017-CT DATED 15-11-2017: Exemption to suppliers of services through an e-commerce platform from obtaining compulsory registration:

The central government has exempted the persons making supplies of services, other than supplies specified under section 9(5) of the said Act through an electronic commerce operator who is required to collect tax at source under section 52 of the said Act, and having an aggregate turnover, to be computed on all India basis, not exceeding an amount of Rs.20lakh/10lakh in a financial year, as the category of persons exempted from obtaining registration under the said Act.

~~**VOLUNTARY REGISTRATION — Application cannot be made upto 1 year from the effective date of registration: No application for the cancellation of the registration shall be considered in case of a taxable person, who has registered voluntarily, before the expiry of a period of one year from the effective date of registration [Omitted w.e.f. 23-01-2018]**~~

Implication of Omission: Taxable person who have obtained voluntary registration will now be permitted to apply for cancellation of registration even before the expiry of a period of 1 year from the effective date of registration.

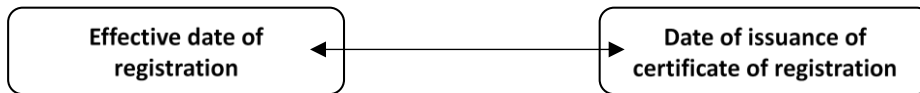
CHAPTER 10 . TAX INVOICE, CREDIT AND DEBIT NOTES

MANNER FOR ISSUING OF INVOICE

SUPPLY OF GOODS	SUPPLY OF SERVICES
<i><u>Triplicate</u></i>	<i><u>Duplicate</u></i>
<ul style="list-style-type: none"> • Original copy for recipient • Duplicate copy for transported; and • Triplicate copy for supplier 	<ul style="list-style-type: none"> • Original receipt for recipient; and • Duplicate copy for supplier
The serial number of invoices issued during a month / quarter shall be furnished electronically in FORM GSTR-1.	

REVISED TAX INVOICE

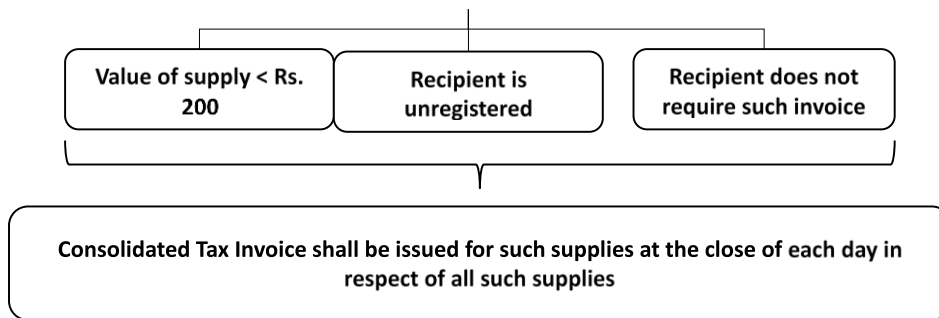
Revised Tax Invoices to be issued in respect of taxable supplies effected during this period



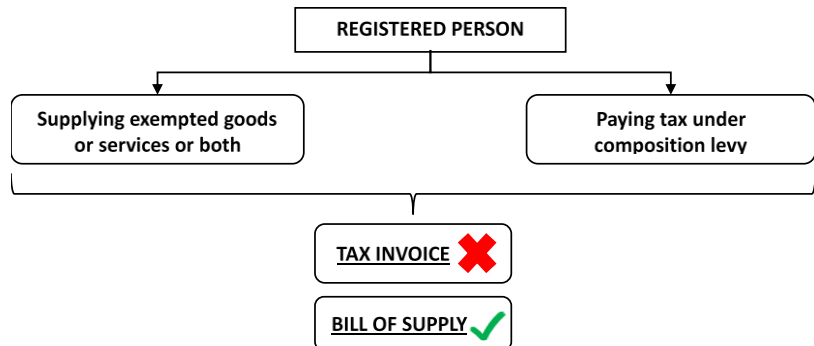
- **Consolidated Revised Tax Invoice (CTRI)** may be issued in respect of taxable supplies made to an **unregistered recipient** during this period.
- In case of inter-state supplies, CTRI cannot be issued in respect of unregistered recipient if the value of a supply exceeds Rs. 2,50,000 during this period.
- Particulars of the Debit and Credit Notes are also same as Revised Tax Invoice.

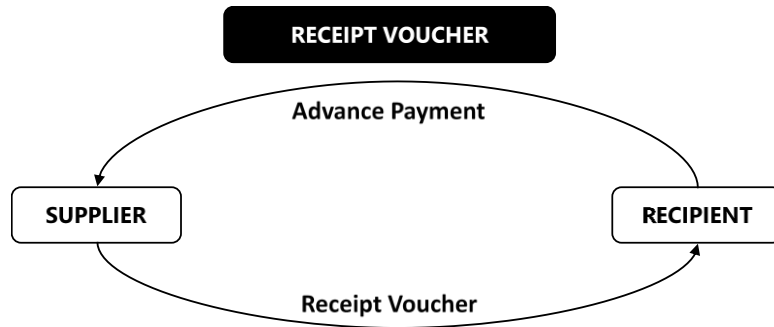
CONSOLIDATED TAX INVOICE

Tax invoice is not required to be issued



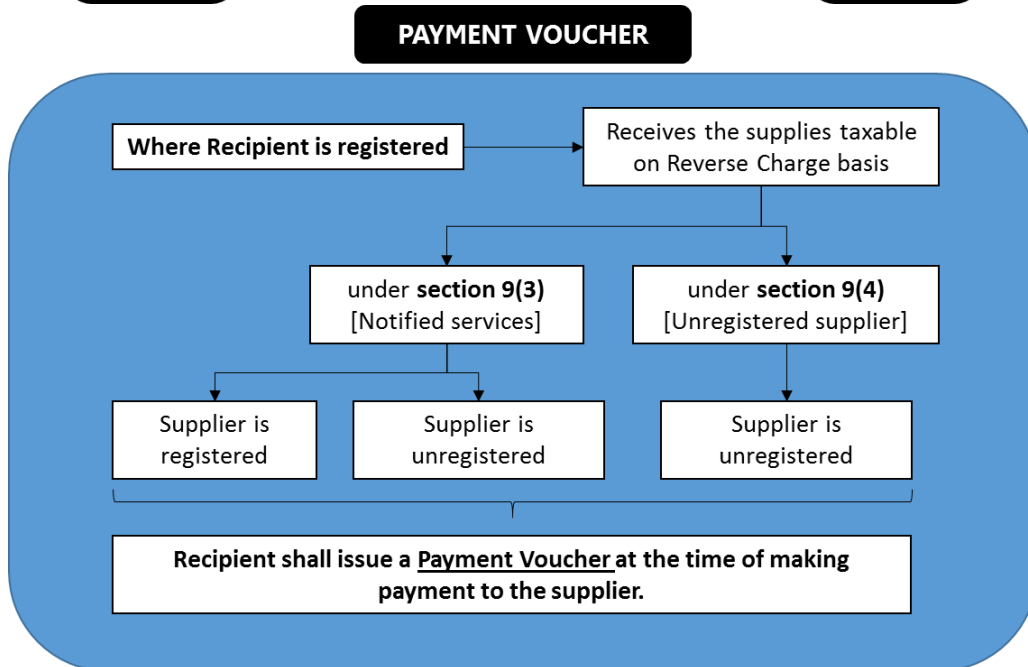
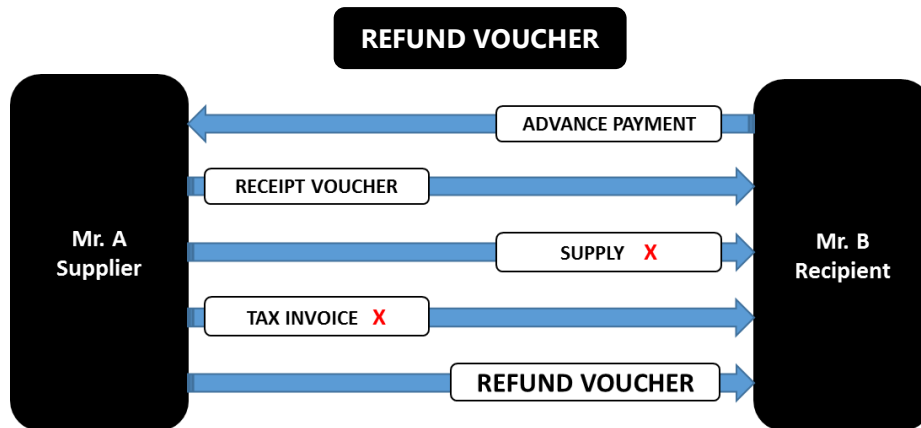
BILL OF SUPPLY

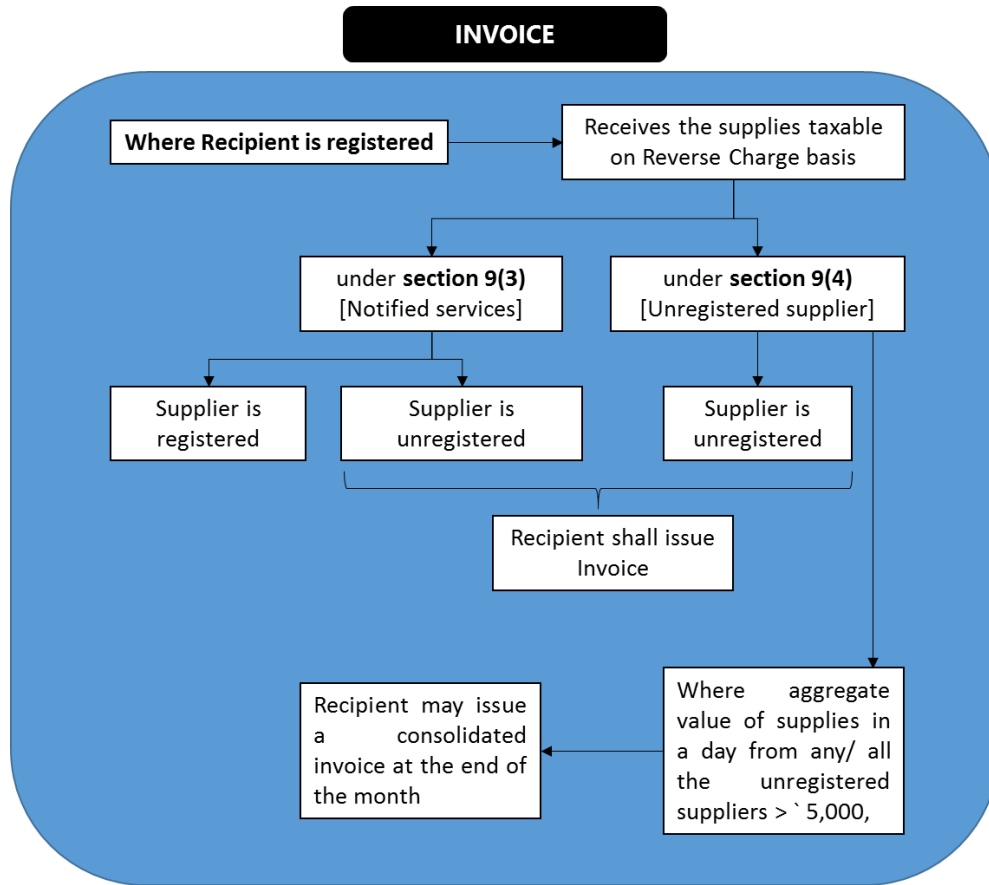




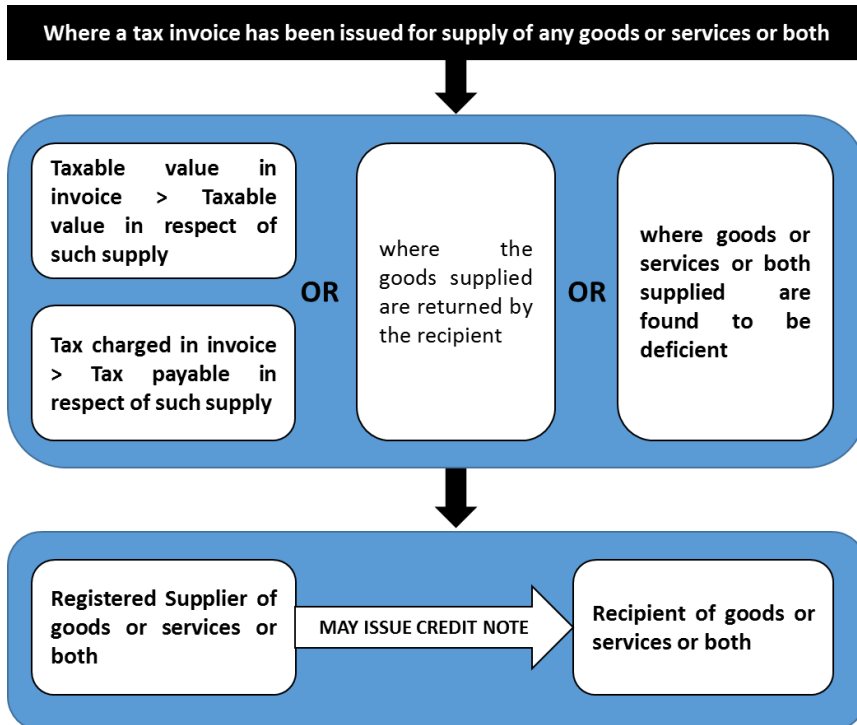
Where at the time of receipt of advance, rate of tax/ nature of supply is not determinable

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

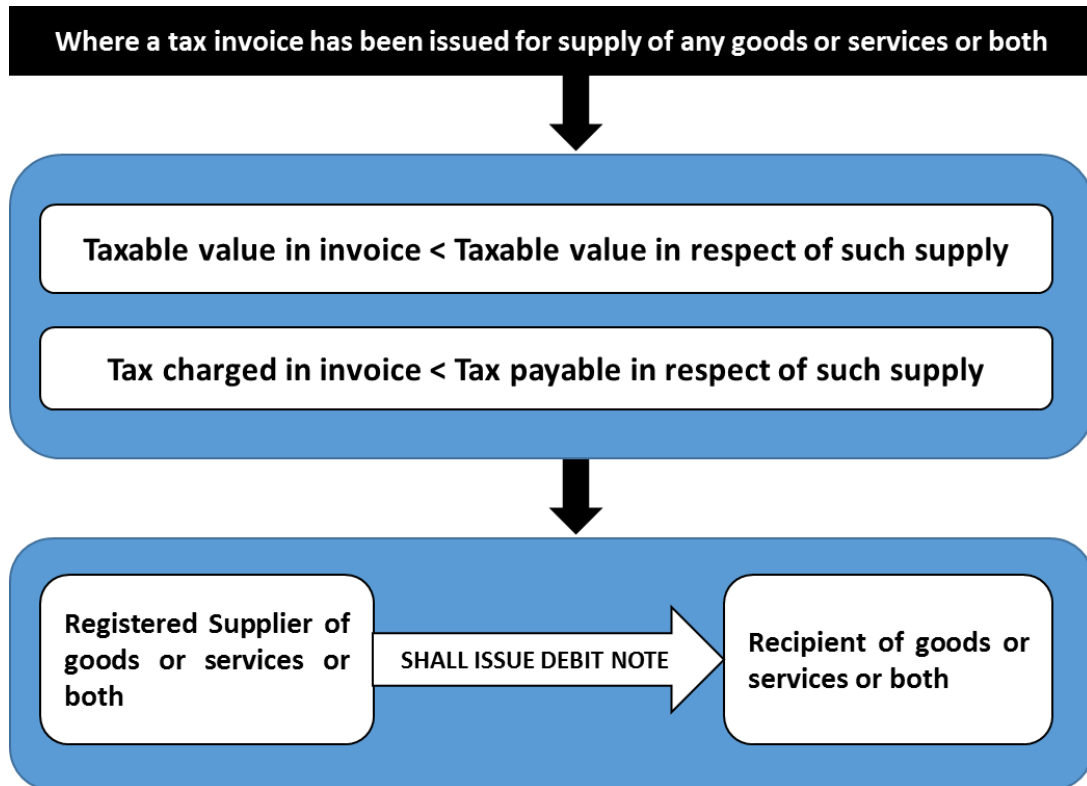




CREDIT NOTE



DEBIT NOTE



E-WAY BILL

WHAT IS E-WAY BILL

- It is an electronic way bill(document) for movement of goods which can be generated on e-way bill portal.
- E Way bill is required for movement of goods of value **in excess of Rs. 50,000**. Such movement can be for any purpose including but not limited to sale, repair, consignment, on approval supply etc.

