GST NOTES

Suryansh Pratap Singh

2026-2027

Indirect tax : GST

Questions (Basics)

1. Full Form of GST? Pg- 2
2. What is GST? Tax or duty? Pg- 3
3. DOB of GST in India? Pg- 4
4. GST is Direct or Indirect tax? Pg- 5
5. Types of GST in India? Pg- 6.
6. Basics difference b/w GST, SGST, UTGST, GST Compensation cess? Pg- 6.
7. Taxable events of GST? Pg- 7.
8. GST vs Services charge? Pg- 8.
9. Definition of GST? Pg- 9.
10. Concept of Input tax credit under GST?

Answers

1. GST = Goods & Services **Tax**
   - Compulsory charge.
   - Collected by Govt.
   - under an **Act.**

GST Levied on :-

Goods or services or both

Goods & services (X)

Total States in India (28+3) = 31

UT in India = 8+1 (UT).

with legislature — 3 UT

w/o legislature — 3+1 UT

Total 35 Act under GST

- CGST Act - 2017 = 1 Act
- SGST Act - 2017 = 31 Act
- UTGST Act - 2017 = 1 Act
- IGST Act - 2017 = 1 Act
- GST Compensation Act, 2017 = 1 Act

35 Act

(2) GST is a Tax, not Duty.

Difference between Tax & Duty

Particulars	TAX	DUTY
Definition	A tax is a financial charge collected by Govt. under an Act.	A duty is a type of tax, which specifically imposed on Import / Export / manufactoring.

Example	Income tax, Corporate Tax, Municipal Tax, GST	Custom Duty, Excise Duty.
Objective	To Raise money for Public welfare & overall Country's Development.	To Regulate International trades (i.e. Import/Export)
Scope.	Very wide	Narrow.

③ Date of Birth of GST in India - 1/7/17

GST Introduced in India - 1st July 2017 (All over India except Jammu & Kashmir)

8th July 2017 - (All over India Including J&K).

First Country to Introduce GST is France in 1954.

④ GST is a type of "Indirect Tax"

↓

Question Arise?

What is Meaning of DT or IDT?

DIRECT TAX : Tax which is Levied on a person & burden of tax on same person.

INDIRECT TAX : Tax which is Levied on a person & burden of tax on Different Person

Example



1 Dal Tadka
1 Paneer Tikka



Payment = 315
300 + 15

Bill

DT = 200
PT = 100
300
GST = 15
315

300 Pocket

15 Govt.



GST Levied on moti mahal

Burden of Tax on Ansh.

* GST is technically paid by Moti Mahal to Govt. but Actually funded by Ansh.

For Example Purpose only Not original

Moti Mahal

ORIGINAL

Bill No. : 1287
Name : Ansh
GSTIN : XYZ

Date : 13/07/2025

S. No.	ITEM	QTY	RATE (₹)	AMOUNT (₹)
1.	Dal Tadka	1	200.00	200.00
2.	Paneer Tikka	1	100.00	100.00
			SUBTOTAL	300.00
			CGST @ 2.5%	7.50
			SGST @ 2.5%	7.50
			TOTAL GST	15.00
SERVICE CHARGE				20.00
NET TOTAL				₹ 335.00

Thank You! Visit Again!!

Moti Mahal

DUPLICATE

Bill No. : 1287
Name : Ansh
GSTIN : XYZ

Date : 13/07/2025

S. No.	ITEM	QTY	RATE (₹)	AMOUNT (₹)
1.	Dal Tadka	1	200.00	200.00
2.	Paneer Tikka	1	100.00	100.00
			SUBTOTAL	300.00
			CGST @ 2.5%	7.50
			SGST @ 2.5%	7.50
			TOTAL GST	15.00
NET TOTAL				₹ 315.00

Thank You! Visit Again!!

* GST is Regressive in nature.

↳ fix in nature i.e. Rate will be fixed irrespective of Quantity of Goods/services.

⑤ & ⑥ : Types of GST

1. CGST
2. SGST
3. UTGST
4. IGST
5. GST Compensation Cess.

Combination of GST

CGST + SGST
CGST + UTGST
} GST Compensation cess (if applicable)

IGST

↳ Depends on Nature of Supply.

↓

1. Intra States supply (include Intra UT) = CGST + SGST

(OR)

< CGST + UTGST

2. Inter State Supply = only IGST.

For Simplicity - Intra state = supply within State
Inter state = outside the state.

But Definition prescribed under Sec - 8 & 7 of IGST Act (discuse later).

⑦ Taxable Event under GST - supply.

↓

"Supply defined under Sec 7-8 of GST Act, 2017 & Schedule - I, II & III.

↓

GST sale par bhi hai
GST Services. par bhi hai
GST Renting par bhi hai but isliye nahi ki vo Sale, service ya Rent h but isliye kyu ki ye sab supply ki definition mei cover hota hai.

↓

It means only one taxable event under GST = supply.

⑧ Service Charge on restaurant bill is not a service tax or GST [It is a tip charged by Resturant & optional to pay] = Not Mandatory to pay.

⑨ Definition of GST

*** IMP

- GST is a tax.
- which is levied on supply.
- of goods or services or both.
- Except the tax on supply of Alcoholic liquor for human consumption and.
- Un-denatured extra neutral alcohol or rectified spirit used for manufacturing of liquor (alcoholic) for human Consumption.

Important Note

* Alcoholic liquor for human Consumption.
* Un-denatured extra neutral alcohol or rectified spirit.

→ for above two → GST abhi nahi & GST kabhi nahi.

5 Petroleum Products

* Petroleum Crude

* High Speed Diesel
* Natural Gas
* Aviation turbine fuel
* Motor Spirit (Petrol).

GST abhi nahi but badme lag sakta h jab GST Counsile recommend karegi.

GST LAWS : An Introduction including Constitutional Aspects

Topics to be covered

1. Constitutional Aspect related to GST.
2. How to check GSTIN or what is GSTIN? or Key feature of GSTIN?
3. Problems / Limitations in old IDT & picture after GST?
4. Taxes Subsumed in GST or not subsumed in GST.
5. Benefits of GST Introduction.
6. Background of GST / model of GST / Principle under GST.
7. Explain why GST is value added tax & Concept of ITC.
8. Other miscellaneous points.

→ Constitutional Aspect related to GST.

1. Article - 246 A
2. Article - 269 A
3. Article - 279 A
4. Article - 265
5. Article - 270
6. Article - 1
7. Article - 360 (12A)

9) Higher Compliance Cost → Less compliance cost.

Article - 246 A Special Provision w.r.t GST

Article 246 A over Ruled Article 246 & 254

Article - 246 A

A-246 A (1)

Supply = Intra State Supply

↓

Provision made by Parliament AND State Assembly

↓

GST Charge = CGST + SGST (→ State Govt.) / CGST + UTGST

↓

Payment to ONLY CG

Central Govt but use for U.T

A-246 A (2)

Inter State Supply

↓

Provision made by ONLY PARLIAMENT

↓

ONLY IGST

↓

Payment to C.G but apportioned to S.G as per A-269 A

↓

Above GST not applicable on the following Goods :-

1) Petroleum Crude
2) High Speed diesel
3) Motor Spirit (i.e Petrol)
4) Natural Gas
5) Aviation turbine fuel

→ GST on 5 P.P applicable on the date when, GST Council will Recommended.

Meaning of INTRA STATE SUPPLY and INTER STATE SUPPLY.

