



GST FLOW (Index)







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CUSTOMS FLOW (Index)





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My Dear Students,

I am extremely delighted to present this chartbook to you. Through this chartbook, I have simplified concepts & hopefully I shall be able to make you fall in love with the subject! Make this your friend & enjoy as you study.

Here's how you can score well on the exam

1. Quote Section nos. in your answers. This is how you demonstrate the depth of your knowledge to your examiner. But be ware of this double edged sword as quoting wrong Section can have catastrophic consequences!
2. Substantiate your answers with adequate and relevant reasoning.
3. Remember, its better to write for a 80 and score a 60 rather than attempt for a 100 and end up scoring 40 or less. Focus on quality than quantity.
4. Biggest Reminder: Drink water & calm your nerves. A hydrated & steady mind will be your best asset on the exam day.

All the best!!! Let's rock IDT and the exams!!! You got this!!!



This chartbook is meant for CA Ramesh Soni's classroom purpose only. The charts in this book are applicable for Sep 26/Jan 27 & onwards...

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Goods & Services

Goods - Sec 2(52)

Means: Every kind of **Movable** property



Immovable property
- Land, Benefit arising out of Land
- Things attached to the earth/
- Permanently fastened to anything attached

Other than (Excludes)

Money → Indian Legal tender, foreign Currency, cheque, promissory note, bill of exchange, letter of Credit, draft, pay order, traveller's cheque, money order postal or electronic remittance or any instrument recognised by RBI
→ when used as a Consideration to settle an obligation
but shallnot include currency held for its numismatic value

Also includes commercial papers & certificate of deposit



Securities → Shares, stock, bond, debentures, Mutual fund
→ Government Securities
→ Rights/ Interests in Securities

but Includes



Actionable Claim: Mean a claim to any debt, other than a debt secured/to any beneficial interest in movable property not in the possession of claimant, which the civil Courts recognize as affording ground for relief, whether such debt/beneficial interest be existent, accruing, Conditional/Contingent.
Eg: Betting, Gambling, Lottery, Right to recover arears of rent, etc.

Growing Crops, grass & things attached to/forming part of the Land which are agreed to be Severed before Supply/ under a Contract of Supply

Circulars: Priority Sector Lending Certificates [PSLCs] are not securites & hence tanable as goods, Nature of supply - interstate & IGST shall be payable (RCM)

Services - Sec 2(102)

Means: Anything
Other than: Goods Money & Securities



but Includes: Activities relating to the use of Money/ Its Conversion by Cash/ by any other mode
↓ from
One form, Currency/ denomination
↓ to
Another form, Currency/ denomination
↓
For which Seperate Consideration is charged



Explanation:
Services includes facilitating/ arranging transactions in Securities
Eg: Demat charges, brokerage, Portfolio maintenance charges, Commission, etc.

Note: Derivatives are securities & hence neither goods nor Service, however, where settlement takes place by way of: actual delivery of underlying Commodity, then such Contract would be normal supply of goods, liable to GST

Discuss the applicability of gst in the following Cases:

1. Sale of debentures: Neither goods nor Services: no GST
2. Sale of Plot of Land: Its a service, but no gst as per sec 7(2)(a) read with Schedule III
3. Cash deposit into bank: Transaction in money: money is neither goods nor service: No GST
4. Housing loan: Transaction in money: money is neither goods nor service: No GST
5. Interest on loan: Activity relating to use of money, it is a service.

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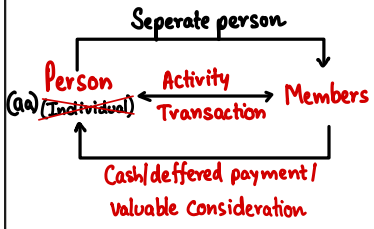
Section 7: Scope of Supply

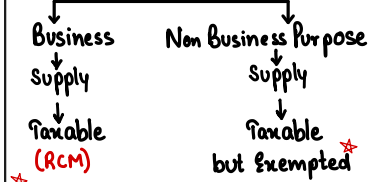
The Taxable event

7(1): Includes

(a) All forms of Supply of G|S|B
Such as: Sale, Transfer, Barter, Exchange, lease, Rental, License Disposal
- Made/agreed to be made
- For a Consideration
- in the Course/furtherance of business [Circular ① ⑱]



(b) Importation of Services (IOS)
For a Consideration



☆ Exception: OIDAR → NTOR → FCM
Any unregistered person including person registered as TDS deductor.

OIDAR: Online Information Database Access & Retrieval Services
NTOR: Non Taxable Online Recipient

(c) Activities specified in Schedule I made/agreed to be made without a Consideration
(1) Permanent Transfer/disposal of Business Asset (where ITC availed on such assets)
Notification: Margin Scheme available on Sale of motor vehicle held as capital asset.
- If depreciation claimed: GST on [SP − WDV]
- If depreciation not claimed: GST on [SP − PP]

(2) Supply between related person/distinct person in the course/furtherance of business
Exception: Gift to employee upto Rs. 50,000 per annum per employee. [Circular ②]

(3) Supply of goods b/w Principal & Agent [Cir ③]

(4) IOS → RP/own establishment outside India → in the course/furthevance of business.
GST (RCM)

Related Person (RP)

SCOPE ⊕ Family ⊕ Sole agent/distributor
Stock/Shares ⩾ 25% in both of them,
Control (Direct/Indirect)
Officer/Directors of one another's businesses,
Partners in business,
Employer & Employee
Family → Spouse & children (SC) Only if dependent
↳ Parents, Grandparents, Brother & Sister (PGBS)

7(1A): SOG|SOS (Schedule II)

(1) Transfer of
- (a) Title in goods (Possession & Ownership): SOG
- (b) Right in goods/Undivided Share: SOS
- (c) Title in future (Hire purchase): SOG

(2) (a) Lease, tenancy, easement to occupy land: SOS
(b) Lease, letting out of building: SOS [Circular ④]

(3) Treatment/process applied on another person's goods: SOS
⑤ [Refer circular on Retthreading & bus bodybuilding]

(4) Transfer of Business Asset
(a) Permanent transfer/disposal: SOG
(b) Put to pvt use/made available for non business use: SOS
(c) At the time of closure of business: Deemed SOG
Exception: Business transferred as going concern
Business carried on by a personal representative (TP)

(5) SOS: (a) Renting of Immovable property
(b) Construction of Complex, building, etc. (Consideration received before CC/FO(E))
(c) Temporary transfer/use of IPR
(d) Development, Upgradation, etc. of IT software
(e) Agreeing to the obligation to RTA
Refrain/tolerate/to do an act [Circular ⑥ ⑥A]
(f) Transfer of right to use goods

(6) Following Composite Supplies: SOS
(a) Works Contract (Immovable property)
(b) Restaurant/Catering

7(2) → Excludes → Neither SOG Nor SOS

(a) Activities/transactions specified in Schedule III

1. Services by Employee to the Employer (in the Course/relation to employment) [7 7A]
2. Services by Court/tribunal established under Law ⑧
3. Functions performed by: MPs, MLA, MLC, etc.
   Duties performed by: Constitution post holder
   Duties performed by: chairperson/member/Director (CMD) of body established by govt (~~Employees~~).
4. Services of Mortuary/Burial/Funeral (incl. transp^n)
5. Sale of Land & Building, subject to Sch II Para 5(b). ⑨ ⑨A
6. Actionable claims except Specified actionable claims
   Specified actionable claims: Betting, Casinos, gambling horse racing, lottery, Online money gaming.
7. Merchant trading: SOG from Non taxable territory to another NTT without Goods entering India.
8. High Seas Sale, Bond to Bond transfer, SOG warehoused in SEZ/a FTWZ to any person before clearance for export or to the DTA.
9. Activity of apportionment of Co-insurance premium by lead insurer to co-insurer for insurance jointly Supplied, Condition being lead insurer pays GST on entire premium.
10. Services by the insurer to re-insurer for which Ceding/re-insurance Commission is deducted from re-insurance premium paid by the insurer to reinsurer, Condition being the GST is paid by reinsurer on the gross reinsurance premium payable by insurer to reinsurer.

