

Goods & Service Tax - GST



Why GST replaced other taxes in India ?

India needed GST to replace the complex, state-wise system with a unified "One Nation, One Tax" structure. It removed trade barriers, reduced tax-on-tax effects, simplified compliance and promoted transparency through digital systems. GST improved ease of doing business, widened the tax base, lowered costs for consumers, and aligned India with global tax standards





Key Features of GST

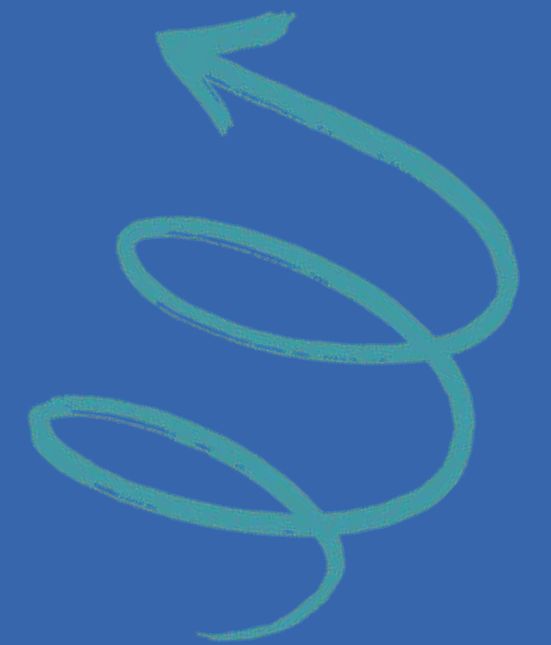
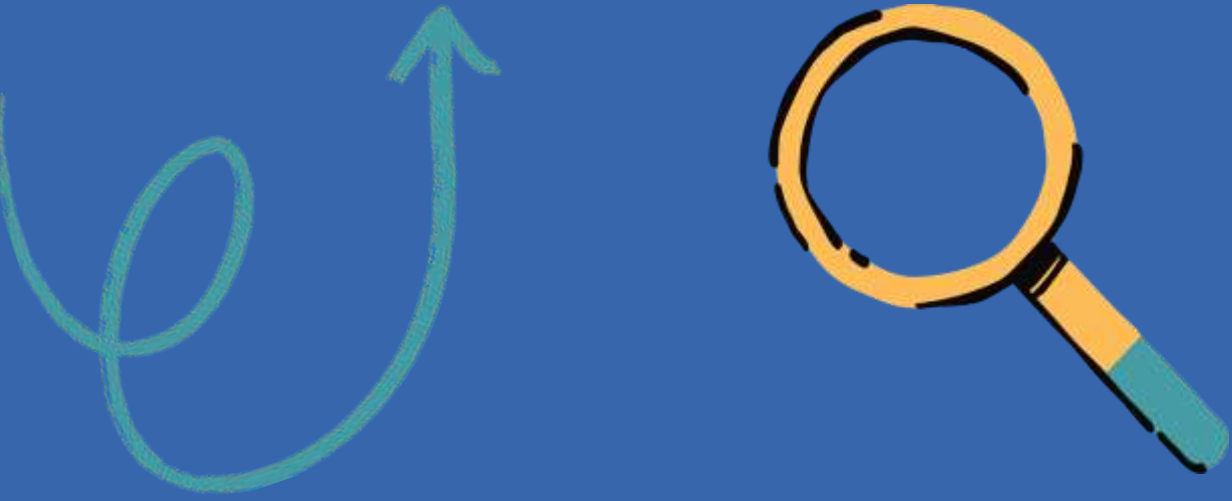


- ✓ One Nation, One Tax
- ✓ Destination based tax
- ✓ Multiple slab rates
- ✓ Comprehensive coverage
- ✓ Input tax credit



Types of GST

- ✓ CGST
- ✓ SGST
- ✓ UTGST
- ✓ IGST





Who needs to register ?