Intra - State Supply

Section - 8 of IGST Act

where the

Location of Supplier

AND

Place of Supply

→ SAME State
→ SAME UT

CGST + SGST
CGST + UTGST

Inter - State Supply

Section - 7 of IGST Act

where the

Location of Supplier

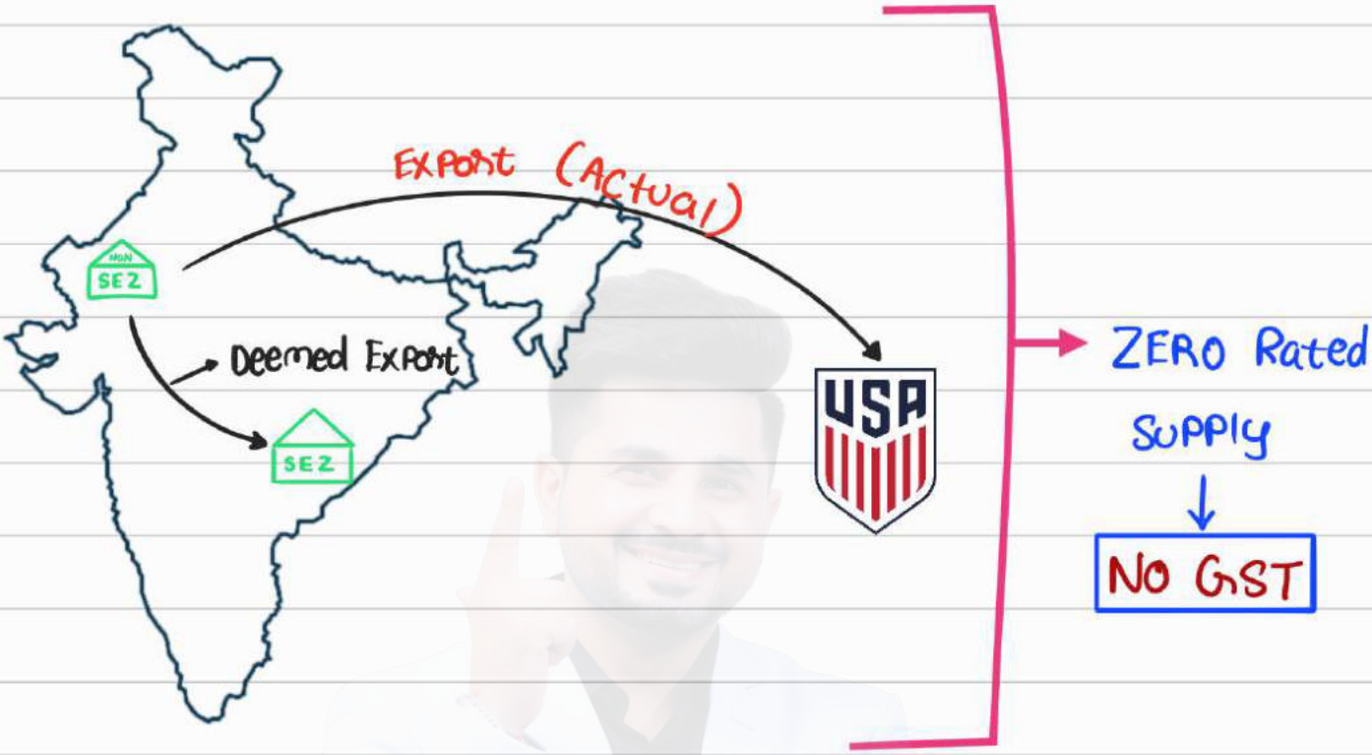
AND

Place of Supply

→ Two Different State
→ Two Different UT
→ Two Different Country
→ one State, one UT
→ Supply to SEZ
→ Supply by SEZ
→ Supply to International tourist

IGST

Section 16 of IGST : Zero Rated Supply



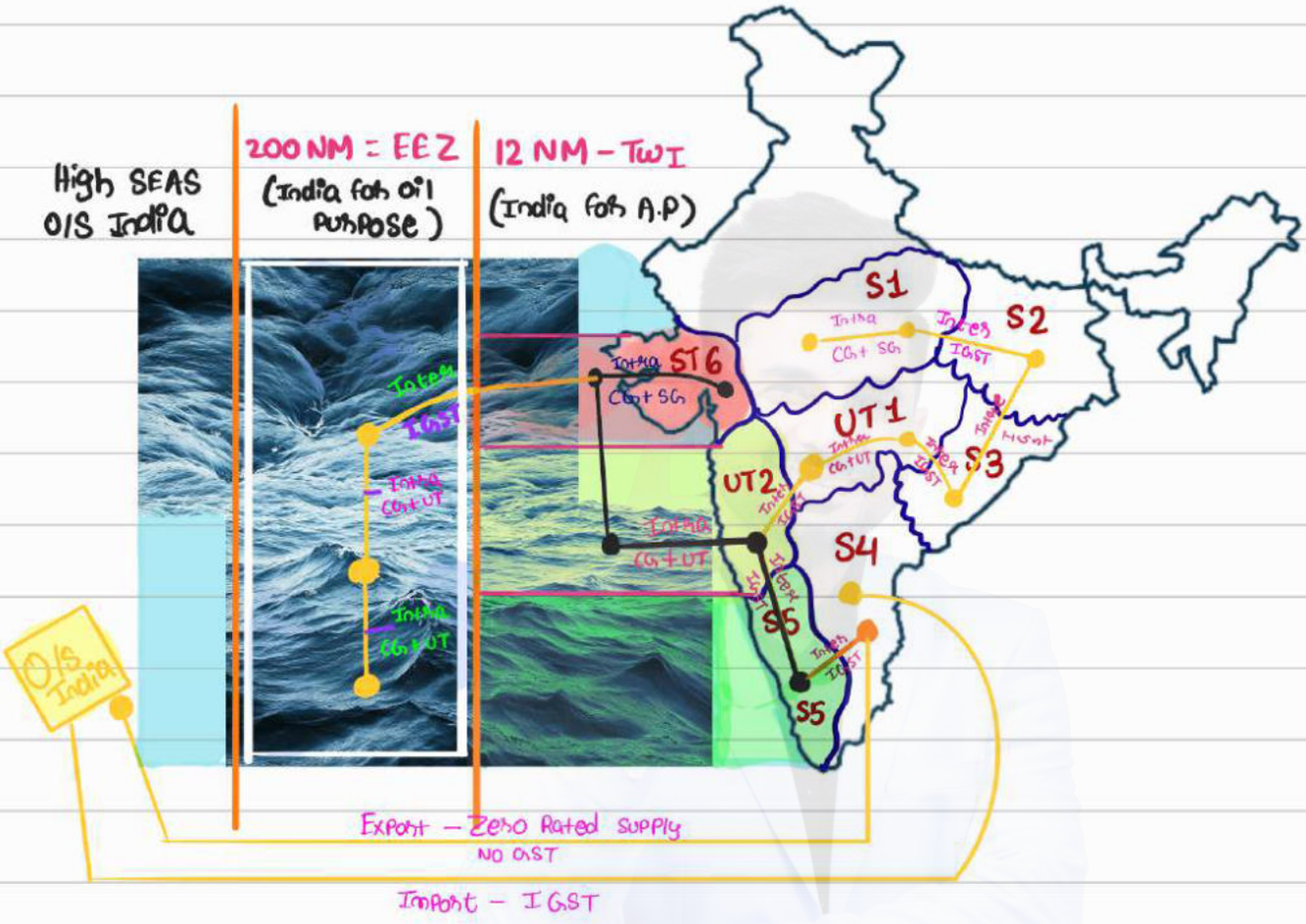
Govt Thumb Rule

Import the Goods, Higher the Taxes
Export the Goods, Not the Taxes.

GST Apply All over India Including J/K

↓

Definition of India under GST ?



① Twi Vale PAANI Ko Kya Manege ?

Vo Paani Jis bhi State (or) UT ke nearest hoga उस Pani ko Vahi State (or) UT Manege.

② EEZ Vale Pani Ko Kya manege ?

EEZ Vala Pani ek OT hai and उस OT Ko UT Mana Jayga. means EEZ Vala Pura Paani ek hi UT hai.