EXCEPTION TO GENERAL RULE

- Inter-state movement of goods by the Principal to the Job Worker.
- Inter-state transport of Handicraft goods by a dealer exempted from GST registration.

WHEN SHOULD E-WAY BILL BE ISSUED?

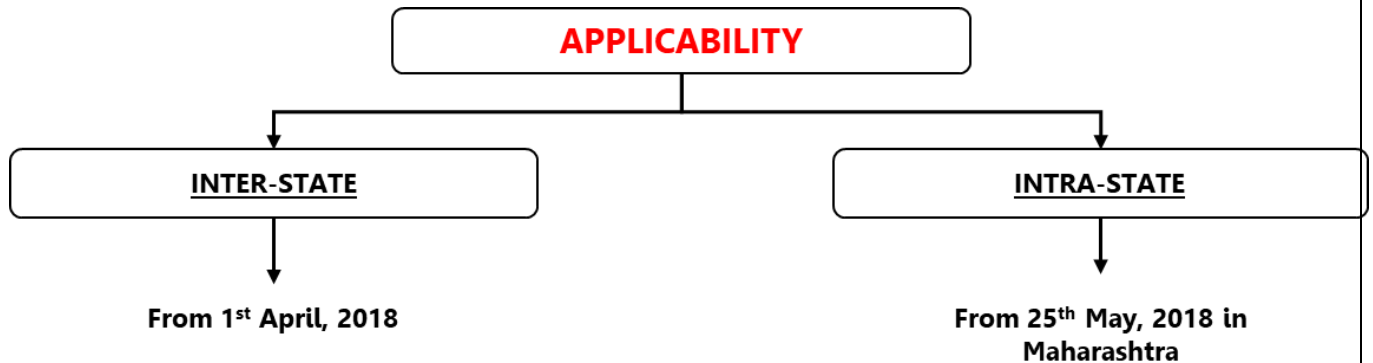
- E Way bill will be generated when there is a movement of goods of value more than Rs. 50,000 under following circumstances:
 - **In Relation to Supply** (Sale, sales return, purchase, purchases return, stock transfer, import, export)
 - **For reason other than supply** (Stock transfer, Sale on approval basis, goods sent on job work, Exhibition/fairs, own use)
 - **Inward Supply from an unregistered person.**

INTRA-STATE E-WAY BILL LAUNCHED IN 7 STATES / UNION TERRITORIES

E-Way Bill system for Intra-State movement of goods has been implemented, in the following States/UT from 25.05.2018

1. Maharashtra
2. Manipur
3. Chandigarh
4. Dadra and Nagar Haveli
5. Daman and Diu
6. Lakshadweep
7. Andaman and Nicobar Islands

All stakeholders in these states/UTs are now requested to generate E-way bill for Intrastate movement of goods.



MODES OF GENERATION

• Various Modes of Generating e-Way Bill

- a) Web (Online)
- b) Android App - The IMEI of the phone and the registered mobile number has to be given.
- c) SMS based (through registered Mobile Number).
- d) Excel based upload is provided for bulk generation.

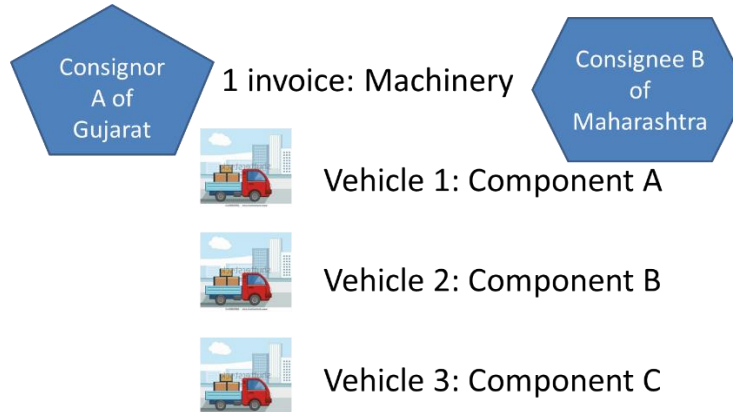
- If the e-Way Bill is generated with wrong information it can be cancelled and new e-Way Bill can be generated.
- Provision for Cancellation of e-Way Bill within 24 hours by the person who have generated the e-Way Bill.
- The Recipient can reject the e-Way Bill within 72 hours of generation.
- Alert messages are also issued to the Users through Online and SMS.

WHO GENERATES E-WAY BILL

Supplier	Recipient	Recipient
Where the movement is caused by registered person as Supplier.	Where the movement is caused by registered person as Recipient	Where the goods are supplies by unregistered person as Supplier to a registered recipient.

Where supplier or Recipient has not generated EWB-01 & consignment value of goods > Rs. 50,000 then REGISTERED TRANSPORTER shall generate EWB-01.

MULTIPLE CONSIGNMENT TRANSPORTED IN ONE CONVEYANCE



Goods being transported in SKD or CKD condition: Multiple EWBs shall be generated for each such vehicles based on delivery challans issued for that portion of consignment.

PARTS OF FORM GST EWB -01

PART A

- Place of Delivery (PIN Code of Place of Delivery)
- Document No. (Tax Invoice, Bill of Supply & Delivery Challan etc.)
- Document Date
- Value of Goods (Including Tax & Cess)
- HSN Wise Summary (if aggregate turnover up to 5 crores; 2 digits & for more than 5 crores; 4 digits).
- Reason for Transportation (select from dropdown menu).
- Transport Document Number (GRN, Railway Receipt, Air Way Bill etc.).



PART B

Vehicle No.
for road



E-WAY BILL

FORMS AND VALIDITY OF E-WAY BILL

FORMS

Forms	Description
Form GST EWB-01	E Way Bill Form
Form GST EWB-02	Consolidated e-way bill form to be generated by transporter
Form GST EWB-03	Inspection report to be filled up by proper officer
Form GST EWB-04	Form to upload details by transporter, if vehicle detained for more than 30 minutes

VALIDITY

Sl. No.	Distance	Validity period
(1)	(2)	(3)
1.	Upto 100 km.	One day in cases other than Over Dimensional Cargo
2.	For every 100 km. or part thereof thereafter	One additional day in cases other than Over Dimensional Cargo
3.	Upto 20 km	One day in case of Over Dimensional Cargo
4.	For every 20 km. or part thereof thereafter	One additional day in case of Over Dimensional Cargo:

- **An e-way bill is valid for periods as listed above, which is based on the distance travelled by the goods.**
- **Period of validity shall be counted from the time at which the e-way bill has been generated and each day shall be counted as 24 hours.**

EXEMPTION FROM GENERATION OF E-WAY BILL

- 8 notified goods in Annexure to rule 138 like LPG, Postal Baggage, Jewellery, Currency, Used personal and household effects etc.
- Where goods are transported in a non-motorized vehicle.
- Movement of goods from Port/Airport/Air Cargo Complex/Land Custom Station to ICD/ Container Freight Station (for clearance by customs).
- Specified goods to be notified.
- Exempted goods other than de-oiled cake.
- Alcoholic liquor for human consumption, petroleum crude, high speed diesel, motor spirit, natural gas, aviation turbine fuel.
- Supply of goods falling under Schedule III of CGST Act, 2017 (i.e., Sale of Land).
- Any movement of goods caused by defense formation under ministry of defense as consignor or consignee.
- Where the consignor of goods is the Central Government, Government of any State or a local authority for transport of goods by rail.
- where empty cargo containers are being transported;

CHAPTER 12. PAYMENT OF TAX

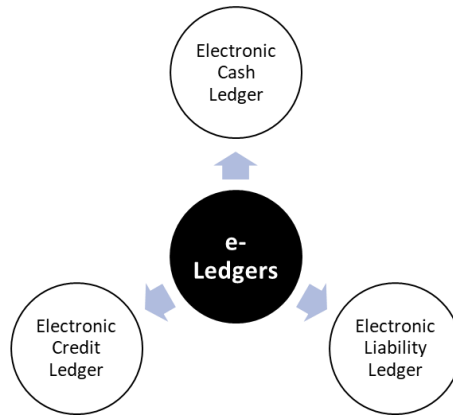
UNIT 1: PAYMENT OF TAX, INTEREST AND OTHER AMOUNTS

ELECTRONIC LEDGERS

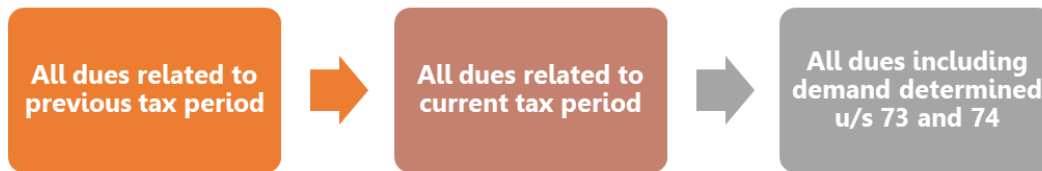
Electronic Ledgers or E-Ledgers are statements of cash and input tax credit in respect of each registered taxpayer. In addition, each taxpayer shall also have an electronic tax liability register.

TYPES OF ELECTRONIC LEDGERS

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ELECTRONIC LIABILITY LEDGER – Order of discharge of liability of taxable person



MANNER OF MAKING PAYMENT

- **THROUGH DEBIT OF ELECTRONIC CREDIT LEDGER**
→ ONLY Tax can be paid.
- **THROUGH DEBIT OF ELECTRONIC CASH LEDGER**
→ ANY Payment towards tax, interest, penalty, fees or any other amount on account of GST

PAYMENT OF TAX VIA ELECTRONIC CASH LEDGER

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


PAYMENT OF TAX VIA ELECTRONIC CREDIT LEDGER

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

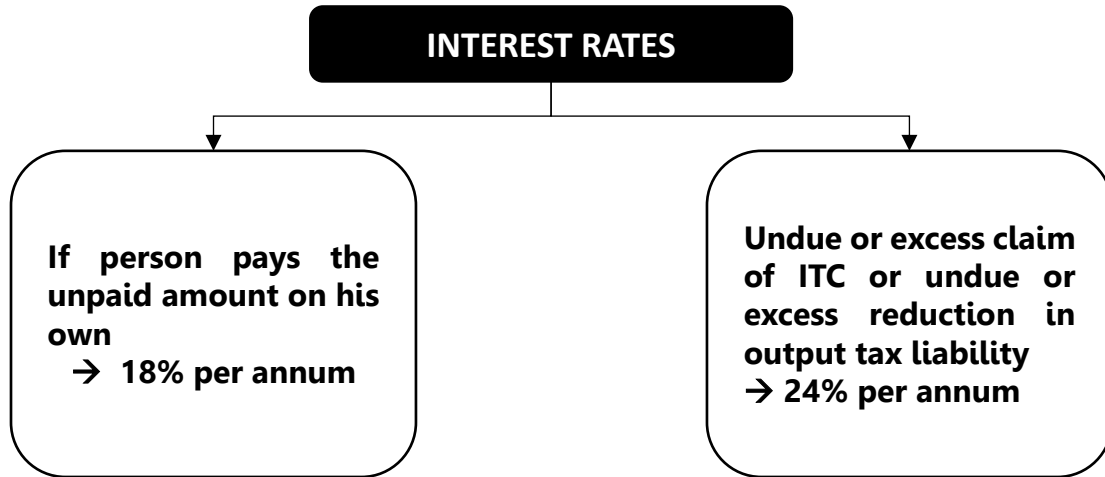
PAYMENT OF TAX VIA ELECTRONIC LIABILITY REGISTER

DEBIT AMOUNT (DR)	CREDIT AMOUNT (CR)

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



INTEREST ON DELAYED PAYMENT OF TAX





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COSTING

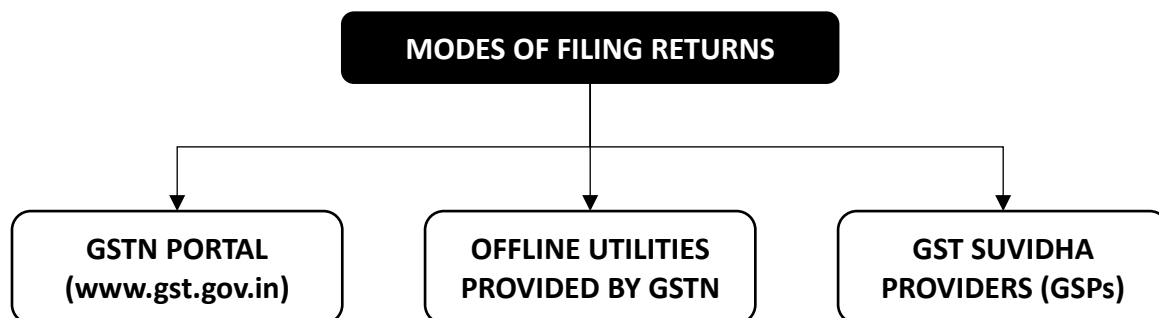
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CHAPTER 13. RETURNS

MODES OF FILING RETURN



However, all returns have to be filed online

LIST OF RETURNS UNDER GST

SR. NO	DESCRIPTION	WHO FILES?	DATE OF FILING
GSTR-1	Monthly Statement of Outward supplies of Goods or Services	Registered Person	10th of the next month
GSTR-2	Monthly Statement of Inward supplies of Goods or Services	Registered Person	15th of the next month
GSTR-3	Monthly Return for a normal taxpayer	Registered Person	20th of the next month
GSTR-4	Quarterly Return	Taxable Person opting for Composition Levy	18th of the month succeeding the quarter
GSTR-5	Monthly Return for a nonresident taxpayer	Non-resident Taxpayer	20th of the month succeeding the tax period or within 7 days after expiry of registration, whichever is earlier
GSTR-6	Monthly Return for an Input Service Distributor (ISD)	Input Service Distributor	13th of the next month
GSTR-7	Monthly Return for authorities deducting tax at source	Tax Deductor	10th of the next month
GSTR-8	Monthly Statement for ECommerce Operator depicting supplies effecting through it	E-Commerce Operator	10th of the next month
GSTR-9	Annual Return	Registered Person other than an ISD, TDS/TCS Taxpayer, Casual Taxable Person and Nonresident Taxpayer	31st December of next Financial Year
GSTR-10	Final Return	Taxable Person whose registration has been surrendered or cancelled	Within three months of the date of cancellation or date of order of cancellation, whichever is later.

