



GST Overview :

Gems & Jewellery Sector

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An initiative by

All India Gems & Jewellery Trade Federation





What is GST?

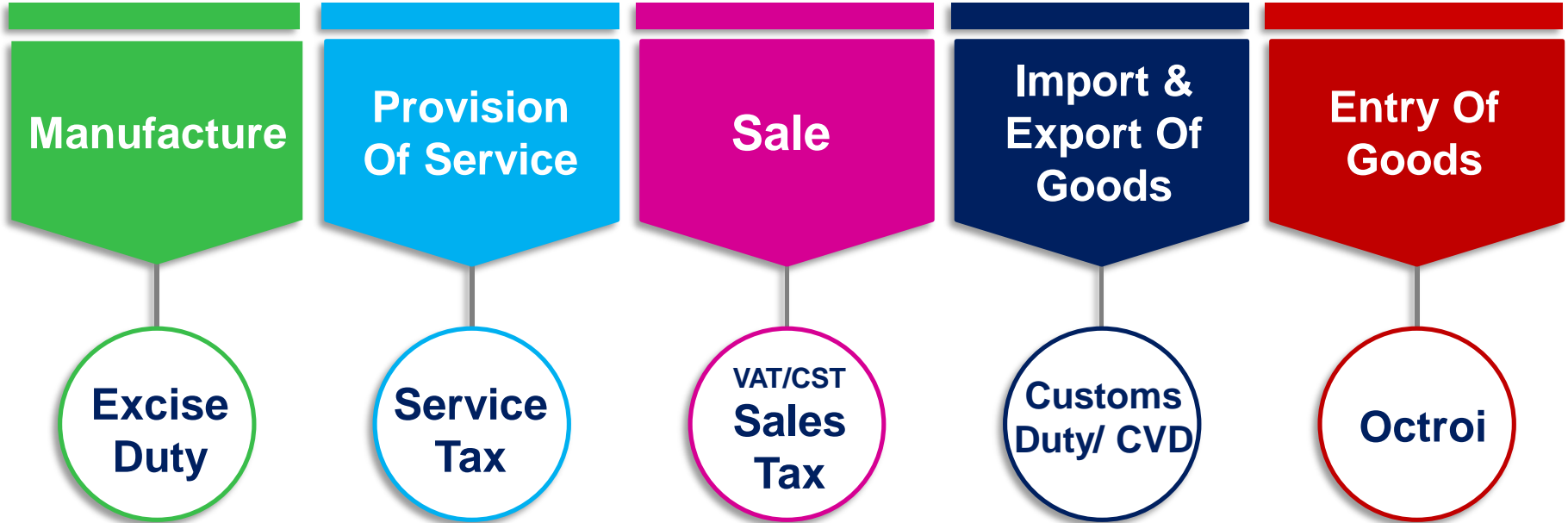




WHAT IS GOODS & SERVICE TAX

- ❑ Goods and Services Tax means a tax on supply of goods or services or both, except taxes on supply of alcoholic liquor for human consumption [Article 366(12A) of Constitution of India].
- ❑ Shift from Origin based taxation to Consumption based taxation.
- ❑ 90 % of GST law based on Central Excise, Customs & Service tax provisions.
- ❑ Federal Nature - Dual GST structure – Dual levy – Dual Control.
- ❑ All forms like C Form, F form, H Form etc applicable to local taxes no longer required.
- ❑ Area based exemptions shall no longer continue to exist. Some refund mechanism by states shall be introduced.
- ❑ 3 G's for GST
 - i. Good Systems i.e. software
 - ii. Good Accountant / Staff
 - iii. Good Consultant







Under GST, Supply Of Goods Or Services Is 'Taxable Event'



Supply Includes

all forms of supply of goods and/or services such as **sale, transfer, barter, Exchange, license, rental, lease or disposal**

made or agreed to be made **for a consideration**

in the course or furtherance of business

Importation of services

For a consideration

Whether or not in the course or furtherance of business

Supply specified in Schedule I

made or agreed to be made without a consideration

Supply specified in Schedule II

Deemed Supply of Goods and Services





SUPPLY OF GOODS OR SERVICES WITHOUT CONSIDERATION - WHEN TAXABLE

1. Permanent transfer/disposal of business assets **where input tax credit has been availed** on such assets .
2. Supply of goods or services or both between **related persons**, or **between distinct persons** as specified in section 25, when made **in the course or furtherance of business**.

