

## **GST AT A GLANCE**

This section gives a bird's eye view of the GST law as applicable in India. GST or Goods & Services Tax is an indirect tax levied on almost all domestic sale of goods & services, subject to certain specific exclusions, exemptions, etc. It is also applicable on certain export as well as import transactions of goods and services.

Please note that, the below material can be used to get a conceptual clarity of the subject, but should not be relied upon to take any major business decisions, since that requires an in-depth analysis and interpretation of law, and is a different time & effort consuming exercise altogether.

**C.R. SHAREDALAL & Co.**  
Chartered Accountants

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## **Rates of Goods & Services Tax:**

The rates of Goods and Services are determined as per the rate notifications issued under the Goods and Services Tax Act\ from time to time. The schedules in the rate notifications provide HSN wise rate of different goods and services.

However, these rates get amended by way of different notifications and circulars by the Central Board Of Indirect Tax & Customs (CBIC) on recommendation of GST Council The chart of HSN wise rate of goods and services is attached herewith for the reference.

The below given rates (source : CBIC, India) can be used for reference only, not for rate determination under the GST laws, since rate determination is a detailed exercise and depends upon various factors and recent legal updates from time to time.

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**Rates of Interest:**

<b>Sr. No.</b>	<b>Nature of Levy</b>	<b>Period</b>	<b>Rate of Interest</b>
<b>1</b>	Delayed payment of Tax	21 <sup>st</sup> /23 <sup>rd</sup> / 25 <sup>th</sup> of following month on the basis of Turnover and the Place of Registration (Or next day of due date)  To  Date of Payment	18%
<b>2</b>	Excess Claim of input Tax Credit	Date of availing of credit  To  Date of corresponding Additions.	24%
<b>3</b>	Excess reduction in Output Tax Liability	Date of claim for reduction in the Output Tax Liability  To  Date of corresponding Additions.	24%
<b>4</b>	Refund withheld, if matter is in appeal	Due Date of Refund  To  Date of Grant of Refund	6%
<b>5</b>	Interest on Delayed Refunds	Expiry of 60 Days from Date of receipt of Application  To  Date of Refund	6%
<b>6</b>	Delayed Payment of Interest on Refund where order is passed by Appellate Authority, Appellate Tribunal or Court.	Expiry of 60 Days from Date of receipt of Application  To  Date of Refund	9%

## Payment of Goods & Services Tax:

Sr. No	Type of transaction/ assessee	Due Date
1	Composition Scheme	18th of the following month ending the quarter
2	Tax deducted at source	10 <sup>th</sup> of every next month
3	Non-resident taxable person	20 days after the end of the calendar month or 7 days after last date of valid period of registration
4	Tax collected at source	10 <sup>th</sup> of the following month
5	Other than above	20 <sup>th</sup> /22 <sup>nd</sup> /24 <sup>th</sup> of the following month on the basis of Turnover and the Place of Registration

Note : Payment can be done by utilizing the Electronic Credit Ledger or Electronic Cash Ledger

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## Returns under GST:

### a. Process flow of main returns:

Form	Description	To be filed by
<b>GSTR-1</b>	Details of outwards supplies of goods or services	11 <sup>th</sup> day of succeeding month (Turnover exceeding 1.5 Crores) Last date of next month of end of the quarter (Turnover upto 1.5 Crores)
<b>GSTR-2</b>	Details of Inward Supplies of goods or services	Filing currently suspended
<b>GSTR-3</b>	Monthly Return	Filing currently suspended
<b>GSTR-4</b>	Quarterly Return for registered person opting Composition Levy	18 <sup>th</sup> day of the end of such quarter
<b>GSTR-5</b>	Return for Non-Resident taxable person	20 <sup>th</sup> day of the succeeding month or within 7 days after last day of registration
<b>GSTR-6</b>	Return for Input Service Distributors	13 <sup>th</sup> day of the succeeding month
<b>GSTR-7</b>	Return for Tax Deduction at Source	10 <sup>th</sup> day of the succeeding month
<b>GSTR-8</b>	Statement of Tax Collection at Source	10 <sup>th</sup> day of the succeeding month
<b>GSTR-9/9A</b>	Annual Return	31 <sup>st</sup> December following the close of Financial Year
<b>GSTR-10</b>	Final Return	Within 3 month of the date of cancellation OR date of cancellation order w. e. later
<b>GSTR-3B</b>	Summary Return	20 <sup>th</sup> day of succeeding month – All States and UTs (Turnover above Rs. 5 Crores) 22 <sup>nd</sup> day of the succeeding month – State of Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep (Turnover upto Rs. 5 Crores) 24 <sup>th</sup> day of the succeeding month - State of Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha or the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi
<b>GSTR-2A</b>	GSTR 2A is a purchase-related tax return that is automatically generated for each	-

