



ADVIK HI-TECH PVT.LTD.

By Manas Joshi

LLB, DTL, CLM

9890016800 / 9119459098

manas@ppcplindia.com

GST Committee
member at



Founder of



Director at



★ CONTENTS

- Need of GST & its evolution through digitalization
- Govt. future plans & how to get ready
- Concept of “Supply”
- Place of Supply – CGST + SGST / IGST
- Documents
- Input Tax Credit issues
- E-Way Bill practical issues
- Penalty provisions



NEED OF GST IN INDIA



- Development of economy
- Presence & applicability of different laws
- To avoid double taxation
- To reduce compliance under indirect taxes
- CENVAT Credit was available only at manufacturer level and not at distribution
- Confusion on applicability of Service Tax and VAT on certain transactions
- Efforts to introduce ONE TAX (indirect tax) for ONE NATION

★ AUDIT & FUTURE ISSUES



- New return process from October 2019
- Govt. officer to start audit very soon
- Invoices to be generated on GST portal
- To be linked to Income Tax site

★ SECTION 7 - SUPPLY OF GOODS & SERVICES

- Two persons
- Sale, transfer, barter, exchange, license, rental, lease or disposal made or agreed to be made
- for consideration
- In the course of business or furtherance of business
- Schedule – I transactions (without consideration)



★ SCHEDULE – I – NO CONSIDERATION



- Permanent transfer/disposal of business assets where input tax credit is availed
- Supply of goods / services between related or distinct parties in the course of business
- Gift to employee less than Rs. 50,000/-
- Importation of service in the course of business



SUPPLY OF SERVICE (DEEMING PROVISION)

- Renting of immovable property
- Construction of complex or building – excluded when entire consideration is received after issue of Completion Certificate
- Temporary transfer of IPR
- Development, design, programming of information technology software
- Agreeing to the obligation to refrain from an act, or to tolerate an act or situation – it covers non-competee fee also
- Following Composite Supply:
 - Works contract
 - Service portion in an activity wherein any food or drink (other than liquor) for human consumption is supplied