CRUX

India Definition for GST

→ 28 State + 3 UT (Delhi / Pondicherry / J/K) = 31 State
(Actual) (Deemed State)

→ 5 UT + 1 UT = 6 UT
(Actual) (Deemed) → Other Territory (188 NM)

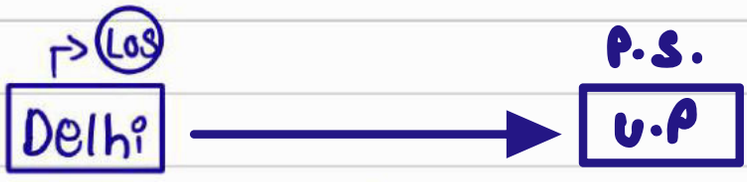
- Chandigarh
- Dadra & Daman
- Lakshdweep
- Ladakh
- Andaman Nicobar

Question

Location of Supplier	Actual Supply	Place of Supply	Nature	GST
Delhi	Delhi	Delhi	Intra	CGST + SGST
Delhi	Delhi	HRY	Inter	IGST
HRY	Delhi	HRY	Intra	CGST + SGST
Ladakh	ladakh	ladakh	Intra	CGST + UTGST
ladakh	ladakh	J/K	Inter	IGST
Bihar	Bihar	USA	zero supply	NO GST
USA	USA	Delhi	Import	IGST
Maharashtra	Maharashtra	8 NM [near Gujrat]	Inter	IGST

Goa	Goa	Goa	Intra	CGST + SGST
140 NM (Near Guj)	6 NM (Near Guj)	6 NM (Near Guj)	Inter	IGST
Bihar	HRY	HRY [SEZ]	Zero Rate Supply	NO GST
HRY (SEZ)	Delhi	Delhi	Deemed Import	IGST
Japan	Japan	Delhi	Import	IGST
Kerala	Kerala	9 NM (Tamil Nadu)	Inter	IGST
Anda Nico	Anda Nico	Dadra Nagar Haveli	Inter	IGST

Article 269 A : Apportionment of IGST



IGST levy and collected by C.G

IGST shall be apportioned between Union and State Provided by Parliament by law, on the recommendation of

GST Council. (Generally 50% each)

IGST is Nutshell is a Sum Total of CGST & SGST.

Example

CGST + SGST = 18% IGST
9% + 9%

6% + 6% = 12% IGST

M.Imp

Article 279A : Formation of GST Council

President ⟶ with in 60 days from the Date of Approval of CAA, 101 (i.e 8/9/2016)

GST Council formed = 12/9/16
GST Council Notified = 15/9/16

Total member in GST Council

Total = 33 members

1. Chairperson = Union finance minister UFM (1)
2. Member of C.G → Union ministers of State (Revenue) (1)
3. Member of Every state = F.M (or) other Nominated (31) person.
4. Vice – Chairperson = one member from S.G.

ARTICLE 279A : Formation of GST Council.

President → within 60 days from date of Approval of CAA 101 [i.e. 8/9/2016].

GST Council formed = 12/9/16

GST Council Notified = 15/9/16

Total member in GST Council = 33 members

1. Chairperson = Union Finance minister.
2. Member of CG → Union minister of state (Revenue)
3. Member of every state = F.M. or other Nominated person.
4. Vice Chairperson = One member from S.G.

* Quoram required = Minimum 50%.

Voting in Favour = 75% [i.e. 3/4th]

CG share in Voting. = 1/3rd = 33.33%.

SG share in Voting. = 2/3rd = 66.67%.

GST Council makes Recommendation on following :-

1. Tax to be subsumed (merged).
2. Goods / services to be exempted from GST.
3. Apportionment of IGST.
4. Threshold Limit of Turnover.
5. Special Provision for special Category of state.
6. Other Important matter related to GST.

Example

Total Member	33	33	33	33	33	33	33
Member Present	33	25	26	32	30	20	12
C.Gt.M.	2	2	2	2	2	2	2
S.Gt.M.	31	23	24	30	28	18	10
Voting → CGt:	All Yes	All Yes	All Yes	All Yes	All Yes	All No	All Yes
→ SGt:	All Yes	16 ✓ 7 ✗	Vote=20	Vote=22	All No	All Yes	All Yes
			Vote=4 ✗	Vote=8 ✗			
			12 ✓ 8 ✗	18 ✓ 4 ✗			
Vote in Favour	100%	CGt = 33.33 SGt = 46.38% $[\frac{66.67}{23} \times 16]$ = 79.71	CGt = 33.3% SGt = 40% $[\frac{66.67}{20} \times 12]$ = 73.33	CGt = 33.3% SGt = 54.55 $[\frac{66.67}{22} \times 18]$ = 87.88%	NO 33.3%	NO 66.67%	YES

Decision	Approved / Not	✓	✓	X	✓	X	X	X

Article 270 : Distribution of Taxes between Union & State

* All of the taxes & duties referred in Union list.
* Shall be levied & Collected by Govt. of India.
* Shall be distributed between Union & State.

Amendment made After GST

* GST levied on Intra state supply also be distributed Among with CG & SG.

* IGST Component apportioned to Union shall also be distributed.



Example

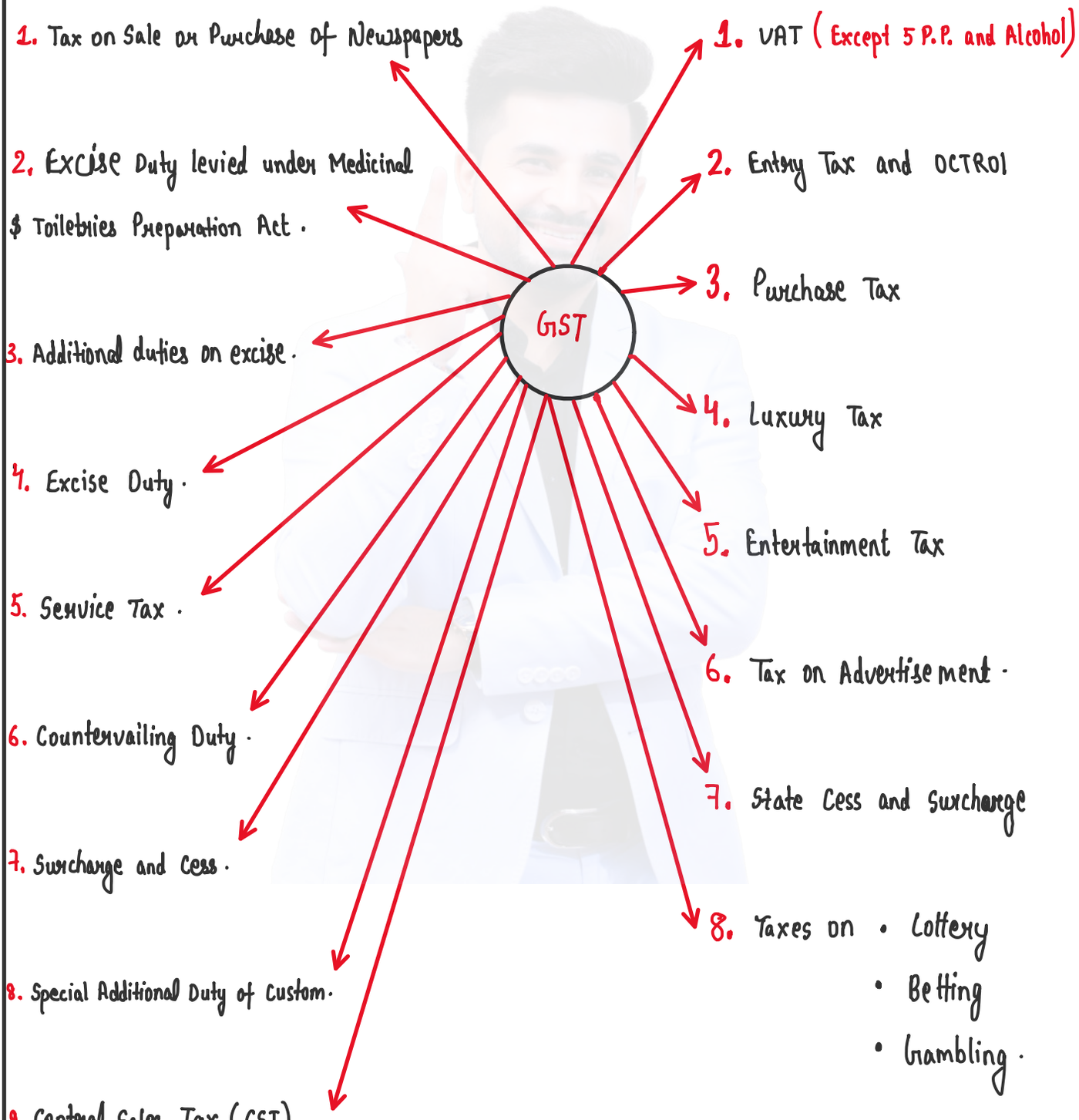
Name of Tax	Payment to	Apportionment
Income tax	CGST	✓
CGST	CGST	✓
SGST	SGST	✗
UTGST	CGST	✗
IGST	CGST	IGST → CGST (A-270) / SGST; IGST → SGST (A-269A)

Article 265

"No Tax shall be levied (or) collected without Authority of law."

