



REGISTRATION



LEARNING OUTCOMES

After reading this chapter, you will be able to:


- enumerate the persons liable for registration under GST.
- identify the cases where registration is compulsory.
- pinpoint the persons who are not liable for registration.
- describe the procedure for obtaining registration under GST.
- explain the procedure for amendment of registration.
- describe the cancellation of registration and revocation of cancellation of registration in specified circumstances.




1. INTRODUCTION

- ✓ Under any taxation system, registration is the most fundamental requirement for identification of tax payers ensuring tax compliance in the economy. Under indirect tax regime, without registration, a person can neither collect tax from his customers nor claim any credit of tax paid by him. Registration legally recognizes a person as supplier of goods or services and legally authorizes him to collect taxes from his customers and pass on the credit of the taxes paid on the goods or services supplied to the purchasers/recipients. He can claim the input tax credit of taxes paid and can utilize the same for payment of taxes due on supply of goods or services. There is seamless flow of input tax credit from suppliers to recipients at the national level.
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- ✓ Prior to introduction of GST, a service provider was required to be registered with the Service Tax Department, while a trader of goods had to be registered with the VAT Department. Similarly, a manufacturer of goods has to be registered with Central Excise and VAT Department with respect to the goods manufactured as also with the Service Tax Department in respect of services availed which were taxed under reverse charge mechanism.
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- ✓ The Central Excise law prescribed factory wise registration with few exceptions where centralized registration was permitted, VAT laws provided for State-wise registrations while the Service Tax law
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provided for either centralised or premise-wise registration. The registration numbers allotted under central laws were PAN-based which was not the case under State laws.

- ✓ Under GST, registrations need to be taken State-wise, i.e. there are no centralized registrations under GST. A business entity having its branches in multiple States will have to take separate State wise registration for the branches in different States. Further, within a State, an entity with different branches would have single registration wherein it can declare one place as principal place of business (PPoB) and other branches as additional place(s) of business (APoB). However, a business entity having separate business verticals in a State may obtain separate registration for each of its business verticals otherwise a given PAN based legal entity would have one registration number – Goods and Services Tax Identification Number (GSTIN) per State.
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No centralised registration
One registration per State
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PAN based registration
- ✓ Registration under GST is not tax specific, which means that there is single registration for all the taxes i.e. CGST, SGST/UTGST, IGST and cesses.
 - ✓ Chapter VI - Registration [Sections 22 to 30] of the CGST Act stipulates the provisions relating to registration. State GST laws also prescribe identical provisions in relation to Registration.

Provisions of registration under CGST Act have also been made applicable to IGST Act vide section 20 of the IGST Act.

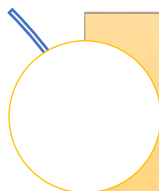
Before proceeding to understand the registration provisions, let us first go through few relevant definitions.



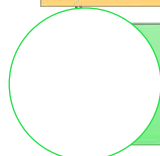
2. RELEVANT DEFINITIONS



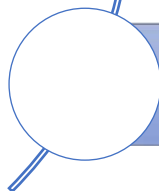
- ❑ **Agent:** means a person, including a factor, broker, commission agent, arhatia, del credere agent, an auctioneer or any other mercantile agent, by whatever name called, who carries on the business of supply or receipt of goods or services or both on behalf of another [Section 2(5)].
- ❑ **Common portal:** means the common goods and services tax electronic portal referred to in section 146 [Section 2(26)].
- ❑ **Council:** means the Goods and Services Tax Council established under article 279A of the Constitution [Section 2(36)].
- ❑ **Place of business:** includes [Section 2(85)]:



a place from where the business is ordinarily carried on, and includes a warehouse, a godown or any other place where a taxable person stores his goods, supplies or receives goods or services or both; or



a place where a taxable person maintains his books of account; or



a place where a taxable person is engaged in business through an agent, by whatever name called.