Provided that GIFTS not exceeding fifty thousand rupees in value in a financial year by an employer to an employee shall not be treated as supply of goods or services or both.

3. Supply of goods **(not services)**—
 - (a) by a principal to his agent where the agent undertakes to supply such goods on behalf of the principal, or
 - (b) by an agent to his principal where the agent undertakes to receive such goods on behalf of the principal.
4. Importation of services by a taxable person from a **related person** or from any of his other establishments outside India, in the course or furtherance of business.





SCHEDULE II MATTERS TO BE TREATED AS A SUPPLY OF GOODS OR SERVICE

Particulars	Nature of Transaction	To be Treated as supply of
Transfer	Title in goods	Goods
	Right in goods or of undivided share in goods without the transfer of title thereof	Services
	Title in goods under an agreement which stipulates that property in goods will pass at future date upon payment of full consideration as agreed	Goods
Land and Building	Any lease, tenancy, easement, licence to occupy land	Services
	Any lease or letting out of the building including a commercial, industrial or residential complex for business or commerce, either wholly or partly	Services
Treatment or Process	Any treatment or process which is being applied to another person's goods	Services



SCHEDULE II MATTERS TO BE TREATED AS A SUPPLY OF GOODS OR SERVICE

Particulars	Nature of Transaction	To be Treated as supply of
Transfer of Business Assets	Where goods forming part of the assets of a business are transferred or disposed of by or under the directions of the person carrying on the business, whether or not for a consideration	Goods
	Goods held or used for the purposes of the business are put to any private use or are used, or made available to any person for use, for any purpose other than a purpose of the business, whether or not for a consideration	Services
	Where a person ceases to be taxable person, any goods forming part of the assets of any business carried on by him shall be deemed to be supplied by him in the course or furtherance of his business immediately before he ceases to be a taxable person, unless- <ul style="list-style-type: none"> • The business is transferred as a going concern to another person or • The business is carried on by a personal representative who is deemed to be a taxable person 	Goods



SCHEDULE II MATTERS TO BE TREATED AS A SUPPLY OF GOODS OR SERVICE

Particulars	Nature of Transaction	To be Treated as supply of
Declared List of Services	Similar to clause 66E of the Finance Act	Services
Composite Supply	<ul style="list-style-type: none"> <input type="checkbox"/> Works Contract as defined under Sec 2(119) <input type="checkbox"/> Supply, by way of or as part of any service or in any manner whatsoever, of goods, being food or any other article for human consumption or any drink (other than alcoholic liquor for human consumption), where such supply or service is for cash, deferred payment or other valuable consideration 	Services
By Unincorporated Association or Body of Person to its Members	Any supply of goods for cash, deferred payment or other valuable consideration	Goods

Types of GST



TYPES OF GST



CGST

(Central GST)



IGST

(Integrated GST)



UTGST

(Union Territory
GST)



SGST

(State GST)

For supply of goods and/or services within the state : CGST + SGST

For supply of goods and/or services outside the state : IGST

For Imports into the territory of India : IGST

For Exports out of territory of India : IGST

For supply of goods and/or services within the UT: CGST + UTGST



Invoice under GST





Contents Of Tax Invoice Issued By The **Supplier Of Goods**:

- ✓ Name, address and GSTIN of the supplier.
- ✓ An Consecutive serial number, in **One Or Multiple Series** containing alphabets or Numerals or special characters, hyphen or dash and slash symbolised as “-” and “/” any combination thereof unique for every financial year;
- ✓ Date of its issue.
- ✓ Name, address and GSTIN/ UIN, if registered, of the recipient.
- ✓ Name and Address of the Recipient and the address of delivery, along with Name of State and its code, if recipient is unregistered and where value of taxable supply $\geq 50,000/-$
- ✓ HSN code , Description, Quantity of goods & Unit along with Unique Quantity Code.
- ✓ Total value of goods.
- ✓ Taxable value of goods after making adjustment for discount or abatement, if any.
- ✓ Rate of tax & Amount of tax charged in respect of taxable goods (CGST, SGST,UTGST or IGST or Cess).