Form	Description	To be filed by
	business by the GST portal in read-only manner.	
<b>GSTR-2B</b>	GSTR-2B is a new static month-wise auto-drafted statement for regular taxpayers introduced on the GST portal. The statement was launched from the August 2020 tax period onwards.	It gets static by 13th day of the following month

Note: Above due dates are without considering any extensions or benefits given by Government allowing late filing of returns to assesses due to any emergency situations.

**b. Nil Return:**

Every registered taxable person shall furnish a return (applies to GSTR 1,2,3,4 and 3B) for every tax period, whether or not any supplies of goods or services or both have been effected during such tax period. This is not mandatory for ISD, person under TDS, Non-resident taxable person, E-commerce operator making TCS.

**c. Late Filing Fees:**

<b>Type of Return late filed</b>	<b>Late Fees Rs.</b>	<b>Maximum amount Rs.</b>
<i>GSTR 1 to 4</i>	Nil return – Rs. 20 per day others – Rs. 50 per day	10,000
<i>GSTR 5 &amp; 6</i>	Rs. 50 per day	10,000
<i>GSTR 7 &amp; 8</i>	Rs. 200 per day	10,000
<i>GSTR 9</i>		0.25% of turnover in the State / UT
<i>GSTR 10</i>	Rs. 200 per day	No maximum limit

**Penalties:**

<b>Sr. No.</b>	<b>Nature of Default</b>	<b>Penalty</b>
<b>1</b>	Tax is evaded.	Rs.10000/- OR an amount equivalent to the Tax evaded whichever is higher.
<b>2</b>	Tax is not deducted or short deducted or deducted but not paid to the Government.	Rs.10000/- OR an amount equivalent to the Tax not deducted or Short deducted or Deducted but not paid to the Govt whichever is higher.
<b>3</b>	Tax is not collected or short collected or collected but not paid to the Government.	Rs.10000/- OR an amount equivalent to the Tax not collected or Short collected or Collected but not paid to the Government whichever is higher.
<b>4</b>	Input Tax Credit availed of or passed on or distributed irregularly.	Rs.10000/- OR an amount equivalent to the Input tax credit availed of or passed on or distributed irregularly whichever is higher.
<b>5</b>	Refund claimed fraudulently.	Rs.10000/- OR an amount equivalent to the Refund Claimed fraudulently whichever is higher.
<b>6</b>	Tax has not been paid or short-paid or erroneously refunded or where Input tax credit has been wrongly availed or utilized-	
	(a) for reason of fraud or any willful misstatement or suppression of facts to evade tax.	Rs.10000/- OR the tax due whichever is higher.



Sr. No.	Nature of Default	Penalty
	(b) for any other reason.	Rs.10000/- OR 10% of tax due whichever is higher.
7	Contravention of any provision for which no penalty is provided.	Not exceeding Rs.25000/-
8	Aiding or abating offence or contravening provisions.	Not exceeding Rs.25000/-
9	Late filing of returns: Annual return GSTR 9  Other returns – in case of nil returns  Other returns – other cases	Rs.200/Day during which the failure continues or 0.25% of turnover whichever is lower.  Rs.20/Day during which the failure continues or Rs. 10000 whichever is lower.  Rs.50/Day during which the failure continues or Rs. 10000 whichever is lower.  Notification No. 4/2018 – Central Tax-GSTR 1  Notification No. 64/2017 – Central Tax-GSTR 3B
10	Failure to furnish any information or return u/s 151- (a) without reasonable cause or (b) willfully furnishes or causes to furnish any information or return which he knows to be false.	Not exceeding Rs.10000/- and in case of continuing offence, a further fine which may extend to Rs.100/day after the 1st day during which the offence continues  subject to maximum Rs.25000/-.

