



GST HANDBOOK





CONTENTS

Serial No.	Particulars	Page Nos.
1.	GST Snapshot	3 – 4
2.	Closing Stock Tax Differential	5 – 6
3.	How to handle selling to customers under GST	7 – 14
4.	How to handle buying from Red Bull under GST	15 – 17
5.	Frequently Asked Questions	18 – 28
6.	Compliance Summary	29 – 30
7.	Red Bull India GST Help Desk	31



GOODS AND SERVICE TAX SNAPSHOT

INDIA'S BIGGEST TAX REFORM - ONE NATION ONE TAX

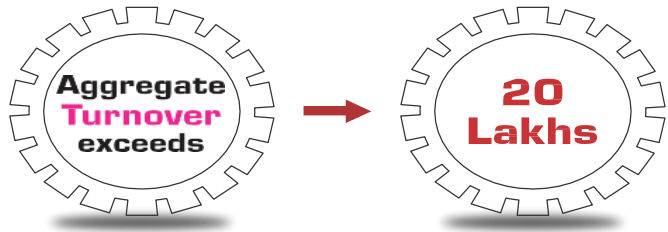
- Tax on any **supply** of both **goods and services**. Will **replace** existing taxes such as VAT, entry tax/octroi, service tax etc.
- All **Electronic** processes- no paper filings
- **Destination based tax (place of supply)**
- For Intra State Supply - **Dual Tax Structure**
 - Central Goods and Service Tax (CGST)
 - State Goods and Service Tax (SGST)/ Union Territory Goods & Service Tax(UGST)
- For Inter State Supply – **IGST**





Criteria for GST

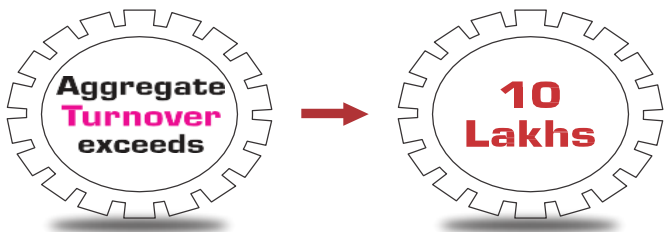
For All India [Except Special Category States]



When your aggregate turnover exceeds **20 Lakhs**, GST is applicable

For Special Category States*

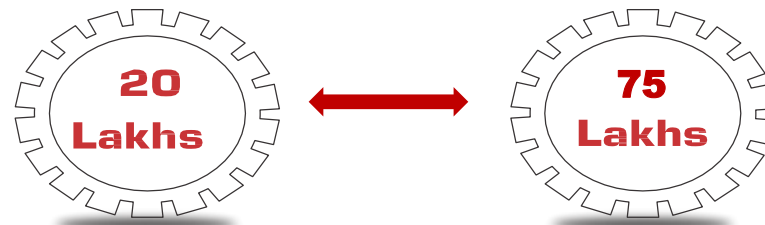
(As the aggregate turnover exceeds above 10 Lakhs GST is applicable under this category)



***Special Category States:** Arunachal Pradesh, Assam, Jammu & Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh and Uttarakhand.

Criteria for Composition Scheme

Aggregate Turnover between



For special category, the slab starts at 10 lakhs

- 1 % GST applicable on all sales
- Input Credit is not available on purchases



CLOSING STOCK

AS ON 30TH JUNE

- **VAT Input Tax Credit**
 - VAT on purchases would be available as Input Tax Credit
- Apart from VAT credit, either of the following can be availed as additional input credit on closing stock:-
 - a) For goods purchased with excise invoice – Take Full CVD credit**

amount of CVD credit will be mentioned on the excise invoice issued by Red Bull India.
OR
 - b) For goods purchased without excise invoice - Take Deemed Credit**

DP can take 60% tax credit on CGST amount applicable while selling. Provided, DP shall pass on the benefit of such credit by way of reduced prices to the customer

Conditions to avail credit :-

- *Opening Stock details to be filed (in FORM GST TRAN-1) within 90 days of 1st July, 2017*
- *File monthly statement for such stock till it lasts or 6 months, whichever is earlier (in FORM GST TRAN-2)*



Red Bull India will reimburse net tax differential on Closing Stock



CLOSING STOCK EXAMPLE

ILLUSTRATION EXPLAINING CALCULATION (ALL FIGURES ARE ON ASSUMPTION BASIS)

