

*CA/CMA/CS Inter*

# AMENDMENT BOOK

**For Nov 2023 Exams**

**Amendments from 31/10/2022 to 30/04/2023**

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## About CA RAJ KUMAR

CA Raj Kumar is a dynamic & qualified Chartered Accountant. As a brilliant student and a position holder at Graduation & Post Graduation level, during his 15 years of glorious teaching experience in the field of Indirect Taxation he has taught over 1,60,000 students.

He is a favorite amongst CA Students for the astute & insightful academic inputs provided by him and for his pleasing & endearing personality and lucid art of teaching.

He firmly believes in blending studies with fun and this is quite evident in his classes wherein he goes beyond theoretical reading of the subject, makes students solve practical problems, gives them practical real life examples and pushes them to achieve their goals with full precision.

In the subject Indirect Tax Laws, his students have continued to score 10 times AIR#1 and All India Highest Marks for 11 times till now. He has also been entrusted by Government agencies to show the ropes to IRS Officers in training, which is a testament to his caliber as a subject matter expert.

He is famous for concepts linkage from the very beginning till the end which helps in understanding the topic, acing the exams and in post CA life as well. His unique use of GST portal during the class to link theory with Practical makes him stand apart from the crowd. His classes are practical, conceptual and concise. He is also the author of bestselling titles 'GST Compact Book'.





# Exemptions

## Education

**Explanation:** It is clarified that

- Any authority, board or body set up by the Central /State Government including National Testing Agency
- shall be treated as Educational Institution
- for the limited purpose of providing services
- by way of **conduct of entrance examination for admission to educational institutions.**

## Accommodation, Renting and Immovable Property

<p>(12) &amp; (14):  Renting/ Accommo- dations</p>	<p>(12) Services by way of Renting of Residential Dwelling [intended for Longterm use] for use as residence <b>except where the residential dwelling is rented to a registered person.</b></p> <p><del>(14) Services by a hotel, inn, guest house, club or campsite, by whatever name called, for residential or lodging purposes, having VALUE OF SUPPLY declared tariff of a unit of accommodation below or equal to ₹1000 per day.</del></p> <p>Explanation. - For the purpose of exemption under this entry, this entry shall cover services by way of renting of residential dwelling to a registered person where, –</p> <p>(i) The registered person is proprietor of a proprietorship concern and rents the residential dwelling <b><u>in his personal capacity</u></b> for use <b><u>as his own residence</u></b>; and</p> <p>(ii) Such renting is on his own account and <b><u>not that of the proprietorship concern.</u></b></p>
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## Business Related

(23) & (23 A)  
TOLL

(23) Service by way of access to a road or a bridge on payment of toll charges.

~~(23A) Service by way of access to a road or a bridge on payment of annuity.~~

### Analysis:



NHAI

Express Way / Bridge



TOLL Charges: Exempted



WHAT ABOUT ANNUITY = Exempted

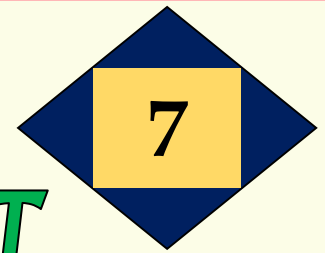


**Q. Whether the additional toll fees collected in the form of higher toll charges from vehicles not having fastag is exempt from GST?**

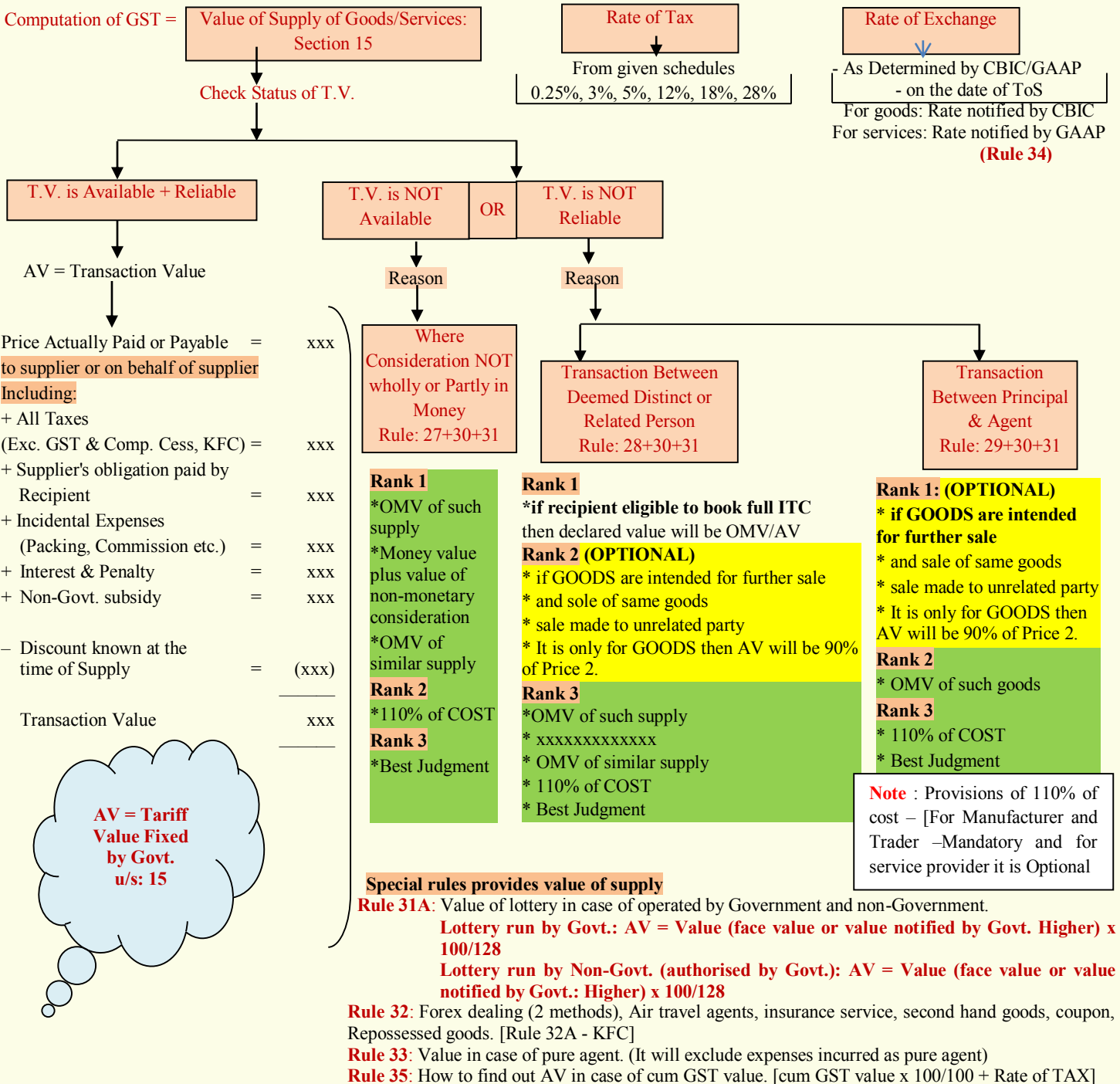
Ans. It is clarified that additional fee collected in the form of higher toll charges from vehicles not having Fastag is essentially payment of toll for allowing access to roads or bridges to such vehicles and may be given the same treatment as given to toll charges.

