

**IDBI Bank Limited****Customer Awareness FAQ on Goods and Services Tax (GST)**

Worldwide, GST is followed in almost 150 countries. Maximum countries have a unified GST system. Some countries have a dual system which India has implemented w.e.f July 1, 2017.

GST stands for Goods and Services Tax. GST will be a single destination based consumption tax that will replace existing taxes, including CENVAT, Octroi, Sales Tax, and Excise Duty, etc. In order to ensure that you are ready for the changes under GST, a FAQ has been compiled to inform the key impact areas under GST.

**Frequently Asked Questions (FAQs)**

Sr. No.	Questions	Answers
1.	Is registration under GST mandatory?	<p>Registration in GST is not mandatory for all the suppliers of goods/services. Any person without GST registration can neither collect GST from his customers nor can claim any input tax credit of GST paid by him.</p> <p>However, it is mandatory for following persons:</p> <ol style="list-style-type: none"> <li>a. Persons registered under existing law of indirect taxes.</li> <li>b. Every person who makes a taxable supply of goods or services or both, if his aggregate turnover in a financial year exceeds Rs.20 lakh, however, the threshold is Rs.10 lakh for special category states (i.e. Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh, Uttarakhand).</li> <li>c. Person making inter-state supplies of goods/services.</li> <li>d. Other person as specified time to time by the government.</li> </ol> <p><i>PAN is mandatory to apply for GST registration. Visit <a href="http://www.cbec.gov.in">www.cbec.gov.in</a> for more details</i></p>
2.	How to view full guide on registration?	<p>The following steps may be performed</p> <ol style="list-style-type: none"> <li>1. Access the <a href="http://www.gst.gov.in">www.gst.gov.in</a> URL. The GST Home</li> </ol>

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		<p><i>discharge the GST liability, raise a tax invoice and a payment voucher. In order to reduce the above additional burden, we would prefer to deal with the registered suppliers.</i></p> <p><i>Also once registered, request you to provide your provisional GSTIN (for each State from where the goods are supplied to us so that we can update the same in our vendor master.</i></p>
8.	Which authority will levy and administer GST?	Central tax and Integrated tax will be levied & administered by the Central government and State / Union territory tax will be levied & administered by the government of respective State / Union territory.
9.	Which all taxes have been subsumed by GST?	<p>Following taxes are subsumed in GST:</p> <p><b>Central Taxes</b> [<i>Service Tax; Central excise duty; Additional excise duties; Excise duty levied under the Medicinal and Toiletries Preparation Act; Countervailing Duty (CVD); Special additional duty (SAD); Central Sales Tax; Surcharges and cess.</i>],</p> <p><b>State Taxes</b> [<i>VAT/Sales tax, Entertainment tax (other than levied by local bodies), Entry tax (All forms), Purchase tax, Luxury tax, Taxes on lottery, betting and gambling, Taxes on advertisement, State surcharges and cess.</i>]</p>
10.	Is there any tax which is not subsumed in GST?	<p>Yes. Following taxes are not subsumed in GST:</p> <ol style="list-style-type: none"> <li>Basic Customs Duty and safeguard duties on Imports</li> <li>Stamp Duty</li> <li>Road Tax</li> <li>Electricity Duty</li> <li>Profession tax</li> </ol>
11.	Is GST one tax?	GST is one tax only. There are 3 types of GST, i.e. Central tax, State tax/Union territory tax and Integrated tax.
12.	What is Central tax?	Central tax is Central Goods and Services Tax. It will be collected on supplies of goods/services within same State.
13.	What is State tax?	State tax is State Goods and Services Tax. It will be collected on supplies of goods/services within same State.
14.	What is Union territory tax?	Union territory (UT) tax is Union Territory Goods and Services Tax. It will be collected on supplies of goods/services within same union territory. This is like State tax only.
15.	What is Integrated tax?	Integrated tax is Integrated Goods and Services Tax. It will be collected on supplies of goods/services in