- ❑ **Agriculturist:** means an individual/HUF who undertakes cultivation of land—
 - (a) by own labour, or
 - (b) by the labour of family, or



- (c) by servants on wages payable in cash or kind or by hired labour under personal supervision or the personal supervision of any member of the family [Section 2(7)].
- ❑ **Appellate Authority:** means an authority appointed or authorised to hear appeals as referred to in section 107 [Section 2(8)].
 - ❑ **Appointed day:** means the date on which the provisions of CGST Act shall come into force [Section 2(10)].
 - ❑ **Electronic credit ledger:** means the electronic credit ledger referred to in sub-section (2) of section 49 [Section 2(46)]. *[Discussed in detail in Chapter 12: Payment of tax]*
 - ❑ **Exempt supply:** means supply of any goods or services or both which attracts nil rate of tax or which may be wholly exempt from tax under section 11 of the CGST Act, or under section 6 of the IGST Act, and includes non-taxable supply [Section 2(47)].
 - ❑ **Taxable supply:** means a supply of goods or services or both which is leviable to tax under this Act [Section 2(108)].
 - ❑ **Taxable territory:** means the territory to which the provisions of this Act apply [Section 2(109)].
 - ❑ **Taxable person:** means a person who is registered or liable to be registered under section 22 or section 24 *[The concept of taxable person has been discussed in detail in subsequent paras]* [Section 2(107)].
 - ❑ **Principal place of business:** means the place of business specified as the principal place of business in the certificate of registration [Section 2(89)].
 - ❑ **Proper officer:** in relation to any function to be performed under this Act, means the Commissioner or the officer of the central tax who is assigned that function by the Commissioner in the Board [Section 2(91)].
 - ❑ **Registered person:** means a person who is registered under section 25, but does not include a person having a Unique Identity Number [Section 2(94)].
 - ❑ **Business:** includes [Section 2(17)]–

(a) any trade, commerce, manufacture, profession, vocation, adventure, wager or any other similar activity, whether or not it is for a pecuniary benefit;

(b) any activity or transaction in connection with or incidental or ancillary to (a) above;

(c) any activity or transaction in the nature of (a) above, whether or not there is volume, frequency, continuity or regularity of such transaction;

(d) supply or acquisition of goods including capital assets and services in connection with commencement or closure of business;

(e) provision by a club, association, society, or any such body (for a subscription or any other consideration) of the facilities or benefits to its members, as the case may be;

(f) admission, for a consideration, of persons to any premises; and


(g) services supplied by a person as the holder of an office which has been accepted by him in the course or furtherance of his trade, profession or vocation;

(h) services provided by a race club by way of totalisator or a licence to book maker in such club

(i) any activity or transaction undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities.

- ❑ **Fixed establishment:** means a place (other than the registered place of business) which is characterised by a sufficient degree of permanence and suitable structure in terms of human and technical resources to supply services, or to receive and use services for its own needs [Section 2(50)].
- ❑ **Tax period:** means the period for which the return is required to be furnished [Section 2(106)].

3. PERSONS LIABLE FOR REGISTRATION [SECTION 22]

 STATUTORY PROVISIONS	
Section 22	<i>Persons liable for registration</i>
Sub-section	<i>Particulars</i>
(1)	<p><i>Every supplier shall be liable to be registered under this Act in the State or Union territory, other than special category States, from where he makes a taxable supply of goods or services or both, if his aggregate turnover in a financial year exceeds twenty lakh rupees.</i></p> <p><i>Provided that where such person makes taxable supplies of goods or services or both from any of the special category States, he shall be liable to be registered if his aggregate turnover in a financial year exceeds ten lakh rupees.</i></p>
(2)	<p><i>Every person who, on the day immediately preceding the appointed day, is registered or holds a license under an existing law, shall be liable to be registered under this Act with effect from the appointed day.</i></p>
(3)	<p><i>Where a business carried on by a taxable person registered under this Act is transferred, whether on account of succession or otherwise, to another person as a going concern, the transferee or the successor, as the case may be, shall be liable to be registered with effect from the date of such transfer or succession.</i></p>
(4)	<p><i>Notwithstanding anything contained in sub-sections (1) and (3), in a case of transfer pursuant to sanction of a scheme or an arrangement for amalgamation or, as the case may be, de-</i></p>

	<i>merger of two or more companies pursuant to an order of a High Court, Tribunal or otherwise, the transferee shall be liable to be registered, with effect from the date on which the Registrar of Companies issues a certificate of incorporation giving effect to such order of the High Court or Tribunal.</i>
(5)	<i>Explanation—For the purposes of this section, —</i>
	(i) <i>the expression “aggregate turnover” shall include all supplies made by the taxable person, whether on his own account or made on behalf of all his principals</i>
	(ii) <i>the supply of goods, after completion of job work, by a registered job worker shall be treated as the supply of goods by the principal referred to in section 143, and the value of such goods shall not be included in the aggregate turnover of the registered job worker</i>
	(iii) <i>the expression “special category States” shall mean the States as specified in sub-clause (g) of clause (4) of article 279A of the Constitution.</i>