**[Circular No. 177/09/2022]**





# Computation of GST



## Summary of Section 15(1) with notifications and Circulars

Price actually paid or payable for supply of Goods /Services	XXX										
<b>Adjustments ----</b>											
Incidental expenses eg. packing, loading etc.	Includible										
Discount *Pre supply /At the time of supply *Post Supply (Provide agreement in advance for the same and Recipient reduce corresponding ITC)	Excludible Excludible										
Interest on *Delayed consideration and on credit card (Jab mila, jitna mila usko inclusive of GST maante hue GST Bharna hoga, if not received in actual, then no GST) *Loan /advances/deposits	Includible Excludible										
Obligation /Liability of supplier paid by Recipient to III party on behalf of supplier	Includible										
Other taxes eg Excise duty, VAT, custom duty ie any other old taxes (However TCS is not a tax, Moreover TDS deducted by Recipient so no question at the end of supplier)	Includible										
*Unit linked Subsidy given by Government to supplier *Otherwise subsidy <b>Example: Given value: ₹10,000 Subsidy ₹ 1,000</b>	Excludible Includible										
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td rowspan="2" style="width: 30%;">Given value is after considering subsidy/ Net of subsidy</td> <td style="width: 30%;">Given by Government</td> <td style="width: 40%;">AV= 10,000</td> </tr> <tr> <td>Given NON by Government</td> <td>AV=11,000</td> </tr> <tr> <td rowspan="2">Given value is Before considering/deducting subsidy</td> <td>Given by Government</td> <td>AV= 9,000</td> </tr> <tr> <td>Given NON by Government</td> <td>AV=10,000</td> </tr> </table>	Given value is after considering subsidy/ Net of subsidy	Given by Government	AV= 10,000	Given NON by Government	AV=11,000	Given value is Before considering/deducting subsidy	Given by Government	AV= 9,000	Given NON by Government	AV=10,000	
Given value is after considering subsidy/ Net of subsidy		Given by Government	AV= 10,000								
	Given NON by Government	AV=11,000									
Given value is Before considering/deducting subsidy	Given by Government	AV= 9,000									
	Given NON by Government	AV=10,000									

### Subsidy

<p><b>Q.1 Whether GST will be Applicable on incentive paid by MeitY (Ministry of Electronics and Information Technology) to acquiring banks under Incentive scheme for promotion of RuPay Debit Cards and low value BHIM-UPI transactions.</b></p>	<p><b>Ans.</b> It is hereby clarified that</p> <ul style="list-style-type: none"> <li>- incentives paid by MeitY to acquiring banks under the Incentive scheme for promotion of RuPay Debit Cards and low value BHIM-UPI transactions</li> <li>- are in the nature of subsidy and thus not taxable.</li> </ul> <p>It is not a consideration paid by the central government</p> <ul style="list-style-type: none"> <li>- for any service supplied by the acquiring bank to the Central Government.</li> <li>- The incentive is in the nature of a subsidy directly linked to the price of the service and</li> </ul>
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	<ul style="list-style-type: none"> <li>- the same does not form part of the taxable value of the transaction</li> <li>- in view of the provisions of <u>section 2(31)</u> and <u>section 15</u> of the <u>CGST Act, 2017</u>.</li> </ul> <p><b><u>Reason:</u></b></p> <p>Under the Incentive scheme for promotion of RuPay Debit Cards and low value BHIM-UPI transactions, the Government pays the acquiring banks an incentive as a percentage of value of RuPay Debit card transactions and low value BHIM-UPI transactions up to Rs.2000/-.</p> <p>The Payments and Settlements Systems Act, 2007 prohibits banks and system providers from charging any amount from a person making or receiving a payment through RuPay Debit cards or BHIM-UPI.</p> <p>The service supplied by the acquiring banks in the digital payment system in case of transactions through RuPay/BHIM UPI is the same as the service that they provide in case of transactions through any other card or mode of digital payment. The only difference is that the consideration for such services, instead of being paid by the merchant or the user of the card, is paid by the central government in the form of incentive.</p>
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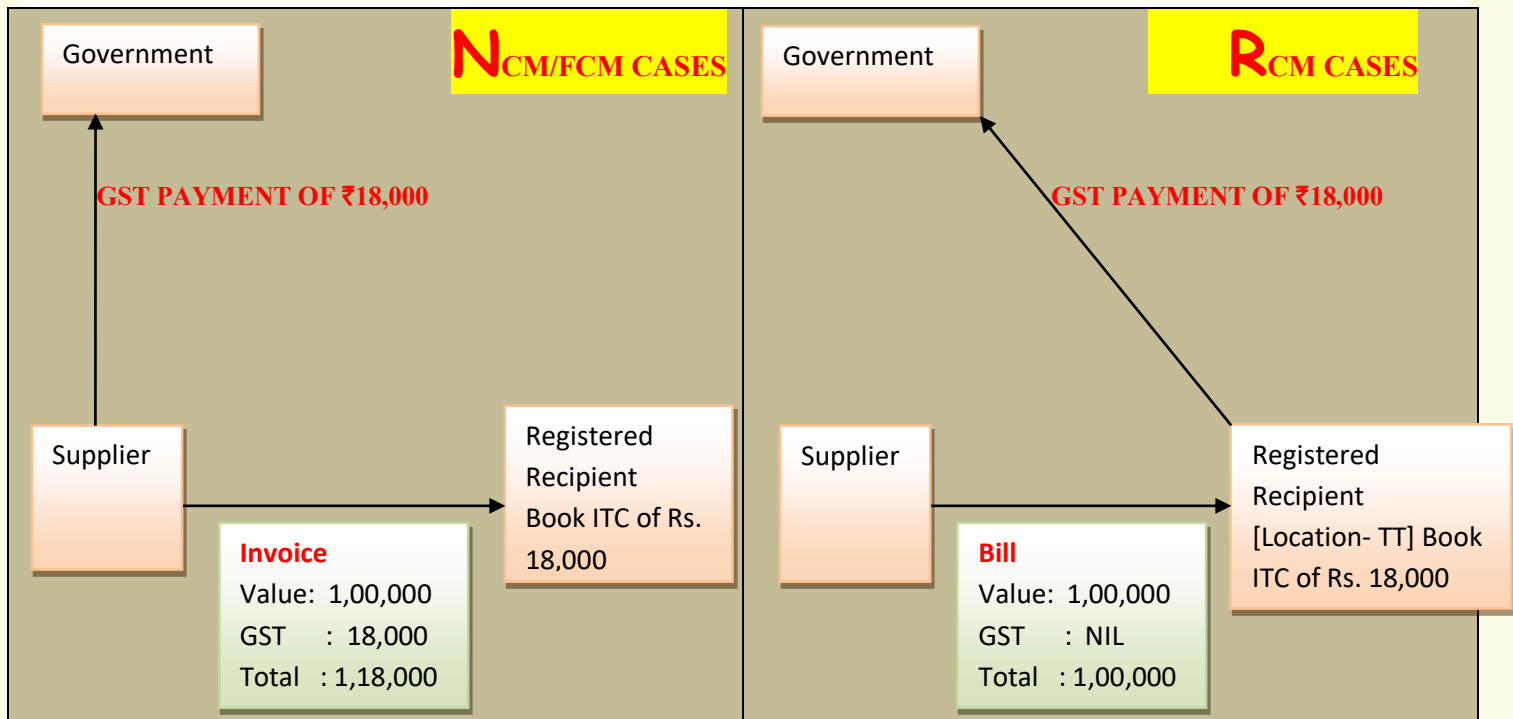
### **Discount**

