

HANDBOOK ON GST COMPLIANCES



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE
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PREFACE

India has successfully completed one year of the largest and most significant tax reform on July 1, 2018. Implementation of GST is truly a remarkable achievement for the entire nation and it's a moment to feel proud of Country's achievement of successfully introducing a unified tax system which has done away with various taxes imposed by Centre and States and bringing the entire nation under the purview of "One Nation, One Tax". GST has brought a positive change in the Indian economy. It has brought growth, simplicity in procedures and transparency.

Hon'ble Prime Minister Shri Narendra Modi truly calls GST a "vibrant example of cooperative federalism" as in just one year, it has been evidently demonstrated that 'GST is a fitting tribute to the spirit of cooperative federalism as all decisions in all the meetings of GST Council taken by consensus. GST binds India into an Economic Union, promotes 'Make in India' concept and has improved 'Ease of Doing Business'.

With a view to provide insight of various compliances required under GST laws with respect to the registration, issuance of invoices, maintenance of accounts & records, filing of various returns, assessment & audit and generation of e-way bills, the Institute of Company Secretaries of India has brought this book titled "Handbook on GST Compliances".

I sincerely hope that this publication will serve as a ready reckoner for the professionals' community in effective discharge of their professional responsibilities under GST laws.

I appreciate the efforts put in by Mr. Deepak Kumar, Assistant Director for preparing the manuscript and Ms. Alka Arora, Joint Director for editing and value addition under the guidance and

supervision of CS Sonia Baijal, Director, Professional Development, Perspective Planning & Studies. I would also like to place on record my sincere gratitude to eminent tax experts for reviewing the manuscript and providing their valuable inputs in finalization of this publication.

I welcome readers for their suggestions/comments for further refinement of the publication.

CS Makarand Lele

President

The Institute of Company Secretaries of India

Place : New Delhi

Date : August 16, 2018

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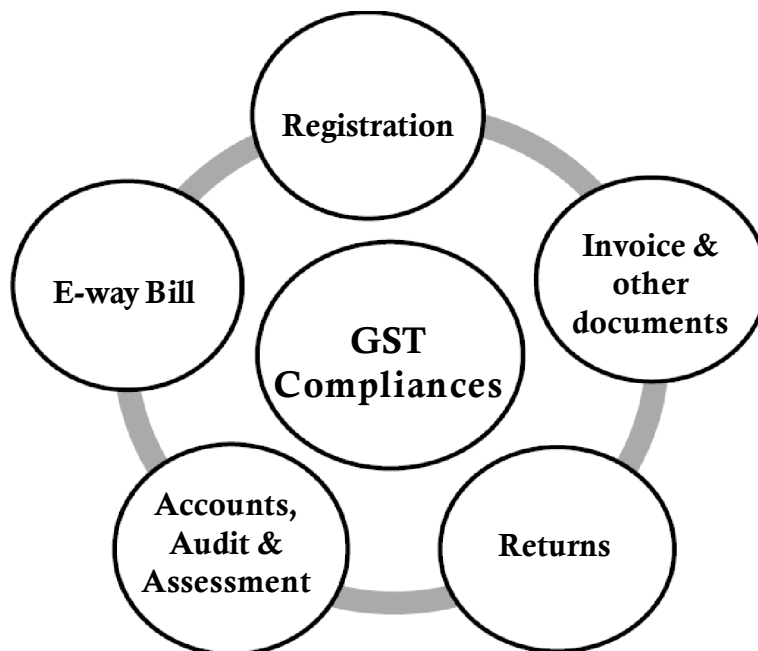
Introduction

GST is a comprehensive, single indirect tax which is levied concurrently on goods and services across India. It has replaced most of the Central and State indirect taxes such as Central Excise Duty, Service Tax, Central Sales Tax, Additional Customs Duty, Special Additional Duty of Customs, Value Added Tax (VAT), Entertainment Tax, etc. and as many as 13 cesses. Before implementation of Goods and Service Tax (GST), Indian taxation system was a farrago of central, state and local area levies. By subsuming more than a score of taxes under GST, road to a harmonized system of indirect tax has been paved making India an economic union.

GST is levied at every stage of the supply and distribution chains by giving the benefit of Input Tax Credit (ITC) of the tax remitted at previous stages; thereby, allowing the seamless flow of credit. Introduction of Goods and Services Tax (GST) in India is the most ambitious initiative in the arena of indirect tax reform. It has changed the Indian tax structure and paved the way for modernization of tax administration. Mainly technologically driven from the registration process, tax payment, return filing to assessment, generation of e-way bills, etc. all the compliances are executed online through the common portal.

As the entire mechanism of GST is based on Information Technology, there is need of competent professionals with the comprehensive working knowledge of GST compliances to effectively discharge their professional responsibilities.

This handbook is an attempt to compile the relevant provisions related to GST compliances, and present in a user friendly manner. This handbook is divided under 6 chapters covering the important aspects of GST Compliances viz Registration, Tax Invoice, Accounts & Records, Returns Filing, Audit & Assessment and E-way Bill Compliances, which are explained in detail in respective chapters.



Detailed Contents

1. *Registration Compliances* : Persons liable for registration, persons not liable for registration, compulsory registration in certain cases, registration process, amendment of registration, cancellation of registration.
2. *Compliance related to invoices & other documents*: Issuance of tax invoice, HSN requirement on Invoice, contents of tax invoice, self invoice, debit note/credit note/revise

invoice, bill of supply, receipt voucher, refund voucher, payment voucher, tax invoice in special cases, transportation of goods without issue of invoice, tax invoice or bill of supply to accompany transport of goods.

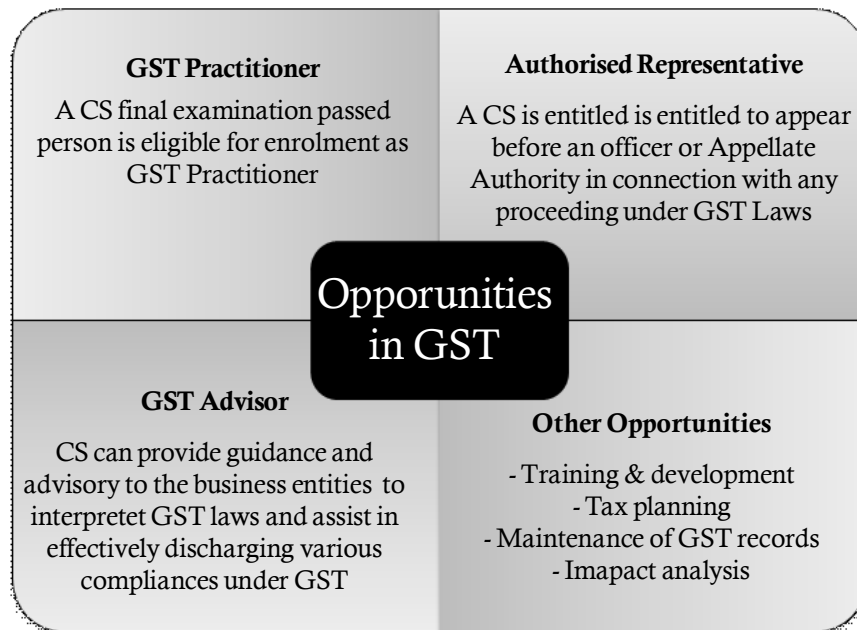
3. *Accounts & Records* : Records at principal place of business, Accounts & records required to be maintained by registered persons, maintenance of electronic records, maintenance of records by the warehouse/godown owner, records to be maintained by transporters, audit of accounts, failure to maintain the accounts.
4. *Compliances related to GST Returns* : GST return mechanisms, types of returns, GST returns calendar, an overview of GST return, ITC matching and auto-reversal.
5. *Assessment & Audit Compliances* : Self-Assessment, Provisional Assessment, Scrutiny of Returns, Assessment of Non-Filers of Returns, Assessment of Unregistered Persons, Audit by Tax Authorities, Special Audit in GST.
6. *E-way Bill Compliances* : Introduction, conditions for generation of e-way bill, process of generation of e-way bill, modes of generation of e-way bill, when to generate e-way bill, situations where furnishing the details in Part B of FORM GST EWB-01 is not mandatory, Where consignor or consignee fails to generate e-way bill, consolidated e-way bill by the transporter , cancellation/ deletion of e-way bill, modification of e-way bill, acceptance/ rejection of e-way bill, validity of e-way bill, goods exempted from the requirement of e-way bill, other cases where e-way bill is not required, documents to be carried with conveyance, inspection & detention of conveyance.

Opportunities for Company Secretaries under GST

For better administration of new tax regime in the country, it is important to have more competent and skilled professionals to facilitate regulators to ensure effective compliance of GST. The

Company Secretaries are experts in interpreting laws and possess required skill-set to handle the regulatory compliances under GST.

The Company Secretaries are rendering value added services to the trade and industry and acting as extended arms of the regulatory mechanism. There are ample opportunities available for Company Secretaries in GST regime viz. compliances, advisory, consultancy, tax planning etc. as they are well versed in understanding the nuances of laws & taxation system.



The Company Secretaries can avail the opportunities available under GST and expand their areas of practice and benefit the profession.

Registration Compliances

PERSONS LIABLE FOR REGISTRATION

General Rule – Every supplier liable for registration in the State or Union territory, from where he makes taxable supply, if his aggregate turnover in a financial year exceeds Rs. 20 lakhs (Rs. 10 lakhs in the specified States of Assam, Arunachal Pradesh, J&K, Himachal Pradesh, Uttarakhand, Manipur, Mizoram, Sikkim, Meghalaya, Nagaland or Tripura) (Sec. 22 (1) of CGST Act, 2017)

Amendments proposed in 28th meeting of GST Council : The threshold exemption limit for registration in the States of Assam, Arunachal Pradesh, Himachal Pradesh, Meghalaya, Sikkim and Uttarakhand to be increased to Rs. 20 Lakhs from Rs. 10 Lakhs.

Aggregate turnover means all taxable supplies, exempted supplies, export supplies on a same PAN to be computed on all India basis including the supplies made on behalf of all his principals but excluding GST.

Other Cases

- (i) Every person who on the appointed day was registered or hold a license under any previous law shall be required to register under GST laws.
- (ii) Where a business is transferred, whether on account of succession or otherwise, to another person as a going

concern, the transferee or the successor, as the case may be, shall be liable to be registered with effect from the date of such transfer or succession.

- (iii) In a case of transfer pursuant to sanction of a scheme or an arrangement for amalgamation or, as the case may be, demerger of two or more companies pursuant to an order of a High Court, Tribunal or otherwise, the transferee shall be liable to be registered, with effect from the date on which the Registrar of Companies issues a certificate of incorporation giving effect to such order of the High Court or Tribunal.

PERSONS NOT LIABLE FOR REGISTRATION

- The following person shall not be liable to registration (Sec. 23 (1) of CGST Act, 2017) –
 - Any person engaged exclusively in the business of supplying goods or services or both that are not liable to tax or wholly exempt from tax;
 - An agriculturist, to the extent of supply of produce out of cultivation of land.
- Exempted through Notification (Sec. 23 (2) of CGST Act, 2017) –
 - *Notification No. 5/2017-Central Tax – If Supplies are under Reverse Charge:*

The persons who are only engaged in making supplies of taxable goods or services or both, the total tax on which is liable to be paid on reverse charge basis by the recipient of such goods or services or both.
 - *Notification No. 32/2017-Central Tax - Casual taxable persons making taxable supplies of Handicraft Goods:*

Casual taxable persons making taxable supplies of handicraft goods are exempted from obtaining the registration, subject to the following conditions –

 - (i) Aggregate value of such supplies does not exceed

Rs. 20 lakhs (Rs. 10 lakhs in special category States other than the State of Jammu & Kashmir) in a financial year on All India basis.

(ii) Casual taxable person shall obtain Permanent Account Number (PAN) and generate e-way bill in accordance with the provisions of Rule 138 of CGST Rules, 2017.

(iii) Exemption is available to such persons who are making inter-State taxable supplies of Handicraft Goods and are availing the benefits of Notification No. 8/2017 of IGST.

— *Notification No. 7/2017-Integrated Tax*– Job Workers engaged in making inter-State supply:

Job Workers engaged in making inter-State supply of services to a registered person are exempted from obtaining registration.

The exemption shall not apply to –

(i) Job worker who is liable to be registered under section 22(1) or who opts to take voluntary registration under section 25(3) of CGST Act, 2017.

(ii) Job worker involved in making supply of services in relation to Jewellery, goldsmiths' and silversmiths' wares and other articles.

— *Notification No. 10/2017-Integrated Tax* – Inter State supplies of taxable services upto Rs. 20 lakhs (Rs. 10 lakhs in special category States other than the State of Jammu & Kashmir):

Persons making inter-State supplies of taxable services upto Rs. 20 lakhs (Rs. 10 lakhs in special category States other than the State of Jammu & Kashmir) in a financial year shall be exempted from obtaining registration.

- *Notification No. 65/2017 – Central Tax* – Persons making supplies of services, other than supplies specified u/s 9(5) of the CGST Act, 2017 through an electronic commerce operator who is required to collect tax at source u/s 52 of the said Act, and having an aggregate turnover, to be computed on all India basis, not exceeding an amount of twenty lakh rupees in a financial year, shall be exempted from obtaining registration under the said Act: Provided that the aggregate value of such supplies, to be computed on all India basis, should not exceed an amount of ten lakh rupees in case of “special category States” as specified in article 279A(4)(g) of the Constitution, other than the State of Jammu and Kashmir.

COMPULSORY REGISTRATION IN CERTAIN CASES

Following persons shall be required to be registered under GST irrespective of Turnover exemption of Rs. 20 lakhs or Rs. 10 lakhs as the case may be:

- (i) persons making any inter-State taxable supply; [Subject to Notification no. 10/2017 –Integrated Tax]
- (ii) casual taxable persons making taxable supply;
- (iii) persons who are required to pay tax under reverse charge;
- (iv) person who are required to pay tax under sub-section (5) of section 9;
- (v) non-resident taxable persons making taxable supply;
- (vi) persons who are required to deduct tax under section 51, whether or not separately registered under this Act;
- (vii) persons who make taxable supply of goods or services or both on behalf of other taxable persons whether as an agent or otherwise;
- (viii) Input Service Distributor, whether or not separately registered under this Act;

- (ix) persons who supply goods or services or both, other than supplies specified under sub-section (5) of section 9, through such electronic commerce operator who is required to collect tax at source under section 52; [Subject to Notification no.65/2017-Cental Tax]
- (x) every electronic commerce operator;
- (xi) every person supplying online information and database access or retrieval services from a place outside India to a person in India, other than a registered person; and
- (xii) such other person or class of persons as may be notified by the Government on the recommendations of the Council.

