

Goods and Services Tax (GST)

Presentation made by  ECONOMIC
LAW
PRACTICE to the
Jewellery Panel Members of GJEPC at seminar
organised by



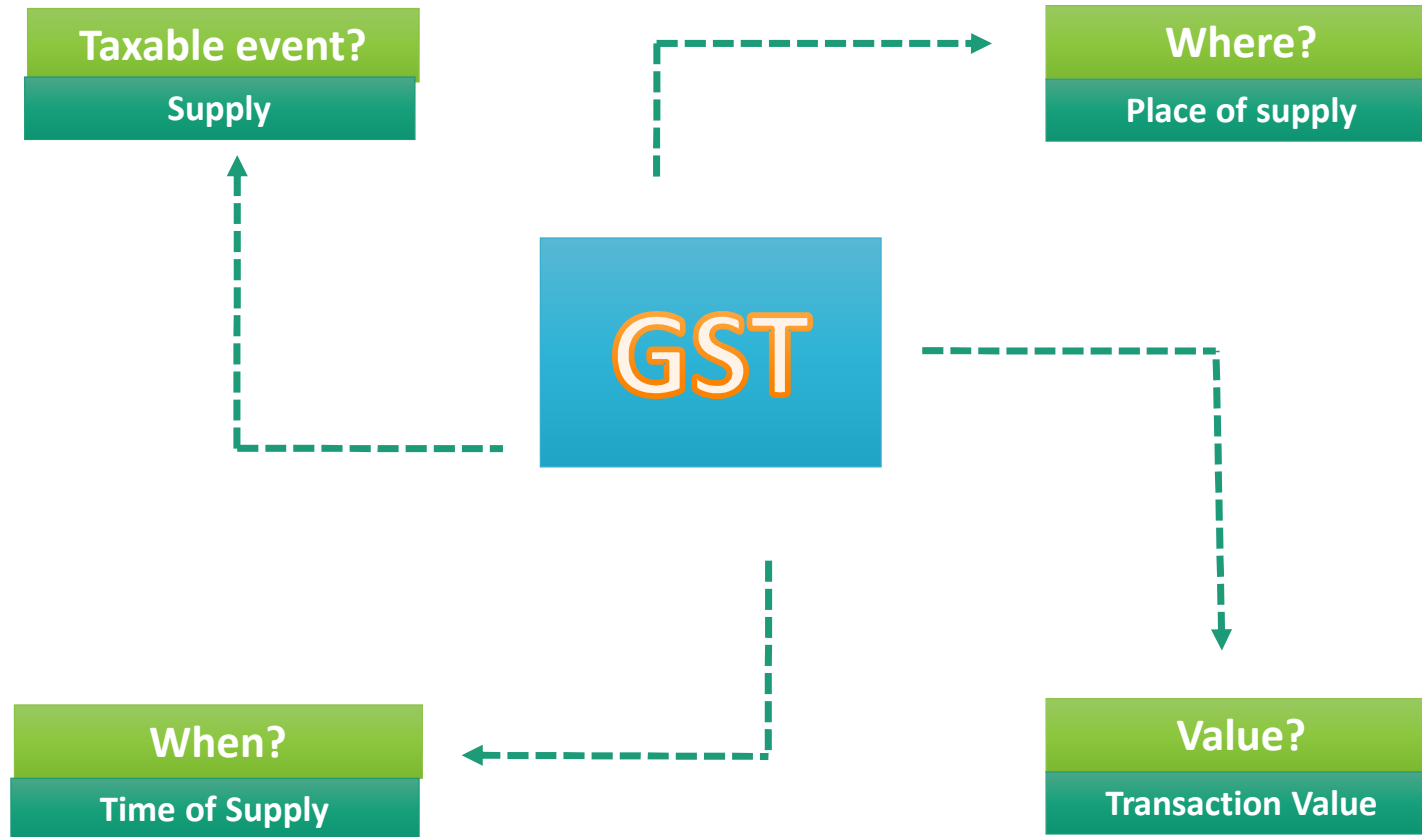
Presenters
Mr. Nishant Shah (9004604323)
Mr. Supreme Kothari (9920890780)

GST – Key concepts

GST Model in India

- The Goods and Services Tax ('GST') is a **mega indirect taxes reform**, and subsumes various indirect taxes
- India has adopted a **dual GST model**, i.e., both the Centre and the States tax supplies of goods and services, to CGST and SGST respectively
- **Inter-State supply of goods and services is subject to IGST**
- The tax has been designed as a '**destination based consumption tax**', i.e., tax accrues on the goods and/or services to the State where they have been consumed
- **Centre exclusively empowered to legislate on GST levied on inter-State movement of goods and/ or services, and on import and export transactions**
- **GST applicable on all goods and services, except:**
 - **Alcoholic beverages** for Human consumption
 - **Petroleum products**, i.e. petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas and aviation turbine fuel to be notified at a later date

Four point analysis



Key concepts set out as under the CGST, IGST, UTGST Acts and the Rules issued

Supply – under GST

all forms of supply of goods and/or services such as sale, transfer, barter, exchange, license, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business”

Supplies specified in Schedule I, made or agreed to be made without a consideration.

Scope of ‘Supply’

Schedule I inter alia covers supply of goods or services between related persons or distinct persons, when made in the course or furtherance of business

Schedule II states whether ‘goods’ or ‘services’ in respect of specific supplies

Supply

Supply without Consideration

- Schedule I prescribes activities to be treated as supply even if made without consideration
- Following activities to be considered as supply (taxable) even when made without consideration
 - Permanent transfer or disposal of business assets where input tax credit has been availed on such assets
 - **Supply of goods and/or services between related persons or between distinct persons, when made in the course or furtherance of business**
 - Gift provided to employees, if the value of same exceeds INR 50,000 to an employee in a financial year
 - Supply of goods by a principal to his agent or by an agent to his principal, where agent undertakes to supply/receive such goods on behalf of the principal
 - Import of services by a taxable person from a related person or any of his other establishments outside India

Supply

Distinct Persons:

- If multiple registrations are taken by a person, whether in a single State or in multiple states , each such registration shall be treated as distinct persons i.e. **branch offices shall be treated as distinct persons**

Related Person

- Persons shall be deemed to be related if–
 - such persons are officers or directors of one another's businesses,
 - such persons are legally recognised partners in business,
 - such persons are employer and employee,
 - person directly or indirectly owns, controls or holds twenty-five per cent. or more of the outstanding voting stock or shares of both of them
 - one of them directly or indirectly controls the other,
 - both of them are directly or indirectly controlled by a third person,
 - together they directly or indirectly control a third person;
 - they are members of the same family

Supply

Composite Supply

- **Composite supply:** which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply
 - shall be treated as a supply of such principal supply and taxed on that basis
 - ‘Principal supply’ is defined to mean supply of goods or services which constitutes the predominant element of composite supply, and to which any other supply forming part of that composite supply is ancillary

Mixed Supply

- **Mixed supply:** two or more individual supplies of goods or services, or any combination thereof, made in conjunction with each other by a taxable person for a single price where such supply does not constitute a composite supply
 - shall be treated as supply of that particular supply which attracts the highest rate of tax

Supply

Schedule II specifies 'what is or is to be treated as a supply of goods or services':

