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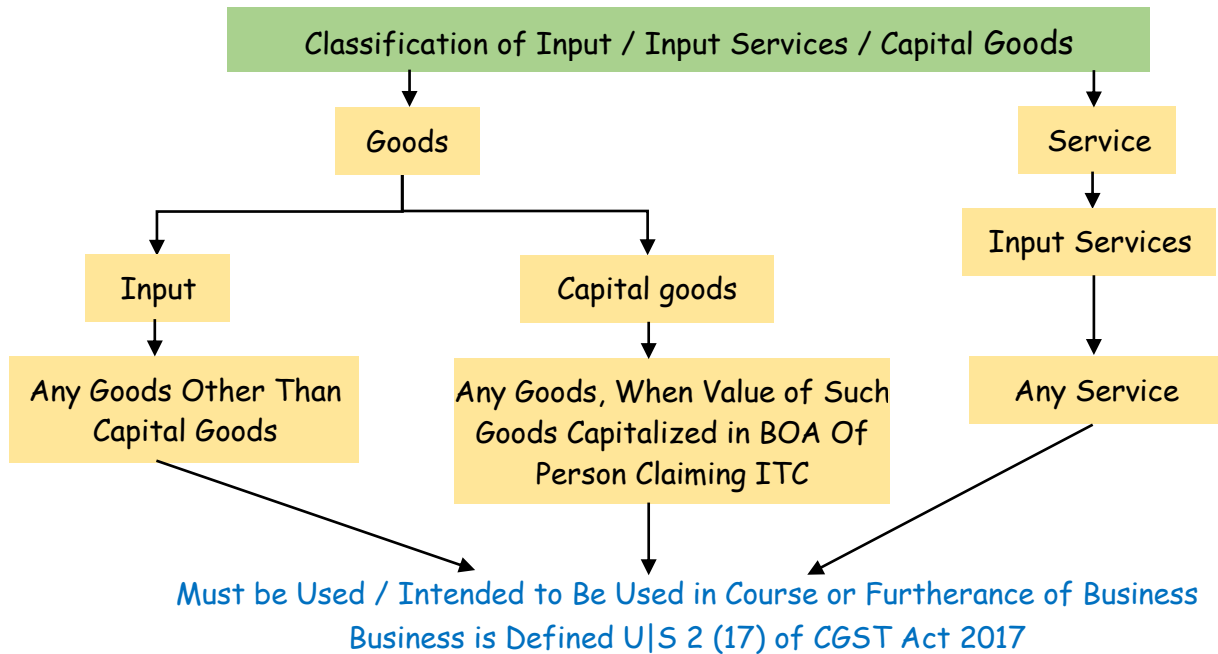
Input Tax Credit

Section 16- Eligibility and Conditions for taking ITC.

What Is Input Tax?

- ✓ When Any Input / Input Services / Capital Goods
- ✓ Are Procured by Taxable Person (**Inward Supply**)
- ✓ In Course or Furtherance of Business
- ✓ Any GST Paid / Payable to the Supplier of
- ✓ Such I / IPS / CG is Called Input Tax
- ✓ Credit of Such Input Tax = Input Tax Credit (ITC)
- ✓ Such ITC Can be Utilized Against Output Tax
- ✓ Payable on **Outward Supply**

I = Input
IPS = Input Services
CG = Capital Goods
BOA = Books of Accounts



Section 16

Eligibility of input tax credit

→ GST Registration Must & G | S | Both Must Be Used | Intended To Be Used in Course or Furtherance of Business

→ Must Have Valid Tax Paying | Prescribed Documents .
The detail of such invoice / debit note referred to in clause(a) has been furnished by the supplier in statement of outward supplies

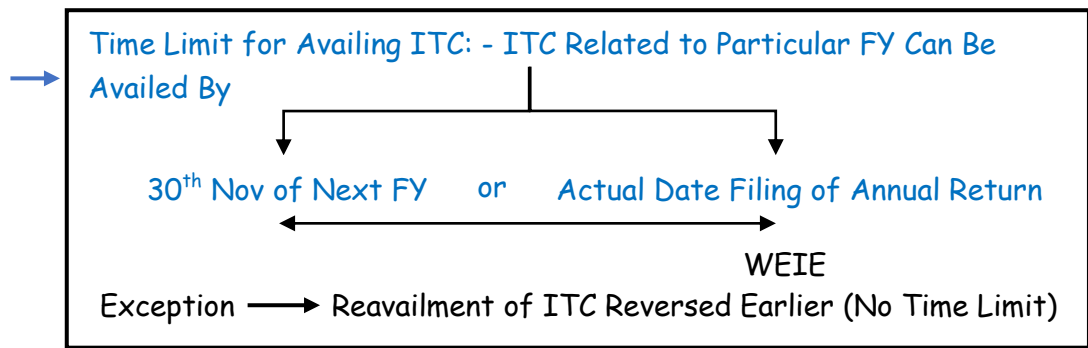
→ Has Furnished Valid Return

→ GST On Such Supply Actually Paid to Govt.

→ In Case of Bill Ship To Model - ITC Available To Person Who Is Giving Direction on Behalf of RG | RS

→ Goods Received in Lots: - ITC Allowed on Receipt of Last Lot.

→ Details of ITC in GSTR-2B is communicated to recipient which contains and Details of ineligible ITC also.



→ If Depreciation Claimed on Tax Component = No ITC

→ **Reversal Of ITC In Case of Non-Payment of Consideration**
If Value wholly or partly along with tax payable is not paid to supplier, within 180 days from date of issue of invoice.,

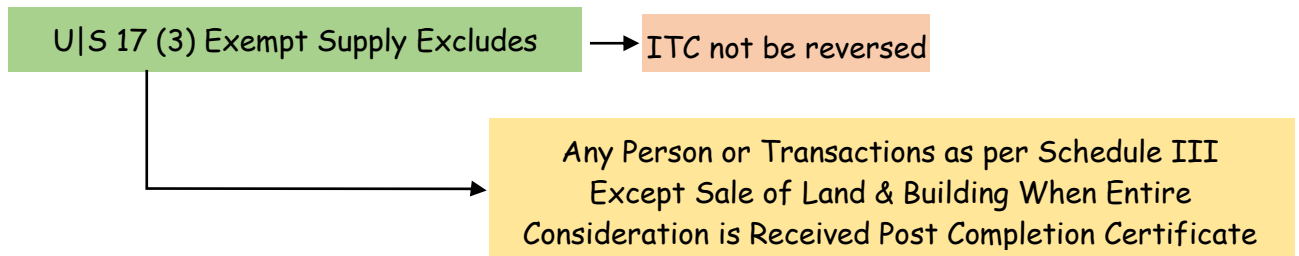
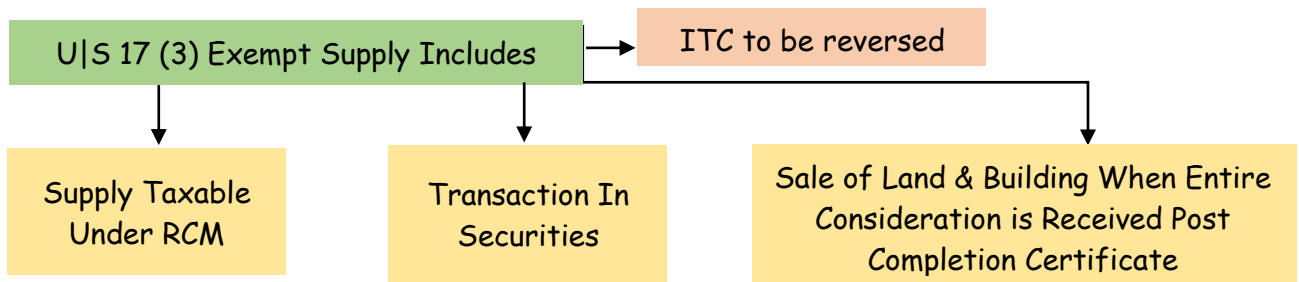
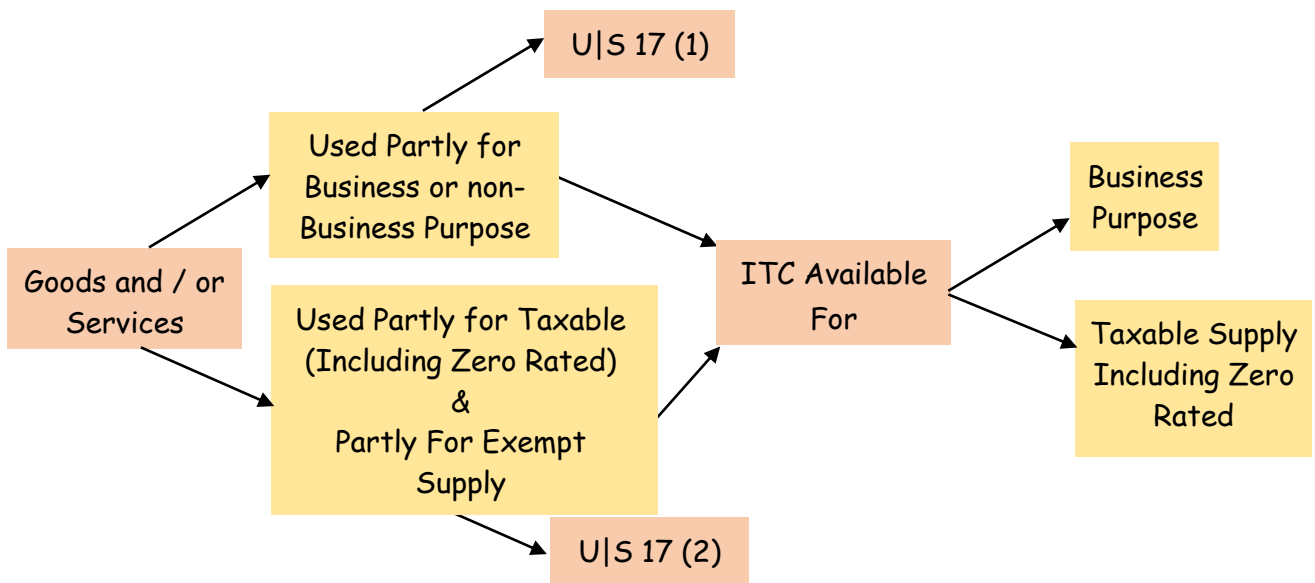
- Recipient shall pay or reverse an amount equal to the ITC availed proportionate to the amount not paid to the supplier along with interest payable, while furnishing GSTR-3B for tax period immediately .

following period of 180 days from the date of the issue of the invoice. Exception:

- 1) Supplies under reverse charge
- 2) Deemed supplies without consideration
- 3) Additions made to the value of supplies on account of supplier's liability, in relation to such supplies, being incurred by the recipient of the supply

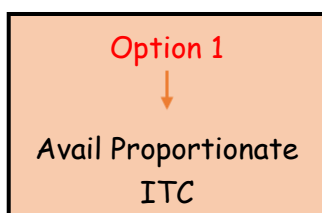
Section 17

Apportionment of ITC & Blocked Credit

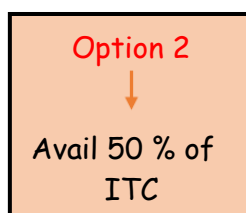


the value of activities or transactions mentioned in paragraph 8(a) of Schedule III which is required to be included in the value of exempt supplies (value of supply of goods from Duty Free Shops at arrival terminal in international airports to the incoming passengers)

U|S 17 (4) Special Provisions for Banks / NBFC

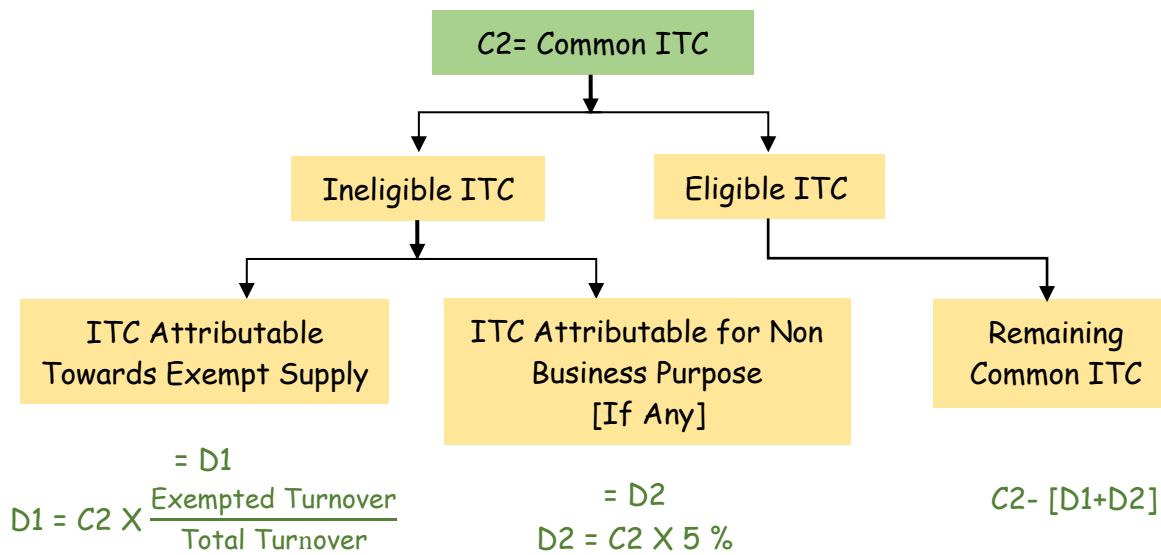
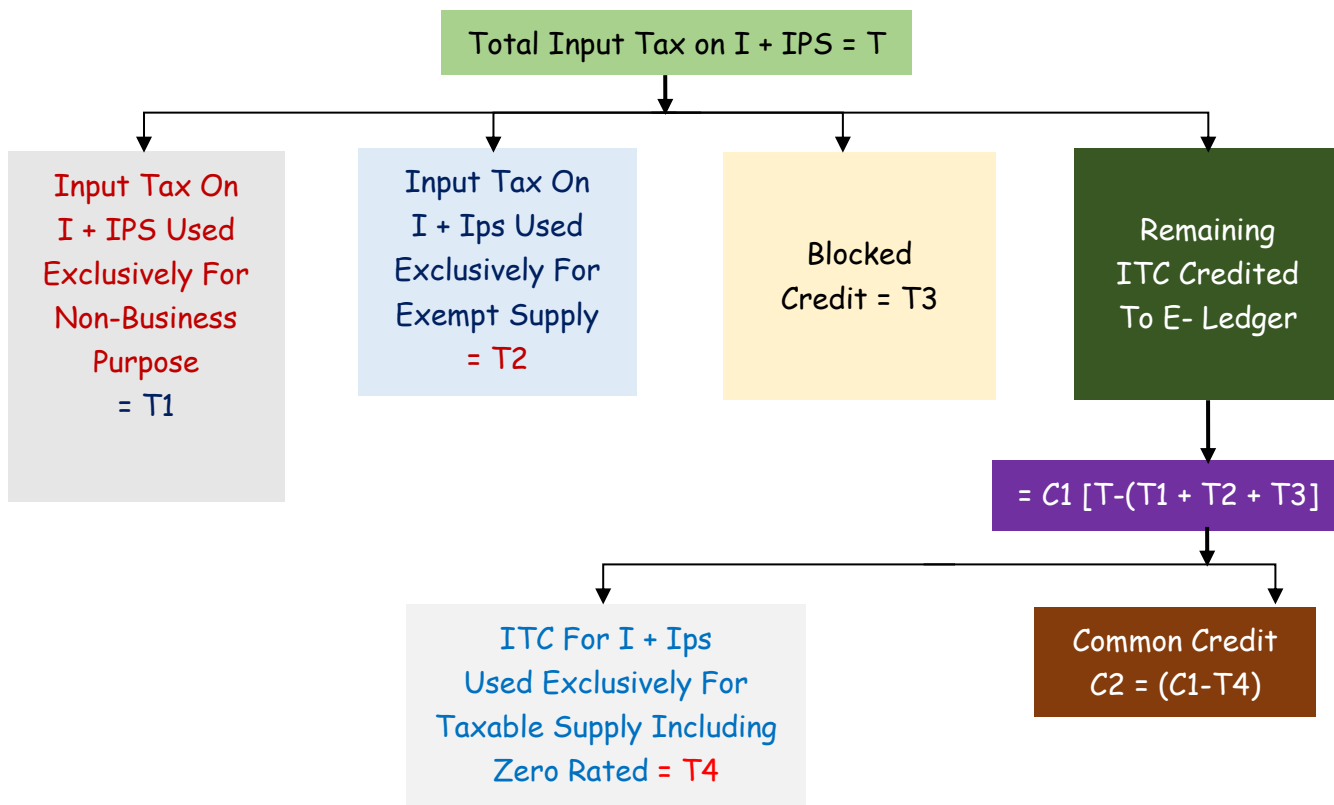


or

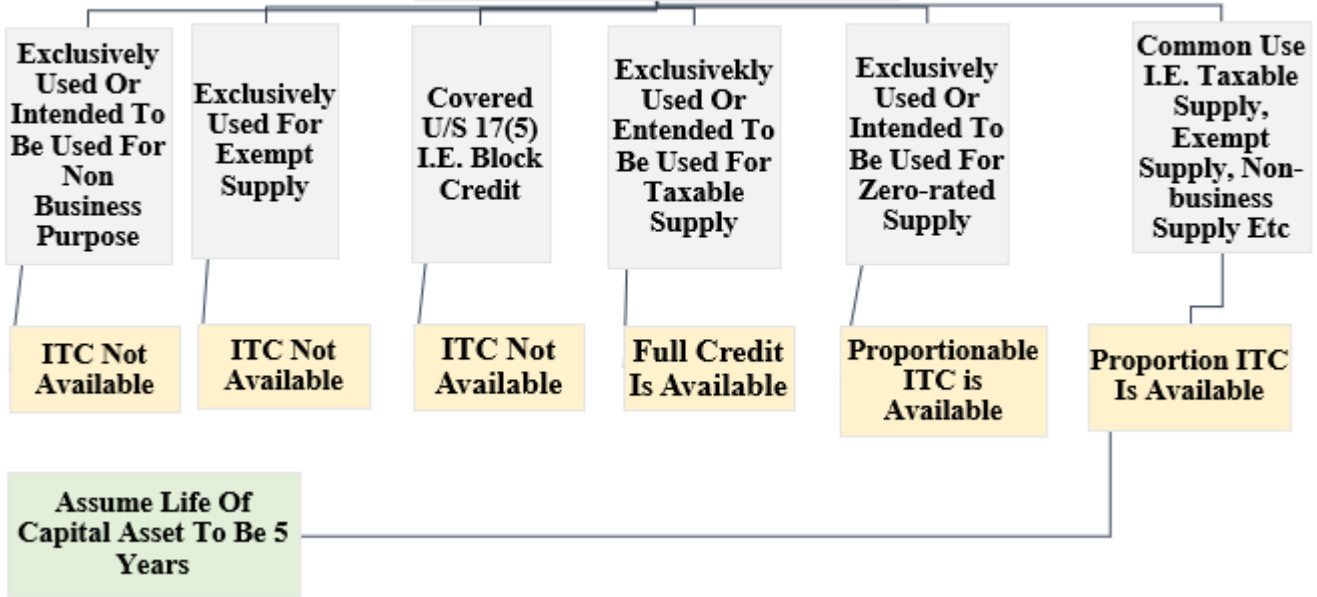


- Remaining 50 % ITC Lapse
- Not Applicable to The Supply Made to Distinct Person
- Option Can Not Be Withdrawn During the Year