(b): Notified activities/transactions Undertaken by CG|SG|LA as Public Authorities: Neither SOG Nor SOS
- Activity in relation to function entrusted to panchayat under 243G/municipality under 243W
- Grant of Alcoholic liquor licence against license or application fees. [Circular ⑩]

Sec 8: Taxability of Composite Supply (CS) & Mixed Supply (MS) [Refer Circular ⑪ ⑫ ⑬]

(a) CS: Treated as Supply of Principal Supply (b) MS: Treated as Supply of that Supply attracting highest rate
2(30): CS: 2/more TS + Naturally bundled + Supplied together in Ordinary Course + One is principal Supply
2(74): MS: 2/more Individual Supplies + Supplied together for a single price + not a Composite Supply

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① Artwork Sent to Gallaries for exhibition

- At the time of Sending : No Consideration : Not Supply
- When buyer Selects : its a Sale for a Consideration : Supply.

1A Taxability of Salvage value in the claim assessment of the damage Caused to the MV.

- If insurance claim is settled by deducting value of Salvage/ wreck from the claim amount : Salvage remains the property of insured & no GST of insurance Co. on the Salvage value.
- If insurance claim is settled for the full amount without deducting the value of Salvage : Salvage becomes the property of the insurance Co., which must pay GST on Supply of Salvage.

② Interstate movement of Conveyance/Cranes between DP

- On Conveyance/Rigs/Cranes : No GST (NSoG, NSoS)
- On passenger & goods transportation : GST Leviable
- On Repairs & Maintenance work : GST Leviable
- Movement for further Supply : GST Leviable.

③ Scope of Principal Agent relationship

- Agent is further supplying in his name
- Agent is procuring in his name i.e. invoice is issued in the name of agent

} When agent is an agent under Para 3 of Schedule I

④ Transfer of tenancy rights against tenancy Premium : SoS

- Exempt if granted for residential house to an an URP.
- further Sale/ Surrendering by outgoing tenant : GST.

⑤ Rethreading of tyres

- Supplier does rethreading for Customer : SoS
- Supplier sells rethreaded tyres : SoG



Bus bodybuilding i.e. fabrication on :

- chassis provided by Customer : SoS
- Own chassis & Supplying bus : SoG.



CIRCULARS

⑥ GST on liquidated damages, Compensation & penalty arising out of breach of Contract/ other provisions of Law.

- Agreement to Refrain, tolerate, or do an act ⊕ Consideration : SoS
- Agreeing to Refrain from an act : Example : Builder refraining from Constructing more floors against Compensation by neighbouring society, An industrial Unit refraining from manufacturing during certain hours against Compensation paid by a neighbouring School, which wants to avoid noise.
- Agreeing to tolerate an act/situation : A Shopkeeper allowing a hawker to operate from pavement infront of his shop against payment, RWA tolerating use of loud Speakers for prayer by School against Compensation.
- Agreeing to do an act : Industrial unit agrees to install equipment for Zero emission at the behest of the RWA of the neighbouring residential Complex against a consideration paid by RWA.

Taxability of Some transactions have been discussed in detail :

- Liquidated damages : They are not the desired outcome of a Contract, it is only a Compensation for injury Suffered due to breach of Contract They are mere flow of money & donot Constitute Consideration, not taxable.
- Cheque dishonour fine : The Supplier never agrees to deposit fake cheque against penalty. It is not a consideration for Service, not taxable.
- Penalty for violation of Law : Laws are not framed for tolerating their violation, There is no agreement between govt & violator that Such violation is allowed against penalty, hence no GST.
- forfeiture of Salary/ Payment of bond in the event of employee leaving before minimum agreed period : Provision of forfeiture is incorporated to discourage non-Serious Candidates to take up employment. It is not a Consideration for tolerating the act of premature quitting & hence not taxable.
- Late payment Surcharge/fee : This facility is granted by Supplier naturally bundled with Principal Supply. It Should be assessed @ of Principal Supply (PS).
- Fixed charges for electricity : The minimum fixed charges are for sale of electricity & are not taxable as electricity is exempt from GST.
- Cancellation charges : Service of allowing Cancellation against Cancellation Charges is naturally bundled with Principal Supply (PS), hence taxable @ of PS.

6A Applicability of GST on penal charges levied by Regulated Entities (Banks/NBFC) instead of penal interest

RBI has instructed banks/NBFCs to charge penal charges for non compliance with loan terms. Penal charges are meant to prevent non-Compliance rather than tolerating it. Clarified that gst is NOT payable on penal charges levied by REs.

⑦ Perquisities provided by employer to employee :

Perquisities provided in terms of Contractual agreement between employer & employee : No GST.

7A Taxability of ESOP/RSU/ESPP provided by a Company to its employees through its overseas holding Company

- ESOP/RSU/ESPP is part of employee's remuneration under terms of employment, Covered under Schedule III, Para 1.
- Reimbursement for the transfer of securities, done by the Indian Co. to foreign holding Co. on Cost to Cost basis is not treated as import of Service and is not liable for GST under RCM.
- If foreign Co. charges an extra fee/Commission for issuing ESOP/ ESPP/RSU, then its a Service for facilitating the transaction. GST must be paid by the domestic Co. under RCM.

⑧ GST on fees charged by Consumer dispute redressal Commission

They are not literally tribunal but have characteristics of a Tribunal & hence fees paid/penalty charged/any amount paid to CDRC : No GST.

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⑨ GST on sale of Land after levelling, lying down of drainage lines.

Sale of developed land is sale of land & Covered in Sch III: No GST.

⑨A Applicability of GST on Preferential location charges (PLC)

PLC paid along with Consideration for the Construction services forms part of Composite Supply, where supply of Construction service is the main Service & PLC is naturally bundled with it & are eligible for Same tax treatment as main Supply.

⑩ Grant of other licenses & Previlages by govt (Except AL License)

Grant of Other previleges, licenses, mining rights against Consideration in form of fees/royalty: Taxable (GST).

⑪ Servicing of Car involving SOG(parts) & SOS (Labour) & value of Goods & services shown seperately.

Liable to GST at the rates as applicable to Such G/S seperately.

⑫ Taxability of Printing contacts

- In case of printing of books where: Content is supplied by person who owns the intellectual property rights (IPR), while physical input including paper belongs to printer: Printing Service: SOS.
- Supply of printed envelopes, tissues, with logo/design of recipient: SOG.

⑬ Supply of food & beverages in cinema hall

- If it is Supplied independently: it is restaurant service
- If bundled together & Satisfies test of Composite Supply, then taxable @ Principal Supply i.e. Service of exhibition of Cinema.

Activity of holding shares of Subsidiary by the holding co.

It Cannot be treated as Supply of Service by holding to Subsidiary Co. – No GST.

Taxability of Cost Petroleum

In production sharing contracts: CG grants license to explore/mine petroleum crude/natural gas in consideration for profit petroleum which is exempt from GST.

Cost petroleum is not a Consideration received by the contractor for services provided to govt & hence not taxable.

Treatment of Sales promotion Schemes under GST

- Goods/Services/both Supplied free of Cost/as gift: If activity falls in 7(1)(c), its a Supply & ITC available/else ITC blocked.
- Buy 1 get 1 free: It is not an individual Supply of free goods, but 2/more individual Supplies for price of 1, it Can either be Composite/mixed Supply.