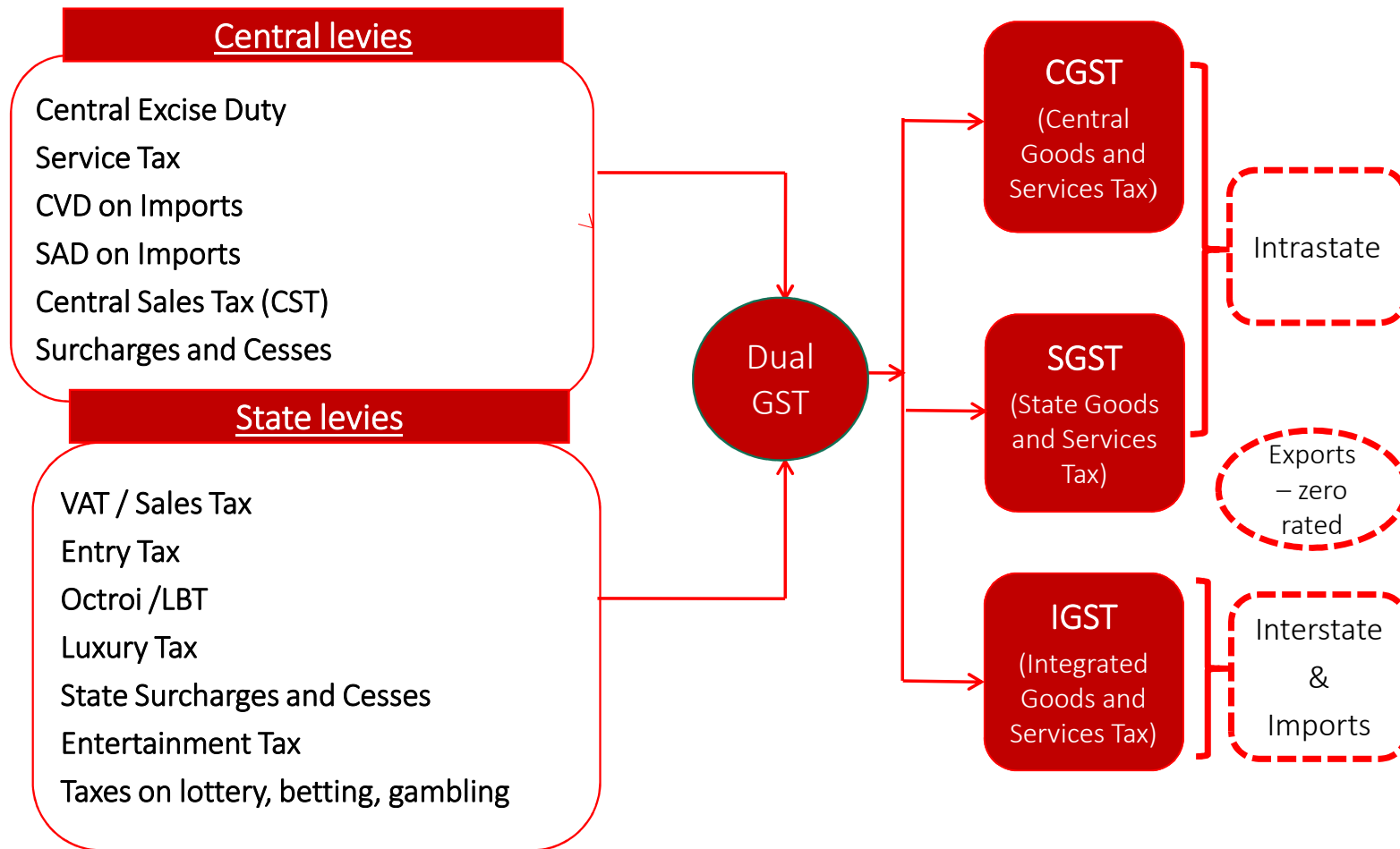
Supply	Nature of Transactions	Treatment
Transfer	Title in goods	Goods
	Goods or of right in goods or of undivided share in goods without the transfer of title thereof	Service
	Of title in goods at a future date upon payment of consideration	Goods
Job-work	Treatment or process	Service
Transfer of business assets	On direction of person carrying on business	Goods
	Put to any private use	Service
	Sale of business assets by person ceases to be taxable, unless— <ul style="list-style-type: none"> ▪ Transferred as a going concern; or ▪ Carried on by a taxable representative 	Goods
Land and Building	Any lease, tenancy, easement, licence to occupy land	Service
	Any lease or letting out of the building for business or commerce	Service
Renting and construction	<ul style="list-style-type: none"> ▪ Renting of immovable property ▪ Construction of building, etc., except if the entire consideration received after issuance of completion certificate 	Services
Works Contract	Works contract including transfer of property in goods (whether as goods or in some other form) for cash deferred payment or other valuable consideration	Service
Various transactions	<ul style="list-style-type: none"> ▪ Temporary transfer/ permitting use of enjoyment of any intellectual property right ▪ Development, design programming, customisation, adaptation, upgradation, enhancement, implementation of information technology software ▪ Agreeing to an obligation to refrain or tolerate any act ▪ Transfer of right to use any goods for any purpose for cash, deferred payment or valuable consideration ▪ Any treatment or process which is applied to another person's goods 	Service

Nature of supply - CGST, SGST and IGST

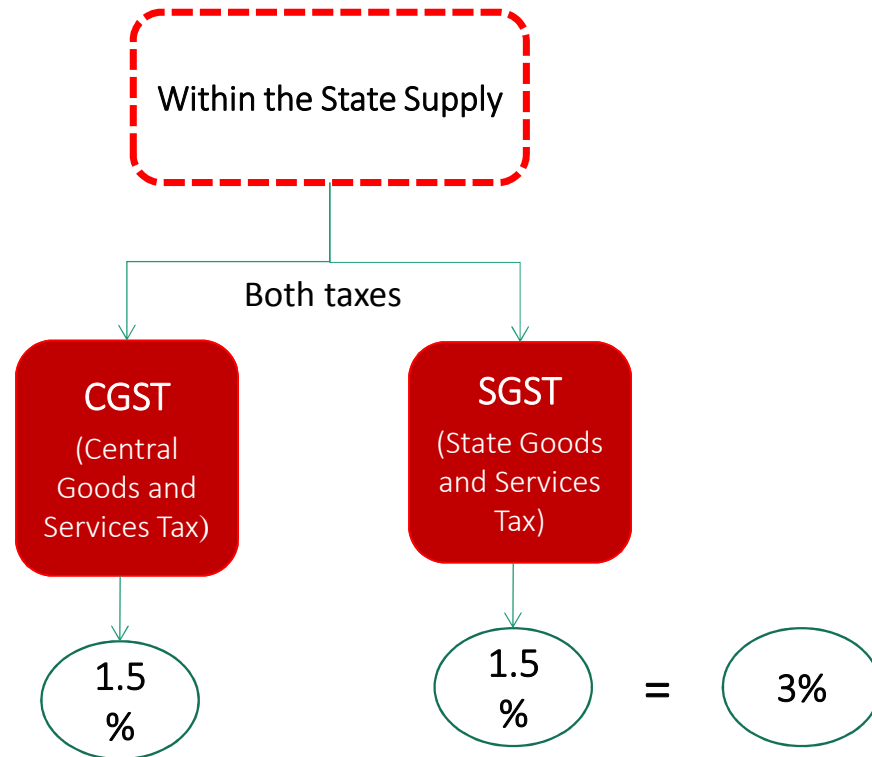
- Section 7 and 8 of the IGST Act

Location of supplier	Place of supply (in terms of the rules)	Nature of transaction	Applicable GST
State A	State B	Inter-state supply	IGST
State A	State A	Intra-state supply	CGST, SGST
Outside India (Import transaction)	State A	Inter-state supply (deemed)	IGST
State A	Jammu & Kashmir	Inter-state supply	IGST
India (Export transaction)	Outside India	Inter-state supply (deemed)	Zero Rated
State A	Special Economic Zone (SEZ)	Inter-state supply	Zero Rated

Levies subsumed and GST Structure

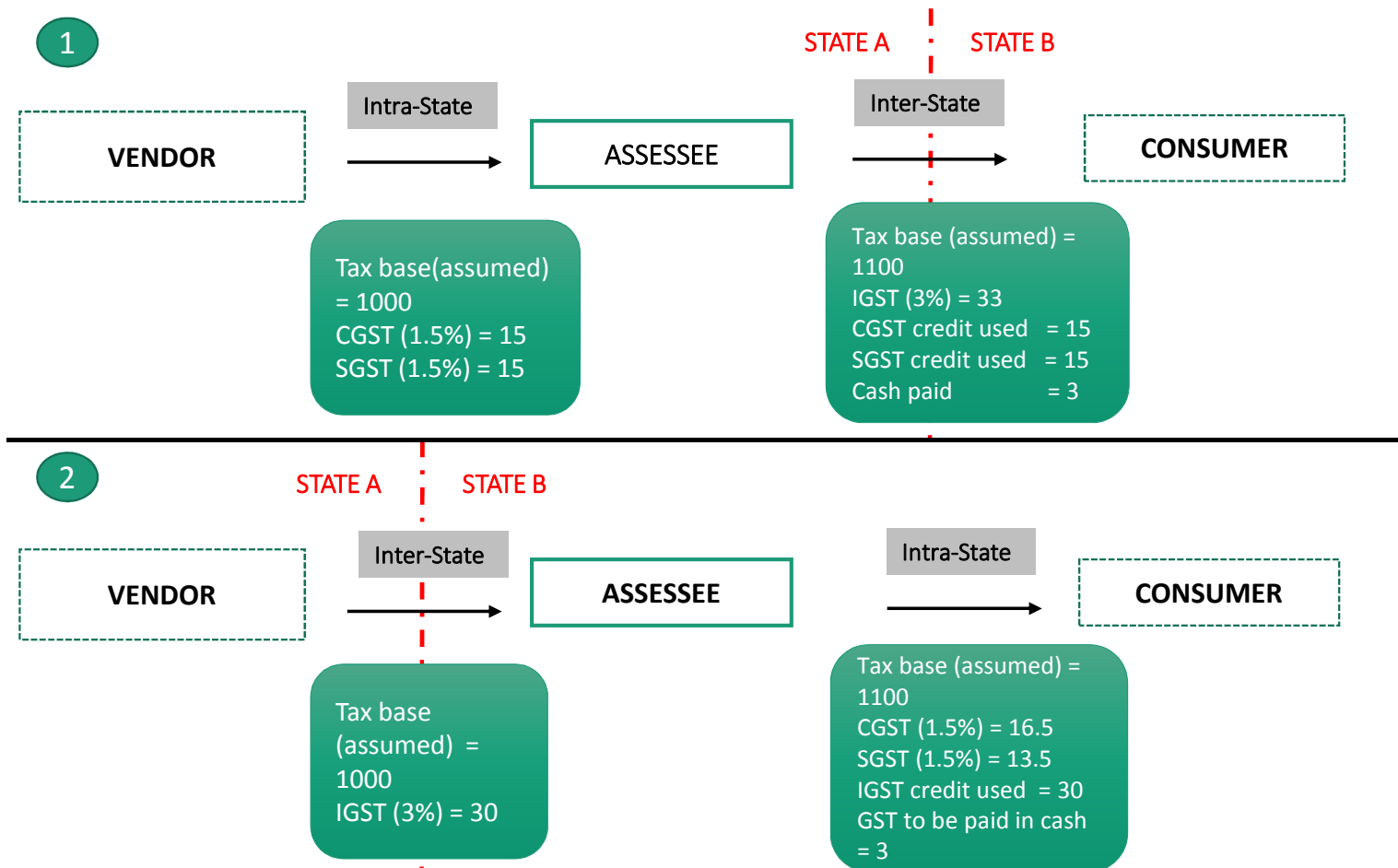


Types of GST



* Assuming a GST rate of 3% on a particular product

Illustration – Inter-state transactions



Place of Supply of Goods

Particulars	Place of Supply of Goods
Where supply involves movement of goods	Where movement terminates for delivery to recipient
Where goods are delivered before or during their movement either by way of transfer of documents of title to the goods or otherwise, to a recipient or any other person on the direction of a third person [<i>Bill to ship to transaction</i>]	Principal place of business of such third person
Where supply does not involve movement of goods	Location of such goods at the time of delivery
Installation / assembly at site	Place of such installation or assembly
Where the goods are supplied on board a conveyance, such as a vessel, an aircraft, a train or a motor vehicle	Location at which such goods are taken on board
Where goods are imported into India	Location of importer
Where goods are exported from India	Location outside India
In any other case (not covered above)	As may be prescribed