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		<p>goods are packed and transported with insurance, the supply of goods, packing materials, transport and insurance is a composite supply and supply of goods is the principal supply.</p> <p><b>Mixed supply</b> is combination of more than one individual supplies of goods or services or any combination thereof made in conjunction with each other for a single price, which can ordinarily be supplied separately. For example, a supply of package consisting of canned foods, sweets, chocolates, cakes, dry fruits, aerated drink and fruit juice when supplied for a single price is a mixed supply. In case each of item can be supplied separately and it is not dependent on any other. It shall not be a mixed supply if these items are supplied separately.</p>
21.	Are any activities excluded from list of services/goods?	<p>Few activities, as included in Schedule-III of CGST Act are</p> <p>(i) services by an employee to the employer in the course of or in relation to his employment, (ii) services by any Court or Tribunal established under any law, (iii) functions performed by members of Parliament, State Legislatures, members of the local authorities, Constitutional functionaries (iv) services of funeral, burial, crematorium or mortuary and (v) sale of land and (vi) actionable claims other than lottery, betting and gambling shall be treated neither a supply of goods or supply of services.</p>
22.	Will GST be applicable on imports and exports of goods/services?	Yes. GST will be applicable on imports and exports of goods/services.
23.	How will imports be taxed under GST?	<p>Imports of goods/services will be treated as inter-state supplies and Integrated tax will be levied on import of goods/services into the country. Integrated tax will be levied in addition to basic customs duty under the Customs Tariff Act, 1975.</p> <p>Full and complete set-off will be available on the GST paid on import on goods/services.</p>
24.	How will Exports be	Exports will be treated as zero rated supplies. No tax

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	be processed?	note is to be issued and reference no. of the 'Original' transaction to which credit note pertains is also required to be mentioned on the same.
30.	Is invoice mandatory for all types supplies of goods/services?	<p>'Tax Invoice' is mandatory to be prepared for all taxable supplies of goods/services. In case of exempted supplies, 'Bill of Supply' is to be prepared.</p> <p><i>Customers/Vendors are requested to make suitable changes to your IT systems so that the invoices issued contain the requisite information, as prescribed under the GST law.</i></p>
31.	What is E-Way Bill?	<p>E-Way Bill is an electronic way bill, generated online on GST portal, for movement of goods exceeding value of Rs. 50,000.</p> <p>E-way bill shall be generated by (a) Registered person as Consignor, (b) Recipient of supply as Consignee and (c) Transporter.</p>
32.	Can E-Way Bill once generated, be cancelled?	If e-way bill has been generated and goods are either not being transported or not being transported as per details furnished, the e-way bill may be cancelled within 24 hours of generation. However, it cannot be cancelled if it has been verified in transit.
33.	What is validity of aE-Way Bill?	<p>Validity of E-Way bill depends on the distance to be travelled. Details are given as under:</p> <p>a) Less than 100 km: 1 day  b) 100 KM or more but less than 300 KM: 3 days  c) 300 KM or more but less than 500 KM: 5 days  d) 500 KM or more but less than 1,000 KM: 10 days  e) 1000 KM or more: 15 days</p>
34.	Will stock transfers subject to GST?	Yes, stock transfers between two states within the same organization will trigger GST.
35.	How will returns and replacement products are handled?	Returns will trigger a tax credit; however, replacement products will be subject to GST, so cash flow may be impacted by returns.
36.	Are promotional items and/or free samples subject to GST?	Yes, the stock transfer of promotion materials and/or free samples will be subject to GST, and supply of those promotion materials/free samples to the retailers who stock your product, or end customers, will also be subject to GST.
37.	Whether actionable claims taxable in GST?	As per section 2(52) of the CGST/SGST Act, actionable claims are to be considered as goods. Schedule III lists actionable claims other than lottery,

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		ascertainable from the contract, the invoice shall be issued before or after each such time when the supplier of service receives the payment but within a period prescribed in this behalf; (c) where the payment is linked to the completion of an event, the invoice shall be issued before or after the time of completion of that event but within a period prescribed in this behalf.
44.	What is transaction value?	Transaction value means the price actually paid or payable for the supply of goods/services, where price is the sole consideration and the supplier & recipient are not related. It includes any amount which the supplier is liable to pay but which has been incurred by the recipient of the supply.
45.	What is input tax?	Input tax means the Central tax, State tax or Union territory tax, Integrated tax charged on supply of goods/services made to a registered person. It also includes tax paid on reverse charge basis and Integrated tax charged on import of goods. It does not include tax paid under composition levy.
46.	What is Input Tax Credit?	Input Tax Credit (ITC) means taking credit of tax paid on input supplies of goods/services, while making payment of tax collected on output supplies of goods/services.  Input tax credits can be used as follows: <ul style="list-style-type: none"> <li>○ CGST input tax credits can only be used to pay CGST and IGST</li> <li>○ SGST input tax credits can only be used to pay SGST and IGST</li> <li>○ IGST input tax credits can be used to pay CGST, SGST, and IGST</li> </ul> This means you will need to maintain separate records of ITC utilization or refund of credit for State and Centre taxes.
47.	When can ITC be availed?	ITC can be availed only if the services are fully utilised by the registered person.
48.	How ITC will be available in case where the goods are received in lots or	The registered person will be entitled to avail the input credit only upon receipt of the last lot or instalment.

