

INTRODUCTION TO GST

REGISTRATION

CMA ANIL SHARMA

(B.com. (Hons.), M. Com., FCMA, TIOL Awardee, Practising Cost Accountant)

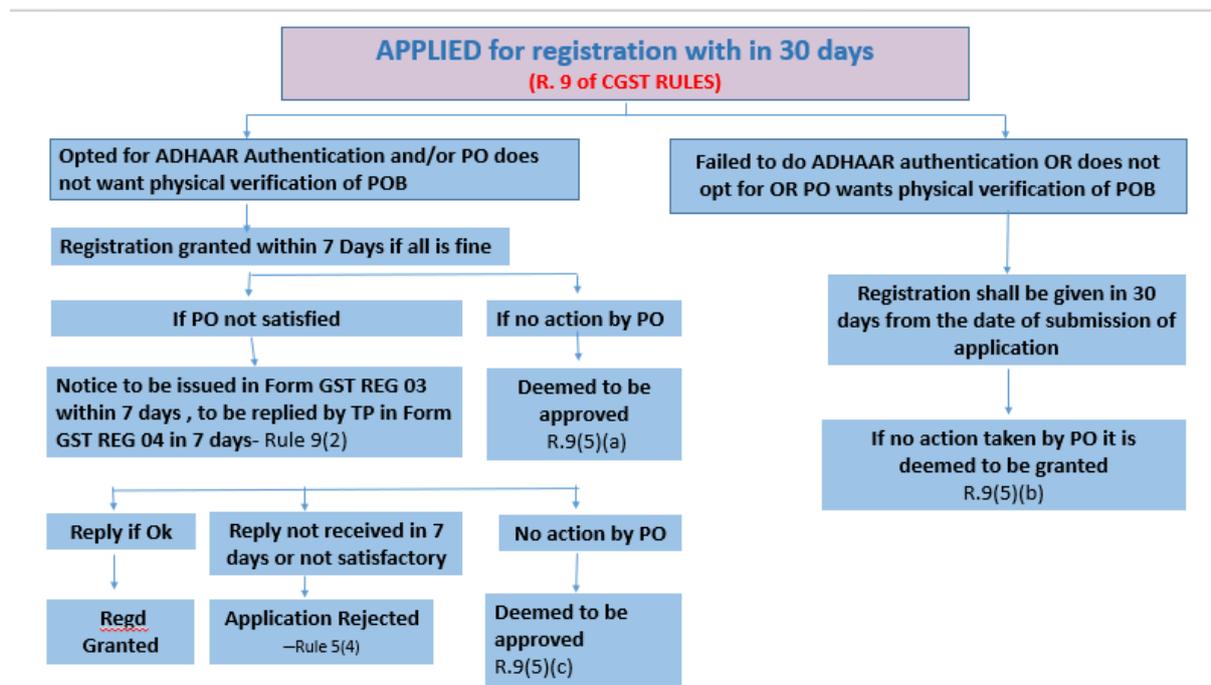
Management

The Institute of Cost Accountants of India, Kolkata

Week 02

Lecture 06

So friends, I told you that you have to apply for registration within 30 days. So what will happen?



See, when I apply for registration, it says opted for Aadhaar authenticity and does not want physical verification. Means you have opted for Aadhaar authentication and proper officer does not want your physical verification of your place of business. So, what will happen?

In that case, because your Aadhaar authenticity is done and government or the officer does not want physical verification because your Aadhaar authenticity is sufficient for them. So, they will issue you registration within seven days. It seems that everything is okay. And if proper

officer is not satisfied with your application or the details given by you; If he finds that this detail is not complete, what he will do? He will send you a notice under GST REG 03 within 7 days from the submission of your application.

So, you have applied for registration, your Aadhaar authenticity has been done. So, within 7 days, you are supposed to take number, but if the officer is not satisfied with the detail you have given. So, he will raise a notice to you asking for your reply as per Rule 9, Sub-Rule 2 of CGST Act. And against this order, against this show cause notice, you are supposed to reply to the department. And if department is fine with your reply, whatever it is, you will get registration. And if your reply is not satisfactory, And you have not given reply within 7 days. Your reply was not satisfactory or you have not given reply to the department within 7 days, then your application stand rejected.