#### **Taxability of No Claim Bonus offered by Insurance companies: Circular No. 186/18/2022-GST**

<p><b>Q.1 Whether the deduction on account of No Claim Bonus allowed by the insurance company from the insurance premium payable by the insured, can be considered as consideration for the supply provided by the insured to the insurance company, for agreeing to the obligation to refrain from the act of lodging insurance claim during the previous year(s)?</b></p>	<p><b>Ans:</b> It is, therefore, clarified that</p> <ul style="list-style-type: none"> <li>- there is no supply provided by the insured to the insurance company</li> <li>- in form of agreeing to the obligation to refrain from the act</li> <li>- of lodging insurance claim during the previous year(s) and</li> <li>- No Claim Bonus cannot be considered as a consideration for any supply</li> <li>- provided by the insured to the insurance company.</li> </ul> <p><b><u>Reason:</u></b></p> <p>The customer/ insured procures insurance policy to indemnify himself from any loss/ injury as per the terms of the policy, and is not under any contractual obligation not to claim insurance claim during any period covered under the policy, in lieu of No Claim Bonus.</p>
<p><b>Q. 2 Whether No Claim Bonus provided by the insurance company to the insured can be considered as an admissible discount for the purpose of determination of value of supply of insurance service provided by the insurance company to the insured?</b></p>	<p><b>Ans.</b> It is, therefore, clarified that</p> <ul style="list-style-type: none"> <li>- No Claim Bonus (NCB) is a permissible deduction under section 15</li> <li>- for the purpose of calculation of value of supply of the insurance services</li> <li>- provided by the insurance company to the insured.</li> <li>- Accordingly, GST shall be leviable on actual insurance premium amount,</li> <li>- after deduction of No Claim Bonus mentioned on the invoice.</li> </ul>



# Reverse Charge Mechanism



BASIS	NCM/FCM	RCM
Net Revenue To Supplier	$[1,18,000 - 18,000 \text{ GST}] = 1,00,000$	1,00,000
Cost To Recipient	$[1,18,000 - 18,000 \text{ ITC}] = 1,00,000$	$[1,00,000 + \text{GST } 18,000 - \text{ITC}] = 1,00,000$
Revenue To Government	18,000	18,000

**Crux:** In Both The Cases Financial Position Remains Same, Then Why RCM—

1. Where Government Has No Control Over The Supplier (Eg Import Of Service)
2. Where Government Has No Trust Over The Supplier (Eg Goods Transport Agency)
3. Where Supplier Belongs To Un-Organised Sector Eg. Insurance Agent Service.

**No. 13/2017- Central Tax (Rate): Specified Services under Reverse Charge@ intra state supplies**

**Explanation:** For purpose of this notification,—

- ❖ **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.
- ❖ A “Limited Liability Partnership” formed and registered under the provisions of the [Limited Liability Partnership Act, 2008](#) **shall also be considered as a partnership firm or a firm.**
- ❖ Provisions of this notification, in so far as they apply to the Central Government and State Governments, shall also apply to the Parliament, State Legislatures, **Courts and Tribunals.**

# Invoice

## Concept of E-INVOICE

### Circular No. 186/18/2022-GST: Clarification on applicability of e-invoicing w.r.t an entity

**Q. 1** Whether the exemption from mandatory generation of e-invoices is available for the entity as whole, or whether the same is available only in respect of certain supplies made by the said entity?

**Ans.** Certain entities/sectors have been exempted from mandatory generation of e-invoices -

It is hereby clarified that the said exemption from generation of e-invoices is for the entity as a whole and is not restricted by the nature of supply being made by the said entity.

**Illustration:** A Banking Company providing banking services, may also be involved in making supply of some goods, including bullion. The said banking company is exempted from mandatory issuance of e-invoice, for all supplies of goods and services and thus, will not be required to issue e-invoice with respect to any supply made by it

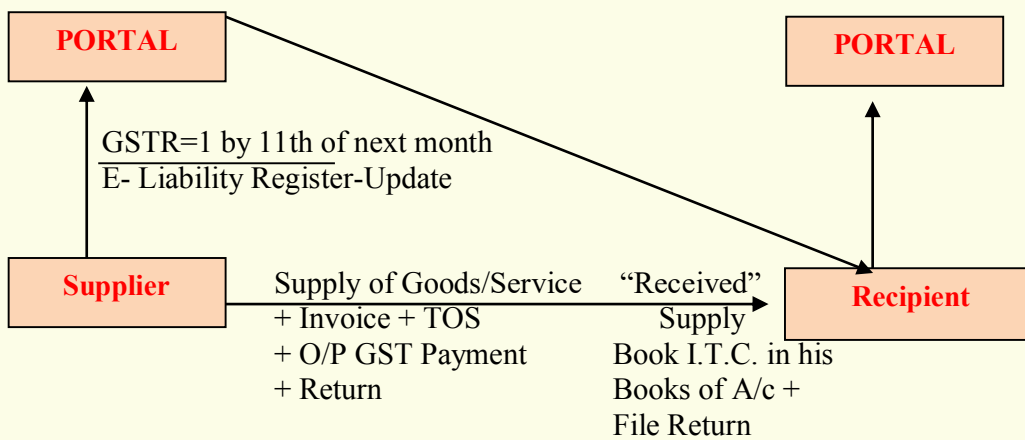
### CGST RULES, 2017

<b>Rule 46: Tax invoice: content</b>	<p>Subject to Rule 54, a tax invoice referred to in section 31 shall be issued by the registered person containing the following particulars, namely,—</p> <p>(a) Name, address and GSTIN of the supplier;</p> <p>(b) A consecutive serial number and unique for a financial year;</p> <p>(c) Date of its issue;</p> <p>(d) Name, address and GSTIN or UIN of Recipient in case of B to B Transaction.</p> <p>(e) If such recipient is un-registered and where the value of the taxable supply is Rs. 50,000 or more then Name and address of the recipient and the address of delivery, along with the name of the State and its code.</p> <p>(f) If such recipient is un-registered and where the value of the taxable supply is less than Rs. 50,000 and the recipient requests that such details be recorded in the tax invoice then Name and address of the recipient and the address of delivery, along with the name of the State and its code,</p> <p>Provided that - Where any taxable service is supplied</p> <ul style="list-style-type: none"> <li>- By or Through an Electronic Commerce Operator or by a supplier of online information and database access or retrieval services</li> <li>- to a recipient who is un-registered, irrespective of the value of such supply,</li> <li>- a tax invoice issued by the registered person shall contain the name and address of the recipient along with its PIN code and the name of the State and the said address shall be deemed to be the address on record of the recipient.</li> </ul>
<b>Rule: 46A- Invoice- cum-bill of supply</b>	<p>Notwithstanding anything contained in Rule 46 or Rule 49 or Rule 54, where a registered person is supplying taxable as well as exempted goods or services or both to an unregistered person, a single “Invoice-Cum-Bill of Supply” may be issued for all such supplies.</p> <p>Provided that, The said single “Invoice-Cum-Bill of Supply” shall contain the particulars as specified under Rule 46 or Rule 54, as the case may be, and Rule 49.</p>



# Input Tax Credit

## Analysis of Section 16: CONDITIONS FOR Claiming I.T.C.



Section 16 – ITC book @ Generally (12 conditions)