Apportionment Of Common Credit for Input & Input Service

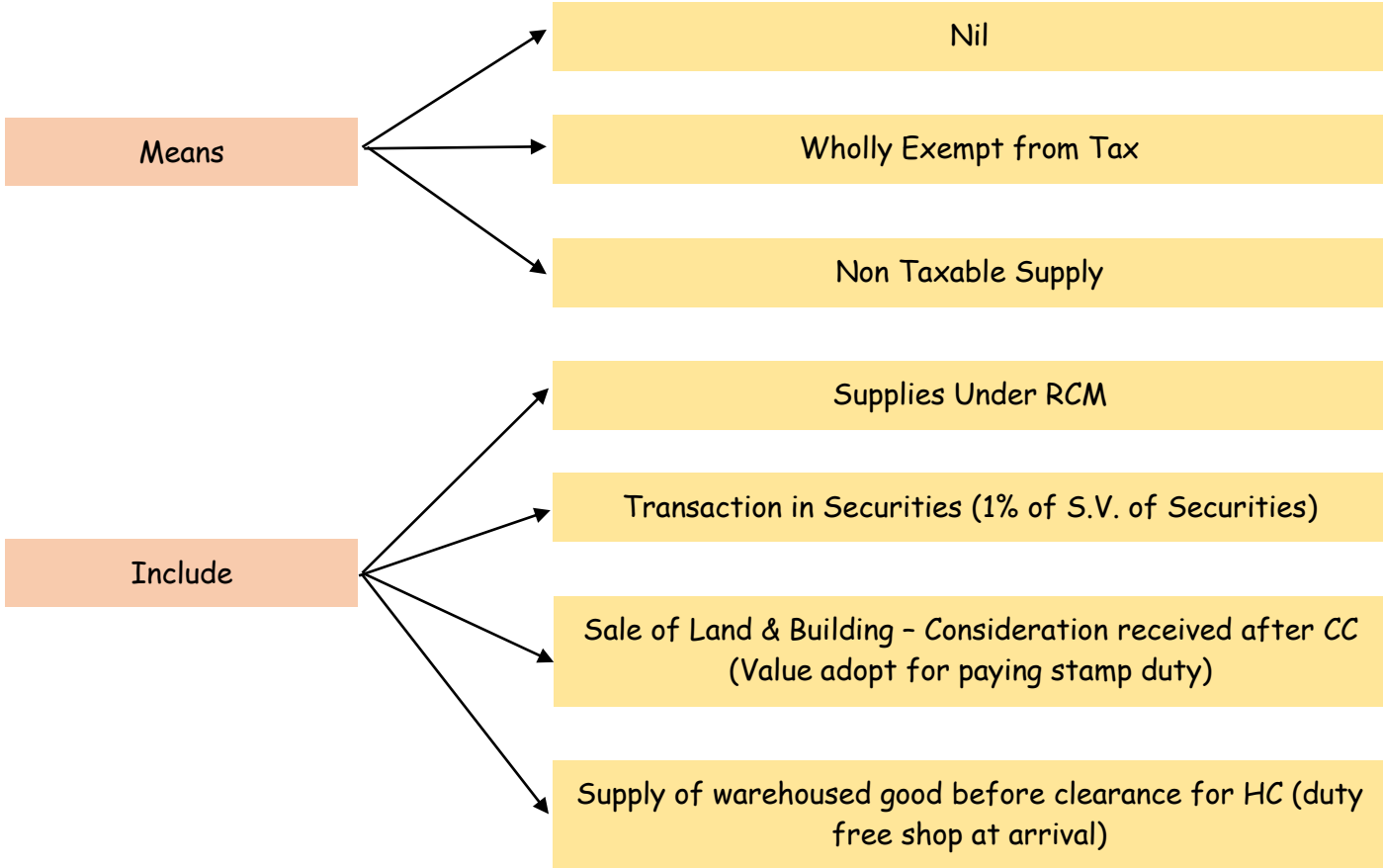


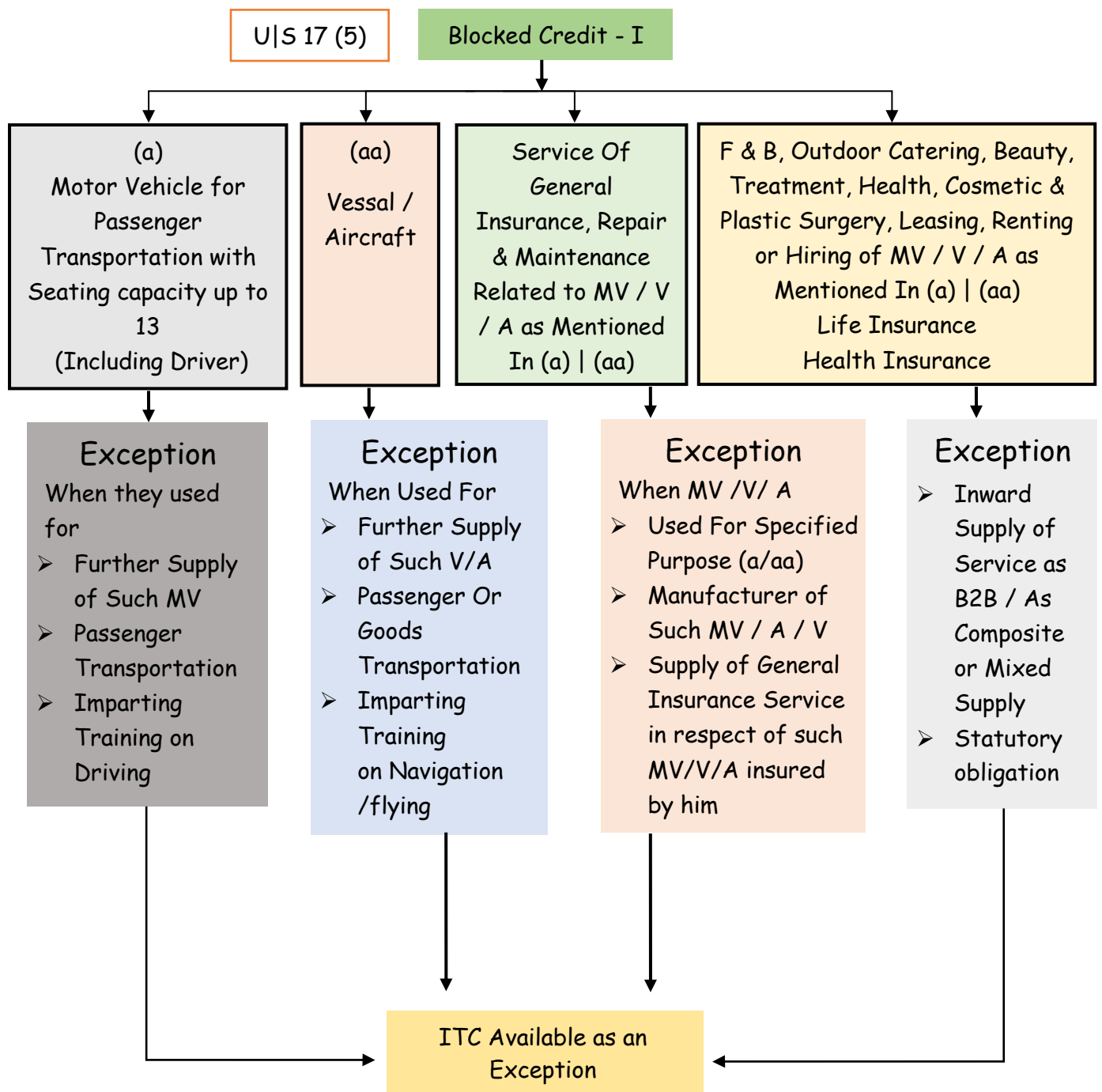
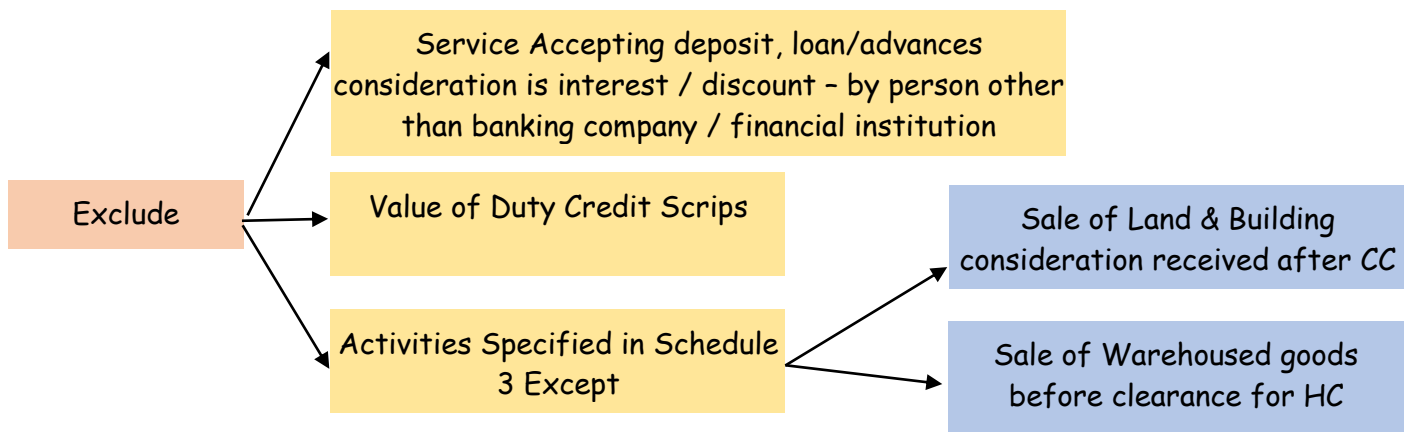
Input tax paid on capital goods



$$\frac{\text{Total Common ITC}}{60} \times \frac{\text{aggregate value of exempt supply during the relevent month}}{\text{total turnover of the registered person during the relevent month}}$$

For the purpose of Rule 42 and 43 Exempt Supply:

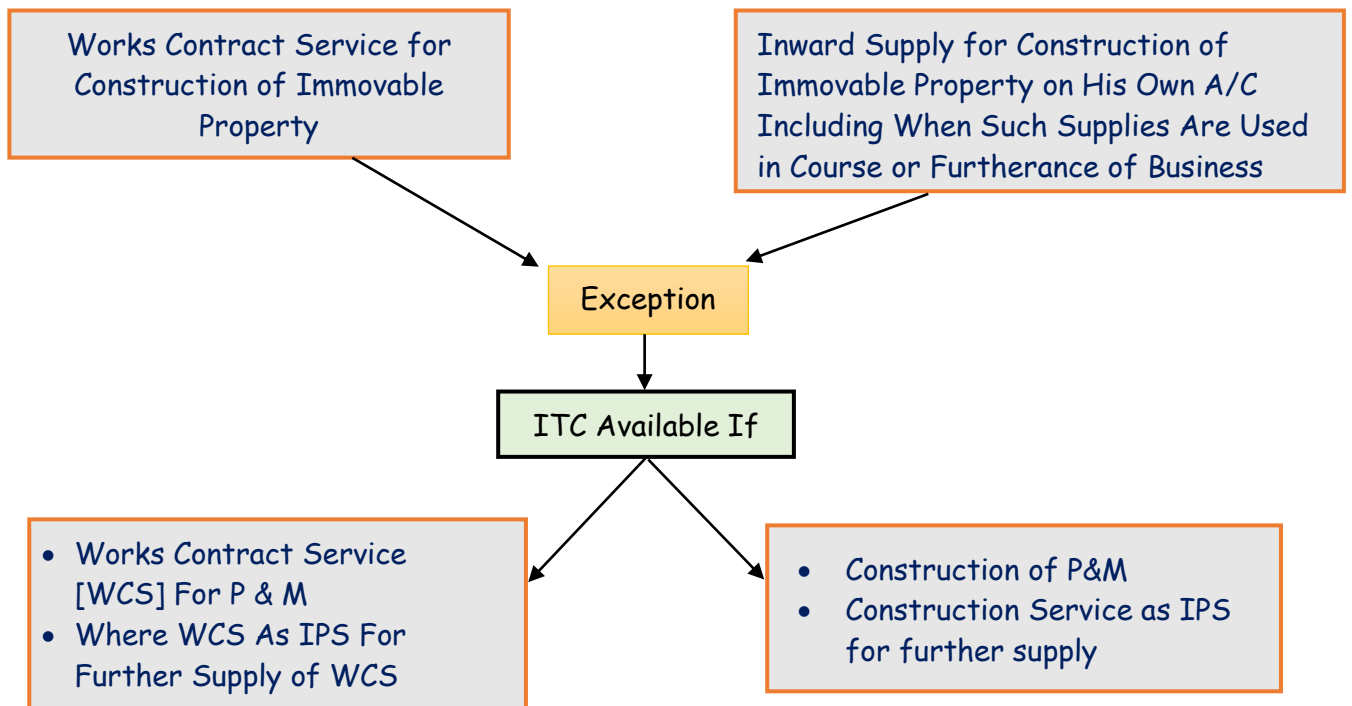




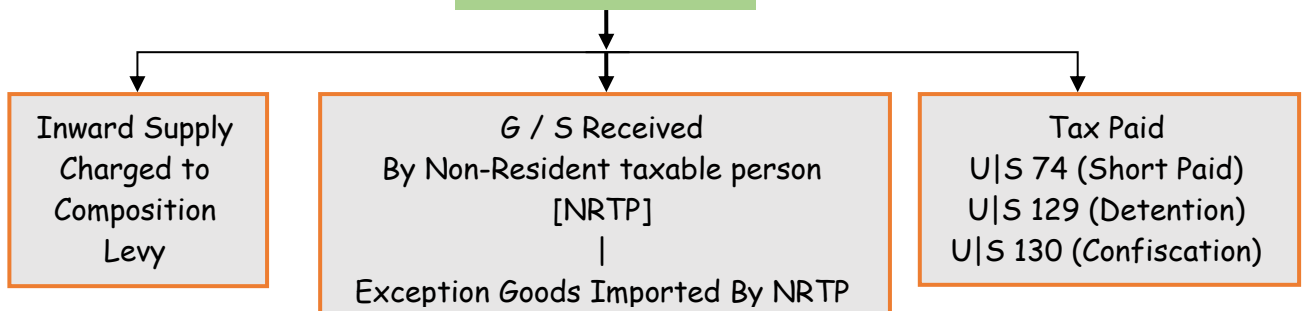
Blocked Credit - 2



Blocked Credit - 3



Blocked Credit - 4



Section 17(5)(fa) Goods or services or both received by a taxable person, which are used or intended to be used for activities relating to his obligation under corporate social responsibility referred to in section 135 of The Companies Act, 2013.

Clarification on ITC in the hands of the supplier in respect of sales promotional schemes:

Free Sample and Gifts.

Section 17(5)(h) of the CGST Act Provides that ITC shall not be available in respect of goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples.

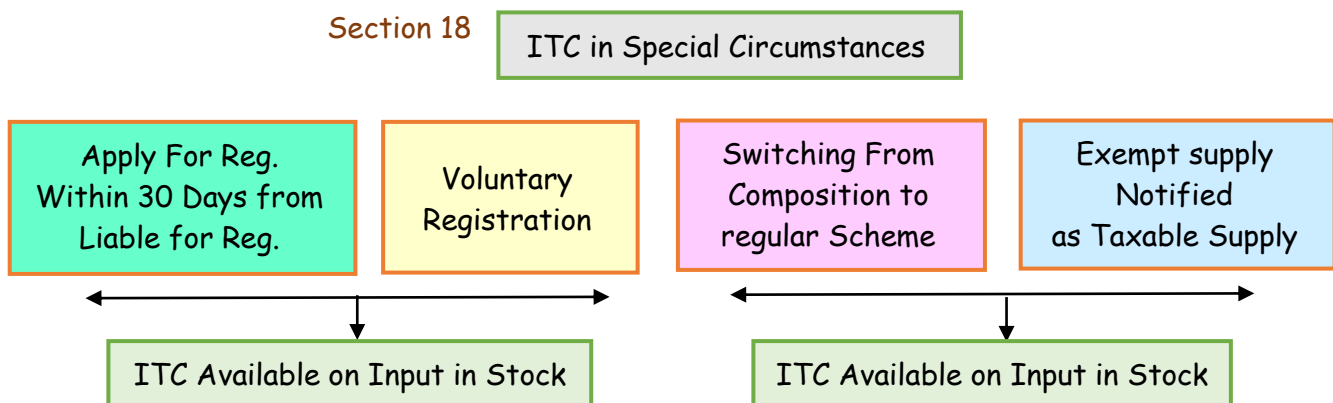
It has been clarified that **ITC shall not be available to the supplier on the inputs, input services and capital goods to the extent they are used in relation to the gifts or free samples distributed without any consideration.** However, where the activity of distribution of gifts or free sample falls within the scope of "Supply" on account of the provisions contained in Schedule I of the said Act, the supplier would be eligible to avail the ITC.