So, friends, whenever you are going for a registration, fill the details confidently and correct details with proper documentation because if you are, you have mentioned your PAN number, you are supposed to attach PAN number copy also. If you have a rented premises where you are starting your business, then you need to submit a rent deed also. When you are giving a bank detail, then you have to give bank detail with document. So, all documents need to be attached at GST portal. In some of the states, they are asking for electricity bill also. So, in the absence of that electricity bill, they may reject your application. So, whenever you are applying for GST registration, complete your details very carefully and also submit all relevant documents and reply to the department very carefully. If once your application is rejected, it may take long time to get clear.

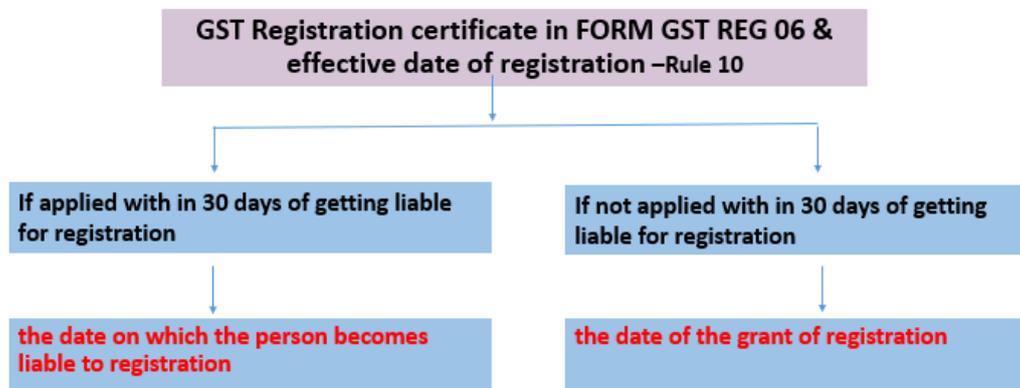
So, friends, when you apply in your GST portal, you will be granted registration within seven days. If PO (proper officer) is not satisfactory, they will send you notice. If he is satisfied or if there is no response from department side, it is deemed 'to be approved', your application. It is deemed 'to be approved' your application. So, if you have given reply to the notice given by the department and in that case also, if there is no action by a PO, means proper officer, your registration is deemed to be done.

So, maximum period is seven days to get registration of GST provided your all condition, all your documents, all your informations are correct intact. So, to avoid any confusion, avoid any such document which is not accurate or relevant for your business and submit only relevant readable documents. And in second case, if you are not going for Aadhaar authentication or if you don't opt for Aadhaar, then what? Then registration will be given within 30 days. It includes

physical verification of the premises. So, friends, when you are going for rescission, maybe of your own business, maybe of business of your client keep few things in your mind. That if you are a trader, so your premises must be of that size, that the quantum you are declaring to the department, that much of goods must be, your premises must be in a position to store that much of quantity of your products.

If you are saying in your registration that you are dealing with electronic goods, and your office is in the room of 10 by 10 only and you do not have any warehouse, and we thought that we will do business in such a way that we will take order first and then get it supplied from somewhere else and commission will come to us; Because you are dealing in electronic goods and you are declaring to the department that your business will be of electronic goods, then you must have your premises accordingly. In 10 by 10 room, you cannot obtain registration for electronic goods. You cannot obtain recession for cement or building material. You must have that much of area with you, maybe rented or your own, so that department should not raise question on your premises. Yes, if you are in service, if you are an accountant, if you are an architect, If you are a consultant, you may have an office of 10 by 10 meters. There will be no problem. But in India, there are some cities where services are not allowed to be given from a residential area. Means, there are some local authorities which do not allow you to have office in a residential area. So, if that is the case, definitely you should not apply registration from that area because then GST department will not allow you. But yes, there are cities where professionals like advocate, doctors, accountants, chartered engineers, etc. etc., they are allowed to run their offices from residential area as well as from commercial areas. So, in that case, you can obtain registration. So, this is the total procedure of getting registration on GST portal. First login to GST portal, register your mobile number, PAN number and email ID. You will get OTP and OTP you will submit then another window will open where you have to put the detail of each and every business aspect means what is your name, what is your trade name, what type of business you are doing, what is its HSN code or SAC code, your location, your address, then your bank details, who is promoter and what is the promoter status, their PAN number, their DIN number, their Aadhaar number like this. And finally, you have to submit on GST portal and the application will be completed. I will show you on GST portal also in this session only by logging into GST portal for your convenience. So, once your application is submitted, department may issue you a showcase for any details or clarification; if it is replied for within seven days or so and if reply is satisfactory, your registration is done. Or if your