REGISTRATION PROCESS

- ***Registration within 30 days***

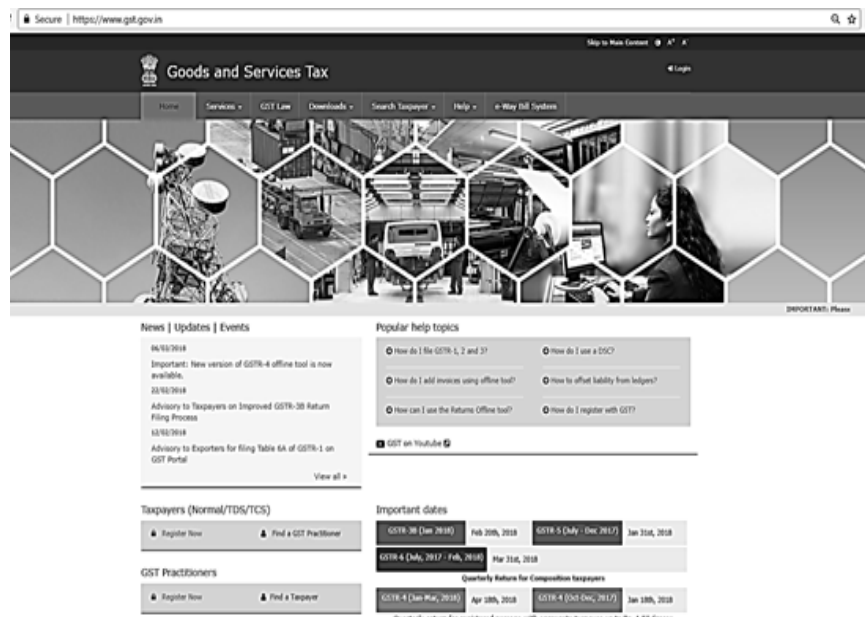
Every person who is liable to be registered under section 22 or section 24 shall apply for registration in every such State or Union territory in which he is so liable within 30 days from the date on which he becomes liable to registration.

Note - A Casual taxable person or non-resident taxable person shall apply for registration at least five days prior to commencement of the business.

Supplies from Territorial Water of India - Every person who makes a supply from the territorial waters of India shall obtain registration in the coastal State or Union territory where the nearest point of the appropriate baseline is located.

- Below is the step by step online registration process:

Step 1 – Go to <https://www.gst.gov.in> and click on “Register Now” tab



Step 2 – Select “New registration” and fill the following details:

- Select “Taxpayer” under drop down I am a _____
- Select State and District
- Enter Legal name of the Business as mentioned in the PAN
- Enter Permanent Account Number (PAN)
- Enter a valid e-mail address and Mobile number to receive the OTP
- Type the character shown in the image and click on proceed

The screenshot shows the 'New Registration' form on the Goods and Services Tax portal. The form is titled 'New Registration' and includes a progress indicator with two steps: '1. User Credentials' and '2. OTP Verification'. The form fields are as follows:

- I am a***: Taxpayer (dropdown)
- State / UT***: Delhi (dropdown)
- District***: Central Delhi (dropdown)
- Legal Name of the Business (As mentioned in PAN)***: Deepak Kumar & Co. (text input)
- Permanent Account Number (PAN)***: ABCDE1234X (text input)
- If you don't have PAN, Click here to apply**: (link)
- Example (Eg):** [XXXXXXXXXX]
- Email Address***: deepak1234@xxxx.com (text input)
- OTP will be sent to this Email Address**: (checkbox checked)
- Mobile Number***: +91 9876543210 (text input)
- Separate OTP will be sent to this mobile number**: (checkbox checked)
- Type the characters you see in the image below***: 635772 (text input)

A 'PROCEED' button is located at the bottom of the form.

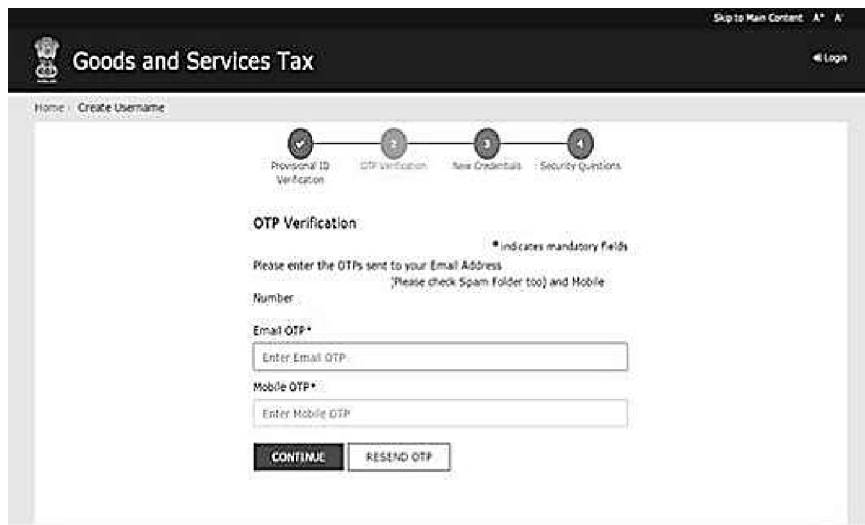
Step 3 – Enter the OTP received on the registered e-mail address and Mobile number and click on Continue button.

The screenshot shows the 'OTP Verification' form on the Goods and Services Tax portal. The form is titled 'OTP Verification' and includes a progress indicator with four steps: '1. Provisional ID Verification', '2. OTP Verification', '3. New Credentials', and '4. Security Questions'. The form fields are as follows:

- Please enter the OTPs sent to your (Email Address (Please check Spam Folder too) and Mobile**: (text)
- Number**: (text)
- Email OTP***: Enter Email OTP (text input)
- Mobile OTP***: Enter Mobile OTP (text input)

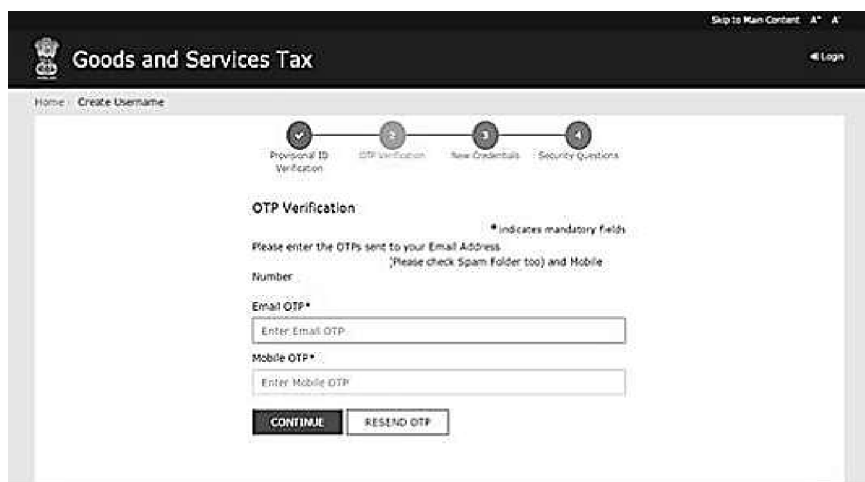
Buttons for 'CONTINUE' and 'RESEND OTP' are located at the bottom of the form.

Step 4 – After verification of OTP, Temporary Reference Number (TRN) will be generated and sent to registered email address and Mobile number.



The screenshot shows the 'Goods and Services Tax' portal interface. At the top, there is a navigation bar with the logo, the text 'Goods and Services Tax', and a 'Skip to Main Content' link. Below the navigation bar, there is a breadcrumb trail: 'Home > Create Username'. A progress indicator shows four steps: 1. Personal ID Verification (checked), 2. OTP Verification (active), 3. New Credentials, and 4. Security Questions. The main content area is titled 'OTP Verification' and includes a note: '* Indicates mandatory fields'. Below this, there is a message: 'Please enter the OTPs sent to your Email Address (Please check Spam Folder too) and Mobile Number'. There are two input fields: 'Email OTP*' and 'Mobile OTP*'. At the bottom, there are two buttons: 'CONTINUE' and 'RESEND OTP'.

Step 5 – Go to <https://www.gst.gov.in> and select Temporary Reference Number (TRN). Enter the TRN received in Step 4, enter the Captcha code and click on Proceed button.



This screenshot is identical to the one above, showing the 'OTP Verification' step of the 'Goods and Services Tax' portal. It displays the progress indicator, the 'OTP Verification' title, the instruction to enter OTPs, the input fields for 'Email OTP*' and 'Mobile OTP*', and the 'CONTINUE' and 'RESEND OTP' buttons.

Step 6 – An OTP will be sent to registered e-mail address and Mobile Number. Verify the OTP and Proceed:

Goods and Services Tax

Home > Create Username

Provisional ID Verification | **OTP Verification** | New Credentials | Security Questions

OTP Verification * Indicates mandatory fields

Please enter the OTPs sent to your (Email Address) (Please check Spam Folder too) and Mobile Number

Email OTP*

Enter Email OTP

Mobile OTP*

Enter Mobile OTP

CONFIRM RESEND OTP

Step 7 – In the Dashboard status of application is in draft mode. Click on Edit icon to fill the further details:



Goods and Services Tax

Logout

Dashboard Services Notifications & Circulars Acts & Rules Grievance

Dashboard English

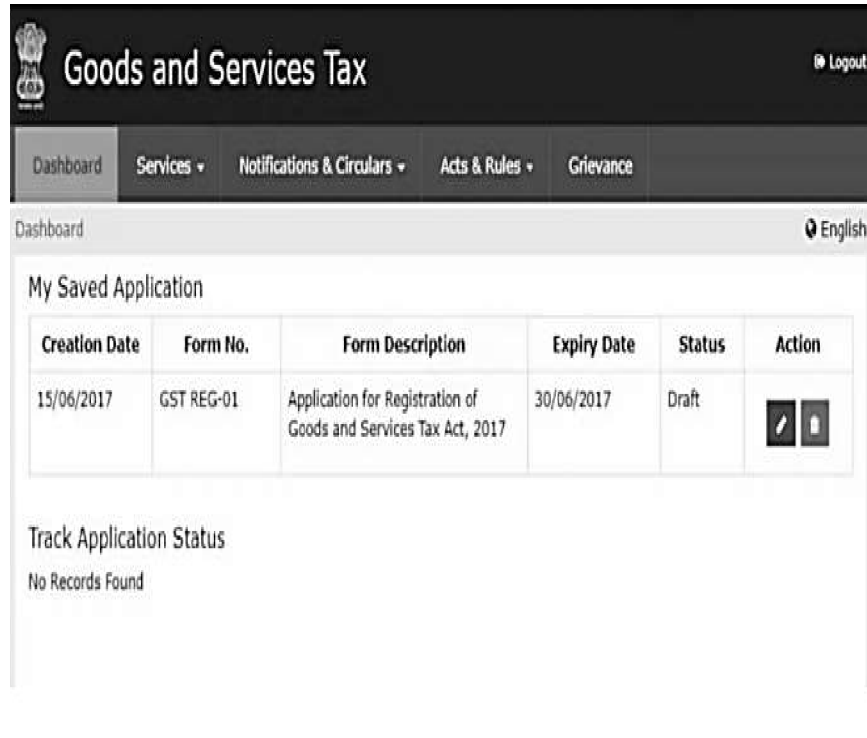
My Saved Application

Creation Date	Form No.	Form Description	Expiry Date	Status	Action
15/06/2017	GST REG-01	Application for Registration of Goods and Services Tax Act, 2017	30/06/2017	Draft	 


Track Application Status

No Records Found

Step 8 – Fill the details asked in each tab and submit the required documents:



The screenshot shows the GST portal dashboard. At the top, there is a header with the Indian emblem and the text "Goods and Services Tax" and a "Logout" button. Below the header is a navigation menu with tabs: "Dashboard", "Services", "Notifications & Circulars", "Acts & Rules", and "Grievance". The main content area is titled "Dashboard" and includes a language selector set to "English". Under the heading "My Saved Application", there is a table with the following data:

Creation Date	Form No.	Form Description	Expiry Date	Status	Action
15/06/2017	GST REG-01	Application for Registration of Goods and Services Tax Act, 2017	30/06/2017	Draft	

Below the table, there is a section titled "Track Application Status" which displays "No Records Found".

Step 9 – After filling the all the tabs, go to the verification page, tick on the declaration statement and submit the application using any of the following options:

- DSC – Companies must submit the application using the DSC
- E-Sign - OTP is sent to Aadhaar registered Mobile number
- EVC – OTP is sent to registered Mobile number

* indicates mandatory fields

Verification

I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed therefrom.

Name of Authorized Signatory* Place*

Select Enter Place

Designation / Status* Date*

15/06/2017

DSC is compulsory for Companies & LLP

BACK SUBMIT WITH DSC SUBMIT WITH E-SIGN

Step 10 – After verification a “Success” message is displayed and Application Reference Number (ARN) is generated and sent to registered e-mail address and mobile number.

Goods and Services Tax Logout

Dashboard Services Notifications & Circulars Acts & Rules Grievance

Dashboard Application for New Registration English

SUCCESS
Thank you for submission.
System will verify / validate the information submitted after which acknowledgement will be sent in next 15 minutes

Status of ARN can be checked on the GST Portal.

- ***Verification of the Application and approval (Rule 9)***
 - (1) The application shall be forwarded to the proper officer who shall examine the application and the accompanying documents and if the same are found to be in order, approve the grant of registration to the applicant within a period of three working days from the date of submission of the application.

- (2) Where the application submitted under rule 8 is found to be deficient, either in terms of any information or any document required to be furnished under the said rule, or where the proper officer requires any clarification with regard to any information provided in the application or documents furnished therewith, he may issue a notice to the applicant electronically in **FORM GST REG-03** within a period of three working days from the date of submission of the application and the applicant shall furnish such clarification, information or documents electronically, in **FORM GST REG-04**, within a period of seven working days from the date of the receipt of such notice.

Explanation.-For the purposes of this sub-rule, the expression “clarification” includes modification or correction of particulars declared in the application for registration, other than Permanent Account Number, State, mobile number and e-mail address declared in Part A of **FORM GST REG-01**.

- (3) Where the proper officer is satisfied with the clarification, information or documents furnished by the applicant, he may approve the grant of registration to the applicant within a period of seven working days from the date of the receipt of such clarification or information or documents.
- (4) Where no reply is furnished by the applicant in response to the notice issued under sub-rule (2) or where the proper officer is not satisfied with the clarification, information or documents furnished, he shall, for reasons to be recorded in writing, reject such application and inform the applicant electronically in **FORM GST REG-05**.
- (5) If the proper officer fails to take any action,-
- (a) within a period of three working days from the date of submission of the application; or

(b) within a period of seven working days from the date of the receipt of the clarification, information or documents furnished by the applicant under sub-rule (2), the application for grant of registration shall be deemed to have been approved.