ANALYSIS

(i) Threshold limit for registration

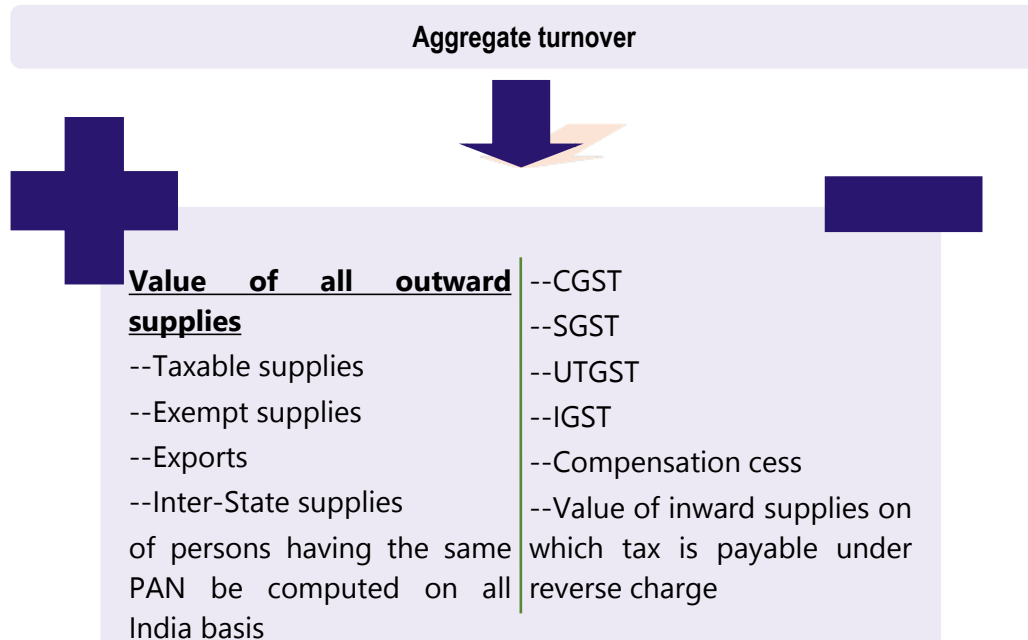
- Every supplier of goods or services or both is required to obtain registration
- in the State or the Union territory from where he makes the taxable supply
- if his aggregate turnover exceeds ₹ 20 lakh in a FY.

However, the limit of ₹ 20 lakh will be reduced to ₹ 10 lakh if the person is carrying out business in the **Special Category States** – [11 Special category States are specified in Article 279A(4)(g) of the Constitution] - *States of Arunachal*

Pradesh, Assam, Jammu and Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh and Uttarakhand.

(ii) Aggregate Turnover

The term aggregate turnover as defined under section 2(6) of the CGST Act has been analysed follows:



Outward Supplies taxable under reverse charge would continue to be part of the 'aggregate turnover' of the supplier of such supplies

(A) Aggregate turnover to include total turnover of all branches with same PAN



A dealer 'X' has two offices – one in Delhi and another in Haryana. In order to determine whether 'X' is liable for registration, turnover of both the offices would be taken into account and only if the same exceeds ₹ 20 lakh, X is liable for registration.



If a person having place of business in different States across India has one branch in any of the Special Category States, the threshold limit for GST registration will be reduced to ₹ 10 lakh.

(B) Value of exported goods/services, exempted goods/ services, inter-State supplies between distinct persons having same PAN to be included in aggregate turnover.



Rohan Oils, Punjab, is engaged in supplying machine oil as well as petrol. Supply of petrol is not leviable to GST, but supply of machine oil is taxable. In order to determine whether Rohan Oils is liable for registration, turnover of both the supplies – non-taxable as well as taxable - would be taken into account and if the same exceeds ₹ 20 lakh, Rohan Oils is liable for registration.