PENAL PROVISIONS RELATING TO RETURNS

ANY REGISTERED PERSON WHO FAILS TO FURNISH FORM GSTR-1, GSTR-2, GSTR-3 OR FINAL RETURN WITHIN THE DUE DATES,



SHALL BE LIABLE TO PAY A LATE FEE OF Rs. 100 PER DAY,



SUBJECT TO A MAXIMUM OF Rs. 5,000



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CHAPTER 14. REFUNDS

SITUATIONS LEADING TO REFUND CLAIMS

A claim for refund may arise in the following situations:

- (i) G/S/B are exported or, G/S/B supplied to an SEZ developer/unit, on payment of IGST and refund of such IGST paid on G/S/B supplied is claimed **[Section 16(3)(b) of IGST Act]**.
- (ii) The IGST paid by tourist leaving India on any supply of goods taken out of India by him **[Section 15 of IGST Act]**.
- (iii) Tax paid on the supply of goods regarded as deemed exports may be claimed by recipient.
- (iv) Refund of any balance in the electronic cash ledger after payment of tax, interest, penalty, fee or any other amount payable under this Act or the rules made there under may be claimed **[Section 49(6)]**.
- (v) Refund on account of issuance of refund vouchers for taxes paid on advances **[Section 31(3)]**.
- (vi) Refund of tax wrongly collected and paid to the Government [i.e. CGST & SGST paid by treating the supply as intra-State supply which is subsequently held as inter-State supply and vice versa **[Section 77 of the CGST Act and section 19 of the IGST Act]**
- (vii) Tax becomes refundable as a consequence of judgment, decree, order or direction of the Appellate Authority, Appellate Tribunal or any court.
- (viii) On finalization of provisional assessment, if any tax becomes refundable to assessee (on account of assessed tax on final assessment being less than the tax deposited by the assessee) **[Section 60]**.
- (ix) Refund of taxes on purchase made by UN bodies or embassies etc. **[Section 54(2)]**.
- (x) A registered person may claim refund of **any unutilised input tax credit (ITC)** at the end of any tax period in the following cases:
 - (a) Zero rated supplies: Supply of goods/services/both to an SEZ developer/unit or export of G/S/B, and
 - (b) Accumulated ITC on account of inverted duty structure: Where the credit has accumulated on account of rate of tax on inputs being higher than the rate of tax on output supplies (other than nil rated or fully exempt supplies), except supplies of G/S/B as may be notified by the Government on the recommendations of the Council.

However, refund of unutilized ITC shall NOT be allowed if:

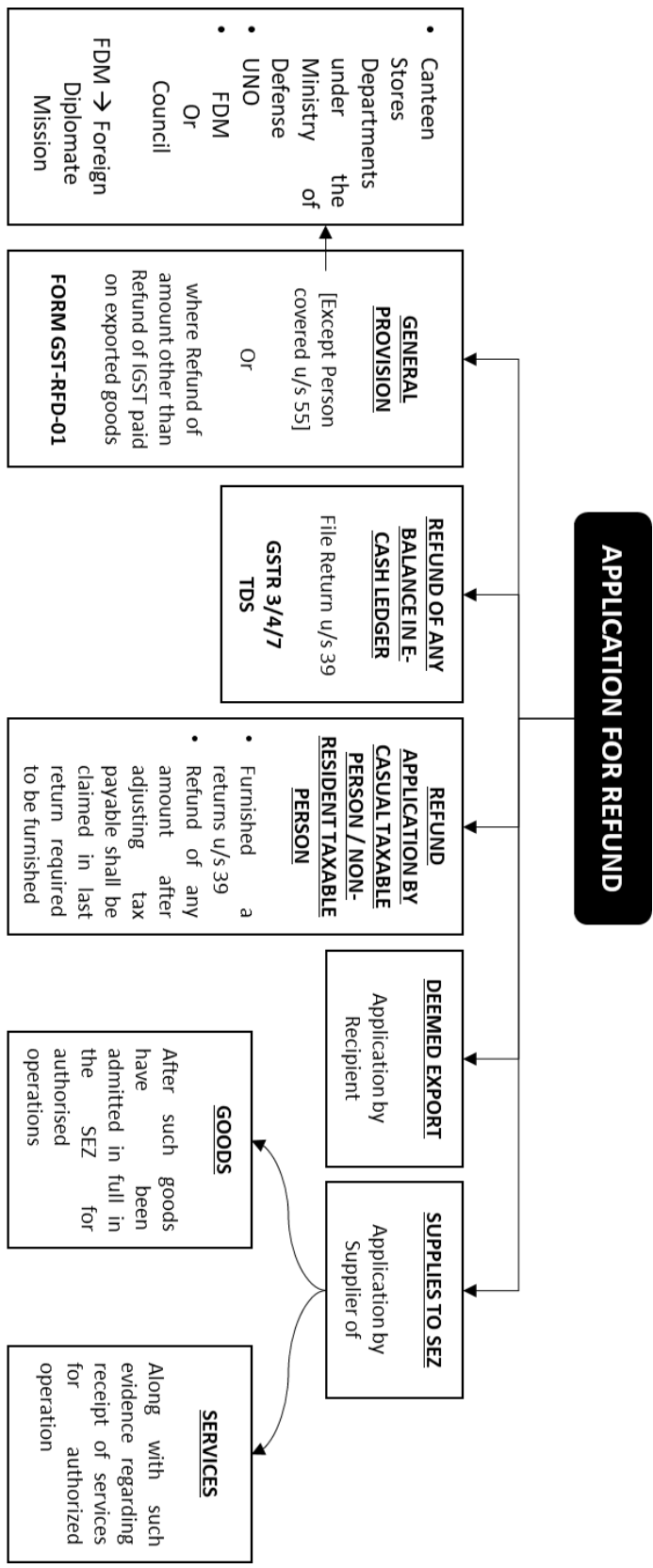
1. the goods exported out of India are subjected to export duty;
2. the supplier of G/S/B avails of drawback in respect of CGST or claims refund of the IGST paid on such supplies.

Application for Refund should be filed within 2 years from the relevant date.

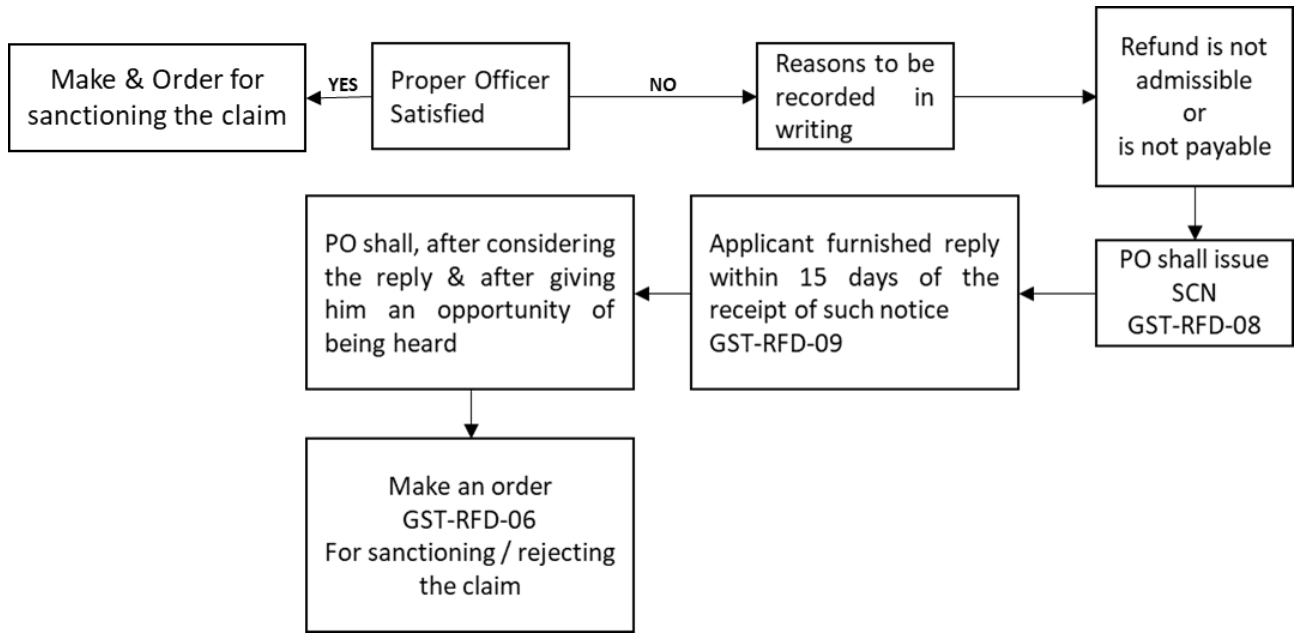
MEANING OF 'RELEVANT DATE'

Sr. No	Case	Relevant Date
1.	In case of goods exported out of India where a refund of tax paid is available in respect of goods themselves or, as the case may be, the inputs or input services used in such goods and	
	(i) Goods are exported by sea or air	Date on which the ship or the aircraft in which such goods are loaded, leaves India
	(ii) Goods are exported by land	Date on which such goods pass the frontier

	(iii) Goods are exported by post	Date of dispatch of goods by the Post Office concerned to a place outside India
2.	In case of supply of goods regarded as deemed exports where a refund of tax paid is available in respect of the goods	Date on which the return relating to such deemed exports is furnished
3.	In case of services exported out of India where a refund of tax paid is available in respect of services themselves or, as the case may be, the inputs or input services used in such services, and	
	(i) the supply of services had been completed prior to the receipt of such payment	Date of receipt of payment in convertible foreign exchange
	(ii) payment for the services had been received in advance prior to the date of issue of the invoice	Date of issue of Invoice
4.	Where tax becomes refundable as a consequence of judgment, decree, order or direction of the Appellate Authority, Appellate Tribunal or any court	Date of communication of such judgment, decree, order or direction
5.	In case of refund of unutilised ITC in case of zero rated supplies or accumulated ITC on account of inverted duty structure	End of the Financial Year in which such claim for refund arises
6.	In the case where tax is paid provisionally under this Act or the rules made thereunder	Date of adjustment of tax after the final assessment thereof
7.	In the case of a person, other than the supplier	Date of receipt of goods or services or both by such person
8.	Any other case	Date of payment of tax



ISSUE OF SCN & REJECTION OF REFUND CLAIM



WITHHOLDING OF REFUND CLAIM U/S 54(10), (11), (12)

54(10)

ZERO RATED SUPPLY OR INVERTED DUTY STRUCTURE

RP who has defaulted in furnishing return & which has not been stayed by any court/tribunal/App. Authority by the specified date [Last date of filing appeal]



PO may:

- a) Withhold payment
- b) Deduct from the refund due

54(11)

Where an order giving rise to a refund is the subject matter of an appeal or further proceeding Or Commissioner is of the opinion that grant of such refund is likely to adversely affect the revenue, in the said appeal or the proceeding on account of fraud



After giving an opportunity of being heard, withhold the refund till such time as he may determine

54(12)

In case of 54(11)



The taxable person shall be entitled to Interest @ 6% p.a.. If, as a result of further proceeding, he becomes entitled to refund

AMOUNT TO BE CLAIMED AS REFUND IN CASE OF ZERO RATE SUPPLY OF GOODS / SERVICES

$$\text{REFUND Amount} = \frac{\text{NET ITC} \quad [\text{ITC of I\& IPS during Relevant Period}]}{\text{Adjusted T/O} \quad [\text{T/O in a state / UT as defined u/s 2(112) Excluding the value of Exempt Supplies}]} \times \text{T/O of Zero Rated Supply of Goods \& Services}$$

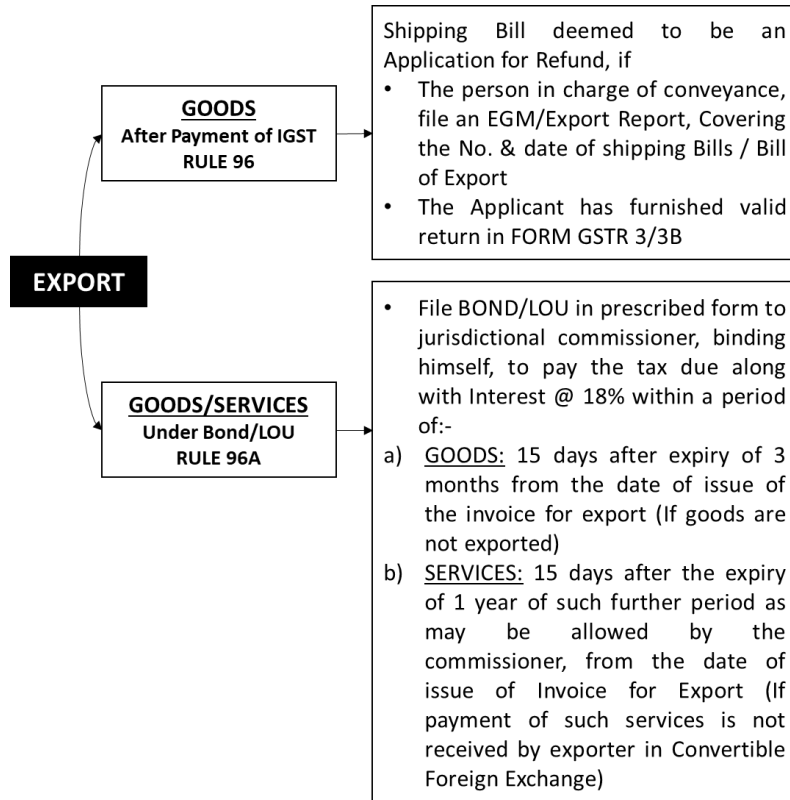
CALCULATION OF REFUND IN CASE OF INVERTED DUTY STRUCTURE

$$\text{REFUND Amount} = \left\{ \frac{\text{NET ITC}}{\text{Adjusted T/O}} \times \text{T/O of Inverted Rated Supply of Goods and services} \right\} - \text{Output Tax Payable on supply of goods or services}$$

Where -

- A. "Refund amount" means the maximum refund that is admissible;
- B. "Net ITC" means ITC availed on inputs and input services during the relevant period **other than ITC for which refund is claimed under sub-rule 4A or 4B or both.**
- C. "Turnover of zero-rated supply of goods" means the value of zero-rated supply of goods made during the relevant period without payment of tax under bond/LUT **other than turnover of supplies in respect of which refund is claimed under sub-rule 4A or 4B or both.**
- D. "Turnover of zero-rated supply of services" means the value of zero-rated supply of services made without payment of tax under bond or LUT, calculated in the following manner, namely:- Zero-rated supply of services is the aggregate of the payments received during the relevant period for zero-rated supply of services and zero-rated supply of services where supply has been completed for which payment had been received in advance in any period prior to the relevant period reduced by advances received for zero-rated supply of services for which the supply of services has not been completed during the relevant period.
- E. "Adjusted Total turnover" means the turnover in a State or a Union territory, as defined under section 2(112), excluding the value of exempt supplies other than zero-rated supplies **& the turnover of supplies in respect of which refund is claimed under sub-rule 4A or 4B or both,** during the relevant period;
- F. "Relevant period" means the period for which the claim has been filed.