GST on warranty replacement of parts & repair services during warranty

- Manufacturer provides directly/distributor does on behalf of manufacturer

The value of original Supply of goods by manufacturer to Customer likely includes the cost of replacement/repair Services to be incurred,

- Replacement/repair without Charging: No further is GST payable.
- Replacement/repair with Consideration: GST will be payable.

- Is there a supply between distributor & manufacturer, where distributor provides replacement of parts to customer on behalf of manufacturer.

There Can be 4 instances as discussed below:

(a) If distributor replaces part(s) to customer using his stock/by purchasing from 3rd party & charges manufacturer: GST is payable

(b) If manufacturer provides part to distributor for replacement under warranty without Consideration: No GST is payable.

(c) If distributor replaces parts to customer from Supply already received: the manufacturer may issue Credit note & adjust tax liability.

(d) If distributor replaces parts to customer from Supply already received, manufacturer then provides replacement through DC without any Consideration: No GST payable

- If distributor provides free warranty to customer but charges manufacturer: Supply of Service, GST payable by distributor.
- Extended warranty:

-If Supplied along with Supply of goods: taxable @ principal Supply (SOG).

-If Supplied by person different from original Supplier of goods/Supplied any time after Original Supply: Seperate Supply of Service & GST payable.

GST on display of name/name plate of donor by charitable Organisation

3 tests: Donation is made to charitable organisation, payment has character of gift/donation, the purpose is philanthropic & not advertisement: No GST.

Taxable Service provided by the member of JV to the JV & vice versa

- Cash calls raised by operating member: transn in money: No Supply, No GST
- but if cash calls received as Consideration for service: SOS, GST.

Clarification on GST treatment of vouchers

Transaction in vouchers: Vouchers are instrument of payment & not goods/services. Their trade doesnot Constitute a taxable Supply under GST. GST applies to goods/services for which vouchers are redeemed.

Distribution of Vouchers:

- Principal to Principal (P2P) basis: Distributor purchases vouchers at discount & Sells them for a margin.

Since they own & Control vouchers, GST is not applicable on voucher trading.

- Comission based distribution: Distributors act as agents & receive a Commission/fee. GST is applicable on this Commission as a supply of Services.

Additional Services: If distributors or 3rd parties provide services like advertisements, Co-branding, tech support, Customer services, etc. to the voucher issuer for a fees, GST is payable on these Services.

Unredeemed vouchers (breakage): If vouchers expire unused, the retained amount doesnot qualify as Consideration for any supply of goods/services. Thus no GST payable on breakage.



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Nature of Supply (IGST act)

Section 7: Interstate Supply

(1) Subject to prov. of Sec 10, SOG } LOS and POS are in
(3) Subject to prov. of Sec 12, SOS } → 2 different States
→ 2 different UTs
→ a State & a UT

(2) Import of goods till they cross customs frontiers
(4) Import of services
(5) SOG/SOS/Both
(a) When: LOS – India & POS – Outside India
(b) To/by a SEZ unit/developer
(c) In the TT, Not being Intra state & not Covered elsewhere

Explanation 1: A person has
(i) 1 establishment in India – other outside India → Establishment of Distinct person (DP)
(ii) 1 establishment in a state/UT – other outside state/UT → Establishment of Distinct person (DP)
(iii) 1 establishment in a state/UT – other establishment registered within that state: Establishment of Distinct person

Explanation 2: Person Carrying on business through a branch/an agency/a representational office in any territory → be treated as having an establishment in that territory.

Section 8: Intrastate Supply

(1) Subject to prov. of Sec 10,
SOG: LOS & POS in Same ST/UT

Proviso: following shall not be intra:
(i) SOG to/by SEZ unit/developer
(ii) Import of goods till they cross Customs frontiers
(iii) Supplies made to a tourist (U/s 15)

(2) Subject to prov. of Sec 12,
SOS: LOS & POS in Same ST/UT

Proviso: SOS to/by SEZ shall not be intrastate.

Section 16: Zero Rated Supply

(1) (a) Export of G/S/B or (b) Supply of G/S/B for authorised operations to a SEZ unit/developer

(2) Subject to sec 17(5), ITC may be availed for making ZRS, even if such Supply is Exempt Supply.

(3) A RP making ZRS shall be eligible to claim refund of unutilised ITC on Supply of G/S/B, without payment of IGST under bond/LUT as per section 54.

Proviso: RP making ZRS, in case of non realisation of Sale proceeds, be liable to deposit the refund with interest within 30 days after the expiry of time limit under FEMA.

(4) Govt may on RC, by notification, specify-
(i) a class of person who may make ZRS on IGST payment
(ii) a class of G/S which may be exported on IGST payment & claim refund of tax so paid in accordance with Section 54.

(5) No refund of unutilised ITC/IGST paid on a/c of ZRS of goods Shall be allowed where goods are subject to Export duty.

Notified: All goods & services (except Specified goods) as the class of G/S, All Suppliers to a SEZ unit/developer undertaking authorised operations

Section 9: Supply in TWI

- LOS (TWI): LOS – nearest Costal St/UT
- POS (TWI): POS – nearest Costal St/UT

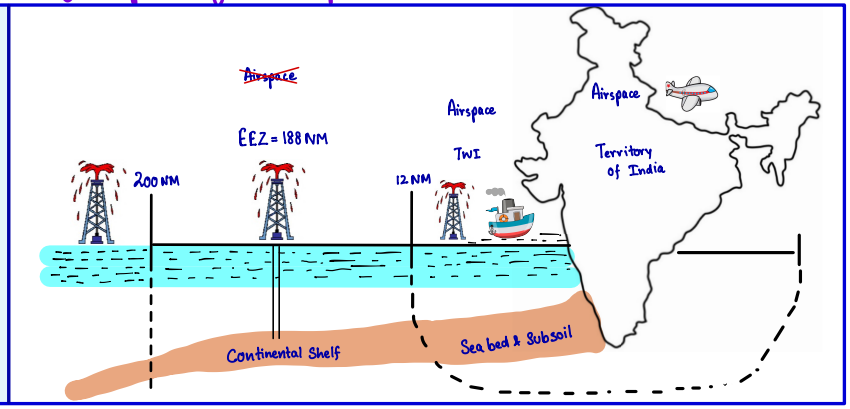
Supply to/fro EEZ [other territory under UT]

- Supply to/fro an EEZ is interstate supply
- Supply within EEZ is intrastate Supply.

Circular: Short term accomodation, banqueting, Conferencing services provided to SEZ ~~Sec 17(5)(c)~~ Sec 7(5)(b) – Interstate Supply [Specific provision prevails over general provision]

2(56): India means:

- the territory of India
- its territorial waters
- Seabed & Subsoil underlying Such waters.
- Continental Shelf
- Exclusive economic zone
- the air space above its territory & territorial waters.



Section 2(5): Export of goods: means taking goods out of India to a place outside India.

Sec 2(6): Export of Services: means the supply of any service when:
(i) LOS – India
(ii) LOR – Outside India
(iii) POS – Outside India
(iv) Payment received by Supplier in Convertible foreign exchange/INR wherever permitted by RBI
(v) Supplier & recipient are not mere est. of a DP.

Note: LOS: Location of Supplier, LOR: Location of Recipient, POS: Place of Supply, EEZ: Exclusive Economic Zone, SEZ: Special economic Zone, TT: Taxable Territory, NTT: Non Taxable Territory.