Sr. No.	Questions		Answers	
			taxpayer (other than compounding taxpayer and ISD)	month
2	GSTR2		Inward supplies received by a taxpayer (other than a compounding taxpayer and ISD)	15th of the next month
3	GSTR3		Monthly return (other than compounding taxpayer and ISD)	20th of the next month
4	GSTR4		Quarterly return for compounding Taxpayer	18th of the month next to quarter
5	GSTR5		Periodic return by Non-Resident Foreign Taxpayer	Last day of registration
6	GSTR6		Return for Input Service Distributor (ISD)	13th of the next month
7	GSTR7		Return for Tax Deducted at Source	10th of the next month
8	GSTR8		Annual return	31st December of next financial year
<p>It may be noted that most of the returns are auto generated by the GSTN system and the dealer is expected to validate the data and also fill in the missing data. It is also to be noted that the payment of the tax due, is a must for filing valid returns under the GST regime.</p>				
54.	When is payment of taxes to be made by the Supplier?	<p>Payment of taxes by the normal taxpayer is to be done on monthly basis by the 20th of the succeeding month. Cash payments will be first deposited in the Cash Ledger and the taxpayer shall debit the ledger while making payment in the monthly returns and shall reflect the relevant debit entry number in his return. Payment can also be debited from the Credit Ledger (Clarified at point No.50). Payment of taxes for the month of March shall be paid by the 20th of April. Composition tax payers will need to pay tax on quarterly basis.</p>		
55.	How payment can be done	<p>Payment can be done by the following methods:            (i) Through debit of Credit Ledger of the taxpayer maintained on the Common Portal- ONLY Tax can be paid. Interest, Penalty and Fees cannot be paid by debit in the credit ledger.            Tax payers shall be allowed to take credit of taxes paid on inputs (input tax credit) and utilize the same for payment of output tax. However, no input tax credit on account of CGST shall be utilized towards</p>		