REFUND OF IGST [RULE 96/96A]



GRANT OF PROVISIONAL REFUND [SECTION 54(6) READ WITH RULE 91]

The proper officer may, in the case of any claim for refund on account of zero-rated supply of goods or services or both made by registered persons, other than such category of registered persons as may be notified by the Government on the recommendations of the Council, refund on a provisional basis, 90% of the total amount so claimed, excluding the amount of ITC provisionally accepted in such manner and subject to such conditions, limitations and prescribed safeguards and thereafter make an order under section 56(5) for final settlement of the refund claim after due verification of documents furnished by the applicant.

Conditions, limitations and safeguards –

Where the amount of tax evaded exceeds Rs. 2.5 crores, the person claiming refund has, not been prosecuted during any period of 5 years immediately preceding the tax period to which the claim for refund relates.

The proper officer, after scrutiny of the claim and the evidence and on being prima facie satisfied, shall make an order in prescribed form, sanctioning the amount of refund due to the said applicant on a provisional basis within a period not exceeding 7 days from the date of the acknowledgement.

The proper officer shall issue a payment advice for the amount sanctioned and the same shall be electronically credited to any of the bank accounts of the applicant.

REFUND TO UN BODIES, EMBASSIES, ETC. [SECTION 55 READ WITH SECTION 54(2) OF CGST ACT]

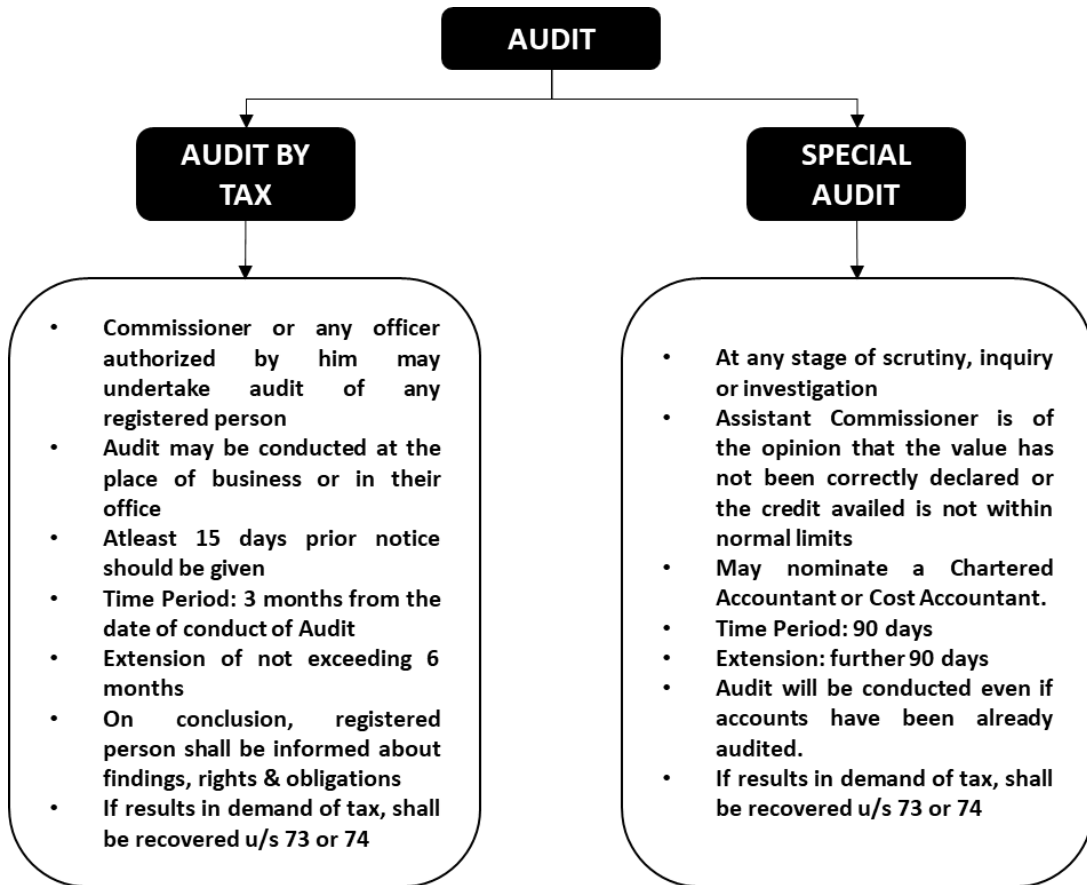
A. Time Limit for filing refund claim [Section 54(2) read with rule 95(1)] - once in every quarter, but before the expiry of 6 months from the last day of the quarter in which such supply was received.

B. Conditions to be satisfied for sanction of refund [Rule 95(3) & (4)]

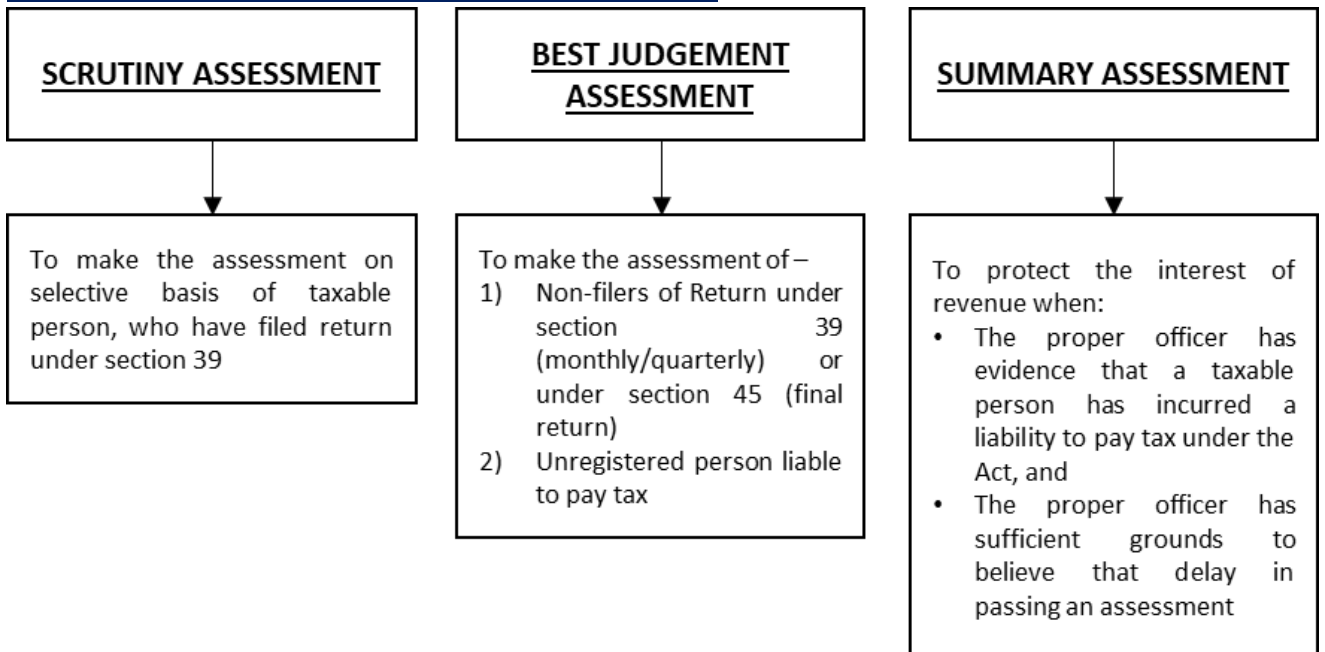
Refund of tax paid by the applicant shall be available if all the following conditions are satisfied-

- (a) the inward supplies of goods or services or both were received from a registered person against a tax invoice, excluding tax paid, if any.
- (b) name and GSTIN or UIN of the applicant is mentioned in the tax invoice.
- (c) such other restrictions or conditions as may be specified in the notification are satisfied.

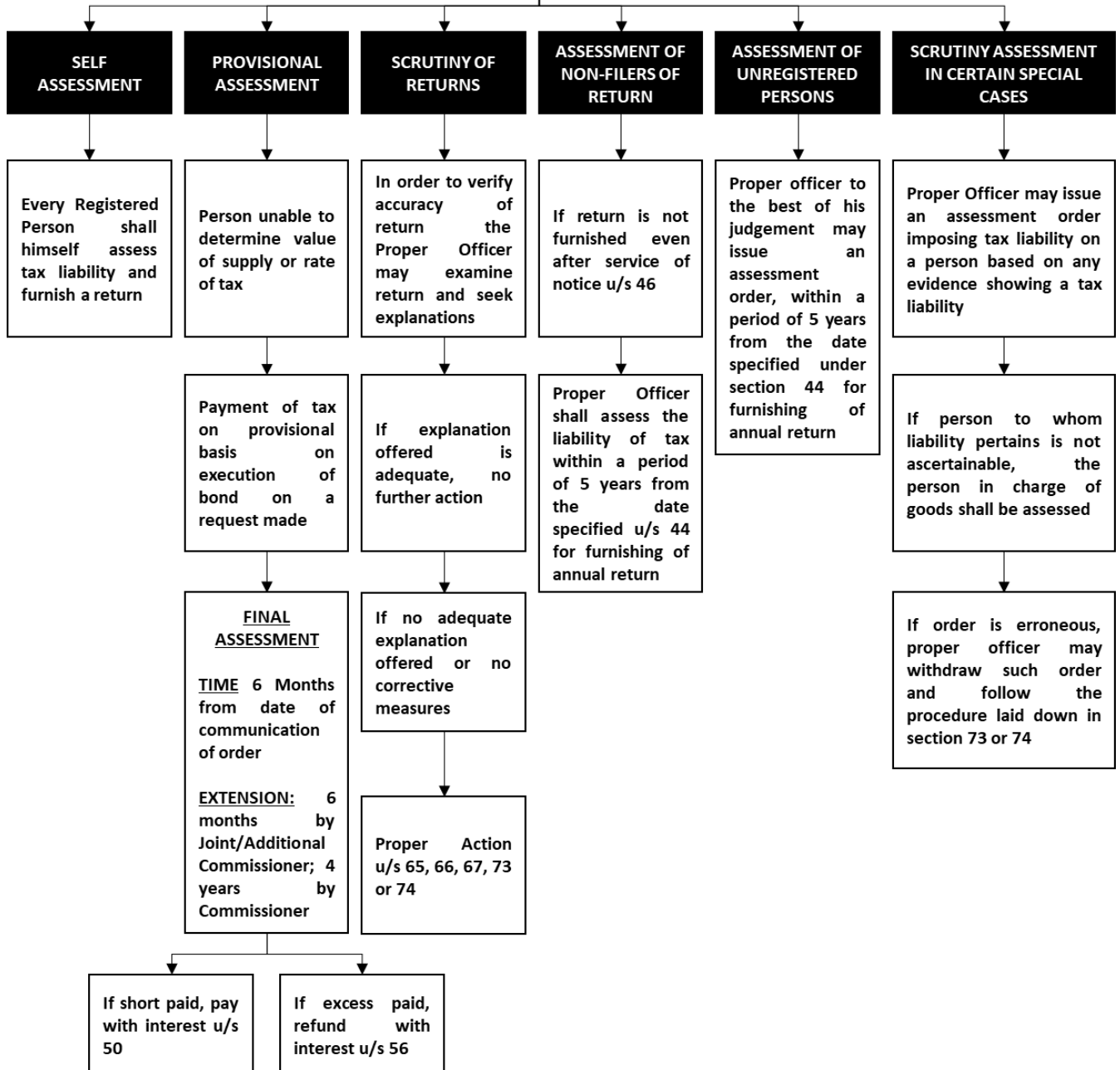
CHAPTER 17. ASSESSMENT AND AUDIT



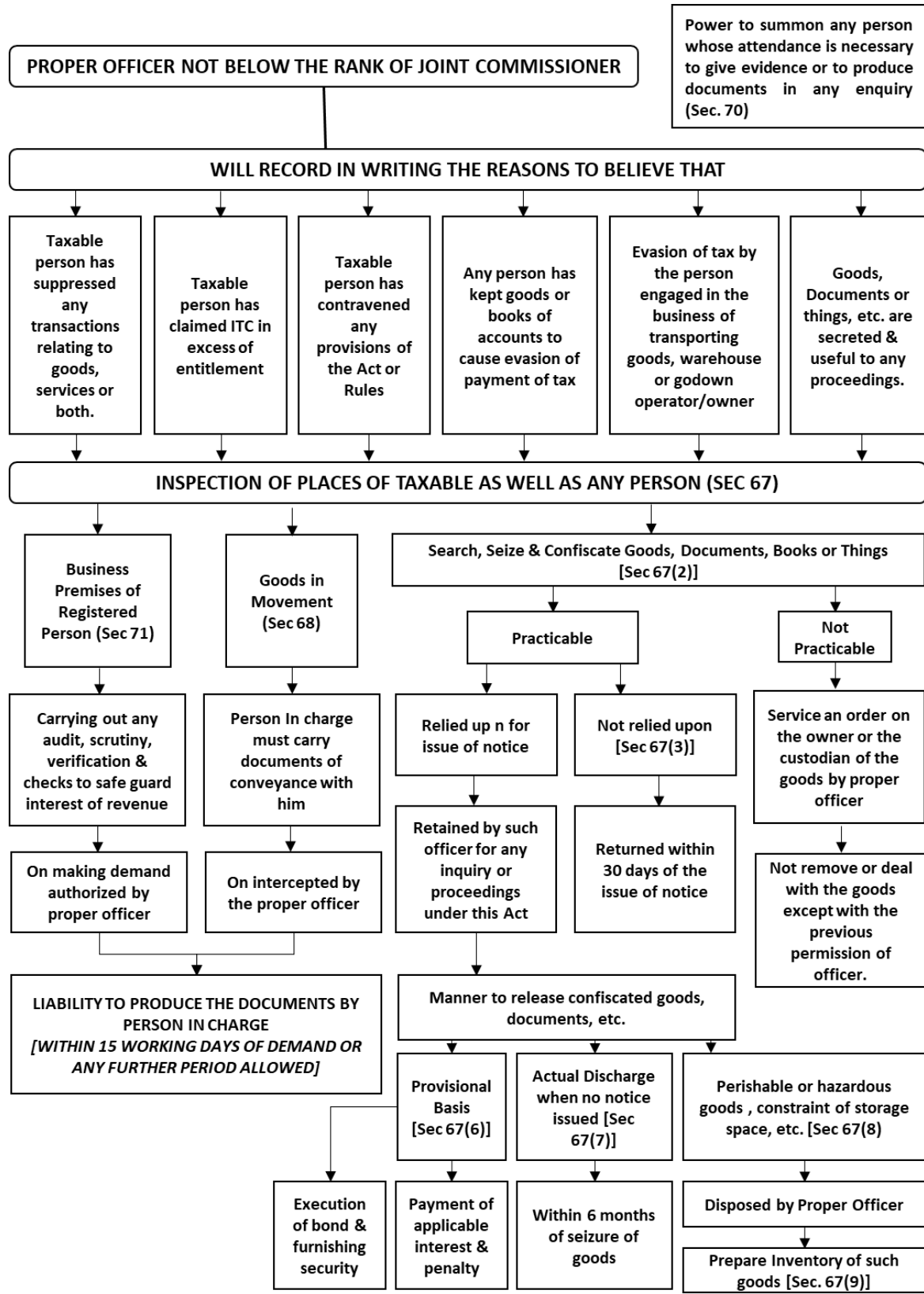
DIFFERENT TYPES OF ASSESSMENTS WHICH MAY BE CONDUCTED BY THE DEPARTMENT AGAINST THE TAXABLE PERSON