reply is after your submission of reply, department is not asking you anything up to seven days of submitting reply, your registration is done.



Registered person with in **45 days***(30 days wef 04.08.2023) from grant of registration or due date to furnish return u/s 39, **whichever is earlier** shall furnish the required **BANK DETAILS** as per Rule. 10A of CGST Rules.

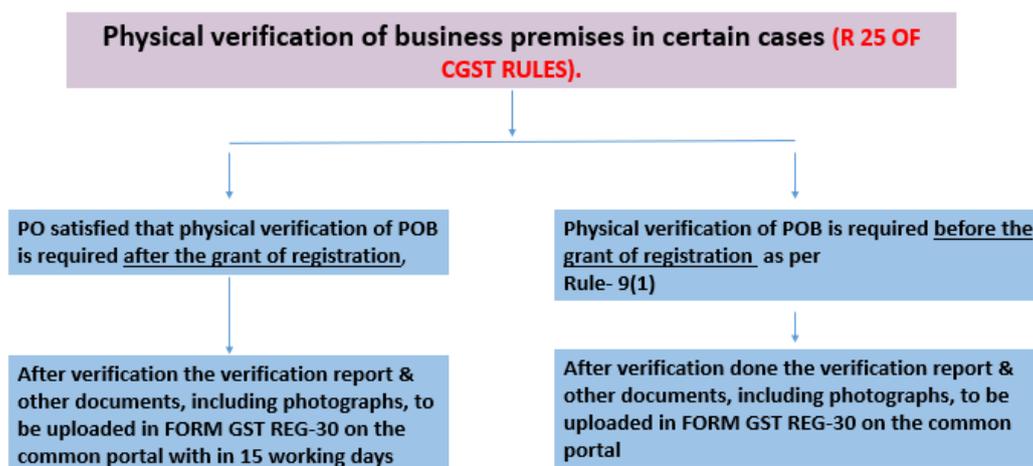
So once your application is approved then department will issue you a form which is called registration certificate in form GST REG 06. This is the form number and it will be carrying your business details, promoter's details and effective form, from which this certificate is granted and accordingly your tax liability will be decided. So, friends, as I told you, that when your GST liability comes into picture, you are supposed to take GST registration within 30 days. So, here if applied within 30 days of getting liable for registration, means you are within the rules framed by GST the date on which the person becomes liable to registration.

And if not applied within 30 days after getting liable, then what is the position? When I say you have to apply for GST registration within 30 days if your turnover crosses 20 lakh rupees or if you voluntarily decided to obtain GST registration. What will happen if you got registration within 30 days? And if you don't go for registration within 30 days, then what will happen? Means then you are violating the provisions of law. There is a violation of prison of law of not obtaining decision within 30 days. Then what will happen? So, it says, your tax liability start, if you applied within 30 days from the start of your business, your tax liability starts from the date of your business, when you started business first, the date.

Or if you applied within 30 days, when you cross the limit of 20 lakh rupees, then that particular date, from that date onwards, you are supposed to pay GST. But if you violate the provisions,

you do not apply for registration within 30 days, then the liability will be from the date registration is done. Means your certificate is issued to you and it is mentioning in the registration that your registration is from this date. From that particular date, you are supposed to pay GST. It has its own impact, we will discuss later on. If you are not applying for registration within 30 days, what will the harm to the business? And while pursuing for GST registration, I told you bank details are must, but later on government has given some relaxation that if you have not opened your account yet, but you are pursuing for registration, your registration will be granted, but with the condition...