→

* Taxes Subsumed in GST : Total 17 Taxes



* Taxes not Subsumed in GST

Central Taxes

1. Export Duty
2. other Custom Duty like Anti-Duty.
3. Safeguard Duty
4. Basic Custom Duty
5. Excise Duty on 5 P.P. and Alcohol.

GST

STATE TAXES

1. Road and Passenger Tax
2. Toll Tax
3. Property Tax
4. Stamp Duty
5. Electricity Duty.
6. Professional Tax.
7. Mandi Tax.

FOCUS AREA : Tobacco and Tobacco Products would be subject to GST. In Addition to GST, Central Govt. would have the power to levy Central excise duty (i.e. Double Taxation).

For CA - www.ultimateca.com | For CS - www.vgstudyhub.com

Goods	GST	Excise Duty	VAT	CST
1) Alcoholic Liquor for H.C. 	NO	Yes (State Excise)	Yes (State VAT)	Yes
2) OPIUM/INDIAN HEMP/NARCOTICS   	Yes	Yes (State Excise)	NO	NO
3) 5 Petroleum Products  	NO	Yes (Central Excise)	Yes (State VAT)	Yes
4) Tobacco & Tobacco Products  	Yes	Yes (Central Excise)	NO	NO
5) other Goods 	Yes	NO	NO	NO

To Govt : (1) Unified Common National market.

(2) Boost to Exports.

(3) Boost to 'MAKE IN INDIA'.

(4) Increase in Revenue.

To Trade/Business : (5) Simpler Taxation System.

(6) Easy / Less Compliance.

(7) Ease of doing business.

(8) Increase in Revenue of business.

To Consumer : (9) Reduction in Price of Goods/Services.

(10) Reduction in Cascading.

(11) Reduction in Double - Tax.

Background of GST

1. GST was first levied by FRANCE in 1954.



2. Last Country to adopt GST is MALAYSIA



3. GST is Destination / Consumption based Tax.

4. India has the highest Rate of GST in world i.e. 40% and next Highest Rate is in ARGENTINA i.e. 27%

5. GST is technically Paid by Supplier but is actually Pe funded by Consumer.

6. Indian GST has 5 Rates under GST applicable on All Goods (or) Services except *Some Specified Goods.

(0% 5% ~~12%~~ 18% 40%)

* Precious Metal like Gold, Silver = 3%

Rough Diamond = 0.25%

Model of GST

1) Australian Model
2) Canadian Model → Followed in India
3) Kelkar - Shah Model
4) Bagchi – Podder Model

NOTE :

1. India follow dual GST model i.e. CGST+SGST.

2. Brazil and Canada also follow dual GST Model.



3. There is a Special Purpose vehicle called "GSTN" to Cater IT needs.

GSTN = Goods and Services Tax Network (100% Govt. Owned)

GSTIN = Goods and Services Tax Identification Number (15 Digit Alpha-Numeric Code).

Taxation Principles under GST

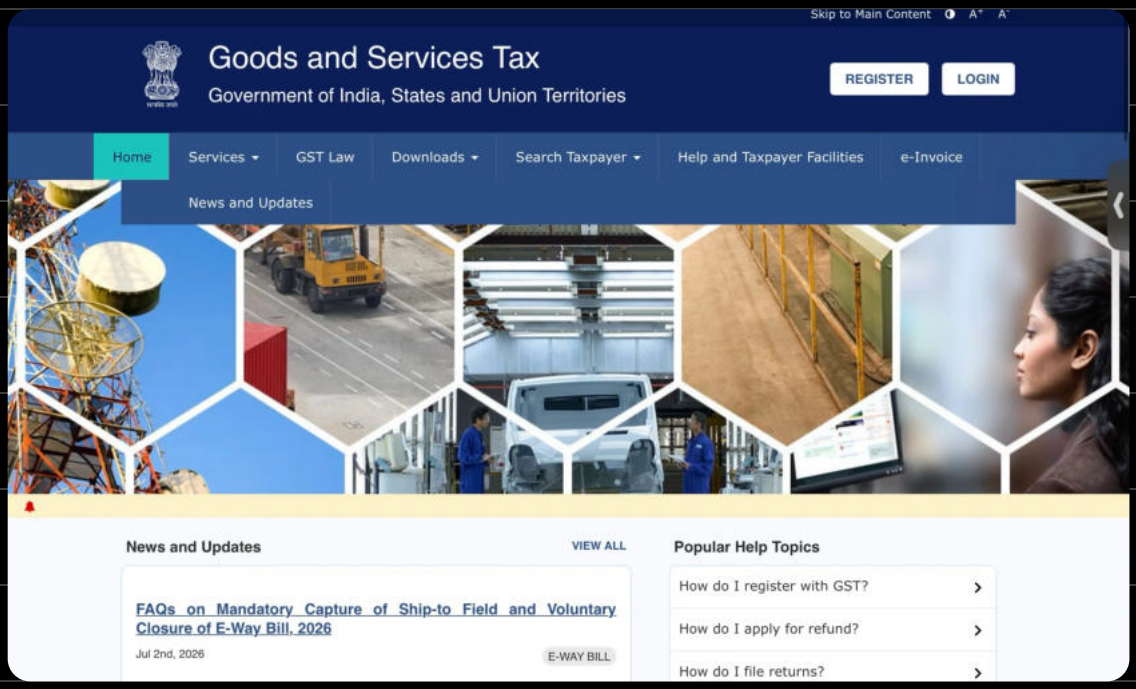
There are 2 Principles of Taxation :

1) Destination Principle

2) Origin Principle

GST is based on Destination Principle.

www.gst.gov.in



09BOKPK8170A2ZV

SEARCH

Search Result based on GSTIN/UIN :
09BOKPK8170A2ZV

Legal Name of Business	Trade Name	Effective Date of registration
SATISH KUMAR	SHAH ART	10/09/2022
Constitution of Business	**GSTIN / UIN Status**	**Taxpayer Type**
Proprietorship	Active	Composition
Administrative Office	**Other Office**	**Principal Place of Business**
(JURISDICTION - STATE) State - Uttar Pradesh Zone - Bareilly Range - Bareilly (B) Sector - Shahjahanpur Sector-1	(JURISDICTION - CENTER) State - CBIC Zone - LUCKNOW Commissionerate - LUCKNOW Division - SITAPUR Range - SHAHJAHANPUR RANGE	852, BLOCK ROAD KALAN, NEAR KALAN BOLCK, RAFIYABAD KALAN, Raphiya Bad Kalan, Shahjahanpur, Uttar Pradesh, 242127
Whether Aadhaar Authenticated?	**Whether e-KYC Verified?**	**Additional Trade Name**
Yes (On 24/06/2023)	Not Applicable	View

Nature Of Core Business Activity

Trader - Retailer

Nature of Business Activities

1. Others

Dealing In Goods and Services

Goods		Services	
HSN	Description	HSN	Description
8443	PRINTING MACHINERY USED FOR PRINTING BY MEANS OF PLATES, CYLINDERS AND OTHER PRINTING COMPONENTS OF HEADING 8442, OTHER PRINTERS, COPYING MACHINES AND FACSIMILE MACHINES, WHETHER OR NOT COMBINED, PARTS AND ACCESSORIES THEREOF	9989	Other manufacturing services; publishing, printing and reproduction services; materials recovery services
3215	PRINTING INK, WRITING OR DRAWING INK AND OTHER INKS, WHETHER OR NOT CONCENTRATED OR SOLID		
3920	OTHER PLATES, SHEETS, FILM, FOIL AND STRIP, OF PLASTICS, NON-CELLULAR AND NOT REINFORCED, LAMINATED, SUPPORTED OR SIMILARLY COMBINED WITH OTHER MATERIALS		
49090010	GREETING OR WEDDING CARDS		