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Charge of GST (Sec 9 of CGST/ Section 5 of IGST act)

9(1) - Normal Levy

- CGST shall be levied on Intrastate Supplies of G/S/B
- Except: AL for HC and Undenatured extra neutral alcohol or rectified spirit used for manufacture of AL for HC,
- On value determined u/s 15
- @ Maximum rate 20%
- as may be NG-RC
- Collect in manner prescribed &
- Paid by the Taxable person

9(2): HPMAN

CGST on HPMAN shall be levied w.e.f. date NG, RC

F: Factory reg. under factories act
B: Body Corporate est. under any law
S: Society reg. under Societies reg^n act/law
COO: Co-operative Society est. under any law
P: Partnership firm (Reg./Unreg.) + AOP + LLP

9(3): RCM on Notified Services

1. GTA → RP(GST): TDS deductor: Exempt, Others RP: RCM (opts for 57 RCM)
   URP(GST): FBSCOOP(R/UR+LLP+AOP): RCM
   Other URP/Unreg CTP: Exempt

   RCM NA if: (i) Supplier has taken reg^n & opts to pay GST under FCM (ii) Supplier has issued tax invoice charging GST & also makes a declaration on invoice
2. Advocate/firm/Senior → BE(TT) + ATO in PFY > Registration limit
3. Arbitral tribunal → BE(TT) + ATO in PFY > Registration limit
4. AP(~~BC~~) → Sponsorship services → BC/Partnership firm(LLP) in TT
5. CG/SG/UT/LA excl. PAIIT → BE(TT) + ATO in PFY > Registration limit

   Post, Airport/port, Immovable property, Indian railways, Transportation

5A. CG excl. Indian Railways/SG/UT/LA: Renting Immovable property → RP

5AA. Any Person: Renting of Residential dwelling → RP. Exempt: If renting is in personal Capacity for use as own residence & not for firm.

5AB. Any URP: Renting of any immovable property except Residential property: to RP (except Composition dealer)

5B. Any Person (Transfer of development rights/Floor space Index) → Promoter

5C. Any Person (Long term lease of land - 30 years/more) → Promoter

6. Director → Company/Body Corporate(TT)
7. Insurance agent → Insurance Co.(TT)
8. Recovery agent → Bank/FI/NBFC(TT)
9. Music Composer/Photographer/artist → Music company/producer(TT)
9A. Author (URP/RP not exercising option of FCM) → Publisher (TT) →

FCM applicable if: (i) Author has taken Registration & filed a declaration that he exercises to pay gst under FCM & Comply with all provisions as they apply to a person liable for paying the tax & that he shallnot withdraw the said option within a period of 1yr from the date of exercising. (ii) He also makes a declaration on invoice issued to publisher.

10. Members of Overseeing Committee → RBI
11. Direct Selling agents (Individual) → Bank/NBFC(TT)
12. Business facilitator → Banking Company(TT)
13. Agent of Business Correspondent → Business Correspondent.

Exempt: Services by BF/BC & intermediary w.r.t. a/cs in rural area branch

14. Security Services (Supply of Security Personnel): AP(~~BC~~) → RP(TT) NA: CG/SG/LA/GA (Reg as TDS deductor) & Compo: FCM
15. Renting of MV (passenger vehicle) Fuel cost is included in consideration: AP(~~BC~~) who doesnot issue invoice charging GST @ 12% → BC(TT)
16. Services of lending of Securities, Lender → Borrower (under Securities lending Scheme of SEBI)



Section 9(3): RCM on Notified goods

- Cashew nuts not Shelled/Peeled/Tobacco/Biddi wrapper leaves (tendu)/Raw cotton: Agriculturist → Any RP
- Following essential oils except those of citrus fruit namely Bergamint, Mentha arvensis, water mint, Spearmint, Horsemint, Peppermint [BMW SHOP]/Metal Scrap: Any URP → Any RP
- Silk Yarn: Manufacturer of Silk Yarn from Raw Silk/cocoons → Any RP
- Supply of Lottery: SG/UT/LA → Lottery distributor/Selling agent
- Used vehicle, Seized & Confiscated goods, Old & used goods, waste & Scrap: CG (excl. Indian railways) SG/LA/UT → Any RP
- Priority Sector lending Certificate (PSLC): Any RP → Any RP.

Circular: Delhi Development Authority (DDA) Cannot be treated as local authority under GST.

Body Corporate: BC/Corporation includes a company incorporated outside India, but doesnot include - (i) a Co-operative Society (reg) (ii) any other body corporate (not being a Co), which CG may by notification Specify.

GST on Director's remuneration & Services supplied in personal Capacity

- Independent Director: not employee, GST Payable by Company under RCM.
- Whole time Director: employee + paid salary + TDS u/s 192: Not Supply, No GST
- Whole time Director: not employee + paid prof fees + TDS u/s 194J: Supply, RCM
- Services supplied by a director in his personal/private capacity: No RCM
- Services supplied in the capacity of director: Taxable Under RCM.

GST on renting of Motor vehicle (MV) designed to carry passengers to BC

- Where BC hires MV for a period during which MV is at its disposal: RCM
- Where BC avails passenger transportation Service for Specific journeys & doesnot take it on rent: No RCM.

Taxability of Supply of Securities under Securities lending Scheme 1997

- Transaction in securities involving disposal of Securities: Not Supply, no GST
- Lending of Securities: Supply of Service: borrower to pay GST under RCM
- Nature of Supply: Always treat interstate: IGST shall be payable.
- The activity of intermediary facilitating lending/borrowing: Taxable (FCM)

IGST act → Sec 5(1): Intra → Inter, 20% → 40%

Proviso: IGST on import of Goods except notified goods shall be
- Levied & Collected, as per Custom tariff act
- on the valued determined under the customs act
- at the point when custom duties are levied

Notified: Import of online money gaming: IGST & No Custom duty.

5(3): Additional Services notified:

Any Services (Any Person in NTT) → Any person in TT except NTOR

9(4): URP - RP

Input/Input Services (Shortfall below 80%) Cement/Capital Goods > Promoter

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Composition levy

- MANTUS → 75 lacs
- HOJA → 1.5 croves

1. TP obtaining New Regn: Exercise option at the time of Regn (in Part B of GST Reg 01)

2. RP Switching to Compo: File intimation prior to commencement of FY in GST CMP02 (1 intimation: Panwise, not statewise)

⊕ File declaration in: GST ITC 03 – within 60 days of Commencement of FY
[Sec 18(4) r/w rule 44 : Reverse ITC on Inputs + CGS]

→ Crosses threshold limit / Voluntary withdrawl / Violates Condition

PFY | CFY | Normal RP | NFY

ATO ≤ 1.5Cr / 75 lakhs / 50 lakhs
(To check eligibity exclude interest/discount)

ATO Upto 1.5Cr / 75L / 50 Lakhs

Take ITC + Issue Tax invoice

May opt for Composition

Panwise @ all India basis to opt together

- File intimation (suo-moto) in GST CMP 04: within 7 days (of event)
  In case of self withdrawl: GST CMP 04: Before the date of such withdrawl
- File ITC 01: Details of Inputs in Stk/SFG/FG & CGS [18(1)(c) r/w rule 40]
  (within 30 days from when option withdrawn/date of denial order passed)

Supplier (RP) — No ITC → Eligible Person

9(3)/(4) Supplier — RCM (applicable rates) → Eligible Person (No ITC)

Eligible Person — Not to Collect tax → Issue Bill of Supply (No ITC to recipient) ~~Tax Invoice~~

Eligible Person → 10(1): MTR

	Manufacturer	Trader	Restro/caterer
CGST	0.5% (TO)	0.5 (TO–TS)	2.5% (TO)
SGST	0.5% (TO)	0.5 (TO–TS)	2.5% (TO)

Own obligation, Cannot Collect from Customer

- MTR allowed to Supply Services upto 10% of To in a state/UT (excl. int/dist) in PFY or 5 lacs (H)
- After Calculating 10%/5L (H): Exclude interest/discount in CY also.
- Payment: Quarterly by 18th (CMP 08), Return: GSTR 4 annually by 30th June, AR: GSTR 9A, by 31st Dec.
- Mention in bill "Composition Taxable person, not eligible to collect tax on Supplies"
- Mention on notice/Signboards at PPOB & APOB "Composition Taxable person"
- Intimation (CMP 02): not required to be filed every year to continue under Composition.
- To check eligibility: Panwise ATO of PFY, for Payment: State wise TO, Compliance (returns & records): Statewise
- For determining tax payable: To in state/UT shall exclude: Supplies from 1st April upto date of becoming liable
- For determining eligibility: ATO shall: include Supplies from 1st April upto date of becoming liable

Note: From To in state/ATO: Exclude Exempt SOSs: interest/discount.