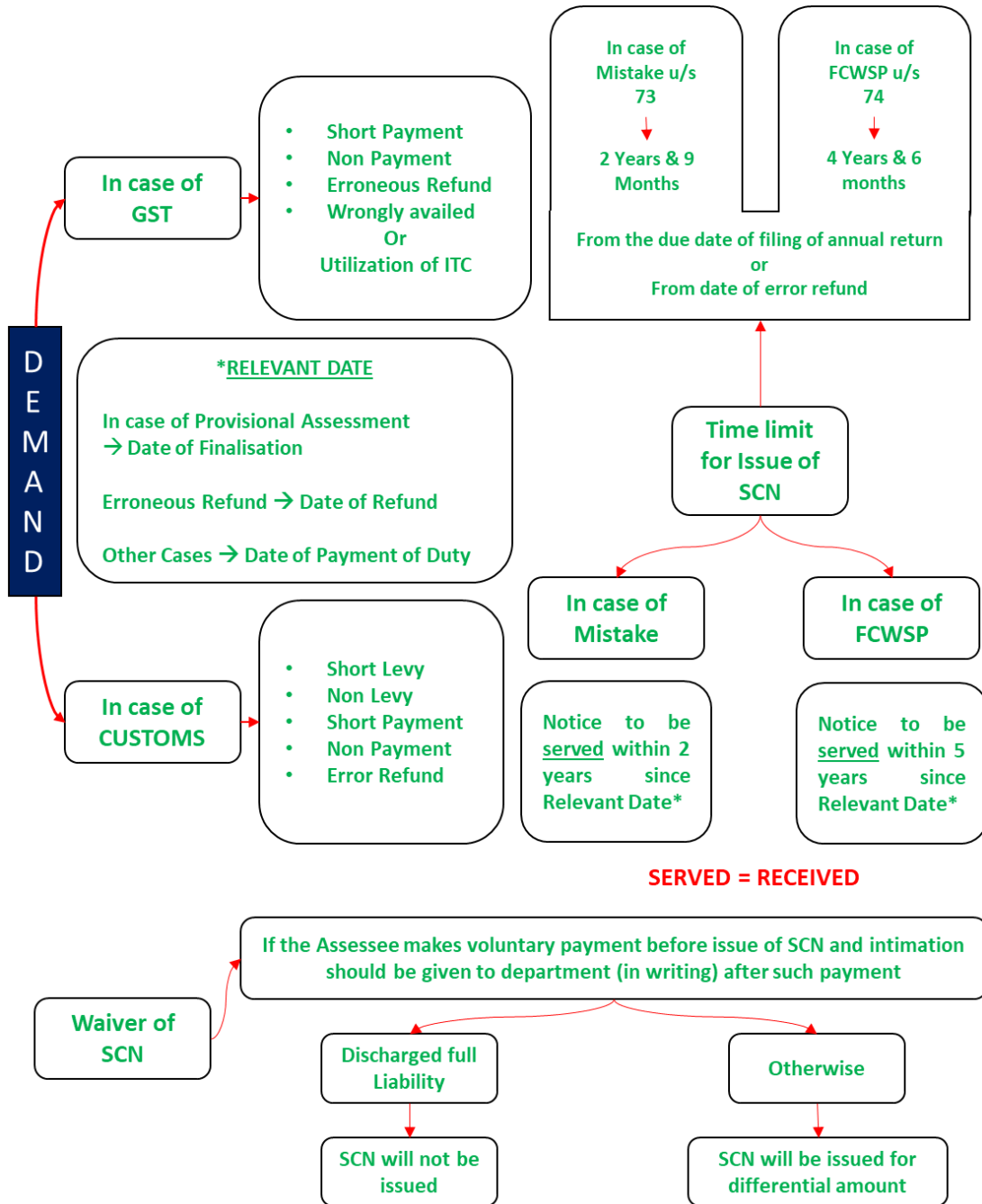
ASSESSMENT



CHAPTER 18. INSPECTION, SEARCH, SEIZURE AND ARREST



CHAPTER 19. DEMAND AND RECOVERY



Note: In case of Customs Act, the Proper Office shall not serve such SCN where the amount involved is less than Rs. 100

#FCWSP

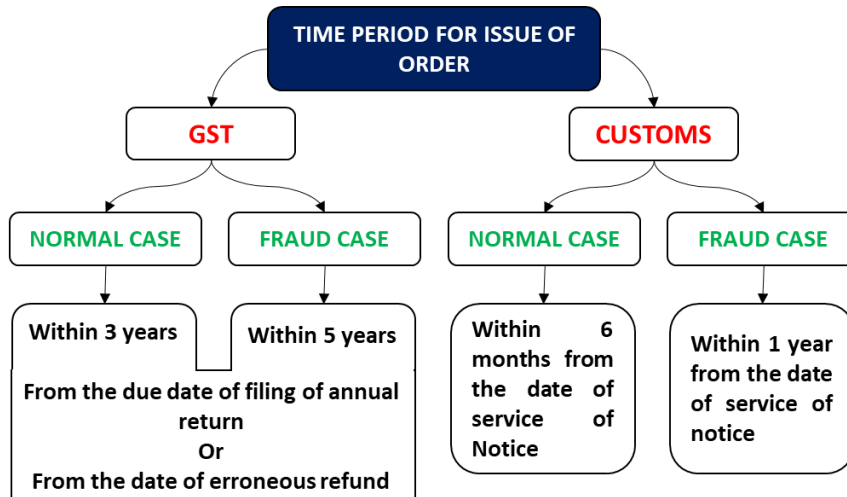
- Fraud
- Collusion
- Willful Misstatement
- Suppression of Facts
- Contravention of Provision

PROCEDURE

1. SCN should specify the basis on which demand has been raised.
2. If SCN issued within extended period (means FCWSP), then it should also justify what is being considered as fraud, misrepresentation, etc.
3. SCN should also contain a specific amount for which demand has been raised and the liability determined by the officer after hearing the parties but it cannot exceed the amount shown in SCN.

Note: Source of a statement containing details of duty not levied/paid/short levied/short paid or Erroneous refund/wrongly availed/utilization of ITC to be deemed as Source of SCN.

[If the grounds relied upon are the same as mention in the earlier notice]

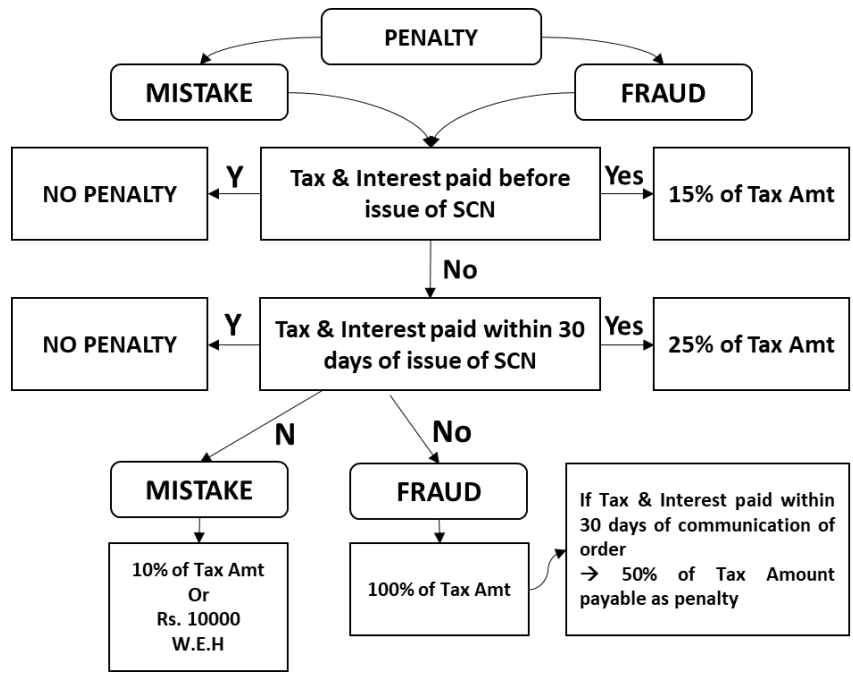


SEC 75 UNDER GST → GENERAL PROVISIONS RELATING TO DETERMINATION OF TAX

1. Period of stay Order to be excluded in computing the total period to issue SCN
2. In case of charges against FSWSP are not established for a notice issued in a FCWSP cases, tax will be determined deeming the demand notice to be issued in normal case.
3. In case of modification of tax by the AA / Tribunal / Court → Penalty and Interest to be Modified accordingly
4. Payment of Interest is mandatory even if not specified in the Adjudicating order. (Same for Customs)
5. Adjudication order to be passed mandatorily within stipulated time, otherwise the adjudication proceeding shall be deemed to be concluded.
6. Amount of self-assessed tax or interest remaining unpaid to be recovered u/s 79.
7. In case of penalty being imposed u/s 73 and 74, no other penalty to be imposed for the same act.
8. Opportunity of being heard:
 - a. If request is received in writing from the assessee (person chargeable with tax)
 - or
 - b. Where any adverse decision is contemplated against that person

Adjournment → Max 3 times to a person (Assessee) [In case of Valid Reason]

9. Adjudication order should be a speaking order
[The proper officer, in his order, shall set out the relevant factor and the basis of his decision]



NOTE: Self Assessed Tax / any amount collected & paid (with interest) within 30 days from due date of payment → NO PENALTY

TAX COLLECTED BUT NOT DEPOSITED U/S 76

↓
Issue SCN [No Time Limit]

POINTS TO BE NOTED: [FOR SEC 76]

1. Opportunity of being heard [If request received in writing]
2. Time Limit for Issuance of Order = 1 year from date of issue of notice
3. Order must be speaking order.
4. Adjustment of amount payable → The amount paid to the government shall be adjusted against the tax payable, if any, by the person in relation to the supplies and surplus amount shall either be credited to the consumer welfare fund or refunded to the person, who has borne the incidence of such amount

SEC 77 TAX WRONGLY COLLECTED & PAID TO CENTRAL GOVERNMENT OR STATE GOVERNMENT

CASE 1 → PAYMENT OF CGST & SGST / UTGST INSTEAD OF IGST. shall be refunded, the amount of taxes, so paid in such manner & subject to such conditions as may be prescribed.

CASE 2 → PAYMENT OF IGST INSTEAD OF CGST & SGST/UTGST, A registered person who has paid IGST on transaction shall not be required to pay any interest on the amount of CGST & SGST or as case may be, the CGST and UTGST tax payable.

NOTE: Non-Payment of Self Assessed Tax

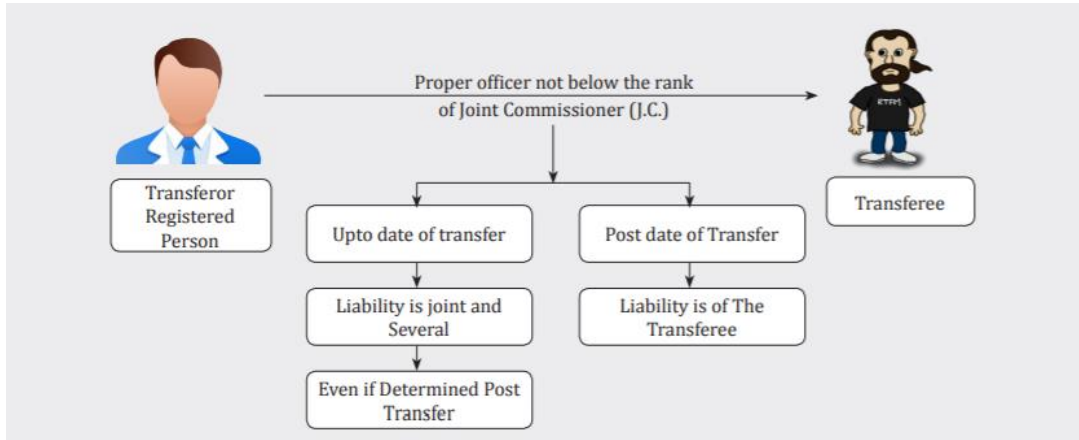
Direct Recovery without issuing SCN

CHAPTER 20. LIABILITY TO PAY IN CERTAIN CASES

LIABILITY IN CASE OF TRANSFER OF BUSINESS [SECTION 85]