Place of Supply for Services

Particulars	POS where both supplier and recipient are in India (Section 12 of IGST Act)	POS where either supplier or recipient are outside India (Section 13 of IGST Act)
Default principle	Location of the service recipient	Location of the service recipient
Transportation of goods	Location of recipient	Location of destination of goods
Performance based (where goods are required to be physically made available)	No specific rule, hence default principle applies	Location where the services are actually performed
Organisation of event including supply in relation to conference, fair, exhibition etc. (including ancillary services)	Location where event is actually held and if outside India – location of recipient	Location where event is actually held
Intermediary services	No specific rule, hence default principle applies	Location of supplier of services

Time of Supply

- Liability to pay GST shall **“arise”** at the “time of supply” of goods/ service
- Significance of time of supply:
 - Determine the time for payment of CGST + SGST / IGST
 - Establishing the period to which supplies are to be allocated for the purposes of registration, calculation of turnover, exemptions, etc.

Time of Supply for Goods - General Rule

- Section 12(2) of the CGST Act – Time of supply of goods shall be the earlier of the following-
 - The date of **issue of invoice** by the supplier or **last date on which he is required to issue invoice**;
 - The date on which **payment is received**;

Time of Supply of Services – General Rule

- Section 13(2) of the CGST Act – Time of supply of services shall be the earlier of the following,
 - **Date of issuance of invoice** (if issued within a period of 30 days from the date of supply of service)
 - **Date of receipt of payment**
 - Date of Provision of service (if invoice not issued within a period of 30 days from the date of supply of service)

Time of Supply for reverse charge

When tax required to be paid-
reverse charge for goods

- Date of receipt of goods
- Date of payment as entered in books of account of recipient or debited in his bank
- Date immediately following 30 days from issue of invoice
- Date of entry in the books of recipient

When tax required to be paid-
reverse charge for services

- Date of Payment as entered in books of account of recipient or debited in his bank account
- Date immediately following 60 days from issue of invoice
- Date of entry in the books of account of the recipient

Value of taxable supply

In terms of Section 15 of the CGST Act, the value of a supply of goods and/or services will be the 'transaction value', that is the price actually paid or payable subject to the condition that:

- the supplier and recipient of the supply are not related; and
- the price is the sole consideration for the supply

INCLUSIONS IN 'TRANSACTION VALUE'	EXCLUSIONS FROM 'TRANSACTION VALUE'
<ul style="list-style-type: none">▪ Any taxes, duties, fees and charges under any other statute▪ Amount that supplier is liable to pay in relation to such supply but which has been incurred by the recipient of supply and not included in the price actually paid or payable for goods/ services▪ Incidental expenses or anything done prior to delivery▪ Interest or late fee or penalty for delayed payment of consideration for supply	<ul style="list-style-type: none">▪ Any discount allowed before or at the time of supply and duly recorded in the invoice;▪ Post-supply discount established as per the agreement and specifically linked to the relevant invoices and where ITC (as attributable to the discount) has been reversed by the recipient of supply, basis the document issued by the supplier.

- **Where the supply of goods or services is for a consideration not wholly in money, the value of supply shall include an amount which is equivalent to the consideration not in money**
- For imports, value to be determined as per provisions of Customs Act, 1962. For rough imports from related entities, this may trigger SVB proceedings

Valuation- Transaction between related/ distinct persons

- In terms of Rule 27 of CGST Rules, the taxable value for such transactions shall be either of the following-
 - the open market value of such supply;
 - if open market value is not available, value of goods or services of like kind and quality;
 - if value is not determinable in terms of above, the value as determined by application of sub rule (c) (basis of cost) or sub rule (d) (residual), in that order
- The second proviso to the said rule states *‘that where the recipient is eligible for full input tax credit, the value declared in the invoice shall be deemed to be the open market value of goods or services’*
- Where GST paid on the aforesaid transactions are fully creditable, a reasonable value adopted for the same will not be disputed by the authorities.

Job work provisions- Section 143

- A registered person may **under intimation**, send any inputs or capital goods, without payment of tax, to a job worker and subsequently to any other job worker and shall-
 - bring back inputs after completion of job work or otherwise (within one year), or capital goods (within three years), without payment of GST
 - If inputs and capital goods are not received within the specified time period, it shall be deemed to have been supplied by the principal at the time when they were initially sent
 - supply such inputs or capital goods, after completion of job work or otherwise, directly from job workers premises on payment of GST within India, or with or without payment of tax for export
 - Supply can be made from job worker's premises only if the principal declares such premises as his additional place of business unless the job worker is registered
- *Input tax credit*- The principal shall be allowed input tax credit on inputs or capital goods, even if directly sent to a job worker for job work without being first bought to his place of business
- *Documentation*- The inputs or capital goods shall be sent to job worker as well as received back under delivery challan issued by principal/ job worker respectively (aspect of the same discussed later)

1. The responsibility for keeping proper accounts for the inputs or capital goods shall lie with the principal
2. It is expected that the principal will keep track of and intimate the GST authorities of all movements that the input undergoes in the job work process- Clarity required on manner and frequency of intimation.

Reverse charge

- As per Section 9(3) and Section 9(4) of the CGST Act, GST would be payable on reverse charge basis in respect of the following-
 - **Supplies made by an unregistered person to a registered person** [Section 9(4)]
 - Notified supplies (e.g. services received from non-resident, GTA services, services of advocates, sponsorship services etc.) [Section 9(3)]
- In such cases, the recipient is required to issue the following documents-
 - An invoice in respect of goods or services or both received by it from the UR supplier. As per Rule 46 of the CGST Rules a registered person may issue a consolidated invoice at the end of a month for such supplies
 - A payment voucher at the time of making payment to the supplier

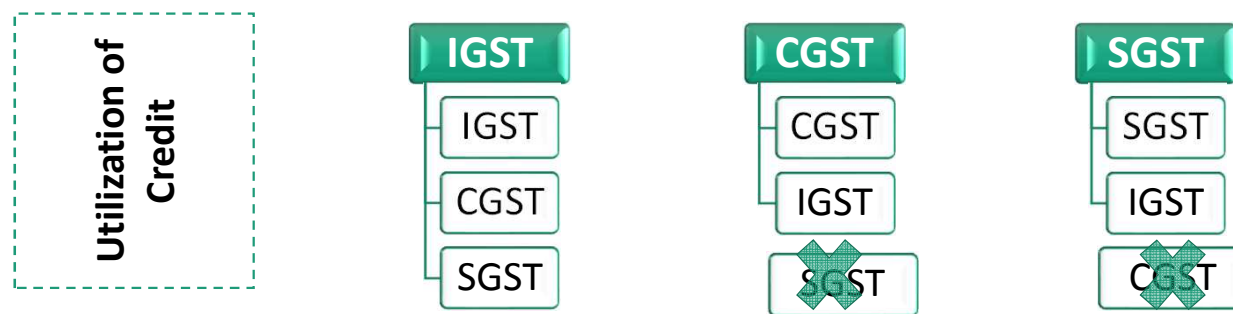
Government has granted an exemption of Rs. 5000/- per day in respect of supplies from unregistered person

Input Tax Credit - Availment

■ Section 16 (2) of the CGST Act prescribes following conditions for taking input tax credit

- Possession of tax invoice or debit note issued by supplier
- Receipt of the goods or services – (no requirement for receipt in registered premise)
- Tax charged has actually been paid to the Government by cash/ credit.
- Person taking the credit has filed his Return
- In case of supply of goods in lots / instalment, the credit shall be available upon receipt of the last lot / instalment;
- Where the recipient fails to pay to the supplier (except in case of RCM), the value for supply and applicable tax within 180 days from the date of issue of invoice, an amount equal to the input tax credit availed by the recipient shall be added to his output tax liability

■ Utilization of Credit



Negative List –for Input Tax Credit

Motor vehicles and other conveyances, except where used - (i)for making specified supplies, (ii) for transportation of goods

Food & beverages, outdoor catering, beauty treatment, health services except where used for making outward taxable supply of same category

Club membership, health and fitness centre, rent-a-cab, life insurance , health insurance , travel benefits extended to employees on vacation

Goods and services used for construction of an immovable property on own account

Supplies on which tax is paid under composition scheme

Goods lost, stolen, destroyed, written off, disposed of by way of gift or free samples

Works contract services used for construction of immovable property (other than P&M) except when used for further supply of said service

Goods and services used for personal consumption

Tax paid as per S. 74, 129, 130

Input Tax Credit – Key points

- Concept of matching of data relating to credits introduced
- Reversal ratio to be applicable for credit arising on account of capital goods as well (unlike the present regime)
- The following are valid documents for the purpose of availing credit
 - invoice, debit note, bill of entry, document issued by Input service distributor
- Input tax credit will be restricted in respect of tax that is regarded as been paid by virtue of any order on account of any fraud, wilful misstatement or suppression of facts
- Input tax credit on inputs, input services and capital goods which are being partly used for the purpose of effective taxable supplies (including zero rated supplies) and partly for effecting exempted supplies shall be attributed for the purpose of business and reversal formula
 - as prescribed under the Rule 42 of the CGST Rules
- If a recipient fails to pay to the supplier the value and tax within 180 days from date of issuance of invoice, credit so taken needs to be reversed and be added to output tax liability (along with interest)
 - The said restriction does not apply to transactions where GST is payable on reverse charge as well as deemed supplies (e.g. stock transfers)