Section 17 - \* (1) (2)(3)(4): Mix / Common Credit  
\*(5) (6): Blocked credited (i.e. No means no)

Section 18- ITC book @ Special circumstances

Section 19- ITC book @ Job work

Section 20 & 21 – ITC book @ in case of Input Service Distributor



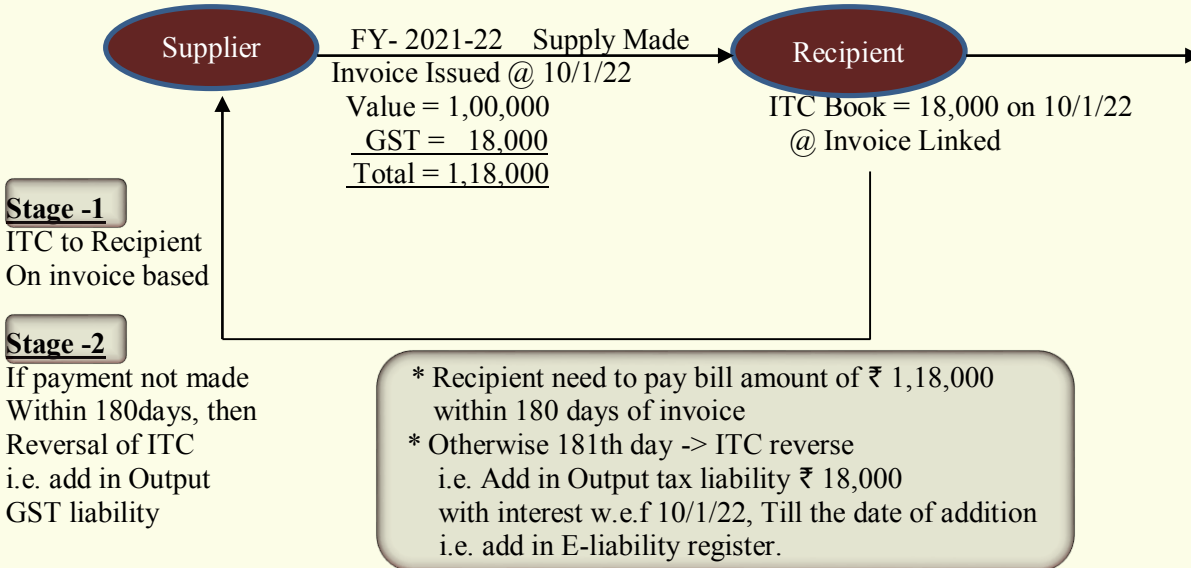
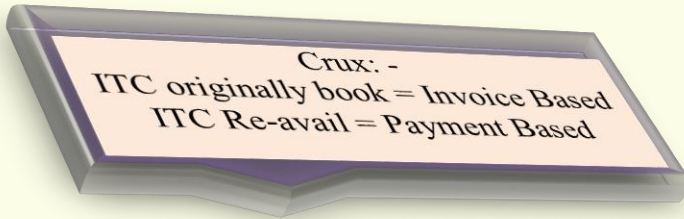
Sn	12 conditions to Book ITC
1	Recipient should have Invoice issued by Supplier/SELF, Invoice/Debit NOTE/ISD Invoice/Bill of ENTRY
2	Goods/Service-Received by Recipient himself or Received by III Party on Behalf of Recipient. <b>Note:</b> <i>If Goods Received in Installment then deemed to be received on Receipt of last LOT.</i> <b>And The details of input tax credit in respect of the said supply communicated to such registered person under section 38 has not been restricted.</b>

3	Recipient Need to file – Valid GSTR -3B on time.
4	<p>Supplier Need to file – Valid GSTR -3B on time.</p> <p><b>Rule 37 A:</b> Where <b>input tax credit has been availed</b> by a registered person</p> <ul style="list-style-type: none"> <li>- in the return in FORM GSTR-3B for a tax period in respect of such invoice or debit note,</li> <li>- the details of which have been furnished by the supplier in <b>GSTR:1/IFF</b></li> <li>- but the return in <b>FORM GSTR-3B</b> for the tax period corresponding to the said statement of outward supplies <b>has not been furnished</b></li> <li>- by such <b>supplier till the 30th day of September</b> following the end of financial year in which the input tax credit in respect of such invoice or debit note has been availed,</li> <li>- the said amount of <b>input tax credit shall be reversed</b> by the said registered person, in FORM GSTR-3B on or before the <b>30th day of November</b> following the end of such financial year:</li> </ul> <p>Provided that</p> <ul style="list-style-type: none"> <li>- Where the said amount of input tax credit is <b>not reversed by the registered person</b> in a return in FORM GSTR-3B</li> <li>- on or before the 30th day of November following the end of such financial year during which such input tax credit has been availed,</li> <li>- such amount shall be payable by the said person <b>along with interest</b> thereon under section 50.</li> </ul> <p>Provided further that</p> <ul style="list-style-type: none"> <li>- Where the said supplier <b>subsequently furnishes</b> the return in FORM GSTR-3B for the said tax period,</li> <li>- the said registered person may <b>re-avail</b> the amount of such credit in the return in FORM GSTR-3B for a tax period thereafter.</li> </ul>
5	<p>Bill Payment by “Recipient to supplier: should be made within 180 Days from invoice date. (For NCM supplies only)</p> <p>* IF NOT made: then on 181<sup>st</sup> day, ITC Reversal.</p> <p>A registered person,</p> <ul style="list-style-type: none"> <li>▪ Who has availed of input tax credit on any inward supply (other than RCM inward supplies)</li> <li>▪ but fails to pay to the supplier thereof, the amount towards the value of such supply <b>whether wholly or partly</b>, along with the tax payable thereon, within the time limit of 180 days</li> </ul>



	<ul style="list-style-type: none"> <li>▪ shall pay <b>or reverse</b> an amount equal to the input tax credit availed in respect of such supply, <b>proportionate to the amount not paid to the supplier</b>, along with interest payable thereon under section 50,</li> <li>▪ while furnishing the return in FORM GSTR-3B for the tax period immediately following the period of 180 days from the date of the issue of the invoice.</li> </ul> <p>* What if made After 180 Days: Book (Re-Avail) ITC on Payment Basis (i.e. proportionately)</p> <p><b>*WHAT About 'FOC' supplies:</b> (RBI Ki Agency) then the bill Amount shall be deemed to have been paid.</p> <p><b>*What about Suppliers obligation</b> paid by Receptient: it shall be deemed to have been paid for the purposes of condition of 180 days.</p>
6	INWARD Supply: USE/intended to be used for Business or Furtherance of business.
7	Recipient's output Supply should be Non-Exempted. * What about MIX USE: make it Proportionate and restricted it to non-exempted and business purpose.
8	Keep in mind Last date to Book ITC – Last date: 30 <sup>th</sup> November of NEXT Year OR Annual Return filing date: whichever is Earlier [But this condition is only for original Booking of ITC ie not for re-availment.
9	Either ITC or Depreciation Under Income tax Act.
10	CAPITAL Goods – Use for whole life, IF partly used then: Make it proportionate as per prescribed method.
11	No ITC shall be allowed of the TAX arise on Re-Assessment/ Fraud etc.
12	Received supply should not be a NEGATIVE listed supply as defined in Sec: 17(5)