• *Issue of Registration Certificate (Rule 10):*

(1) Subject to the provisions of sub-section (12) of section 25, where the application for grant of registration has been approved under rule 9, a certificate of registration in **FORM GST REG-06** showing the principal place of business and additional place or places of business shall be made available to the applicant on the common portal and a Goods and Services Tax Identification Number shall be assigned subject to the following characters, namely:-

(a) two characters for the State code;

(b) ten characters for the Permanent Account Number or the Tax Deduction and Collection Account Number;

(c) two characters for the entity code; and

(d) one checksum character.

(2) The registration shall be effective from the date on which the person becomes liable to registration where the application for registration has been submitted within a period of thirty days from such date.

(3) Where an application for registration has been submitted by the applicant after the expiry of thirty days from the date of his becoming liable to registration, the effective date of registration shall be the date of the grant of registration under sub-rule (1) or sub-rule (3) or sub-rule (5) of rule 9.

(4) Every certificate of registration shall be [duly signed

or verified through electronic verification code] by the proper officer under the Act.

- (5) Where the registration has been granted under sub-rule (5) of rule 9, the applicant shall be communicated the registration number, and the certificate of registration under sub-rule (1), duly signed or verified through electronic verification code, shall be made available to him on the common portal, within a period of three days after the expiry of the period specified in sub-rule (5) of rule 9.

- ***Separate registration for multiple business verticals within a State or a Union territory (Rule 11)***

- (1) Any person having multiple business verticals within a State or a Union territory, requiring a separate registration for any of its business verticals under sub-section (2) of section 25 shall be granted separate registration in respect of each of the verticals subject to the following conditions, namely:-
- (a) such person has more than one business vertical as defined in clause (18) of section 2;
 - (b) the business vertical of a taxable person shall not be granted registration to pay tax under section 10 if any one of the other business verticals of the same person is paying tax under section 9;
 - (c) all separately registered business verticals of such person shall pay tax under the Act on supply of goods or services or both made to another registered business vertical of such person and issue a tax invoice for such supply.

Explanation.- For the purposes of clause (b), it is hereby clarified that where any business vertical of a registered person that has been granted a separate registration becomes ineligible to pay tax under section 10, all other business verticals of the

said person shall become ineligible to pay tax under the said section.

- (2) A registered person eligible to obtain separate registration for business verticals may submit a separate application in **FORM GST REG-01** in respect of each such vertical.
 - (3) The provisions of rule 9 and rule 10 relating to the verification and the grant of registration shall, mutatis mutandis, apply to an application submitted under this rule.
- ***Display of registration certificate and Goods and Services Tax Identification Number on the name board (Rule 18)***
 - (1) Every registered person shall display his certificate of registration in a prominent location at his principal place of business and at every additional place or places of business.
 - (2) Every registered person shall display his Goods and Services Tax Identification Number on the name board exhibited at the entry of his principal place of business and at every additional place or places of business.
 - ***Amendment of Registration (Rule 19)***
 - (1) Where there is any change in any of the particulars furnished in the application for registration in FORM GST REG-01 or FORM GST REG-07 or FORM GST REG-09 or FORM GST REG-10 or for Unique Identity Number in FORM GST-REG-13, either at the time of obtaining registration or Unique Identity Number or as amended from time to time, the registered person shall, within a period of fifteen days of such change, submit an application, duly signed or verified through electronic verification code, electronically in FORM GST REG-14, along with the documents relating to such change at the common

portal, either directly or through a Facilitation Centre notified by the Commissioner:

Provided that –

- (a) where the change relates to,-
 - (i) legal name of business;
 - (ii) address of the principal place of business or any additional place(s) of business; or
 - (iii) addition, deletion or retirement of partners or directors, Karta, Managing Committee, Board of Trustees, Chief Executive Officer or equivalent, responsible for the day to day affairs of the business,-

which does not warrant cancellation of registration under section 29, the proper officer shall, after due verification, approve the amendment within a period of fifteen working days from the date of the receipt of the application in **FORM GST REG-14** and issue an order in **FORM GST REG-15** electronically and such amendment shall take effect from the date of the occurrence of the event warranting such amendment;

- (b) the change relating to sub-clause (i) and sub-clause (iii) of clause (a) in any State or Union territory shall be applicable for all registrations of the registered person obtained under the provisions of this Chapter on the same Permanent Account Number;
- (c) where the change relates to any particulars other than those specified in clause (a), the certificate of registration shall stand amended upon submission of the application in **FORM GST REG- 14** on the common portal;
- (d) where a change in the constitution of any business

results in the change of the Permanent Account Number of a registered person, the said person shall apply for fresh registration in **FORM GST REG-01**:

Provided further that any change in the mobile number or e-mail address of the authorised signatory submitted under this rule, as amended from time to time, shall be carried out only after online verification through the common portal in the manner provided under [sub-rule (2) of rule 8].

- (1A) Notwithstanding anything contained in sub-rule (1), any particular of the application for registration shall not stand amended with effect from a date earlier than the date of submission of the application in **FORM GST REG-14** on the common portal except with the order of the Commissioner for reasons to be recorded in writing and subject to such conditions as the Commissioner may, in the said order, specify.
- (2) Where the proper officer is of the opinion that the amendment sought under sub-rule (1) is either not warranted or the documents furnished therewith are incomplete or incorrect, he may, within a period of fifteen working days from the date of the receipt of the application in **FORM GST REG-14**, serve a notice in **FORM GST REG-03**, requiring the registered person to show cause, within a period of seven working days of the service of the said notice, as to why the application submitted under sub-rule (1) shall not be rejected.
- (3) The registered person shall furnish a reply to the notice to show cause, issued under sub-rule (2), in **FORM GST REG-04**, within a period of seven working days from the date of the service of the said notice.
- (4) Where the reply furnished under sub-rule (3) is found

to be not satisfactory or where no reply is furnished in response to the notice issued under sub-rule (2) within the period prescribed in sub-rule (3), the proper officer shall reject the application submitted under sub-rule (1) and pass an order in **FORM GST REG -05**.

- (5) If the proper officer fails to take any action,-
- (a) within a period of fifteen working days from the date of submission of the application, or
 - (b) within a period of seven working days from the date of the receipt of the reply to the notice to show cause under sub-rule(3), the certificate of registration shall stand amended to the extent applied for and the amended certificate shall be made available to the registered person on the common portal.
- ***Application for cancellation of registration (Rule 20):***

A registered person, other than a person to whom a registration has been granted under rule 12 or a person to whom a Unique Identity Number has been granted under rule 17, seeking cancellation of his registration u/s 29(1) shall electronically submit an application in **FORM GST REG-16**, including therein the details of inputs held in stock or inputs contained in semi-finished or finished goods held in stock and of capital goods held in stock on the date from which the cancellation of registration is sought, liability thereon, the details of the payment, if any, made against such liability and may furnish, along with the application, relevant documents in support thereof, at the common portal within a period of thirty days of the occurrence of the event warranting the cancellation, either directly or through a Facilitation Centre notified by the Commissioner:

[Provided that no application for the cancellation of registration shall be considered in case of a taxable person,

who has registered voluntarily, before the expiry of a period of one year from the effective date of registration.]
Deleted w.e.f. 23-01-2018.

- ***Procedure for Cancellation of Registration (Rule 22)***

- (1) Where the proper officer has reasons to believe that the registration of a person is liable to be cancelled under section 29, he shall issue a notice to such person in **FORM GST REG-17**, requiring him to show cause, within a period of seven working days from the date of the service of such notice, as to why his registration shall not be cancelled.
- (2) The reply to the show cause notice issued under sub-rule (1) shall be furnished in **FORM REG-18** within the period specified in the said sub-rule.
- (3) Where a person who has submitted an application for cancellation of his registration is no longer liable to be registered or his registration is liable to be cancelled, the proper officer shall issue an order in **FORM GST REG-19**, within a period of thirty days from the date of application submitted under rule 20 or, as the case may be, the date of the reply to the show cause issued under sub-rule (1), cancel the registration, with effect from a date to be determined by him and notify the taxable person, directing him to pay arrears of any tax, interest or penalty including the amount liable to be paid under sub-section (5) of section 29.
- (4) Where the reply furnished under sub-rule (2) is found to be satisfactory, the proper officer shall drop the proceedings and pass an order in **FORM GST REG-20**.
- (5) The provisions of sub-rule (3) shall, mutatis mutandis, apply to the legal heirs of a deceased proprietor, as if the application had been submitted by the proprietor himself.

- *Physical verification of business premises in certain cases*

Where the proper officer is satisfied that the physical verification of the place of business of a registered person is required after the grant of registration, he may get such verification done and the verification report along with the other documents, including photographs, shall be uploaded in **FORM GST REG-30** on the common portal within a period of fifteen working days following the date of such verification.

LET US RECAPITULATE

1. PAN based registration.
2. State specific registration (business entities having separate business verticals in a State may obtain separate registration for each of its vertical)
3. Persons liable for registration- those who exceed threshold limit
 - Aggregate Turnover > Rs. 20 Lacs
 - Aggregate Turnover > Rs. 10 Lacs (in case of special category states)
4. Compulsory registration in certain cases
 - Inter-State supplier
 - Casual Taxable Person
 - Person receiving supplies on which tax is payable by recipient on reverse charge basis
 - Non-resident taxable persons
 - A person who supplies on behalf of some other taxable person (i.e. an Agent of some Principal)
 - Person/ class of persons notified by the Central/ State Government

5. Persons not liable for registration

- Agriculturalist
- Persons engaged exclusively in supply of wholly exempt goods/ services/ both.
- Persons engaged exclusively in supply of goods/ services/ both not liable to tax

6. List of important Forms

<i>S. No.</i>	<i>Name of Form</i>	<i>Description</i>
1.	Form GST REG-01	Application for Registration
2.	Form GST REG-02	Acknowledgment to the Applicant
3.	Form GST REG-03	Notice for Seeking Additional Information / Clarification / Documents relating to Application for (Registration / Amendment / Cancellation)
4.	Form GST REG-04	Clarification/additional information/ document for <> by Applicant
5.	Form GST REG-05	Order of Rejection of Application for <Registration / Amendment / Cancellation/>
6.	Form GST REG-06	Registration Certificate
7.	Form GST REG-07	Application for Registration as Tax Deductor at source (u/s 51) or Tax Collector at source (u/s 52)
8.	Form GST REG-08	Order of Cancellation of Registration as Tax Deductor at source or Tax Collector at source

9.	Form GST REG-09	Application for Registration of Non Resident Taxable Person
10.	Form GST REG-10	Application for registration of person supplying online information and data base access or retrieval services from a place outside India to a person in India, other than a registered person.
11.	Form GST REG-11	Application for extension of registration period by casual / non-resident taxable person
12.	Form GST REG-12	Order of Grant of Temporary Registration/ Suo Moto Registration
13.	Form GST REG-13	Application/Form for grant of Unique Identity Number to UN Bodies / Embassies / others
14.	Form GST REG-14	Application for Amendment in Registration Particulars (For all types of registered persons)
15.	Form GST REG-15	Order of Amendment
16.	Form GST REG-16	Application for Cancellation of Registration
17.	Form GST REG -17	Show Cause Notice for Cancellation of Registration
18.	Form GST REG- 18	Reply to the Show Cause Notice issued for cancellation for registration
19.	Form GST REG-19	Order for Cancellation of Registration
20.	Form GST REG-20	Order for dropping the proceedings for cancellation of registration

21.	Form GST REG-21	Application for Revocation of Cancellation of Registration
22.	Form GST REG-22	Order for revocation of cancellation of registration
23.	Form GST REG-23	Show Cause Notice for rejection of application for revocation of cancellation of registration
24.	Form GST REG-24	Reply to the notice for rejection of application for revocation of cancellation of registration
25.	Form GST REG-25	Certificate of Provisional Registration
26.	Form GST REG-26	Application for Enrolment of Existing Taxpayer
27.	Form GST REG-27	Show Cause Notice for cancellation of provisional registration
28.	Form GST REG-28	Order for cancellation of provisional registration
29.	Form GST REG-29	Application for cancellation of provisional registration
30.	Form GST REG-30	Form for Field Visit Report

Compliance Related to Invoices & Other Documents

TAX INVOICE

- **Who will issue Tax Invoice**

- o *In case of Goods*

Every registered person supplying taxable goods shall, before or at the time of removal of goods for supply to recipient or delivery of goods or making available thereof to the recipient, issue a tax invoice showing the description, quantity and value of goods, tax charged and such other particulars as prescribed [Section 31 (1) of CGST Act, 2017].

- o *In case of Services*

A registered person supplying taxable services shall, before or after the provision of service but within 30 days from the date of supply of services (45 days in case of Insurer, Banking Company, Financial Institution or NBFC), issue a tax invoice [Section 31 (2) of CGST Act, 2017].

- **Manner of issuing Tax Invoice**

In case of *Manner of issuing Tax Invoice*

Goods In triplicate –
(a) Original for Recipient
(b) Duplicate for Transporter and

(c) Triplicate for Supplier

Services In duplicate –

(a) Original for Recipient

(b) Duplicate for Supplier

- **Requirement for number of HSN digit to be mentioned in the Invoice**

A registered person having annual turnover in the preceding financial year as mention below shall mention the digits of Harmonised System of Nomenclature (HSN) Code, in a tax invoice issued by him as below:

<i>Annual turnover in the preceding Financial Year</i>	<i>Number of HSN Code required to be mentioned in Tax Invoice</i>
Upto Rs. 1.5 Crore	Nil
More than Rs. 1.5 Crore but upto Rs. 5 Crore	2
More than Rs. 5 Crore	4

- **Contents of Tax Invoice**

Rule 46 of CGST Rules, 2017 defined the following parameters to be included in a Tax Invoice:

- (a) Name, address and Goods and Services Tax Identification Number 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 Goods and Services Tax Identification Number or Unique Identity Number, if registered, of the recipient;
- (e) Name and address of the recipient and the address of delivery, along with the name of the State and its code, if such recipient is un-registered and where the value of the taxable supply is fifty thousand rupees or more;
- (f) Name and address of the recipient and the address of delivery, along with the name of the State and its code, if such recipient is un-registered and where the value of the taxable supply is less than fifty thousand rupees and the recipient requests that such details be recorded in the tax invoice;
- (g) Harmonised System of Nomenclature code for goods or services;
- (h) Description of goods or services;
- (i) Quantity in case of goods and unit or Unique Quantity Code thereof;
- (j) Total value of supply of goods or services or both;
- (k) Taxable value of the supply of goods or services or both taking into account discount or abatement, if any;
- (l) Rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);
- (m) Amount of tax charged in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess);
- (n) Place of supply along with the name of the State, in the case of a supply in the course of inter-State trade or commerce;
- (o) Address of delivery where the same is different from the place of supply;

- (p) Whether the tax is payable on reverse charge basis; and
- (q) Signature or digital signature of the supplier or his authorised representative.