SPECIFIC transactions of the GJI

GST taxation structure for the GJI

Product	GST rate
Rough diamonds/ gemstones	0.25%
All other products	3%
Job work service	5%

Key points to note

Exporters would be required to pay taxes upfront on procurements and thereafter claim refund

Where services of making etc. are provided to the customer or where jewellery is repaired by the job worker or where job work is in respect of imitation jewellery, GST rate of 18% would apply (refer next slide)

GST paid at various stages of value addition would be fully creditable

GST taxation structure for job work

- In terms of Notification No. 11/2017-Central Tax (Rate) dated 28th June 2017, read with **Heading 9988** of Annexure for Scheme of Classification of Services ('SCS'), GST rate for **job work** in relation to ***'Cut and polished diamonds; precious and semi-precious stones; or plain and studded jewellery of gold and other precious metals'*** is 5%
- Job work is defined to mean ***'any treatment or process undertaken by a person on goods belonging to another registered person'***
- **Accordingly-**
 - Where work is done (making, repair etc.) on customer's products (who is unregistered), GST will apply at 18%
 - Where repairing services are provided, which is specifically classifiable under Heading 9987 covering ***'Repair services of watches, clocks and jewellery'***, GST will apply at 18%
 - Job work services in relation to imitation jewellery (not made up of precious and semi-precious stones or gold or other precious metals) shall attract GST at the rate of 18%

Goods sent for exhibition

- Where the goods are sent for display at an exhibition (including entailing inter-state movement) the same would not constitute 'supply' under the GST regime as the same are not supplies made for a consideration
- In context of such movements, Rule 55 of the CGST Rules states that-
 - The consigner may issue a delivery challan in lieu of an invoice at the time of removal of goods for transportation
 - Since such movement is only under a delivery challan no liability arises as there is no invoice or payment
- As regards the return movement, whereas the GST framework does not prescribe any mechanism, the goods may be moved under the same delivery challan. To that extent, the delivery challan should explicitly state that the goods covered thereunder are destined to come back post the exhibition

For an exhibition-cum sale event, the dealer may qualify as 'casual taxable person' as the dealer would undertake transactions involving supply of goods. In such a case the dealer would be required to obtain a temporary registration in the State where the exhibition is held as well as pay an advance tax to the extent of his estimated tax liability. Further, the movement of goods from his registered location (in another State) to the State in which exhibition is being held would also attract IGST (being a supply between distinct persons)

Goods sent for exhibition

- Contents of delivery challan as per Rule 55 of CGST Rules-
 - (i) Date and number of the delivery challan,
 - (ii) name, address and GSTIN of the consigner, if registered,
 - (iii) name, address and GSTIN or UIN of the consignee, if registered,
 - (iv) HSN code and description of goods,
 - (v) quantity (provisional, where the exact quantity being supplied is not known),
 - (vi) Taxable value**
 - (vii) Tax rate and tax amount—central tax, State tax, integrated tax, Union territory tax or cess,
where the transportation is for supply to the consignee,
 - (viii) Place of supply, in case of inter-State movement, and
 - (ix) Signature

Goods sent for exhibition

- **Where goods are being imported from overseas for the purpose of display at the exhibition**
- In terms of Customs Notification No. 8/2016-Cus dated 5th February 2016, when goods are imported for display at an exhibition, the same shall be exempted from payment of applicable Customs duties, subject to the following conditions-
 - In case of imports of precious, semi-precious stones and jewellery, the importer shall submit a certificate issued by GJEPC to the effect that the event for which the goods are being imported has been approved or sponsored or being held by them
 - The goods shall not be removed from the place of the event, without the permission of the Deputy Commissioner of Customs or the Assistant Commissioner of Customs
 - The goods shall be capable of identification at the time of re-exportation and shall be re-exported within six months

The aforesaid exemption has been carried forward under the GST regime vide Notification No. 43/2017 – Customs dated 30th June 2017

Procurement of gold from nominated agencies:

- Owing to levy of IGST qua procurements of gold made by the nominated agencies, on the prescribed Tariff Value determined fortnightly, which, we understand is generally higher than the prevailing market price.
- The market price here refers to the price at which the nominated agency makes the subsequent sale to the members of the GJI i.e. exporters and domestic manufacturers of jewellery, which is typically lower than the tariff value determined.
- The nominated agencies have therefore perceived a scenario wherein they would be faced with a situation of non-refundable unutilized credits
- In terms of the GST framework, where the tariff value is higher than the subsequent sale price, no facility of claiming refund is available to the nominated agency
- Accordingly, they have requested the authorities to provide suitable reliefs so as to enable them to overcome this situation
- Pending resolution of the said issue, certain nominated agencies have temporarily stopped importing as also supplying gold or have stated charging premium to the exporter

The Council has filed representation with the Government seeking redressal of the issue by either providing a refund scheme or levying IGST on LME prices instead of tariff value

Barter transactions:

- **Purchase of old gold jewellery by a jeweller from a consumer**

- In terms of press release dated 13th July 2017 issued by the CBEC, it has been clarified as under-
- **'Even though the sale of old gold by an individual is for a consideration, it cannot be said to be in the course or furtherance of his business (as selling old gold jewellery is not the business of the said individual), and hence does not qualify to be a supply per se. Accordingly the sale of old jewellery by an individual to a jeweller will not attract the provisions of section 9(4) and jeweller will not be liable to pay tax under reverse charge mechanism on such purchases. However, if an unregistered supplier of gold ornaments sells it to registered supplier, the tax under RCM will apply'**
- It is advisable that **a declaration** may be obtained from the customer to the effect that he is undertaking the said transaction in a personal capacity and not in course of furtherance of any business

- **Valuation for new jewellery supplied in exchange of an old jewellery**

- A transaction of 'exchange' is specifically covered as a specie of supply under Section 3 of the CGST Act
- Since price is not the sole consideration for the sale, as per Section 15 of the CGST Act, read with Rule 27 of the CGST Rules, taxable value shall inter alia be the market value of the new jewellery or the value of goods of like kind and quality
- GST will typically be chargeable on the market value of the goods which are sold in exchange for the old product

Gold/ diamond/ gemstones provided by customer for making

- The transaction can be structured under the following two options-
 - Supply of service and goods
 - Invoice to be raised for making charges applying GST@18% *[will not qualify as job work as the customer is not a registered person]*
 - Invoice to be raised for supply of goods applying GST @3%
 - Proper documentation to be maintained for receipt and return of goods provided by customer
 - Sale and purchase
 - Goods provided by customer to be shown as URD purchases and no GST to be paid on RCM basis as supply not in course or furtherance of business
 - It is advisable that a declaration may be obtained from the customer to the effect that he is undertaking the said transaction in a personal capacity and not in course of furtherance of any business
 - Invoice to be raised for the entire product value applying GST @3%

Transaction may be structured from the perspective of reducing final tax burden on the customer after adopting a uniform principle as regards applying alternate options

Inputs sent to own units in another State for manufacture

- *In terms of Section 25(4) of the CGST Act, 2017, **units of same person in different states shall be considered as 'distinct persons for the purposes of this Act'***
- *Further, as per of Section 143(1) of the CGST Act,2017, '**a registered person may** under intimation and subject to such conditions as may be prescribed, **send any inputs or capital goods, without payment of tax, to a job worker for job work** and from there subsequently send to another job worker.....'*
- *Also, in terms of Section 2(68) of the CGST Act, 2017, 'job work means **any treatment or process** undertaken by a person **on goods belonging to another registered person** and the expression "job worker" shall be construed accordingly'*
- *Evidently, the facilitation under Section 143 is available in relation to job work activity carried out by a job worker on goods belonging to another '**registered person**'. Thus, as both the units of the same person are different registered persons for the purposes of GST, the said transaction should be eligible for the facilitation of Section 143 of the CGST, Act, 2017. Even otherwise, as per Section 25(4) such units are deemed to be distinct persons for the purposes of GST*

Inputs sent to own units in another State for manufacture contd.