Condition Of 180 days

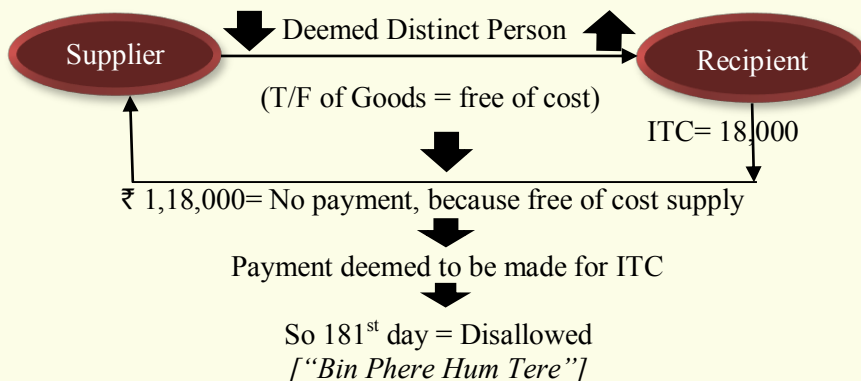


**Recipient to Supplier Payment**

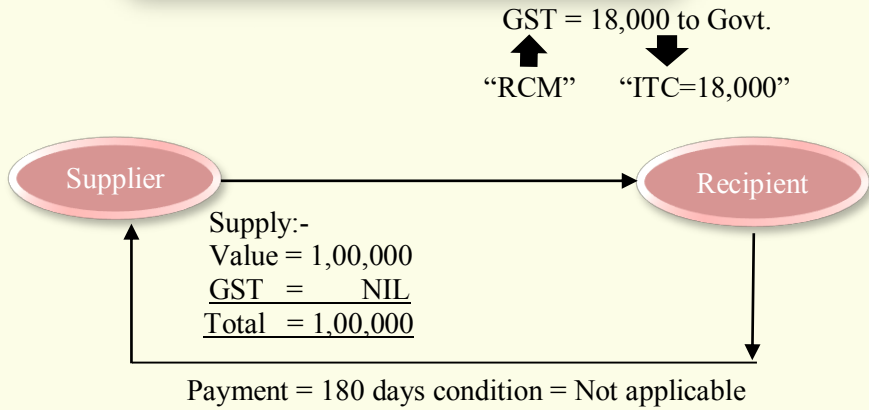
**Stage -3**  
 ITC Re-availment on  
 Payment basis

But Later On:	Payment Made	Re-avail ITC
On 200 <sup>th</sup> day	10%	₹ 1,800
On 250 <sup>th</sup> day	20%	₹ 3,600
On 1,000 <sup>th</sup> day	30%	₹ 5,400
	Bad Debts @ 40%	--
		<u>Total = 10,800</u>

Note: Maximum time limit To book ITC not applicable On Re-availment of ITC



**CRUX**  
 Condition of 180 days shall not be applicable on free of cost transactions



**CRUX**  
 Condition of 180 days shall not be applicable on RCM Supplies



# Registration

## Who is required to take Registration?

### How

#### Main document for registration:

- PAN (Generally)
- TAN (In case of TAX DEDUCTOR/COLLECTOR)
- Any other document (In case of NR eg. Self- Attested Copy of Passport)
- Now **Aadhaar** mandatory for registration purpose at the time of registration otherwise registration will be granted only after physical verification of place of business.
- **Aadhaar required for:**
  - Individual;
  - authorised signatory of all types;
  - Managing and Authorised partner; and;
  - Karta of a Hindu undivided family.
  - Member of Association of Person.
  - Etc.
- **Aadhaar not required for:**
  - Not a citizen of India;
  - Government Departments/ establishment
  - A local authority;
  - A statutory body;
  - A Public Sector Undertaking;
  - UIN HOLDER



#### Registration process:

##### Part A of Application:

- (i) Disclose PAN (to whom it is needed).
- (ii) Verification of above : by GST PORTAL, **and shall also be verified through separate one-time passwords sent to the mobile number and e-mail address linked to the Permanent Account Number.**
- (iii) Generation of Transaction reference number [TRN] by portal which is valid for 15 days.

**Part B of Application:**

- (i) File registration APPLICATION by using reference no.
- (ii) Acknowledgement [Application reference number i.e. ARN] by portal on mob no. and Email id.
- (iii) *Note: Casual taxable person shall be given temporary id number[TRN] for making advance deposit of tax on estimation basis. After payment of advance tax ARN shall be generated and thereafter registration certificate shall be granted.*

[(4A) Where an applicant, ~~{other than those who have been exempted from Aadhaar}~~

- opts for authentication of Aadhaar number,
- he shall, while submitting the application undergo authentication of Aadhaar number and
- the date of submission of the application in such cases shall be the date of authentication of the Aadhaar number, **or 15 days from the submission of the application in Part B.**
- **whichever is earlier.**

Provided that, Every application made by a person, ~~{other than those who have been exempted from Aadhaar}~~

- who has opted for authentication of Aadhaar number and
- is identified on the common portal, based on data analysis and risk parameters,
- shall be followed by biometric-based Aadhaar authentication and taking photograph of the applicant where the applicant is an individual or
- of such individuals whose are notified in case of company, Firm etc.
- along with the verification of the original copy of the documents uploaded with the application in FORM GST REG-01
- and the application shall be deemed to be complete only after completion of the process.

**Note:** The Central Government, hereby specifies that the above proviso shall **not apply in all** the States and Union territories **except the State of Gujarat.**

(iv) The application forwarded to officer and the officer verifies the application along with documents. Whether Officer is Satisfied

**YES**

Then the officer GRANT registration within 7 [30] working days from the date of submission of application