- **Self Invoice**

Where a registered is liable to pay tax under Reverse Charge Mechanism as mentioned in section 9(3) & 9(4) of CGST Act, 2017 shall issue a Self Invoice, further in case of value of supplies from unregistered suppliers exceed Rs. 5,000 per day, the registered person may issue a Consolidated Invoice at the end of the month for the aggregate supplies received from all the suppliers.

Other important points:-

- A tax invoice is not required to be issued where value of goods or services or both supplied is less than Rs. 200 subject to following conditions:
 - (a) the recipient is not registered; and
 - (b) the recipient does not required a tax invoice
- In case of continuous supply of goods, where successive statements of accounts or successive payments are involved, the invoice shall be issued before or at the time each such statement is issued or, as the case may be, each such payment is received.
- Export or Supplies to SEZ – under bond or under rebate – The Invoice shall carry an endorsement “Supply Meant For Export/Supply To SEZ Unit or SEZ Developer for Authorised Operations on Payment of Integrated Tax” or “Supply Meant for Export/Supply to SEZ Unit or SEZ Developer for Authorised Operations under Bond or Letter of Undertaking without Payment of Integrated Tax”
- In case of continuous supply of services –
 - (a) where the due date of payment is ascertainable from

the contract, the invoice shall be issued on or before the due date of payment;

- (b) where the due date of payment is not ascertainable from the contract, the invoice shall be issued before or at the time when the supplier of service receives the payment;
- (c) where the payment is linked to the completion of an event, the invoice shall be issued on or before the date of completion of that event.

Sample Tax Invoice Format

TAX INVOICE

ABC ENTERPRISES
 INVOICE No. 01/GST/18-19
 Date: 01-08-2018
 GSTIN _____
 PAN _____

XYZ-123,
 XXXXXXXXXXXXX,
 New Delhi – 1100XX,
 INDIA

Bill To
XYZ Limited (Customer Name)

 _____ (Address)
 India.
 GSTIN: _____ (Customer's GST no.)
 Place of Supply: State Name (State Code)

Ship To
XYZ Limited (Recipient's Name)

 _____ (Address)
 India.
 GSTIN: _____ (Recipient's GST no.)
 Place of Supply: State Name (State Code)

Item Description	HSN/SA C Code	Qty.	Unit	Rate	Discount	Taxable Value
Subtotal						XXXXXX
GST @ _____ (CGST, SGST or IGST)						
TOTAL						XXXXXX

ABC Enterprises
 Signature _____

DEBIT NOTE/CREDIT NOTE/REVISED INVOICE

- Where a tax invoice is issued for supply of any goods or services and the taxable value or tax charged is found to be less than the taxable value or tax charged, the registered person shall issue a debit note or supplementary invoice. [Section 34 (3) of CGST Act, 2017]
- Where a tax invoice is issued for supply of any goods or services and the taxable value or tax charged is found to exceed the taxable value or tax charged, or where the goods supplied are returned by recipient, or where goods or services supplied are found to be deficient, the registered person may issue a credit note. (Section 34 (1) of CGST Act, 2017)
- *Contents of Debit / Credit Note or Revised Tax Invoice* – Rule 53 of CGST Rules, 2017 defined the following parameters to be included in a Debit/Credit Note or Revised Tax Invoice:
 - (a) the word “Revised Invoice”, wherever applicable, indicated prominently;
 - (b) name, address and Goods and Services Tax Identification Number of the supplier;
 - (c) nature of the document;
 - (d) 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;
 - (e) date of issue of the document;
 - (f) name, address and Goods and Services Tax Identification Number or Unique Identity Number, if registered, of the recipient;

- (g) 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;
- (h) serial number and date of the corresponding tax invoice or, as the case maybe, bill of supply;
- (i) value of taxable supply of goods or services, rate of tax and the amount of the tax credited or, as the case may be, debited to the recipient; and
- (j) signature or digital signature of the supplier or his authorised representative.

BILL OF SUPPLY

- A registered person supplying exempted goods or services or both or paying tax under the provisions of section 10 shall issue, instead of a tax invoice, a bill of supply containing such particulars and in such manner as may be prescribed. However, the registered person may not issue a bill of supply if the value of the goods or services or both supplied is less than Rs. 200. [Section 31 (3) (c) of CGST Act, 2017]
- Invoice cum Bill of Supply (Rule 46A of CGST Rules, 2017) - 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.
- *Contents of Bill of Supply* – Rule 49 of CGST Rules, 2017 defined the following parameters to be included in a Bill of Supply:
 - (a) name, address and Goods and Services Tax Identification Number 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 Goods and Services Tax Identification Number or Unique Identity Number, if registered, of the recipient;
- (e) Harmonised System of Nomenclature Code for goods or services;
- (f) Description of goods or services or both;
- (g) Value of supply of goods or services or both taking into account discount or abatement, if any; and
- (h) Signature or digital signature of the supplier or his authorised representative.

RECEIPT VOUCHER

- A registered person shall, on receipt of advance payment with respect to any supply of goods or services or both, issue a receipt voucher or any other document, evidencing receipt of such payment.[Section 31 (3) (d) of CGST Act, 2017]
- Where at the time of receipt of advance –
 - (i) The tax rate is not determinable, the tax shall be paid at the rate of 18%.
 - (ii) The nature of supply is not determinable, the same shall be treated as inter-state supply.
- *Contents of Receipt Voucher* – Rule 50 of CGST Rules, 2017 defined the following parameters to be included in a Receipt Voucher:
 - (a) name, address and Goods and Services Tax Identification Number 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 Goods and Services Tax Identification Number or Unique Identity Number, if registered, of the recipient;
- (e) description of goods or services;
- (f) amount of advance taken;
- (g) rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);
- (h) amount of tax charged in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess);
- (i) place of supply along with the name of State and its code, in case of a supply in the course of inter-State trade or commerce;
- (j) whether the tax is payable on reverse charge basis; and
- (k) signature or digital signature of the supplier or his authorised representative.

REFUND VOUCHER

- Where, on receipt of advance payment with respect to any supply of goods or services or both the registered person issues a receipt voucher, but subsequently no supply is made and no tax invoice is issued in pursuance thereof, the said registered person may issue to the person who had made the payment, a refund voucher against such payment. [Section 31 (3) (e) of CGST Act, 2017]
- *Contents of Refund Voucher* – Rule 51 of CGST Rules, 2017

defined the following parameters to be included in a Refund Voucher:

- (a) name, address and Goods and Services Tax Identification Number 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 Goods and Services Tax Identification Number or Unique Identity Number, if registered, of the recipient;
- (e) number and date of receipt voucher issued in accordance with the provisions of rule 50;
- (f) description of goods or services in respect of which refund is made;
- (g) amount of refund made;
- (h) rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);
- (i) amount of tax paid in respect of such goods or services (central tax, State tax, integrated tax, Union territory tax or cess);
- (j) whether the tax is payable on reverse charge basis; and
- (k) signature or digital signature of the supplier or his authorised representative.

PAYMENT VOUCHER

- A registered person who is liable to pay tax under Reverse

Charge Mechanism shall issue a payment voucher at the time of making payment to the supplier.[Section 31 (3) (g) of CGST Act, 2017]

- *Contents of Payment Voucher* – Rule 52 of CGST Rules, 2017 defined the following parameters to be included in a Payment Voucher:
 - (a) name, address and Goods and Services Tax Identification Number of the supplier if registered;
 - (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 Goods and Services Tax Identification Number of the recipient;
 - (e) description of goods or services;
 - (f) amount paid;
 - (g) rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);
 - (h) amount of tax payable in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess);
 - (i) place of supply along with the name of State and its code, in case of a supply in the course of inter-State trade or commerce; and
 - (j) signature or digital signature of the supplier or his authorised representative.

TAX INVOICE IN SPECIAL CASES [Rule 54 of CGST Rules, 2017]

- An Input Service Distributor invoice or, as the case may be, an Input Service Distributor credit note issued by an Input Service Distributor shall contain the following details:-
 - a. name, address and Goods and Services Tax Identification Number of the Input Service Distributor;
 - 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 “-” ,” /” respectively, and any combination thereof, unique for a financial year;
 - c. date of its issue;
 - d. name, address and Goods and Services Tax Identification Number of the recipient to whom the credit is distributed;
 - e. amount of the credit distributed; and
 - f. signature or digital signature of the Input Service Distributor or his authorised representative:

Provided that where the Input Service Distributor is an office of a banking company or a financial institution, including a non-banking financial company, a tax invoice shall include any document in lieu thereof, by whatever name called, whether or not serially numbered but containing the information as mentioned above.

- (A) A registered person, having the same PAN and State code as an Input Service Distributor, may issue an invoice or, as the case may be, a credit or debit note to transfer the credit of common input services to the

Input Service Distributor, which shall contain the following details:-

- (i) name, address and Goods and Services Tax Identification Number of the registered person having the same PAN and same State code as the Input Service Distributor;
 - (ii) 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 “-” , ” /” respectively, and any combination thereof, unique for a financial year;
 - (iii) date of its issue;
 - (iv) Goods and Services Tax Identification Number of supplier of common service and original invoice number whose credit is sought to be transferred to the Input Service Distributor;
 - (v) name, address and Goods and Services Tax Identification Number of the Input Service Distributor;
 - (vi) taxable value, rate and amount of the credit to be transferred; and
 - (vii) signature or digital signature of the registered person or his authorised representative.
- (B) The taxable value in the invoice issued under clause (a) shall be the same as the value of the common services.
- Where the supplier of taxable service is an insurer or a banking company or a financial institution, including a non-banking financial company, the said supplier may issue a consolidated tax invoice or any other document in lieu thereof, by whatever name called for the supply of

services made during a month at the end of the month, whether issued or made available, physically or electronically whether or not serially numbered, and whether or not containing the address of the recipient of taxable service but containing other information as mentioned under rule 46.

- Where the supplier of taxable service is a goods transport agency supplying services in relation to transportation of goods by road in a goods carriage, the said supplier shall issue a tax invoice or any other document in lieu thereof, by whatever name called, containing the gross weight of the consignment, name of the consigner and the consignee, registration number of goods carriage in which the goods are transported, details of goods transported, details of place of origin and destination, Goods and Services Tax Identification Number of the person liable for paying tax whether as consigner, consignee or goods transport agency, and also containing other information as mentioned under rule 46.
- Where the supplier of taxable service is supplying passenger transportation service, a tax invoice shall include ticket in any form, by whatever name called, whether or not serially numbered, and whether or not containing the address of the recipient of service but containing other information as mentioned under rule 46.

TRANSPORTATION OF GOODS WITHOUT ISSUE OF INVOICE [Rule 55 of CGST Rules, 2017]

- For the purposes of-
 - a. supply of liquid gas where the quantity at the time of removal from the place of business of the supplier is not known,
 - b. transportation of goods for job work,
 - c. transportation of goods for reasons other than by way of supply, or

- d. such other supplies as may be notified by the Board, the consigner may issue a delivery challan, serially numbered not exceeding sixteen characters, in one or multiple series, in lieu of invoice at the time of removal of goods for transportation, containing the following details, namely:-
 - (i) date and number of the delivery challan;
 - (ii) name, address and Goods and Services Tax Identification Number of the consigner, if registered;
 - (iii) name, address and Goods and Services Tax Identification Number or Unique Identity Number of the consignee, if registered;
 - (iv) Harmonised System of Nomenclature 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.
- The delivery challan shall be prepared in triplicate, in case of supply of goods, in the following manner, namely:-
 - a. the original copy being marked as ORIGINAL FOR CONSIGNEE;
 - b. the duplicate copy being marked as DUPLICATE FOR TRANSPORTER; and

- c. the triplicate copy being marked as TRIPLICATE FOR CONSIGNER.
- Where goods are being transported on a delivery challan in lieu of invoice, the same shall be declared as specified in rule 138.
- Where the goods being transported are for the purpose of supply to the recipient but the tax invoice could not be issued at the time of removal of goods for the purpose of supply, the supplier shall issue a tax invoice after delivery of goods.
- Where the goods are being transported in a semi knocked down or completely knocked down condition -
 - a. the supplier shall issue the complete invoice before dispatch of the first consignment;
 - b. the supplier shall issue a delivery challan for each of the subsequent consignments, giving reference of the invoice;
 - c. each consignment shall be accompanied by copies of the corresponding delivery challan along with a duly certified copy of the invoice; and
 - d. the original copy of the invoice shall be sent along with the last consignment.

TAX INVOICE OR BILL OF SUPPLY TO ACCOMPANY TRANSPORT OF GOODS[Rule 55A of CGST Rules, 2017]

- The person-in-charge of the conveyance shall carry a copy of the tax invoice or the bill of supply issued in accordance with the provisions of rules 46, 46A or 49 in a case where such person is not required to carry an e-way bill under these rules.

LET US RECAPITULATE

1. Who can raise a tax invoice?
 - Registered person supplying taxable goods or services

- Registered person receiving taxable goods or services from unregistered supplier
2. Time limit for issuance of invoice
 - Goods
 - Involving movement of goods- at the time of removal
 - No movement of goods- at the time of delivery
 - Services
 - Other than insurance, banking- within 30 days from the supply of services
 - Insurance, banking- within 45 days from the supply of services
 3. Manner of issuance of tax invoice
 - Goods – in Triplicate
 - Service –in Duplicate
 4. HSN on Invoice

<i>Annual turnover</i>	<i>HSN Digit required on Invoice</i>
Upto Rs. 1.5 Crore	Nil
Rs. 1.5 Crore to Rs. 5 Crore	2
More than Rs. 5 Crore	4
 5. No Tax Invoice for amount less than Rs. 200
 6. Bill of Supply – In cases of exempted supplies and for Composition Dealers

Accounts & Records

ACCOUNTS AND OTHER RECORDS

- **Maintenance of Records at Principal Place of Business**

Every registered person shall keep and maintain, at his principal place of business, as mentioned in the certificate of registration, a true and correct account of—[Section 35(1) of CGST Act, 2017]

- (a) production or manufacture of goods;
- (b) inward and outward supply of goods or services or both;
- (c) stock of goods;
- (d) input tax credit availed;
- (e) output tax payable and paid; and
- (f) such other particulars as may be prescribed.

- **More than one place of business**

Where more than one place of business is specified in the certificate of registration, the accounts relating to each place of business shall be kept at such places of business [First proviso to section 35(1) of CGST Act, 2017].