- *Where the transaction is structured as 'job work', GST would not apply on the corresponding stock transfers of inputs / finished products*
 - *GST would however be applicable on the processing charges for undertaking manufacture*
- *The movement of inputs and finished product would have to be made under delivery challans*
- *However, one may dispute that as the goods are owned by the same entity, the cutting and polishing unit cannot be said to be working on goods belonging to another person*
 - *Accordingly, the movement of the diamonds between such branches may be said to be not covered by Section 143 of the CGST Act, 2017, and GST may be sought to be recovered on the corresponding stock transfers at the rate of 0.25% or 3%.*
 - *Credit of such GST paid would be available in the hands of the branch.*

Inputs sent to own units in another State for further issuance to job workers

- Can the receiving units be construed to be a job-worker?
 - In terms of Section 2(68) of the CGST Act ***'job work means any treatment or process undertaken by a person on goods belonging to another registered person and the expression "job worker" shall be construed accordingly'***
 - As per FAQ issued by the CBEC
 - *Q 1. What is job work? - Ans. Job work means undertaking any treatment or process by a person on goods belonging to another registered taxable person. **The person who is treating or processing the goods belonging to other person is called 'job worker'** and the person to whom the goods belongs is called 'principal'. This definition is much wider than the one given in Notification No. 214/86 – CE dated 23rd March, 1986. In the said notification, job work has been defined in such a manner so as to ensure that the activity of job work must amount to manufacture. Thus the definition of job work itself reflects the change in basic scheme of taxation relating to job work in the proposed GST regime.*

For qualifying as job worker, the receiving unit would be required to carry some treatment or process. Where the transaction is not structured as 'job work', GST would apply on the corresponding stock transfers of inputs / finished products

Movement for various processes in a single manufacturing cycle

- The modus operandi of jewellery manufacturing requires movement to various jobbers for various processes
- As per Section 143 of the CGST Act, a principal may move inputs from one job-worker to another, under intimation to the GST officer
- However, practically, the principal may not even be aware of the several movements that may take place in course of jewellery manufacture
- As per the GST framework, the principal is required to report movements made to each job-worker, as made under Section 143

1. Where possible and practical, all movements should be made under the delivery challan (issued in terms of Section 143) of the principal itself
2. Where it is not possible or practical to affect any movement under the delivery challan of the principal, the respective job-worker may move the input under his delivery challan (not under Section 143), specifying reasons for the movement as also disclosing the details of the principal therein

Snapshot of GST- ITC- 4 to be filed by the principal

- The details of challans in respect of goods dispatched to a job worker or received from a job worker or sent from one job worker to another **during a quarter** shall be included in **FORM GST ITC-04** furnished for that period **on or before the twenty-fifth day of the month succeeding the said quarter.**

Form GST ITC-04
[See rule – 45(3)]

Details of goods/capital goods sent to job worker and received back

- GSTIN -
- (a) Legal name -
(b) Trade name, if any –
- Period: Quarter - Year -

4. Details of inputs/capital goods sent for job-work

GSTIN / State in case of unregistered job- worker	Challan no.	Challan date	Description of goods	UQC	Quantity	Taxable value	Type of goods (Inputs/capital goods)	Rate of tax (%)			
								Central tax	State/ UT tax	Integrated tax	Cess
1	2	3	4	5	6	7	8	9	10	11	12

Snapshot of GST- ITC- 4 to be filed by the principal

5. Details of inputs/capital goods received back from job worker or sent out from business place of job-work

GSTIN / State of job worker if unregistered	Received back/sent out to another job worker/ supplied from premises of job worker	Original challan No.	Original challan date	Challan details if sent to another job worker			Invoice details in case supplied from premises of job worker		Description	UQC	Quantity	Taxable value
				No.	Date	GSTIN/ State if job worker unregistered	No.	Date				
1	2	3	4	5	6	7	8	9	10	11	12	13

Sale on Approval:

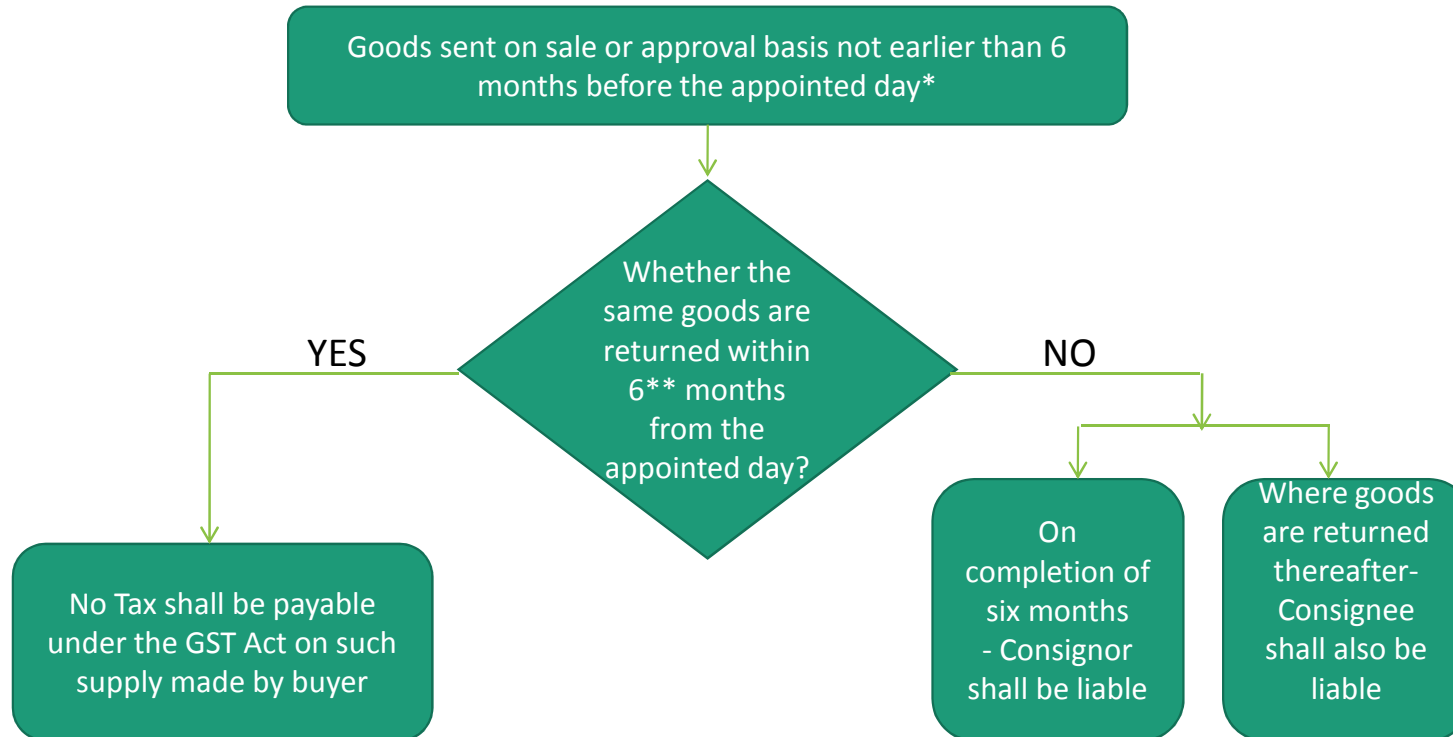
- As per Section 12 of the CGST Act, the time of supply for goods is earlier of invoicing/ receipt of consideration
- According to Section 31 (7) of the CGST Act *'where the goods being sent or taken on approval for sale or return are removed before the supply takes place, the invoice shall be issued before or at the time of supply or six month from the date of removal, whichever is earlier'*
- **Accordingly, for such movements, the time of supply would arise upon supply taking place or on expiry of six months from removal. Therefore, if goods return back prior to six months, GST would not be required to be paid**
- Rule 55 of the CGST Rules states that
 - The consigner may issue a delivery challan in lieu of an invoice at the time of removal of goods for transportation, the contents of delivery challan are also mentioned in the rule
 - Since such supply is only on a delivery challan no liability arises as there is no invoice or payment

Goods are carried by representative of an entity to another State

- Where the customer is known, the goods may be moved on sale on approval basis to such customer, under a delivery challan. As and when the customer approves the goods, an invoice may be issued charging IGST
- However, where the customer is not pre-identified or where the goods are to be shown to various persons in one or more States, the supplier will need to obtain registration as a casual taxable person in the respective State[s]
 - The registration must be obtained at least 5 days prior to making any sales, and will be for a limited period of time
 - The supplier has to pay an advance deposit of the estimated GST amount at the time of taking registration, which can be adjusted for paying the GST on sales
 - If any balance amount of deposit is left, the same will be refunded

Alternatively, the goods may be moved under delivery challan as 'samples for display purposes only' and then brought back to the origin State. Interested customer may be requested to place orders subsequently, based on which orders a separate inter-state supply, charging IGST, may be made

Section 142(12): Tax treatment on goods sent on Sale or Approval basis (Transitional Provision)



As per the **Rule 120 of the CGST Rules**, every person having goods sent on approval under the earlier law and to whom sub-section (12) of section 142 applies shall, within ninety days of the appointed day, submit details of such goods sent on approval in **FORM GST TRAN-1**

* “appointed day” means the date on which the provisions of GST Act shall come into force

** Such period of 6 months can be extended by the competent authority for a further period not exceeding further 2 months.

Advance Received

- Advances received will be liable to GST at the time when it is received from the customer
- However, where supply is made against such advances in the same tax period, the time of supply would be determined based on the date of invoice. Thus, GST shall be payable on advances only to the extent supply against the same have not been made during a tax period
- Receipt voucher is to be issued for every advance received
- If the nature of supply is not known at the time of receipt of advance, GST will be payable at the rate of 18%
- If the place of supply is not known at the time of receipt of advance, IGST will be payable

As per the definition of 'consideration' –deposit given in respect of the supply of goods or services or both shall not be considered as payment made for such supply unless the supplier applies such deposit as consideration for the said supply

Exports and supplies to SEZ

- In terms of Section 16 of the CGST Act, 'zero-rated supply' *inter alia* includes export of goods outside India and supply of goods to units located in SEZ
- On account of zero rating of supplies, the supplier will be entitled to claim input tax credit in respect of goods or services or both used for such supplies even though they might be non-taxable or even exempt supplies
- In terms of the said Section 16, a registered person making zero-rated supplies shall be eligible to claim refund under Section 54 of the CGST Act under either of the following options-
 - Making such supply under bond/ letter of undertaking without payment of IGST, and, claiming refund of unutilized input tax credit
 - Making such supply on payment of IGST and claiming refund of the same thereafter