(C) Aggregate turnover to include all supplies made by the taxable person, whether on his own account or made on behalf of all his principals.



Mohini Enterprises has appointed M/s Bestfords & Associates as its agent. All the supplies of goods made by M/s Bestfords & Associates as agent of Mohini Enterprises will also be included in the aggregate turnover of M/s Bestfords & Associates.

- (D) **'Aggregate turnover' Vs. 'Turnover in a State':** The aggregate turnover is different from turnover in a State. The former is used for determining the threshold limit for registration as well as eligibility for composition scheme [Composition scheme has been discussed in detail in Chapter 3 – Charge of GST]. However, the composition levy would be calculated on the basis of 'Turnover in the State'.
- (E) **Value of goods, after completion of job work, supplied directly from the premises of the registered job worker not to be included in its aggregate turnover**

Job-work implies undertaking any treatment or process by a person on goods belonging to another registered taxable person.



The person who is treating or processing the goods belonging to other person is called 'job worker' and the person to whom the goods belongs is called 'principal'. Schedule II of the CGST Act stipulates that job work is a service.

Principal can supply the goods directly from the premises of the job worker without bringing it back to his own premises.

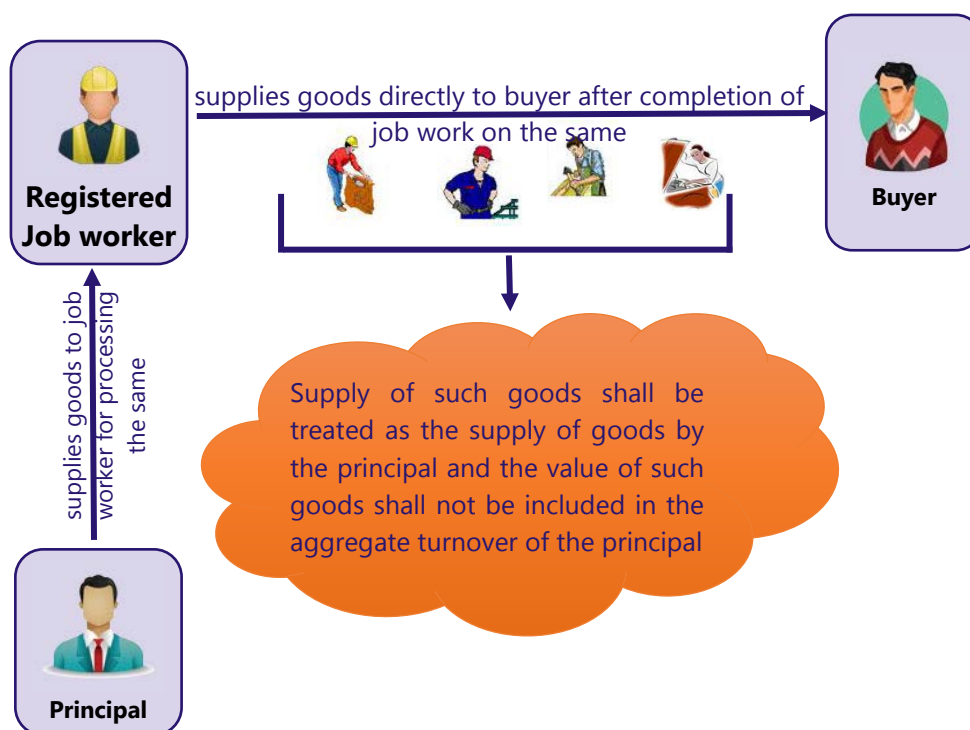
Principal can supply the goods directly from the premises of the job worker without bringing it back to his own premises.

In case the job worker is unregistered, principal should declare job worker's premises as his additional place of business and remove goods from the same.

If the job worker is a registered person/ principal supplies notified goods, goods can be supplied directly from the premises of the job worker.

Supply of goods, after completion of job work, directly from a registered job worker's premises is treated as supply of goods by the principal.


Further, the value of such goods supplied will be included in the aggregate turnover of the principal and not job worker.




(iii) Registration required only for a place of business from where taxable supply takes place

A person is required to obtain registration with respect to his each place of business in India from where a taxable supply has taken place. However, a supplier is not liable to obtain registration if his aggregate turnover consists exclusively of goods or services or both which are not taxable under GST.