**NO**

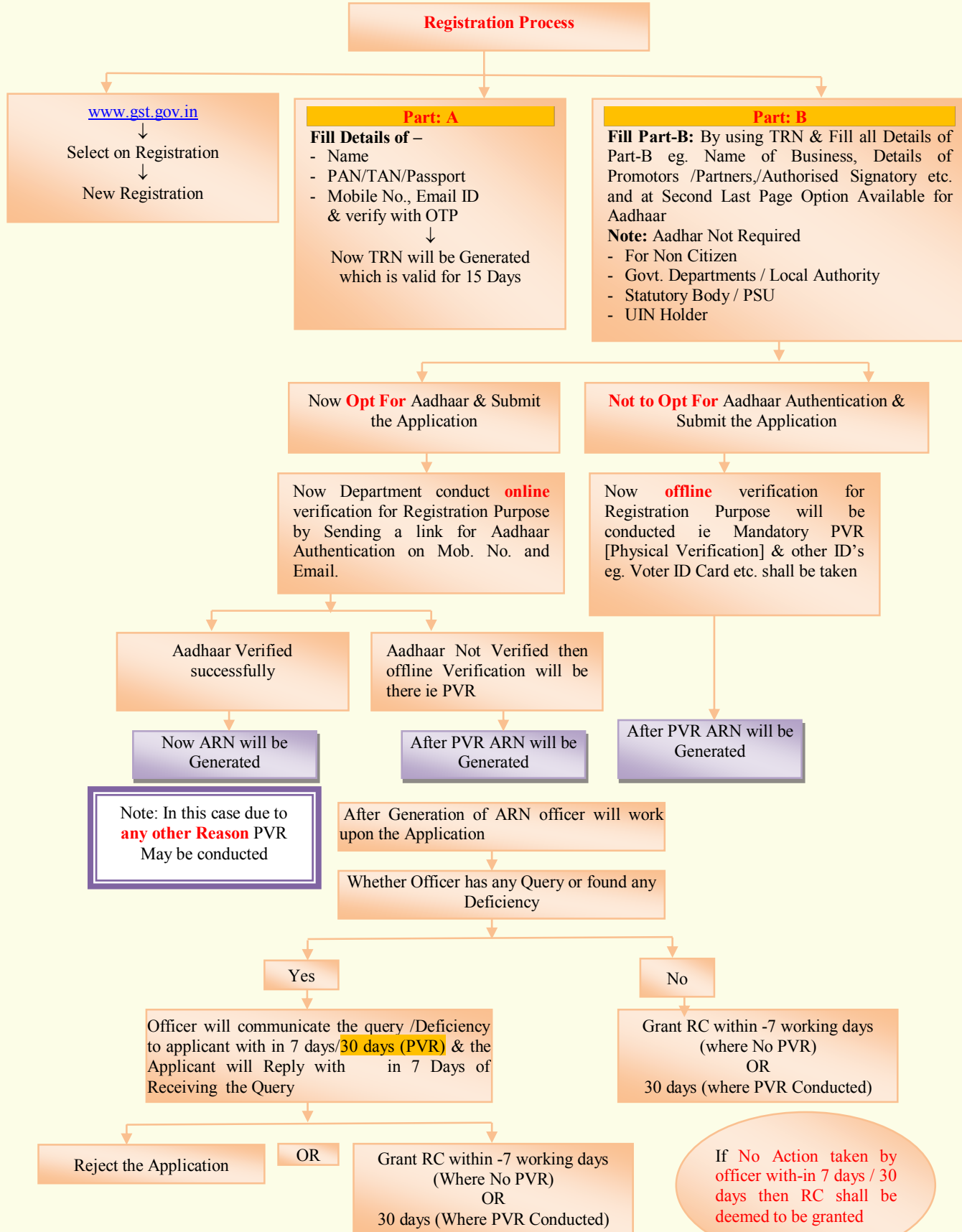
Then the officer intimate the deficiency within 7 [30] working days from the date of submission of application.

And applicant shall provide clarification or satisfy officer within 7 working days of receipts of information.

After this the officer is-

- Satisfied: ok grant registration within 7 working days.
- Not satisfied: Reject the application.

**HOW TO OBTAINED GST REGISTRATION**





**CANCELLATION OF REGISTRATION**

**Reasons of Cancellation**

**On Application**

1. PAN CHANGE  
Eg. Transfer of Business  
Eg. Amalgamation / Demerger/etc.  
Eg. Constitution change (eg. Firm to Company)
2. CLOSURE of Business
3. REGISTRATION –No Longer Required eg. Now All Exempted Supplies.
4. Taken voluntarily Registration- Now opt out
5. TDS Deductor /TCS collector –Now No longer Required to Deduct or collect

**By officer**

1. Registration Taken By means of Frauds
2. DOES NOT conduct Business from Declared Place of business.
3. Have voluntarily Registration But unable to START Business in 6 Months.
4. NOT to file Return for ..  
‡ Composite Dealer: the FY and 3 month from due date expired  
‡ Regular Scheme: 6 Months [QRMP Scheme 2 Tax Period]
6. Contravene the Provisions of ACT / Rules  
(eg. Issue Bogus Invoice)
7. Wrongly Availed ITC
8. Show liability in GSTR-1 & NOT to show in GSTR -3B
9. Violate Provision of Rule: 86B (1% Concept)
10. ANAMOLY in ITC claimed & output GST liability.
11. TDS Deductor /TCS collector –Now No longer Required to Deduct or collect

**Grounds of Divorce Received By Wife Only**

**EFFECT OF SUSPENSION**

- \* Shall not make any taxable Supply (can do Business but can't collect GST.
- \* Not to Furnish Return
- \* No Refund shall be granted to him by Department.

Application Given For cancellation Due to Above Reason then RC Shall be deemed to be suspended from the--

- \* Application submission date OR
  - \* Desired Date of cancellation (whichever is later)
- Till

The RC cancellation Proceedings Gong On

If the proper officer has Reason to believe that the Person falls in above – He may suspend the Registration WEF the Date as he deem FIT

Till  
The RC Cancellation proceedings Going on

- \* Now Officer shall issue a SCN [Shaw Cause Notice] with- in 7 Working days
- \* Reply made By the Person

Reply was Not Satisfactory then the officer will issue a Cancellation order with 30 days to cancel RC-(Prospective /Retrospective) by Notifying him to Pay final Dues

Reply was Satisfactory then officer shall Drop the proceedings & suspension order shall be with down.

**Note:** Where Suspension order issued because of Non submission of Returns then the person instead of Replying of SCN–file All Pending Returns and make payment of all Dues Then the officer shall Drop the proceedings and suspension order shall be withdrawn.

Now the proper officer shall issue a Cancellation order to cancel RC WEF the date on which he deem fit (May Be Prospective / Retrospective)  
By Notifying him to Pay Final Liability

Now Check

Business is Closed

Business is continued by other Person

**PAY of Final Dues**

- Now:**
- \*No Business
  - \*No Tax Collection
  - \*No Invoice to be raised
  - \*No Return

**No Need to Pay Final Dues**

- \*New owner will take Fresh Registration
- \*All Assets (Including Input/Capital Goods / ITC) shall be Transferable to new ownership
- \*All liabilities shall be transferred to new ownership

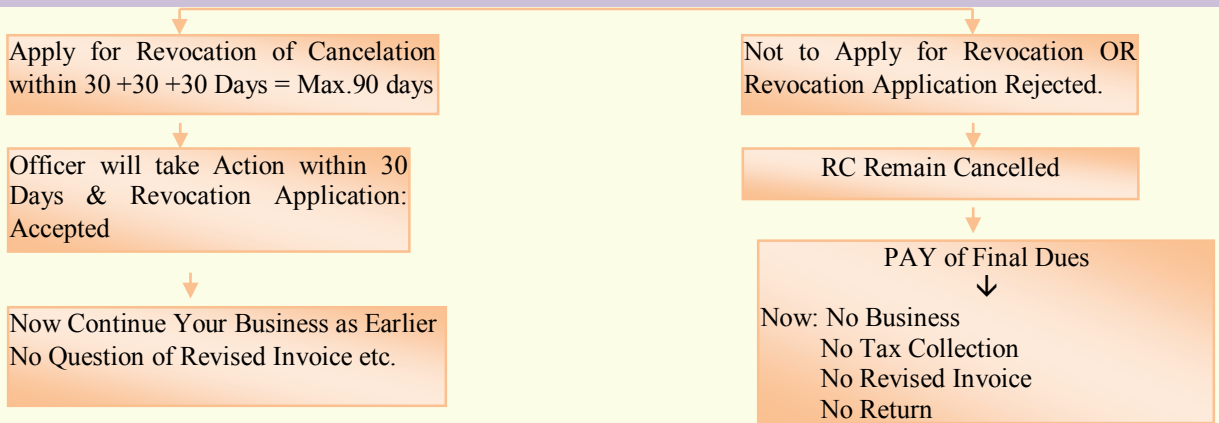
New Owner will do the Business and liable to pay GST on Output supplies.