Sec 10(2A) → Option to RP with ATO ≤ 50L in PFY (excluding interest/discount) ⊕ ineligible u/s 10(1) & 10(2)

Pay tax @ 3%+3% of To in St/UT (excl. interest/discount)

Conditions: MINE

- Not Manufacturing goods / Supplying services – notified.
- Not engaged in making Interstate o/w Supply of GIS
- Not engaged in Supplying non taxable Supplies of GIS
- Neither a CTP nor a NRTP &
- Not Supplying Services through ECO (reqd to deduct TCS)

Section 10(2): Ineligible u/s 10(1) if: MINES

- Manufacturer of Pan masala, Aerated water, ice cream & other edible ice, tobacco Fly ash bricks/block/aggregates, Bricks of fossil meals / Similar Siliceous earth, building bricks, Earthen/roofing tiles.
- Interstate outward Supplier of goods/Services
- Supplier of Non taxable goods / Services ⊕ NRTP/CTP
- Supplying Services through ECO (liable to deduct TCS)
- Service providers except Restaurant/Catering & providing upto 10% of TO / 5 lacs (H)

Sec 10(5): Po has reason to believe than RP not eligible under Composition/Contravention

Po issues SCN	RP to reply in 15 days	Po to issue order in 30 days
CMP 05	CMP 06	of receipt of reply (CMP07)

- Allowing/denying composition (from the date of the Option / Contravention)
- If Composition denied: Pay differential tax + Penalty
- Provisions of Section 73/74/74A shall apply mutatis mutandis

Basis	Normal Scheme	Composition Scheme
Levy Section	Section 9 of CGST act	Section 10 of CGST act
GST rates	Normal rates 5, 12, 18, 28%	Compo. rates: 1%, 1%, 5%, 6%
Payment	Monthly by 20th of NM	Quarterly by 18th of NM
Return	MR: GSTR 3B, AR: GSTR 9	Ret: GSTR 4, AR: GSTR 9A
Document	Tax Invoice	Bill of Supply
ITC	Can avail	Cannot avail, Pay in Cash

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Registration

Sec 22: Person liable for Registration

Who	Liable when
(1) Supplier Liable, in St/UT From where he makes taxable Supply	→ ATO > 20L

Proviso: Taxable supplies from SCS [M²NT]: Liable if ATO > 10 lacs

Explanation: Person deemed exclusive supplier of goods, even if he is engaged in exempt SOS by way of extending deposits, loans & advances, so far as the consideration is represented by way of interest/discount.

(3) Transferee/successor → from date of transfer/Succession
- → Transferor - Registered
- → Business transferred as going Concern

(4) Transferee (in case of amalgamation/ demerger pursuant to court/tribunal order) → Liable from date on which RoC issues COI.

Registration limit

M²NT	PUMAS of Telangana	OAK of HP
10 lacs	20 Lacs	SOG 40L | SOS/G+S 20L
Manipur	Puducherry	Other states/UT
Mizoram	Uttarakhand	Assam
Nagaland	Meghalaya	J&K of
Tripura	Arunachal pradesh	HP Himachal Pradesh
	Sikkim of Telangana	

Aggregate Turnover [ATO]

Aggregate: Panwise on all India basis

Turnover: Taxable, Interstate supplies of person having same PAN, Exempt, Export of goods/services/both &
Exclude: Inward Supplies under RCM & GST

Note: 1. Include Supplies made on behalf of principals i.e. invoice for further Supplies is in the name of agent.
2. SOG by Registered Job worker, include in ATO of principal.
3. Outward Supplies tax payable under RCM: include in ATO

Sec 23: Person not liable for Registration

(1) (a) Any Person exclusively engaged in Supplying of gls/b that are not liable to tax or wholly exempt.

(b) An Agriculturist [Individual/HUF] (to the extent of supply of Produce out of Cultivation of land)
→ by own labour/family Labour/by Servants on wages/ by hired Labour under personal/family Supervision.

Circular: Commission agent under APMC act making supplies on behalf of agriculturist (~~PA~~): Not liable for compulsory registration u/s 24. Also, their Services are exempt from GST & hence not liable to be registered
According to Sec 23(1)(a), if gls Supplied by them are exempt.

(2) Notified Category of Person (exempt from Registration)
- Exclusive Supplier of goods upto ATO 40 Lacs*

*NA: if Person is (i) required compulsory regn u/s 24
(ii) Supplier of TIP BET: Tobacco, Ice cream, Pan masala, Fly ash bricks/block/aggregates, Bricks of fossil meals/ similar siliceous earth, building bricks, Earthen/roofing tiles.
(iii) exercising voluntary regn/ intends to Continue regn
(iv) Intrastate Supplier in M²NT & PUMAS of Telangana



Exempt u/s 23(2): Supplier of goods & having ATO in PFY/CFY not exceeding registration limit exempted from Compulsory registration
Subject to following Conditions:
- Such Person shall not be making any inter state Supply of goods,
- Such Person shall not make supply of goods through eco in more than one state/UT
- Such Person shall be required to obtain PAN issued under Income tax act.
- Such Person before making Supply through Eco, declare PAN, address of PoB & State/UT in which Person seeks to make Supply.
- On validation such person shall be granted an enrolment number on common portal.
- 1 enrolment no. shall be granted in a State/UT
- No supply of goods shall be made before enrolment is granted.

Sec 24: Compulsory Registration [CR]

Notwithstanding section 22(1), following are required CR:

(i) Person making interstate taxable supply
Exempt u/s 23(2): Handicraft/craftmen goods Supplier upto 20/10 lacs (Predominently made by hand)
↓
Interstate Supplier of taxable Services upto 20/10 lacs

(ii) Casual taxable person (CTP) making taxable supply
Exempt u/s 23(2): CTP making interstate TS of handicraft gds upto 20/10L

(iii) Person required to pay tax under RCM
Exempt u/s 23(2): Person making TS - tax payable under RCM
↳ Not applicable in case of Supplier of metal Scrap.

(iv) Person required to pay tax u/s 9(5) → Eco u/s 9(5) [L-THAR]

(v) Non Resident Taxable Person (NRTP) making taxable supplies

(vi) TDS deductors under section 51 (Seperate registration)

(vii) Person making TS on behalf of other TPs as agent/otherwise.

(viii) Input Service distributor (ISD) (Seperate registration)

(x) Eco → who is required to collect TCS u/s 52

(xi) Overseas OIDAR Services Supplier - Supplying to URP

(xia) Every person supplying online money gaming from outside India

(xii) Such other Persons/class of Persons - Ng-RC

(ix) Person supplying, other than supplies u/s 9(5) through ECO who is required to deduct TCS u/s 52
↳ Exempt u/s 23(2): Supplier of Services through ECO (upto ATO 20/10L)

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Section 25: Procedures for Registration



Any Person



Taxable Person

Became liable for registration u/s 22/24

30 days

Submission of application

If application submitted within 30 days of becoming Liable?

Yes → Reg^n effective: from date of becoming liable

No → Reg^n effective: date of grant

Registered Person

Section 25

(1) Person liable – Apply for Registration within 30 days

Proviso:

1. CTP/NRTP apply 5 days prior to commencement of business
2. SEZ unit / developer – Seperate registration

Expln: Supplier (in TWI) → registration in nearest Coastal St/UT

Rule 8: Application → forwarded to Po → **Rule 9: Verification**

Every person liable u/s 25, except NTO

Declare in Part A – GST Reg 01

- PAN → Validation from CBDT database & also be verified through OTP sent to mobile no. & e-mail address linked to PAN.
- State/UT

Examine application & accompanying documents

N: NRTP: Reg 09 T: TDS/TCS: Reg 07

O: OIDAR services / Online money gaming: Reg 10 (Rule 14)

Post verification: Temporary reference no. generated, use TRN

Submit Part B of Reg 01 – duly signed/e verified with docs.