(iv) Taxpayers registered under earlier indirect tax laws required to migrate

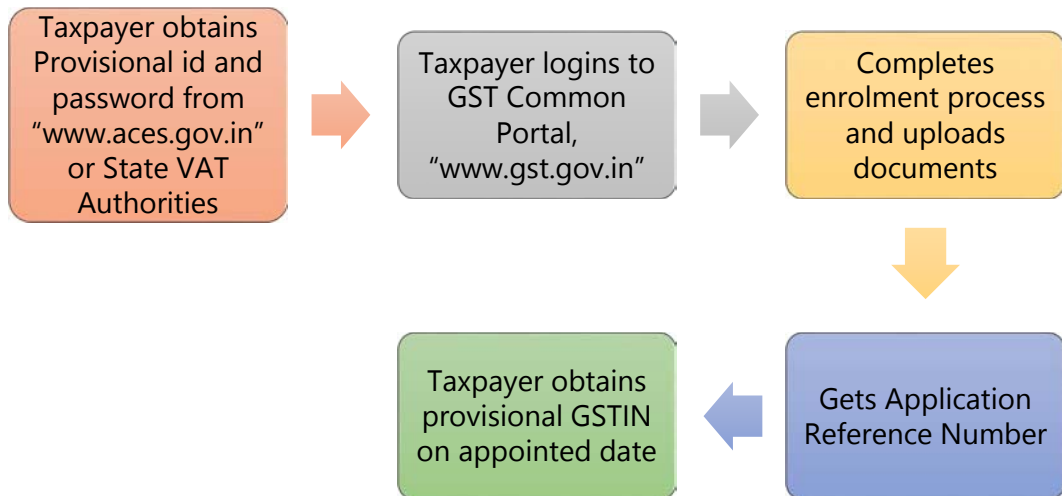
 All the taxpayers who were registered under various earlier indirect tax laws are liable to be registered under GST with effect from the **appointed day** [when the CGST Act came into force, i.e. 22nd June, 2017].

 Such taxpayers have been issued a Provisional ID and password by their respective tax Departments to logon on GST Common Portal (<https://www.gst.gov.in/>) to fill up the required



details and upload the supporting documents. After they provided the requisite details, an ARN (Application Reference Number) is communicated to them.

- ✎ Once a taxpayer had the ARN, he would have migrated to GST on the appointed day with issue of provisional certificate and would have received a provisional GSTIN.
- ✎ Final registration certificate and GSTIN would be granted within 6 months of the appointed day.



(v) Person liable for registration in case of transfer of business

Where a business is transferred, whether on account of succession/any other reason, to another person as a going concern, the transferee/successor, is to be registered with effect from the date of such transfer/succession.


Where the business is transferred, pursuant to sanction of a scheme/ arrangement for amalgamation/ de-merger of two or more companies, pursuant to an order of a High Court/Tribunal, the transferee is to be



registered with effect from the date on which the Registrar of Companies issues a certificate of incorporation giving effect to such order.



4. COMPULSORY REGISTRATION IN CERTAIN CASES [SECTION 24]

 STATUTORY PROVISIONS	
Section 24	<i>Compulsory registration in certain cases</i>
Sub-section	<i>Particulars</i>
(1)	<i>Notwithstanding anything contained in sub-section (1) of section 22, the following categories of persons shall be required to be registered under this Act,—</i>
(2)	<ul style="list-style-type: none"> <i>(i) persons making any inter-State taxable supply;</i> <i>(ii) casual taxable persons making taxable supply;</i> <i>(iii) persons who are required to pay tax under reverse charge;</i> <i>(iv) person who are required to pay tax under sub-section (5) of section 9;</i> <i>(v) non-resident taxable persons making taxable supply;</i> <i>(vi) persons who are required to deduct tax under section 51, whether or not separately registered under this Act;</i> <i>(vii) persons who make taxable supply of goods or services or both on behalf of other taxable persons whether as an agent or otherwise;</i> <i>(viii) Input Service Distributor, whether or not separately registered under this Act</i> <i>(ix) persons who supply goods or services or both, other than supplies specified under sub-section (5) of section 9, through such electronic commerce operator who is required to collect tax at source under section 52;</i> <i>(x) every electronic commerce operator;</i>