GST TAX INVOICE FOR SUPPLY OF GOODS

- ✓ Place of supply along with the name of state in case of Inter state Supply
- ✓ Address of delivery, if different from the place of supply.
- ✓ Whether the tax is payable on reverse charge basis.
- ✓ Signature or digital signature of the supplier of his authorized representative`

The Invoice Shall Be Prepared In **Triplicate**, In The Following Manner:

- ✓ The original copy being marked as **ORIGINAL FOR RECIPIENT**
- ✓ The duplicate copy being marked as **DUPLICATE FOR TRANSPORTER**
- ✓ The triplicate copy being marked as **TRIPPLICATE FOR SUPPLIER**





GST TAX INVOICE FOR SUPPLY OF SERVICES

Contents Of Tax Invoice Issued By The **Supplier Of Services**:

- ✓ Name, address and GSTIN of the supplier.
- ✓ An Consecutive serial number, in **One Or Multiple Series** containing alphabets or numerals or special characters, hyphen or dash and slash symbolised as “-” and “/” any combination thereof unique for every financial year;
- ✓ Date of its issue.
- ✓ Name, address and GSTIN/ UIN, if registered, of the Recipient.
- ✓ Name and Address of the recipient and the address of delivery, along with name of State and its code, if recipient is Unregistered and where value of taxable supply \geq 50,000/-
- ✓ Accounting Code of Services & Description of Services.
- ✓ Total value of Services





GST TAX INVOICE FOR SUPPLY OF SERVICES

- ✓ Taxable value of Services after making adjustment for discount or abatement, if any.
- ✓ Rate of tax & Amount of tax charged in respect of taxable Services (CGST, SGST, UTGST or IGST or Cess).
- ✓ Place of supply along with the name of state in case of Inter state Supply
- ✓ Address of Delivery where the same is different from place of Supply
- ✓ Whether the tax is payable on reverse charge basis.
- ✓ Signature or digital signature of the supplier of his authorized representative

The Invoice Shall Be Prepared In **Duplicate**, In The Following Manner:

- ✓ The original copy being marked as **ORIGINAL FOR RECIPIENT**
- ✓ The duplicate copy being marked as **DUPLICATE FOR SUPPLIER**

GST Tax Invoice to be issued within a period of 30 days from the date of supply of service.



Returns under GST





RETURNS UNDER GST

Type of Return	Application to Whom	Particulars to be Disclosed in the Return	Due date for Filing of Return
GSTR-1	All except Input Service Distributor, Non – Resident taxable person, Person paying GST under composition scheme or Person deducting TDS or Electronic Commerce Operator	Details of outward supplies of goods and /or services	Monthly and to be filed by 10 th of the succeeding month
GSTR-2		Details of inward supplies of taxable goods and /or services	Monthly and to be filed by 15 th of the succeeding month
GSTR-3		Details of inward and outward supplies of goods and /or services, input tax credit availed, tax payable, tax paid and other particulars	Monthly and to be filed by 20 th of the succeeding month
GSTR-4	Return for Taxable person paying GST under composition scheme	Quarterly and to be filled by 18 th of the succeeding month	
GSTR-5	Return for Non-Resident Taxpayers	Monthly and to be filled by 20 th of the succeeding month or within seven days of the expiry of registration	
GSTR-6	Return for Input Service Distributor	Monthly and to be filled by 13 th of the succeeding month	
GSTR-7	Return for person deducting Tax at Source	Monthly and to be filled by 10 th of the succeeding month	



RETURNS UNDER GST

Type of Return	Application to Whom	Particulars to be Disclosed in the Return	Due date for Filing of Return
GSTR-8	Electronic Commerce Operator	Details of supplies effected through e-commerce operator and the amount of tax collected as required under sub-section (1) of section 56	As may be prescribed
GSTR-9	All except Input Service Distributor, Person deducting TDS, Electronic Commerce Operator, Casual Taxable Person & Non-Resident Taxpayer	Annually to be filled by 31 st December of the succeeding year	
GSTR-9A	Annual Return for Taxable person paying GST under composition scheme	Annually to be filled by 31 st December of the succeeding year	
GSTR-10	FINAL RETURN	Within 3 months from the date of cancellation or 3 months from the date of Cancellation order	
GSTR-11	Details of inward supplies to be furnished by a person having UIN	As may be prescribed	

Valuation under GST





VALUE OF TAXABLE SUPPLY [Sec 15]

The value of a supply of goods and/or services will be the 'transaction value', i.e. price actually paid or payable for the said supply of goods and/or services, subject to the condition that:

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

Transaction value shall include: -

- ❑ Any taxes, duties, cesses, fees & other charges levied under any Statute other than GST, **if charged separately by the supplier to the recipient.**
- ❑ Amount paid by the recipient on behalf of the Supplier. **(Will not include Free inputs or services supplied by the recipient as only AMOUNT PAID by the recipient on behalf of supplier is includible)**
- ❑ Incidental Expenses such as Commission & Packing etc charged by the Supplier in respect of goods or services at the time of or before the delivery of goods or services.
- ❑ **Interest or late fee or penalty for delayed payment of any consideration**
- ❑ Subsidies directly linked to the price excluding the subsidies provided by Central & State Govt.
- ❑ Any discount or incentive that may be allowed after the supply has been effected.



Exclusions

Any discount given

- ❑ Before or at the time of supply, provided **such discount has been duly recorded in the Invoice issued in respect of the supply.** (i.e Trade Discount)
- ❑ After the supply has been affected provided that such discount is established as per the agreement entered into **at or before the time of supply** and specifically linked to the relevant invoices and also when ITC has been reversed by the recipient of the supply as is attributable on the basis of document issued by the supplier.

Where value of supply cannot be determined as above, same shall be determined in manner as may be prescribed..... Valuation rules





Input Tax Credit under GST



Input means [sec 2(59)] :

- ❑ Any goods other than capital goods,
- ❑ Used or intended to be used by a supplier for in the course or furtherance of business

Input Service means [sec 2(60)] :

- ❑ Any service;
- ❑ used or intended to be used by a supplier in the course or furtherance of business

Capital Goods [Sec 2(19)]-

- ❑ Goods the value of which is capitalized in the books of accounts of the person claiming the credit and
- ❑ which are used or intended to use in the course or furtherance of business





INPUT TAX CREDIT (ITC)

Every registered person shall be entitled to take credit of input tax admissible to him, subject to such conditions as may be prescribed.

Conditions To Claim ITC:

- ❑ Possession of documentary evidence such as tax invoice, debit note, Supplementary Invoice etc. issued by supplier
- ❑ Goods / services have been received by the registered person
- ❑ Tax charged in respect of such supplies has been actually paid to the Government
- ❑ Return has been furnished by the Registered Person
- ❑ ITC for goods against an invoice, received in lots or installments can be taken only upon receipt of the last lot or installment

Time Limit To Claim ITC:

Credit in respect of any invoice or Debit note pertaining to a financial year can be taken only up to:

- ❑ The due date of filing of return for the month of September following the end of financial year to which such Invoice or debit note pertains; or

- ❑ Filing of the relevant annual return whichever is earlier

Input tax credit shall be availed on the basis of any of the following documents: -

1. Invoice issued under Sec 31 by supply of goods or services, or both
2. Debit note issued under Sec 34 by supplier
3. Bill of Entry
4. Invoice issued in accordance with the provisions of clause (f) of Sec 31(3) – Invoice issued under **Reverse Charge Mechanism**
5. Document / Invoice Issued by Input Service Distributor.



No input tax credit shall be availed by a registered person in respect of any tax that has been paid in pursuance of an order where **any demand has been raised on account of any fraud, wilful misstatement or suppression of facts.**



INPUT TAX CREDIT (ITC)

Input Tax Credit is eligible only when it is credited to electronic credit ledger of taxable person.

Concept of 50% credit in year of purchase & balance 50% in subsequent years is no longer valid in GST. In short, entire credit of capital goods can be taken first year itself.

Concept of matching reversal & reclaim of ITC introduced.

Receiver (of goods and services) will not be eligible to take Input Tax Credit unless the supplier of such goods and services has actually paid to the credit of the appropriate Government.

Unless, supplier of goods and services pays entire tax due, the return filed by him will not be 'valid return'. Thus, partial payment by supplier will not entitle the receiver of goods and services to avail input tax credit.

For this purpose, a provision has been made of 'provisional credit' and 'final credit'.