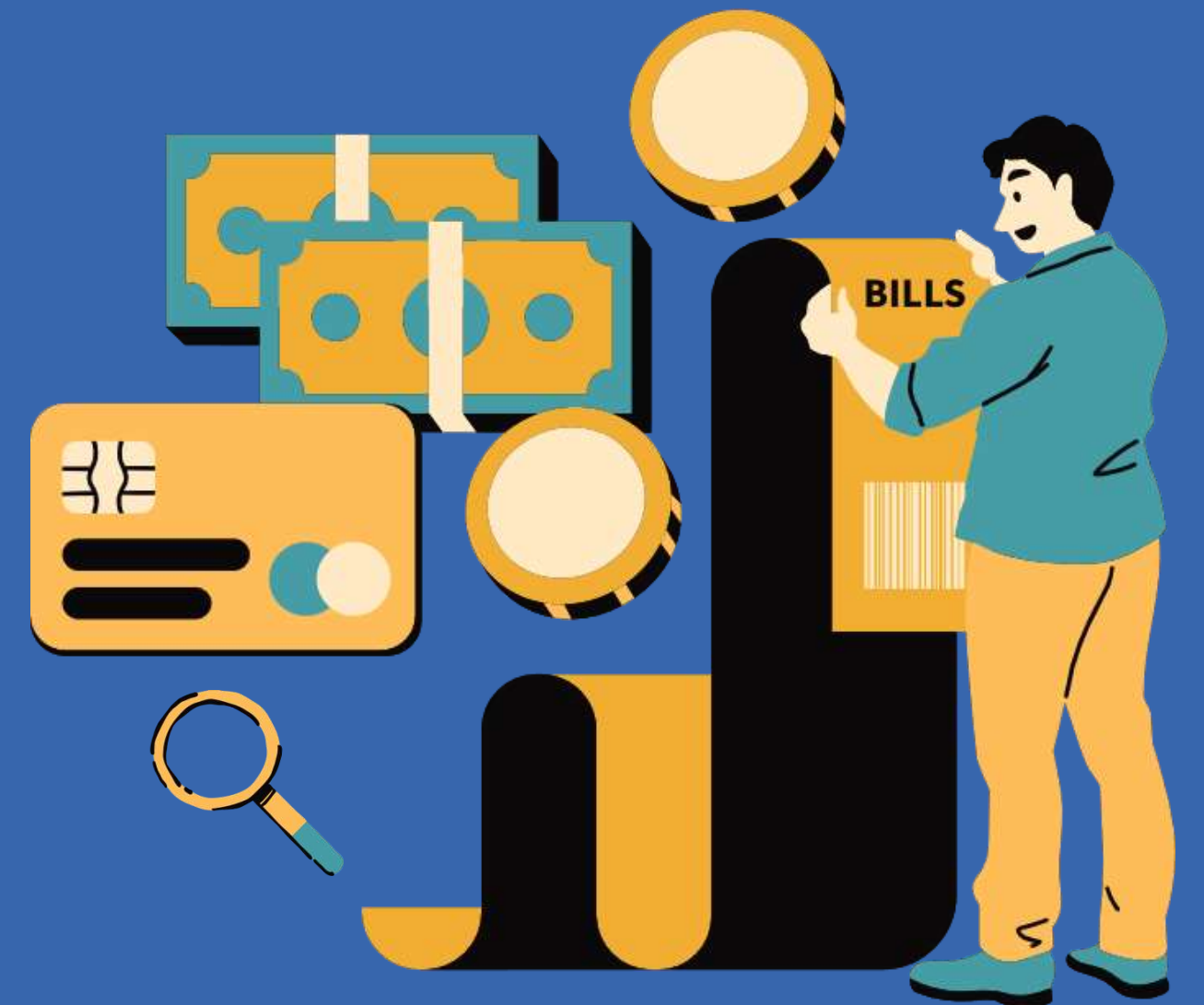
- ✓ For goods supplier – Turnover Rs. 40 lakhs annually
(Rs. 20 lakhs for special category states)
- ✓ For service providers – Turnover Rs. 20 lakhs annually
(Rs. 10 lakhs for special category states)
- ✓ For interstate suppliers – Must register regardless
of turnover





Who needs to register ?

- ✓ E-Commerce Operators
- ✓ Casual Taxable Person
- ✓ Non-Resident Taxable Person
- ✓ Agents of Suppliers
- ✓ Input Service Distributors
- ✓ Businesses under Reverse Charge



Composition Scheme



It is a simplified tax system for small businesses with an annual turnover of up to Rs. 1.5 crore. It allows them to pay tax at a fixed, lower rate on their turnover instead of regular GST rates and file fewer returns. However, they cannot claim input tax credit. This scheme aims to reduce compliance burden and make taxation easier for small taxpayers



Reverse Charge Mechanism



Reverse Charge Mechanism (RCM) is a system under GST where the responsibility to pay tax shifts from the supplier to the recipient of goods or services. Instead of the seller paying GST, the buyer directly pays it to the government, commonly used for unregistered purchases, specific notified services, and imports