Exports and supplies to SEZ- Bond/LUT

- As per Notification No. 16/2017- Central Tax, dated 7th July 2017, **LUT** will be accepted in lieu of bond where-
 - Where the exporter is a status holder in terms of FTP, or
 - Where the exporter has, in the preceeding year received foreign inward remittances of Rs 1 crore or 10% of his export turnover, whichever is higher
 - In either cases, the exporter should not have been prosecuted for any offence under the CGST Act or under any of the existing laws, where the amount of tax evaded exceeds Rs. 2.50 Crores
- Vide circulars, the following has been clarified
 - As regards LUT, it has been clarified that it shall be furnished on letterhead and shall be valid for twelve months. If the exporter fails to comply with the conditions of the LUT, he may be asked to furnish a bond
 - All exporters who are not eligible to furnish LUT shall be required to furnish a bond on non-judicial stamp paper of the value as applicable in the State in which bond is being furnished
 - Bond/LUT shall be accepted by GST jurisdictional DC/AC, however exporter is at liberty to furnish the same to Central/ State tax authority till the administrative mechanism for assigning of tax payers to respective authority is implemented

Exports and supplies to SEZ- Bond/LUT

- Where **Bond** is required to be furnished, the same would be a running Bond and would cover the amount of tax involved in such supply based on estimated tax liability as assessed by the assessee himself
- In cases where a Bond is required to be furnished, the jurisdictional Commissioner may decide about the amount of bank guarantee depending upon the track record of the assessee. If Commissioner is satisfied with the track record of an assessee, then furnishing of Bond without bank guarantee would suffice. In any case, the bank guarantee should normally not exceed 15% of the Bond amount
 - Provision of bank guarantee to be implemented liberally
 - Exporter registered with recognized Export Promotion Council can be allowed to export without bank guarantee on submission of a self-attested copy of the proof of registration with a recognized Export Promotion Council.
 - As regards to 1 cr criteria, a person having one PAN and registered in more than one State may not satisfy the said condition for furnishing LUT for each registration, though on an overall basis (for all registrations taken together) he may meet the same. In such cases, the registered person can be allowed to submit bond without bank guarantee. No taxability *vis-à-vis* bond
- The LUT/bond should be processed on top most priority and should be accepted within a period of three working days from the date of submission of LUT/bond along with complete documents by the exporter
- The requirement of bond/LUT will equally apply to supplies made to SEZ developer/ unit as well as export of services

Export under LUT/Bond

Indicative list of documents that may be provided/submitted

- *Bond backed by Bank Guarantee for export of goods or services without the payment of Integrated Tax on 500 Rs. Stamp paper duly notarised/signed before some gazetted officer.*
- *Bond/Letter of Undertaking in form GST-RFD 11 is to be furnished .*
- *A self-declaration by the exporter to the effect that he has not been prosecuted for any offences under the Central Goods and Service Tax Act 2017 or any other existing laws involving more than two hundred and fifty lakh.*
- *Document showing the provisional GSTIN/GST Registration certificate issued to the registered person duly self-attested.*
- *Attested copy of PAN card based on which the GSTIN Registration Certificate has been issued to the registration person.*
- *Attested document showing the proof that the registered person is a status holder/ or remittances received from DGST website duly self-attested or CA certified and bank certificate to show that the foreign inward remittances amounting to minimum of 10% of the export turnover which is not less than Rs. 1 Crore was received during the preceding financial year.*
- *Attested Documents showing the IEC number of the registered person.*
- *Attested copy of PAN card and Aadhar card of the person executing the LUT as well as of the witness*
- *Authorisation of the person signing the Bond/LUT by such working partner, Board of Directors of such Company or Proprietor on the letter head of the registered person.*

Refund provisions

- In terms of Section 54 of the CGST Act, refund of unutilised input tax credit can be claimed for any tax period under the following scenarios-
 - Such unutilised input tax credit is attributable to zero rated supplies made without payment of GST (i.e. exports and supplies to SEZ)
 - Such unutilised input tax credit has accumulated on account of rate of tax on inputs (not input services) being higher than the rate of tax on outward supplies of goods/services
- In terms of Section 54(6) of the CGST Act read with the CGST Rules, where refund relates to zero rated supplies, 90% of the claim amount would be provisionally refunded within seven days of filing of complete application, subject to prescribed conditions
- In terms of Rule 89(4) of the CGST Rules, in *'case of zero-rated supply of goods or services or both without payment of tax under bond or letter of undertaking in accordance with the provisions of sub-section (3) of section 16 of the Integrated Goods and Services Tax Act, refund of input tax credit shall be granted as per the following formula:*
 - **Maximum Refund Amount** = *(Turnover of zero-rated supply of goods + Turnover of zero-rated supply of services) x Net ITC [availed amount] ÷ Adjusted Total Turnover'*
 - ***Net ITC" means input tax credit availed on inputs and input services during the relevant period'**

Each entity needs to examine its transaction pattern to determine as to which option of making zero-rated supply would be more suitable for it

Refund- timelines

▪ **Exported under bond/ LUT without payment of IGST**

- Refund claim can be filed for each return period
- The same can be filed after furnishing of GSTR-3 (i.e. after 20th of the subsequent month)
- The provisional refund of 90% would be paid within 7 days after a completed application is received. The acknowledgement of refund application is normally issued within a period of 14 days
- The refund claim will be reviewed from the perspective of completeness
- Balance refund would be granted after detailed verification

▪ **Export on payment of IGST**

- The shipping bill filed by an exporter shall be deemed to be an application for refund of integrated tax paid and such application shall be deemed to have been filed only when:-
 - the person in charge of the conveyance carrying the export goods duly files an export manifest or an export report covering the number and the date of shipping bill or bills of export; and
 - the applicant has furnished a valid return in FORM GSTR-3 or FORM GSTR-3B, as the case may be
- The provisional refund of 90% would be paid after 7 days of filing of the said returns and the balance refund would be granted after detailed verification

Re-import of goods- Certain scenarios

❑ Exported on consignment

- Hitherto, vide serial no. 3 of Notification No. 94/96- Cus dated 16th December 1996, the GJI was claiming exemption from BCD and CVD on goods re-imported (earlier exported on consignment basis). The said exemption was being claimed under the residual entry of the said Notification-
 - *Goods other than those falling under Sl. Nos. 1 and 2*
- The said benefit has been carried forward into the GST regime vide residuary entry of **Notification No. 46/2017 – Customs dated 30th June, 2017 (Serial No.5)**

❑ Repair and re-making etc.

- Vide Notification No. 158/1995-Customs dated the 14th November 1995 , the GJI was claiming exemption from BCD and CVD on goods imported for repairs, remaking etc., subject to prescribed conditions
- The said benefit has been carried forward into the GST regime vide **Notification No. 43/2017 – Customs dated 30th June, 2017 (Serial No.15)**

Processing/ manufacturing loss:

- In terms of Section 143(5) *'any waste and scrap generated during the job work may be supplied by the job worker directly from his place of business on payment of tax, if such job worker is registered, or by the principal, if the job worker is not registered'*
- However, the aforesaid provision does not cover process loss/ manufacturing loss which is not recoverable
- In terms of Foreign Trade Policy issued by the DGFT, specific wastage norms are prescribed for the jewellery sector ranging from 0.20% to 5%

**In terms of Rule 27 of the CGST Rules, GST would be payable on any non monetary consideration
The aforesaid factors should be borne in mind for arriving at an appropriate treatment under
GST as regards processing loss**

Services of intermediary/ aggregators

- Can the intermediary/ aggregator be construed as job-worker?
 - In terms of Section 2(68) of the CGST Act **'job work means any treatment or process undertaken by a person on goods belonging to another registered person and the expression "job worker" shall be construed accordingly'**
 - As per FAQ issued by the CBEC
 - *Q 1. What is job work? - Ans. Job work means undertaking any treatment or process by a person on goods belonging to another registered taxable person. **The person who is treating or processing the goods belonging to other person is called 'job worker'** and the person to whom the goods belongs is called 'principal'. This definition is much wider than the one given in Notification No. 214/86 – CE dated 23rd March, 1986. In the said notification, job work has been defined in such a manner so as to ensure that the activity of job work must amount to manufacture. Thus the definition of job work itself reflects the change in basic scheme of taxation relating to job work in the proposed GST regime.*

For qualifying as job worker, the intermediary/ aggregator would be required to carry some treatment or process. Where the transaction is not structured as 'job work', GST would apply at the rate of 18%. However, it may be argued that qua the principle who sends the goods to the intermediary/ aggregator, in substance, the latter would be commercially perceived as a job-worker, though such view may be litigious

Key procedures

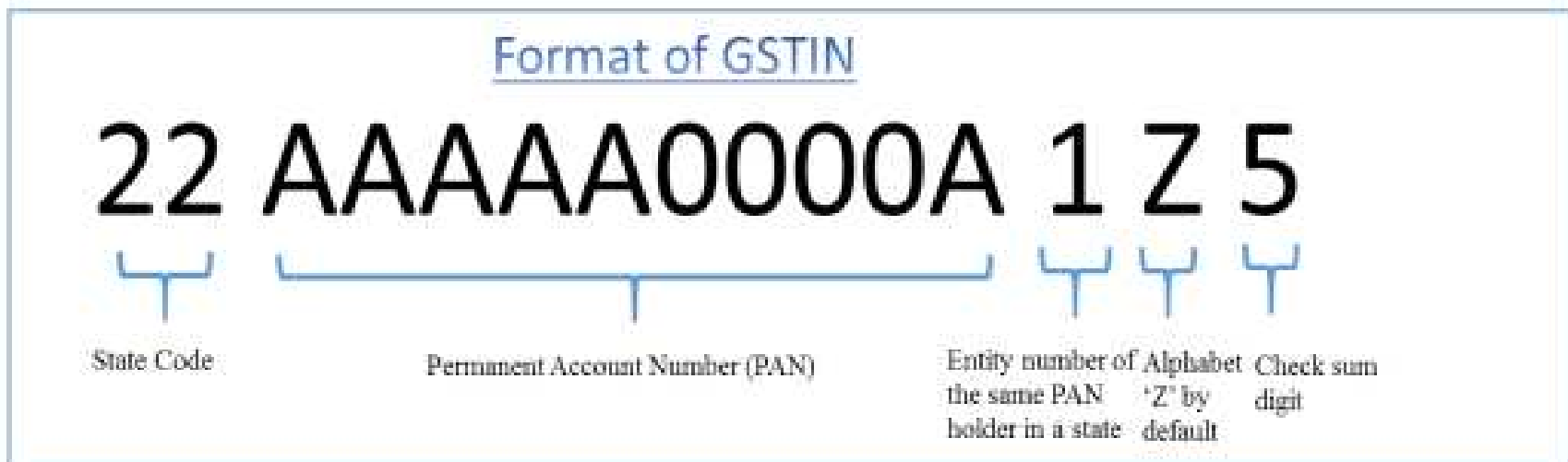
Registration – where to register?