- \* Now the Person may issue Revised Invoice u/s=31 with in one month of suspension Revoke order.
- \* Return for Suspension Period file u/s=40 [& Pay GST to Govt.] ie suspension period is like PRE-RC period

Now Continue Your Business as Earlier



**REVOCATION/RESTORATION OF REGISTRATION**



**SPECIAL NOTE**

Precondition to file Revocation Application in case where cancellation was due to Non-filing of Return

**CASE:1 Where Cancellations effective Prospectively**

- A. File All pending Returns Due UPTO **cancellation order**
- B. Now file Revocation Application
- C. Revocation Accepted
- D. Now file Return Due from Cancellations order to Revocation order

**Calculation of Final Dues**

**FOR INPUTS:**

Corresponding ITC on Input (in Any Form, as such, WIP, contained in final product)

OR

Output GST on such Goods (as it is Deemed Supply to himself [Whichever is higher] xxx

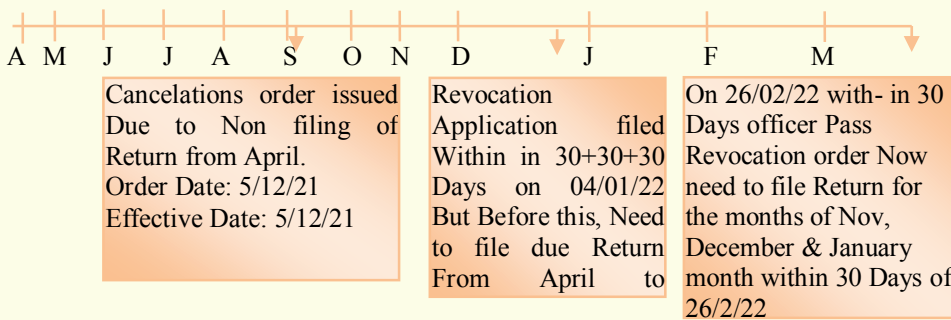
**FOR CAPITAL GOODS**

\* ITC Related to Capital Goods by taking 5% per quarter or Part thereof

OR

\* Output GST on Transaction value u/s 15 [Whichever is Higher] xxx

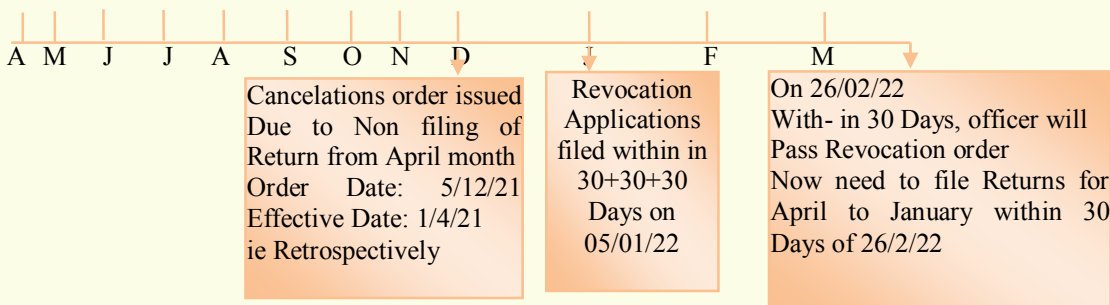
**Example**



**CASE: 2 Where Cancellation effective Retrospective (WEF:1/4/21)**

- A. ~~File All pending Returns Due UPTO cancellation order~~
- B. Now file Revocation Applications
- C. Revocation Accepted
- D. Now file Return Due **from April Month to Revocation order.**

**Example**



**MISC:****Physical verification of business premises:**

\*Due to failure of Aadhaar authentication or

\*Due to not opting for Aadhaar authentication before the grant of registration, or

**\*A person, who has undergone authentication of Aadhaar number as specified in Rule 8(4A), is identified on the common portal, based on data analysis and risk parameters, for carrying out physical verification of places of business; or**

\*Due to any other reason after the grant of registration,

Officer may get such verification of the place of business, in the presence of the said person, done and the verification report along with the other documents, including photographs, shall be uploaded in on the common portal within a period of 15 working days following the date of such verification.



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# Manner of Payment

## CGST Rules, 2017: Payment of Tax

<p><b>Rule 87</b> <b>Electronic Cash Ledger</b></p>	<p>(8) Where the bank account of the person concerned, or the person making the deposit on his behalf, is debited but no Challan Identification Number is generated or generated but not communicated to the common portal, the said person may represent electronically in <b>FORM GST PMT-07</b> through the common portal to the bank or electronic gateway through which the deposit was initiated.</p> <p>Provided that where the bank <b>fails to communicate details of Challan Identification Number</b> to the Common Portal,</p> <ul style="list-style-type: none"> <li>- the <b>Electronic Cash Ledger</b> may be updated</li> <li>- on the basis of <b>e-Scroll</b> of the Reserve Bank of India</li> <li>- in cases where the details of the said e-Scroll are in conformity with the details in challan generated in FORM GST PMT-06 on the Common Portal.</li> </ul>
<p><b>Rule 88C.</b> <b>Manner of dealing with difference in liability reported in statement of outward supplies and that reported in return</b></p>	<p>(1) Where</p> <ul style="list-style-type: none"> <li>- the tax payable as per GSTR:1 /IFF</li> <li>- <b>exceeds the amount of tax payable as per GSTR:3B</b></li> <li>- by such amount and such percentage, as Notified</li> </ul> <p>The said registered person</p> <ul style="list-style-type: none"> <li>- shall be <b>intimated of such difference</b> and</li> </ul>

- a copy of such intimation shall also be sent to his e-mail address
- highlighting the said difference and directing him to-
  - (a) Pay the differential tax liability, along with interest under section 50, or
  - (b) Explain the aforesaid difference in tax payable on the common portal,within a period of 7 days.

(2) The registered person shall, upon receipt of the intimation, either, -

(a) Pay the amount of the differential tax liability, fully or partially, along with interest under section 50, or

(b) Furnish a reply, incorporating reasons in respect of that part of the differential tax liability that has remained unpaid, if any,

within the period specified in the said sub-rule.

(3) Where

- any amount specified in the intimation **remains unpaid** within the period specified in that sub-rule and
- where **no explanation or reason is furnished** by the registered person in default or
- where the explanation or reason furnished by such person is not found to be acceptable by the proper officer,

the said amount shall be recoverable in accordance with the provisions of section 79.



**Some other Points:**

<b>Notice to return defaulter</b>	Where a registered taxable person fails to furnish a return under section 39, <b>[Combined Return]</b> section 44 <b>[Annual Return]</b> or section 45, <b>[Final Return]</b> a notice shall be issued requiring him to furnish such return within 15 days in such form and manner as may be prescribed.		
<b>Late fees</b>	<b>Periodic and Final Return</b>	<b>Any registered taxable person who fails to furnish the-details of outward u/s 37 or Return u/s 39,45,52 by the due date</b> , shall be liable to pay late fee of ₹100 [Reduced to ₹25 and 10 for NIL RETURN] for every day during which such failure continues subject to a maximum of ₹5000.	
	<b>Annual Return</b>	Any registered taxable person who fails to furnish the return required under section 44 by the due date shall be liable to a late fee of <b>₹100 for</b> every day during which such failure continues subject to a maximum of an amount calculated at a <b>0.25% of his turnover in the State)/UT.</b>	
	Maximum Late Fees payable under section 47 for delayed filing	<b>Form</b>	<b>Description</b>
Form GSTR 01 and 3B		Nil Return	Rs.250
		Aggregate Turnover in PFY limited to Rs. 1.5 Cr	Rs.1000
		Aggregate Turnover in PFY more than Rs. 1.5 Cr but upto Rs. 5 cr	Rs.2,500
		Others	Rs. 5,000
Form GSTR 4		Nil	Rs.250
		Others	Rs.1000
Form GSTR 7	Delayed Furnishing	Rs. 25 per day for delayed period [Maximum: Rs. 1,000]	