SECTION 85(1): JOINT AND SEVERAL LIABILITY OF TRANSFEROR AND TRANSFEREE IN CASE OF LIABILITY ARISING PRIOR TO TRANSFER

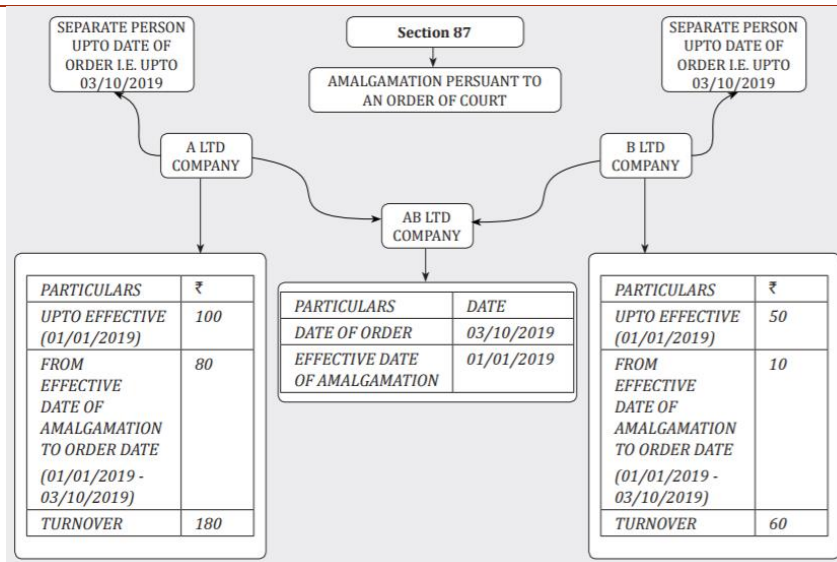
SECTION 85(2): TRANSFEREE LIABLE FOR TAX DUES IN CASE OF LIABILITY ARISING POST TRANSFER



LIABILITY OF AGENT AND PRINCIPAL [SECTION 86]

Jointly and severally, be liable to pay the tax payable on such goods under this Act

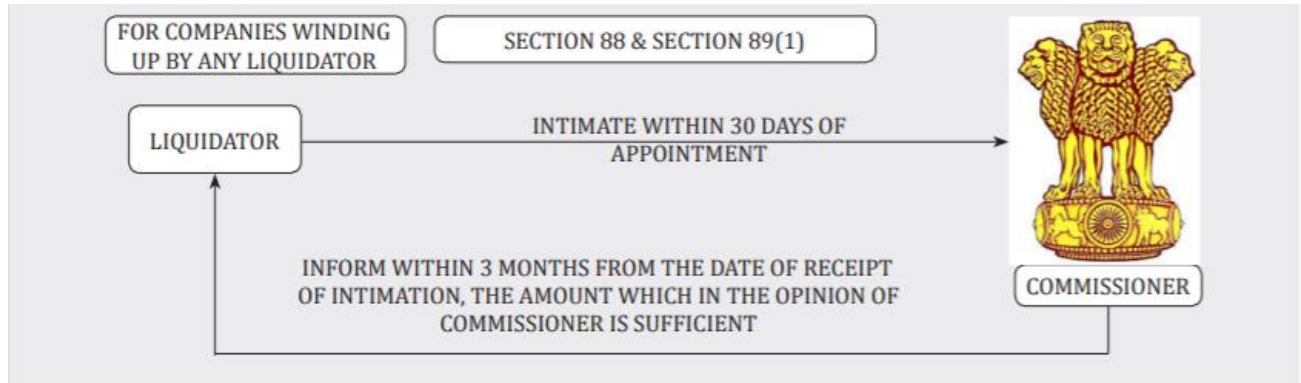
LIABILITY IN CASE OF AMALGAMATION OR MERGER OF COMPANIES [SECTION 87]



LIABILITY IN CASE OF COMPANY IN LIQUIDATION [SECTION 88]

SECTION 88(1): INITIATION BY LIQUIDATOR OF A COMPANY OF HIS APPOINTMENT TO COMMISSIONER

SECTION 88(2): COMMISSIONER TO NOTIFY THE AMOUNT DUE FROM SUCH COMPANY

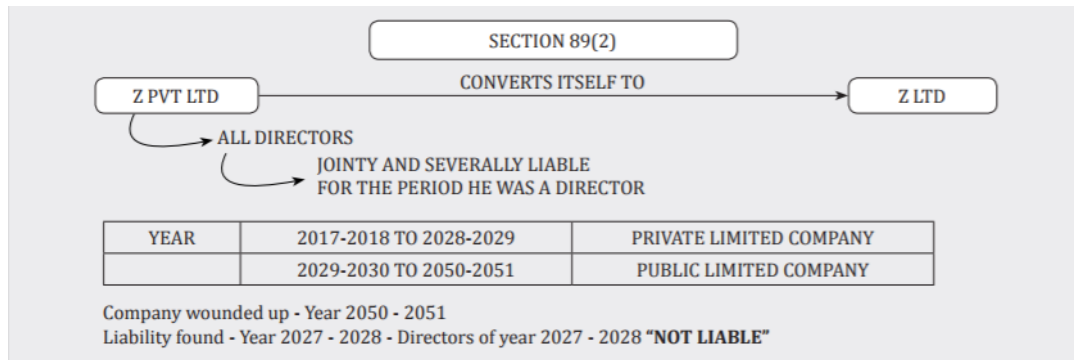


SECTION 88(3): DIRECTOR LIABLE IN CASE OF PRIVATE COMPANIES IN LIQUIDATION

LIABILITY OF DIRECTORS OF PRIVATE COMPANY [SECTION 89]

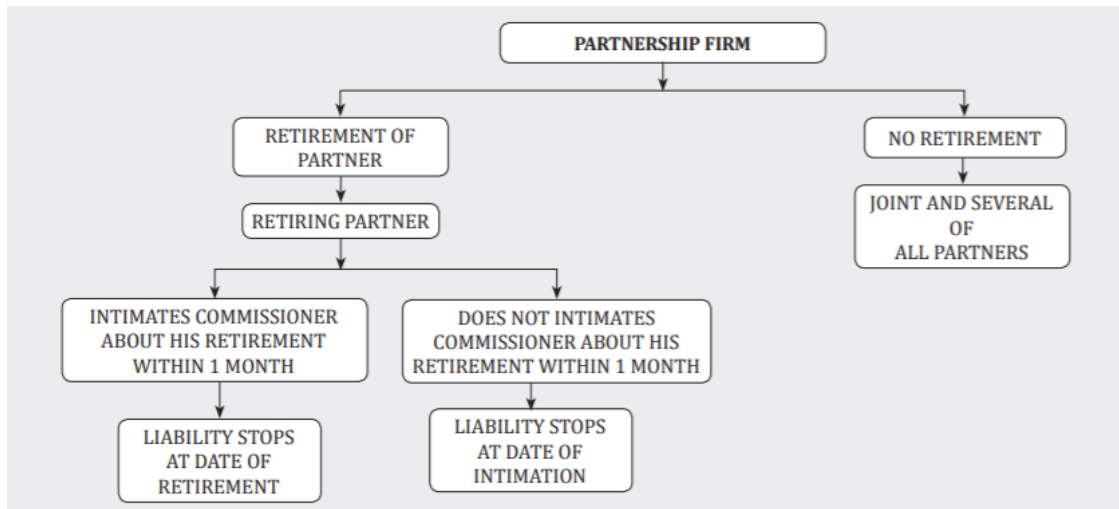
SECTION 89(1): DIRECTORS JOINTLY AND SEVERALLY LIABLE IN CASE TAX DUES CANNOT BE RECOVERED FROM COMPANY

SECTION 89(2): LIABILITY DISPENSED OFF ON CONVERSION OF PRIVATE COMPANY



LIABILITY OF PARTNERS OF FIRM TO PAY TAX [SECTION 90]

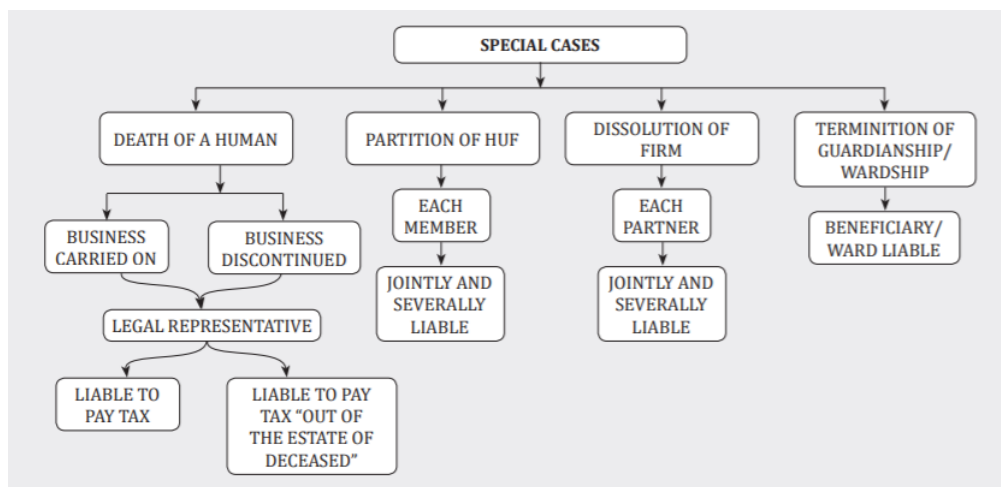
Jointly & Severally Liable. Firm and all partners both are liable.



LIABILITY OF GUARDIANS, TRUSTEES, ETC. [SECTION 91] → GUARDIAN

LIABILITY OF COURT OF WARDS, ETC. [SECTION 92] → GUARDIAN

SPECIAL PROVISIONS REGARDING LIABILITY TO PAY TAX, INTEREST OR PENALTY IN CERTAIN CASES [SECTION 93]

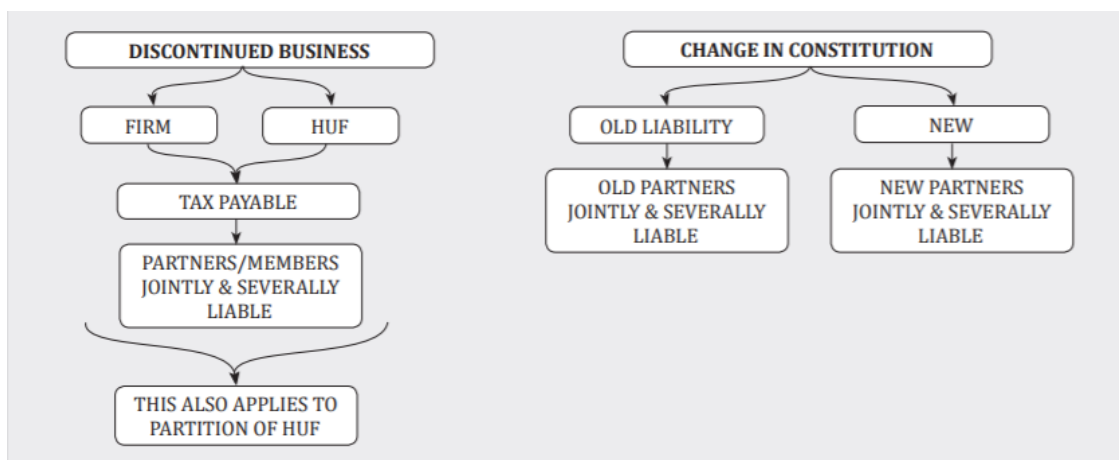


LIABILITY IN OTHER CASES [SECTION 94]

SECTION 94(1): LIABILITY OF PARTNERS OF FIRM OR MEMBERS OF AOP OR HUF ON DISCONTINUATION OF BUSINESS

SECTION 94(2): LIABILITY OF PARTNERS OF FIRM OR MEMBERS OF AOP IN CASE OF CHANGE IN CONSTITUTION OF FIRM/AOP

SECTION 94(3): DISCONTINUANCE TO INCLUDE DISSOLUTION OF FIRM OR ASSOCIATION AND PARTITION IN CASE OF HUF





YOUNG PROFESSIONAL ACADEMY (ONLINE CLASSES)