HSN: Harmonized System of Nomenclature of Goods and Services

SHOW FILING TABLE | SHOW RETURN FILING FREQUENCY

09BAPPG0344B1Z2

SEARCH

Search Result based on GSTIN/UIN :
09BAPPG0344B1Z2

Legal Name of Business	Trade Name	Effective Date of registration
Vivek Gaba	VG STUDY HUB	08/04/2021
Constitution of Business	**GSTIN / UIN Status**	**Taxpayer Type**
Proprietorship	Active	Regular
Administrative Office	**Other Office**	**Principal Place of Business**
(JURISDICTION - STATE) State - Uttar Pradesh Zone - Ghaziabad II Range - Ghaziabad (C) Sector - Ghaziabad Sector-16	(JURISDICTION - CENTER) State - CBIC Zone - MEERUT Commissionerate - GHAZIABAD Division - DIVISION VI GHAZIABAD Range - RANGE - 28	UGF,, GK-1-337/A-1, Gyan Khand, INDIRAPURAM, Ghaziabad, Uttar Pradesh, 201014
Whether Aadhaar Authenticated?	**Whether e-KYC Verified?**	**Additional Trade Name**
Yes (On 08/04/2021)	Not Applicable	View

Nature Of Core Business Activity

Service Provider and Others

Nature of Business Activities

1. Supplier of Services

Dealing In Goods and Services

Goods		Services	
HSN	Description	HSN	Description
49011010	PRINTED BOOKS	999293	Commercial training and coaching services

HSN: Harmonized System of Nomenclature of Goods and Services

SHOW FILING TABLE | SHOW RETURN FILING FREQUENCY

Questions

What is GSTN & its role in GST along with the function of GSTN?

GSTIN stands for Goods and Services Tax network (GSTN) GSTN is a not for profit Limited by shares 100% Govt. Co. wholly owned by Cen & Stg. GSTN has been set-up for providing shared IT Infrastructure & Services to Cen. Stg, Taxpayers & other stakeholder.

GST portal is referred as 'common portal' The Portal is 'taxpayer' Interface with Govt. (i.e. G2B Portal).

Important Point

* Transaction under GST.

1. B2B = Reg. Person to Reg. Person.
2. B2C = Reg. Person to Unreg. Person.
3. C2B = Unreg. Person to Reg. Person.
4. C2C = Unreg. Person to Unreg. Person.
5. G2B = Government to Reg Person.

Some important Functions Performed by GSTN :

1. Facilitation of Registration
2. Payment of GST
3. Return filing under GST
4. Maintenance of Ledgers of Taxpayers.
5. Matching of ITC.
6. Distribution/Apportionment of IGST.
7. Sharing Information in Taxpayer Return with CG/SG.
8. Computation and settlement of IGST.
9. Providing time to time Report to CG/SG.

System of Tax collection (worldwide).

1. First Point Collection
2. Last Point Collection
3. Multipoint Collection

Not follow in India.

4. Multipoint Collection with ITC.

Follow in India.

1) First Point Collection

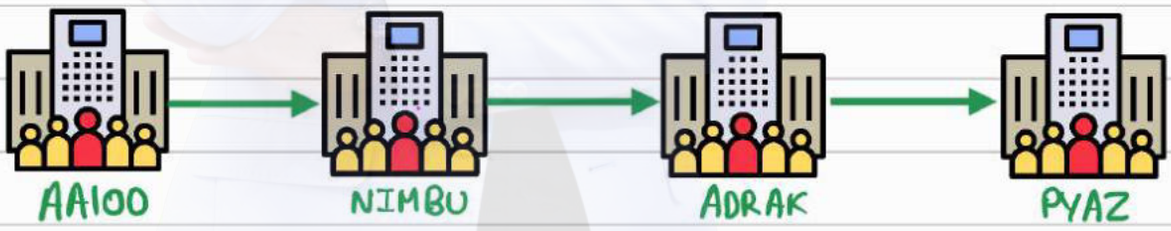


Value =	100	COST = 110	COST = 160	COST = 200/-
TAX =	10	VA = 50	VA = 40	
@ 10%		160	200	
	110	TAX = —	TAX = —	
		160	200	

I st Point Collection

Not Followed in India Since less Revenue to Govt.

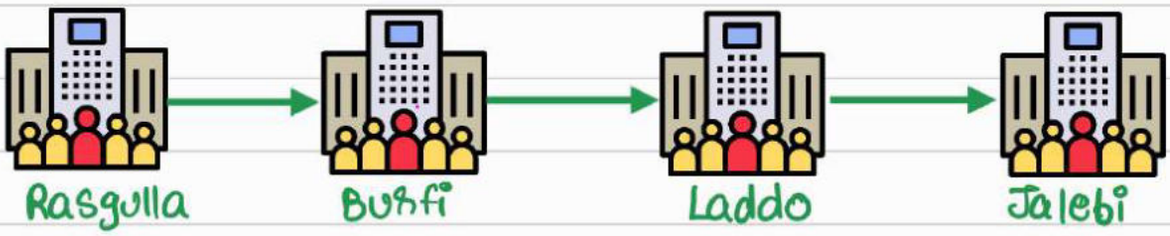
2) Last Point Collection



Value =	100	Cost = 100	Cost = 150	Cost = 220
Tax =	—	VA = 50	VA = 50	
	100	150	200	
		TAX = —	TAX = 20 → last Point	
		150	220	

Not follow in India = since TAX evasion Risk on earlier Stage.

3) Multi Point Collection



Value = 100
TAX = 10
110

Cost = 110
VA = 50
160
TAX = 16
176

Cost = 176
VA = 50
226
TAX = 22.6
248.6

Cost = 248.6 /-

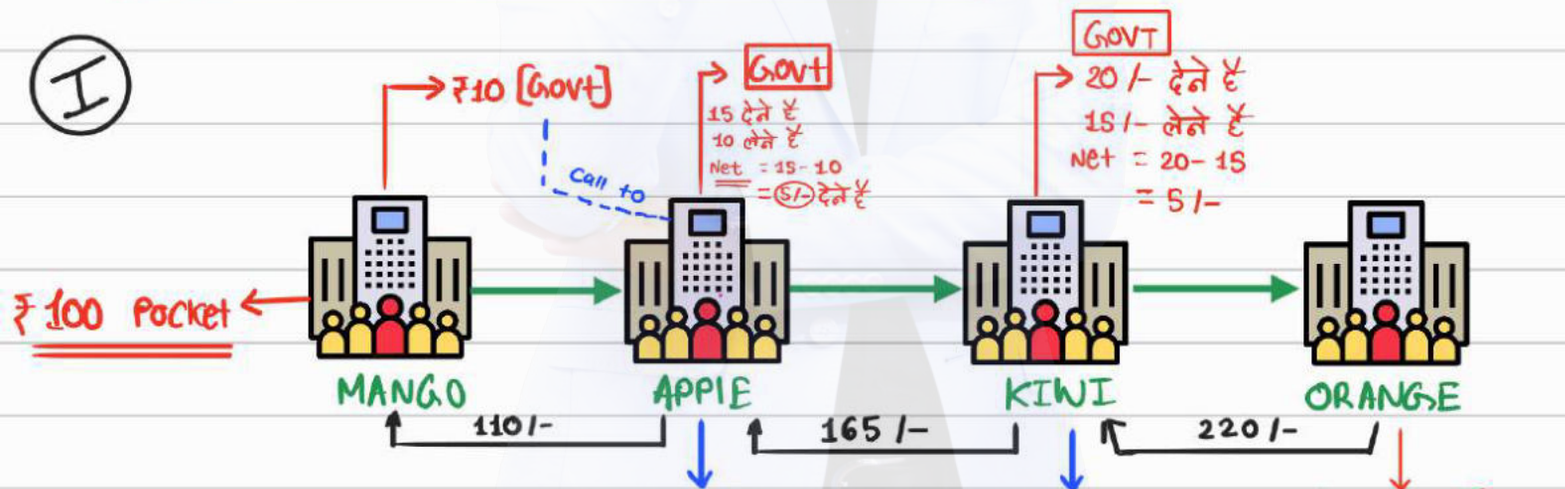
100 + 10 + 50
10 (1) 5
TAX ON TAX

160 + 16 + 50
16 (1.6) 5
TAX ON TAX

Not follow in India = Cascading effect (TAX ON TAX)

4) Multipoint Collection with ITC → INPUT TAX CREDIT

(I)