- **Maintenance of accounts by registered persons [Rule 56 of CGST Rules, 2017]**

(1) Every registered person shall keep and maintain, in

addition to the particulars mentioned in sub-section (1) of section 35, a true and correct account of the goods or services imported or exported or of supplies attracting payment of tax on reverse charge along with the relevant documents, including invoices, bills of supply, delivery challans, credit notes, debit notes, receipt vouchers, payment vouchers and refund vouchers.

- (2) Every registered person, other than a person paying tax under section 10, shall maintain the accounts of stock in respect of goods received and supplied by him, and such accounts shall contain particulars of the opening balance, receipt, supply, goods lost, stolen, destroyed, written off or disposed of by way of gift or free sample and the balance of stock including raw materials, finished goods, scrap and wastage thereof.
- (3) Every registered person shall keep and maintain a separate account of advances received, paid and adjustments made thereto.
- (4) Every registered person, other than a person paying tax under section 10, shall keep and maintain an account, containing the details of tax payable (including tax payable in accordance with the provisions of sub-section (3) and sub-section (4) of section 9), tax collected and paid, input tax, input tax credit claimed, together with a register of tax invoice, credit notes, debit notes, delivery challan issued or received during any tax period.
- (5) Every registered person shall keep the particulars of -
 - a. names and complete addresses of suppliers from whom he has received the goods or services chargeable to tax under the Act;
 - b. names and complete addresses of the persons to whom he has supplied goods or services, where required under the provisions of this Chapter;

- c. the complete address of the premises where goods are stored by him, including goods stored during transit along with the particulars of the stock stored therein.
- (6) If any taxable goods are found to be stored at any place(s) other than those declared under sub-rule (5) without the cover of any valid documents, the proper officer shall determine the amount of tax payable on such goods as if such goods have been supplied by the registered person.
 - (7) Every registered person shall keep the books of account at the principal place of business and books of account relating to additional place of business mentioned in his certificate of registration and such books of account shall include any electronic form of data stored on any electronic device.
 - (8) Any entry in registers, accounts and documents shall not be erased, effaced or overwritten, and all incorrect entries, otherwise than those of clerical nature, shall be scored out under attestation and thereafter the correct entry shall be recorded and where the registers and other documents are maintained electronically, a log of every entry edited or deleted shall be maintained.
 - (9) Each volume of books of account maintained manually by the registered person shall be serially numbered.
 - (10) Unless proved otherwise, if any documents, registers, or any books of account belonging to a registered person are found at any premises other than those mentioned in the certificate of registration, they shall be presumed to be maintained by the said registered person.
 - (11) Every agent referred to in clause (5) of section 2 shall maintain accounts depicting the,-
 - a. particulars of authorisation received by him from

- each principal to receive or supply goods or services on behalf of such principal separately;
- b. particulars including description, value and quantity (wherever applicable) of goods or services received on behalf of every principal;
 - c. particulars including description, value and quantity (wherever applicable) of goods or services supplied on behalf of every principal;
 - d. details of accounts furnished to every principal; and
 - e. tax paid on receipts or on supply of goods or services effected on behalf of every principal.
- (12) Every registered person manufacturing goods shall maintain monthly production accounts showing quantitative details of raw materials or services used in the manufacture and quantitative details of the goods so manufactured including the waste and by products thereof.
- (13) Every registered person supplying services shall maintain the accounts showing quantitative details of goods used in the provision of services, details of input services utilised and the services supplied.
- (14) Every registered person executing works contract shall keep separate accounts for works contract showing –
- a. the names and addresses of the persons on whose behalf the works contract is executed;
 - b. description, value and quantity (wherever applicable) of goods or services received for the execution of works contract;
 - c. description, value and quantity (wherever applicable) of goods or services utilized in the execution of works contract;

- d. the details of payment received in respect of each works contract; and
 - e. the names and addresses of suppliers from whom he received goods or services.
- (15) The records under the provisions of this Chapter may be maintained in electronic form and the record so maintained shall be authenticated by means of a digital signature.
- (16) Accounts maintained by the registered person together with all the invoices, bills of supply, credit and debit notes, and delivery challans relating to stocks, deliveries, inward supply and outward supply shall be preserved for the period as provided in section 36 and shall, where such accounts and documents are maintained manually, be kept at every related place of business mentioned in the certificate of registration and shall be accessible at every related place of business where such accounts and documents are maintained digitally.
- (17) Any person having custody over the goods in the capacity of a carrier or a clearing and forwarding agent for delivery or dispatch thereof to a recipient on behalf of any registered person shall maintain true and correct records in respect of such goods handled by him on behalf of such registered person and shall produce the details thereof as and when required by the proper officer.
- (18) Every registered person shall, on demand, produce the books of accounts which he is required to maintain under any law for the time being in force.
- **Generation and maintenance of electronic records [Rule 57 of CGST Rules, 2017]**
 - (1) Proper electronic back-up of records shall be maintained and preserved in such manner that, in the

event of destruction of such records due to accidents or natural causes, the information can be restored within a reasonable period of time.

- (2) The registered person maintaining electronic records shall produce, on demand, the relevant records or documents, duly authenticated by him, in hard copy or in any electronically readable format.
- (3) Where the accounts and records are stored electronically by any registered person, he shall, on demand, provide the details of such files, passwords of such files and explanation for codes used, where necessary, for access and any other information which is required for such access along with a sample copy in print form of the information stored in such files.

- **Maintenance of records by the Warehouse/Godown Owner[Section 35(2) of CGST Act, 2017]**

Every owner or operator of warehouse or godown or any other place used for storage of goods and every transporter, irrespective of whether he is a registered person or not, shall maintain records of the consigner, consignee and other relevant details of the goods in such manner as may be prescribed.

- **Records to be maintained by owner or operator of godown or warehouse and transporters[Rule 58 of CGST Rules, 2017]**

- (1) Every person required to maintain records and accounts in accordance with the provisions of subsection (2) of section 35, if not already registered under the Act, shall submit the details regarding his business electronically on the common portal in FORM GST ENR-01, either directly or through a Facilitation Centre notified by the Commissioner and, upon validation of the details furnished, a unique enrolment number shall be generated and communicated to the said person.

- (1A) For the purposes of Chapter XVI of these rules, a transporter who is registered in more than one State or Union Territory having the same Permanent Account Number, he may apply for a unique common enrolment number by submitting the details in FORM GST ENR-02 using any one of his Goods and Services Tax Identification Numbers, and upon validation of the details furnished, a unique common enrolment number shall be generated and communicated to the said transporter:

Provided that where the said transporter has obtained a unique common enrolment number, he shall not be eligible to use any of the Goods and Services Tax Identification Numbers for the purposes of the said Chapter XVI.

- (2) The person enrolled under sub-rule (1) as aforesaid in any other State or Union territory shall be deemed to be enrolled in the State or Union territory.
- (3) Every person who is enrolled under sub-rule (1) shall, where required, amend the details furnished in FORM GST ENR-01 electronically on the common portal either directly or through a Facilitation Centre notified by the Commissioner.
- (4) Subject to the provisions of rule 56,-
- (a) any person engaged in the business of transporting goods shall maintain records of goods transported, delivered and goods stored in transit by him along with the Goods and Services Tax Identification Number of the registered consigner and consignee for each of his branches.
 - (b) every owner or operator of a warehouse or godown shall maintain books of accounts with respect to the period for which particular goods remain in the warehouse, including the particulars relating

to dispatch, movement, receipt and disposal of such goods.

- (5) The owner or the operator of the godown shall store the goods in such manner that they can be identified item-wise and owner-wise and shall facilitate any physical verification or inspection by the proper officer on demand.

- **Audit of Accounts**

Every registered person whose turnover during a financial year exceeds the prescribed limit (Rs. 2 crore) shall get his accounts audited by a chartered accountant or a cost accountant and shall submit a copy of the audited annual accounts, the reconciliation statement under sub-section (2) of section 44 and such other documents in such form and manner as may be prescribed [Section 35(5) of CGST Act, 2017].

- **Determination of tax liability in case of failure to maintain the accounts**

Subject to the provisions of clause (h) of sub-section (5) of section 17, where the registered person fails to account for the goods or services or both in accordance with the provisions of sub-section (1), the proper officer shall determine the amount of tax payable on the goods or services or both that are not accounted for, as if such goods or services or both had been supplied by such person and the provisions of section 73 or section 74, as the case may be, shall, mutatis mutandis, apply for determination of such tax [Section 35(6) of CGST Act, 2017].

PERIOD OF RETENTION OF ACCOUNT

Every registered person required to keep and maintain books of account or other records in accordance with the provisions of sub-section (1) of section 35 shall retain them until the expiry of seventy-two months from the due date of furnishing of annual return for the year pertaining to such accounts and records.

Provided that a registered person, who is a party to an appeal or revision or any other proceedings before any Appellate Authority or Revisional Authority or Appellate Tribunal or court, whether filed by him or by the Commissioner, or is under investigation for an offence under Chapter XIX, shall retain the books of account and other records pertaining to the subject matter of such appeal or revision or proceedings or investigation for a period of one year after final disposal of such appeal or revision or proceedings or investigation, or for the period specified above, whichever is later [Section 36 of CGST Act, 2017].

LET US RECAPITULATE

- Maintenance of accounts & records by every registered person.
- Records to be maintained at each place of business.
- Each volume of books of accounts must be serially numbered.
- Every registered person manufacturing goods shall maintain monthly production accounts.
- Every registered person executing works contract shall keep separate accounts for works contract.
- Records may be maintained in electronic form and shall be authenticated by means of a digital signature.
- Audit requirement where turnover exceeds Rs. 2 crore.
- Audit can be done by a Chartered Accountant or a Cost Accountant.
- Accounts must be retained for a period of 72 months.

Assessment & Audit Compliances

SELF-ASSESSMENT

Every registered person shall self-assess the taxes payable under this Act and furnish a return for each tax period as specified under section 39[Section 59 of CGST Act, 2017]

PROVISIONAL ASSESSMENT IN GST

Introduction

A supplier will come to know the extent of his tax liability which has to be discharged on a continuous and regular basis only after assessment. Assessment means determination of tax liability and includes self-assessment, re-assessment, provisional assessment, summary assessment and best judgment assessment. The major determinants of the tax liability are generally the applicable tax rate and the value. There might be situations when these determinants might not be readily ascertainable and may be subject to the outcome of a process that requires deliberation and time. Hence like under the previous laws, when due to various circumstances it might not be always possible, at that point of time, to carry out an assessment and determine the exact duty liability, the GST law also provides for provisional assessment.

The Asst. Commissioner/Dy. Commissioner of Central Tax provisionally determines the amount of tax payable by the supplier and is subject to final determination. On provisional assessment, the supplier can pay tax on provisional basis but only after he executes a bond with security, binding them for payment

of the difference between the amounts of tax as may be finally assessed and the amount of tax provisionally assessed. On finalization of the provisional assessment, any amount that has been paid on the basis of such assessment is to be adjusted against the amount that has been finally determined as payable. In case of short payment, the same has to be paid with interest and in case of excess payment, the same will be refunded with interest.

Section 60 of CGST Act, 2017 provides:

1. Subject to the provisions of sub-section (2), where the taxable person is unable to determine the value of goods or services or both or determine the rate of tax applicable thereto, he may request the proper officer in writing giving reasons for payment of tax on a provisional basis and the proper officer shall pass an order, within a period not later than ninety days from the date of receipt of such request, allowing payment of tax on provisional basis at such rate or on such value as may be specified by him.
2. The payment of tax on provisional basis may be allowed, if the taxable person executes a bond in such form as may be prescribed, and with such surety or security as the proper officer may deem fit, binding the taxable person for payment of the difference between the amount of tax as may be finally assessed and the amount of tax provisionally assessed.
3. The proper officer shall, within a period not exceeding six months from the date of the communication of the order issued under sub-section (1), pass the final assessment order after taking into account such information as may be required for finalizing the assessment:

Provided that the period specified in this sub-section may, on sufficient cause being shown and for reasons to be recorded in writing, be extended by the Joint Commissioner or Additional Commissioner for a further period not exceeding six months and by the Commissioner for such further period not exceeding four years.

4. The registered person shall be liable to pay interest on any tax payable on the supply of goods or services or both under provisional assessment but not paid on the due date specified under sub-section (7) of section 39 or the rules made thereunder, at the rate specified under sub-section (1) of section 50, from the first day after the due date of payment of tax in respect of the said supply of goods or services or both till the date of actual Consumer payment, whether such amount is paid before or after the issuance of order for final assessment.
5. Where the registered person is entitled to a refund consequent to the order of final assessment under sub-section (3), subject to the provisions of sub-section (8) of section 54, interest shall be paid on such refund as provided in section 56.

Rule 98 of CGST Rules, 2017 provides:

1. Every registered person requesting for payment of tax on a provisional basis in accordance with the provisions of sub-section (1) of section 60 shall furnish an application along with the documents in support of his request, electronically in FORM GST ASMT-01 on the common portal, either directly or through a Facilitation Centre notified by the Commissioner.
2. The proper officer may, on receipt of the application under sub-rule (1), issue a notice in FORM GST ASMT-02 requiring the registered person to furnish additional information or documents in support of his request and the applicant shall file a reply to the notice in FORM GST ASMT – 03, and may appear in person before the said officer if he so desires.
3. The proper officer shall issue an order in FORM GST ASMT-04 allowing the payment of tax on a provisional basis indicating the value or the rate or both on the basis of which the assessment is to be allowed on a provisional basis and the amount for which the bond is to be executed

and security to be furnished not exceeding twenty-five per cent of the amount covered under the bond.

4. The registered person shall execute a bond in accordance with the provisions of sub-section (2) of section 60 in FORM GST ASMT-05 along with a security in the form of a bank guarantee for an amount as determined under sub-rule (3):

Provided that a bond furnished to the proper officer under the State Goods and Services Tax Act or Integrated Goods and Services Tax Act shall be deemed to be a bond furnished under the provisions of the Act and the rules made there under.

Explanation.- For the purposes of this rule, the expression amount shall include the amount of integrated tax, central tax, State tax or Union territory tax and cess payable in respect of the transaction.

5. The proper officer shall issue a notice in FORM GST ASMT-06, calling for information and records required for finalization of assessment under sub-section (3) of section 60 and shall issue a final assessment order, specifying the amount payable by the registered person or the amount refundable, if any, in FORM GST ASMT-07.
6. The applicant may file an application in FORM GST ASMT-08 for the release of the security furnished under sub-rule (4) after issue of the order under sub-rule (5).
7. The proper officer shall release the security furnished under sub-rule (4), after ensuring that the applicant has paid the amount specified in sub-rule (5) and issue an order in FORM GST ASMT-09 within a period of seven working days from the date of the receipt of the application under sub-rule (6).

Conclusion

Provisional assessment provides a method for determining the

tax liability in case the correct tax liability cannot be determined at the time of supply. The payment of provisional tax is allowed only against a bond and security. The provisional assessment has to be finalized within six months unless extended. On finalization, the tax liability can either be more or less as compared to the provisionally paid tax. In case of increase in the tax liability, the difference is payable along with interest and in case of decrease in the tax liability the amount will be refunded with interest.