Applicant opts for Aadhaar authentication (AA)? yes / No

Date of Submission of application:

- Date of aadhaar authentication* or
- 15 days from submission of part B (Reg 01)

→ Actual date of Submission of Part B of Reg 01

Acknowledgement on receipt of application GST Reg 02

Note: CTP given TRN for deposit of tax & acknowledgment issued post deposit.

CID: Clarification | Information | Documents

* If Person is required AA, opts for AA & is identified by Common portal based on data analysis & risk parameter: Bio-metric based AA & taking photograph ⊕ verification of original documents uploaded with the application at one of the facilitation centres notified & the application shall be deemed to be complete after completion of the process.

- If Person required AA but doesnot opt AA: Shall be followed by taking photograph ⊕ verification of original documents uploaded with the application at facilitation centres & the application shall be deemed to be complete after completion of the process. Rule applicable to all States.

Rule 10A: Furnish Bank a/c Details within:

- 30 days from date of grant/
- before furnishing GSTR1/using IFF: Earlier.

If application in order + Person notified under 25(6D) → within 7 WDs from Submission → Approve grant of Registration → **Rule 10: Issue of RC** in Reg 06, showing PPOB, APOBs & shall be made available on Portal + GSTIN shall be assigned (15 digits)

If application in order → AA Successful + Applicant required AA + opts AA → within 7 WDs from Submission → Approve grant of Registration

- Fails to authenticate/doesnot opt AA → PV of POB & other docs verification as Po may deem fit. → within 30 days of submission of application → Within 7 WDs → Approve grant of Registration
- a person, undergone AA but is identified by portal based on data analysis & risk parameters for carrying out physical verification (PV)
- Po, with approval of an officer authorised [≥ Assistant Commissioner] deems it fit to carry out PV of POB → Po satisfied → Approve grant of Registration

Rule 18: Display RC in a prominent location PPOB/APOBs, Display GSTIN on the name board exhibited at entry of PPOB/APOBs.

If application found deficient + AA required + AA opted + AA Successful → Notice in GST Reg 03 within 7 WDs → Applicant submits CID in GST Reg 04 within 7 WDs

- Po satisfied → Approve grant of Registration
- Po not satisfied / No reply within 7 WDs → Po may record reason & Reject application & inform in GST Reg 05

If application found deficient + AA required but doesnot opt AA/AA failed/identified by portal based on risk parameters/Po deems it fit to carry out PV of POB → PV of POB & other docs → Notice in GST Reg 03 within 30 days from date of Submission of application → Applicant submits CID in GST Reg 04 within 7 WDs

- Po satisfied → Approve grant of Registration
- Po not satisfied / No reply within 7 WDs → Po may record reason & Reject application & inform in GST Reg 05

If Po fails to take action within

- 7 WDs from Submission in case of successful Aadhaar Authentication
- 30 days from date of Submission in case of failure/not opting for AA/PV reqd
- 7 WDs from date of receipt of clarification, information or docs (CID)

→ Application Deemed to have been approved

GST no. & RC duly signed/e-verified to be made available within 3 days post expiry of 7 WDs/30 days/7 WDs.

Rule 10B: RP other than person under 25(6D), issued a RC shall undergo AA of Proprietor/any Partner/Karta/MD/any WTD-Co/Member of Managing Committee of AOP/BOI/Society/Trustee of Board of Trustees in case of Trust & of the Authorised Signatory for: (i) filing revocation application GST Reg 21 (ii) for filing refund appn RFD 01 u/r 89, for refund u/r 96. If no aadhar, furnish Aadhaar Enrolment ID Slip ⊕ Bank Passbook with Photo/Voter ID/Passport/DL.

Proviso: Such person shall undergo AA within a period of 30 days of allotment of Aadhaar number.

Rule 25: If Po is satisfied that physical verification of POB is reqd, he may get it done after grant of reg^n & upload verification report with other docs incl. photos in Reg 30 within 15 WDs. If Verification is done before, due to reasons in proviso to 9(1), then report to be uploaded atleast 5 WDs prior to the Completion of 30 days.

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Rule 14A: Option for taxpayers having monthly output tax liability below threshold limit.

- Applicant under Rule 8 whose monthly output tax liability for B2B supplies doesnot exceed 2.5 lacs may opt for electronic registration under this rule.
- Person ineligible under this rule : Person notified under Section 25(6D) & Person who has not opted for Aadhaar authentication.



- Single registration in a state/UT under same PAN
- Registration is granted within 3 WDs of Successful Aadhaar authentication.
- RP, intending to withdraw shall file GST Reg 32. RP shall not be allowed to withdraw unless he has furnished:
  - (a) Return for minimum 3 months, if application is filed before 01.04.26
  - (b) Return for 1 tax period: if application filed on/after 01.04.26
  - (c) All returns due from the effective date of registration to date of appication for withdrawl
- Any amendment in registration particulars should be done before filing application for withdrawl.
- Based on data analysis & Risk parameters, AA/Biometric based AA, photo Capture along with original document verification may apply to application for withdrawl.

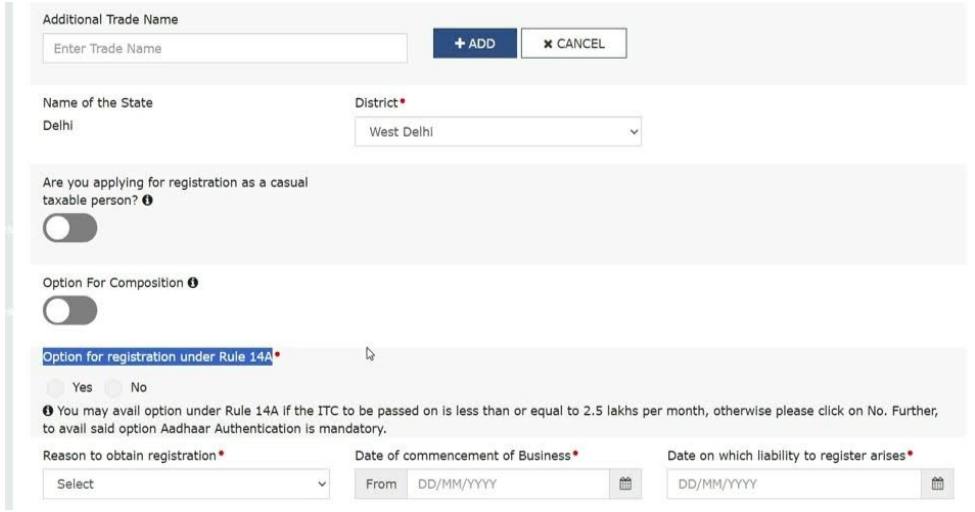


- Withdrawl application shall be verified as per rule 9.
- PO shall issue an order allowing withdrawl or reject the application within period Specified under Rule 9.
- Post withdrawl, tanpayer can report liability exceeding 2.5 lakhs from 1st day of Suceeding month in which order is issued.
- RP shall not amend past period data to exceed liability by 2.5 lakhs.

Rule 9A: Grant of registration electronically.

Any Person who has applied for registration shall upon identification on portal based on data analysis & risk parameter be granted regn electronically within 3 WDs.

Students notes....



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Section 25 : Procedures for Registration

Registration

(2) Person having multiple PoB in St/UT : may be granted seperate registration for each such PoB.