ONLINE VIDEO LECTURES FOR CA FINAL / CA IPCC / CS PROFESSIONAL / CS EXECUTIVE



CA MAHESH GOUR

*IDT CA FINAL / IPCC / CS
PROFESSIONAL*



PROF. JIGNESH CHEDDA

ISCA & IT



PROF. ISRAR SHEIKH

AS & IND AS CA FINAL



PROF. KHUSHBOO SANGHAVI

IPCC LAW / FINAL AUDIT



PROF. HARSH KACHALIA

LAW CA FINAL



CA NIHALCHAND JAIN

IDT CA IPCC / CS EXECUTIVE /
CS PROFESSIONAL



CA JYOTSANA SHARMA

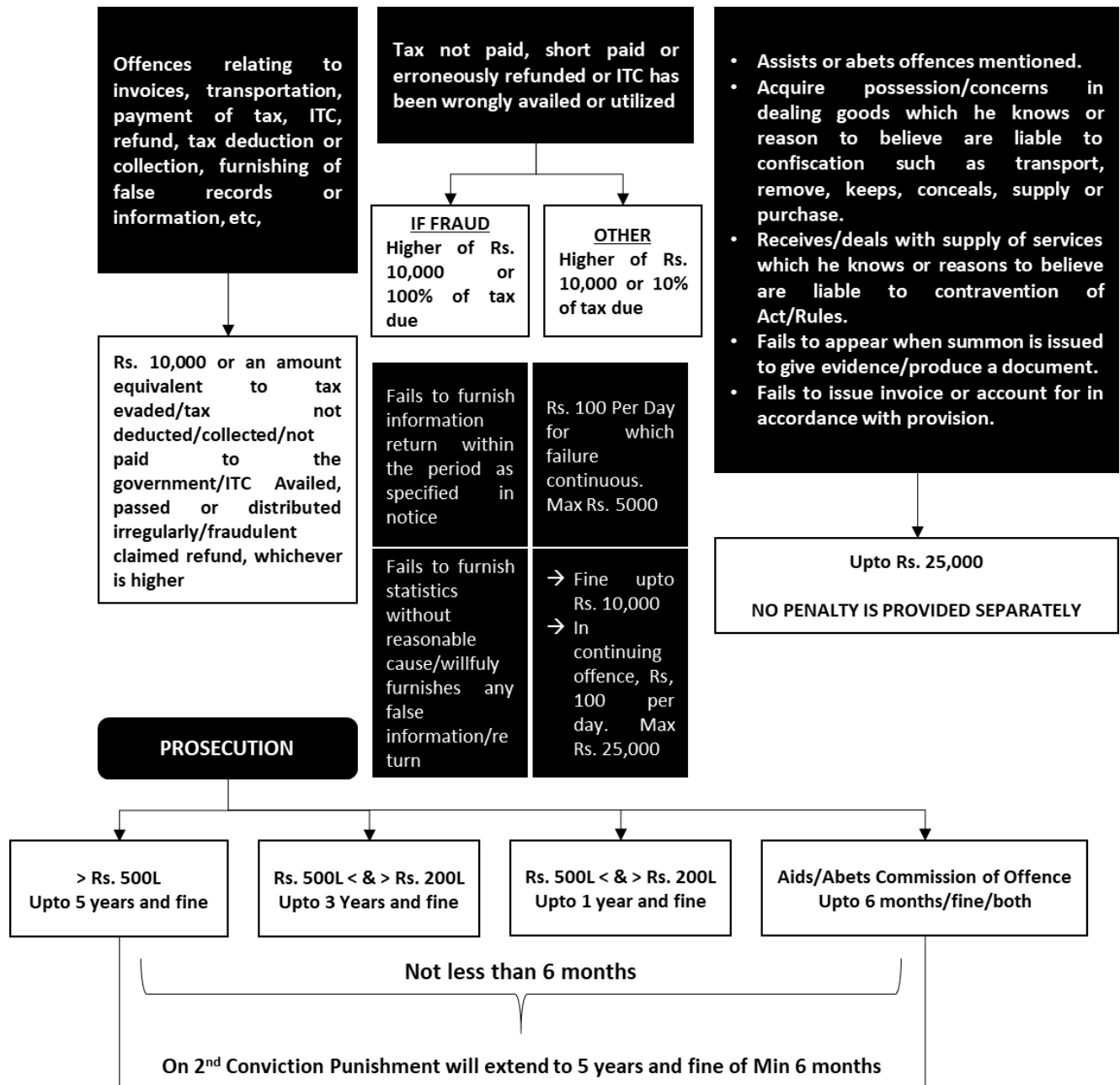
COSTING

AND OTHER NATION FAMOUS FACULTIES AVAILABLE ON

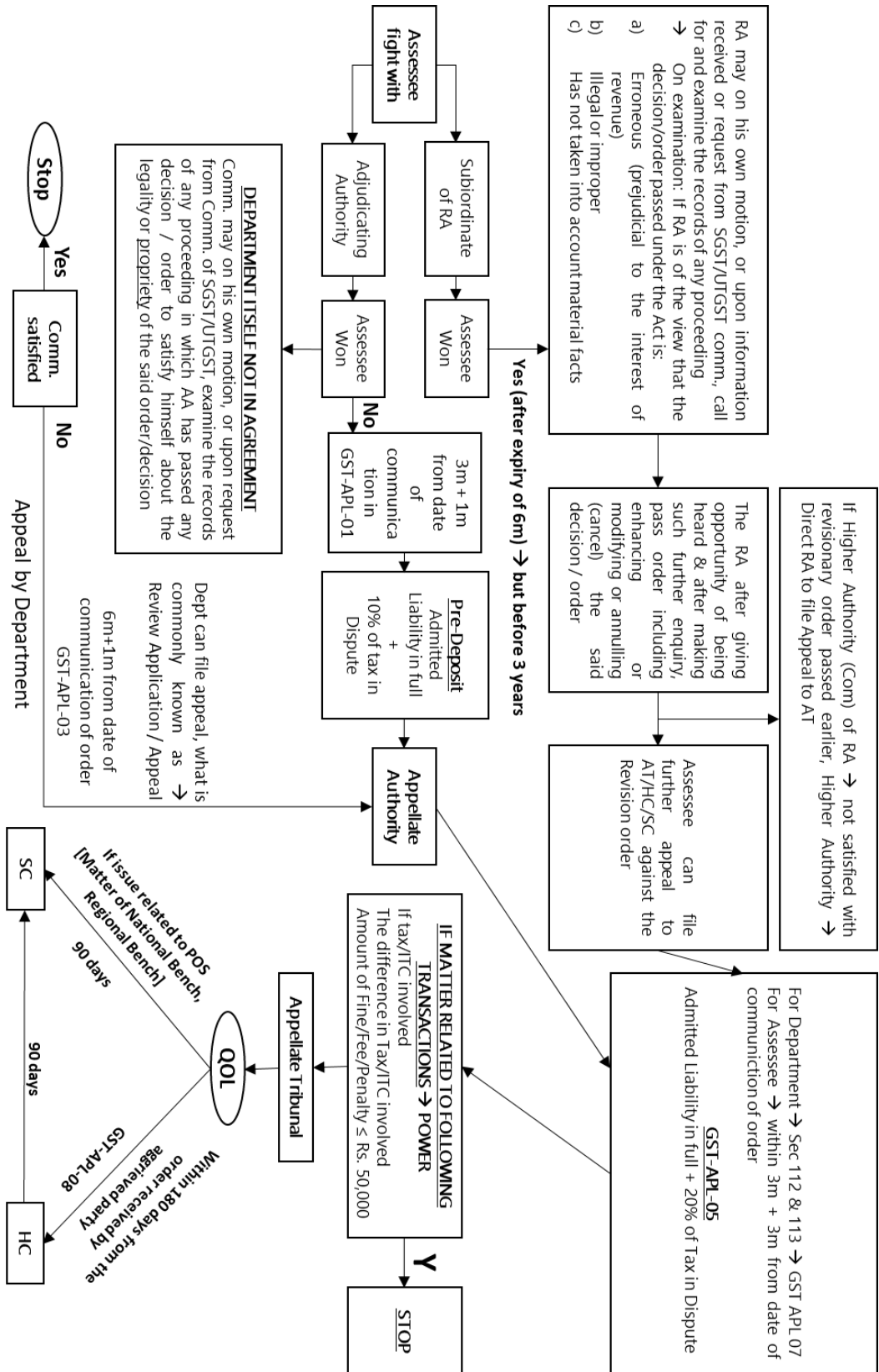


CONTACT 8788725024 / 9029050693

CHAPTER 21. OFFENCES AND PENALTIES



CHAPTER 22. APPEALS AND REVISION



APPEAL TO APPELATE AUTHORITY

AATIF D₂A HOT PC₂

AATIF D₂A HOT PC₂		
A = Applicant	1) Person aggrieved by any decision / order passed by adjudicating authority under CGST / SGST / UTGST Act, 2017 2) The commissioner may, by order, direct any officer subordinate to him to apply to the Appellate Authority (AA)	
A = Authority	ORDER PASSED BY	AA
	1) Additional Comm / Joint Comm 2) AC/DC or Superintendent	Comm (A) Additional Com (A)
TI = Time Limit for Application	For assessee: 3 months + 1 month (extension in case of valid reason for delayed filing) from the date of communication of the decision / order. For department: 6 month + 1 month (extension in case of valid reason for delayed filing) from the date of communication of decision / order.	
F = Form	For assessee → GST APL 01 For Department → GST APL 03	
D₁ = Decision	Submission of Copy of Decision / order issued by adjudicating authority within 7 days of filing the appeal, then a final acknowledgement will be issued in FORM APL 02 by the appellate authority. Appeal is treated filed only when final acknowledgement is issued <div style="text-align: center;"> <p>ANALYSIS</p> <p>Effective date of filing the appeal copy of the decision / order submitted within time limit</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="border: 1px solid black; border-radius: 15px; padding: 10px; text-align: center; width: 40%;"> <p><u>YES</u></p> <p>Date of issue of the provisional acknowledgement</p> </div> <div style="border: 1px solid black; border-radius: 15px; padding: 10px; text-align: center; width: 40%;"> <p><u>NO</u></p> <p>Date of Submission of Such Copy</p> </div> </div> </div> <p>Eg. 29th June 18 → Adjudicating Authority passed an order with demand notice. 1st July 18 → Such order communicated to A'ee 29th Sept 18 → A'ee filed appeal against the order of adjudicating authority & AA issued.</p> <p>Case 1: 1st Oct 18 → A'ss submits a copy of order to AA Case 2: 4th Nov 18 → AA will issued final acknowledgement in form APL 02</p> <p>Analysis of Case:</p>	

	<p>Case 1 → Effective date of filing of Appeal = 29th Sept 18</p> <p>Case 2 → Time Barred date of filing of Appeal = 4th Nov 18</p>
D₂ = Deposit	<p>Pre Deposit: 10% of tax in Dispute + 100% of the admitted liability (tax, interest, fine, fee, penalty)</p> <p>Note: Where the appellant has made the pre-deposit the recovery proceeding for the balance amount shall be deemed to be stayed till the disposal of the appeal.</p>
A = Additional Grounds	The appellate authority may allow an application to add any additional grounds of appeal at the time of hearing. If AA is satisfied that omission is not wilful / unreasonable.
A = Adjournment	The AA may allow a reasonable adjournment (but not more than 3)
H = Hearing	Opportunity of being heard to assessee. If AA passed an Adverse Order against the assessee then he will give an opportunity of being heard to assessee.
O = Order	<p>Appellate Authority shall pass</p> <ol style="list-style-type: none"> Just and Proper order, after making necessary inquiries. Order may confirm, modify or annul the order / decision but shall not refer the case back to the adjudicating authority.
T = Time Limit for Order	<p>The law provides an advisory time limit of 1 year from date of filing of appeal to the appellate authority to decide the appeal.</p> <p>Note: The period of stay order by any court or tribunal shall be exceeded in computing the period of 1 year.</p>
P = Power of AA	Same as in order
C = Communication	On disposal of the appeal, the appellate authority shall communicate the order passed by it to the appellant, respondent and to the adjudicating authority.
C = Copy of order	A copy of the order passed by the appellate authority shall also be sent to the Jurisdictional Commissioner or the Authority designated by him in this behalf and Jurisdictional SGST / UTGST Commission or any authority designated by him.

APPEAL TO APPELLATE TRIBUNAL [SEC 112 & 113]

NO AATIF₂ DDAM HOT C

NO = NO APPEAL	<p>Power of Tribunal to refuse to admit an appeal in following cases: 1) The tax or ITC involved or the difference of tax or ITC involved or the amount of fine, fee or penalty determined by such order does not exceed Rs. 50,000.</p> <p>Note: In the above case revisionary authority can handle this type of cases.</p>
A = Applicant	<p>Any person aggrieved by an order passed against him by an appellate authority or revisionary authority. The Commissioner may, by order, direct any officer subordinate to him to apply to the appellate tribunal</p>
A = Authority	<pre> graph TD AT[APPELLATE TRIBUNAL] --> C[CENTRE [CASES RELATED TO POS]] AT --> S[STATE [OTHER CASES]] C --> NB[NATIONAL BENCH] C --> RB[REGIONAL BENCH] NB --> TMC_C[TECHNICAL MEMBER CENTRE [TMC]] NB --> TMS_C[TECHNICAL MEMBER STATE [TMS]] RB --> JM_RB[JUDICIAL MEMBER (JM)] RB --> TMC_TMS_RB[TMC & TMS] S --> SB[STATE BENCH] S --> AB[AREA BENCH] SB --> JM_SB[JUDICIAL MEMBER (JM)] SB --> TMC_TMS_SB[TMC & TMS] AB --> JM_AB[JUDICIAL MEMBER (JM)] AB --> TMC_TMS_AB[TMC & TMS] </pre>
TI = Time Limit for Application	<p>For assessee: 3 months from the date of communication of decision or order + 3 month extension if tribunal satisfied that there was sufficient cause for the delay.</p> <p>For department: within 6 months from the date on which the said order has been passed for determination.</p>

- 1) **Note:** State Government may designate the senior most JM in a state as the state president.
- 2) Central Govt. has power to appoint Appellate Tribunal of one state to another state.
- 3) **Hearing by 2 member** → Generally every bench contains 3 members, but in case of absence of any member in bench due to vacancy or otherwise. Hearing by 2 members is allowed only if approval of president is taken.
- 4) **Hearing by 1 member** → Allowed only if amt. involved is less than or equal to Rs. 5,00,000 and does not involve matter of question of law.

F₁ = Form	For assessee → GST APL 05 For Department → GST APL 07
F₂ = Fee	Rs. 1000 for every Rs. 1,00,000 of TAX / ITC / FINE / FEE / PENALTY etc. determined in the order appealed against. Note: But the fee shall not exceed Rs 25,000 No fee for application made before the appellate tribunal for rectification of error.
D = Decision	Same as Appellate Authority
D = Deposit	Pre Deposit: 20% of tax in Dispute + 100% of the admitted liability (tax, interest, fine, fee, penalty) Note: Where the appellant has made the pre-deposit the recovery proceeding for the balance amount shall be deemed to be stayed till the disposal of the appeal.
A = Additional Grounds	Where the adjudicating authority / appellate authority has referred to admit evidence which ought to have been admitted. Where the appellant was prevented by sufficient cause from producing the evidence Where the adjudicating authority / appellate authority has made the order appealed against without giving sufficient opportunity to the appellant to Adduce (present) evidence related to any grounds of appeal.
A = Adjournment	Same as Appellate Authority
M = Memorandum of Cross Objection	The party against whom the appeal has been filed may file within 45 days a memorandum of cross objection (in GST APL 06) against any part of the order appealed against. Note: The tribunal can condon the delay of upto 45 days beyond the specified time period of 45 days in case of sufficient cause for the delay.
H = Hearing	Any adverse order shall not be passed unless the appellant has been given a reasonable opportunity of being heard.
O = Order	Appellate Tribunal shall pass a) Just and Proper order, after making necessary inquiries. b) Order may confirm, modify or annul the order / decision of AA NOTE: The Tribunal can refer the case back to the appellate authority or to the revisionary authority or to the original adjudicating authority with such directions as it may think fit for a fresh adjudication or decision after taking additional evidence, if necessary.

<p>T = Time Limit for Order</p>	<p>The law provides an advisory time limit of 1 year from date of filing of appeal for the tribunal to decide the appeal.</p> <p>Note: The period of stay order by any court or tribunal shall be exceeded in computing the period of 1 year.</p>
<p>C = Copy of order</p>	<p>A copy of the order passed by the appellate authority shall also be sent to the Jurisdictional Commissioner or the Authority designated by him in this behalf and Jurisdictional SGST / UTGST Commission or any authority designated by him.</p>

RECTIFICATION OF ERROR [SEC 113(3)]

The tribunal may amend any order passed by it so as to rectify any error apparent on the face of the records if such error is noticed by its own accord, or is brought to its notice by the Commissioner or Commissioner of SGST / UTGST or the other party.

TIME LIMIT

Appeal within a period of 3 months from the date of the order (passed)

MANDATORY PRE-DEPOSIT

Already Discussed

INTEREST ON REFUND OF PRE-DEPOSIT

If the pre-deposit made by the appellant before the appellate authority or the tribunal is required to be refunded consequent to any order of the appellate authority or of the tribunal. Interest as per Sec 56 i.e. 6% shall be payable from the date of payment of the amount (not from the date of order of the appellate authority or if the tribunal) till the date of refund of such amount.

APPEAL TO HIGH COURT [SEC 117]

Refer Pg. 390

APPEAL TO SUPREME COURT [SEC 118, 119]

Refer Pg. 391

NON APPEALABLE DECISION AND ORDER [SEC 121]

Sec 121 lays down that no appeal can be filed against the following orders

- 1) An order of the commissioner or other authority empowered to direct transfer of proceeding from one officer to another officer.
- 2) An order pertaining to the seizure or retention of books of accounts, registered and other documents.
- 3) An order sanctioning prosecution under the Act.
- 4) An order passed u/s 80 (payment of tax in instalments)

CHAPTER 23. ADVANCE RULING

1. File Appeal to AA for AR.
2. Time Period = Within 30 days from the receipt of AR + 30 Days
3. AAAR must pass an order within a period of 90 days of filing of an Appeal.
4. If member of AAAR differ on any point referred to in appeal, it shall be deemed that no AR is issued in respect of that matter under appeal.
5. Power → Confirm / Modify the Ruling

PROCEDURE FOR OBTAINING ADVANCE RULING [SECTION 98]

APPLICATION

The applicant should make application to AAR in a prescribed form and manner.