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		However, such tax would only be deducted in respect of contracts where the value (excluding taxes) exceeds INR 2.5 Lakhs.																								
59.	What is GST compliance rating?	<p>The government shall assign a GST compliance rating score to every registered person based on his record of compliance with the provisions of this Act.</p> <p><i>In case you are non-compliant, the same would impact your compliance rating and repeated offences may lead to credit denial and blacklisting as well.</i></p> <p><i>Accordingly, you are expected to maintain a good compliance rating.</i></p>																								
60.	Who are GST Suvidha Provider or GSP?	<p>GSTN has developed a robust platform for taxpayers to access the GST Systems, however, that would not be the only way for interacting with the GST system as the taxpayer via his choice of third party applications, which will provide all user interfaces and convenience via desktop, mobile, other interfaces, will be able to interact with the GST system. The third party applications will connect with GST system via secure GST system APIs. All such applications are expected to be developed by third party service providers who have been given a generic name, GST Suvidha Provider or GSP.</p> <p>The list of approved GSP are as under :-</p> <table border="1" data-bbox="678 1310 1428 1926"> <thead> <tr> <th data-bbox="678 1310 790 1384">S.No</th> <th data-bbox="790 1310 1428 1384">List of government approved GSPs Company Name</th> </tr> </thead> <tbody> <tr> <td data-bbox="678 1384 790 1422">1</td> <td data-bbox="790 1384 1428 1422">Alankit limited</td> </tr> <tr> <td data-bbox="678 1422 790 1460">2</td> <td data-bbox="790 1422 1428 1460">Bodhtree Consulting limited</td> </tr> <tr> <td data-bbox="678 1460 790 1498">3</td> <td data-bbox="790 1460 1428 1498">Botree Software International Pvt. Ltd.</td> </tr> <tr> <td data-bbox="678 1498 790 1581">4</td> <td data-bbox="790 1498 1428 1581">Central Depository Services (India) Limited</td> </tr> <tr> <td data-bbox="678 1581 790 1664">5</td> <td data-bbox="790 1581 1428 1664">Computer Age management services Private Limited</td> </tr> <tr> <td data-bbox="678 1664 790 1702">6</td> <td data-bbox="790 1664 1428 1702">Cygnet Infotech Private Ltd</td> </tr> <tr> <td data-bbox="678 1702 790 1740">7</td> <td data-bbox="790 1702 1428 1740">Deloitte Touche Tohmatsu India LLP</td> </tr> <tr> <td data-bbox="678 1740 790 1778">8</td> <td data-bbox="790 1740 1428 1778">Ernst &amp; Young LLP</td> </tr> <tr> <td data-bbox="678 1778 790 1816">9</td> <td data-bbox="790 1778 1428 1816">Excellon Software Pvt. Ltd.</td> </tr> <tr> <td data-bbox="678 1816 790 1899">10</td> <td data-bbox="790 1816 1428 1899">GOFRUGAL TECHNOLOGIES PRIVATE LIMITED</td> </tr> <tr> <td data-bbox="678 1899 790 1937">11</td> <td data-bbox="790 1899 1428 1937">Hazel Mercantile Limited</td> </tr> </tbody> </table>	S.No	List of government approved GSPs Company Name	1	Alankit limited	2	Bodhtree Consulting limited	3	Botree Software International Pvt. Ltd.	4	Central Depository Services (India) Limited	5	Computer Age management services Private Limited	6	Cygnet Infotech Private Ltd	7	Deloitte Touche Tohmatsu India LLP	8	Ernst & Young LLP	9	Excellon Software Pvt. Ltd.	10	GOFRUGAL TECHNOLOGIES PRIVATE LIMITED	11	Hazel Mercantile Limited
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**Appendix**

**List of State-wise GST Registration Nos of IDBI Bank Limited**

Sr.No	State	GST Registration Number (GSTIN)
1	Andhra Pradesh	37AABCI8842G1ZE
2	Andman & Nicobar	35AABCI8842G1ZI
3	Arunachal Pradesh	12AABCI8842G2ZP
4	Assam	18AABCI8842G1ZE
5	Bihar	10AABCI8842G2ZT
6	Chandigarh	04AABCI8842G1ZN
7	Chhattisgarh	22AABCI8842G1ZP
8	Dadra and Nagar Haveli	26AABCI8842G2ZG
9	Daman and Diu	25AABCI8842G2ZI
10	Delhi	07AABCI8842G1ZH
11	Goa	30AABCI8842G1ZS
12	Gujarat	24AABCI8842G1ZL
13	Haryana	06AABCI8842G1ZJ
14	Himachal Pradesh	02AABCI8842G2ZQ
15	IFSC Unit-GIFT City	24AABCI8842G2ZK
16	Jammu & Kashmir	01AABCI8842G4ZQ
17	Jharkhand	20AABCI8842G2ZS
18	Karnataka	29AABCI8842G1ZB
19	Kerala	32AABCI8842G1ZO
20	Madhya Pradesh	23AABCI8842G2ZM
21	Maharashtra	27AABCI8842G1ZF
22	Manipur	14AABCI8842G2ZL
23	Meghalaya	17AABCI8842G2ZF
24	Mizoram	15AABCI8842G2ZJ
25	Nagaland	13AABCI8842G1ZO
26	Orissa	21AABCI8842G2ZQ
27	Puducherry	34AABCI8842G2ZJ
28	Punjab	03AABCI8842G1ZP
29	Rajasthan	08AABCI8842G1ZF
30	Sikkim	11AABCI8842G2ZR
31	Tamil Nadu	33AABCI8842G1ZM
32	Telangana	36AABCI8842G2ZF
33	Tripura	16AABCI8842G2ZH
34	Uttar Pradesh	09AABCI8842G2ZC
35	Uttarakhand	05AABCI8842G2ZK
36	West Bengal	19AABCI8842G1ZC