- (xi) every person supplying online information and data base access or retrieval services from a place outside India to a person in India, other than a registered person; and
- (xii) such other person or class of persons as may be notified by the Government on the recommendations of the Council



ANALYSIS

Following category of persons are mandatorily required to obtain the registration under GST irrespective of their turnover:

Persons making any inter-State taxable supply	Casual taxable person who does not have a fixed place of business in the State or Union Territory from where he wants to make supply	A person receiving supplies on which tax is payable by recipient on reverse charge basis
Those ecommerce operators who are notified as liable for CGST payment under section 9(5)	Non-resident taxable persons who do not have a fixed place of business in India	Persons who are required to deduct tax under section 51 (TDS)
A person who supplies on behalf of some other taxable person (i.e. an Agent of some Principal)	Suppliers other than notified under section 9(5) who supply through an e-commerce operator	Every e-commerce operator
Every person supplying online information and database access or retrieval services from a place outside India to a person in India other than a registered person	Input Service Distributor, whether or not separately registered under this Act	Person/ class of persons notified by the Central/ State Government

In case a person already registered under GST is required to deduct tax under section 51, he is required to take separate registration for the purpose of deducting tax under section 51.

An ISD is required to obtain a separate registration even though it may be separately registered.

CONCEPT OF TAXABLE PERSON

As per section 2(107) of the CGST Act, taxable person means a person who is registered or liable to be registered under section 22 or section 24. *Persons liable to be registered under sections 22 and 24 have been discussed in detail in the preceding paras.*

From the definition of 'taxable person' provided above, it may be inferred that even an unregistered person who is liable to be registered is a taxable person. Similarly, a person not liable to be registered, but has taken voluntary registration and got himself registered is also a taxable person.



5. PERSONS NOT LIABLE FOR REGISTRATION [SECTION 23]



STATUTORY PROVISIONS

Section 23

Persons not liable for registration

Sub-section

Particulars

(1)

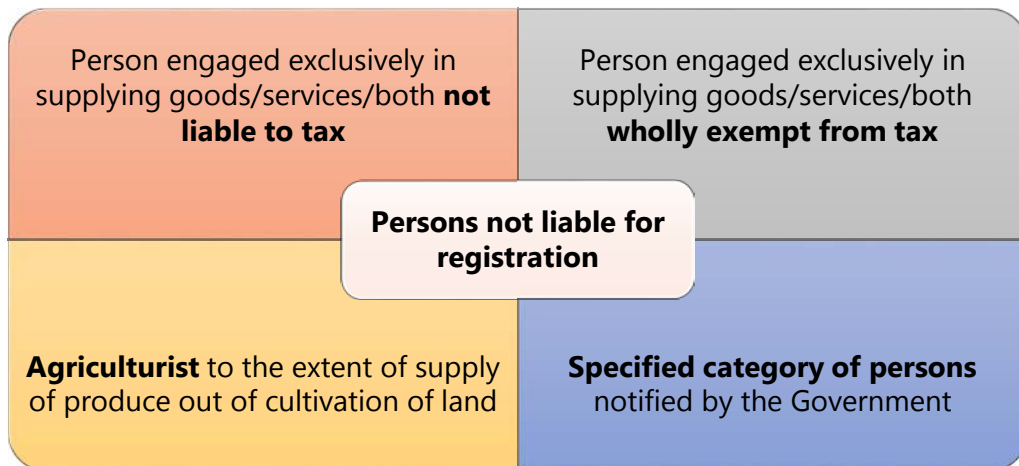
The following persons shall not be liable to registration, namely:—

	(a)	<i>any person engaged exclusively in the business of supplying goods or services or both that are not liable to tax or wholly exempt from tax under this Act or under the Integrated Goods and Services Tax Act</i>
	(b)	<i>an agriculturist, to the extent of supply of produce out of cultivation of land</i>
(2)	<i>The Government may, on the recommendations of the Council, by notification, specify the category of persons who may be exempted from obtaining registration under this Act.</i>	



ANALYSIS

(i) Persons not liable to registration



(ii) Specified category of persons notified by the Government exempted from obtaining registration

Following category of persons have been notified as being exempted from obtaining registration under GST law:

A. Persons making only reverse charge supplies

Persons who are only engaged in making supplies of taxable goods or services or both, the total tax on which is liable to be paid on reverse

charge basis by the recipient of such goods or services or both under section 9(3) have been exempted from obtaining registration [**Notification No. 5/2017 CT dated 19.06.2017**].