- Liability to register in such States or Union territories “from where the taxable supply of goods or services” is made by the supplier and for this purpose the threshold aggregate turnover in a financial year is rupees **twenty lakh/ten lakh***
 - Annual turnover to be computed on PAN India basis
- The term ‘from where taxable supply is made’ is not defined. View can be taken that the same includes places where the supply emanates from
- Compulsory registration in following cases:
 - Persons making inter-state supply
 - Casual taxable persons making taxable supply
 - Persons required to pay tax under reverse charge
 - Non-resident taxable person making taxable supply
 - Input service distributor

**For state of Arunachal Pradesh, Assam, Jammu Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh and Uttarakhand*

As per Rule 8 of the CGST Rules, an SEZ unit would be required to obtain a separate registration from the DTA unit

Logic for GSTIN Field



Transaction documents

Document	Event for issuance	Person required to issue	Time for issuance
Tax Invoice	Supply of taxable goods	Supplier of goods	Removal of goods
Tax Invoice	Supply of taxable services	Supplier of services	Within 30 days from supply
Tax Invoice	Supplies from unregistered person	Recipient of supply	On receipt of goods or services
Payment Voucher	Supplies taxable under reverse charge	Recipient of goods or services	At time of payment
Credit Note	Decrease in value of supply*	Supplier	Within specified time period**
Debit note	Increase in value of supply	Supplier	-
Receipt voucher	Receipt of advance	Recipient of advance	Receipt of advance
Refund voucher	Refund of advance for which no supply is made	Recipient of Advance/Supplier	At the time of refund
Delivery Challan	Job work or movements not being supply	Consigner	Removal of goods

*Where GST was paid on a higher value/ goods are returned/ supplies are deficient

**Not later than the date of filing of return for September of the following financial year or date of furnishing annual return, whichever is before

Invoicing - requirements

- The details to be captured in the invoice as per Rule 46 of the CGST Rules include the following –
 - a) Name, address and GSTIN of the supplier;
 - b) a consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters hyphen or dash and slash symbolised as “-” and “/” respectively, and any combination thereof, unique for a financial year;
 - c) date of its issue;
 - d) name, address and GSTIN or UIN, if registered, of the recipient;
 - e) name and address of the recipient and the address of delivery, along with the name of State and its code, if such recipient is un-registered and where the value of taxable supply is fifty thousand rupees or more;
 - f) HSN code of goods or Accounting Code of services;**
 - g) description of goods or services;
 - h) quantity in case of goods and unit or Unique Quantity Code thereof;
 - i) total value of supply of goods or services or both;
 - j) taxable value of supply of goods or services or both taking into account discount or abatement, if any;
 - k) rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);
 - l) amount of tax charged in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess);
 - m) place of supply along with the name of State, in case of a supply in the course of inter-State trade or commerce;**
 - n) address of delivery where the same is different from the place of supply;**
 - o) whether the tax is payable on reverse charge basis; and
 - p) signature or digital signature of the supplier or his authorized representative:

Returns

Sl. No	Return/ Ledger	Period	For	To be filed by
1.	GSTR-1	Monthly	Format for furnishing details of outward supply for each registration	10th of next month
2.	GSTR-2A	Monthly	Part A – <ol style="list-style-type: none"> 1. Details of inward supplies received from a registered person other than supplies attracting reverse charge 2. To include details of Inward supplies received from a registered person on which tax is to be paid on reverse charge 3. Details of Debit/Credit note (including amendment thereof) received during current tax period Part B – Details of ISD credit (Including amendment thereof) received Part C – TDS and TCS credit (Including amendment thereof) received	To be accepted before 15 th of the said month
3.	GSTR-2	Monthly	Format for furnishing details of inward supplies for each registration	15th of next month
4.	GSTR-1A	Monthly	Details of inward supplies, added, corrected or deleted by Recipient, auto-populated on GSTN (based on GSTR-2 submitted by Recipient)	To be accepted on or before 17 th of next month but not before 15 th of the said month
5.	GSTR-3	Monthly	<ul style="list-style-type: none"> - Part A – Auto-population based on GSTR-1 and GSTR-2 submitted - Part B – To specify debits to electronic cash ledger / electronic credit ledger - Refunds to be claimed under Part B 	20th of next month

Return will not be accepted where Return for previous tax periods has not been furnished

Returns

Outward supplies	Inward supplies
<ul style="list-style-type: none">• Invoice wise details of all inter-state and intra-state supplies made to registered persons• Invoice wise details of all inter-state supplies made to unregistered persons of an invoice value of more than Rs. 2.50 lakhs• Consolidated details of intra-state supplies made to unregistered persons for each rate of tax• Consolidated details of inter-state supplies (below invoice value of Rs. 2.50 lakhs) made to unregistered persons for each rate of tax• Debit and credit note details	<ul style="list-style-type: none">• Invoice wise details of all inter-state and intra-state supplies received from registered or unregistered persons• Details of import of goods• Debit and credit notes

HSN wise summary of outward supplies are to be provided at two digit level for tax payers having annual turnover between Rs. 1.50 Cr. To Rs. 5 Cr and at a four digit level for tax payers having turnover above Rs. 5 Cr.

Simplified returns for first two months

- In terms of the decision taken at the GST council held on 18th June 2017-
 - Simplified returns in form GSTR- 3B recommended for July and August 2017
 - Such returns to contain summary of outward and inward supplies, and, to be filed by 20th of the following month
 - However, detailed returns would also be required to be filed subsequently

Period	GSTR-1	GSTR-2
July 2017	By 5 th September 2017	By 10 th September 2017
August 2017	By 20 th September 2017	By 25 th September 2017

The aforesaid relaxation is directed at providing an elbow room to the industry to adapt their systems to the new tax regime. Accordingly, no late fees would be levied for the interim period

Simplified returns for first two months-GSTR-3B

Form GSTR-3B consists of 6 Tables:

Sr No.	GSTR 3B Table No.	Particulars
1	1	GSTIN number of Registered Person
2	2	Legal name of Registered Person
3	3.1	Details of Outward Supplies & Inward Supplies liable to Reverse Charge
	3.2	Of the supplies shown in 3.1 (a) above, details of inter-State supplies made to a) unregistered persons, b) composition taxable persons c) UIN holders
4	4	Summary of eligible ITC claim bifurcated into IGST, CGST & SGST/UTSGT and Cess
5	5	Summary of Exempted, Nil rated and Non GST inward supplies
6	6.1	Details of payment of tax, which includes Category wise tax payable, ITC availed , TDS credit and Tax paid in cash along with interest and late fees (Though it is not applicable for initial 2 return)
	6.2	Summary of tax category wise TDS/TCS credit

Certain Important Aspects of GSTR 3B:

- Form GSTR 3B can be filed only through **ONLINE MODE**, no office line utility/tool is provided to import of data
- This return is **not applicable for Composite dealer**
- Figures reported in Form GSTR- 3B will be provisional, which can be later rectified while filing GSTR-1 and GSTR-2
- GSTR-3B does not provide the column for brought forward of CENVAT credit & VAT credit from earlier indirect tax regime, thus it seems adjustment towards balance of CENVAT credit and VAT credit against GST tax liability may not be available. We will have to wait and watch for further clarification on subject matter
- Transitional credit will only be available after submission of Form No GSTR TRNS-1

Recently issued Notification differs the date for filing of GSTR-3B to 28th August, in case of assessee intending to file GST TRAN-1 and utilize credit therein.