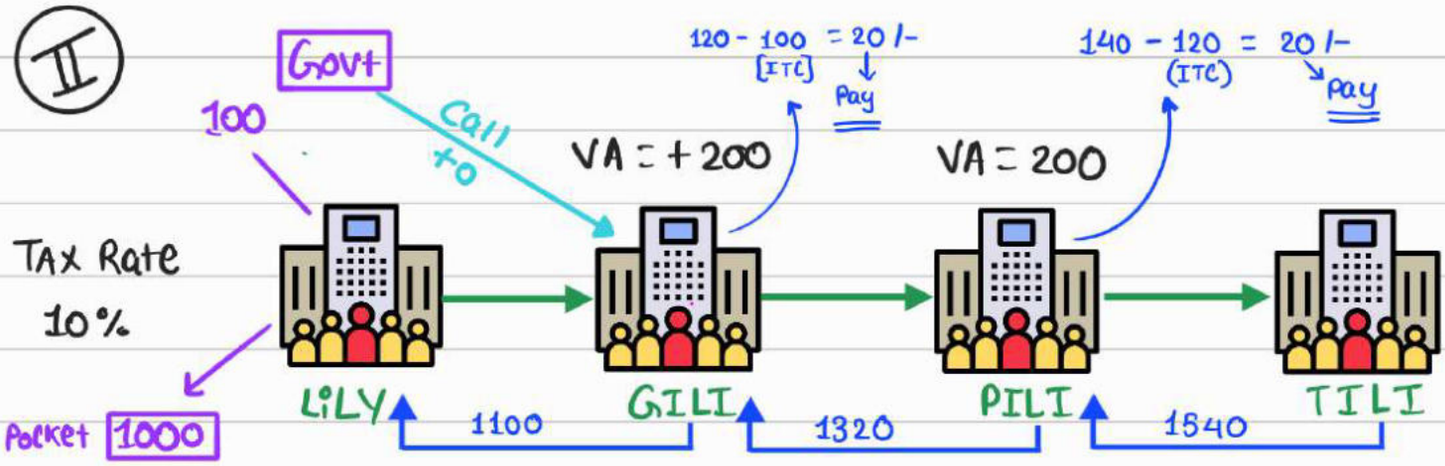
Value = 100
TAX = 10
110

10/- Govt से लेने हैं
ITC = 10/-
COST = 100
VA = 50
150
TAX = 15
165

15/- Govt से लेने हैं
ITC = 15/-
COST = 150
VA = 50
200
TAX = 20
220

~~ITC = 20~~
Since assume ORANGE is Consumer
COST = 220/-

II



		ITC = 100	ITC = 120
Value	= 1000	Cost = 1000	Cost = 1200
Tax	= 100	VA = 200	VA = 200
	1100	1200	1400
		TAX = 120	TAX = 140
		1320	1,540

~~ITC = 140~~

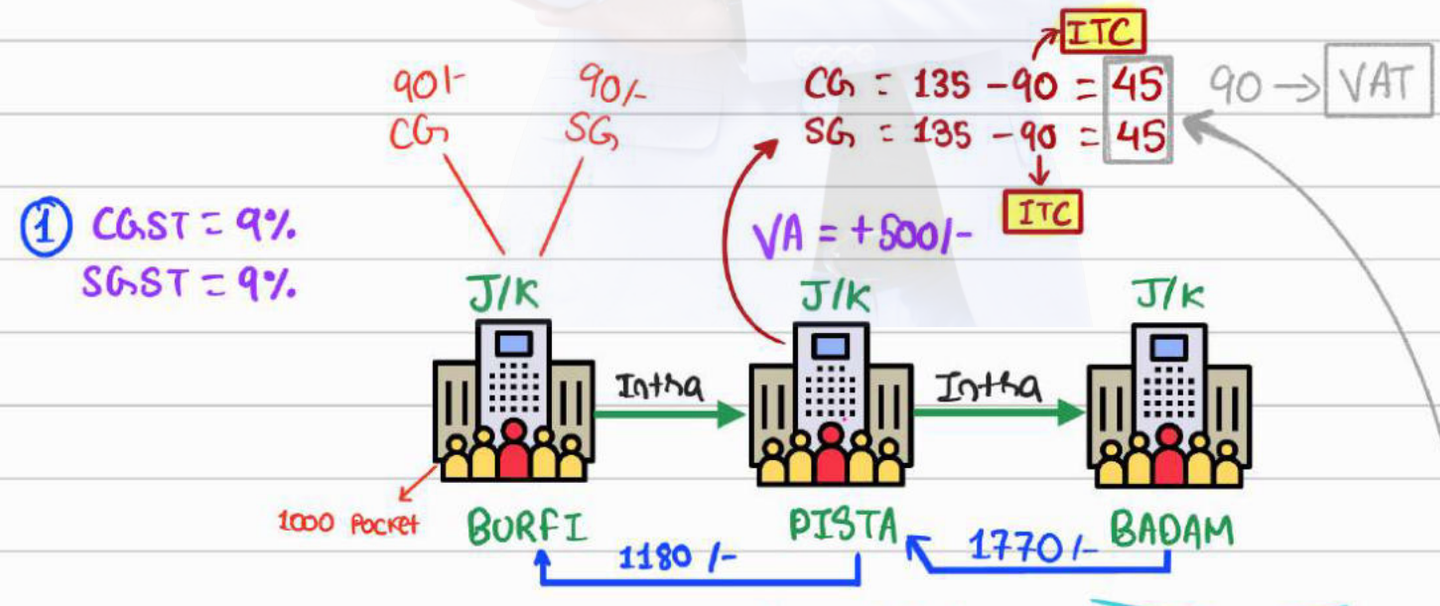
Cost = ?

Cost = 1540

Consumes

Let's Start ITC Basic Concept under GST

GST is a "VALUE ADDED TAX"



Value	= 1000
CGST	= 90
SGST	= 90
	1180

CG से 90/- लेने है

SG से 90/- लेने है

Cost = 1000

VA = 500 × 18% = 90

~~ITC = 270~~

Cost = 1770 /-

1500

CGST = 135

SGST = 135

1770

② [90+90]