CALLING FOR RECORDS

Upon receipt of an application, the AAR shall send a copy of application to the officer in whose jurisdiction the applicant falls and call for all relevant records.

ORDER OF EITHER ADMITTING OR REJECTING THE APPLICATION

The AAR may then examine the application along with the records and may also hear the applicant. Thereafter he will pass an order either admitting or rejecting the application.

SIMILAR SUBJECT MATTER PENDING OR DECIDED

Application for advance ruling will not be admitted in cases where the question raised in the application is already pending or decided in any proceedings in the case of an applicant under any of the provisions of this Act.

SPEAKING ORDER IN CASE OF REJECTION

If the application is rejected, it should be by way of a speaking order giving the reasons for rejection.

TIME PERIOD

If the application is admitted, the AAR shall pronounce its ruling within 90 days of receipt of application.

OPPORTUNITY OF BEING HEARD

Before giving the ruling, AAR must hear the applicant or his authorized representative as well as the jurisdictional officers of CGST/SGST.

DIFFERENCE OF OPINION IN BETWEEN THE 2 MEMBERS OF AAR

If there is a difference of opinion between the two members of AAR, they shall refer the point or points on which they differ to the AAAR for hearing the issue. If the members of AAAR are also unable to come to a common conclusion in regard to the point(s) referred to them by AAR, then it shall be deemed that no advance ruling can be given in respect of the question on which difference persists at the level of AAAR.

COPY OF ADVANCE RULING

A copy of the advance ruling duly signed by members and certified in prescribed manner shall be sent to the applicant, the concerned officer and the jurisdictional officer.

APPEAL AGAINST ORDER OF AAR TO THE APPELLATE AUTHORITY [SECTION 100 & 101]

- If the applicant is aggrieved with the finding of the AAR, he can file an appeal with AAAR. Similarly, if the concerned or jurisdictional officer of CGST/SGST does not agree with the finding of AAR, he can also file an appeal with AAAR.
- Any appeal must be filed within 30 days from the receipt of the advance ruling. The Appellate Authority may allow for an additional 30 days for filing an appeal, if it is satisfied that there was a sufficient cause for delay in presenting the appeal.

ADVANCE RULING TO BE VOID IN CERTAIN CIRCUMSTANCES [SECTION 104]

- If the Authorities (AAR and Appellate Authority) find that the advance ruling pronounced has been obtained by the applicant/appellant by fraud or suppression of material facts or misrepresentation of facts, it may, by order, declare such ruling to be void ab-initio.
- Consequently, all the provisions of the CGST Act shall apply to the applicant as if such advance ruling had never been made (but excluding the period when advance ruling was given and up to the period when the order declaring it to be void is issued).

NOTE 1: An order declaring advance ruling to be void can be passed only after hearing the applicant/ appellant.

NOTE 2: A copy of the order so made shall be sent to the applicant, the concerned officers and the jurisdictional officer.

CHAPTER 25. MISCELLANEOUS PROVISIONS

GOODS AND SERVICE TAX COMPLIANCE RATING [SECTION 149]

SECTION 149(1): GST COMPLIANCE RATING SCORE TO BE ASSIGNED TO REGISTERED PERSON

Every registered person may be assigned a goods and service tax compliance rating score by the Government based on his record of compliance with the provisions of this Act.

SECTION 149(2): GST COMPLIANCE RATING SCORE TO BE DETERMINED ON BASIS OF PRESCRIBED PARAMETERS

The goods and service tax compliance rating score may be determined on the basis of such parameters as may be prescribed.

SECTION 149(3): PERIODIC UPDATION OF GST COMPLIANCE RATING SCORE

The goods and service tax compliance rating score may be updated at periodic intervals and intimated to the registered person and also placed in the public domain in such manner as may be prescribed.

PUBLICATION OF INFORMATION IN RESPECT OF PERSONS IN CERTAIN CASES [SECTION 159]

SECTION 159(1): POWER OF PUBLICATION

If the commissioner, or any other officer authorized by him in this behalf, is of the opinion that it is necessary or expedient in the public interest to publish the name of any person and any other particulars relating to any proceedings or prosecution under this Act in respect of such person, it may cause to be published such name and particulars in such manner as it thinks fit.

SECTION 159(2): NO PUBLICATION TILL APPEAL DISPOSED OFF OR TIME LIMIT FOR FILING APPEAL NOT EXPIRED

No publication under this section shall be made in relation to any penalty imposed under this Act until the time for presenting an appeal to the Appellate authority under section 107 has expired without an appeal having been presented or the appeal, if presented, has been disposed of.

PUBLICATION OF NAME OF DIRECTORS, PARTNERS, ETC

In the case of firm, company or other association of persons, the names of the partners of the firm, directors, managing agents, secretaries and treasurers or managers of the company, or the members of the association, as the case may be, may also be published if, in the opinion of the Commissioner, or any other officer authorized by him in this behalf, circumstances of the case justify it.

ASSESSMENT PROCEEDINGS, ETC. NOT TO BE INVALID ON CERTAIN GROUNDS [SECTION 160]

SECTION 160(1): ASSESSMENT PROCEEDINGS, ETC. NOT TO BE INVALID ON PROCEDURAL INFRACTIONS

No assessment, re-assessment, adjudication, review, revision, appeal, rectification, notice, summons or other proceedings –

→ done, accepted, made, issued, initiated, or

→ purported to have been done, accepted, made, issued, initiated

In pursuance of any of the provisions of this Act-

→ shall be invalid, or

→ deemed to be invalid

Merely by reason of any mistake, defect or omission therein, if such assessment, re-assessment, adjudication, review, revision, appeal, rectification, notice, summons or other proceedings are in substance and effect in conformity with or according to the intents, purposes and requirements of this Act or any existing law.

SECTION 160(2): NOTICE ETC. DEEMED TO BE VALID IN CERTAIN CIRCUMSTANCES

The service of any notice, order or communication shall not be called in question, if the notice, order or communication, as the case may be, has already been acted upon by the person to whom it is issued or where such service has not been called in question at

SERVICE OF NOTICE IN CERTAIN CIRCUMSTANCES [SECTION 169]

SECTION 169(1): MANNER OF SERVICE

Any decision, order, summons, notice or other communication under this Act or the rules made thereunder shall be served by any one of the following methods, namely:

- a. by giving or tendering it directly or by a message including a courier to the addressee or the taxable person or to his manager or authorized representative or an advocate or a tax practitioner holding authority to appear in the proceedings on behalf of the taxable person or to a person regularly employed by him in connection with the business, or to any adult member of family residing with the taxable person; or
- b. by registered post or speed post or courier with acknowledgement due, to the person for whom it is intended or his authorized representative, if any, at his last known place of business or residence; or
- c. by sending a communication to his e-mail address provided at the time of registration or as amended from time to time; or
- d. by making it available on the common portal; or
- e. by publication in a newspaper circulating in the locality in which the taxable person or the person to whom it is issued is last known to have resided, carried on business or personally worked for gain; or
- f. if none of the modes aforesaid is practicable, by affixing it in some conspicuous place at his last known place of business or residence and if such mode is not practicable for any reason, then by affixing a copy thereof on the notice board of the office of the concerned officer or authority who or which passed such decision or order or issued such summons or notices.

SECTION 169(2): DEEMED SERVICE

Every decision, order, summons, notice or any communication shall be deemed to have been served in the date on which it is tendered or published or a copy thereof is affixed in the manner provided in Section 169(1).

SECTION 169(3): DEEMED SERVICE IN CASE OF REGISTERED POST OR SPEED POST

When such decision, order, summons, notice or any communication is sent by registered post or speed post, it shall be deemed to have been received by the addressee at the expiry of the period normally taken by such post in transit unless the contrary is proved.

REPEAL AND SAVING [SECTION 174]

SECTION 173: AMENDMENT OF ACT 32 OF 1994

Same as otherwise provided in this Act, Chapter V of the Finance Act, 1994 [i.e. Service Tax] shall be omitted.

SECTION 174(1): REPEALED ACTS

Same as otherwise provided in this Act, on and from the date of commencement of this Act, the Central Excise Act, 1944 (except as respects goods included in entry 84 of the Union List of the Seventh Schedule to the Constitution), the Medical and Toilet Preparations (Excise Duties) Act, 1955, the Additional Duties of Excise (Goods of Special Importance) Act, 1957, the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978, and the Central Excise Tariff Act, 1985 (hereafter referred to as the repealed Acts) are hereby repealed.

SECTION 174(2): EFFECT OF REPEAL

The repeal of the said Acts and the amendment of the Finance Act, 1994 (hereafter referred to as "such amendment" or "amended Act", as the case may be) to the extent mentioned in the Section 173(1) shall not –

- a. **No new effect** – revive anything not in force or existing at the time of such amendment or repeal; or
- b. **No effect on previous position** – affect the previous operation of the amended Act or repealed Acts and orders or anything duly done or suffered there-under; or

- c. **No effect on rights or liabilities under previous law** – affect any right, privilege, obligation, or liability acquired, accrued or incurred under the amended Act or repealed Acts or orders under such repealed or Amended Acts. However, any tax exemption granted as an incentive against investment through a notification shall not continue as privilege if the said notification is rescinded on or after the appointed day; or
- d. **No effect on tax etc. due under previous law** – affect any duty, tax, surcharge, fine, penalty, interest as are due or may become due or any forfeiture or punishment incurred or inflicted in respect of any offence or violation committed against the provisions of the amended Act or repealed Acts; or
- e. **No effect on legal proceedings and tax, penalty etc. under previous law** – affect any investigation, inquiry, verification (including scrutiny and audit), assessment proceedings, adjudication and any other legal proceedings or recovery of arrears or remedy in respect of any such duty, tax, surcharge, penalty, fine, interest, right, privilege, obligation, liability, forfeiture or punishment, as aforesaid, and any such investigation, inquiry, verification (including scrutiny and audit), assessment proceedings, adjudication and other legal proceedings or recovery of arrears or remedy may be instituted, continued or enforced, and any such tax, surcharge, penalty, fine, interest, forfeiture or punishment may be levied or imposed as if these Acts had not been so amended or repealed;
- f. **No effect on any appellate proceeding under previous law** – affect any proceedings including that relating to an appeal, review or reference, instituted before on, or after the appointed day under the said amended Act or repealed Acts and such proceedings shall be continued under the said amended Act or repealed Acts as if this Act had not come into force and the said Acts had not been amended or repealed

SECTION 174(3): EFFECT ON GENERAL CLAUSES ACT

The mention of the particular matters referred to in Sections 174(1) and (2) shall not be held to prejudice or affect the general application of Section 6 of the General Clauses Act, 1897 with regard to effect of repeal.

ANTI-PROFITEERING MEASURE

BACKGROUND OF ANTI-PROFITEERING MEASURES

Anti-profiteering measure have been incorporated under GST laws to control prices of goods and/or services due to implementation of single tax system (GST) in the country.

The burden of indirect taxation ultimately falls on the consumers. It is expected that the GST regime will result in an increased flow of input tax credit. In such a scenario, the concern that benefit of such increased input tax credit may not be passed on by certain entities to the consumers is not unreasonable.

NEED FOR ANTI-PROFITEERING MEASURES

With learning experiences of other countries GST law makers in India has taken extra precaution and incorporated the clause of anti-profiteering measures under GST laws to control rise in prices of goods and/or services after implementation of new tax regime (CGST) in the country

The very objective of anti-profiteering measures to provide benefit of GST to the consumers in terms of reduced prices and not allow more profit margin to the businessmen in the cost of rise in prices of goods and/or services resulting inflation in the country. This will also help in instilling confidence in the citizens.

ANTI-PROFITEERING MEASURES

- a. **Benefit of reduction in tax rates to be passed on to recipients [Section 171(1)]:** Any reduction in rate of tax on any supply of goods or services or the benefit of input tax credit shall be passed on to the recipient by way of commensurate reduction in prices.
- b. **Constitution of authority [Section 171(2)]:** The Central Government may, on recommendation of the Council, by notification, constitute an Authority, or empower an existing Authority constituted under any law for time being in force, to examine whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied to him.
- c. **Powers and functions as prescribed [Section 171(3)]:** The Authority referred to in Section 171(2) shall exercise such powers and discharge such functions as may be prescribed.

FUNCTIONS AND DUTIES OF ANTI-PROFITEERING AUTHORITY

- a. **Power to determine the methodology and procedure [Rule 126 of CGST Rules, 2017]:** The Authority may determine the methodology and procedure for determination as to whether the reduction in the rate of tax on the supply of goods or services or the benefit of input tax credit has been passed on by the registered person to the recipient by way of commensurate reduction in prices.
- b. **Duties of the Authority [Rule 127 of CGST Rules, 2017]:** It shall be the duty of the Authority,
 - i. **Determination whether tax reduction benefits passed on to recipients:** Determine whether any reduction in the rate of tax on any supply of goods or services or benefit of ITC has been passed on to the recipient by way of commensurate reduction in prices;

- ii. **Identification of registered persons who has not passed the benefits:** To identify the registered person who has not passed on the benefit of reduction in the rate of tax on supply of supply of goods or services or the benefit of ITC to the recipient by way of commensurate reduction in prices;
- iii. **Passing of relevant order:** To order, -
 - Reduction in prices;
 - return to the recipient, an amount equivalent to the amount not passed on by way of commensurate reduction in prices along with interest @ 18% from the date of collection of the higher amount till the date of the return of such amount or recovery of the amount not returned, as the case may be, in case the eligible person does not claim return of the amount or is not identifiable, and depositing the same in the Fund referred to in Section 57,
 - Imposition of penalty as specified in the Act; and
 - Cancellation of registration under the Act
- iv. **To furnish a performance report to the Council by the 10th of the close of each quarter.**

RULE 130 of CGST Rules, 2017: CONFIDENTIALITY OF INFORMATION

- a. **Provisions of RTI Act applicable for disclosure of information** – Notwithstanding anything contained in Rule 129(3)/(5) and Rule 133(2), the provisions of Section 11 of the Right to Information Act, 2005, shall apply mutatis mutandis to the disclosure of any information which is provided on a confidential basis.
- b. **Summary of non-confidential information to be furnished to Director General of Safeguards** – The Director General of Safeguards may require the parties providing information on confidential basis to furnish non-confidential summary thereof and if, in the opinion of the party providing such information, the said information cannot be summarized, such party may submit to the Director General of Safeguards a statement of reasons as to why summarization is not possible.

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