And condition is that you are supposed to pay, you are supposed to furnish your details of bank within 45 days, which has been further reduced to 30 days. So, you have to make sure that you open your account, bank account and furnish your details to the GST portal in the appropriate column. Otherwise, it would be a violation of the law. You have to make it sure.



So, friends, as I told you that there are situations when proper officers want physical verification of your premises. Means, there you have not gone for Aadhaar authentication and you have opted for other than Aadhaar authentication. In that situation, proper officer may visit your premises. As I told you that your premises should be in such a way that your business should be, can be run appropriately there. So, in physical verification, officer is supposed to submit a report on your premises. And it says, where proper office is satisfied that physical verification of place of business is required after the grant of registration or prior to the grant of registration.

So, they want registration to be done, but later on they want your physical verification of the premises. They can go for that. Or they want physical verification prior to registration issued. So, in both the cases, officer will visit your premises and whatever he will find, he will submit in the report to the higher authorities. And accordingly, means if they have granted you the registration subject to physical verification; later on, your registration will be subject to that verification report. So, later on your verification, this registration number can be cancelled also, if it is found by the department that your premises are not appropriate for your business point of view.

Or as I told you that if you are building an electronic goods but you have a office of 10 by 10 only, then they will not allow you to carry on business of electronic goods in that particular space.

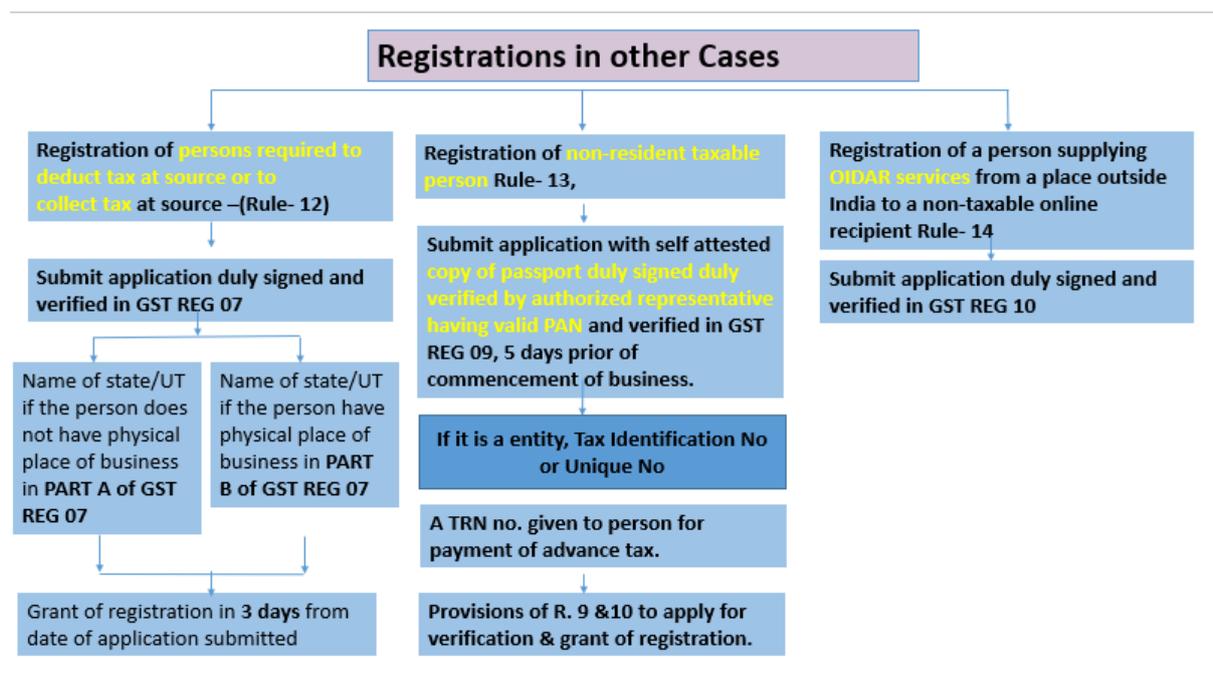
Multi Location Registration -Rule11

- **It is allowed that TP can have separate registration for different location with in state/UT**
- **He has to apply in FORM-GST-REG-01 for each such place**
- **Provisions of verification etc shall apply in Toto.**
- **He shall not pay tax for any of such place u/s 10**
- **Each such place of registration shall be distinct person**