CG = 180

Value Added Tax

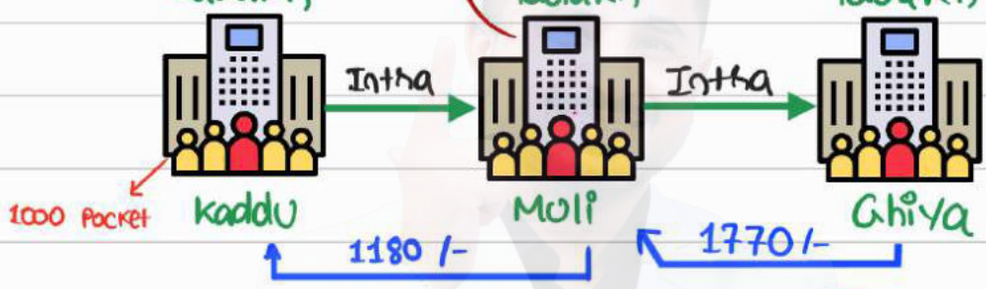
90 → VAT

CG = 270 - 180 = 90

CGST = 9%

UTGST = 9%

VA = +800/-



Value = 1000

CGST = 90

UTGST = 90

1180

CG = 180 लेने है।

COST = 1000

VA = 500 × 18% = 90

1500

CGST = 135

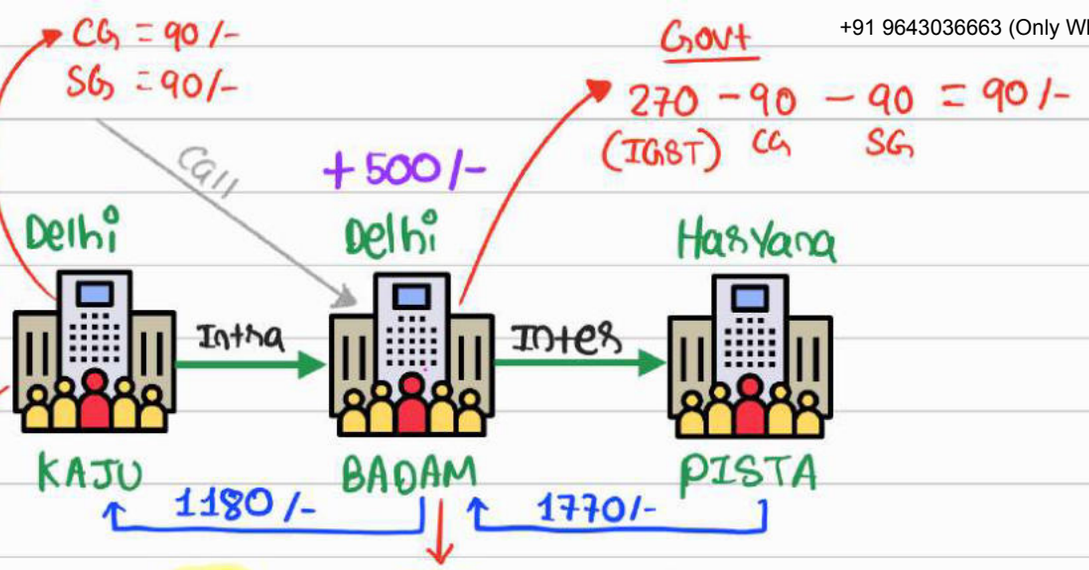
UTGST = 135

1770

ITC ~~= 270~~

COST = 1770 /-

(3) CGST = 9%
SGST = 9%
IGST = 18%



Value =	1000
CGST =	90
SGST =	90
	1180/-

ITC = 180 → 90 CG, 90 SG

COST =	1000
VA =	500
	1500
IGST =	270
	1770/-

COST = 1770/-
~~ITC = 270~~

(4)
CGST = 9%
SGST = 9%
IGST = 18%



Value =	1000
IGST =	180
	1180/-

ITC = 180/- (IGST 4ti)

COST =	1000
VA =	500
	1500
CGST =	135
SGST =	135
	1770/-

~~ITC = 135 + 135~~
COST = 1770/-

ORDER & Manner of ITC Utilisation

Section - 49 Read with Rule - 88A

1) IGST Credit can be utilised for the Payment of I^st IGST then CGST (or) SGST at any manner, at any Ratio.

2) CGST Credit can be utilised for the Payment of I^st CGST then IGST.

3) SGST Credit can be utilised for the Payment of I^st SGST then IGST

4) UTGST Credit can be utilised for the Payment of I^st UTGST then IGST

CGST Credit Can't be utilised for the Payment of SGST / UTGST (or) Vice Versa.

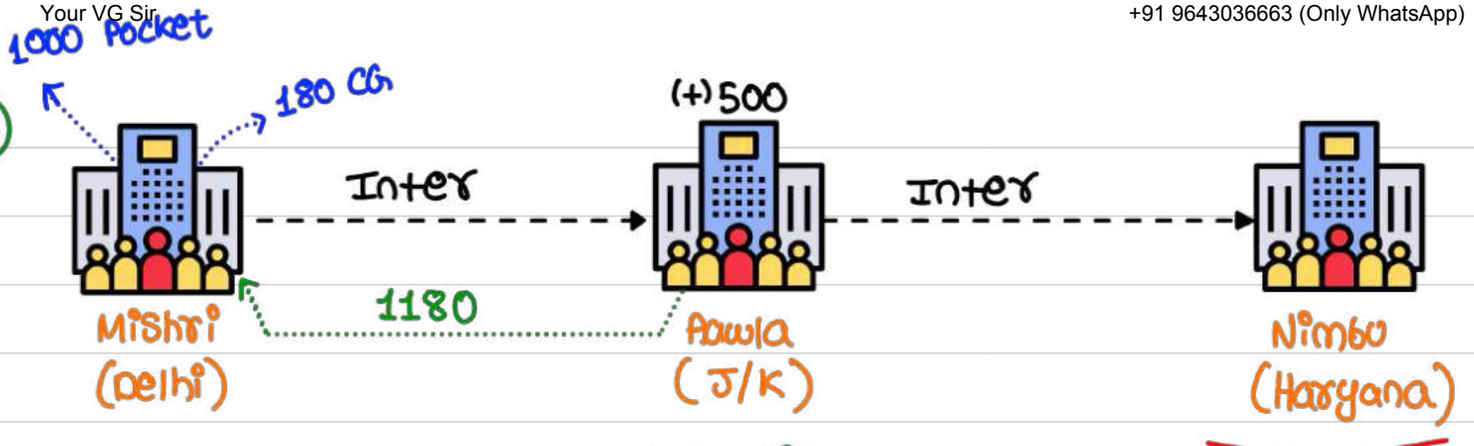
Table for Presentation

Order of utilisation	Manner of utilisation	
	Credit	Payment
I^st	IGST	I^st IGST 2^nd CGST (or) SGST at any manner / any Ratio
II^nd	CGST	I^st CGST II^nd IGST
III^rd	SGST	I^st SGST/UTGST II^nd IGST

CGST ⟷ SGST / UTGST

NOT ALLOWED

(5)



Value = 1000
IGST = 180
1,180

Cost = 1000
VA = 500
1500
IGST = 270
1,770

Cost = 1770.

(6)

	ITC / credit of Tax	GST Payment
IGST	1,20,000	95,000
CGST	80,000	70,000
SGST	80,000	90,000

Net GST liability after set off of credit?

Soln:- Computation of Net GST Liability.

Particulars	IGST	CGST	SGST
Gross GST Liability	95,000	70,000	90,000

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(-) ITC				
IGST		(95,000)	(15000)	(10,000)
CGST		–	(55,000)	–
SGST		–	–	(80,000)
Net GST Liability		Nil	Nil	Nil
Credit clt		Nil	25,000 (80,000-55,000)	Nil

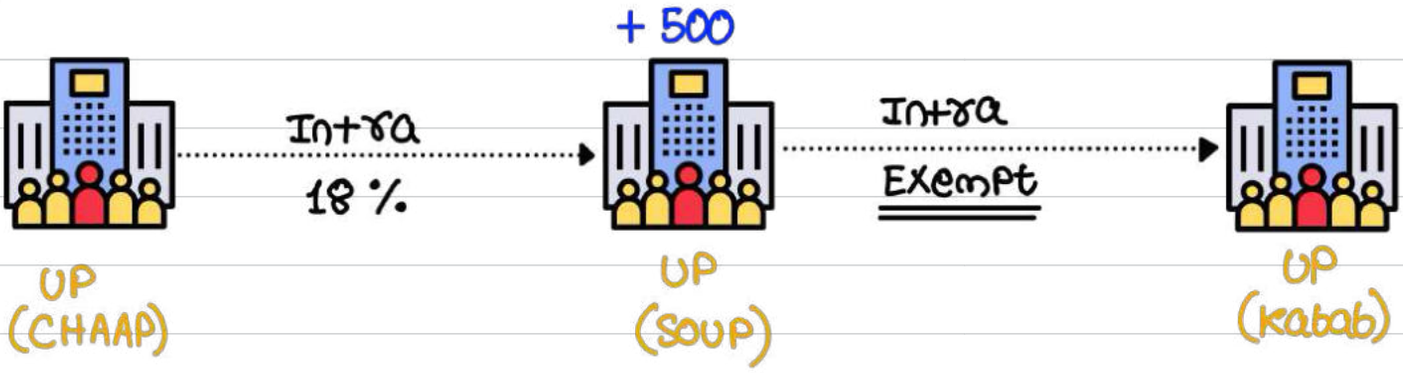
⑦ Compute Net GST liability on the basis of following info :-

Particulars	ITC	Payment
IGST	185,000	1,27,000
CGST	82,000	1,10,000
SGST	90,000	1,40,000

Soln :-

Particulars	IGST	CGST	SGST
Gross GST Liability.	1,27,000	1,10,000	1,40,000
(-) ITC			
IGST	(1,27,000)	(28,000)	(80,000)
CGST	–	(82,000)	—
SGST	–	–	(90,000)
Net GST Liability.	NIL	NIL	20,000
credit clf	NIL	NIL	NIL

(8)



~~ITC - 180~~

Value = 1000	Cost = 1000 + 180	Cost = 1680
Tax = 180	VA = 500	
1180	= 1,680	
	GST = —	
	1,680	

- **Treatment if outward Supply (Sale) is Exempt from GST ?**

Govt says under GST....