Buy one get one free offer:

It is clarified that **ITC shall be available to the supplier for the inputs, input services and capital goods used in relation to supply of goods or services** or both as part of such offers.

Discounts including 'Buy more, save more' offers:

It is clarified that the supplier shall be entitled to avail the **ITC for such inputs, input services and capital goods used in relation to the supply of goods or services or both on such discounts.**



- As Input
- As Semi-FG
- As FG

On The Day Just Preceding Date
from While Become Liable to Pay Tax
or Registration

- As Input
- As Semi-FG
- As FG

ITC on Capital Goods

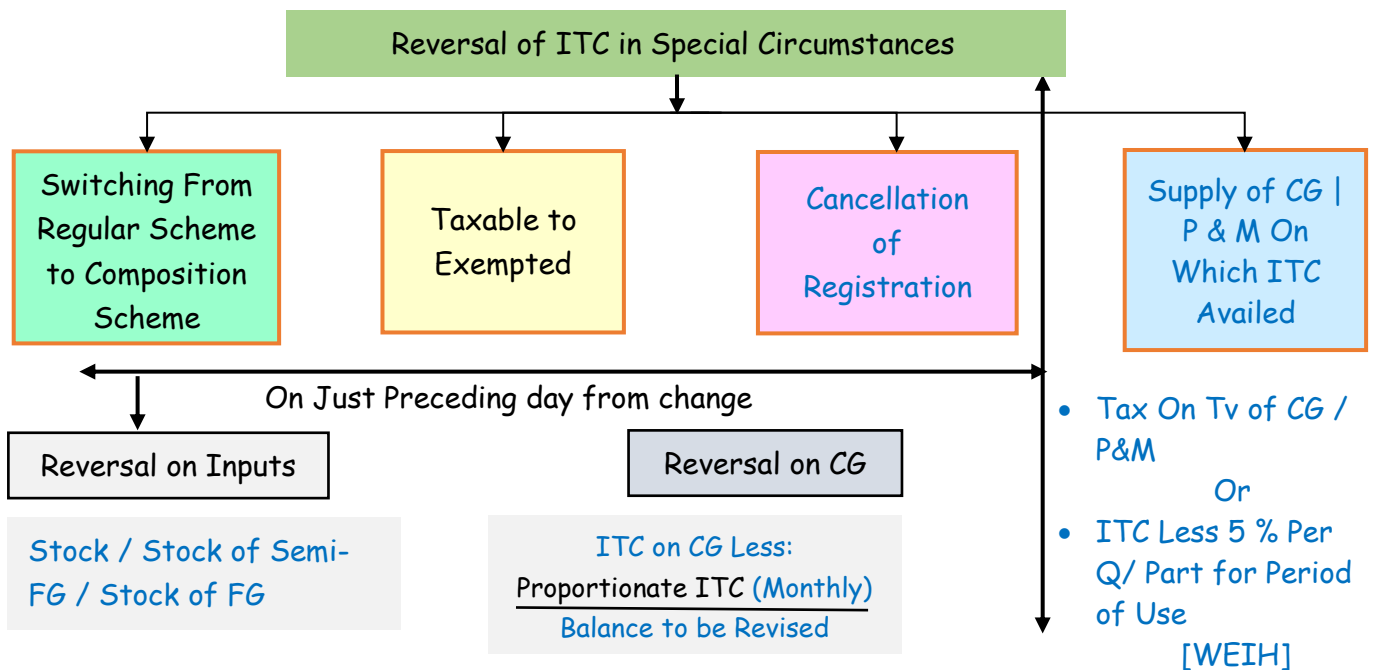
ITC on CG As Per Invoice
Less: 5 % Per Q | Part from Date of invoice For
the Period When ITC Not Available

Balance ITC Available on CG |
on Just Preceding Day When Switching/Changes
Occurred

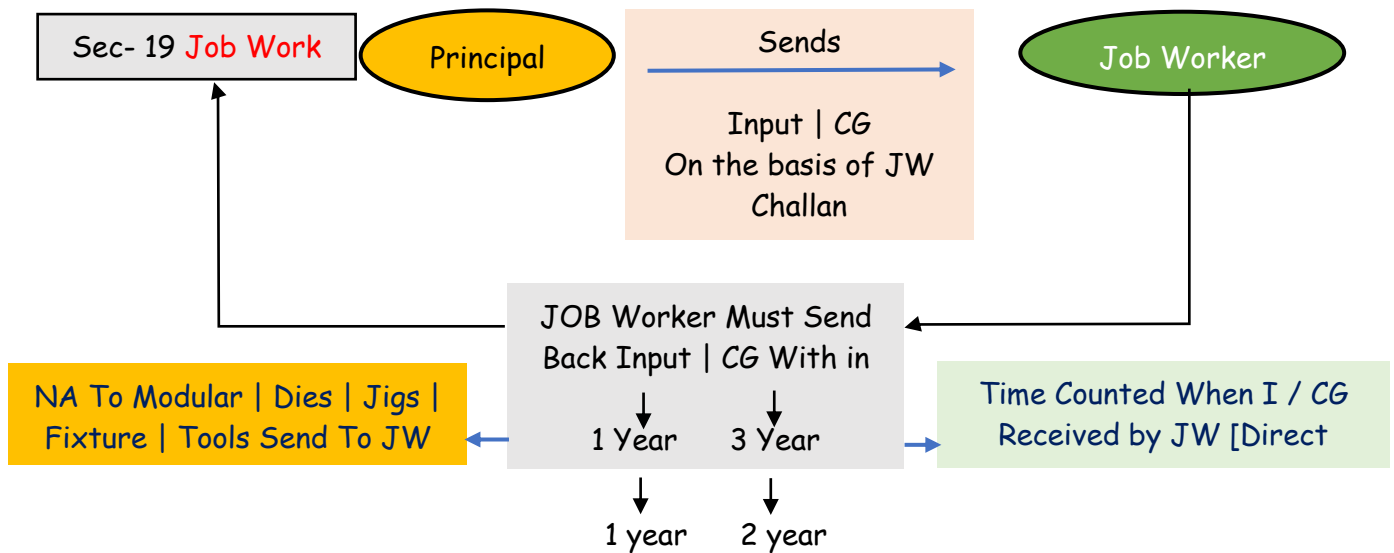
In All Above Cases, it is to be Availed within
one Year from the DOI

Conditions

- Electronic Declaration Containing Details of ITC.
- With In 30 Days from Eligible to Credit
- Certified By CA / CMA If Aggregate Claim of CGST / SGST / IGST If Credit > 200000 /-



- ❖ Proportionate ITC on Capital Goods
 - Calculation on The Basis of Useful Life of Capital Goods Taking As 60 M.
 - ITC To Be Reversed Shall Be Through E-Credit Ledger, Balance in E-Credit Ledger Shall Lapse
 - If Insufficient Balance in E-Credit Ledger Then Payment Is Required Through E-Cash Ledger.
- ❖ in Case of Sale/ Merger/ Amalgamation / Lease/ Transfer
Unlimited ITC Shall Be Transferred to Transferee



- ❖ Extension by commissioner
- ❖ Otherwise, It Is Treated as Supply from The Date Goods Send To JW. GST Payable + Interest from Such Date
- ❖ JW Return in from "GST ITC 04" (Quarterly) By 25th From end of the Quarter or as Extended by Commissioner.

Sec. 20 - Input Service Distributor (ISD)

For Distributing Credit on Common Service for IPS Only

ITC On IPS Distributed only to Those Registered Person Under Same Pan & Who Have Used Such IPS in Course or Furtherance of Business

ITC Shall Be Distributed on The Basis of Turnover of PFY Or Last Quarter Prior to The Month of Distribution

Sec. 21 If ISD Distributed Excess ITC To Any Recipient: Such Excess Credit Shall Be Recovered from Recipient with Interest

Payment of GST

ITC on account of	Output liability on account of IGST	Output liability on account of CGST	Output liability on account of SGST/UTGST
Integrated tax	(I)	(II) - In any order and in any proportion	
	(III) Input tax Credit on account of Integrated tax to be completely exhausted mandatorily		
Central tax	(V)	(IV)	Not permitted
State tax / UTGST	(VII)	Not permitted	(VI)

Utilization of input tax credit of IGST at first is must [Sec. 49A]

07

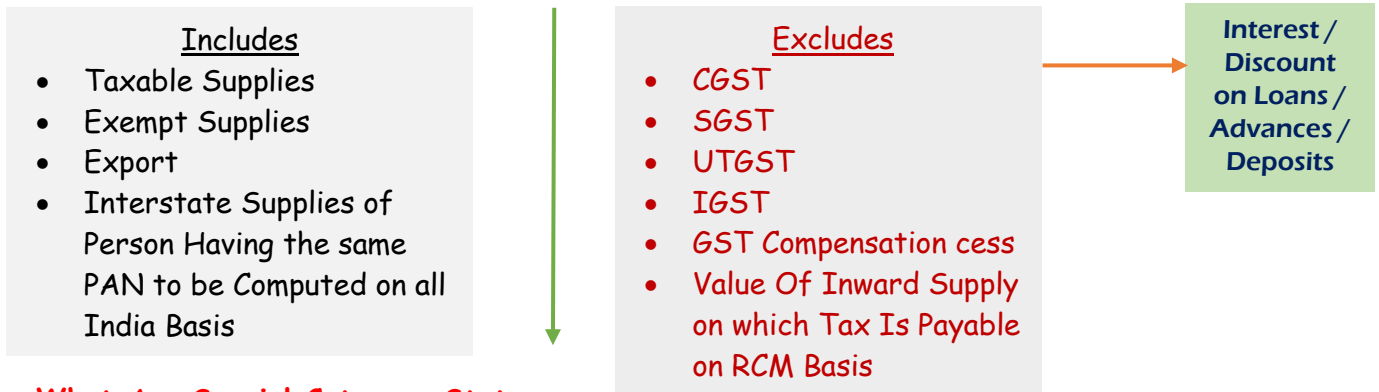
Composition Scheme

Composition Scheme

- ✓ A Person Having
- ✓ Pan Based Aggregate Turnover
- ✓ Across All States
- ✓ up to 1.5 Cr in Normal State Or
- ✓ up to 75 L in Special Category States
- ✓ During Preceding Financial Year
- ✓ May opt Composition Scheme

➤ What is Aggregate Turnover?

Aggregate Turnover



➤ What Are Special Category States

- Meghalaya
- Mizoram
- Manipur
- Arunachala Pradesh
- Nagaland
- Tripura
- Sikkim
- Uttarakhand

➤ Who Are Eligible for Composition Scheme

Sec 10 (1)	Category	Rate of GST (CGST + SGST)
• (a)	Manufacturer	1 % of Turnover in State or UT
• (b)	Restaurant	5 % of Turnover in State or UT
• (c)	Traders	1 % of Turnover of Taxable Supplies in State/ UT

➤ A Person Who opts To Pay Tax Under Clause (a) / (b) / (c) May Supply Service (Other Than Restaurant Service) up to Value

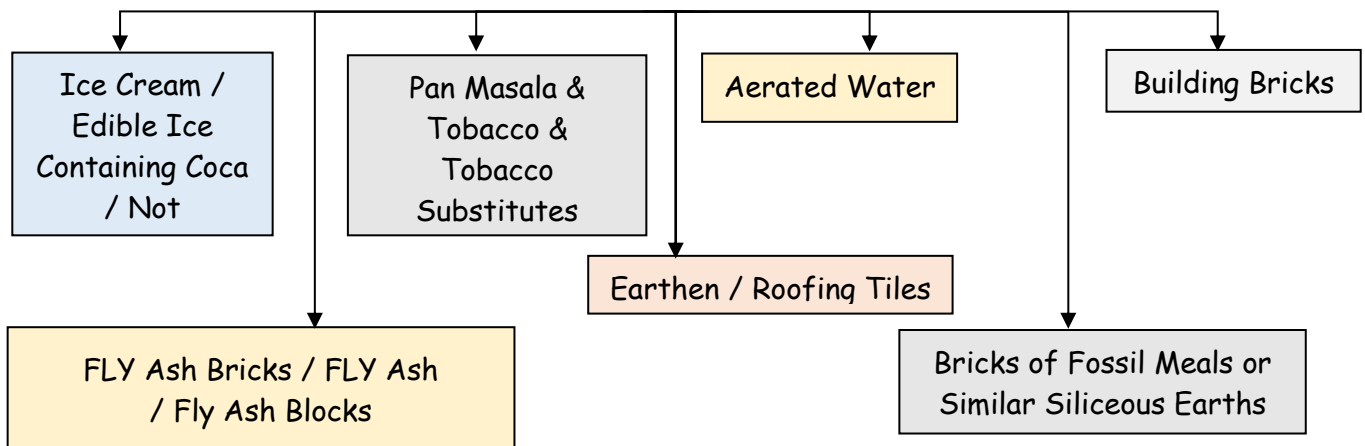
- 10 % of Turnover in a State / UT in PFY or
- 5 Lakh



Whichever Is Higher

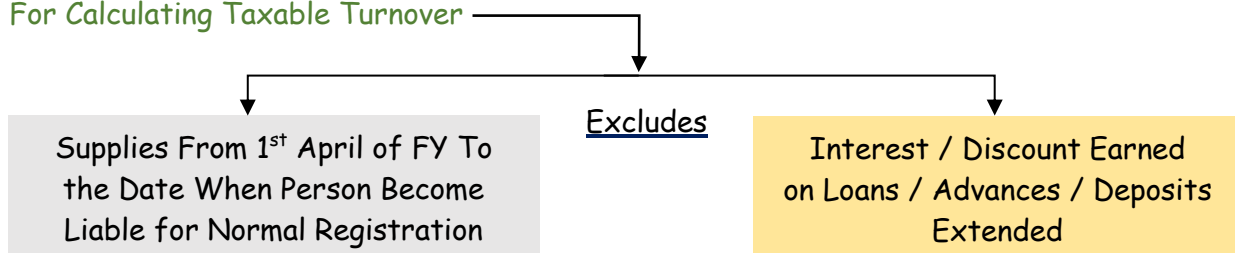
What Are the Conditions for Composition Scheme

1. He Is Not Supplies of Service Other Than Restaurant Service If He Is Providing Service Other Than Restaurant Then Value of Service Shall Be Maximum 10 % of PFY T/O or 5 Lakhs (WEIH)
2. Person Cannot Supply Non-Taxable Goods.
3. He Is Not Making Interstate Outward Supply
4. He Is Not Making Supply of services Through ECO who is liable to collect TCS.
5. He Is Not Manufacturer of Following Notified Goods



Composition Scheme U/S 10 (2A) - Conditions (Other Supplier of services & Mixed Supplier)

- ❖ Same as Applicable to Composition Scheme (Other Than Sec 10 (2A))
 - Aggregate Turnover During PFY up to 50 L - Rate of GST - 6 % [CGST + SGST]
 - For Calculating Taxable Turnover