## Reverse Charge Mechanism under GST:

Normally, the supplier of goods or services pays the tax on supply. Reverse charge is a mechanism where the recipient (customer) of the goods and/or services is liable to pay GST instead of the supplier on certain specified transactions for the supply of goods and /or services.



GST under reverse charge should be paid through Electronic Cash Ledger only. Under the provisions of GST there is no Partial Reverse Charge Mechanism. Below tables give the list of goods and services falling under the purview of Reverse Charge Mechanism in GST. Hence, if you are a recipient of any of these goods or services, even if you are not registered under GST, you may be liable to get registered and discharge GST liability to the Government.

**a. SERVICES:**

Sr. No.	Description of Goods	Supplier of goods	Recipient of supply	GST Payable by Service Provider	GST Payable by Service Receiver
1	Import of Services by any person who is located in a non-taxable territory and received by any person in the taxable territory (other than non-assesse online recipient (OIDAR))	any person who is located in a non-taxable territory	any person located in the taxable territory other than non-assesse online recipient	NIL	100%
2	Goods Transport Agency Service in respect of transportation of goods by road	Goods Transport Agency (GTA)	(a) Any Registered factory; (b) Any Registered society; (c) Any Registered co-operative society; (d) Any person registered under CGST/SGST/UTGST Act; (e) Any body corporate; (f) Any partnership firm including AOP, LLP; (g) Casual taxable person	NIL	100%
3	Services of Individual Advocate including senior advocate or a Firm of Advocates by way of Legal services, directly or indirectly	Any Individual Advocate or a Firm of Advocates	Any business entity	NIL	100%
4	Arbitral Tribunal Service	Any arbitral tribunal	Any business entity	NIL	100%
5	Sponsorship Service	Any person	Any body corporate or partnership firm	NIL	100%

Sr. No.	Description of Goods	Supplier of goods	Recipient of supply	GST Payable by Service Provider	GST Payable by Service Receiver
6	Services by Government or local authority excluding- 1. Renting of immovable property; and 2. Services specified below- (a) services by the Department of posts by way of speed post, express parcel post, life insurance and agency services provided to a person other than Government; (b) services in relation to an aircraft or a vessel inside or outside the precincts of a port or an airport; (c) transport of goods or passengers.	Government or local authority	Any business entity	NIL	100%
7	Services by Government or local authority by way of Renting of Immovable Property w.e.f 25.01.2018	Services by Government or local authority	Any business entity	NIL	100%
8	Services by way of transfer of development rights or Floor Space Index (FSI) including additional FSI for construction of project	Any Person	Promoter	NIL	100%

Sr. No.	Description of Goods	Supplier of goods	Recipient of supply	GST Payable by Service Provider	GST Payable by Service Receiver
9	Long term lease of land (30 years or more) by any person against consideration in the form of upfront amount (called as premium, salami, cost, price, development charges or by any other name) and/or periodic rent for construction of a project by a promoter.	Any Person	Promoter	NIL	100%
10	Services by a Director of a Company or a body corporate to the said company or body corporate.	A Director of a Company or a body corporate	A company or body corporate	NIL	100%
11	Insurance Agent Service to any person carrying on Insurance business	An Insurance agent	Any person carrying on insurance business	NIL	100%
12	Recovery agent services	A recovery agent	A banking company or a financial institution or a NBFC	NIL	100%
13	Services by way of transportation of goods by a vessel from a place outside India up to the customs station of clearance in India	A person located in non-taxable territory	Importer	NIL	100%
14	Transfer or permitting the use or enjoyment of a copyright relating	Author or music composer, photographer,	Music company, producer.	NIL	100%