Normal Invoice

GST liability :- 28% of Rs. 80 = Rs. 22.40/-

Input VAT credit – 14.5% of Rs.80 = Rs. 11.60/-

Excise Credit – 60% of CGST

= 60% of half of 28 % (14%)

= $0.60 \times 0.14 \times 80 = \text{Rs. } 6.72/-$

Tax Differential to be reimbursed :-

$\text{Rs.}(22.40 - 11.6 - 6.72) = \text{Rs. } 4.08 \text{ per can}$

Excise Invoice

GST liability :- 28% of Rs. 80 = Rs. 22.40/-

Input VAT credit – 14.5% of Rs. 80 = Rs. 11.60/-

Excise Credit – CVD Credit as per Excise Invoice

= Rs. 10/- for a SKU (assuming)

Tax Differential to be reimbursed :-

= $\text{Rs.}(22.4 - 11.6 - 10) = \text{Rs. } 0.80 \text{ per can}$



Reimbursed Amount



A detailed calculation for reimbursement & Claim process will be shared by Red Bull later





HOW TO HANDLE SELLING UNDER GST



TAX INVOICE

Copies of Tax invoice for supply of goods

Copy 1: Original for Recipient

Copy 2: Duplicate for Transporter

Copy 3: Triplicate for Supplier



Tax Invoice to be issued to retailer **before or at the time of dispatch of goods.**

Tax Invoice should have the following **mandatory** fields as per GST Law:

- Name, address, **GSTIN of supplier**
- Name, address, **GSTIN of receiver**
- Serial no.
- Date of Issue
- Address of delivery, State name and code (if unregistered)
- **HSN/SAC code**
- Description of goods/services
- Quantity/Unique quantity code
- Total value
- Taxable value taking into account discounts etc.
- Rate of Tax
- Tax charged
- **Place of supply**
- **Whether tax is payable on reverse charge basis**

USE HEERA SOFTWARE TO PRINT GST COMPLIANT TAX INVOICE



TAX INVOICE

Sale to Registered Retailers

- GST Registration Number of Retailer should be mentioned on the Tax Invoice
- Each and every invoice should be uploaded on Form GSTR – 1
- Line by Line items to be individually matched by both parties online

Sale to Unregistered Retailers

- Allowed under GST
- Party name and address is very important
- All fields to be mentioned in tax invoice
- Sales summary to be uploaded on Form GSTR – 1
- Advisable to keep some documentation (ID etc.) for each unregistered account

**IF AGGREGATE VALUE TO A SINGLE PARTY EXCEEDS 2.5 LACS,
PAN NUMBER SHOULD BE OBTAINED FROM THE PARTY/ INDIVIDUAL**



SAMPLE TAX INVOICE

APARNA MARKETING..

2/5, NEXT TO MAHARASHTRA BANK,, SINHGARH ROAD, PUNE-411041
PH : 9532156478, 9563525862 FIRM GSTIN : 123456789012345

ORIGINAL/DUPLICATE COPY

Details of Receiver (Billed to)

AARIZ MEDICAL STORE (KONDHWA) [001271]

SHIVANERI NEGAR

C\O SAI MEDICAL,

STATE CODE: 27 NAME : MAHARASHTRA

GSTIN/Unique ID : 12345543454

PLACE OF SUPPLY : MAHARASHTRA

INVOICE NO : 12345 1 DATE : 08/06/2017

Details of Consignee (Shipped to)

AARIZ MEDICAL STORE (KONDHWA) [001271]

SHIVANERI NEGAR

C\O SAI MEDICAL,

STATE CODE: 27 NAME : MAHARASHTRA

GSTIN/Unique ID :

CONTACT NO. :

Description of Goods	HSN Code	BATCH NO.	EXPIRY DATE	Qty	MRP	Rate PerPcs	Total	Disc	Taxable Value	CGST %	SGST Amt. %	IGST Amt. %	
RB Yellow Edition IN Alu Can 24x250ml	22029090	H0517123	03/18	120	110	77.19	9262.80	304.58	9078.22	14.0	1254.15	14.0	1254.15
Red Bull ED IN 6 x 24x250ml 6P Neymar	22029090	H0417123	02/18	240	100	70.18	16843.20	335.64	16507.56	14.0	2311.06	14.0	2311.06
RED BULL ENERGY DRINK CAN 350ML	22029090	H0317123	01/18	96	103	71.93	6905.28	137.60	6767.68	14.0	947.48	14.0	947.48