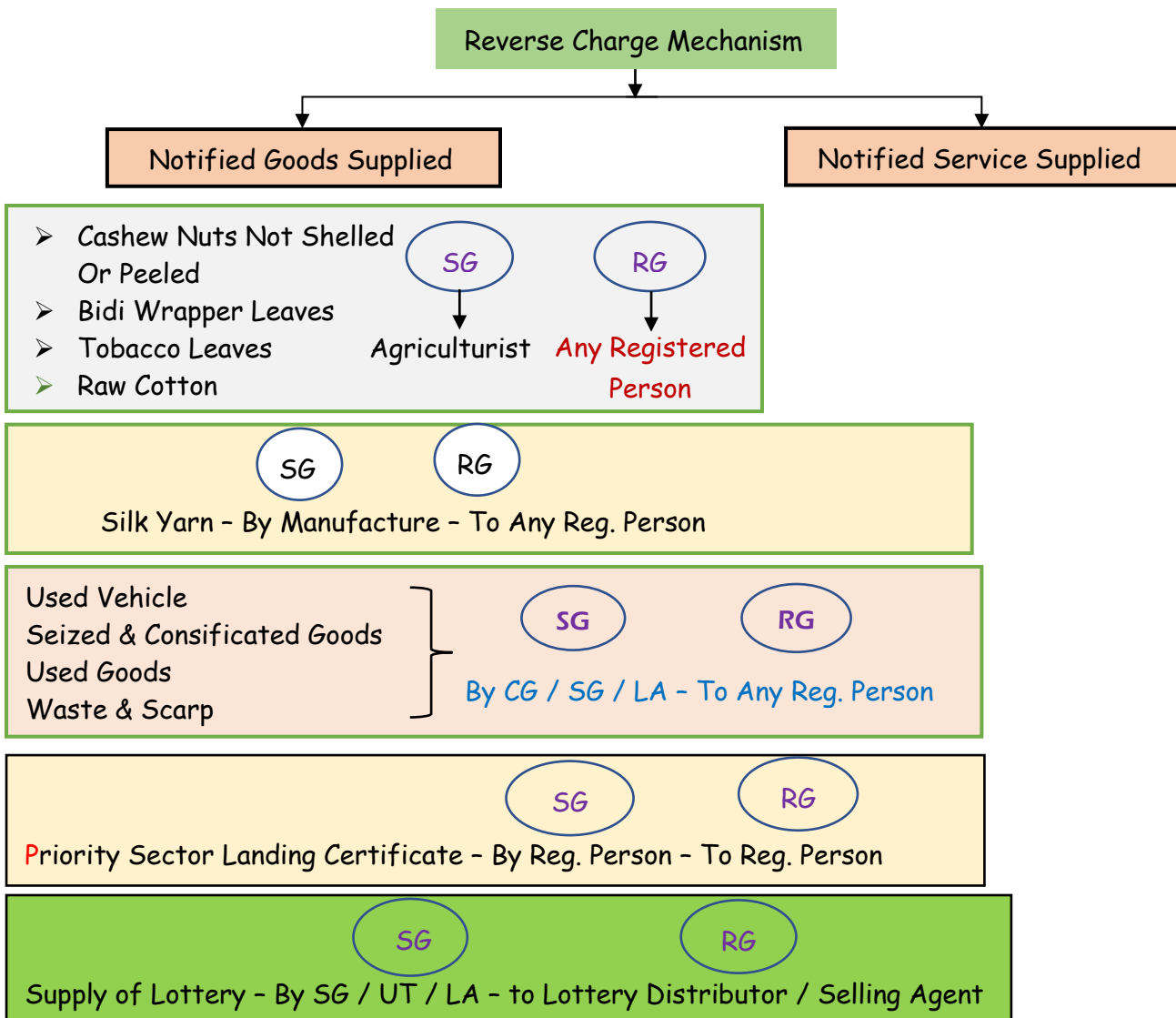
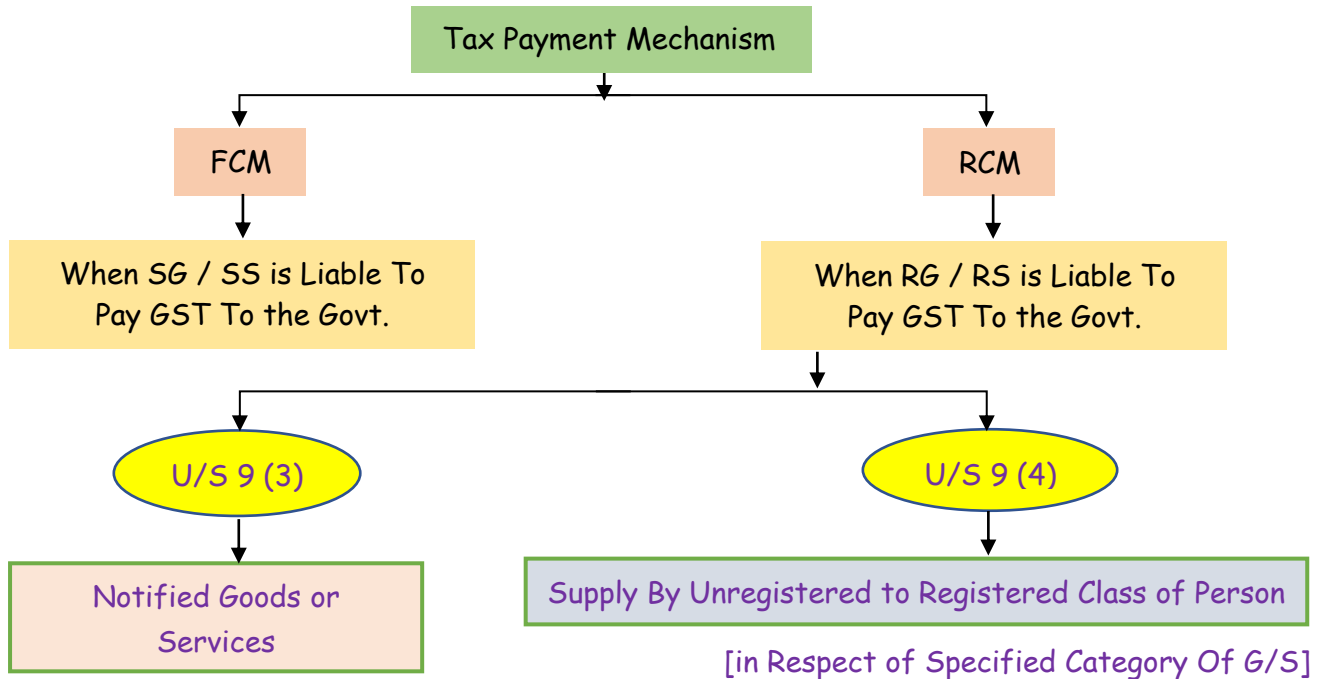


❖ Other Important Points

- Composition Scheme Shall Laps Once Aggregate Turnover During FY Exceeds the Limit.
- Composition Dealer Shall Not Collect GST From Recipient.
- Composition Dealer Can't Take ITC
- Normal Scheme & Composition Is Not Possible at the Same Time.
- Composition scheme is opted Uniformly across all state.
- GSTR-4 By 30th April from End Of FY
- Quarterly Tax PMT By 18th From end of quarter along with CMP-08
- CTP / NRTP Can not opt composition scheme

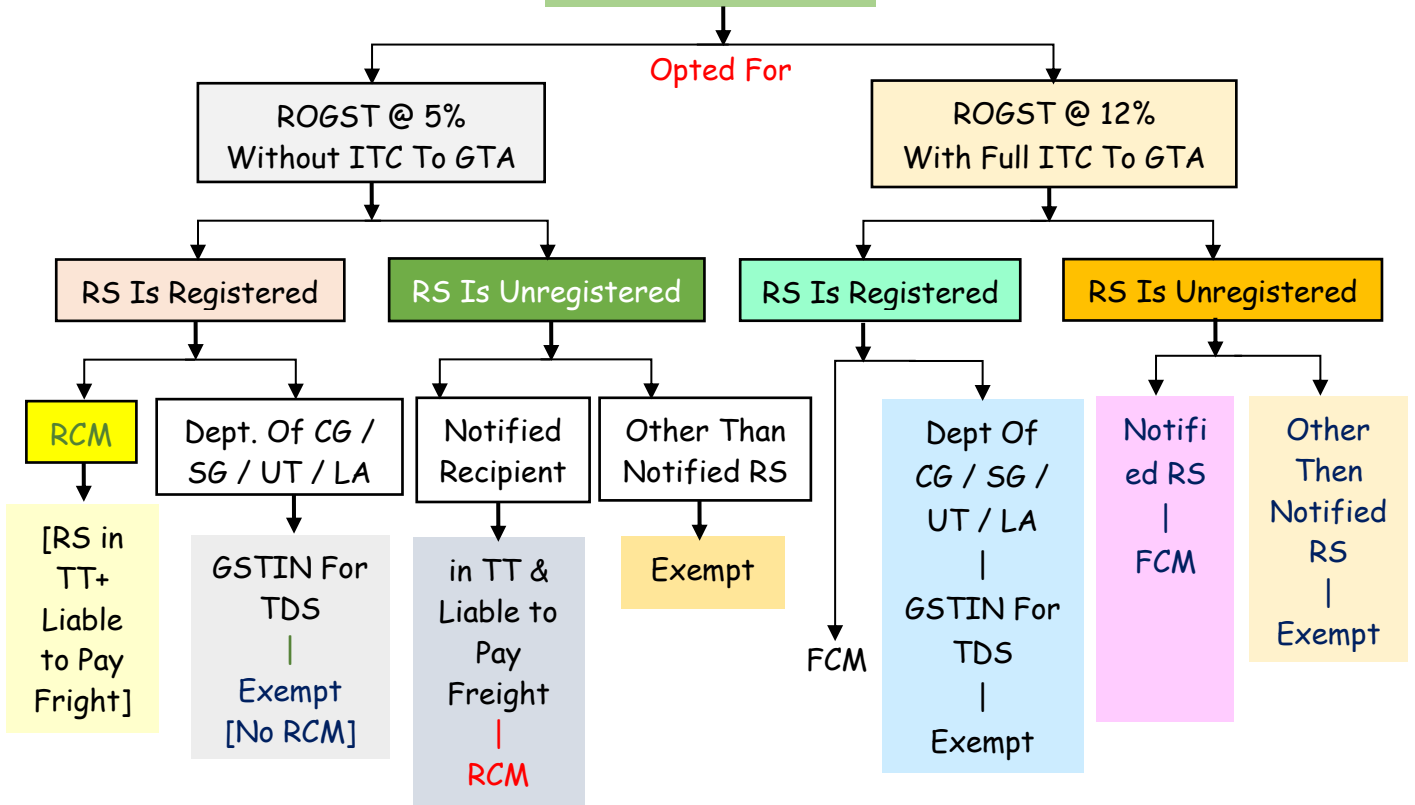
08

Reverse Charge Mechanism



U/S 9(3) Notified Services Under RCM

1. GTA Services



3. Services by Individual Advocate [Including Senior Advocate]

- By Firm of Advocate
 - By Arbitral Tribunal
- To } SS = RCM

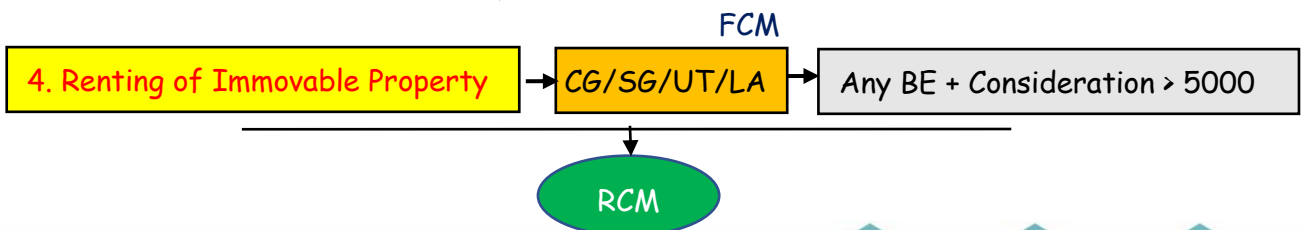
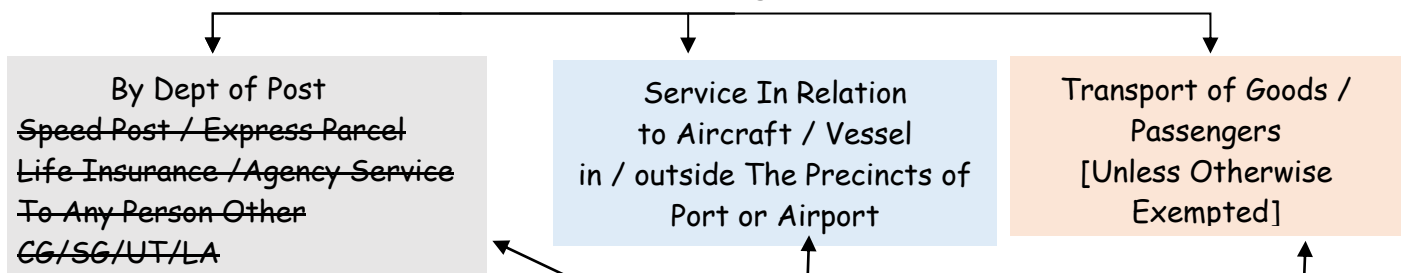
RS - Any Business Entity (Non-Chiller Business Entity)

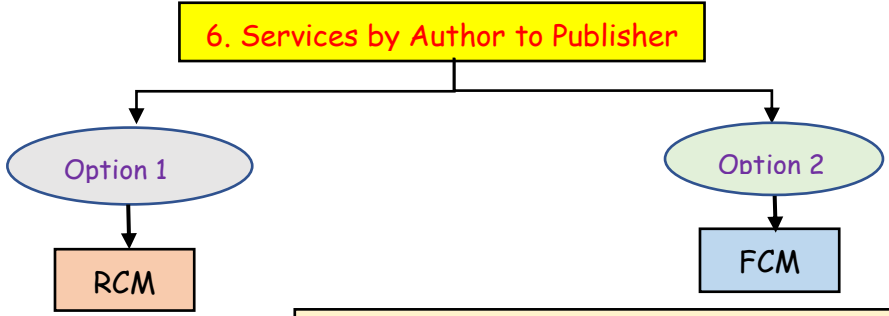
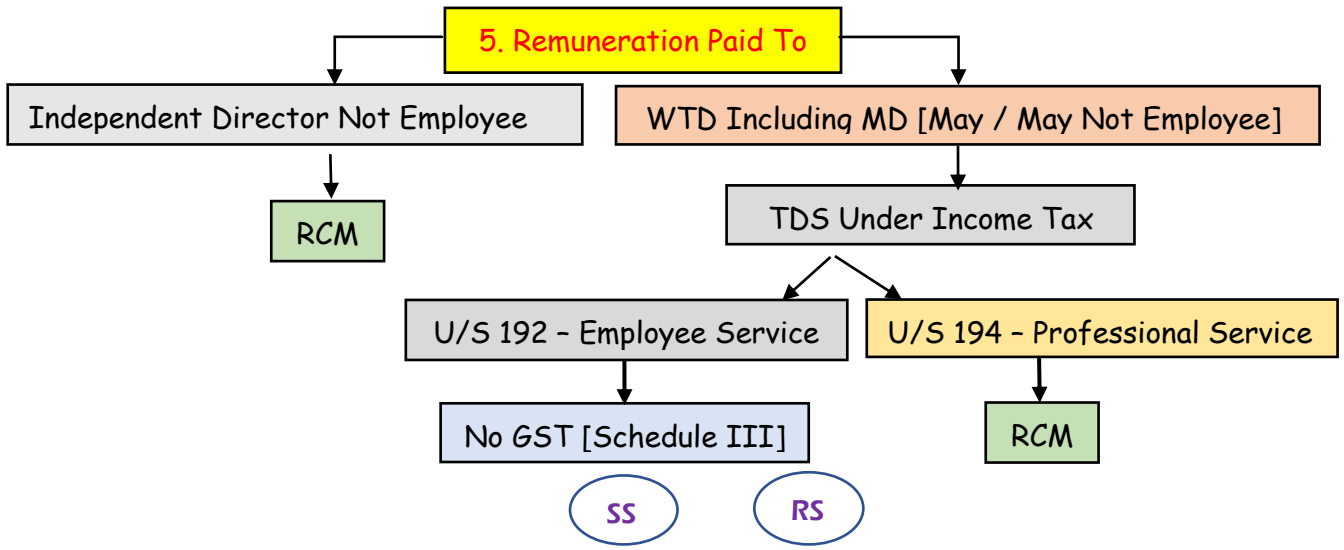
Chillar Business Entity - Business Entity Who is Not Liable for GSTIN as Per PFY Aggregate Turnover

4. Services by CG / SG / UT / LA

to Business Entity [Non-Chiller] + Consideration > 5000/- } = RCM

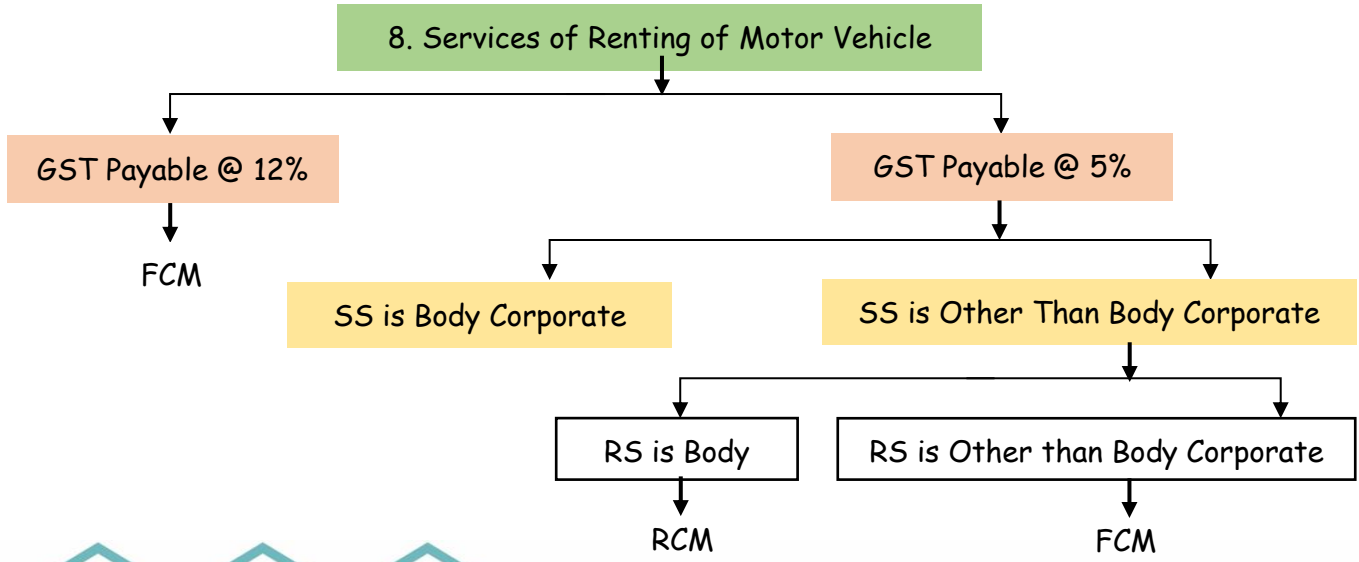
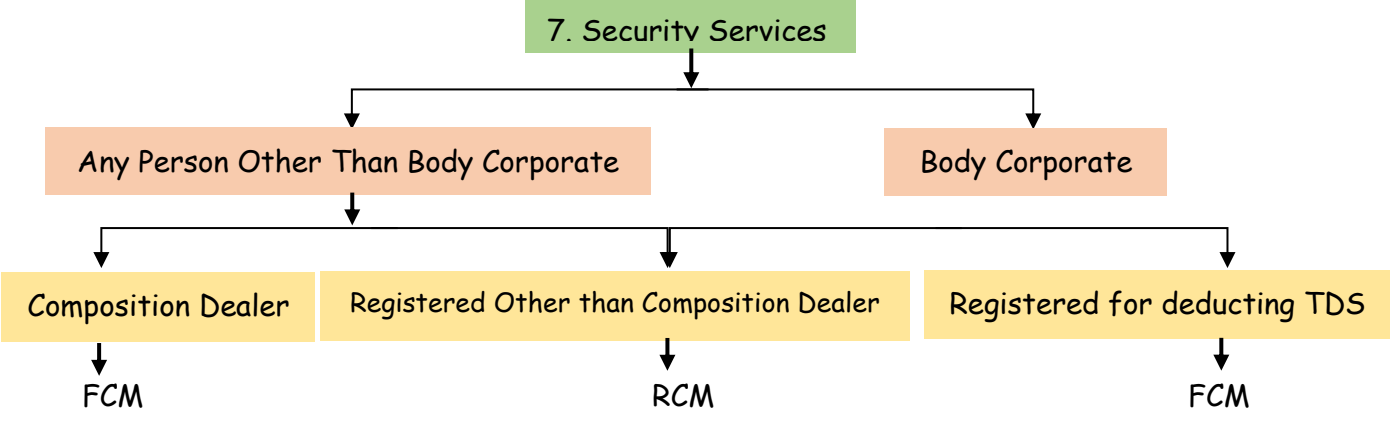
Excluding





