

ॐ सह नावतु ।
सह नौ भुनक्तु ।
सह वीर्यं करवावहै ।
तेजस्वि नावधीतमस्तु मा विद्विषावहै ।
ॐ शान्तिः शान्तिः शान्तिः ॥

Om, May God Protect us Both (the Teacher and the Students),
May God Nourish us Both,
May we Work Together with Energy and Vigour,
May our Study be Enlightening and not give rise to Hostility,
Om, Peace, Peace, Peace.

GST LAW



- Registration & Migration under GST
- Accounts & Record keeping under GST

Registration Under

G S T

Relevance of Registration

Registration under Goods and Services Tax (GST) regime will confer following advantages to the business:



Legally recognized as supplier of goods or services.



Proper accounting of taxes paid on the input goods or services which can be utilized for payment of GST due on supply of goods or services or both by the business.



Legally authorized to collect tax from his purchasers and pass on the credit of the taxes paid on the goods or services supplied to purchasers or recipients.

Registration

Threshold - 20 Lacs
(10 lakhs for North
Eastern States
including Sikkim)

Threshold limit not
applicable for
persons mentioned
under Schedule-V*

No Centralized
Registration
Concept

Separate
Registration can
be obtained for
different business
verticals

Persons for whom
registration is compulsory
irrespective of aggregate
turnover :

- ✓ Supplier of Inter state taxable supplies,
- ✓ casual taxable person,
- ✓ person paying under reverse charge,
- ✓ electronic commerce operator,
- ✓ non-resident taxable person,
- ✓ persons required to deduct tax,
- ✓ persons required to collect tax,
- ✓ persons supplying goods on behalf of others as agent,
- ✓ input service distributor etc.

THRESHOLD LIMITS UNDER GST

- Uniform threshold of Rs.20 Lakhs for both goods and services and Rs. 10 Lakhs for North Eastern States.



PRESENT
LIMITS

CUSTOM	:	NIL
EXCISE	:	1.5 Crore
SERVICE TAX	:	10 Lakhs
VAT	:	By and Large 10 Lakhs

Type of Registration : Key Categories

- Mandatory Registration on crossing the threshold of 20 Lakhs (10 Lakhs for North-East States)
- Voluntary Registration – Below threshold of 20 lakhs (10 Lakhs in North-East States)
- Input Service Distributor Registration - Mandatory for Common GST Credit claim and distribution to
 - other States
- Composition Dealer Registration – Vendors dealing in goods with turnover between 20 to 50 Lakhs. This facility is not available to Service Providers

✓ *Separate registration for multiple business vertical within a state is **Possible***

It is important to note that Businesses will always prefer to transact with registered business, so that there are no conditions on Credit. Therefore, if registrations are not obtained, businesses may not find it viable to transact.

What is aggregate turnover?

As per section 2(6) of the CGST/SGST Act “aggregate turnover” includes the aggregate value of:

All Taxable Supplies,

All Exempt Supplies*,

Exports of goods and/or service, and,

All inter-state supplies of A person having the same PAN.

- Aggregate turnover does not include value of supplies on which tax is levied on reverse charge basis, and value of inward supplies.

* *“Exempt Supply” means supply of any goods or services or both which attracts nil rate of tax or which may be wholly exempt from tax under sec 11, or sub section 6 of Integrated Goods and Services Tax Act, and includes non-taxable supply.*

When we need to apply ?

- A person should take a Registration within 30 days, from the date on which he becomes liable to registration. The effective date of the registration shall be the date on which he became liable for registration.
- Where an application for registration has been submitted by the applicant after thirty days from the date of his becoming liable to registration, the effective date of registration shall be the date of grant of registration.
- A Casual Taxable person and a non-resident taxable person should however apply for registration at least 5 days prior to commencement of business.

Registration in GST regime

State Code		PAN										Entity Code	Blank	Check digit
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

Registrations

- ✓ GST Registration to be a PAN based number - 15 digit code
- ✓ Common registrations for goods and services
- ✓ Separate registration for each state from where supplies made. Centralized Registration no longer applicable
- ✓ ISD registration may be required for transfer of credits
- ✓ Multiple registration possible for different business verticals in the same state

Taxable Person

under



Input Service Distributor

It is basically an office meant to receive tax invoices towards receipt of input services and further distribute the credit to supplier units (having the same PAN) proportionately

ISD will be required to be separately registered other than the existing tax payer registration.

Composition Scheme

Threshold

- Rs. 50 Lakhs of aggregate turnover in the preceding financial year.
- The benefit of composition scheme can be availed up to the turnover of Rs. 50 Lakhs in current financial year.

Validity

- The option availed of composition scheme shall lapse from the day on which his aggregate turnover during the financial year exceeds Rs.50 Lakhs.