GROSS AMOUNT	33011.28	SCHEM DISC	120.00	CASH DISC	657.83	STAR DISC	
CGST AMOUNT	4512.68	SGST AMOUNT	4512.68	IGST AMOUNT		TOTAL GST	9025.36
CREDIT NOTE		ADD OTHER		ROUNDING	0.19	NET AMOUNT	41259.00

TOTAL INVOICE VALUE (IN WORDS) RS. FORTY ONE THOUSANDS TWO HUNDRED FIFTY NINE ONLY

NOTE :

Receivers Stamp & Sign.

FOR APARNA MARKETING..



DISPATCH OF COOLERS, POSM AND SAMPLING CANS

TO BE DISPATCHED AGAINST DELIVERY CHALLAN

Delivery Challan is similar to Tax Invoice.
Except for coolers, POSM and free cans the GST
amt. and % will be zero

It is a legal document & contains Taxable Value of
goods

To make Ease of Operations we are
introducing **POSM Module in Bulls-I**



Like Invoice, Delivery Challan shall also be downloaded
and printed from Bulls-I



Delivery Challan serial numbers to be uploaded online on
GSTR-1





DELIVERY CHALLAN

TO MANDATORILY CONTAIN THE FOLLOWING AS PER GST LAW:-

- Name, address, **GSTIN of supplier**
- Name, address, **GSTIN of receiver**
- Serial no.
- Date of Issue
- **HSN/SAC code**
- Description of goods
- Quantity/Unique quantity code
- Taxable value taking into account discounts etc.
- Tax Rate and Tax amount – CGST, SGST, IGST or cess, etc. (to be entered as zero in case of POSM goods)
- Place of supply in case of inter State movement
- Signature/ Digital signature of supplier/authorized representative





E - WAY BILL GENERATION

FOR SUPPLIES EXCEEDING RS. 50,000 IN VALUE



Whenever the consignment value **exceeds fifty thousand rupees**, DP needs to **generate** an E-Way Bill **before movement of goods** in **Part A of FORM GST INS 01**. The bill will be generated **'Online'**

Upon generation of the e-way bill, a unique e-way bill number (EBN) shall be made available to the supplier, the recipient and the transporter on the common portal

SR. No.	Distance	Validity (Days)
1	Less than 100 Kms	One
2	100 Kms or more but less than 300 Kms	Three

The E-Way Bill 'RULES' are still pending to be released, so Red Bull will update Distributors as and when there is more clarity. Till then old practice to be followed



FORM GSTR – 1

UPLOADING OF ALL SALES BY 10TH OF SUBSEQUENT MONTH



Upload **all invoices** issued against **sales to registered customers** in the month, along with **all debit/ credit notes issued to the customers**



Summary of Sales to be uploaded for **unregistered retailers.**



HSN Wise summary of outward supplies to be uploaded



Serial number for documents issued/cancelled in the month like Invoices, Debit/Credit notes, Receipt Voucher, Delivery challan etc.

Form GSTR-1

[See Rule ----]

Details of outward supplies of goods or services

Year				
Month				

1.		GSTIN																			
2.	(a)	Legal name of the registered person																			
	(b)	Trade name, if any																			
3.	(a)	Aggregate Turnover in the preceding Financial Year																			
	(b)	Aggregate Turnover - April to June, 2017																			

4. Taxable outward supplies made to registered persons (including UIN-holders) other than supplies covered by Table 6

(Amount in Rs. for all Tables)

GSTIN/ UIN	Invoice details			Rate	Taxable value	Amount				Place of Supply (Name of State)
	No.	Date	Value			Integrated Tax	Central Tax	State / UT Tax	Cess	
1	2	3	4	5	6	7	8	9	10	11
4A. Supplies other than those (i) attracting reverse charge and (ii) supplies made through e-commerce operator										
4B. Supplies attracting tax on reverse charge basis										
4C. Supplies made through e-commerce operator attracting TCS (operator wise, rate wise)										
GSTIN of e-commerce operator										