Author is Liable to Pay GST (Subject To Conditions)

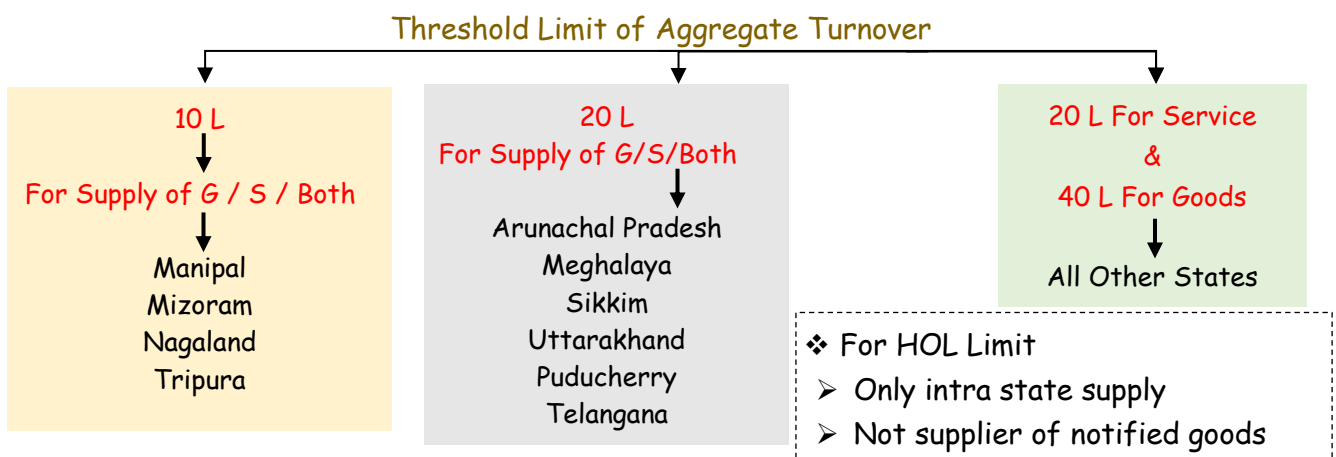
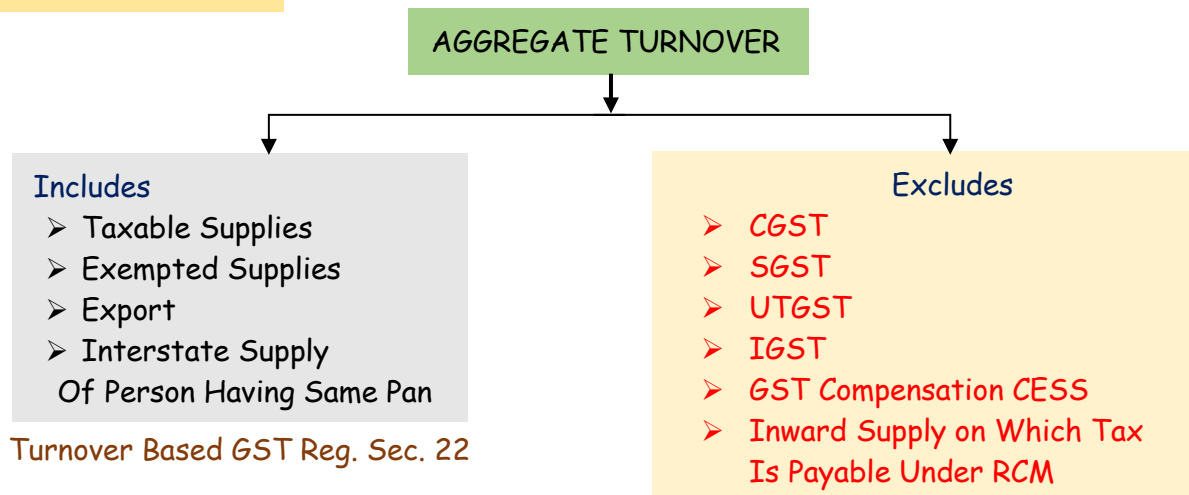
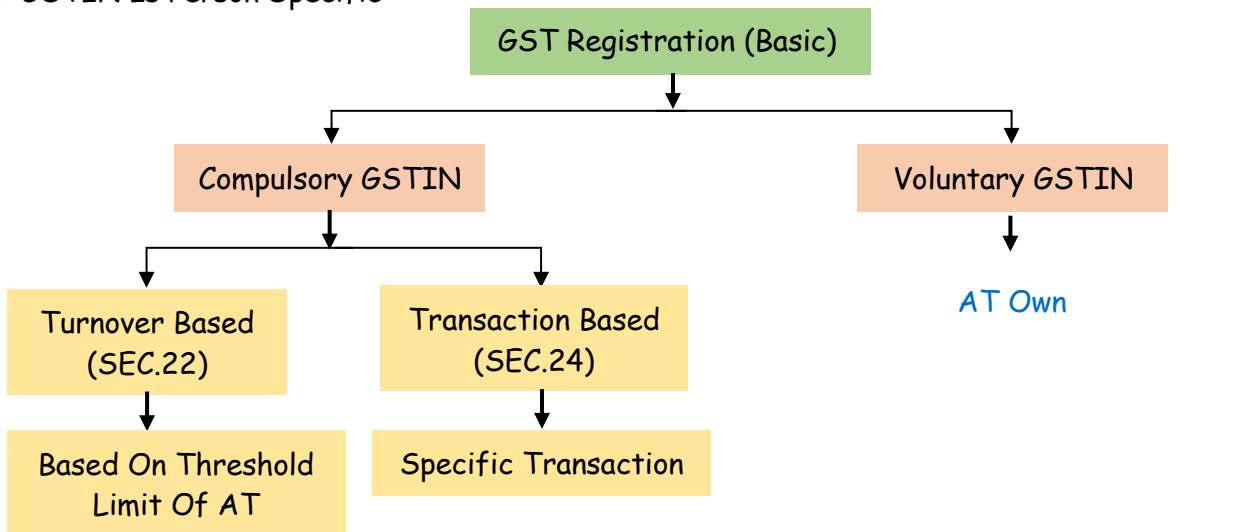
- ❖ Author Has Taken GSTIN & Filed Declaration About the option & not Withdraw [in Period of one Year]
- ❖ Makes Declaration on Invoice Issued



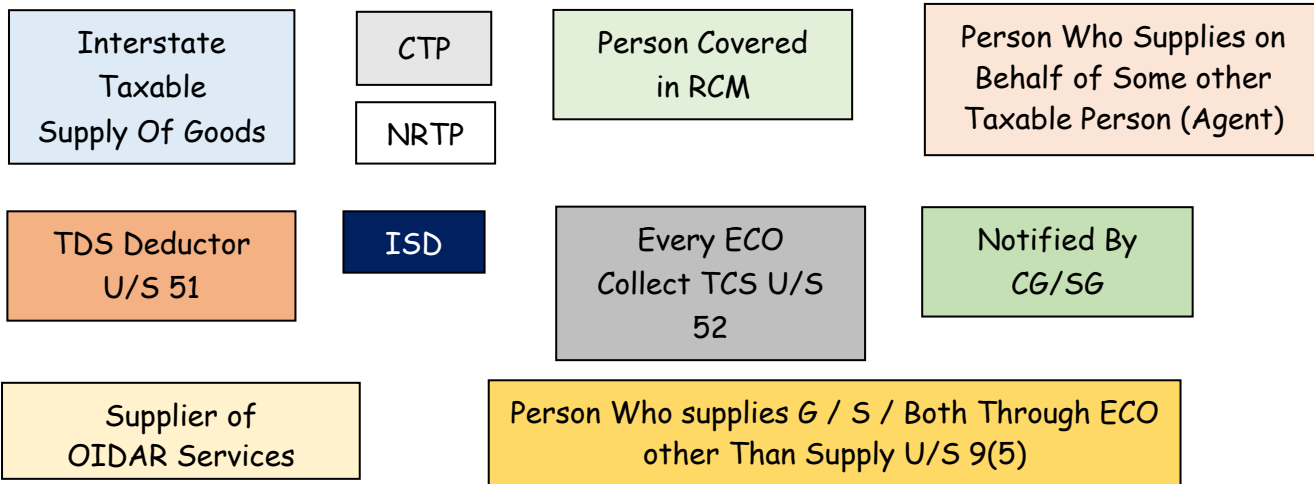
SN	Nature of Service	SS	RS
	Renting of Residential dwelling	Any Person	Any Register Person
9.	Transfer of Development Rights or FSI For Project Construction	Any Person	Promoter
10.	Long Term Lease of Land (At Least 30y Against Consideration in Form of Upfront Payment or Periodic Rent)	Any Person	Promoter
11.	Services of Insurance Agent	Insurance Agent	Insurance Co.
12.	Service of Recovery Agent	Recovery Agent	Bank / NBFC/ FI
13.	Transfer or Permitting Use or Enjoyment of Copyright	Music Composer, Photographer, Artist or Like	Music Co., Producer or like
14.	Services By Members of Overseeing Committee	Member of overseeing Committee Constituted By RBI	RBI
15.	Service By Individual DSA	Individual DSA	Bank NBFC
16.	Service of Business Facilitator	Business Facilitator	Banks
17.	Service of Lending of Securities 	Lender	Borrower
18	Received OIDAR (for Any Purpose other Than Commerce, Industry / Business or Profession) ❖ (Non Taxable Online RS= Govt. / LA / Govt. Authority / I / Unreg.)	Any Person in NTT	Any Person Located In TT [Other Than Non-Taxable Online RS]
19.	Transportation Of Goods By Vessel From Outside India Upto Custom Station in India	Person in NTT	Importer
ECO Shall be liable to pay GST in Following Cases			
20.	Transportation of Passenger By Radio Taxi / Motor Cab / Mini Cab / Online Bus / Motor Cycle or Any Other MV	Driver	Any Person
21.	Accommodation in Hotels / Inns / Clubs / Compsits / Other Commercial Places	Un Registered Person	Any Person
22.	House Keeping Service	Unregistered Person	Any Person
23.	Restaurants Services Other Than Located At Specified Premises (Hotel Providing Accommodation Services ≥7500 / Day / Unit)	Restaurants	Any Person

Nature of GSTIN (Goods & Service Tax Identification Number)

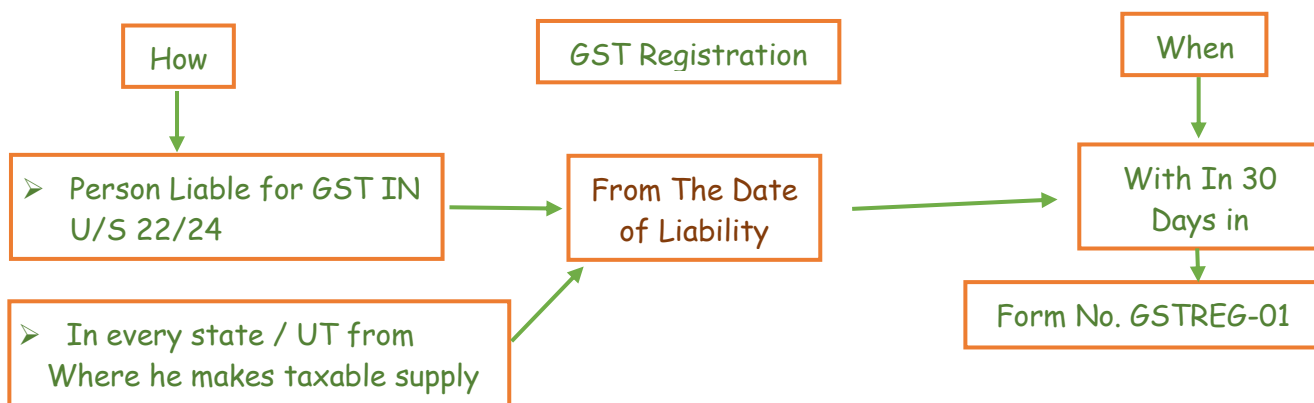
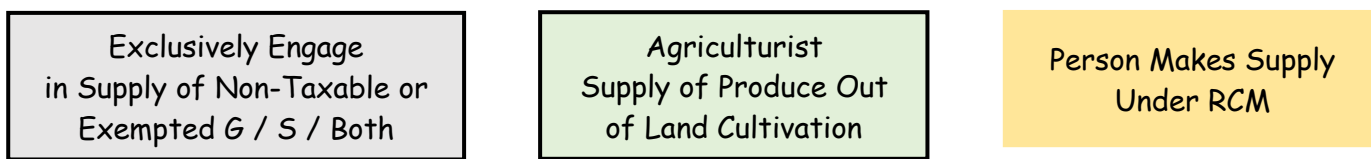
- 1) GSTIN Pan Based - State Wise
- 2) One GSTIN Per State/UT
- 3) Business Entity Having POB in a State may Obtain Separate GSTIN For Every POB (Optional)
- 4) GSTIN - 15 Digit
- 5) GSTIN Is Not Tax Specific - Single GSTIN For All Taxes (CGST/SGST)
- 6) GSTIN Is Person Specific



Transaction Based GST Reg. U/S 24 (in the Following Cases)

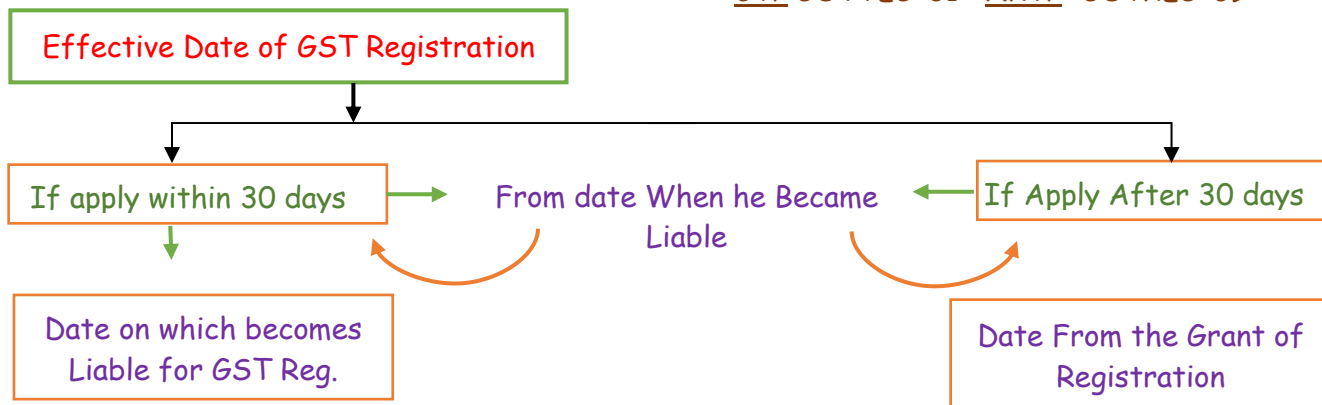


Sec. 23 - Person Not Liable for GST Registration



❖ CTP & NRTP Should Apply for Reg. At Least 5 Day Before the Commencement of Business.

CTP GSTTEG-01 NRTP- GSTREG-09



❖ SEZ Unit / Sez Developer SEZ but in Same State → Having POB → Outside

Separate GST Registration is Required

GST Registration Procedure

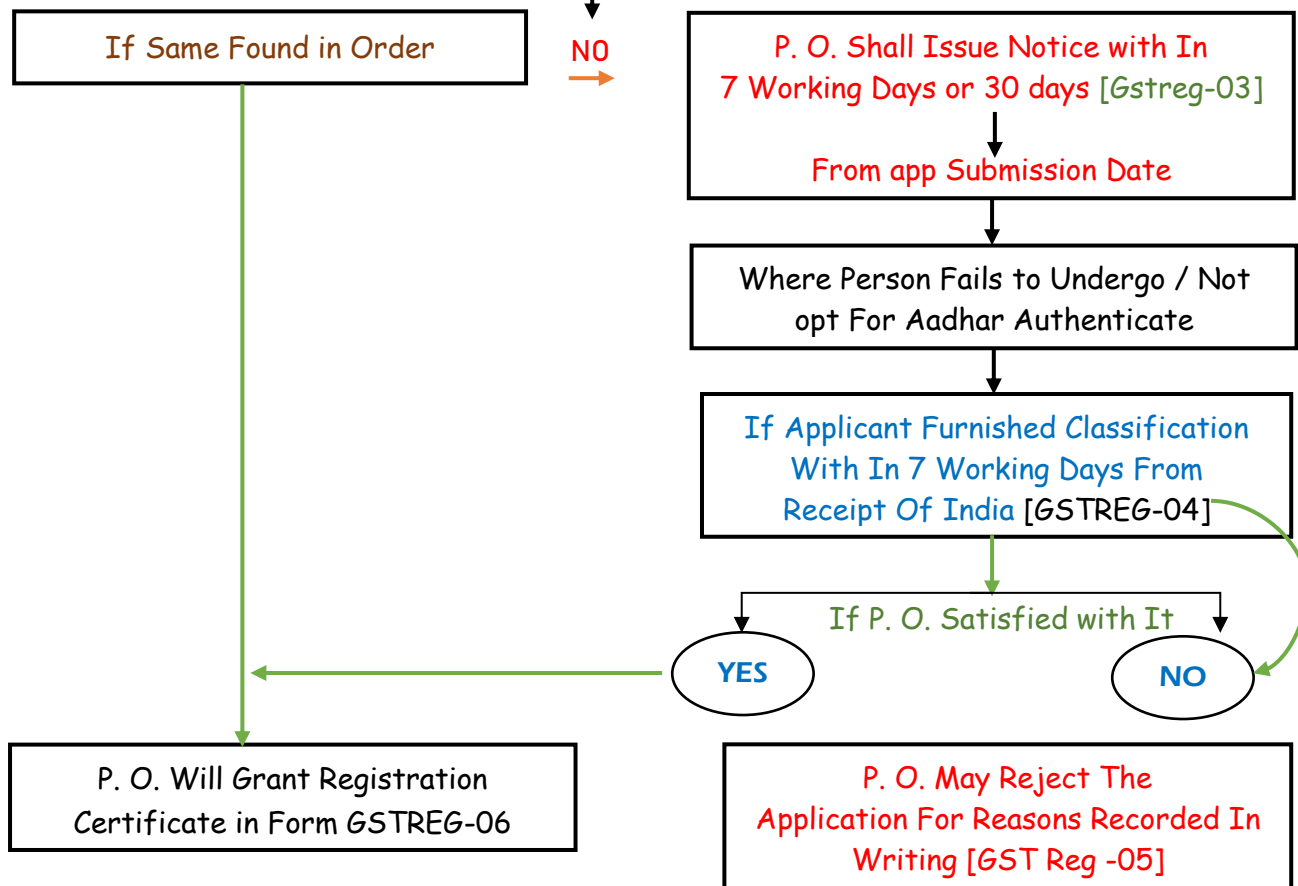
Every Person Seeking GST Reg. Shall Declare His Pan / Mobile / Email / State
In part A of GSTREG-01 on GST Portal [These shall be Verified]