SCRUTINY OF RETURNS

Section 61 of CGST Act, 2017 provides:

1. The proper officer may scrutinize the return and related particulars furnished by the registered person to verify the correctness of the return and inform him of the discrepancies noticed, if any, in such manner as may be prescribed and seek his explanation thereto.
2. In case the explanation is found acceptable, the registered person shall be informed accordingly and no further action shall be taken in this regard.
3. In case no satisfactory explanation is furnished within a period of thirty days of being informed by the proper officer or such further period as may be permitted by him or where the registered person, after accepting the discrepancies, fails to take the corrective measure in his return for the month in which the discrepancy is accepted, the proper officer may initiate appropriate action including those under section 65 or section 66 or section 67, or proceed to determine the tax and other dues under section 73 or section 74.

Rule 99 of CGST Rules, 2017 provides:

1. Where any return furnished by a registered person is selected for scrutiny, the proper officer shall scrutinize the same in accordance with the provisions of section 61 with reference to the information available with him, and in case of any discrepancy, he shall issue a notice to the said

person in FORM GST ASMT-10, informing him of such discrepancy and seeking his explanation thereto within such time, not exceeding thirty days from the date of service of the notice or such further period as may be permitted by him and also, where possible, quantifying the amount of tax, interest and any other amount payable in relation to such discrepancy.

2. The registered person may accept the discrepancy mentioned in the notice issued under sub-rule (1), and pay the tax, interest and any other amount arising from such discrepancy and inform the same or furnish an explanation for the discrepancy in FORM GST ASMT-11 to the proper officer.
3. Where the explanation furnished by the registered person or the information submitted under sub-rule (2) is found to be acceptable, the proper officer shall inform him accordingly in FORM GST ASMT-12.

ASSESSMENT OF NON-FILERS OF RETURNS

Section 62 of CGST Act, 2017 provides:

1. Notwithstanding anything to the contrary contained in section 73 or section 74, where a registered person fails to furnish the return under section 39 or section 45, even after the service of a notice under section 46, the proper officer may proceed to assess the tax liability of the said person to the best of his judgement taking into account all the relevant material which is available or which he has gathered and issue an assessment order within a period of five years from the date specified under section 44 for furnishing of the annual return for the financial year to which the tax not paid relates.
2. Where the registered person furnishes a valid return within thirty days of the service of the assessment order under sub-section (1), the said assessment order shall be deemed to have been withdrawn but the liability for

payment of interest under sub-section (1) of section 50 or for payment of late fee under section 47 shall continue.

Rule 100(1) of CGST Rules, 2017 provides: the order of assessment made under sub-section (1) of section 62 shall be issued in FORM GST ASMT-13.

ASSESSMENT OF UNREGISTERED PERSONS

Section 63 of CGST Act, 2017 provides:

Notwithstanding anything to the contrary contained in section 73 or section 74, where a taxable person fails to obtain registration even though liable to do so or whose registration has been cancelled under sub-section (2) of section 29 but who was liable to pay tax, the proper officer may proceed to assess the tax liability of such taxable person to the best of his judgment for the relevant tax periods and issue an assessment order within a period of five years from the date specified under section 44 for furnishing of the annual return for the financial year to which the tax not paid relates:

Provided that no such assessment order shall be passed without giving the person an opportunity of being heard.

Rule 100(2) of CGST Rules, 2017 provides: the proper officer shall issue a notice to a taxable person in accordance with the provisions of section 63 in FORM GST ASMT-14 containing the grounds on which the assessment is proposed to be made on best judgment basis and after allowing a time of fifteen days to such person to furnish his reply, if any, pass an order in FORM GST ASMT-15.

AUDIT BY TAX AUTHORITIES

Section 65 of CGST Act, 2017 provides:

1. The Commissioner or any officer authorised by him, by way of a general or a specific order, may undertake audit of any registered person for such period, at such frequency and in such manner as may be prescribed.

2. The officers referred to in sub-section (1) may conduct audit at the place of business of the registered person or in their office.
3. The registered person shall be informed by way of a notice not less than fifteen working days prior to the conduct of audit in such manner as may be prescribed.
4. The audit under sub-section (1) shall be completed within a period of three months from the date of commencement of the audit:

Provided that where the Commissioner is satisfied that audit in respect of such registered person cannot be completed within three months, he may, for the reasons to be recorded in writing, extend the period by a further period not exceeding six months.

Explanation — For the purposes of this sub-section, the expression “commencement of audit” shall mean the date on which the records and other documents, called for by the tax authorities, are made available by the registered person or the actual institution of audit at the place of business, whichever is later.

5. During the course of audit, the authorised officer may require the registered person,—
 - (i) to afford him the necessary facility to verify the books of account or other documents as he may require;
 - (ii) to furnish such information as he may require and render assistance for timely completion of the audit.
6. On conclusion of audit, the proper officer shall, within thirty days, inform the registered person, whose records are audited, about the findings, his rights and obligations and the reasons for such findings.
7. Where the audit conducted under sub-section (1) results in detection of tax not paid or short paid or erroneously

refunded, or input tax credit wrongly availed or utilised, the proper officer may initiate action under section 73 or section 74.

Rule 101 of CGST Rules, 2017 provides:

1. the period of audit to be conducted under sub-section (1) of section 65 shall be a financial year or multiples thereof.
2. where it is decided to undertake the audit of a registered person in accordance with the provisions of section 65, the proper officer shall issue a notice in FORM GST ADT-01 in accordance with the provisions of sub-section (3) of the said section.
3. the proper officer authorised to conduct audit of the records and the books of account of the registered person shall, with the assistance of the team of officers and officials accompanying him, verify the documents on the basis of which the books of account are maintained and the returns and statements furnished under the provisions of the Act and the rules made thereunder, the correctness of the turnover, exemptions and deductions claimed, the rate of tax applied in respect of the supply of goods or services or both, the input tax credit availed and utilised, refund claimed, and other relevant issues and record the observations in his audit notes.
4. the proper officer may inform the registered person of the discrepancies noticed, if any, as observed in the audit and the said person may file his reply and the proper officer shall finalise the findings of the audit after due consideration of the reply furnished.
5. on conclusion of the audit, the proper officer shall inform the findings of audit to the registered person in accordance with the provisions of sub-section (6) of section 65 in FORM GST ADT-02.

SPECIAL AUDIT IN GST

Introduction

GST is a trust based taxation regime wherein the assessee is required to self-assess his returns and determine tax liability without any intervention by the tax official. Therefore, a tax regime that relies on self-assessment has to put in place a robust audit mechanism to measure and ensure compliance of the provisions of law by the taxable person.

“Audit” has been defined in section 2(13) of the CGST Act, 2017 and it means the examination of records, returns and other documents maintained or furnished by the registered person under the GST Acts or the rules made thereunder or under any other law for the time being in force to verify the correctness of turnover declared, taxes paid, refund claimed and input tax credit availed, and to assess his compliance with the provisions of the GST Acts or the rules made thereunder.

Types of Audit

GST envisages three types of Audit. The first audit is by a chartered accountant or a cost accountant. Every registered person whose aggregate turnover during a financial year exceeds two crore rupees has to get his accounts audited by a chartered accountant or a cost accountant and furnish a copy of audited annual accounts and a reconciliation statement, duly certified, in FORM GSTR-9C.

In the second type which is the normal audit, the Commissioner or any officer authorised by him, can undertake audit of any registered person for such period, at such frequency and in such manner as may be prescribed.

The third type of audit is called the Special Audit. In Special Audit the registered person can be directed to get his records including books of account examined and audited by a chartered accountant or a cost accountant during any stage of scrutiny, inquiry, investigation or any other proceedings; depending upon the complexity of the case.

Procedure

- During the scrutiny, inquiry, investigation or any other proceedings of a registered person, the Assistant Commissioner or any officer senior to him, having regard to the nature and complexity of the case and the interest of revenue, might be of the opinion that the value has not been correctly declared or the credit availed is not within the normal limits.
- In such cases, with the prior approval of the Commissioner, the Assistant Commissioner or any officer senior to him can direct the registered person in FORM GST ADT-03 to get his records including books of account examined and audited by a specified chartered accountant or a cost accountant. The chartered accountant or a cost accountant will be nominated by the Commissioner.
- The chartered accountant or cost accountant so nominated has to submit a report of such audit within the period of ninety days, duly signed and certified by him to the Assistant Commissioner.
- On an application made by the registered person or the chartered accountant or cost accountant or for any material and sufficient reason, the Assistant Commissioner can extend the said period by a further period of ninety days.
- The provisions of special audit shall have effect even if the accounts of the registered person have been audited under any other provisions of the GST Act or any other law for the time being in force.
- The registered person shall be given an opportunity of being heard in respect of any material gathered on the basis of special audit and which is proposed to be used in any proceedings against him under this Act or the rules made there under.
- The expenses of the examination and audit of records,

including the remuneration of such chartered accountant or cost accountant, shall be determined and paid by the Commissioner.

- On conclusion of the special audit, the registered person shall be informed of the findings of the special audit in FORM GST ADT-04.
- Where the special audit results in detection of tax not paid or short paid or erroneously refunded, or input tax credit wrongly availed or utilised, the process of demand and recovery will be initiated against the registered person.

Conclusion

Special audit provides a lawful and legal way for the GST officers to take the assistance of a chartered accountant or cost accountant to determine tax liabilities in complex cases. The professional expertise of a chartered accountant or cost accountant will be of great significance in ensuring that the interest of revenue is safeguarded at all times.

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— Types of Assessment under GST

- *Self Assessment* - registered taxable person shall assess the taxes payable by them on their own.
- *Provisional Assessment* - A registered taxpayer can request the officer for provisional assessment if he is unable to determine the value of supply or rate of tax
- *Scrutiny Assessment* - A GST officer can scrutinize the return to verify its correctness
- *Summary Assessment* - Summary Assessment is done when the assessing officer comes across sufficient grounds to believe any delay in showing a tax liability can harm the interest of the revenue
- *Best Judgement Assessment* – Assessment made by proper officer to the best of his judgement

- o Assessment of non filers of GST return
- o Assessment of unregistered person

— **Types of Audit**

- *General Audit* – where turnover exceeds Rs. 2 crore
- *Audit by Tax Authorities* - Commissioner or any officer authorised by him, by way of a general or a specific order, may undertake audit of any registered person
- *Special Audit* – a registered person may be directed to get his records including books of account examined and audited by a chartered accountant or a cost accountant during any stage of scrutiny, inquiry, investigation or any other proceedings;

— **List of important forms**

<i>Sl.No.</i>	<i>Particulars</i>	<i>Name of the Form</i>	<i>Who has to execute</i>
1	Provisional Assessment U/s 60(1)	FORM GST ASMT-01	Registered dealer (RD) electronically.
2	Notice of Proper Officer for appearance	FORM GST ASMT-02	Proper officer
3	Reply to above notice	FORM GST ASMT-03	Registered dealer (RD)
4	Order by Proper officer on provisional assessment and requirement of bond	FORM GST ASMT-04	Proper officer
5	Execution of bond U/s 60 (2) along with security (BG)	FORM GST ASMT-05	Registered dealer (RD)

6	Calling for information and records for finalization of assessment U/s 60(3)	FORM GST ASMT-06	Proper officer
7	Amount specified whether payable or refundable by the (RD) if any	FORM GST ASMT-07	Proper officer
8	Application for release of security	FORM GST ASMT-08	Registered dealer (RD)
9	Release security and issue Order within 7 days of receipt of above application	FORM GST ASMT-09	Proper officer
10	Notice of Scrutiny U/s 61 in case of any discrepancies	FORM GST ASMT-10	Proper officer
11	Furnishing information against the notice	FORM GST ASMT-11	Registered dealer (RD)
12	Acceptance of information	FORM GST ASMT-12	Proper officer
13	Order of Assessment U/s 62(1)	FORM GST ASMT-13	Proper officer
14	Notice to Unregistered dealer U/s 63	FORM GST ASMT-14	Proper officer
15	Order on assessment and its grounds	FORM GST ASMT-15	Proper officer
16	Summary Assessment U/s 64(1)	FORM GST ASMT-16	Proper officer

17	Application for withdrawal of S.A	FORM GST ASMT-17	Registered dealer (RD)
18	Order of withdrawal or rejection	FORM GST ASMT-18	Proper officer
19	Notice of Audit U/s 65	FORM GST ADT-01	Proper officer
20	Findings of audit to the RD	FORM GST ADT-02	Proper officer
21	Direction for Special Audit U/s 66	FORM GST ADT-03	Proper officer
22	On conclusions, Finding of Special audit to be informed to RD	FORM GST ADT-04	Proper officer

Compliance Related to GST Returns

GST RETURN MECHANISMS

Under GST, a regular taxpayer needs to furnish monthly returns and one annual return. There are separate returns for a taxpayer registered under the composition scheme, non-resident taxpayer, taxpayer registered as an Input Service Distributor, a person liable to deduct or collect the tax (TDS/TCS), a person granted Unique Identification Number. Taxpayers are required to file returns depending on the activities they undertake. The GST Council has however decided to ease the compliance requirements for small tax payers by allowing taxpayers with annual aggregate turnover up to Rs.1.5 Crore to file details of outward supplies in FORM GSTR-1 on a quarterly basis and on monthly basis by taxpayers with annual aggregate turnover greater than Rs. 1.5 Crore. GSTR-2 & GSTR-3 have been indefinitely postponed. GSTR-3B has been introduced in addition to existing returns. GSTR-3B is a simplified return that all taxpayers need to file on a monthly basis. It is a summarized return form which every taxpayer will be required to file on self-declaration basis by 20th day of next month.