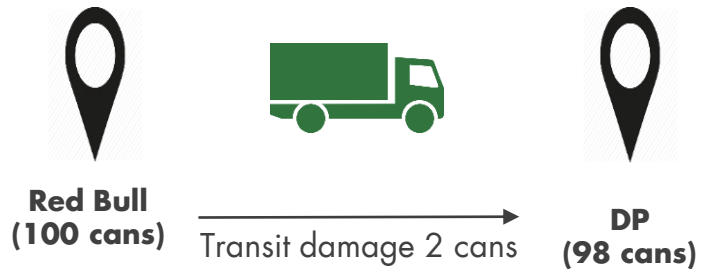


HOW TO HANDLE BUYING UNDER GST



IN CASE OF STOCK MISMATCH ON RECEIPT OF GOODS

Under VAT



DP records 98 cans as received in the delivery challan

Under GST



- DP will record 100 cans as 'received' in the delivery challan
- Raises **separate MEMO** as damage claim/ sales return for the 2 cans
- Red Bull to raise a **taxable credit note for 2 cans** and uploads it on GSTR
- **DP Accepts** the invoice and credit note separately on GSTR-2 **as uploaded by Red Bull**



FREQUENTLY ASKED QUESTIONS



FREQUENTLY ASKED QUESTIONS

Q. Can I Sell to unregistered retailer ?

Ans) Yes, same needs to be captured as sales to unregistered party.

Q. Can a person registered under Composite Scheme raise service invoice?

Ans) No, Composite scheme is not applicable for person rendering services.

Q. Can I do bill modification post supply ?

Ans) No, bill modification is not allowed under GST. Any subsequent changes must be carried out either through issue of revised / supplementary invoice or credit note or debit note

Q. Can Selling price be lower than Purchase Price?

Ans) Under GST, there is no restriction on selling price. It can be lower than selling price.





FREQUENTLY ASKED QUESTIONS

Q. In case input tax credit is higher than output tax credit, will Government issue a refund ?

Ans) Refund provision is available in case of supplies of goods and services subject to an inverted duty structure (i.e. inputs are taxed at higher rates whereas output is taxed at lower rate). In case of distributors, situation is different, hence no refund will be allowed. Credit can be carried forward to next year.

Q. Will there be a change in invoice format if I am selling to unregistered person ?

Ans) No, same invoice format under GST will be applicable for supplies of goods and services to unregistered persons

Q. If I am registered under Composite Scheme, will invoice format be different ?

Ans) Yes, tax cannot be displayed on invoice. Tax cost @ 1% will become additional costs and will be submitted in return filing.





FREQUENTLY ASKED QUESTIONS



Q. Whether HSN/SAC and invoice details are to be submitted in all the returns of outward supplies ?

Ans) HSN/SAC details are to be submitted in all cases except while filing details of Nil rated, Exempted and Non-GST outward supplies.

Q. Whether we need to enter details of purchases in GSTR-2 ?

Ans) Details of outward supplies entered by the supplier in GSTR-1 are auto populated in GSTR-2 submitted by recipient. Besides these details, recipient are permitted to add invoices (not uploaded by counterparty supplier) if he is in possession of invoices and has received the goods or services.



FREQUENTLY ASKED QUESTIONS

Q. What is the purpose of Compliance rating mechanism?

Ans. As per Section 149 of the CGST/SGST Act, every registered person shall be assigned a compliance rating based on the record of compliance in respect of specified parameters. Such ratings shall also be placed in the public domain. A prospective client will be able to see the compliance ratings of suppliers and take a decision as to whether to deal with a particular supplier or not. This will create healthy competition amongst taxable persons.

Q. Is there any provision in GST for tax treatment of goods returned by the recipient?

Ans. Yes. Where the goods supplied are returned by the recipient, the supplier of goods may issue to the recipient a taxable credit note containing the prescribed particulars.

Q. ABC has credit balance of Rs 50,000/- in CGST and Rs 10,000/- in Delhi GST. He has his tax liability of Rs 20,000/- under the SGST in a particular month. Can he utilize the credit of CGST for payment of SGST?

Ans) No. Cross set off of CGST and SGST is not permitted.





FREQUENTLY ASKED QUESTIONS

Q. What is meant by Reverse Charge?

Ans. It means the liability to pay tax is on the recipient of supply of goods and services instead of the supplier of such goods or services in respect of notified categories of supply.

Q. What will be the implications in case of receipt of supply from unregistered persons?

Ans. In case of receipt of supply from an unregistered person, the registered person who is receiving goods or services shall be liable to pay tax under reverse charge mechanism.