After Verification Temporary Reference No. (TRN) Generated & Communicated to The Applicant (On
Validated Mobile & Email)

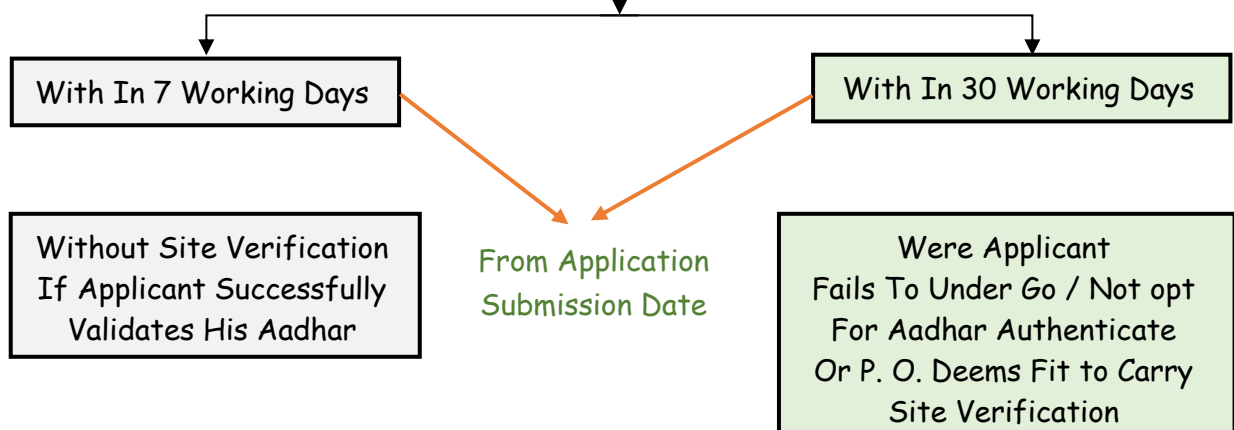
Using TRN - Electronic Application Shall Be Submitted

Application Shall be given to the Proper Officer

P. O. Examines the Application & Accompanied Documents



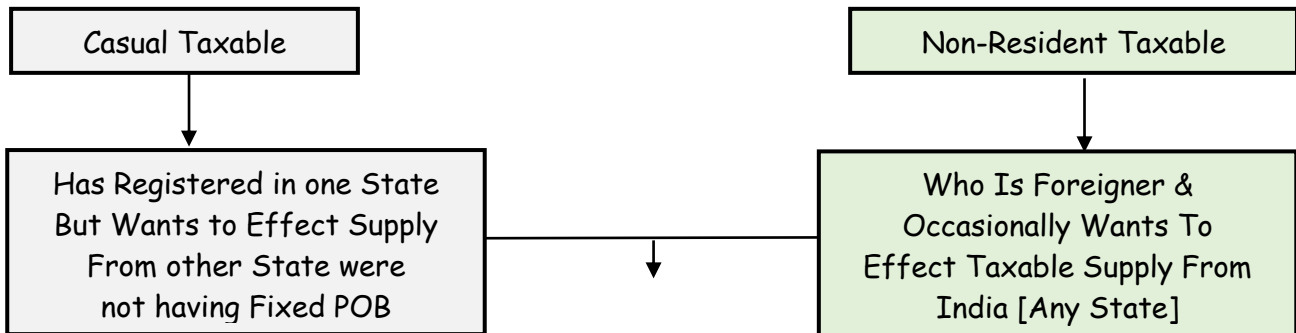
GSTREG 03



Deemed Approval of Application

- If P. O. Fails to Take Any Action - From Application Submission date
- Within 30 days - After Physical Verification Where Person Fails / Not opted For Aadhar Authentication / P. O. Deems Fit for Physical Verification
- With in 7 Days - In Case Other Than Above
- With in 7 Days - From Date of Receipt of Clarification

Special Procedure for Reg. Of CTP / NRTP



- Apply For Registration At Least 5 Days in Advance
- Registration Validity - Period in App or 90 today [WEIE]
- Registration Extension for Maximum 90 Days
- Reg. / Extension After Advance Payment of estimated Tax Liability

Cancellation / Suspension of GST Registration

Either By P. O. Or On Application of GST REG. Person

- Business Discontinued / Transferred / Amalgamated/ Demerged / Disposed
- Change in Business Constitution
- No More Liable for Reg. / Voluntary opt Out
- Contravention of Law
- Not Filed Return for Continuous 6 Months / 2 Tax Period [who Required Quarterly return]
- Voluntary Reg, Person Not Commenced Business within 6 Months.
- Reg. Was Obtained by Fraud / Misstatement / Suppression wilfully
- Composition dealer not furnished return for FY beyond 3 Months from due date.

❖ P. O. May Suspend His Reg. During Pendency of Proceedings

Cancellation Procedure

Where Registered Person Applies

- Application with In 30 Days
- Details Furnished for Inputs in Stock WIP / FG
- Relevant Payment

Where P.O. Cancels

P. O. Shall Issue SCN

Person Has to Reply within 7 Days

P. O. Issue Order With In 30 Days of Application Submission

Proceedings Dropped

If SCN Reply Is Satisfactor

If Furnish All Return / PMT Of Tax + Int + Late Fee

Cancellation Order Will Be Issued With 30 Day of Reply Of SCN

Revocation of Cancellation

Where Cancellation Is Suo moto By P.

Application With in 30 Days [Extension 30 Days by Additional Commissioner & Joint Commissioner & Further 30 Days by Commissioner] From Service of order

Before Apply, Person Make All Default

If P. O. Satisfied, Shall Revoke

OBH Must

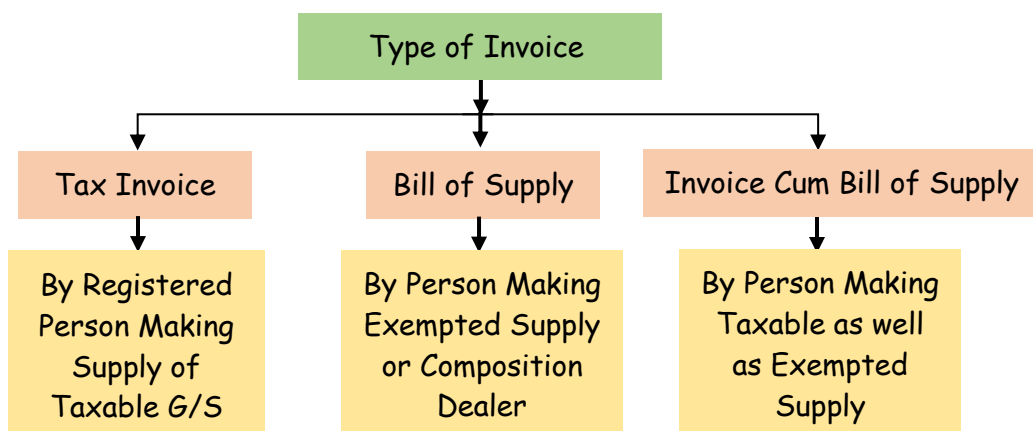
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Miscellaneous Topics

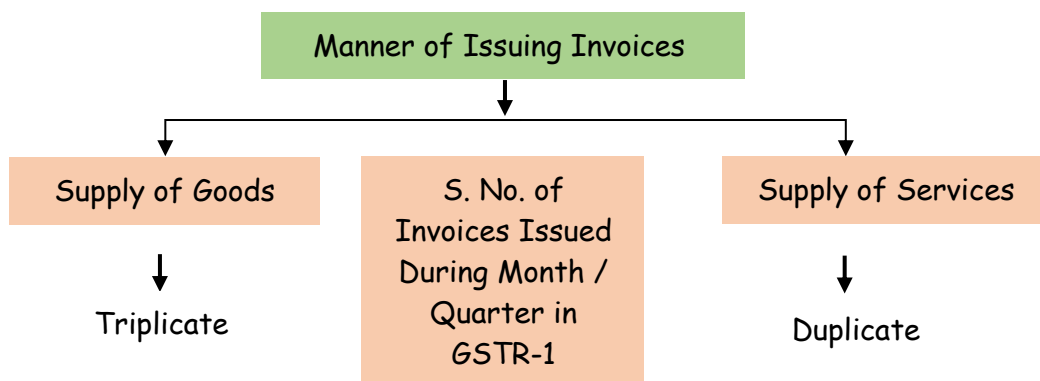
Tax Invoice / Debit Note / Credit Note / E-Invoicing / E-Way Bill / Audit Accounts & Records / Anti - Profiteering / Returns / TDS & TCS / Interest Calculation

1. Tax Invoice

Who Can Issue a Tax Invoice ---- **Registered person**



Tax Invoice not Required if value of Supply is less than Rs. 200

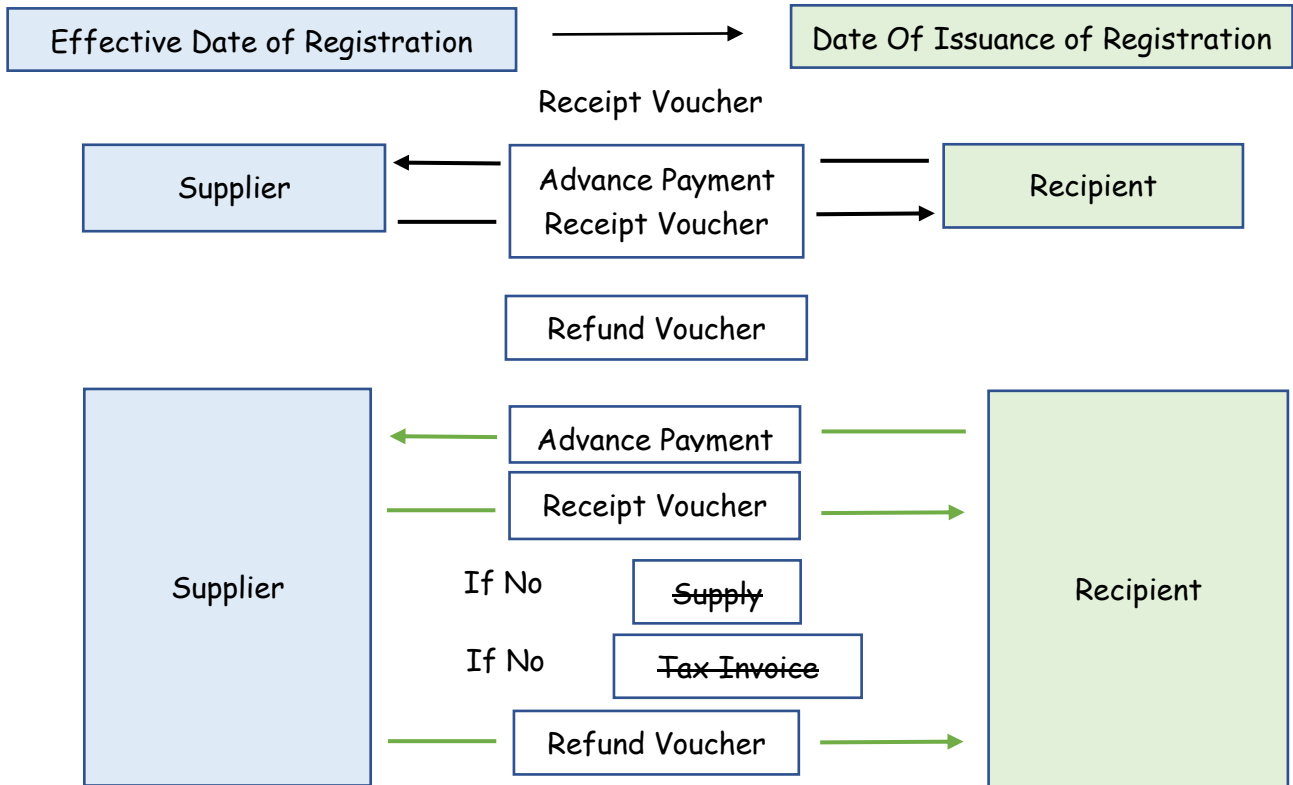


Content of Tax Invoice

- GSTIN of Supplier
- Consecutive S.N. & Date of Issue
- GSTIN Of RG/RS If Registered
- Name & ADDRESS of RS/RG If Unregistered
- HSN, Description, QTY, Total Value / Taxable / ROGST
- Tax Amount, Place of Supply
- Delivery Address If Different from Place of Supply
- Tax Payable on RCM Basis
- Signature of Authorized Signatory / Taxable Person

Revised Tax Invoice

For Taxable Supply Effected During This Period

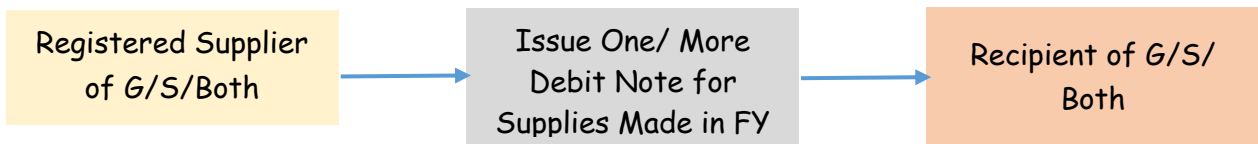


2. Debit Note

Where Tax invoice has Been Issued for Supply of G/S/Both

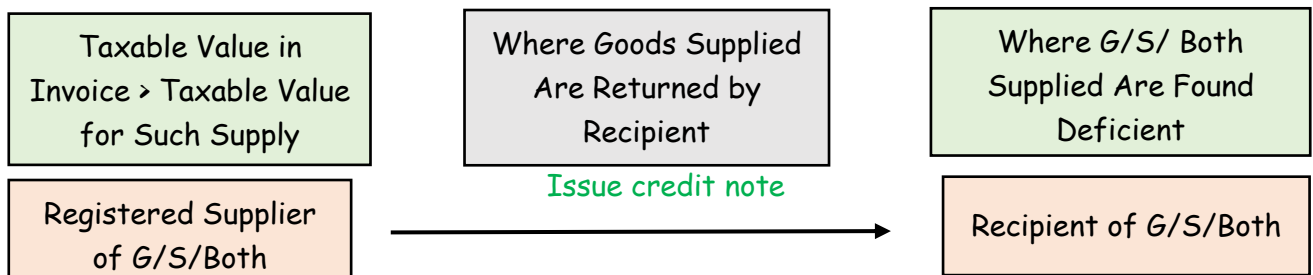
Taxable Value in Invoice < Taxable Value of Such Supply

Tax Charged in Invoice < Tax Payable for Such Supply



3. Credit Note

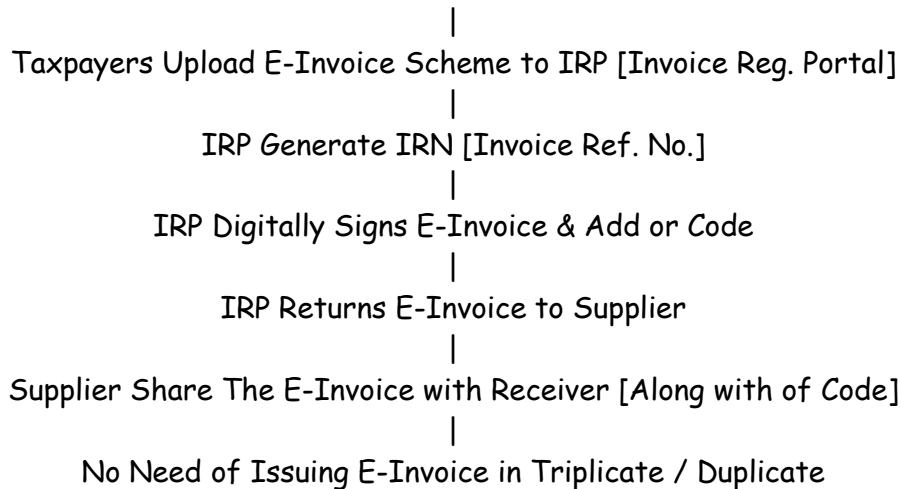
When One or more Tax Invoice Have been Issued for Supply



Credit note can be declared in GST return Upto 30th November from end of FY or actual date of annual return [WEIE]

4. E-Invoicing

Suppliers Create GST Invoices on Their Own Accounting System as Per E-Invoice Scheme [Form GST INV -01] Where AT is Atleast Rs. 10 crores in any Financial Year from 2017-18 onward.