If recipient fails to pay supplier of Goods or Services or Both **Other than supplies on which tax is payable under RCM within 180 days the amount towards the value of supply along with tax**

Payable from the date of issuance of invoice by the supplier, -

- ❑ Amount of ITC taken on such services shall be added to recipient's output tax liability ; and
- ❑ Interest thereon will have to be discharged in the manner as may be prescribed

Example, A jeweller takes credit of GST on the basis of Invoice issued on 01.07.2017 in respect of service provided by the job worker (kaarigar). However, payment in respect of the value of supply of services & GST has been made by the jeweller to the job worker on 04.03.2018. In that case, as the payment has been made after time limit of 180 days,–

- ❑ ITC taken shall be added to the Output tax liability of the jeweller
- ❑ Interest to be paid from **date when CREDIT availed till the date of addition of output tax liability.**

Recipient shall be entitled for **Re - credit of the ITC** once payment for the value of supply of goods or services or both along with GST has been made to the supplier.





INPUT TAX CREDIT (ITC)

Particulars	Credit restrictions
Goods or services or both used partly for business and partly for other purposes	Credit shall be restricted to input tax attributable to the purposes of business, in the manner as may be prescribed.
Goods or services or both used partly for taxable and partly for exempted supplies	<p>Credit shall be restricted to input tax attributable to taxable supplies, in the manner as may be prescribed.</p> <p>Restriction does not apply to credits pertaining to zero-rated supplies.</p> <p>Exempt supply shall include Supplies on which recipient is liable to pay tax under RCM, Transaction in Securities, Sale of Land, Sale of Building after OC</p>
Capital Goods or Plant & Machinery	<ul style="list-style-type: none"> ❑ Credit not admissible on such tax component of the cost of capital goods, for which depreciation has been claimed under the Income Tax Act, 1961 ❑ In case of supply of capital goods or plant and machinery on which input tax credit has been taken, payment is required to be made for an amount equal to input tax credit taken on capital goods or plant and machinery reduced by percentage as may be specified or tax on the transaction value of such capital goods or plant and machinery, whichever is higher.
Moulds and dies jigs and fixtures supplied as scrap	Where Refractory bricks, Moulds & dies, jigs and fixtures supplied a scrap, taxable person may pay tax on transaction value of such its

Particulars	Credit shall not be available
<p>Motor vehicles and other conveyance [Section 17(5)(a)]</p>	<p>All Motor Vehicle and other conveyance except when they are used for:</p> <ul style="list-style-type: none"> • Making the following taxable supplies <ul style="list-style-type: none"> ▪ Further supply of such vehicles or conveyance e.g. Dealer supplying or dealing in cars; or ▪ Transportation of passengers ; or ▪ Imparting training on driving, flying, navigating such vehicles or conveyance • Transportation of goods <p>Are services in relation to Motor vehicles allowed eg:- Car Insurance for Tempo used by manufacturer</p>





INPUT TAX CREDIT (ITC)

Particulars	Credit shall not be available
Specified supply of goods or services [Section 17(5)(b)]	<ul style="list-style-type: none"> • Food and beverages • Outdoor catering • Beauty treatment • Health services • Cosmetic and plastic surgery • Membership of a club, Health and fitness center <p>Except where said category of inward supply of goods or services are used for making an outward supply of goods or service of same category or as an element of taxable composite or mixed supply</p> <ul style="list-style-type: none"> • Rent-a-cab • Life insurance • Health insurance <p>Except</p> <ul style="list-style-type: none"> ❑ where the government notifies the services which are obligatory for an employer to provide to its employees ❑ said category of inward supply of goods or services are used for making an outward supply of goods or service of same category or as an element of taxable composite or mixed supply <ul style="list-style-type: none"> • Travel benefits extended to employees on vacation such as leave or home travel concession

Particulars	Credit shall not be available
<p>Works contract services [Section 17(5)(c)]</p>	<p>When supplied for construction of immovable property (other than plant and machinery) except where it is an input service for further supply of works contract service</p> <p>Service from sub contractor taken by Main Contractor - Eligible</p> <p>Whether Builders / developers will be eligible for ITC credit - Yes</p>
<p>Goods or services or both [Section 17(5)(d)]</p>	<p>When it is received by a taxable person for construction of an immovable property on his own account (other than plant and machinery) even when used in course or furtherance of business</p> <p>Even in Current excise law - Steel, Cement, Angles etc, services for construction used by manufacturer for construction of factory shed not allowed</p>



➤ **Construction** includes :

Re-Construction	Renovation	Additions	Alterations	Repairs
To the extent of capitalization to the said immovable property				

➤ **Plant and Machinery** means :

Apparatus	Equipment	Machinery
fixed to earth by foundation or structural support that are used for making outward supply of goods or services or both and includes such foundation and structural supports but excludes land, building or any other civil structures, telecommunication towers and pipelines laid outside factory premises.		