It happens many times that you have two, three locations for your business within the city, within the state or even outside the state also. So, as per GST law, you can run business from many places. There is no issue. The only thing is you have to declare each and every place of the business, to the government at GST portal. So, if you have two offices within the city, you need not to declare which is your principal place of business and which is your additional place of business. And similarly, if you have two offices in different cities within same state, again you have to mention in your GST portal, in your registration certificate, additional place of business at different place, at different city, along with all relevant documents; for example, rent deed, electricity bill, property tax paid, etc., etc. If it is your own property, then definitely

property papers. Because department want everything clean. They want everything in transparency.

So, if you have offices in other states, out of the state, in other states, even then you are supposed to declare your additional place of business for each and every state. If any company has 28-29 offices, one in each state, that company is supposed to, because GST is a PAN based registration number and PAN is one for every individual across India. And in different, different states, your PAN number, same PAN number will be used, only state code will be changed. So, in the formation of GST number, they have kept this thing in mind that first two digits are the state code and then PAN number as it is because PAN number cannot be more than one for company, for partnership, for proprietorship or any other person. So, you can have multi-locational offices but declare it with confidence with all relevant documents to GST portal. And if authorities find that it is okay and everything is fair enough, they will allow you to keep such places for your business purposes and accordingly GST number will be issued. If you have offices in same city, one GST number will solve the purpose. There is no need to go for two or three GST numbers. But if you want, you can. Similarly, if you have offices within the state, you can have same GST number, one GST number. Or you can have different GST number also, law permits. But if you have business in different states, then for each state you need to have separate GST number. Then same GST number will not work. You have to obtain GST number for each state. So, you need state wise GST number.



So, friends when you are a normal dealer means you are a manufacturer or a trader and you obtain a GST registration number as I discussed in previous slides.

If you are person of different category as explained in this category in these slides means if you are a person required to deduct TDS at source means there is a provision of tax deduction at source under GST. So, then what? So, to deduct TDS from your supplier because section 51-52 of CGST Act deals with cases where the supplier or the buyer comes under the provisions of TDS or TCS. These are some different concept under GST. So, if the supplier supplying goods to certain type of customers, certain type of buyers; buyer is supposed to pay amount for the goods purchased to supplier, but before supplying, before giving the money to supplier, he is supposed to deduct certain amount of tax from the payment and he is supposed to deposit with the government. This is called TDS under GST. Suppose there is a government agency; purchases cement from a supplier or a manufacturer of cement for Rs. 5 lakhs. So, the government agency who has purchased the cement, when making payment to cement supplier, they will deduct certain amount of 2% of the total amount of the payment and will deposit to GST authorities. This is TDS provision under GST Act.

So, if the person is of that type, means otherwise he does not need any GSE number, but he is supposed to deduct TDS, he is covered under section 51-52, he is supposed to take GST registration under GST to deposit TDS. So, he will submit application in GST 07, same portal with same procedure. Also mention the details of his business and if proper officer finds his application OK, he will get registration within three days. Very simple procedure. Then sometimes it happens that many people from outside India, they come to India for selling goods or for supplying services online. So, in this case, when these people do not have any office in India, how they will get GST number?

So, law says they must submit application with self-attested copy of passport, duly signed, duly verified by authorized representative having valid PAN number in India and verified in GST 09, five days prior to commencement of the business. So, whenever such people are there to start business in India. So, before five days, they are supposed to file this application along with their passport number and PAN number of authorized representative. They must have one authorized representative in India. And if it is an entity, it means business company, then tax identification number is must. And advanced tax, they need to pay because they are coming as a casual. And then decision will be granted if papers are found okay.

Then there are some other category of people those are supplying services online, data access and retrieve services, OIDAR, from place outside India, means online gaming. So, in this case, they are supposed to deposit application, submit application GST-10 and they must have some authorized representative in India. Otherwise, they will not get the registration. So, whatever business they will do, they will deposit tax based on the registration number they got in India.