TYPES OF RETURNS

- **By normal registered entity/person**

Following returns are required to be filed by a normal registered entity/person:

<i>Return Form</i>	<i>Particulars</i>	<i>Interval</i>	<i>Standard date of filing</i>
GSTR 1*	Statement of outward supplies of goods and/or services	Monthly	10th of the next month
GSTR-2*	Statement of inward supplies of goods and/or services	Monthly	15th of the next month
GSTR-3*	Monthly return on the basis of finalization of details of outward supplies and inward supplies along with the payment of tax.	Monthly	20th of the next month
GSTR-9	Annual Return	Annually	31st December of next financial year
GSTR-3B	Provisional return for the month July 2017 to July 2018	Monthly	20th of the next month

- **By Composition Dealer: Following returns are required to be filed by a Composition taxpayer**

<i>Return Form</i>	<i>Particulars</i>	<i>Interval</i>	<i>Due Date</i>
GSTR-4	Return for compounding taxable person	Quarterly	18th of the month succeeding quarter
GSTR-9A	Simplified Annual Return	Annually	31st December of next financial year

- **By Specific Registered dealers: Following returns are required to be filed by the specific registered dealer**

<i>Return Form</i>	<i>Particulars</i>	<i>Interval</i>	<i>Due Date</i>
GSTR-5	Return for Non-Resident taxable person	Monthly	20th of the next month or 7th day after the last day of the validity of registration, whichever is earlier
GSTR-5A	Monthly return for a person supplying OIDAR services from a place outside India to a non-taxable online recipient	Monthly	20th of the next month
GSTR-6	Return for Input Service Distributor	Monthly	13th of the next month**
GSTR-7	Return for authorities deducting tax at source.	Monthly	10th of the next month
GSTR-8	Details of supplies effected through e-commerce operator	Monthly	10th of the next
GSTR-10	Final Return When registration is cancelled or surrendered	Once.	Within three months of the date of cancellation or date of cancellation order, whichever is later.
GSTR-11	Details of inward supplies to be furnished by a person having UIN and claiming refund	Monthly	28th of the month following the month for which statement is filed

Following due dates have been extended vide Notification No. 33/2018 - Central Tax dated 10th August, 2018

- *Registered persons having aggregate turnover of up to 1.5 Crore rupees in the preceding financial year or the current financial year shall furnish GSTR-1 on a quarterly basis.*

<i>Period</i>	<i>Due Date</i>
July to Sept, 2018	31st October, 2018
October to December, 2018	1st January, 2019
January to March, 2019	30th April, 2019

- *Other Registered persons having aggregate turnover of more than 1.5 Crore rupees in the preceding financial year or the current financial year shall furnish these returns on a monthly basis.*

<i>Period</i>	<i>Due Date</i>
February, 2018	10th April, 2018
March 2018	10th May, 2018
April 2018	31st May, 2018
May 2018	10th June, 2018
June, 2018	10th July, 2018
July 2018 to March 2019	11th day of Next Month

- *Filing of GSTR-2 and GSTR-3 has been postponed till further announcement.*
- *Due date of GSTR-6 for the period July 2017 to August 2018 has been postponed to September 30th, 2018 [Notification No. 30/2018 – Central Tax dated 30th July, 2018]*

GST RETURNS CALENDAR

<i>Return Form</i>	<i>Category of Taxpayer</i>	<i>Time Period</i>	<i>Due Date</i>
GSTR-3B	All taxpayers to file along with payment of tax	Every month till July 2018	20th of the succeeding month
GSTR-1	Taxpayers with annual aggregate turnover up to Rs 1.5 Crore to file on Quarterly basis Taxpayers with annual aggregate turnover of more than Rs 1.5 Crore to file on Monthly basis	Jul-Sep 2018 Jul 2018	10th October 2018 10th August 2018
GSTR-4	Taxpayers who have opted for Composition scheme to file every quarter	Jul – Sep 2018	18th October 2018
GSTR-5	Non Resident Taxable Person to file every month	Jul 2018	20th August 2018
GSTR-5A	Taxpayers supplying OIDAR services from a place outside India to a non-taxable online recipient	Jul 2018	20th August 2018
GSTR-6	Input Service Distributor	July 2017 – Aug 2018	30th Sept. 2018

Note : Due dates have not been notified for GSTR-2 and GSTR-3 for any of the months. That is why, a taxpayer need not file GSTR-2 and GSTR-3 for any of the months from July 2017 until a notification is issued in this regard mentioning the due dates. Till such time, Form GSTR-3B is required to be filed by tax payers instead of Form GSTR-3.

AN OVERVIEW OF GST RETURN

GSTR-1

- GSTR-1 is a monthly or quarterly return of outward supplies to be filed by every registered person except the following:
 - Input Service Distributors
 - Composition Dealers
 - Non-resident taxable person
 - Persons liable to deduct TDS
 - Persons liable to collect TCS
 - Suppliers of online information and database access or retrieval services
- Return once filed, cannot be revised. Any mistake or omission can be rectified in the next period return.
- Invoice wise details are required to be given for outward supplies which are the basis of matching concept in GST.

GSTR-2

- GSTR-2 is a monthly statement of inward supplies including the supplies on which reverse charge applies and to be filed by every registered person except the following:
 - Input Service Distributors
 - Composition Dealers
 - Non-resident taxable person
 - Persons liable to deduct TDS
 - Persons liable to collect TCS
 - Suppliers of online information and database access or retrieval services

- GSTR-2 is used for Invoice matching reconciliation, it is very crucial as the ITC on inward supplies will only be available to buyer where the seller has furnished GSTR-1 of his outward supplies.
- When a person files GSTR-1, the information get automatically updated in GSTR-2A of buyer, buyer required to validate his purchase from GSTR-2A and accordingly files GSTR-2.
- Return once filed, cannot be revised. Any mistake or omission can be rectified in the next period return.

GSTR-3 & GSTR-3B

- GSTR-3 is a monthly return with the summarized details of outward supplies, inward supplies, supplies attracting reverse charge along with GST liability and corresponding ITC availed. It is an auto-generated return pulling the information from GSTR-1 & GSTR-2.
- GSTR-3B is a simplified monthly return that all taxpayers need to file monthly. It is a summarized return form which every taxpayer will be required to file on self-declaration basis. The same needs to be filed by 20th day of next month.
- Late Fees for filing GST Returns:

Other than Annual Return

<i>Particulars</i>	<i>Late Fees</i>
Nil Return (GSTR-1, GSTR-3B, GSTR-4, GSTR-5 & GSTR-5A)	Rs. 20 per day of delay
Other than Nil Return (GSTR-1, GSTR-3B, GSTR-4, GSTR-5, GSTR-5A and GSTR-6)	Rs. 50 per day of delay

Maximum Late fees is Rs. 5,000/-

Annual Return

Rs.200 per day of default up to a maximum of 0.25% of Turnover.

For the months July to September 2017, the late fees for delay in filing GSTR-3B have been completely waived off.

- Interest on late payment of GST – An interest of 18% is levied on the late payment of taxes. The interest would be levied for the days for which tax was not paid after the due date.

Note : GSTR-2 & GSTR-3 are currently on hold till the time government notifies its due date.

ITC MATCHING AND AUTO-REVERSAL

- It is a mechanism to prevent revenue leakage and to facilitate availment of eligible and rightful ITC by taxpayers.
- The process of ITC Matching begins after the due date for filing of the return (20th). This is carried out by GSTN.
- The details of every inward supply furnished by the taxable person (i.e. the “recipient” of goods and/or services) in form GSTR-2 shall be matched with the corresponding details of outward supply furnished by the corresponding taxable person (i.e. the “supplier” of goods and / or services) in his valid return. A return may be considered to be a valid return only when the appropriate GST has been paid in full by the taxable person as shown in such return for a given tax period.
- In case the details match, then the ITC claimed by the recipient in his valid returns shall be considered as finally accepted and such acceptance shall be communicated to the recipient. Failure to file valid return by the supplier may lead to denial of ITC in the hands of the recipient.
- In case the ITC claimed by the recipient is in excess of the

tax declared by the supplier or where the details of outward supply are not declared by the supplier in his valid returns, the discrepancy shall be communicated to both the supplier and the recipient. Similarly, in case, there is duplication of claim of ITC, the same shall be communicated to the recipient.

- The recipient will be asked to rectify the discrepancy of excess claim of ITC and in case the Supplier has not rectified the discrepancy communicated in his valid returns for the month in which discrepancy is communicated then such excess ITC as claimed by the recipient shall be added to the output tax liability of the recipient in the succeeding month.
- Similarly, duplication of ITC claimed by the recipient shall be added to the output tax liability of the recipient in the month in which such duplication is communicated.
- The recipient shall be liable to pay interest on the excess or duplicate ITC added back to the output tax liability of the recipient from the date of availing of ITC till the corresponding additions are made in their returns.
- Re-claim of ITC refers to taking back the ITC reversed in the Electronic Credit Ledger of the recipient by way of reducing the output tax liability. Such re-claim can be made by the recipient only in case the supplier declares the details of invoice and/or Debit Notes in his valid return within the prescribed timeframe. In such case, the interest paid by the recipient shall be refunded to him by way of crediting the amount to his Electronic Cash Ledger.

LET US RECAPITULATE

- Key features of GST return mechanism
 - o Online filing
 - o Invoice level information
 - o Auto populated ITC

- o HSN summary
- o Automatic application of ITC in discharge of liability
- For turnover upto Rs. 1.5 crore – Quarterly return
- For turnover more than Rs. 1.5 crore – Monthly return
- GSTR-2 & GSTR-3 not yet notified.
- Forms of GST Returns:

<i>Return Form</i>	<i>Particulars</i>
GSTR-1	Details of outward supplies of taxable goods and/or services effected
GSTR-2	Details of inward supplies of taxable goods and/or services effected claiming input tax credit.
GSTR-3	Monthly return on the basis of finalization of details of outward supplies and inward supplies along with the payment of amount of tax.
GSTR-3B	Simple return for Jul 2017- Mar 2018
GSTR-4	Return for compounding taxable person
GSTR-5	Return for Non-Resident foreign taxable person
GSTR-6	Return for Input Service Distributor
GSTR-7	Return for authorities deducting tax at source.
GSTR-8	Details of supplies effected through e-commerce operator and the amount of tax collected

GSTR-9	Annual Return
GSTR-9A	Annual Return
GSTR-10	Final Return
GSTR-11	Details of inward supplies to be furnished by a person having UIN and claiming refund

- The key features and new format of the GST Returns have been approved by GST Council in its 28th meeting held on July 21, 2018 and placed on Government portal: https://static.mygov.in/rest/s3fs-public/mygov_153301856351553221.pdf for public comments.

E-Way Bill Compliances

INTRODUCTION

E-way bill mechanism has come alive for inter-State movement of goods across the country from 1st April 2018 and on notified dates by respective State Government for intra state movements.

Electronic Way Bill (E-Way Bill) is basically a compliance mechanism wherein by way of a digital interface the person causing the movement of goods uploads the relevant information prior to the commencement of movement of goods and generates e-way bill on the GST portal.

Rule 138 of the CGST Rules, 2017 provides for the e-way bill mechanism and in this context it is important to note that “information is to be furnished prior to the commencement of movement of goods” and “is to be issued whether the movement is in relation to a supply or for reasons other than supply”.

BASIC CONDITION FOR GENERATION OF E-WAY BILL

An e-way bill is required to be generated for the movement of goods of consignment value exceeding Rs. 50,000/-:

- (i) in relation to a supply [for example, supply of goods to the customer]
- (ii) for reasons other than supply [for example, movement of goods for job work, repairs, etc.]

- (iii) due to inward supply from Unregistered Persons [i.e. any procurements made from Unregistered Person]

Consignment value of goods shall be such as shown on the tax invoice/ bill of supply/ delivery challan, as the case may be, including the value of taxes (i.e. Central Tax, State or Union Territory Tax, Integrated Tax and Cess charged, if any) but not including the value of goods which are exempted from the payment of tax, where the invoice is issued in respect of both exempt and taxable goods.

Important Notes

- E-way bill can be generated voluntarily even if the consignment value of is less than Rs. 50,000
- Where the consignor or the consignee has not generated the e-way bill in FORM GST EWB-01 being the consignment value not exceeding Rs. 50,000/- and the aggregate of the consignment value of goods carried in the conveyance is more than fifty thousand rupees but the individual consignment value doesn't exceed Rs. 50,000/-, the transporter is also not required to generate the e-way bill as Rule 138(7) has not come into force yet (*Notification No. 15/2018 – Central Tax*).

SITUATIONS WHERE E-WAY BILL IS REQUIRED TO BE GENERATED EVEN WHEN CONSIGNMENT VALUE DOESN'T EXCEED RS. 50,000/-

- A. Where goods are sent by a principal located in one State or Union Territory to a job worker located in any other State or Union Territory, the e-way bill shall be generated either by the principal or the job worker, if registered, irrespective of the value of the consignment.
- B. Where handicraft goods are transported from one State or Union Territory to another State or Union Territory by a person who has been exempted from the requirement of obtaining registration under clauses (i) and (ii) of

section 24, the e-way bill shall be generated by the said person irrespective of the value of the consignment.

PROCESS OF GENERATION OF E-WAY BILL

E-way bill shall be generated in Form GST EWB-01 on the common Portal. At the outset, User name / password need to be generated on the common portal. The address of common portal is www.ewaybillgst.gov.in.

The process of generation is divided into two parts i.e. Part A and Part B of Form GST EWB-01.

PART A

Contents - Part A mainly comprise of basic invoice information containing the following fields.

<i>Part A</i>	<i>Particulars</i>	<i>Remarks</i>
A.1	GSTIN of Supplier	GSTIN of the person generating e-way bill
A.2	Place of Dispatch	Self-explanatory/ It is relevant especially where the Place of dispatch is different from the place of the consignor.
A.3	GSTIN of Recipient	Self-explanatory. However, where the recipient is unregistered, it is not required and in such cases the option 'URP' shall be ticked.
A.4	Place of Delivery	Self-explanatory
A.5	Document Number	Tax Invoice no/ Bill of Supply No. / Delivery Challan No. as the case may be.

A.6	Document Date	Date corresponding to the underlying document.
A.7	Value of Goods	As per invoice/ bill of supply/ delivery challan [inclusive of taxes]
A.8	HSN Code	As per the underlying document
A.9	Reason for Transportation	In common portal, the following reasons have been made available for generation of e-Way Bill viz. Supply, Export or Import, Job Work, SKD or CKD, Recipient not known, Line Sales, Sales Return, Exhibition or Fairs, For own use and Others.

Who is required to fill Part A?

- Any person who causes movement of goods shall be required to fill Part A.
- Alternatively, Part A can also be filed by the transporter or e-commerce operator or courier agency provided such agencies are specially authorized by the person who is actually causing movement of goods.
- In trade parlance, the person who is a consignor of goods as per the underlying document or arranging transportation as consignor or consignee shall be considered as a person who causes movement.
- In case, the goods are procured by a registered person from an unregistered person [URP], the registered recipient person shall be deemed to have caused movement of goods [and the consequences of generating e way bill will follow].

Unique Number – The successful filling up of Part A results in the generation of unique number which shall be used for filling up of Part B.

PART B

The filling up of Part B finally culminates the process with the generation of e way bill.

Contents - Part B mainly comprise of transportation details as below;

<i>Part B</i>	<i>Particulars</i>	<i>Remarks</i>
B.1	Vehicle No. [for Road]	To be taken from the transporter
B.2	Transport Document No. / Defence Vehicle No. / Temporary Vehicle Registration No. / Nepal or Bhutan Vehicle Registration No.	LR / RR No.

Who is required to fill Part B?