- Whether ITC on works contract for completion & finishing services, repairs, maintenance, renovation or restoration in respect of immovable property are also excluded from ITC?

If capitalized not allowed else eligible





INPUT TAX CREDIT (ITC)

Particulars	Credit restricted on
Goods or services or both	<ul style="list-style-type: none"> ➤ Tax paid under Section 10 [Composition levy] - [Section 17(5)(e)] ➤ Received by Non – Resident taxable person except on goods imported by him - [Section 17(5)(f)] ➤ Used for personal consumption - [Section 17(5)(g)] ➤ Goods which are lost, stolen, destroyed, written off or disposed of by way of gift or free samples- [Section 17(5)(h)] ➤ Any tax paid in terms of the following : [Section 17(5)(i)] <ul style="list-style-type: none"> ❑ Tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilized by reason of fraud or any wilful – misstatement or suppression of facts [Section 74] ❑ Detention and release of goods and conveyance in transit [Section 129] ❑ Confiscation of goods or conveyance and levy of penalty [Section 130]

Input Tax Credit In Respect Of Inputs / Capital Goods Sent For Job Work: -

Sent for Job Work	Conditions	Time Period
Input	Principal shall be entitled to take credit of input tax on inputs/capital goods sent to a job-worker (either by principal or directly), if the said inputs/capital goods, after completion of job-work, are received back by the principal	Within ONE year
Capital Goods (CG)		Within THREE years

- ❑ If not returned within prescribed period then it shall be deemed that such inputs / CG had been supplied by the principal to the job worker on the day when inputs / CG were sent out.
- ❑ Interest shall also be payable.





Goods Sent on Approval





GOODS SENT ON APPROVAL / MARKETING PURPOSE

Where Goods being sent or taken on approval for sale or return are removed before supply takes place, Invoice shall be issued –

- Before or
- At the time of supply or
- 6 months from the date of removal

whichever is earlier [Sec 31(7)]



Serially Numbered Delivery challan to be issued by the Consignor (Invoice Rule 8)

The delivery challan shall be prepared in triplicate, in case of supply of goods –

1. Original copy being marked as **ORIGINAL FOR CONSIGNEE**
2. Duplicate copy being marked as **DUPLICATE FOR TRANSPORTER &**
3. Triplicate copy being marked as **TRIPPLICATE FOR CONSIGNOR**

GOODS SENT ON APPROVAL / MARKETING PURPOSE

Contents of Delivery Challan: -

1. Date and number of the delivery challan.
2. Name, address & GSTIN of the consignor, if registered
3. Name, address & GSTIN of the consignee, if registered
4. HSN code & Description of goods.
5. Quantity of goods
6. Taxable value.
7. Tax rate & Tax Amount .
8. Place of supply, in case of interstate movement.
9. Signature.





Accounts, Records & Audit under GST





ACCOUNTS & RECORDS UNDER GST [Sec 35]

A registered person shall keep & maintain at his Principal place of Business true & correct account of-

- Production or manufacture of goods
- Stock of goods
- Inward or outward supply of goods or services or both
- Input tax credit availed
- Output tax payable & paid
- Account of goods or services imported or exported or of supplies under RCM
- Invoices, Bills of supply, delivery Challans, credit notes, debit notes, receipt vouchers, payment vouchers, refund vouchers & E – way Bills.



Separate account of **advances** received, paid & adjustments made thereto shall be kept and maintained by the Registered person.

Each volume of books of Accounts maintained shall be Serially Numbered.

Records shall be maintained in Electronic Form and the record so maintained shall be authenticated by means of Digital Signature.



ACCOUNTS & RECORDS UNDER GST [Sec 35]

Entry in Registers , Accounts and documents shall not be :-

- Erased,
- Effaced or
- overwritten

and all Incorrect entries shall be scored out under Attestation **and thereafter correct entry shall be Recorded.**

Where registers and other documents are maintained electronically,

A log of every entry edited or deleted shall be maintained.

Details of stock in respect of each commodity received and supplied by registered person shall
Contain: -

1. Opening balance
2. Receipt of goods
3. Supply of Goods
4. Goods lost, stolen, destroyed, written off or disposed off by the way of gift or free samples
5. Closing stock
6. Scrap, and Wastage

Stock details to be maintained for Raw Material, Finished Goods & Scrap & Wastage.