GST Rates

0 %

Basic necessities to keep essential commodities affordable

5 %

Essential items and services but not completely exempt, so small revenue is collected

12 %

Standard rates for most goods/services—balancing revenue with affordability

18 %

Standard rates for most goods/services—balancing revenue with affordability

28 %

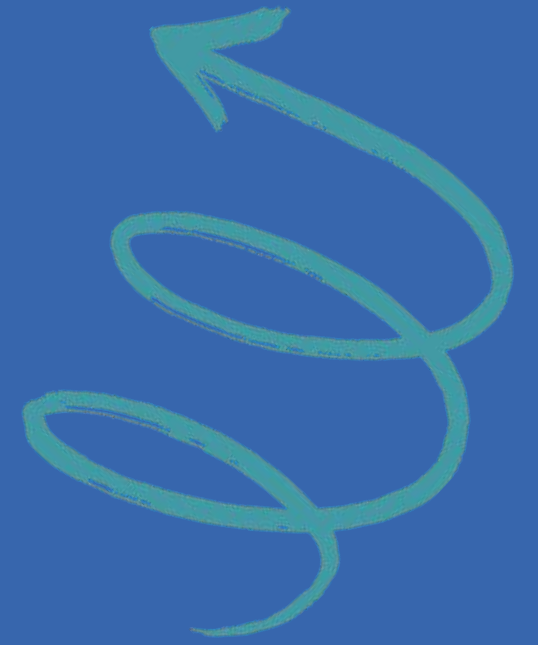
Luxury and “sin” goods to discourage overconsumption and raise higher revenue





Exemption under GST

- ✓ Exempted Goods – Fruits, vegetables, unbranded food grains, Milk, Salt, Books etc.
- ✓ Exempted Services – Healthcare, Education, Public Transportation, Charitable & Religious Trusts, Agriculture etc.





E –Way Bill

It is a digital document required under the GST system for the movement of goods worth more than Rs. 50,000 within or across states in India. It contains details such as the consigner, consignee, goods description, quantity and vehicle number. It must be generated online on the official e-way bill portal before transportation, and both the supplier and transporter are responsible for its compliance.





E – Invoicing

E-invoicing under GST requires businesses with turnover above ₹5 crore to upload B2B invoices to the IRP, which validates them and issues an IRN and QR code. It integrates with existing billing software, prevents fake invoices, and auto-populates GST returns, ensuring accuracy and transparency





Types of returns under GST



GSTR - 1

Monthly return
filed to report all
outward supplies
(Sales)

GSTR - 2A

Monthly auto-
generated report of
all inward supplies
(Purchases)

GSTR - 2B

Monthly auto-
generated
statement about
eligible ITC

GSTR - 3B

Monthly return
showing
summary and
GST payable

GSTR - 4

Quarterly return filed
by businesses
registered under
composition scheme

GSTR - 5

Monthly return filed
by Non-resident
taxable persons



Types of returns under GST



GSTR - 6

Monthly return
filed by Input
Service
Distributors

GSTR - 7

Monthly return
showing TDS deducted
from payments to
suppliers

GSTR - 8

Monthly return
showing TCS collected
by E-Commerce
operator

GSTR - 9

Annual return
showing taxes paid
and ITC claimed
during the year

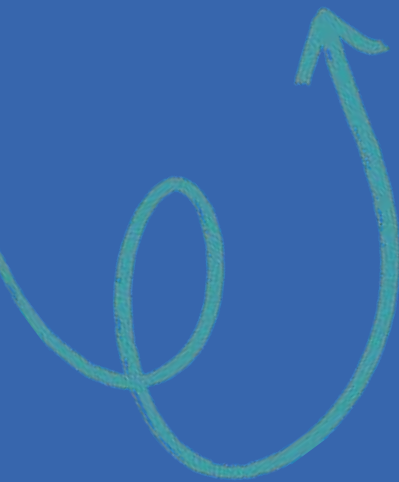
GSTR - 10

Final return filed
when the GST
registration has been
cancelled



Impact of GST

GST has unified India's indirect taxes into a single system, simplifying compliance and reducing costs through seamless input tax credit. It improved transparency, boosted revenue and made interstate trade smoother. Despite initial challenges, GST has enhanced efficiency, accountability and uniformity in the economy.



Thank You Very Much!