Extension of Time for Casual Dealer -Rule 15

- **Casual Tax able person can apply for extension of time period in state where he has obtain registration**
- **Application shall be submit in Form GST REG-11**
- **After submission of application he has to deposit tax in advance on estimated basis.**

So, friends, I told you about casual taxpayer people. Sometimes it happens that any party or a contractor gets some construction work in another state. It happens generally. So, this contractor is going to construct some building within a period of two months at a place other than his normal business place. So, he will get himself registered as casual taxable person for two months because he estimated that within two months he will get his building constructed. But for some other reasons after two months or around two months completion, they found that it may go for another 15 days to complete the building. Then they can apply for extension of time for another 15 days. There are the provisions. So, maximum 90 days extension time is available for casual taxable person.

Suo-moto registration -Rule16

- Where, pursuant to **any survey, enquiry, inspection, search or any other proceedings** under the Act, the proper officer finds that a person liable to registration under the Act has failed to apply for such registration, such officer may register the said person on a temporary basis and issue an order in FORM GST REG-12
- Every person to whom a temporary registration has been granted under rule shall, within a period of ninety days from the date of the grant of such registration, submit an application for registration as per rules

Friends, many times it happens that the person who is running business is under impression that he does not need a registration under GST because of some other reason.

Or sometimes because of not having any information about law, he does not go for GST registration unknowingly because he does not know there is some provision of GST or there is some GST Act in India wherein I have to go for a registration. So, he does not apply for registration and any one day proper officer or department under some survey or otherwise catch this fellow and ask for his registration number and he said, I am not aware of such provision or I am not in a business but department officers say you are supposed to. So, Rule 16 of CGST Act says, "where pursuant to any survey, inquiry, inspection, research or any other proceedings"... It happens many times that if department is scrutinizing the returns of any person, then they came across some other business entities also those are not having GST number. It happens many times, the proper officer finds that person liable to registration under the Act has failed to apply for registration. Such officer may register the said person on temporary basis and issue an order under Rule 12.

So, in that case, if officer finds something like this, he will register that fellow as a, by giving a temporary number and ask him to apply for a permanent registration number. And you are supposed to, otherwise, it will be a non-compliance. So, suo-moto registration can be done by officer if any business house fail to apply for registration.