- Where the goods are transported by road, Part B shall be filled by the registered person as consignor or recipient as consignee.
- Where Part B is not filed as above and the goods are handed over to the transporter, in such case, Part B shall be filled by the transporter provided the consignor or consignee who had furnished Part A should assign the unique e way bill number to such transporter.
- Where the goods are transported by vessel, railways or air, Part B can only be filled by the supplier or recipient. [it cannot be filled by the transporter].

Part B has to be filled/ furnished within 15 days from the filling up of PART A.

Upon filling of Part B, the common portal will finally generate e way bill and unique e-way bill number [EBN] shall be made available to the supplier, recipient and the transporter.

MODES OF GENERATION OF E-WAY BILL

The e-way bill can be generated by the registered person in any of the following methods;-

- Using Web based system
- Using SMS based facility
- Using Android App
- Bulk generation facility
- Using Site-to-Site integration
- Using GSP (Goods and Services Tax Suvidha Provider)

WHEN TO GENERATE E-WAY BILL

Where the goods are transported by road, e-way bill (both Part-A and Part-B) necessarily required to be generated before the commencement of movement of goods. Any movement of goods [above threshold of Rs. 50,000] without a valid e-way bill is liable to penalties and detention.

Where the goods are transported by air, railways or vessel, Part B of FORM GST EWB-01 may be updated even after the commencement of movement of goods.

However, in case of railways, it is provided that railways shall not deliver the goods unless the e-way bill required under these rules is produced at the time of delivery.

SITUATIONS WHERE FURNISHING THE DETAILS IN PART B OF FORM GST EWB-01 IS NOT MANDATORY

The e-way bill shall not be valid for movement of goods by road

unless the information in Part-B of FORM GST EWB-01 has been furnished except in the following cases:

Where the goods are transported for a distance of upto fifty (50) kilometers within the State or Union territory from the place of business of the consignor to the place of business of the transporter for further transportation, the supplier or the recipient, or as the case may be, the transporter may not furnish the details of conveyance in Part B of FORM GST EWB-01.

Further, where the goods are transported for a distance of upto fifty (50) kilometers within the State or Union territory from the place of business of the transporter finally to the place of business of the consignee, the details of the conveyance may not be updated in the e-way bill.

WHERE CONSIGNOR OR CONSIGNEE FAILS TO GENERATE E-WAY BILL

In the circumstances, where consignor or consignee fails to generate e-way bill in Form GST EWB-01, the responsibility to generate e-way bill has been shifted on to the transporter concerned. In such cases, the transporter is mandatorily required to generate e-way bill based on the information available as per invoice/ bill of supply/delivery challan. However, the above is applicable only in case of transport of goods by road [not in case of transport of goods by railways, vessel or air].

CONSOLIDATED E-WAY BILL BY THE TRANSPORTER

Where e-way bill is generated as per the procedure for each individual consignment and transporter intends to transport multiple consignments in a single conveyance, he may generate consolidated e-way bill in FORM GST EWB-02 by mentioning serial number of each individual e-way bill.

CANCELLATION/ DELETION OF E-WAY BILL

The e-way bill once generated cannot be deleted. However, it can be cancelled by the generator within 24 hours of generation. If a particular EWB has been verified by the proper officer, then it

cannot be cancelled. E-way bill can be cancelled if either goods are not transported or are not transported as per the details furnished in the e-way bill.

Thus, in case, the e-way bill is generated with wrong details or the goods for which e-way bill is generated are not required to be transported, the user must cancel such e-way bill on the common portal. Where the un-used e-way bill is not cancelled, the GST authorities will deem that that the underlying goods have been transported and the consequences of demand of tax in such cases will follow.

MODIFICATION OF E-WAY BILL

Where, after the generation of e-way bill, the goods are required to be transferred from one conveyance to another for any reason, the requisite details i.e. vehicle no., etc. shall be updated on common portal in Part B either by the person who originally filled information in Part A or by the transporter.

There is an option of updating vehicle no. only. No other details of e-way bill can be edited.

ACCEPTANCE/ REJECTION OF E-WAY BILL

Where an e-way bill is generated, it shall be made available to the other party [consignee or consigner, as the case may be] on the common portal who shall communicate his acceptance or rejection of the consignment covered by the e-way bill. If the recipient of information does not communicate his acceptance or rejection within 72 hours of the details being made available to him, it shall be counted as deemed acceptance on his part.

VALIDITY OF E-WAY BILL

<i>S. No.</i>	<i>Distance</i>	<i>Validity Period</i>
1.	Upto 100 kilometers	One day in cases other than Over Dimensional Cargo
2.	For every 100 kilo-	One additional day in cases

	meters or part thereof thereafter	other than Over Dimensional Cargo
3	Upto 20 kilometers	One day in case of Over Dimensional Cargo
4	For every 20 kilometers or part thereof thereafter	One additional day in case of Over Dimensional Cargo

How to calculate a 'day'?

Each day shall be counted from the time at which e-way bill is generated till the expiry at midnight of the day immediately following the date of generation of e-way bill.

For example - if an e-way bill is generated at 10:00 AM on 1.6.2018, then it shall be valid upto 11.59 pm on 2.6.2018.

What is over dimensional cargo?

The expression "over dimensional cargo" shall mean a cargo carried as a single indivisible unit and which exceeds the dimensional limits prescribed in rule 93 of the Central Motor Vehicle Rules, 1989.

Can the validity of an existing e-way bill be further increased?

Yes, the validity of e-way bill can be further increased by the transporter by updating the details in Part B of Form GST EWB-01. However, such facility to the transporter is allowed only under the circumstance of extreme exceptional nature including transshipment.

GOODS EXEMPTED FROM THE REQUIREMENT OF E-WAY BILL

1. Transportation of those goods laid down in the annexure to rules as specified below:
 - (i) Liquefied petroleum gas for supply to household and non-domestic exempted category (NDEC) customers

- (ii) Kerosene oil sold under PDS
 - (iii) Postal baggage transported by Department of Posts
 - (iv) Natural or cultured pearls and precious or semi-precious stones; precious metals and metals clad with precious metal (Chapter 71)
 - (v) Jewellery, goldsmiths' and silversmiths' wares and other articles(Chapter 71)
 - (vi) Currency
 - (vii) Used personal and household effects
 - (viii) Coral, unworked (0508) and worked coral (9601)
2. Where the goods, other than de-oiled cake, being transported are specified in the schedule appended to Notification No. 2/2017– Central tax (Rate) dated the 28th June, 2017 as amended from time to time. Few of the goods that are included in the above notification are as follows:
- (i) Unbranded rice and wheat flour
 - (ii) Fresh milk and pasteurized milk not containing added sugar or other sweetening matter
 - (iii) Curd, lassi, buttermilk
 - (iv) Chena or paneer, other than put up in unit containers and bearing a registered brand name;
 - (v) Vegetables
 - (vi) Fruits
 - (vii) Cereals
 - (viii) Puja samagari
 - (ix) Unprocessed tea leaves and unroasted coffee beans
 - (x) Meat

- (xi) Salt
 - (xii) Handloom [weaving machinery]
 - (xiii) Items of educational importance (books, maps, periodicals)
3. Where the goods being transported are alcoholic liquor for human consumption, petroleum crude, high-speed diesel, motor spirit (commonly known as petrol), natural gas or aviation turbine fuel.
 4. Where the supply of goods being transported are not treated as supply under Schedule III of the Act (Schedule III consists of activities that would neither be supply of goods nor service like service of an employee to an employer in the course of his employment, functions performed by MP, MLA etc.)
 5. Where the goods being transported are exempt from tax under notification No. 7/2017– Central Tax (Rate) dated 28th June 2017 (supply by CSD to unit run canteens and authorized customers) and notification No. 26/2017– Central Tax (Rate) dated 21st September 2017 (consists of heavy water and nuclear fuels)
 6. Where empty cargo containers are being transported
 7. Where empty cylinders for packing of LPG are being moved for reasons other than supply

OTHER CASES WHERE E-WAY BILL IS NOT REQUIRED

1. Where the consignment value of goods is less than Rs. 50,000 (except in cases of Goods sent by Principal to job worker and in case of handicraft goods).
2. Where the goods are being transported by a non-motorised conveyance
3. In respect of movement of goods within such areas as are notified under clause (d) of sub-rule (14) of rule 138 of the State or Union territory Goods and Services Tax Rules in that particular State or Union territory

4. Where the goods are being transported from the customs port, airport, air cargo complex and land customs station to an inland container depot or a container freight station for clearance by Customs;
5. Where the goods are being transported
 - from an inland container depot or a container freight station to a customs port, airport, air cargo complex and land customs station under custom bond
 - from one custom station/ custom port to another custom station/ custom port under custom bond
 - under customs supervision or under customs seal;
6. Any movement of goods caused by defence formation under Ministry of defence as a consignor or consignee;
7. Where the consignor of goods is the Central Government, Government of any State or a local authority for transport of goods by rail;
8. Where the goods are being transported upto a distance of twenty kilometers from the place of the business of the consignor to a weighbridge for weighment or from the weighbridge back to the place of the business of the said consignor subject to the condition that the movement of goods is accompanied by a delivery challan issued in accordance with rule 55.

DOCUMENTS TO BE CARRIED WITH CONVEYANCE

A person-in-charge of the conveyance/ transporter is required to carry the following documents along with;

- (a) The Invoice or Bill of Supply or Delivery Challan, as the case may be; and
- (b) A copy of the e-way bill in physical form or the e-way bill number in electronic form or mapped to a Radio Frequency Identification Device embedded on to the

conveyance in such manner as may be notified by the Commissioner.

Provided that nothing contained in clause (b) shall apply in case of movement of goods by rail or by air or vessel.

INSPECTION & DETENTION OF CONVEYANCE

GST officers have been authorized to intercept any conveyance to verify the e-way bill in physical form or electronic form for all inter-state and intra-state movement of goods.

Where the physical verification of goods being transported on any conveyance has been done during transit at one place within the State or in any other State, no further physical verification of the said conveyance shall be carried out again in the State, unless a specific information relating to evasion of tax is made available subsequently.

In order to avoid misuse of such powers, the provisions provide that in case of inspection, the proper officer shall record a summary report in Part A of FORM GST EWB-03 within 24 hours of inspection and record the final report in Part B of FORM GST EWB-03 within 3 days of such inspection.

Provided that where the circumstances so warrant, the Commissioner, or any other officer authorised by him, may, on sufficient cause being shown, extend the time for recording of the final report in Part B of FORM EWB-03, for a further period not exceeding three days.

The period of twenty four hours or, as the case may be, three days shall be counted from the midnight of the date on which the vehicle was intercepted.

LET US RECAPITULATE**LIST OF FORMS PRESCRIBED UNDER E-WAY RULES**

<i>S. No.</i>	<i>Form</i>	<i>Purpose</i>	<i>Remarks</i>
1.	FORM GST EWB-01 Part-A Part-B	E-Way Bill Comprise of basic invoice information. Comprise of transportation details.	To be filled by registered person causing movement of goods or by transporter To be filled by Transporter or by registered person
2.	FORM GST EWB-02	Consolidated E-Way Bill	To be generated by Transporter
3.	FORM GST EWB-03 Part-A Part-B	Verification Report Summary Report Final Report	To be filled by Proper Officer within 24 hours of inspection To be filled by Proper Officer within 3 days of inspection. (Commissioner or any other officer authorized by him may extend the time for further period not exceeding 3 days on sufficient cause being shown)
4.	FORM GST EWB-04	Report of detention	To file the complaint by Transporter or Registered person if vehicle is detained by Proper Officer for more than 30 minutes

FORM GST EWB-01

(See rule 138)

E-Way Bill**E-Way Bill No.:****E-Way Bill date:****Generator:****Valid from:****Valid until:**

Part - A	
A.1	GSTIN of Supplier
A.2	Place of Dispatch
A.3	GSTIN of Recipient
A.4	Place of Delivery
A.5	Document Number
A.6	Document Date
A.7	Value of Goods
A.8	HSN Code
A.9	Reason for Transportation
Part-B	
B.1	Vehicle Number for Road
B.2	Transport Document Number/Defence Vehicle No./ Temporary Vehicle Registration No./Nepal or Bhutan Vehicle Registration No.

Notes:

1. HSN Code in column A.8 shall be indicated at minimum two digit level for taxpayers having annual turnover upto five crore rupees in the preceding financial year and at four digit level for taxpayers having annual turnover above five crore rupees in the preceding financial year.
2. Document Number may be of Tax Invoice, Bill of Supply, Delivery Challan or Bill of Entry.
3. Transport Document number indicates Goods Receipt Number or Railway Receipt Number or Forwarding Note number or Parcel way bill number issued by railways or Airway Bill Number or Bill of Lading Number.
4. Place of Delivery shall indicate the PIN Code of place of delivery.
5. Place of dispatch shall indicate the PIN Code of place of dispatch.
6. Where the supplier or the recipient is not registered, then the letters “URP” are to be filled-in in column A.1 or, as the case may be, A.3.
7. Reason for Transportation shall be chosen from one of the following:-

<i>Code</i>	<i>Description</i>
1	Supply
2	Export or Import
3	Job Work
4	SKD or CKD
5	Recipient not known
6	Line Sales
7	Sales Return
8	Exhibition or fairs
9	For own use
10	Others

FORM GST EWB-02*(See rule 138)***Consolidated E-Way Bill****Consolidated E-Way Bill No.:****Consolidated E-Way Bill Date:****Generator:****Vehicle Number:**

Number of E-Way Bills	
E-Way Bill Number	

FORM GST EWB-03*(See rule138C)***Verification Report**

Part A	
Name of the Officer	
Place of inspection	
Time of inspection	
Vehicle Number	
E-Way Bill Number	
Tax Invoice or Bill of Supply or Delivery Challan or Bill of Entry date	
Tax Invoice or Bill of Supply or Delivery Challan or Bill of Entry Number	
Name of person in-charge of vehicle	
Description of goods	
Declared quantity of goods	
Declared value of goods	
Brief description of the discrepancy	
Whether goods were detained?	
If not, date and time of release of vehicle	

Part B	
Actual quantity of goods	
Actual value of the Goods	
Tax payable	
Integrated tax	
Central tax	
State or Union territory tax	
Cess	
Penalty payable	
Integrated tax	
Central tax	
State or Union territory tax	
Cess	
Details of Notice	
Date	
Number	
Summary of findings	

FORM GST EWB-04

(See rule138D)

Report of detention

E-Way Bill Number	
Approximate Location of detention	
Period of detention	
Name of Officer in-charge	(if known)
Date	
Time	

References

- Central Goods & Services Tax Act 2017
- Integrated Goods & Services Act, 2017
- Central Goods & Services Tax Rules, 2017 as amended
- Integrated Goods & Services Tax Rules, 2017 as amended

Important Link

- www.cbic.gov.in
- www.gst.gov.in
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