**Late fees for specified class of persons**

<b>Class of registered persons</b>	<b>Amount</b>
Registered persons having an aggregate turnover of up to Rs 5 cr. in the relevant financial year.	Rs 25 per day, subject to a maximum of an amount calculated at 0.02% of turnover in the State or Union territory.
Registered persons having an aggregate turnover of more than Rs 5 cr. and up to Rs 20 cr. in the relevant financial year.	Rs 50 per day subject to a maximum of an amount calculated at 0.02 per cent. of turnover in the State or Union territory.
Aggregate turnover Exceeding Rs.20 crore	No relaxation, Standard Rates shall apply

<b>CGST Rules 2017</b>
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**Rule: 59 Form and manner of furnishing details of outward supplies**  
**[FORM: GSTR 1]**

**(6) Restrictions on filing GSTR-1**

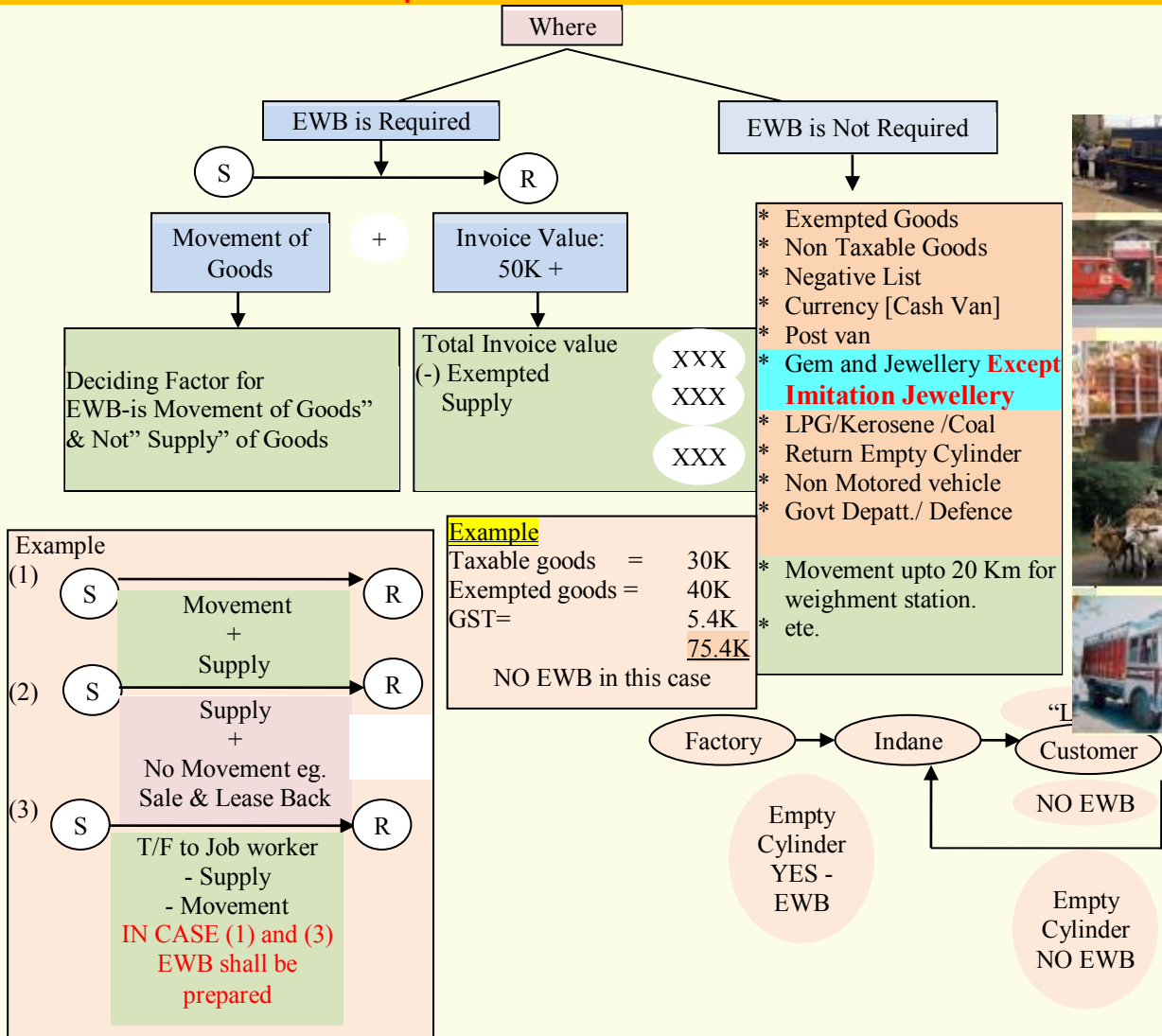
Notwithstanding anything contained in this rule, -

(a) If taxable person has not furnished the return in <b>FORM GSTR-3B</b> for the preceding month	Then he shall not be allowed to furnish the details of outward supplies of goods or services or both under section 37 in <b>FORM GSTR-1</b> ,
(b) A registered person, required to furnish return for every quarter under the proviso to sub-section (1) of section 39, ie QRMP if he has not furnished the return in <b>FORM GSTR-3B</b> for preceding tax period;	shall not be allowed to furnish the details of outward supplies of goods or services or both under section 37 in <b>FORM GSTR-1</b> or using the invoice furnishing facility,
(c) A Registered person, to whom an intimation has been issued under the provisions of Rule 88C(1) in respect of a tax period,	<b>shall not be allowed to furnish GSTR 01/IFF for a subsequent tax period</b> , unless he has either deposited the amount specified in the said intimation or has furnished a reply explaining the reasons for any amount remaining unpaid.



# E=Way Bill

## Circumstances where EWB is required



**Example**

(1) (S) → Movement + Supply → (R)

(2) (S) → Supply → (R)

(3) (S) → No Movement eg. Sale & Lease Back → (R)

(3) (S) → T/F to Job worker - Supply - Movement → (R)

IN CASE (1) and (3) EWB shall be prepared

**Example**

Taxable goods = 30K  
 Exempted goods = 40K  
 GST = 5.4K  
**75.4K**

NO EWB in this case

Factory → Indane → Customer

Empty Cylinder YES - EWB

Empty Cylinder NO EWB



However in Specified Cases @ MANDATORY EWB✓ irrespective of Value ie limit of ₹ 50K = Not applicable

- INTER STATE movement +
- By way of JOB work/ Specified Handicraft Goods



## Misc. Circulars

### Circular No. 190/02/2023: Applicability of GST on accommodation services supplied by Air Force Mess to its personnel

All services supplied by Central Government, State Government, Union Territory or local authority to any person other than business entities (*Except few specified services such as services of postal department, transportation of goods and passengers etc.*) are exempt from GST.

It is hereby clarified that accommodation services provided by Air Force Mess and other similar messes, such as, Army mess, Navy mess, Paramilitary and Police forces mess to their personnel or any person other than a business entity are covered under above exemption.

**Provided** the services supplied by such messes **qualify to be considered** as services supplied by Central Government, State Government, Union Territory or local authority.