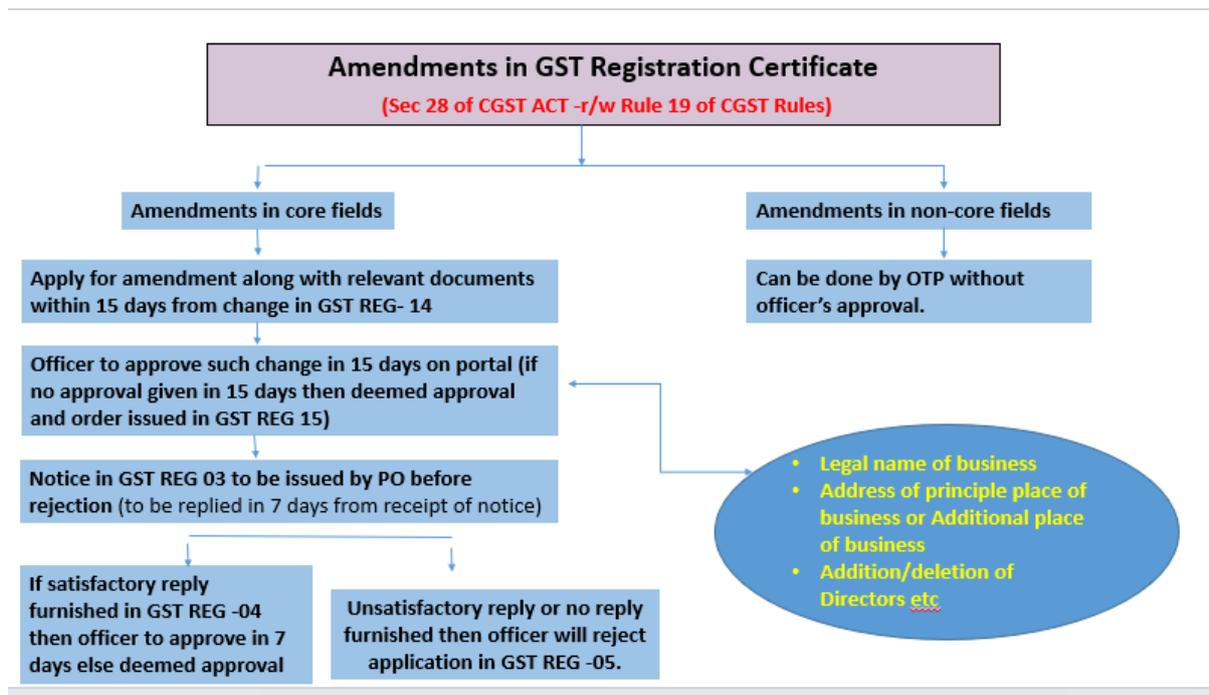
Unique Identification No –rule17

- Every person required to be granted a Unique Identity Number in accordance with the provisions of sub-section (9) of section 25 may submit an application electronically in **FORM GST REG-13**, duly signed or verified through electronic verification code, in the manner specified in rule 8 at the common porta
- The Unique Identity Number granted under sub-rule (1) to a person under clause (a) of sub-section (9) of section 25 shall be applicable to the territory of India.
- The proper officer may, upon submission of an application in FORM GST REG-13 or after filling up the said form or after receiving a recommendation from the Ministry of External Affairs, Government of India, assign a Unique Identity Number to the said person and issue a certificate in FORM GST REG-06 within a period of **three working days** from the date of the submission of the application

Then, friends, there is a provision of unique identification number. We all know that in country like India, we are having many foreign embassies, some government agencies, those are working for the best interest of the public. So, these are otherwise exempted from GST. Their services are not supposed to charge any GST.

But to streamline the things in economy, to have checks and balances in the economy and the business transactions, this concept of unique identification number is there for foreign embassies, Ministry of Foreign Affairs or some other institutions as notified by the government from time to time. So, these institutions are supposed to apply to the government in a prescribed format and get a unique identification number. So, whenever any supplier supplies goods to these organizations, their consumption pattern must be on record. And it will be. Because these organizations are exempted from their services, so whatever tax they will pay on their inputs, on their input services, they will get a refund of it.

This is special character for them, that their services are exempted and they will get refund for their input services. So, for getting refund of their tax, whatever they have paid to their suppliers, they need unique identification number based on which they will get refund of their taxes.



Then friends, many times happens that, though we have taken registration number, but because of business changes, because of government policy changes, because of political issues or some other reasons or because of expansion in the business, we need amendments in GST registration number, whatever we have obtained. So, the provisions are there. If anyone wants to amend their registration number, they can. For that purpose, all parameters, all information that has been submitted to GST portal earlier, while taking first time GST registration number, they have divided the application into core area and non-core area.

So, if you are supposed to change your core areas, then specific procedure is there. Without following that procedure, you cannot change your RC. You cannot amend your RC. But if it is non-core area, it is simple. You can go and you can amend your non-core area anytime and there is no issue. But if it is core area and core area means what? Core area means if you are going to change your name. Means whatever is your legal name of your business, you want to change that. It's a core area. If you want to change your address, your principal place of business, where your regional office or head office is there, you want to change that. Then again, it's a core area. And if there is any new coming or outgoing of directors or partners, then it's again a core area.

So, in these areas, if you want some changes, you are supposed to approach the officer. And what you will do in that case? It says apply for amendment along with relevant documents

within 15 days from change in GST registration 14 number form. You are supposed to apply within 15 days from that change. Officer to approve such change within 15 days. So, officer who is dealing with your case should, he is supposed to revert back to you within 15 days of time. And if officer wants some further clarification or is not satisfied with the paper submitted by you, he will issue you a notice. And if you get notice for that, you are supposed to reply within 7 days to the satisfaction of the officer. Otherwise, your amendment will be cancelled. So, you have provisions for amendment in your registration. As and when you have any change in your business pattern, in your product composition, in your address, if there is any additional place of business, if there is any additional warehouse, if there is any additional branch, you are supposed to get your decision amended and updated it. If you have opened some new bank account, again you have to give some details there and you are supposed to amend your decision.