Sr. No.	Description of Goods	Supplier of goods	Recipient of supply	GST Payable by Service Provider	GST Payable by Service Receiver
	to original literary, dramatic, musical or artistic works	artist.			
15	Transfer or permitting the use or enjoyment of a copyright to Publisher	Author	Publisher	NIL	100% with subject to certain conditions as per Notification No 21/2019-I.T.
16	Radio Taxi or passenger transport services provided through e-commerce operator	Taxi driver or rent a cab operator	Any person – tax is payable by e-commerce operator	NIL	100%
17	Services provided by way of renting of any motor vehicle designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient, provided to a body corporate.	Any person, other than a body corporate who supplies the service to a body corporate and does not issue an invoice charging central tax at the rate of 6 per cent to the service recipient	Anybody corporate located in the taxable territory.	NIL	100%
18	Services of lending of securities under Securities Lending Scheme, 1997 ("Scheme")	Lender i.e. a person who deposits the securities registered in his name or	Borrower i.e. a person who borrows the securities under the Scheme through an approved intermediary of	NIL	100%

Sr. No.	Description of Goods	Supplier of goods	Recipient of supply	GST Payable by Service Provider	GST Payable by Service Receiver
	of Securities and Exchange Board of India ("SEBI"), as amended. (w.e.f-01.10.2019)	in the name of any other person duly authorised on his behalf with an approved intermediary for the purpose of lending under the Scheme of SEBI	SEBI."		
<b>19</b>	Supply of services by the members of Overseeing Committee to Reserve Bank of India (w.e.f.13.10.2017)	Members of Overseeing Committee constituted by the Reserve Bank of India	Reserve Bank of India.	NIL	100%
<b>20</b>	Services supplied by individual Direct Selling Agents (DSAs) other than a body corporate, partnership or limited liability partnership firm to bank or non-banking financial company (NBFCs). (w.e.f.27.07.2018)	Individual Direct Selling Agents (DSAs) other than a body corporate, partnership or limited liability partnership firm.	A banking company or a non-banking financial company, located in the taxable territory	NIL	100%
<b>21</b>	Services provided by business facilitator (BF) to a banking company	Business facilitator (BF)	A banking company, located in the taxable territory	NIL	100%
<b>22</b>	Services provided by an agent of business correspondent (BC) to business	An agent of business correspondent (BC)	A business correspondent, located in the taxable territory	NIL	100%

Sr. No.	Description of Goods	Supplier of goods	Recipient of supply	GST Payable by Service Provider	GST Payable by Service Receiver
	correspondent (BC).				
23	<p>Security services (services provided by way of supply of security personnel) provided to a registered person: Provided that nothing contained in this entry shall apply to, –</p> <p>(i) (a) a Department or Establishment of the Central Govt. or State Government or Union territory; or</p> <p>(b) local authority; or</p> <p>(c) Governmental agencies; which has taken registration under the Central Goods and Services Tax Act, 2017 only for the purpose of deducting tax under section 51 of the Act and not for making a taxable supply of goods or services; or</p> <p>(ii) a registered person paying tax under section 10 of the said Act.</p>	Any person other than a body corporate	A registered person, located in the taxable territory	NIL	100%



**b. Goods:**

Sr. No.	Description of Goods	Supplier of goods	Recipient of supply	GST Payable by Service Provider	GST Payable by Service Receiver
1	Cashew nuts not shelled or peeled	Agriculturist	Any registered person	NIL	100%
2	Bidi wrapper leaves (tendu)	Agriculturist	Any registered person	NIL	100%
3	Silk yarn	Any person who manufactures silk yarn from raw silk or silkworm cocoons for supply of silk yarn	Any registered person	NIL	100%
4	Supply of lottery	State Government, Union territory or any local authority	Lottery distributor or selling agent	NIL	100%
5	Priority Sector Lending Certificate Circular No. 93/12/2019-GST	Specified Seller Banks	Specified Buyer Banks	NIL	100%
6	Tobacco Leaves	Agriculturist	Any registered person	NIL	100%
7	Raw Cotton	Agriculturist	Any registered person	NIL	100%
8	Used vehicles seized and confiscated goods, old and used goods, waste & scrap-	Central Government, State Government, Union Territory or Local Authority	Any registered person	NIL	100%

**c. Goods & services from unregistered persons:**

<b>Sr. No.</b>	<b>Description of Goods</b>	<b>Supplier of goods</b>	<b>Recipient of supply</b>	<b>GST Payable by Service Provider</b>	<b>GST Payable by Service Receiver</b>
1	Any taxable supply of Goods and/or Services	Unregistered person under GST	Any registered person	NIL	100%

Note: Above RCM is suspended until further notice by way of notification.

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