B. Casual Taxable Persons making taxable supplies of handicraft goods

As per section 24, a casual taxable person or a person making inter-State supplies are liable to be registered compulsorily under GST irrespective of the threshold limit.

However, Casual Taxable Persons making taxable supplies of handicraft goods or persons making inter-State supplies of handicraft goods, have been exempted from obtaining registration.

Conditions to be fulfilled for claiming exemption:

The above exemption is available provided:

1. the aggregate value of such supplies, to be computed on all India basis, does not exceed an amount of **₹ 20 lakh** [**₹ 10 lakh** in case of Special Category States, other than the State of Jammu and Kashmir] in a FY.
2. the Casual Taxable Persons making taxable supplies of handicraft goods or persons making inter-State supplies of handicraft goods shall be required to **obtain a PAN and generate an e-way bill** [*Discussed in detail in Chapter 11 – Accounts and Records*].

Exemption is available to casual taxable persons who are making inter-State taxable supplies of handicraft goods and are availing the benefit of exemption from registration.

Handicraft goods: means the products specified in the respective notifications, when made by the craftsmen predominantly by hand even though some machinery may also be used in the process.

[**Notification No. 8/2017 IT dated 14.09.2017 & Notification No. 32/2017 CT dated 15.09.2017**].

C. Job workers making inter-State supply of services to a registered person

Job workers engaged in making inter-State supply of services to a registered person have been exempted from obtaining registration.


However, nothing contained in this notification shall apply to a job-worker:

- (a) who is liable to be registered under sub-section (1) of section 22 or who opts to take registration voluntarily under sub-section (3) of section 25 of the CGST Act; or
- (b) who is involved in making supply of services in relation to jewellery, goldsmiths' and silversmiths' wares and other articles (Chapter 71 of the Tariff).

[Notification No. 7/2017 IT dated 14.09.2017].



6. PROCEDURE FOR REGISTRATION [SECTIONS 25, 26 & 27]

 STATUTORY PROVISIONS	
Section 25	Procedure for registration
Sub-section	Particulars
(1)	<p><i>Every person who is liable to be registered under section 22 or section 24 shall apply for registration in every such State or Union territory in which he is so liable within thirty days from the date on which he becomes liable to registration, in such manner and subject to such conditions as may be prescribed.</i></p> <p><i>Provided that a casual taxable person or a non-resident taxable person shall apply for registration at least five days prior to the commencement of business.</i></p>
(2)	<p><i>A person seeking registration under this Act shall be granted a single registration in a State or Union territory.</i></p> <p><i>Provided that a person having multiple business verticals in a State or Union territory may be granted a separate registration for each business vertical, subject to such conditions as may be prescribed.</i></p>
(3)	<p><i>A person, though not liable to be registered under section 22 or section 24 may get himself registered voluntarily, and all</i></p>

	<i>provisions of this Act, as are applicable to a registered person, shall apply to such person.</i>
(4)	<i>A person who has obtained or is required to obtain more than one registration, whether in one State or Union territory or more than one State or Union territory shall, in respect of each such registration, be treated as distinct persons for the purposes of this Act</i>
(5)	<i>Where a person who has obtained or is required to obtain registration in a State or Union territory in respect of an establishment, has an establishment in another State or Union territory, then such establishments shall be treated as establishments of distinct persons for the purposes of this Act.</i>
(6)	<i>Every person shall have a Permanent Account Number issued under the Income- tax Act, 1961 in order to be eligible for grant of registration: Provided that a person required to deduct tax under section 51 may have, in lieu of a Permanent Account Number, a Tax Deduction and Collection Account Number issued under the said Act in order to be eligible for grant of registration.</i>
(7)	<i>Notwithstanding anything contained in sub-section (6), a non-resident taxable person may be granted registration under sub-section (1) on the basis of such other documents as may be prescribed</i>
(8)	<i>Where a person who is liable to be registered under this Act fails to obtain registration, the proper officer may, without prejudice to any action which may be taken under this Act or under any other law for the time being in force, proceed to register such person in such manner as may be prescribed</i>
(9)	<i>Notwithstanding anything contained in sub-section (1),—</i>
	<i>(a) any specialised agency of the United Nations Organisation or any Multilateral Financial Institution and Organisation notified under the United Nations (Privileges and Immunities) Act, 1947, Consulate or Embassy of foreign countries ; and</i>