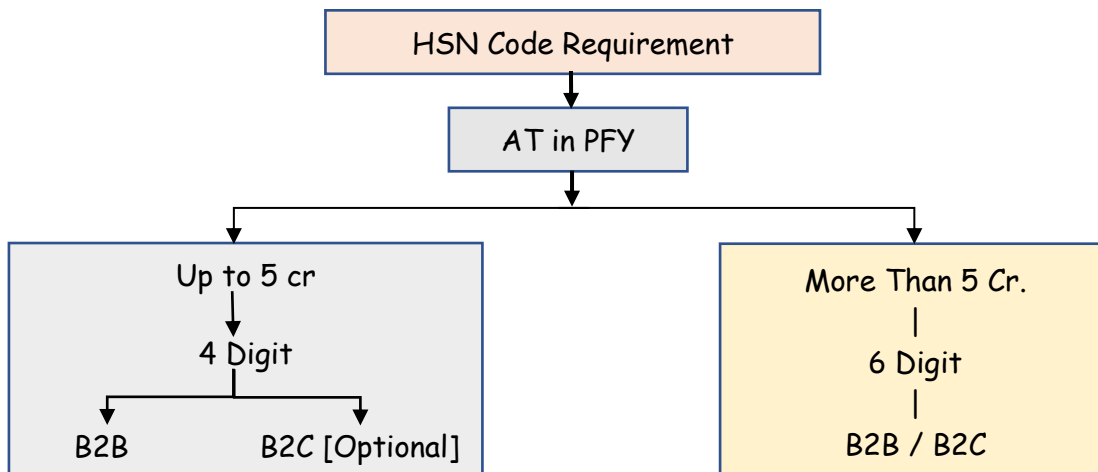


Exemption From E-Invoicing

- SEZ / Insurance / Banking / FI / NBFC
- GTA Supplying Services of Transportation of Goods by Road
- Supplier of Passenger Transportation Service
- Person Supplying Services of Admission to cinematic Graphic Films in Multiple Screens.

E-Invoicing is not Applicable If

* B2C Supply / * ISD / * Import of Goods



5. E-Way Bill

E-Way Bill Generated If Movement of Goods in Vehicle or Conveyance of Value More Than 50000/- For

- Supply/Other Than Supply (Return) /Inward Supply from An Unregistered Person.
For The Following Goods, E-Way Bill is Required Even if Value of Consignment is Less Than 50000/-
 - Interstate Movement of Goods by Principal to Job Worker or Vice Versa
 - Interstate Transport of Handicraft Goods by A Dealer Exempted From GSTIN
- Generation of E-Way Bills By
- Registered Person / Unregistered Person / Transporter

No E-Way Bill is required in the following cases

- Mode of Transport is non motor vehicle
- Goods Transported from Port / Airport/ LCS To ICD Or CFS
- Transit cargo transported to /from Nepal or Bhutan
- Movement of cargo caused by ministry of defence
- Empty cargo containers
- Consignor Transporting Goods Between POB or Weighbridge for Weighment with in 20 Kms.
- Goods Transported by Rail Where Consignor is CG/SG/LA
- Goods Exempted From E-Way Bill by Particular State.
- Transportation of Goods Covered where no Supply Under Schedule III

6. Audit

No Compulsory Audit	By Tax Authorities	Special Audit
Every Registered Person AT > 5 Cr Self-Certified GSTR-9C + Annual Return	By Commissioner or Officer Authorised 15 Working Days Prior Notice Completed within 3 months or Extended by Comm. Up to 6M Reg. Person Shall Give Information / Assistance On Conclusion P. O. Intimate to Reg. Person About Findings [Within 30 days] P. O. May Action U/S 73/74	Irrespective of Any Other Audit During Inquiry / Investigation AC / Senior officer As Per Complexity of case / Int. of Revenue Opinion About Under Valuation or ITC Not Correct Prior Approval of Commissioner Specified CA / CMA Report - 90 Days AC Can Extend 90 Days OBH Exp / Remuneration Decided & Paid by Commissioner Findings to Registered Person

7. Accounts & Records

Every Registered Person Required to Maintain True & Correct Account of

- ❖ Production / Manufacture of Goods
- ❖ Inward / Outward Supply
- ❖ Stock
- ❖ ITC Availed
- ❖ Output Tax and other Necessary Particulars
- ❖ Retention of Accounts Are Required to be Maintained ↓
At Least 72 Months from the Due Date of Furnishing of AR

8. Anti - Profiteering

Any Reduction in Rate of Taxes on Supply of G/S/ Both or the Benefit of ITC Shall Be Passed on to Recipient by Way of Commensurable Reduction in Prises

9. Returns

Furnishing of Returns

Using Any of the Following Methods:

- GSTN Portal (www.Gst.Gov.In)
- Offline Utilities Provided By GSTN
- GST Suvidha Providers (GSPs)

Form	Particulars	Frequency	Due Date
GSTR-1	Details of Outward Supplies of Taxable G/S (U/S 37). (13 th For QRMP)	Monthly	11 th of The Next Month 13 th of The Next Quarter
GSTR-2	Details Of Inward Supplies of Taxable G/S Effected Claiming ITC U/S 38	Monthly	15 th 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 Amount of Tax U/S 39(1).	On Hold Monthly	20 th of the next month
GSTR-3B	Simple return for July 2017 - mar 2018 (22/24 for QRMP)	Monthly	20 th of The Next Month 22 nd /24 th of The Next Quarter
GSTR-4	Return For Compounding Taxable Person U/S 39 (2)	Annually	30 th April From End of The Year
GSTR-5	Return For Non-Resident Foreign Taxable Person (Section 39 (3))	Monthly	13 th of The Next Month or Within 7 Days After the Last Day of the Period of Registration Specified U/S 27(1), Whichever Is Earlier
GSTR-6	Return For ISD (Section 39(4))	Monthly	13 th Of the Next Month
GSTR-7	Return For Authorities Deducting Tax at Source Section 39(3)	Monthly	10 th Of the Next Month
GSTR-8	Details of supplies effected through ECO And the Amount of tax Collected	Monthly	10 th Of the Next Month
GSTR-9	Annual Return (Section 44) A. Who Files: Registered Person Other Than ISD, TDS/TCS Taxpayer, Casual Taxable Per-Son and Non-Resident Taxpayer. B. in This Return, The Taxpayer Needs to Furnish Details Of I/E For Entire FY.	Annually	31 st December Of Next FY
GSTR-10	Final Return (Section 45)	Once. When Registration Cancelled or Surrendered	Within 3M of the Date of Cancellation Order, WEIL.
GSTR-11	Details Of Inward Supplies to Be Furnished by A Person Having UIN and Claiming Refund.	Monthly	28 th of the Month Following the Month for Which Statement of Filed

Revision Of Returns

For Any Correction of Errors/ Omissions, The Rectification Is Allowed in The Subsequent Returns. However, No Rectification is Allowed After 30th November of the following year or Furnishing of the Relevant Annual Return, (WEIE).

Annual Return Is Optional for Registered Person Whose Aggregate Turnover is less Than 2 crores.

10. TDS & TCS

Particulars	Section	Provisions
Who Is Required to Deduct TDS (Deductor)?	Section 51(1)	Following Persons Are Required to Deduct TDS: (a) A Department or Establishment of the Central Government Or State Government; or (b) Local Authority; or (c) Government Agencies; or (d) Such Persons or Category of Persons as may be Notified by The Government on The Recommendations of the GST Council Persons Notified Under Section 51(1)(D): (a) An Authority or A Board or Any Other Body, - i. Set Up by An Act of Parliament or A State Legislature; or ii. Established By Any Government, With Fifty One Percent. or More Participation by Way of Equity or Control, to Carry Out Any Function; (b) Society Established by The Central Government or The State Government or A Local Authority Under the Societies Registration Act, 1860 (21 Of 1860); (c) Public Sector Undertakings
When & From Whom TDS Is Required to Be Deducted (Deductee)?	Section 51 (1)	Suppliers Of Taxable Goods or Services or Both of The Deductor (S), Where the Total Value of Such Supply, under a Contract, Exceeds INR 2,50,000/-
Value Of Supply	Explanation To Section 51 (1)	For The Purpose of TDS Specified Above, The Value of Supply Shall Be Taken as The Amount Excluding CGST, CGST/UTGST, IGST And Cess Indicated in The Invoice
Compulsory registration for TDS Deductor	Section 24(Vi)	TDS Deductor, Whether or Not Separately Registered, Are Required to Compulsory Register in GST Irrespective of Threshold Limits
Form for TDS Deductor Registration	Rule 12(1)	Form GST REG-07
Payment Of TDS By Deductor	Section 51(2)	The Amount of TDS Shall Be Paid to The Government by The Deductor Within 10 Days After the End of the Month in Which Such Deduction Is Made.
TDS certificate to Deductee	Section 51(2) And section 51(3) r.w. Rule	NOW A CERTIFICATE OF TAX DEDUCTION AT SOURCE Shall be ISSUED within 5 days of crediting the amount to government in FORM GSTR-7A, mentioning therein:

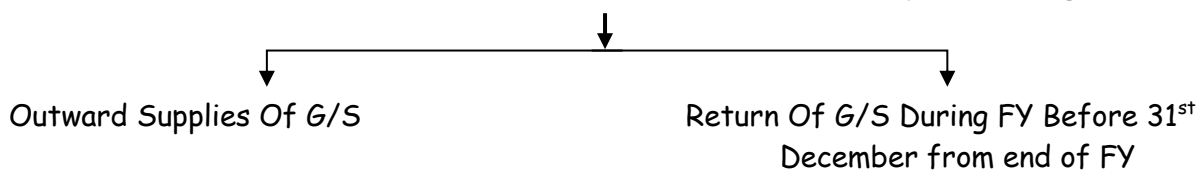
	66(3)	<ul style="list-style-type: none"> ➤ Contract Value, ➤ Rate Of Deduction ➤ Amount Deducted, ➤ Amount Paid to The Government ➤ Such Other Particulars in Such Manner as May Be Prescribed
ITC To Deductee	Section 51(5)	The Deductee Shall Claim Credit, in His Electronic Cash Ledger, of the Tax Deducted and Reflected in The Return of the Deductor Furnished Under Section 39(3).
GST Return by the TDS Deductor	Rule 66 (1)	GSTR-7 (The Due Date of Filing GSTR-7 Is Due On 10 th Of the Following Month)
Interest / Late Fee for Non-Compliance		
Non- Payment of TDS Within Time	Section 51 (6)	Interest As Per Section 50(1) [At 18001% Per Annum] is Payable in Addition to The Amount of Tax Deducted.

Collection Of Tax at Source (TCS) Under Section 52 Of the CGST Act, 2017 Read with Rule 67 Of the CGST Rule, 2017

Particulars	Section	Provisions
Who Is Required to Collect TCS	Section 52 (1)	Every Electronic Commerce Operator Who Are Not Covered U/S 9(5) Of CGST Act
Rate of TCS	Section 52 (1)	1% Of the Net Value of Taxable Supplies of the Goods/ Services Supplied Through the Portal of the Operator
Compulsory registration for TCS Collector	Section 24(X)	Every E-Commerce Operator is Required to Compulsorily Register in GST Irrespective of Threshold Limits.
Compulsory Registration for Suppliers Through Operators	Sections 24(ix)	Every Person Who Supplies Goods/ Service Through an Operator to Get Registered Under GST.
Form For TCS Collector Registration	Rule 12(1)	Form GST REG-07
Payment of TCS by operator	Section 52(3)	The Amount of TCS Shall Be Paid to the Government by The Operator Within 10 Days After the End of the Month in Which Such Collection Is Made
TCS statement	Section 52(4), 52(5) & 52(6) r.w. Rule 67(1) & 80(2)	The Operator Is Required to Furnish a Monthly Statement in Form GSTR-8 By The 10 th Of the Following Month.
ITC to supplier	Section 52(7)	The Tax Collected by The Operator Shall Be Credited to The Cash Ledger of the Supplier Who Has Supplied the Goods/Services Through the Operator. The Supplier Can Claim Credit of the Tax Collected and Reflected in The Return by The Operator in His [Supplier's] Electronic Cash Ledger.

Rectification in monthly statement by ECO 30th November from the end of FY or actual date & Annual return [WEIE]

ECO, Who Collect TCS, Shall Furnish an Annual Statement (Electronically) Containing all the Details:



Provided Commissioner May for Reasons to Be Recorded in Writing, Extend Above Time Limit

11. Interest Calculation

Interest on late payment of tax-by-tax payer U/S 50

Section	Scenario	Interest rate w.e.f. 1-7-2017
50(1)	Delayed payment of tax	18% per annum
50(3)	A taxable person who makes an undue or excess claim of ITC U/S 42 (10) or undue or excess reduction in output tax liability U/S 43(10)	18% per annum

- From the date of utilisation of such wrong ITC till the date of reversal or pmt. of tax in respect of such amount
- Date of utilisation of such ITC shall be taken to be
 - (a) Due date of monthly/ quarterly Return U/S 39 or Actual date of filing, WEIE if the balance in the E cr. ledger falls below the f ITC wrongly availed, through the said return; or
 - (b) Date of debit in the E cr. ledger when the balance in E credit ledger falls below the amount of ITC wrongly availed, in all other cases.

If ITC is wrongly availed, but not utilized, then, interest will not be payable

(Late payment of tax ke case main, interest kewal usi amount par lagega jo cash main pay karni padi hai)

However, this provision not applicable where such return is furnished after commencement of any proceeding's U/S 73/74 in respect of the said period (i.e., in such cases, interest will be payable on gross tax liability)

Every taxable person shall discharge his tax and other dues in the following order, namely: -

Step 1	First self-assessed tax, and other dues related to returns of previous tax periods
Step 2	Self-assessed tax, and other dues related to the return of the current tax period;
Step 3	Any other amount payable including the demand determined U/S 73 / 74.

11

Exemption

SPECIFIC SERVICES EXEMPT FROM CGST/IGST [N/N 12/2017 CT & N/N 9/2017 IT]

CHARITABLE & RELIGIOUS SERVICE

Entry 1	SERVICES by an entity registered u/s 12AA of the Income tax Act, 1961 by way of Specified CHARTITABLE ACTIVITIES; 12AB as Well [E.g., Public health, religion, spirituality, YOGA, educational programs, environment preservation etc]
Entry 9D	Services by an old age home run by CG, SG or Charitable Trusts <ul style="list-style-type: none"> ➤ to its residents (at least 60 years) ➤ Against Consideration Upto ₹25,000 Per Month Per Member, Provided consideration charged is inclusive of charges for boarding, lodging and maintenance.
Entry 13	RELIGIOUS SERVICE Services by a person by way of- a) Conduct of any religious ceremony; b) Renting of precincts of a religious place However, nothing contained in entry (b) of this exemption shall apply to i. renting of rooms where charges are 1,000 or more per day; ii. renting of premises, community halls, Kalyan mandapam or open area, and the like where charges are 10,000 or more per day; iii. renting of shops or other spaces for business or commerce where charges are 10,000 or more per month.
Entry 60	Services by Special organisations for religious pilgrimage (Kailash Mansarovar, Haj)

CLARIFICATIONS:

RENTING OF IMMOVABLE PROPERTY SERVICE & HOTEL SERVICE

Entry 12	Services by way of renting of residential dwelling for residence except where RS is Registered Person
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HEALTH SECTOR SERVICE

Entry 74	Services by way of a) Health Care Services by a clinical establishment an authorised medical practitioner or para-medics; (Following shall be taxable Service by clinical establishment by way of room service having room charges > 5000 /day) b) Services provided by way of Transportation of a patient in an Ambulance , other than those specified in (a)above.
Entry 46	Services by a Veterinary Clinic in Relation to health care of animals or birds.

BANKING & FINANCIAL SERVICES SERVICE

Entry 27	Services by way of- I. Extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount ; (other than interest involved in credit card services) II. Inter-se sale or purchase of foreign currency amongst banks or authorized dealers or amongst banks and such dealers;
Entry 27A	Services by a banking company to Basic Saving Bank Deposit (A/C holders under Pradhan Mantri Jan Dhan Yojana (PMJDY))
Entry 34	Services by an Acquiring Bank , to any person in relation to settlement of an amount Upto 2000 in a single transaction transacted through credit card, debit card, charge card or other payment card service.
Entry 34A	Services supplied by CG, SG, UT to their undertakings or PSV by way of guaranteeing the loans taken by such undertakings or PSUs from the banking companies and financial institutions.

BASIC PUBLIC TRANSPORT = EXEMPT

PASSENGER TRANSPORTATION SERVICE

Entry 15	Transport of passengers , with or without accompanied belongings, by- a) air, embarking from or terminating in an airport located in the state of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, or Tripura or at Bagdogra located in West Bengal; b) Non-Air-conditioned contract carriage other than radio taxi, for transportation of passengers, excluding tourism, conducted tour, charter or hire ; or c) Stage Carriage other than air-conditioned stage carriage. d) Nothing Contained in b or c Shall apply to service provided through ECO Section 9(5)
Entry 17	Service of transportation of passengers , with or without accompanied belongings, by- a) railways in a class other than- i. first class ; or ii. an air-conditioned coach ; b) metro, monorail or tramway; c) inland waterways; d) public transport, other than predominantly for tourism purpose , in a vessel between places located in India; and e) metered cabs, auto rickshaws (including e-rickshaws); nothing contained in item (c) shall apply to service provided through ECO.

GOODS TRANSPORTATION SERVICE

Entry 18	Services by way of Transportation of goods- i. by road except the services of- a) a goods transportation agency; (GTA) or b) a courier agency ; ii. by inland waterways ;
Entry 19	Services by way of transportation of goods by an aircraft from a place outside India Upto the customs station of clearance in India.
Entry 19C	Satellite Launch Service Supplied By:- 1) ISRO 2) New Space India LTD. (Antix)
Entry 20/21	Transport of following goods by rail, vessel, GTA- a) relief materials meant for victims of natural or man-made disasters, calamities, accidents or mishap;

	<ul style="list-style-type: none"> b) defence or military equipment's; c) newspaper or magazines registered with the Registrar of Newspapers; d) agricultural produce; e) foodstuff-milk, salt and food grain including flours, pulses and rice or f) <u>ORGANIC MANURE</u>
Entry 21A	Services by a GTA to an unregistered person , including an unregistered casual taxable person other than specified person covered under RCM.
Entry 21B	Services by a GTA by way of transport of goods in a goods carriage, to, - <ul style="list-style-type: none"> a) Department or Establishment of the CG/UT; or b) Local authority; or c) Governmental agencies, which has taken GST registration only for the purpose of deducting tax u/s 51 only.