Q. Can GST paid on reverse charge basis be considered as input tax?

Ans. Yes. The definition of input tax includes the tax payable under the reverse charge.





FREQUENTLY ASKED QUESTIONS



Q. What would happen of the ITC taken by the registered person if he has not paid the consideration along with tax within 180 days from the date of issue of invoice?

Ans. The amount of ITC would be added to output tax liability of the person. He would also be required to pay interest. However, he can take ITC again on payment of consideration and tax.

Q. What happens where the details of inward supplies furnished by the recipient do not match with the outward supply details furnished by the supplier in his valid return?

Ans. In case of mismatch, the communication would be made to the both parties. If the mismatch is not rectified, then the amount will be added to the output liability of recipient in the return for the month succeeding the month in which discrepancy is communicated.

Q. Is input tax credit allowed only after matching?

Ans. No, input tax credit is allowed provisionally for two months. The supply details are matched by the system and discrepancies are communicated to concerned supplier and recipient. In case mismatch continues, the ITC taken would be reversed automatically.



FREQUENTLY ASKED QUESTIONS



Q. What type of outward supply details are to be filed in the return?

Ans. A normal registered taxpayer has to file the outward supply details in GSTR-1 in relation to various types of supplies made in a month, namely outward supplies to registered persons, outward supplies to unregistered persons (consumers), details of Credit/Debit Notes, zero rated, exempted and non-GST supplies, exports, and advances received in relation to future supply

Q. Can a recipient feed information in his GSTR-2 which has been missed by the supplier?

Ans. Yes, the recipient can himself feed the invoices not uploaded by his supplier. The credit on such invoices will also be given provisionally but will be subject to matching. On matching, if the invoice is not uploaded by the supplier, both of them will be intimated. If the mismatch is rectified, provisional credit will be confirmed. But if the mismatch continues, the amount will be added to the output tax liability of the recipient in the returns for the month subsequent to the month in which such discrepancy was communicated.



FREQUENTLY ASKED QUESTIONS

Q. If a return has been filed, how can it be revised if some changes are required to be made?

Ans. In GST since the returns are built from details of individual transactions, there is no requirement for having a revised return. Any need to revise a return may arise due to the need to change a set of invoices or debit/ credit notes. Instead of revising the return already submitted, the system will allow changing the details of those transactions (invoices or debit/credit notes) that are required to be amended. They can be amended in any of the future GSTR-1/2 in the tables specifically provided for the purposes of amending previously declared details.

Q. What is the consequence of not filing the return within the prescribed date?

Ans. A registered person who files return beyond the prescribed date will have to pay late fees of rupees one hundred for every day of delay subject to a maximum of rupees five thousand.





FREQUENTLY ASKED QUESTIONS

Q. How will the IGST be paid and ITC on IGST be utilized ?

Ans. The IGST payment can be done utilizing ITC or by cash. However, the use of ITC for payment of IGST will be done using the following hierarchy, -

First available ITC of IGST shall be used for payment of IGST;

Once ITC of IGST is exhausted, the ITC of CGST shall be used for payment of IGST;

If both ITC of IGST and ITC of CGST are exhausted, then only the dealer would be permitted to use ITC of SGST for payment of IGST.

Remaining IGST liability, if any, shall be discharged using payment in cash. GST System will ensure maintenance of this hierarchy for payment of IGST using the credit.

Q. Can invoice data be uploaded on day to day basis?

Ans. Yes, GST Portal will have functionality for taxpayers to upload invoice data on any time basis. Early upload of invoices by supplier taxpayer will help receiver taxpayer in early reconciliation of data in Invoices as well as help supplier taxpayer in avoiding last minute rush of uploading returns on the last day.





FREQUENTLY ASKED QUESTIONS



Q. Will GSTN provide tools for uploading invoice data on GST portal?

Ans. Yes, GSTN will provide spreadsheet like tools (such as Microsoft Excel), free of cost, to taxpayers to enable them to compile invoice data in the same and generate files which can then be uploaded on GST portal. This will be an offline tool which can be used to input/capture invoice data without being online and then generate final files in compatible format for uploading to GST portal.

Q. Can a person take input tax credit without payment of consideration for the supply along with tax to the supplier?

Ans. Yes, the recipient can take ITC. But he is required to pay the consideration along with tax within 180 days from the date of issue of invoice. This condition is not applicable where tax is payable on reverse charge basis.