Rule 11: Seperate application in Reg 01 w.r.t. each PoB, rule 9 & 10 shall apply mutatis mutandis.

(3) Person though not liable u/s 22/24, may get voluntarily registered

Effect: All provision of act as applicable to RP, shall apply. Take ITC, charge GST, file Returns, etc. No lock in period

(4) Person has obtained/required to obtain multiple regn, in one/multiple states - w.r.t. each regn, be treated as Distinct Person

(5) Person has obtained/required to obtain regn w.r.t. an est. has an est. in other ST/UT, Such ests shall be treated as est of DP

(6) PAN is mandatory for Regn, TDS deductor may have TAN inorder to be eligible for grant of registration (Rule 12)

(6A) RP shall undergo authentication/furnish proof of Aadhaar no./ furnish alternate & viable means of identification.

(6B) Individual shall undergo authentication/furnish proof of Aadhaar no./ furnish alternate & viable means of identification from 1.4.20

(6C) others - all types of Authorised Signatory, managing & Authorised partners, Karta shall undergo authentication from 1.4.20

(6D) (6A) (6B) (6C) NA to such person/class of person/any state/UT as notified.

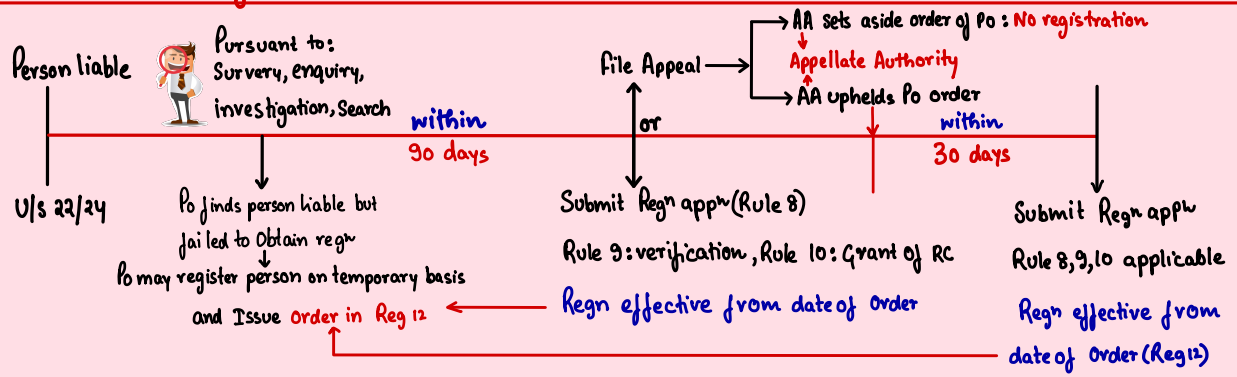
(7) NRTP : Application : Reg 09 + Self attested Copy of passport - 5 days prior to Commencement of business.

Advance tax to be deposited on basis of TRN, rule 9 & 10 shall apply mutatis mutandis.

Application made by NRTP shall be signed/e-verified by authorised Signatory [Resident in India + has PAN].

(8) Person Fails to obtain Registration. Po may register him suo-moto (Rule 16)

Rule 16 : Suo-moto registration



(9) Specialised agency of UNO, any Multilateral Financial Institution, Organisations notified under the UN act, Consulate, embassy of foreign countries & class of notified persons shall be granted Unique Identification number (UIN) for purposes including refund of taxes on notified Supplies of GIS/B received by them.

Application : Reg 13, Post verification Po may assign UIN within 3 WDs. UIN applicable to the territory of India.

Place of Business



Rule 12: Applicable to TDS deductor & TCS collector

3 working days

Apply: GST Reg 07 — RC granted (after verification)

Part A: State/UT where registration reqd

Part B: State/UT in which PPOB is located

Note: Po upon request made by RP/upon enquiry/persuant to other proceedings, is satisfied that person is no longer liable to deduct/collect, Po may cancel the regn.

Person notified under (6D), i.e. (6A)/(6B)/(6C) of sec 25 shall not apply to a person who is —

NDL PSU

(a) Not a citizen of India or

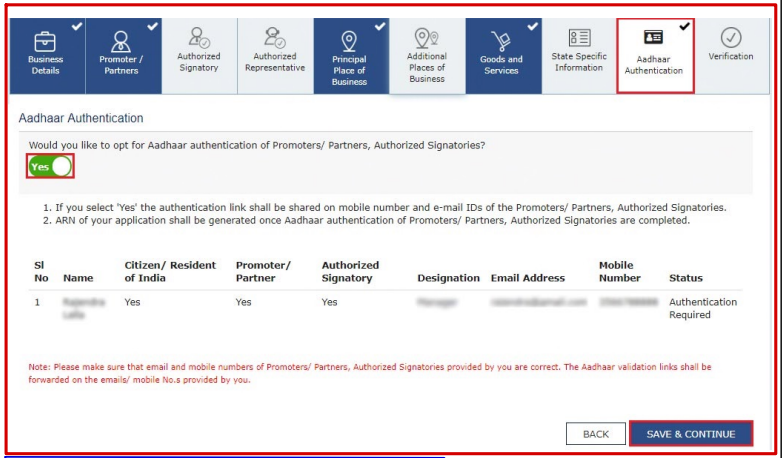
(b) A Dept/establishment of the CG/SG or

(c) a Local authority or

(d) a public sector undertaking or

(e) a statutory body or

(f) a UIN holders .i.e. person applying for regn u/s 25(9)



Section 26 : Deemed Registration

RC/UIN granted/rejected under SGST/UTGST act, Deemed grant/rejected under CGST act.

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Registration

Section 27: Special provisions for CTP/NRTP

Rc valid: For period Specified/90 days: whichever is earlier

Apply for Registration — 5 days Prior — Commencement of business — 90 days — Extension before original expires → Rule 15: Extension — 90 days — Circular — Further Extension beyond 180 days not possible

- CTP: Reg 01 NRTP: Reg 09 + Passport
- ⊕ Pay net estimated Tax liability in Advance
  - ↓ Credited to "E Cash ledger"
  - → Verification by Po → Grant of RC (Reg 06)
- Note: Make TS only after issuance of RC
- Extension before original expires → Rule 15: Extension
  - Appn: Reg 11 ⊕ Additional net estimated tax liability in advance
- Further Extension beyond 180 days not possible
  - Take normal Regn
  - No advance tax
  - Surrender regn while exhibition is over

Section 28: Amendment of Registration

Core field amendment

(i) Legal name of business

(ii) Address of Principal place or additional place of business. (PPOB/APOB)

(iii) Addition/deletion/retirement of partner, director, Karta, Managing Committee, Board of Trustees, Ceo – responsible for day to day affairs of business, which doesnot need Cancellation

↓

Change in Regn Particulars/ UIN

→ within 15 days → Apply in GST Reg 14 ⊕ supporting documents → verification by Po → Po is of the Opinion that

- Amendment warranted ⊕ Docs complete & Correct → Approve amendment within 15 WDs → Issue order GST Reg 15
- Amendment not warranted/ Docs incomplete/incorrect → Serve SCN (Reg 03) within 15 WDs To Showcause within 7 WDs why appn Shall not be rejected
  - RP replies (Reg 04) & reply satisfactory → Approve* Amendment → Issue order GST Reg 15
  - Reply not satisfactory/ no reply → Reject* application & Pass order in Reg 05

* 7 WDs

Note: Change in mobile no./email address only after verification through OTP

No action by Po with 15 WDs/7WDs, Rc Shall Stand amended & amended RC to be made available to RP.

Other changes (non core fields)

↓ Apply in GST Reg 14

↓ Upon Submission RC Stands amended

Change in Constitution resulting in PAN Change

↓ Apply for fresh Regn (in GST Reg 01)

Note: Amendmend effective from the date of Submission of application.
exception: By Commissioner order.