HIRING SERVICE

Entry 22	<p>Services by way of GIVING ON HIRE-</p> <ul style="list-style-type: none"> a) to a state transport undertaking, motor vehicle meant to carry > 12 passengers; or aa) to a LA, an Electrically operated vehicle meant to carry more than 12 passengers: c) to a goods transport agency, a means of transportation of goods; d) motor vehicle for transport of students, faculty and staff, to person providing services of transportation of students, faculty and staff to an educational institution providing services by way of pre-school education and education Upto higher secondary school or equivalent.
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ACCESS TO ROAD/BRIDGE SERVICE

Entry 23	Service by way of access to a road or a bridge on payment of toll charges.
Entry 23A	Service by way of access to a road or a bridge on payment of annuity.

LEGAL SERVICE

Entry 45	<ul style="list-style-type: none"> a) Services by an ARBIRAL, TRIBUNAL/INDIVIDUAL or Partnership firms or ADVOCATES or by SENIOR ADVOCATE by way of legal services to: <ul style="list-style-type: none"> i. any person other than a business entity; or ii. a business entity with an aggregate turnover in PFY as makes it eligible for exemption from registration. iii. the CG, SG, UT, local authority, Governmental Authority or Government Entity b) Legal Services by an INDIVIDUAL or Partnership firms of ADVOCATES (& not Senior Advocates) <ul style="list-style-type: none"> ➤ to an advocate or partnership firm of advocates providing legal services:
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AGRICULTURE RELATED SERVICE

Entry 54	<p>Services relating to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products or agricultural produce by way of-</p> <ul style="list-style-type: none"> a) agricultural operations directly related to production of any agricultural produce including cultivation, harvesting, threshing, plant protection or testing; b) supply of farm labour; c) processes carried out at an agricultural farm including tending, pruning, cutting harvesting, drying, cleaning, trimming, sun drying, fumigating, curing, sorting grading, cooling or bulk packaging and such like operations
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	<ul style="list-style-type: none"> ➤ which do not alter the essential characteristics of agricultural produce ➤ but make it only marketable for the primary market: d) renting or leasing of agro machinery or vacant land with or without a structure incidental to its use; e) loading, unloading, packing, storage or warehousing of agricultural produce; f) agricultural extension services; g) services by any Agricultural Produce Marketing Committee or Board or services provided by a commission agent for sale or purchase of agricultural produce. h) Services by way of fumigation in a warehouse of agricultural produce.
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Entry 55	Carrying out an intermediate production process as job Work in relation to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products or agricultural produce.
Entry 57	Services by way of pre-conditioning, precooling, ripening, waxing, retail packing, labelling of fruits and vegetables which do not change or alter the essential characteristics of the said fruits or vegetables.
Entry 58	Services provided by the National Centre for Cold Chain Development by way of cold chain knowledge dissemination.
Entry 24	Loading, unloading, packing, storage or warehousing of RICE
Entry 24B	Services by way of storage or warehousing of cereals, pulses, fruits, vegetables, spices.
Entry 24A	Services by way of warehousing of minor forest produce.
Entry 55A	Services by way of Artificial insemination of livestock (other than horses).

SPORTS SERVICE

Entry 53	Sponsorship of sporting events organised by Recognised sports body
Entry 68	Services provided TO a RECOGNISED SPORTS BODY by- (a) an individual as a player, referee, umpire, coach or team manager for participation in a sporting event organized by a recognized sports body; (b) Another Recognised Sports Body;

ARTISTS, EVENTS, RECREATIONAL ACTIVITIES, ADMISSION SERVICE

Entry 78	Services by a PERFORMING ARTIST in FOLK or CLASSICAL ART forms of music or dance or theatre, where amount charged is Upto 1,50,000 for a performance. Excluding services provided by such artist as a brand ambassador;
Entry 79	Services by way of admission to a museum, national sanctuary, tiger reserve or zoo.
Entry 79A	Services by way of admission to a protected monument so declared under the Ancient Monuments and Archaeological Sites & Remains Act 1958 or other acts
Entry 80	Services by way of training or coaching in recreational activities relating to a) arts or culture, by Individual or b) sports by charitable entities registered u/s 12AA or 12AB of the IT Act.
Entry 81	Services by way of right to admission to- a) circus, dance, or theatrical performance including drama or ballet; b) award function, concert, pageant, musical performance or any sporting event (Recognised/unrecognised); c) Planetarium where the consideration for admission is not more than 500 per person

Entry 5A	Tour Operator service to foreign Tourist which is performed partly in India & partly Outside India, to the extent service which is performed outside India Amount in Proportion [No. of days of tour outside India or 50% of consideration WEIE]
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SERVICES BY ASSOCIATIONS

Entry 77	Service by an unincorporated body or a non-profit entity, to its own members by reimbursement of charges/share of contribution a) as a trade union; b) for the provision of carrying out any activity which is exempt from levy of GST; or c) up to 7,500 p.m. per member for sourcing of goods or services from a third person for the common use of its members in a housing society or residential complex:
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INCUBATOR & INCUBATEE SERVICE

Entry 44	Services provided by an INCUBATEE up to a total turnover of 50 lakh in a FY subject to the following conditions, a) Total turnover had not exceeded 50 Lakh during preceding FY; & b) a period of 3 years not elapsed from the date of entering into an agreement as an incubatee;
Entry 48	Taxable services, provided or to be provided, by a Technology Business Incubator (TBI) or a Science and Technology Entrepreneurship Park (STEP).

EDUCATIONAL SERVICE

Services BY an educational institution to its students, faculty and staff:

Edu. Institution

A
N
Y

Student

Faculty




Staff


(aa) by an educational institution by way of conduct of entrance examination against consideration in the form of entrance fee.
(b) Services provided TO an educational institution by way of: -

transportation of students, faculty and staff

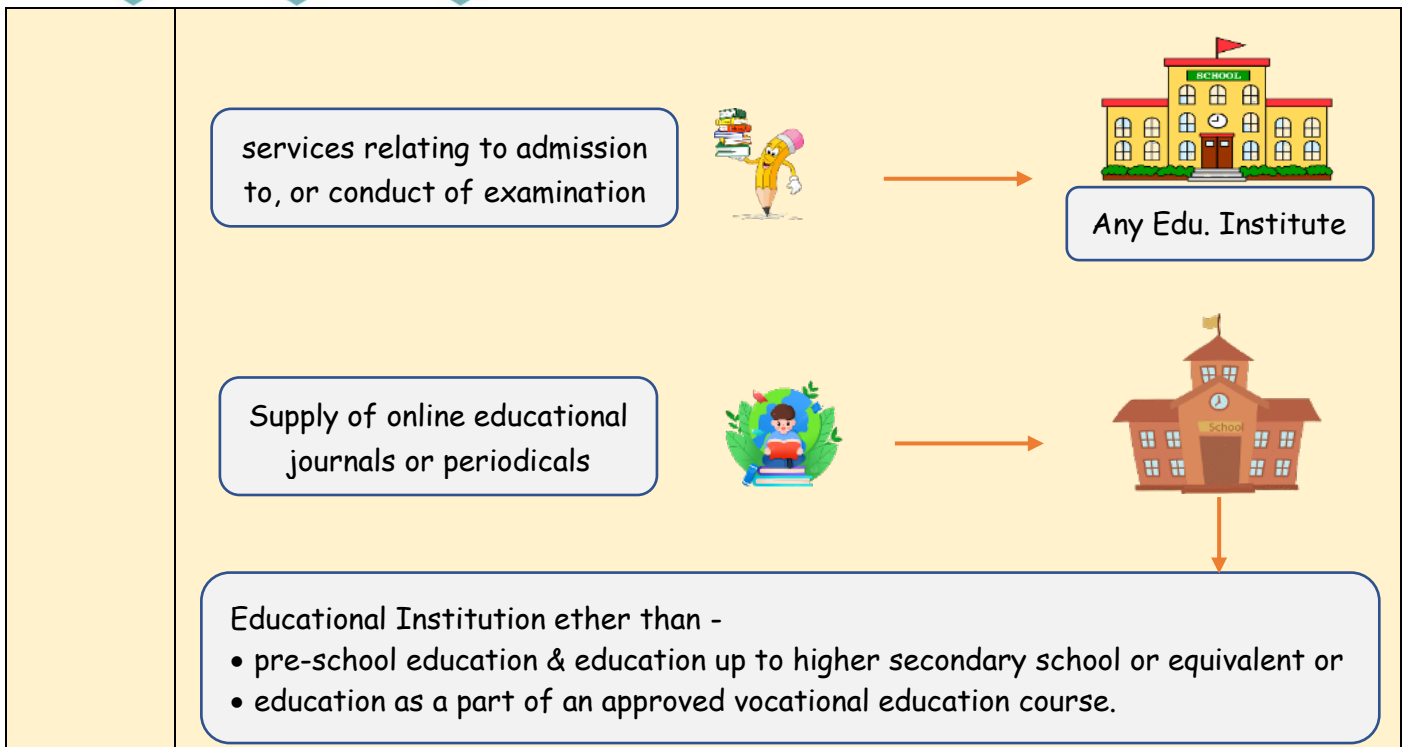
Catering, including any mid-day meals scheme

Security or cleaning or house-keeping services



Pre School to 12th



Educational institution: means an institution providing services by way of pre-school education and education up to higher secondary school or equivalent; education as a part of a curriculum for obtaining a **qualification recognised by Indian law**; education as a part of an approved vocational education course.

Vocational Educational Courses:

- The course run by Indian Training Institute (ITI) or an Industrial Training Centre (ITC) affiliated to National or State Council of Vocational Training (NCVT/SCVT).
- Approved Modular Employee Skill Course (MESCC) approved by NCVT.

GOVERNMENT SERVICE	
Entry 06	Services by the CG, SG, UT or local authority excluding the following services- a) services by the Department of Posts other than by way of POST CARD, inland letters, book post, ordinary post (weighing < 10 Grams) 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 ; or d) any service , other than services covered under entries (a) to (c) above, provided to business entities .
Entry 04	<u>MUNICIPAL SERVICES</u> Services by CG, SG, UT, local authority or governmental authority ➤ by way of any activity in relation to any function entrusted to a municipality under article 243 W of the Constitution.
Entry 05	<u>PANCHAYAT SERVICES</u> Supply of services by a CG, SG, UT, local authority or governmental authority ➤ by way of any activity in relation to any function entrusted to a Panchayat under article 243G of the Constitution.
"Governmental Authority" means an authority or a board or any other body, - i. set up by an Act of Parliament or a State Legislature; or ii. established by any Government, with 90% or more participation by way of equity or control, to carry out any function entrusted to a Municipality or Panchayat under article 243W/G of the Constitution.	

Entry 07	<p><u>Services to Small Business Entity</u> Services provided by the CG, SG, UT or LA to a business entity with an aggregate turnover PFY as makes it eligible for exemption from registration under the CGST, 2017.</p> <p>Explanation: However, exemption shall not apply to following services: -</p> <p>(i). Services mentioned Entry 6(a), (b), (c) above.</p> <p>(ii). services by way of renting of immovable property.</p>
Entry 08	<p><u>Services by Govt. to Govt,</u> Services provided by the CG, SG, UT or local authority ➤ to another CG, SG, UT or local authority. However, exemption shall not apply to services referred in Entry 6 (a), (b) & (c) above.</p>
Entry 09	<p>Small Services by Govt. Services provided by CG, SG, UT or a local authority 5000 ➤ where the consideration for such services does not exceed 5,000. However, exemption shall not apply to services referred in Entry 6 (a), (b) and (c)above. Further, continuous supply of service is provided by the CG, SG, UT or LA, the exemption shall apply only where the consideration charged for such service does not exceed ₹5,000 in a FY.</p>
Entry 34A	<p>Services supplied by CG, SG, UT to their undertakings or PSUs by way of guaranteeing the loans taken by such undertakings or PSUs from the banking companies or the financial institutions.</p>
Entry 47	<p><u>OBLIGATORY SERVICES</u> Services provided by the CG, SG, UT or local authority by way of a) registration required under any law for the time being in force: b) testing, calibration, safety check or certification relating to protection or safety of workers, consumers or public at large, including fire license, under any law for the time being in force.</p>
Entry 61	<p><u>ISSUANCE SERVICE BY GOVT.</u> Services provided by the CG, SG, UT or local authority by way of issuance of</p> <ul style="list-style-type: none"> • passport, • visa, • driving licence, • birth certificate or • death certificate.
Entry 61A	<p>Services by way of granting National Route permit to a goods carriage to operator throughout India /Contagious State</p>
Entry 62	<p><u>SERVICES BY GOVT - TOLERATING AN ACT</u> Services provided by the CG, SG, UT or local authority by way of tolerating non-performance of a contract for which consideration in the form of fines or liquidated damages is payable to the CG, SG, UT or local authority under such contract.</p>
Entry 63	<p><u>SERVICES BY GOVT - NATURAL RESOURCES (INDIVIDUAL FARMER)</u> Services provided by the CG, SG, UT or local authority by way of assignment of right to use natural resources to an individual farmer for cultivation of plants and rearing of all life forms of animals, except the rearing of horses.</p>
Entry 65	<p><u>MOT SERVICE BY GOVT.</u> Entry Services provided by Government by way of deputing officers after office hours or on holidays for inspection or container stuffing or such other duties in relation to import export cargo on payment of Merchant Overtime charges (MOT)."</p>

Entry 65A	RTI SERVICE Services by way of providing information under the RTI Act, 2005
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SERVICE TO GOVERNMENT

Entry 9C	Supply of service by a Government Entity [Definition same as Government Authority with one difference that it can carries out any functions of govt.) to CG, SG, UT, local authority or any specified person against consideration in the form of grants.
Entry 03	Pure services provided TO Government: Pure services (excluding works contract service or other composite supplies involving supply of any goods) provided to CB/SG/UT/local authority ➤ by way of any activity in relation to any function entrusted to a Municipality/ Panchayat under article 243W/G of the Constitution.
Entry 3A	Composite Supply to Government: Composite supply of goods and services in which the value of supply of goods constitutes not more than 25% of the value of the said composite supply provided to CG, SG, UT, Local authority ➤ by way of any activity in relation to any function entrusted to a Municipality/ Panchayat under article 243W/G of the Constitution.
Entry 11A	Service by Fair Price Shops to CG, SG, UT Service provided by Fair Price Shops to CG, SG, UT by way of sale of food grains, kerosene, sugar, edible oil etc under Public Distribution System (PDS) against consideration in the form of commission or margin.

SERVICES RELATING TO ELECTRICITY

Entry 25	Transmission or distribution of electricity by an electricity transmission or distribution utility.
Entry 10A	Services supplied by Electricity Distribution Utilities by way of construction, erection, commissioning, or installation of infrastructure for extending electricity distribution network Upto the tube well of the farmer or agriculturalist for agricultural use.

SERVICE BY VARIOUS GOVERNMENT SCHEMES

Entry 70	Services of assessing bodies empanelled under Ministry of Skill Development and Entrepreneurship by way of assessments under the Skill Development Initiative Scheme.
Entry 71	Services by training providers under Deen Dayal Upadhyaya Grameen Kaushalya Yojana.
Entry 72	Services provided to the CG, SG, UT administration under any training programme for which total expenditure is borne by the CG, SG, UT administration.
Entry 10	Pure Labour Contract under Govt Schemes Services provided by way of pure labour contracts of construction, repair etc under the Housing for All (Urban) Mission or Pradhan Mantri Awas Yojana
Entry 11	Pure Labour Contract under single residential unit Services by way of pure labour contracts of construction of a single residential unit otherwise than as a part of a residential complex.

PENSON SERVICE

Entry 37/38	Services under Atal Pension Yojana or any Pension scheme of SG.
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SERVICE BY VARIOUS BODIES

Entry 30	Services by the Employees' State Insurance Corporation.
Entry 31	Services provided by the Employees Provident Fund Organisation. (EPFO)
Entry 31A	Services by Coal Mines Provident Fund Organisation.
Entry 3B	Services by National Pension System (NPS) Trust

FACILITATOR SERVICE

Entry 39	<p>Services by the following persons in respective capacities-</p> <p>a) business facilitator or a business correspondent, to a banking company with respect to accounts in its rural area branch;</p> <p>b) any person as an intermediary, to a business facilitator or a business correspondent with respect to services mentioned in entry (a); or</p> <p>c) business facilitator or a business correspondent to an insurance co. in rural area.</p>
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MISCELLANEOUS SERVICE

Entry 02	Entry Services by way of transfer of a going concern, as a whole or an independent part thereof;
Entry 98	Supply of services associated with transit cargo to Nepal and Bhutan (landlocked countries).
Entry 49	Services by way of collecting or providing news by an independent PRESS TRUST OF INDIA journalist, Press Trust of India or United News of India.
Entry 50	Services of public libraries by way of lending of books, publications or any other knowledge-enhancing content or material.
Entry 52	Services by an organiser to any person in respect of a business exhibition held outside India.
Entry 59	Services by a foreign diplomatic mission located in India.
Entry 76	Services by way of public conveniences such as provision of facilities of bathroom, washrooms, lavatories, urinal or toilets.

EXEMPTIONS UNDER IGST ACT [N/N: 9/2017 IT]

Entry 01	<p><u>SERVICE FROM NON-TAXABLE TERRITORY</u></p> <p>Services received From non-taxable territory by-</p> <p>a) the CG, SG, UT, a local authority, a governmental authority or an individual in relation to any purpose other than business or profession;</p> <p>b) a charitable trust for the purposes of providing charitable activities; or</p> <p>(ba) way of supply of online educational journals or periodicals to an educational institution other than an institution providing services by way of-</p> <p>(i). pre-school and education up to higher secondary school or equivalent; or</p> <p>(ii). education as a part of an approved vocational education course</p> <p>c) a person located in a non-taxable territory.</p> <p>However, the exemption shall not apply to -</p> <p>(i). OIDAR received by persons specified in entry (a) or (b); or</p> <p>(ii). services by way of transportation of goods by a vessel from a place outside to the customs station of clearance in India received by persons specified in the entry.</p>
Entry 03	Services provided by a tour operator to a foreign tourist in relation to a tour conducted wholly outside India.
Entry 04	Supply of services having place of supply in Nepal or Bhutan, against payment in INR.
Entry 05	Services supplied by an establishment of a person in India to any establishment of that person outside India, which are treated as establishments of distinct persons