COMPLIANCE REQUIREMENTS SUMMARY

GST Registration

- Self Registration under GST
- Take Retailer GST Registration Nos. and update on Heera Software

Change Documentation Format

- For Tax Invoice and Debit/ Credit Note
- For Delivery Challan

One to One Matching of all goods and services

- Upload Invoice wise sales data on GSTR 1
- Accept all purchase invoices on GSTR-2
- Report all debit/ credit notes in monthly GSTR forms

E- Way Bill

- Generate E Way bill online for all movements above Rs.50,000/-
- E Way Bill is valid for a limited period



MONTHLY FILINGS

Before 10th of every month

- ✓ **GSTR-1 Upload Outward Supplies**
- ✓ Invoice level details **GSTR-7**
- ✓ Upload details of TDS

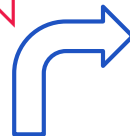


Between 10th and 15th

- ✓ **GSTR-2A**
Verify auto populated details of **Inward Supplies**



***RECONCILIATION on GSTN**



Between 10th and 15th

- ✓ **GSTR-2**
2A submitted as 2
- ✓ **Corrections** to inward supplies to be made here if required

Between 10th and 15th

- ✓ **GSTR-1A Review**
supplies added, corrected or deleted from customers–
✓ May accept or reject
✓ Form GSTR1 gets amended



Between 15th and 20th

- ✓ **GSTR-3**
File **Monthly return** on the basis of finalization
- ✓ Part A auto-populated from GSTR1 and GSTR2

1st to 10th

10th To 15th

15th to 20th



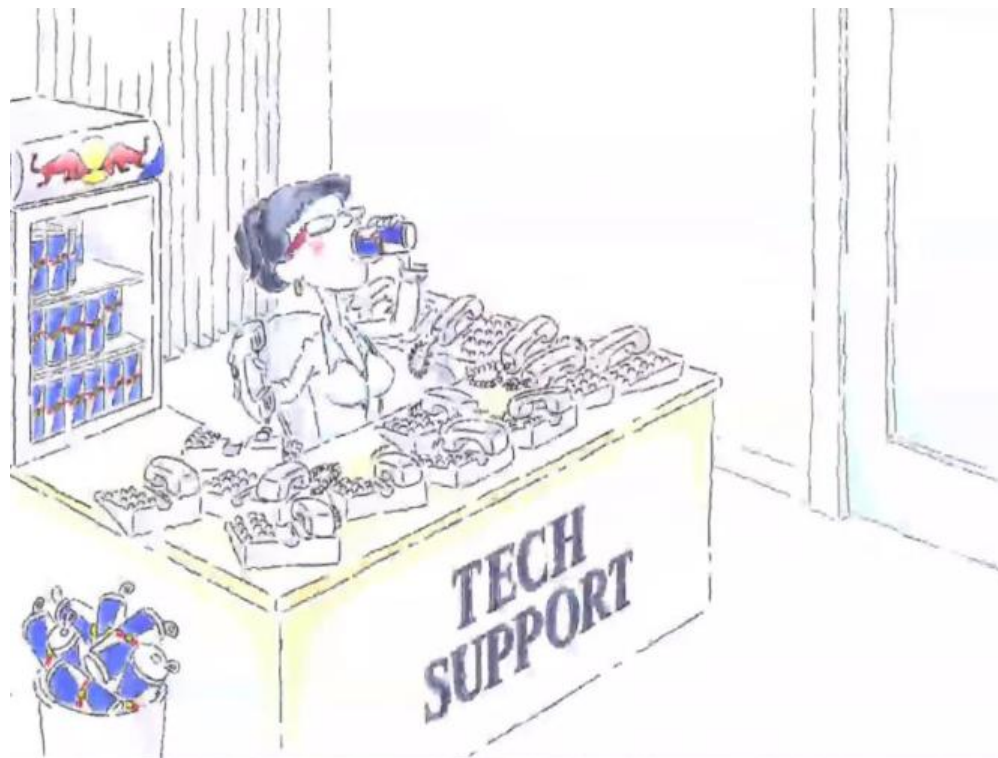
RED BULL INDIA GST HELPDESK

Red Bull Help Desk

Ankur Goyal - +91 22 6618 0801;

Abhishek Upadhyay - +91 22 6618 0862

E mail Id :- gsthelphdesk@in.redbull.com





THANK YOU