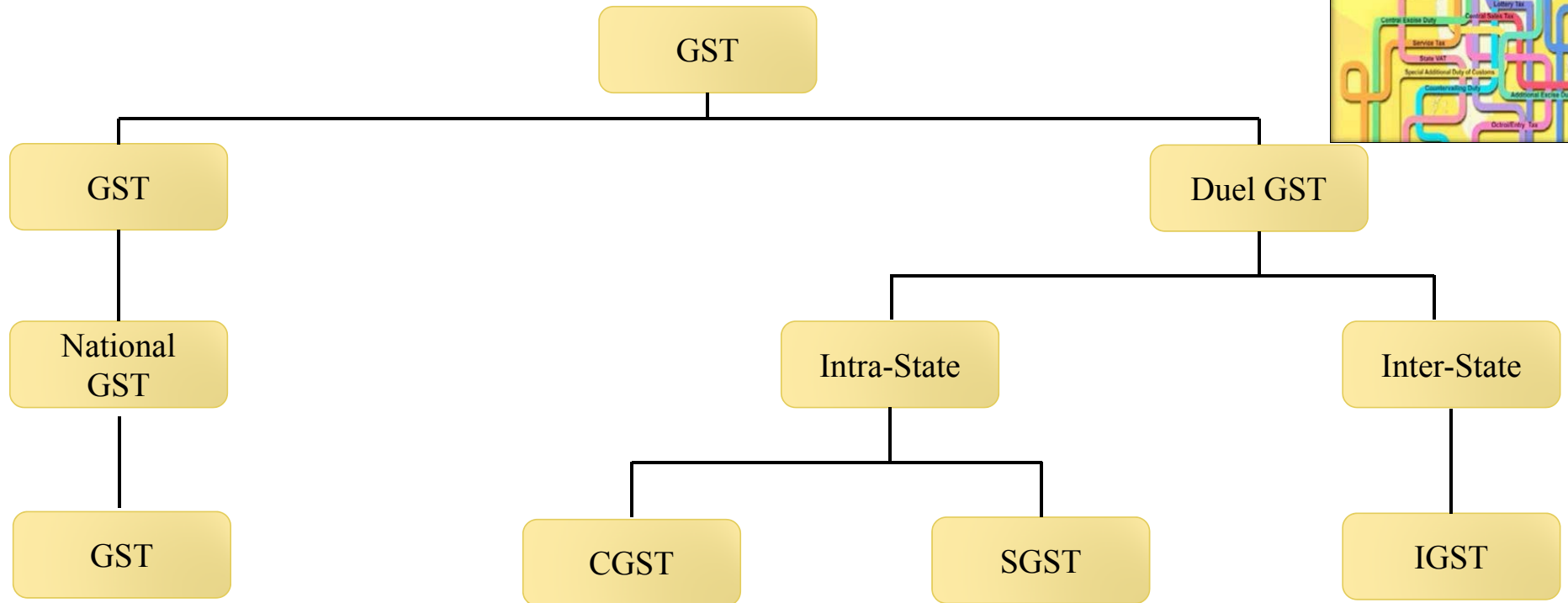
PLACE OF SUPPLY OF GOODS



- Movement of goods is involved –
location where movement of goods terminates
- Movement of goods is not involved –
location of goods at the time of delivery
- “Bill To” and “Ship To” Transaction –
location of the customer



GST OVERVIEW – GST MODEL



★ DOCUMENTS / REGISTERS



- Tax Invoice for forward charge as well as reverse charge
- Receipt Voucher in case of receipt of advance
- Lorry Receipt / Consignment Note
- Debit Note / Credit Note
- Outward Supply Register (Sales)
- Input Tax Credit Register

Documents to be preserved for 6 years

★ INPUT TAX CREDIT – CONDITIONS



- He is in possession of either tax invoice or debit note or any other tax paying document;
- He has received the goods / services;
- GST charged in the document has actually been paid to the Government; and
- The supplier has furnished the return

INPUT TAX CREDIT - ADMISSIBILITY

Credit is eligible on all goods and services used in the course or furtherance of business - **except**

- Motor vehicle (upto capacity of 13 passengers)
- Food and beverages, outdoor catering, health services **except when provided under obligation under any law**
- Membership of a club, health and fitness centre
- Rent-a-cab, life insurance, health insurance **except when provided under obligation under any law**

INPUT TAX CREDIT - ADMISSIBILITY

- Construction of immovable property other than plant & machinery
- Renovation / repairs of factory or office when treated as capital expenditure
- Use of goods / services for personal consumption
- Goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples

E-WAY BILL



Vehicle cannot be detained in following cases

- Spelling mistakes in the name of the consignor or the consignee but GSTIN is correct
- Error in pin-code of the consignor or the consignee but address is correct
- Error in the address of consignee but locality is correct
- Error in one or two digits of the invoice / delivery challan mentioned in e-way bill
- Error in HSN code where first 2 digits are correct
- Error in one or two digits / characters of the vehicle number

PENALTY PROVISIONS

- Supply without Tax Invoice or issue incorrect invoice
- Collection of GST but non payment to the Govt. beyond 3 months
- Taking ITC without receipt of goods
- Fails to obtain registration
- Furnishes any wrong information at the time of registration
- Obstructs / prevents any officer from his duties

PENALTY PROVISIONS

- Transport of goods without document – either Invoice or Delivery Challan
- Fails to provide information to the officer

Rs. 10,000/- or an amount equivalent to the tax evaded in case of above offences

General penalty may extend to Rs. 25,000/-



Thank You

By Manas Joshi

LLB, DTL, CLM

9890016800 / 9119459098

manas@proficientpartners.com

GST Committee

member at



ISO 9001 Organisation

Director at



Proficient
Partners