

Annexure 4.5.4

FAQs

1. In GST the **buyers' tax credit is directly linked to Suppliers tax payment**. If the buyer don't upload invoices timely and don't pay/report taxes timely, the supplier have to Pay the taxes even if he pays his part of taxes on time. Will it not have the negative effect on business and what are the steps taken to prohibit such loses of a genuine tax payers?
2. Who can generate the **e-way bill**? i.e if a transporter is transporting goods for 15-20 companies, then what is the responsibility of transporter for e-way bill? What is the procedure for the same if due to contingencies the entire shipment is to be re-loaded in other truck/conveyance?
3. What would be mechanism for ITC of different tax rates? For example can ITC of 18% tax item be claimed with item of 12% tax, if yes, how?
4. What would be invoicing pattern? Whether SGST & CGST is to be mentioned separately? Whether Goods & Services can be invoiced in one invoice? How to take ITC - on purchase or on consumption?
5. What would be process to take input credit on **stock in hand**? What is the time limit for that? How much credit could be availed on stock in hand & is it same for raw material & finished goods? What if any old stock beyond 12 months lying with dealers/traders/manufacturers?
6. Suppose a trader is having stock in hand of Rs.50lacs aprox on 30th June 2017 on which current VAT is 5% but under GST new rates is 18% will he/she be able to get any exemption in such case?
7. If a trader is having closing stock of Rs.50lacs, of which 30lacs were purchased from manufacturer who charges Excise duty and CST in Invoice but till now he is not getting Credit on Excise duty and CST as he was registered under VAT only. Will he be able to get Credit of Excise duty and CST on Stock in hand under GST?
8. How will be the credit carried forward for the unsold stock of a registered VAT dealer but the dealer is not registered under excise?
9. If any organisation has raw material for which his suppliers has paid excise, who will get Input Tax Credit?
10. If any organisation has purchased raw material for which CST and Excise both have been paid. How much ITC unit will get?
11. Is there any rebate provision for SSI units in GST?
12. How to implement GST if any unit has production unit in two states?

13. How to pass the CVD+SAD Duty on **imported goods to distributors** ?

Presently the supplier has two options to pass the duty elements to the distributors:-

1. To take the Excise registration and issuance of Excise Invoice?
2. We mention these three details on the Tax Invoice [IEC, BOE, & Duty composition (CVC & SAD)] on the corresponding SKUs and on that basis our distributor can avail the credit of Duty Amount (CVD & SAD).

As per our GST consultant only aforesaid point no 1 is valid to pass on the duty. I wish to know can we go for 2nd option instead of 1st Option?

14. Whether a dealer can claim input on rent, telephone bill, consultancy bill, Printing Bill, Hotel bill etc as paid by him for office/business use? Whether a dealer can claim input on purchase of Fixed Assets (Car , AC, Furniture, Computer...etc) being used for business purpose?
15. Whether a GST dealer will be entitle to claim input on purchase from online platform (flipkart, Amazon etc.). Whether Govt. will make it mandatory to make their purchases from GST registered dealer only?
16. After GST, assessee file will be under either State Sale tax office or Central Excise office, What will be the criteria for the same?
17. Whether HSN Code need to be mentioned in each & every Invoice, Cash/retail Invoice? Practically it will be very difficult. How invoice can be revised incase there is mistake in terms of rate/ Sl No. / Make/ HSN Code etc.
18. Whether GST will be applicable on commission paid for sales promotion? At present only Income TDS needs to be deducted.
19. What will be GST dealer's liability for purchase/ business expense made from unregistered dealer?
20. If a dealer opt for composite scheme but in later part of the year he exceed the composite limit, what will be his liability? How it will be calculated?

In the State of Rajasthan, Marble & Granite accounts for the bulk of state's industrial output and employment generation after agriculture. It's the mass industry of Rajasthan covering 22 districts out of 33 district of Rajasthan where it's been mined & processed. Industries in this sector we request to kindly consider the following under GST regime:

- 1) As the rates on Marble & Granite under GST is 28% where as it was 5% earlier under Vat regime and in the last GST council meeting the Handicraft & Inlay (Natural Stone) was reduced from 28 to 12% where as for making handicraft & inlay all have to purchase material at 28% as this sector is in tiny and small scale sector and labour incentive, secondly the competitor products like vitrified, manmade items were at 31.5 % was now reduced to 28% at par with natural product so impossible to compete with them ultimately lead to closure of the natural stone industry in span of time so Urgent attention is required to reduce

the Rates of Natural Stone if deemed kindly depute a committee for study of ground reality of the abnormalities in the stone sector.

- 2) Problems faced in the implementation of GST by MSME sector following correction required at the earliest for proper compliance.
- 3) Remove Reverse charge Mechanism procedure of GST under Section 9(4).
- 4) Remove provision of paying GST while taking advance from Customer.
- 5) To remove provision of not getting credit if supplier does not pay GST in Time/Fail to pay GST, It's Govt Responsibility to collect Tax not Buyer.
- 6) To simplify GST rates one GST Rates for one Chapter.
- 7) To remove Provision of E way Bill/Permit, better to keep out of state Business where value is more than 1 Lakhs.
- 8) Returns provision instead of monthly be made Quarterly for MSME below 4 Crores Turnover, Remove requirement of HSN code for MSME, feeding of line wise item should be removed and should be allowed to enter the details of supply GSTIN wise.
- 9) For MSME Sector composition scheme be raised from 75 Lakh to 1.5 Crores and allow interstate sale.
- 10) In cash ledger the amount should be reflect only in one head instead of IGST, CGST, SGST, Late fee, Interest like erstwhile regime of Excise(PLA)
- 11) Remove the procedure of getting OTP for Each & Every Transaction and also the digital Signature for MSME.
- 12) Proper GST Training for the department as well as MSME sector should be carried out.
- 13) Work contract service charge liability has increase 12% which is felt high by MSMEs.
- 14) Khadi/PMEGP units are now not getting exemption needs to be compensated for getting the level playing field.