Option available to whom

- A manufacturer can opt for composition scheme generally. However, a manufacturer of goods, which would be notified on the

Non eligibility

- Categories of registered person are not eligible to opt for the composition scheme:
- supplier of services other than supplier of restaurant service;
- supplier of goods which are not taxable under the CGST Act/SGST Act/UTGST Act.
- an inter-State supplier of goods;
- person supplying goods through an electronic commerce operator;
- manufacturer of certain notified goods.

Casual Taxable Person Vs. Non Resident Taxable Person

Casual Taxable Person	Non-resident Taxable Person
<ul style="list-style-type: none"> Occasional undertakes transactions involving supply of goods or services in a state or UT where he has no fixed place of business. 	<ul style="list-style-type: none"> Occasional undertakes transactions involving supply of goods or services but has no fixed place of business residence in India.
<ul style="list-style-type: none"> Has a PAN Number. 	<ul style="list-style-type: none"> Do not have a PAN Number; A nonresident person, if having PAN number may take registration as a casual taxable person.
<ul style="list-style-type: none"> Same application form for registration as for normal taxable person viz GST REG-01 	<ul style="list-style-type: none"> Separate application form or registration by non-resident taxable person viz GST REG-10
<ul style="list-style-type: none"> Has to undertake transactions in the course or furtherance of business 	<ul style="list-style-type: none"> Business test absent in the definition
<ul style="list-style-type: none"> Has to file normal GSTR-1, GSTR-2 and GSTR-3 returns 	<ul style="list-style-type: none"> Has to file a separate simplified return in the format GSTR-5
<ul style="list-style-type: none"> Can claim ITC of all inward supplies 	<ul style="list-style-type: none"> Can get ITC only in respect of import of goods and /or services.

❖ **Casual & Non resident Taxable persons** are required to make an advance deposit of tax at the time of registration in an amount equivalent to the estimated tax liability of such person for the period for which the registration is sought.

What for Existing Assesses?

- GSTN shall migrate all such assesses/dealers to the GSTN network.
- GSTN shall issue a provisional registration certificate with GSTIN number on the appointed day, which after due verification by the departmental officers within six months, will be converted into final registration Certificate.
- For converting the provisional registration to final registration the registrants will be asked to submit all requisite documents and information required for registration in a prescribed period of time.
- Failure to do so will result in cancellation of the provisional GSTIN number.

Migration of Existing assesses

- ✓ **Persons currently registered under Excise/ VAT/ Service tax**
- ✓ The applicant registered under an earlier law and having a PAN shall be granted a certificate of registration in **Form GST REG-21**, on a provisional basis.
- ✓ Such person shall submit an application in **Form GST REG-20** along with required information on the common portal within a period of 6 months:

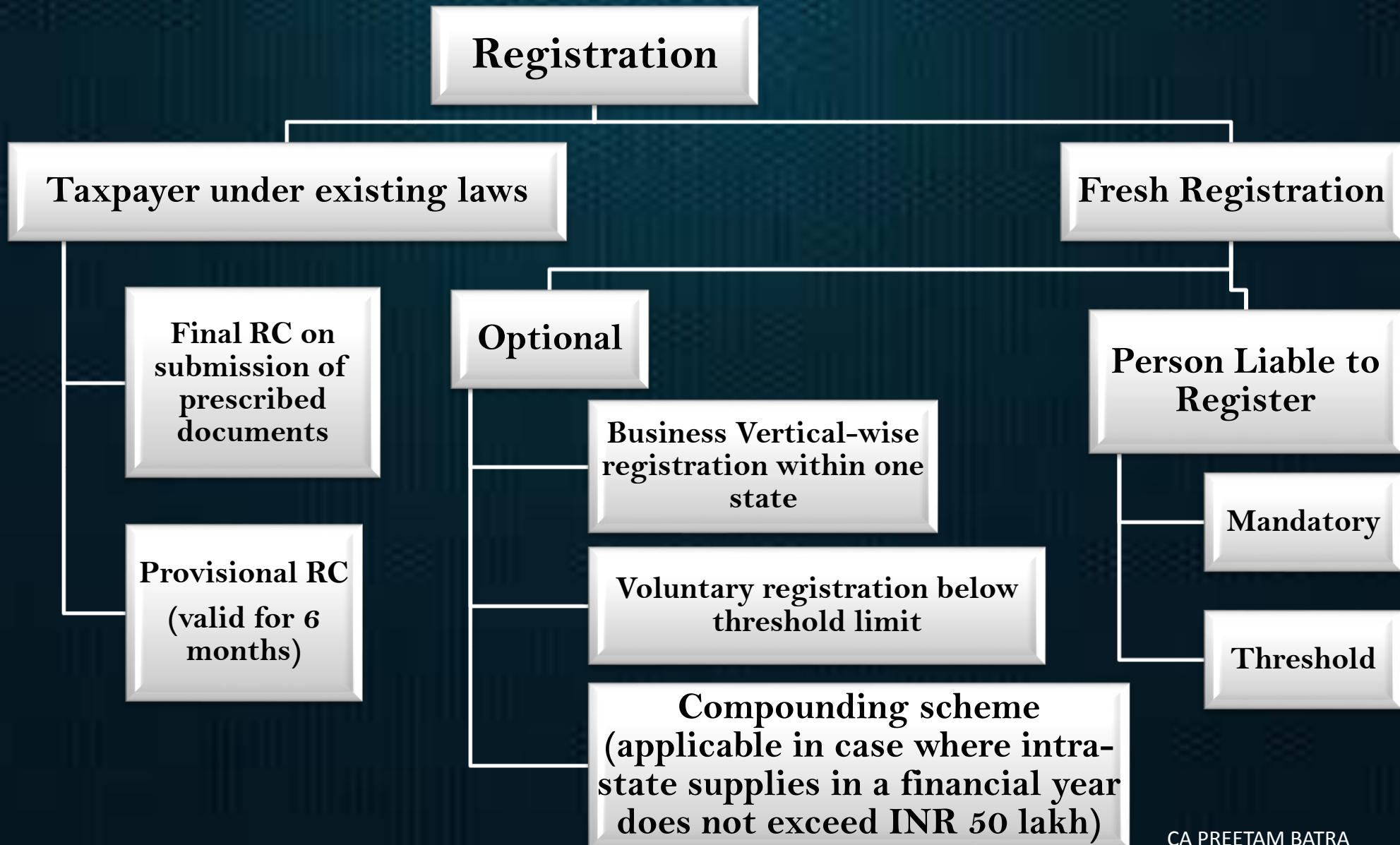
- **Details of all existing registrations (VAT/ CST/ excise/ Service tax/ IEC/ Company registration no.)**
- **Principal and additional places of business within the State**
- **Type of business**
- **Details of goods & services supplied by the business**
- **All bank accounts for the business**
- **Details of directors (including Aadhaar no., PAN, Passport, Mobile no., Address)**
- **Details of authorized signatory (along with copy of board resolution authorizing such person)**
- **Proof of business premises**
- **Digital Signature**

- If GST REG-20 not furnished or incomplete information is provided, the proper officer shall cancel the provisional registration and issue an order in Form GST REG-22
- The final Registration Certificate will be issued in Form GST REG-06.
- Physical verification of business premises may take place in certain cases.

GST Registration Migration Process:

- Step 1 Obtain provisional id & password from state/central authorities
- Step 2 Visit the GST portal (www.gst.gov.in) and click on the 'new user login' tab
- Step 3 Log in using the provisional id & password, update & validate the email id & mobile number through OTP
- Step 4 Create new unique ID & password and answer 5 security questions
- Step 5 Log in using the new unique ID & password
- Step 6 Fill up the enrolment application form in form GST REG 20 with necessary details and upload the specified documents
- Step 7 Sign electronically through DSC (mandatory for corporate) or e-signature and submit. An application reference number (ARN) shall be generated

Registration - Snapshot



Accounts

&

Records

in GST

ACCOUNTS & RECORDS

- Following records are required to be maintained by a registered person under GST:
 - Certificate of registration
 - Accounts/ records for
 - production/ manufacture of goods
 - inward/ outward supply of goods/ services
 - stock of goods, ITC availed, tax paid and payable
 - other particulars to be prescribed

- The accounts/ records are to be maintained at the principal place of business
 - In case of more than one place of business, accounts/ records relating to such other place of business to be maintained at such place
 - The accounts/ records can be maintained in electronic form as may be prescribed
- Comm./ Chief Comm. To notify class of dealers to maintain additional accounts/ records
- Turnover exceeding prescribed limit, accounts to be audited by Chartered Accountant /Cost Accountant
- Every warehouse or godown or other place used for storage of goods, whether registered or not, to maintain records of consignor, consignee, and other details to be prescribed.

THE PERIOD OF RETENTION OF ACCOUNTS



- ✓ Every registered person required to keep books of accounts or other records until the expiry of Seventy two months from the last date of filing of annual return of the year pertaining to such accounts and records.
- ✓ Dealer who is party to an appeal or revision or any other proceeding before any appellate authority or tribunal or court shall retain accounts & records for the period of one year after final disposal of such appeal or revision or proceeding.



**ARE
YOU
READY
FOR
GST?**

- What is the retention period for the records that are to be maintained under the GST law?
- Who is mandatory liable for registration?
- What is the aggregate turnover?
- Who is a Casual taxable person?
- What is the turnover for Composition Scheme?

CA PREETAM BATRA

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Bon voyage!

Thank You!