Rule 21A: Suspension of Registration

(1) RP has applied for Cancellation, pending cancellation regn suspended from date of submission of application/date from which cancellation sought (whichever is later)

(2) If Po has reason to believe that regn liable to be cancelled, he may suspend regn w.e.f. date to be determined by him, pending completion of cancellation proceedings

(2A) Where, a Comparison of returns furnished by RP u/s 39 with (a) the details of outward supplies furnished in GSTR 1, as amended in GSTR 1A, if any, or details of inward supplies derived based on Supplier's GSTR 1 or in GSTR 1A of the previous tax period, if any, or Such other analysis carried out on recommendation of the Council, Shows that there are significant differences/anomalies indicating Contravention of act/rules leading to Cancellation of Regn, or (b) There is a Contravention of rule 10A.

Registration shall be Suspended, RP shall be intimated in Reg 31 on Common Portal/by e-mail, highlighting differences, anomalies or noncompliances, RP to reply within 30 days as to why regn shallnot be cancelled.

(3) RP – Regn Suspended u/sr (1)/(2)/(2A): Shall not furnish return u/s 39 & make taxable Supply → Means he shallnot issue TI & not charge tax on Supplies made during suspension.

(3A) A RP whose regn has been suspended u/sr (2)/(2A) shall not be granted refund u/s 54 during the period of Suspension.

(4) The suspension u/sr (1)/(2)/(2A) Shall be deemed to be revoked upon completion of cancellatn proceedings. Revocation effective from date on which Suspension had come into effect.

Proviso: Po may revoke suspension anytime during pendency of Cancellation proceedings. Proviso: where regn has been Suspended under (2A) for contravention of 29(2)(b)/(c) or for contravention of provisions of 10A & regn is yet to be cancelled by Po, the Suspension Shall be deemed to be revoked upon furnishing of all pending returns/upon furnishing bank a/c details.

(5) Suspension revoked & Registration revived: issue revised tax invoice [31(3)(a)] & File first return (Sec 40) w.r.t. Supplies during the period of Suspension.

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Section 29: Cancellation/Suspension of Registration r/w rule no. 20, 21, 21A, 22 & 44

29(1): PO may Suomoto / on appⁿ by RP / Legal heirs Cancel

where: (a) Business discontinued / transferred fully (death / disposed of / demerger / amalgamation)

(b) Change in Constitution of business

(c) TP no longer liable u/s 22/24/ intends to opt out of VR u/s 25(3) → Voluntary Registration

29(2): PO may cancel regⁿ where:

(a) RP has Contravened such provisions of act/rules

Rule 21: • No business from declared PoB • Issue Invoice / bill without supply of g/s/b violating provision of act/rules.

- violates provisions of sec 171 of the act/rules made thereunder
- violates provision of rule 10A (bank a/c details)
- avails ITC in violation of sec 16 of act/rules made thereunder
- furnishes details of OS in GSTR1/1A > OS declared in VR u/s 39 → Valid Return
- Violates provisions of rule 86B.
- Pending returns not filed within 30 day of revocation order.
- being a RP required to file return u/s 39(1) for each month or part thereof, not furnished for Continuous period of 6m.
- being a RP required to file return u/s 39(1) for each quarter or part thereof, not furnished for Continuous 2 tax periods.

Rule 20:

In GST Reg 16 : including Application for Cancellation →
- Details of Inputs in Stk/SFGs/FGs & CGs
- On the date from which cancellation is sought
- Liability + Payment details + Supporting docs

Note: PO shall Cancel the registration w.e.f. a date determined by him.

Event → 30 days → RP/Legal heirs → Seeking Cancellation

Within 30 days

Within 3 months

Cancellation by Rule 22:

PO (suomoto) → Within 7 working days → officer decides a date & starts proceedings → Issue show Cause Notice (in GST Reg 17)

Within 30 days

Within 3 months

Cancellation Proceedings

Rp to Reply (in GST Reg 18)

- Reply → Not Satisfactory / Satisfactory → PO shall drop proceedings and Pass order in GST Reg 20
- Furnishes Returns & Pays all dues (TIF) [in case of Sec 29(2), clause (b)/(c)] → Tax, Interest & Late fees

Cancellation Order (in Reg 19) (after OBH), directing RP to pay TIP + amt liable u/s 29(5) → Tax Interest Penalty

File GSTR 10: Final Return after payment of dues

(b) Composition Supplier has not furnished return for a FY beyond 3 months from due date of furnishing the said return. (c) RP other than Compo - No returns for such Continuous tax period as may be prescribed.

(d) Voluntary RP has not Commenced business within 6m (e) Registration obtained by fraud / wilful misstatement / Supression of facts.

29(3): Cancellation not to affect liability to Pay tax + dues, whether/not determined before/after Cancellation.

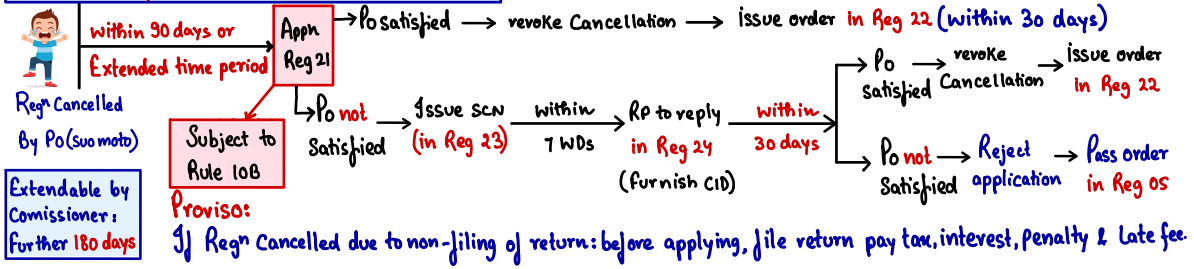
29(4): Cancellation under SGST act, deemed cancellation under CGST.

29(5) r/w rule 44: Tax payable on Cancellation w.r.t. Inputs in stock / SFGs / FGs, Capital goods or P & M

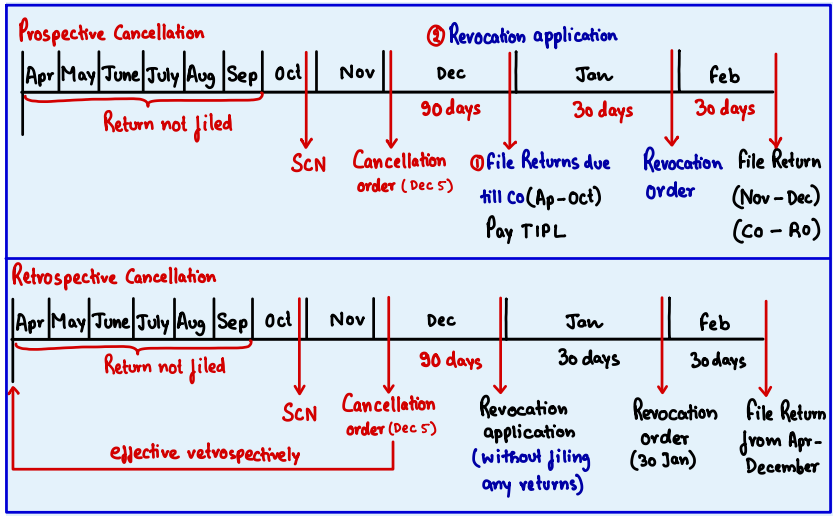
ITC computed proportionately on the basis of Corresponding invoices → Higher of ← ITC for remaining life - taking life 60 months

(or) OT payable on Such goods (or) tax on transaction value (u/s 15)

Section 30: Revocation of Cancellation r/w rule 23



Proviso: If Regⁿ Cancelled due to non-filing of return: before applying, file return pay tax, interest, penalty & Late fee.



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