तुम मुझे KHOON दो,
मैं तुमहें आज़ादी दूंगा.... !!

Khoon → GST , आज़ादी → ITC

⇒ **CRUX** : अगर outward supply पर Khoon (GST) दें, तभी inward supply के GST की अज़ादी (ITC) मिलेगी !!

• Reason of NON Tax / GST Payable on outward supply.

Outward Supply.	Availability of ITC
a) Exempted	✗
b) NIL Rated	✗
c) NON Taxable	✗
d) Export (zero Rated supply)	Normal Provision ↑ ✓ Exception
e) Supply to S.E.Z (Deemed Export) (IRS).	NO KHOON FIR BHI Aajadi
f.) Personal used.	✗
g.) Taxable.	✓

⇒ **FINAL CRUX** : NO KHOON ON OUTWARD SUPPLY
NO AAJADI OF INPUT TAX
⇓
Exception : Zero Rated Supply.
⇓
NO KHOON, BUT AAJADI MILEGI !!

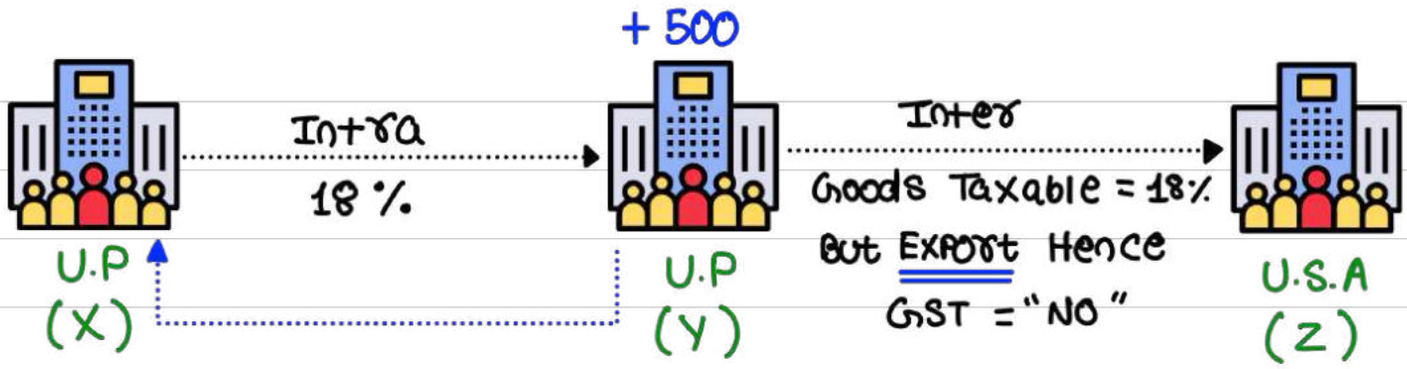
(9)



~~ITC - 180~~

Value = 1000	Cost = 1000 + 180	Cost = 1680
Tax = 180	VA = 500	
1180	= 1,680	
	GST = —	
	1,680	

(10)



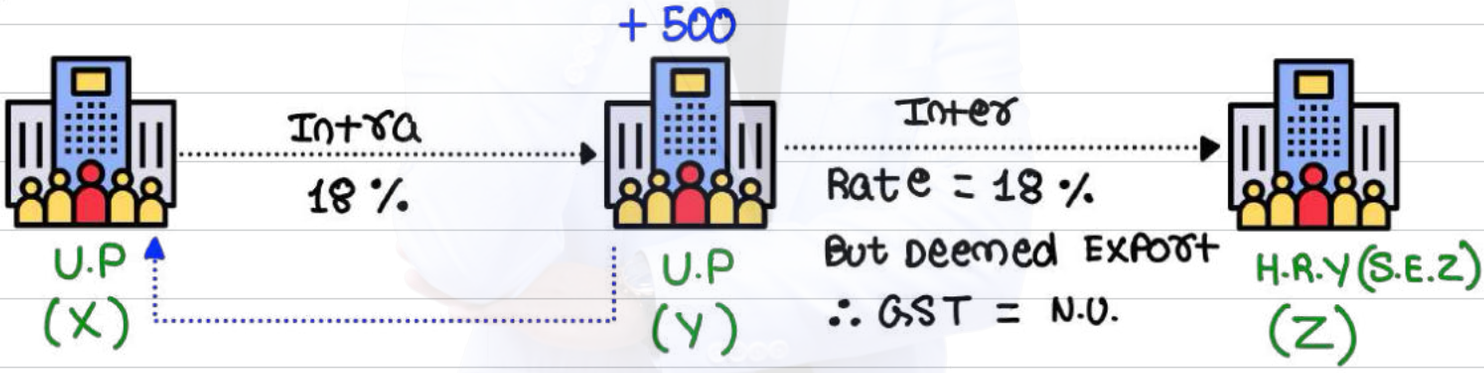
ITC = 180 ✓

value = 1000
Tax = 180
1180

Cost = 1000
VA = 500
1500
GST = —
1500

COST = 1500

(11)



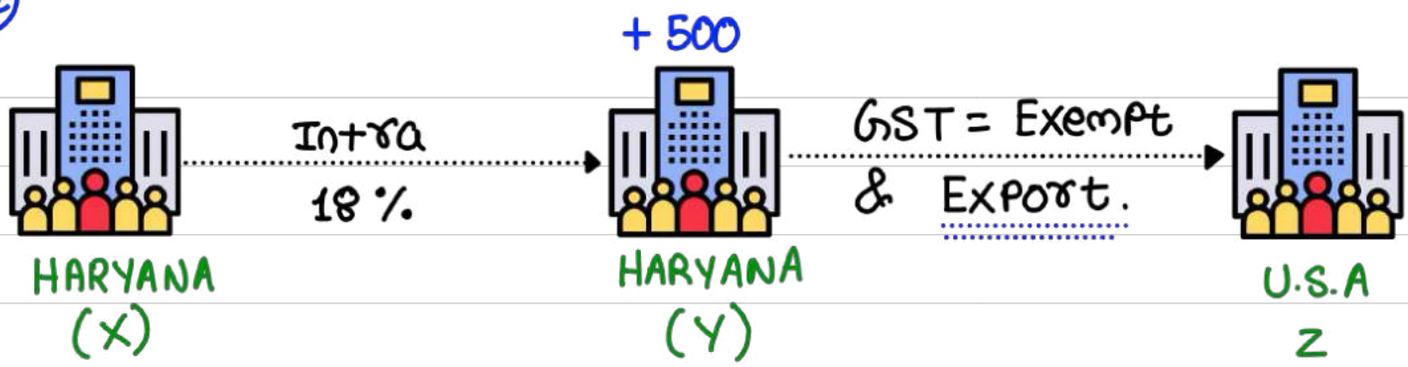
ITC = 180 ✓

value = 1000
Tax = 180
1180

Cost = 1000
VA = 500
1500
GST = —
1500

COST = 1500

(12)



ITC = 180 ✓

Value	1000
Tax	180
	1180

Cost	1000
VA	500
	1500
GST	—
	1500

COST = 1500

(13)

Outward Supply

- Intra state supply = 10L
- Inter state supply = 5L

GST = 9%, 9%, 18%

Inward Supply

- Intra state supply = 12L
- Inter state supply = 6L

Compute Net GST liability ... ?

Soln :- **Computation of Gross GST Liability.**

Particulars	IGST	CGST	SGST
Intra State (10,00,000)	—	90,000	90,000
Inter State (5,00,000)	90,000	—	
	90,000	90,000	90,000

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II) Computation of ITC.

Particulars	IGST	CGST	SGST
Intra (1,20,000)	–	1,08,000	1,08,000
Inter (6,00,000)	1,08,000	—	—
	108,000	1,08,000	1,08,000

III) Net GST Liability.

Particulars	IGST	CGST	SGST
Gross Liability.	90,000	90,000	90,000
Use : ITC			
IGST	(90,000)	(9,000)	(9,000)
CGST	–	(81,000)	–
SGST	–	–	(81,000)
Net Liability =	–	–	–
Credit C/f. =	–	27,000	27,000