However as regards assessee is not filing GST TRAN 1 , the date of filing GSTR-3B continues to be 20th August 2017

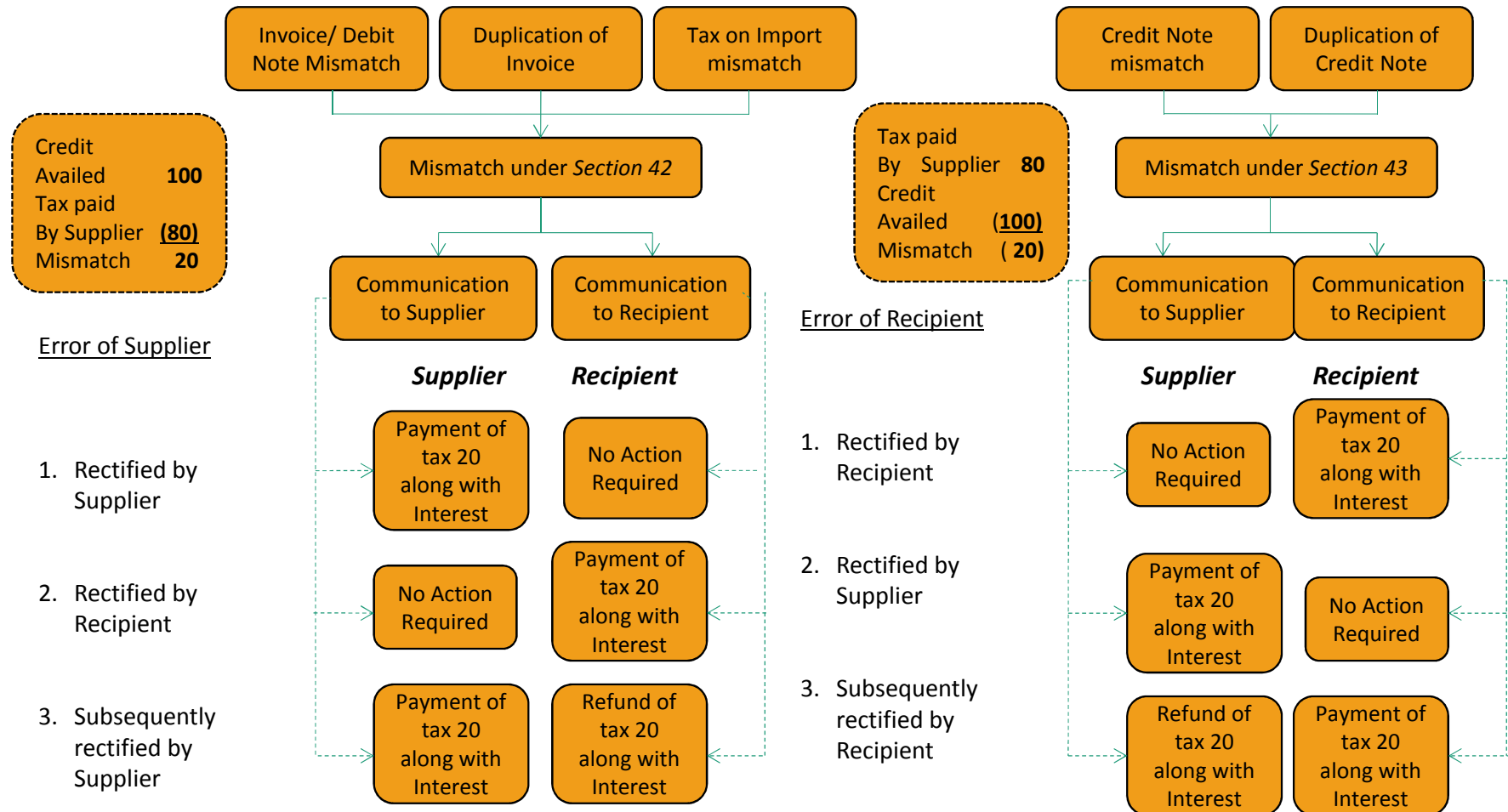
Payments of the tax liability is however due for both the above type of assesses on 20th August 2017.

Mismatch Report

- The Mismatch Report will capture the details of all such line items of the invoices and will be available as a Report for the supplier and receiver
- This system generated report will only be available for viewing. The jurisdictional Tax Authorities will also be eligible to view the Mismatch Report
- Mismatch Report will be generated for every tax period on filing of valid GSTR 3 by the Taxpayer or 21st day of next month whichever is later
- Communication will be sent to both the parties (Supplier & Receiver) on generation of Mismatch Report. The same shall be made available to the registered person making such claim in FORM GST MIS- 1 and the recipient in FORM GST MIS-2 through the common portal on or before the last date of the month in which the matching has been carried out.

Where, in respect of an invoice, there is a mismatch between the values reflected by the supplier and the recipient, and the same is not rectified, the corresponding GST would be added to the output liability of the recipient. Vice versa would apply in relation to mismatch relating to credit notes issued by supplier

Input-Output Mismatch



E-Way Bill

At its 20th meeting held on August 5, the Goods and Services Tax (GST) Council approved the electronic way (e-way) bill, which mandates pre-registration of goods before transportation.

“The e-way bill, which is likely to come into force by October 1, 2017, would be applicable for consignments worth more than US\$780 (Rs 50,000) only. The Council has decided that the e-way bill will not apply to the inter-city movement of goods within 10 kilometers distance, as well as on items exempted from the GST.

The introduction of the e-way bill is expected to significantly reduce wait times at checkpoints, and will streamline the transportation process. The bill would be valid for a period between one day and 20 days, depending on the distance to be traveled.”

For Gujarat: The Form 402/403 which were operational earlier also are continued as their E-way Bills in GST regime

For Maharashtra: E-way Bill is yet to be Notified

Key transitional provisions

Key transitional provisions

Particulars	Explanation	Condition
CENVAT Credit available in return - S 140 (1) of CGST Act	<ul style="list-style-type: none"> CENVAT Credit available as per return (under current regime) can be carried forward to GST 	<ul style="list-style-type: none"> Credit shall not be allowed to be carry forward in following conditions: <ul style="list-style-type: none"> Such credit is inadmissible under GST Where all returns required under existing law for period of 6 months immediately preceding appointed date (i.e. date when CGST Act comes into force) has not been furnished Credit relates to goods manufactured and cleared under such exemption notifications as may be notified
CENVAT Credit of inputs in stock or contained in semi- finished/ finished goods, as on 1 st July 2017, where there was no tax liability under the earlier law [<i>e.g. pure jewellery trader</i>] – S 140(3) of CGST Act	<ul style="list-style-type: none"> Credit of such input tax will be allowed even after the appointed day 	<ul style="list-style-type: none"> Availability of invoice / duty paying document (evidencing payment of duty) issued under current laws Such invoices / duty paying document shall not be issued before 12 months prior 1 July 2017 Where invoice not available, deemed credit of 40% of CGST paid thereon, subject to availability of commercial invoice (benefit should be passed on)
Inputs and input services received after appointed day, but duty paid by supplier as per existing law- S 140(5)	<ul style="list-style-type: none"> Credit of inputs and input services to recipient in relation to the duties and taxes paid by the supplier under the existing law will be allowed even after the appointed day 	<ul style="list-style-type: none"> The invoice is booked by the recipient within a period of 30 days from the appointed day

Key transitional provisions

Particulars	Explanation	Condition
<p>Person who was paying tax under composition scheme - S 140 (6) of CGST Act [e.g. VAT composition dealer in Rajasthan/ Kerala and jewellery manufacturers under Central Excise]</p>	<ul style="list-style-type: none"> ▪ CENVAT Credit of inputs in stock or contained in semi- finished/ finished goods, as on 1st July 2017, will be allowed even after the appointed day 	<ul style="list-style-type: none"> ▪ Availability of invoice / duty paying document (evidencing payment of duty) issued under current laws ▪ Such invoices / duty paying document shall not be issued before 12 months prior 1 July 2017
<p>Goods returns</p>	<p>When duty / tax paid goods are returned after the effective day, the following treatment would apply:</p> <ul style="list-style-type: none"> ▪ Goods returned by unregistered person – The supplier would be eligible for refund of duty / tax paid under the earlier law, provided goods are returned by unregistered person within 6 month ▪ Goods returned by registered person - The return of goods shall be deemed to be a supply. 	<ul style="list-style-type: none"> ▪ For refund, the FG that are returned shall be identifiable as such to satisfaction of the proper officer ▪ Applicable only in respect of sales made within 6 months preceding the appointed date

Snapshot of GSTR 3B:

3.1 Details of Outward Supplies and inward supplies liable to reverse charge

Nature of Supplies	Total Taxable value	Integrated Tax	Central Tax	State/UT Tax	Cess
1	2	3	4	5	6
(a) Outward taxable supplies (other than zero rated, nil rated and exempted)					
(b) Outward taxable supplies (zero rated)					
(c) Other outward supplies (Nil rated, exempted)					
(d) Inward supplies (liable to reverse charge)					
(e) Non-GST outward supplies					

3.2 Of the supplies shown in 3.1 (a) above, details of inter-State supplies made to unregistered persons, composition taxable persons and UIN holders

	Place of Supply (State/UT)	Total Taxable value	Amount of Integrated Tax
1	2	3	4
Supplies made to Unregistered Persons			
Supplies made to Composition Taxable Persons			
Supplies made to UIN holders			

Snapshot of GSTR 3B:

4. Eligible ITC

Details	Integrated Tax	Central Tax	State/UT Tax	Cess
1	2	3	4	5
(A) ITC Available (whether in full or part)				
(1) Import of goods				
(2) Import of services				
(3) Inward supplies liable to reverse charge (other than 1 & 2 above)				
(4) Inward supplies from ISD				
(5) All other ITC				
(B) ITC Reversed				
(1) As per rules 42 & 43 of CGST Rules				
(2) Others				
(C) Net ITC Available (A) - (B)				
(D) Ineligible ITC				
(1) As per section 17(5)				
(2) Others				

Snapshot of GSTR 3B:

5. Values of exempt, nil-rated and non-GST inward supplies

Nature of supplies	Inter-State supplies	Intra-State supplies
1	2	3

209

From a supplier under composition scheme, Exempt and Nil rated supply		
Non GST supply		

Snapshot of GSTR 3B:

6.1 Payment of tax

Description	Tax payable	Paid through ITC				Tax paid TDS/TCS	Tax/Cess paid in cash	Interest	Late Fee
		Integrated Tax	Central Tax	State/UT Tax	Cess				
1	2	3	4	5	6	7	8	9	10
Integrated Tax									
Central Tax									
State/UT Tax									
Cess									

6.2 TDS/TCS Credit

Details	Integrated Tax	Central Tax	State/UT Tax
1	2	3	4
TDS			
TCS			