ACCOUNTS & RECORDS UNDER GST [Sec 35]

Registered Person Manufacturing Goods shall maintain Monthly production accounts showing:-

- ❑ Quantitative details of Raw materials or services used in Manufacture
- ❑ Quantitative details of Goods Manufactured including Waste & By products thereof.

Registered Person Supplying Services (Karigar / Job worker) shall maintain accounts showing:-

- ❑ Quantitative details of Goods used in Provision of Each Service
- ❑ Details of Input Services utilized &
- ❑ Details of Services Supplied.





ACCOUNTS & RECORDS UNDER GST [Sec 35]

Registered person shall keep & maintain an account containing details of :-

- Tax payable (including tax payable under RCM)
- Tax collected and paid
- Input tax
- Input tax credit claimed
- Register of Tax Invoice, Credit Note, Debit Note, Delivery Challan issued or received during **any tax period. [Rule 5 Accounts & Records Rules]**

Registered person shall keep particulars of :-

- Name & **Complete** Addresses of Suppliers **from whom he has received** goods or services.
- Name & **Complete** Addresses of the persons **to whom he has supplied** goods or services.
- Complete Addresses of the Premises where goods are stored by him, including the goods stored during transit .

If any taxable goods are found to be stored at any place(s) other than those declared above without the cover of any valid documents, the proper officer shall determine the tax payable on such goods as if such goods have been supplied by the Registered person.



ACCOUNTS & RECORDS UNDER GST [Sec 35]

Where more than one place of business is specified the certificate of registration, accounts relating to each place of business shall be kept at such places of business.

If the aggregate turnover during a financial year exceeds **one crore rupees**, accounts to be **audited by a Chartered Accountant or Cost Accountant**. Copy of Audited Annual Accounts & Reconciliation Statement in GSTR – 9B duly certified to be submitted

On failure to account for goods and / or services , the proper officer shall determine the amount of tax payable on the goods and / or services not accounted , as if such goods and / or services had been supplied by such person and the provisions of Demand & Recovery shall be initiated.

Records to be preserved and maintained for a period of **72 months** from the last date of filing of Annual Return.



ACCOUNTS & RECORDS UNDER GST [Sec 35]

Generation & Maintenance of Electronic Records: -

- ❑ Proper Electronic Back – up of Records shall be maintained and preserved.
- ❑ Registered person maintaining Electronic Records shall produce on demand relevant records or documents duly authenticated by him, in hard copy or in any electronically readable form.
- ❑ Registered person shall also provide on demand –
 - An account of Audit trail and Inter linkages including the source document whether paper or electronic
 - Financial Accounts
 - Record Layout
 - Data Dictionary & Explanation for codes used &
 - Total Number of records in each filed along with sample copies of documents.





AUDIT BY TAX AUTHORITIES UNDER GST [SEC 65]

- Audit of business transactions of taxable person, maybe undertaken with the authorization of Commissioner.
- Audit may be conducted at the place of business of the taxable person and/or in their office.
- Intimation about the audit shall be given in advance, not less than 15 working days prior to the conduct of the audit.
- Audit shall be completed within a period of three months from the date of commencement or under certain circumstances within the extended period.
- Findings of the audit to be notified to the taxable person within 30 days, on conclusion of the audit.
- On detection of tax not paid or short paid or erroneously refunded or input tax credit erroneously availed action may be initiated against taxable person.





AUDIT BY TAX AUTHORITIES UNDER GST [SEC 65]

- Returns, and related particulars furnished by the registered person, shall be scrutinized by the GST officer.
- Discrepancies noted shall be informed to registered person.
- In case of satisfactory response, no further action shall be taken.
- In case of unsatisfactory response within 30 days of being informed or such extended period, GST officer may undertake audit, special audit, inspection, search and seizure or proceed to initiate demand & recovery.





WORDS OF CAUTION

- Views expressed are the personal views of the Faculty based on his interpretation of law.
- Application / Implications of various provisions will vary on facts of the case and law prevailing on relevant time.
- Contents of this presentation should not be construed as legal or professional advise.
- This is an educational meeting arranged with clear understanding that neither the faculty nor Dee Cee Associates will be responsible for any error, omission, commission and result of any action taken by the participant or anyone on the basis of this presentation.





THANK YOU

For any queries, contact gst@gjf.in