	(b) any other person or class of persons, as may be notified by the Commissioner,
	shall be granted a Unique Identity Number in such manner and for such purposes, including refund of taxes on the notified supplies of goods or services or both received by them, as may be prescribed.
(10)	The registration or the Unique Identity Number shall be granted or rejected after due verification in such manner and within such period as may be prescribed
(11)	A certificate of registration shall be issued in such form and with effect from such date as may be prescribed
(12)	A registration or a Unique Identity Number shall be deemed to have been granted after the expiry of the period prescribed under sub-section (10), if no deficiency has been communicated to the applicant within that period
Section 26	Deemed registration
(1)	The grant of registration or the Unique Identity Number under the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act shall be deemed to be a grant of registration or the Unique Identity Number under this Act subject to the condition that the application for registration or the Unique Identity Number has not been rejected under this Act within the time specified in sub-section (10) of section 25.
(2)	Notwithstanding anything contained in sub-section (10) of section 25, any rejection of application for registration or the Unique Identity Number under the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act shall be deemed to be a rejection of application for registration under this Act.
Section 27	Special provisions relating to casual taxable person and non-resident taxable person
(1)	The certificate of registration issued to a casual taxable person or a non- resident taxable person shall be valid for the period specified in the application for registration or ninety days from

	<p><i>the effective date of registration, whichever is earlier and such person shall make taxable supplies only after the issuance of the certificate of registration.</i></p> <p><i>Provided that the proper officer may, on sufficient cause being shown by the said taxable person, extend the said period of ninety days by a further period not exceeding ninety days.</i></p>
(2)	<p><i>A casual taxable person or a non-resident taxable person shall, at the time of submission of application for registration under sub-section (1) of section 25, make an advance deposit of tax in an amount equivalent to the estimated tax liability of such person for the period for which the registration is sought.</i></p> <p><i>Provided that where any extension of time is sought under sub-section (1), such taxable person shall deposit an additional amount of tax equivalent to the estimated tax liability of such person for the period for which the extension is sought.</i></p>
(3)	<p><i>The amount deposited under sub-section (2) shall be credited to the electronic cash ledger of such person and shall be utilised in the manner provided under section 49.</i></p>



ANALYSIS

Procedure for registration is governed by section 25 of the CGST Act read with Chapter III - Registration of Central Goods and Services Tax (CGST) Rules, 2017. Relevant provisions of CGST Rules, 2017 have been incorporated at the relevant places. Further, special provisions have been provided for registration of casual taxable person and non-resident taxable person under section 27. Concept of deemed registration has been elaborated under section 26.

Under GST, the application for registration has to be submitted electronically at the GST Common Portal – www.gst.gov.in, duly signed or verified through Electronic Verification Code (EVC) [Aadhar OTP].

Around 30 forms/formats have been prescribed in the CGST Rules, 2017. For every process in the registration chain such as application for registration, acknowledgment, query, rejection, registration certificate, show cause notice for cancellation, reply, cancellation, amendment, field visit report etc., there are standard formats. This makes the process uniform all over the country. The

decision-making process will also be fast. Strict time lines have been stipulated for completion of different stages of registration process.

(i) Where and by when to apply for registration? [Section 25(1)]


Particulars	Where	When
Person who is liable to be registered under section 22 or section 24	in every such State/UT in which he is so liable	within 30 days from the date on which he becomes liable to registration
A casual taxable person or a non-resident taxable person		at least 5 days prior to the commencement of business
Every person who makes a supply from the territorial waters of India	in the coastal State/UT where the nearest point of the appropriate base line is located.	within 30 days from the date on which he becomes liable to registration



Sugam Services Ltd. is engaged in taxable supply of services in Madhya Pradesh. The turnover of Sugam Services Ltd. exceeded ₹ 20 lakh on 1st November. It is liable to get registered by 1st December in the State of Madhya Pradesh.

(ii) State-wise registration [Section 25(2) read with rule 11]

(A) One registration per State

-  Registration needs to be taken State-wise, i.e. there are no centralized registrations under GST. A business entity having its branches in multiple States will have to take separate State-wise registration for the branches in different States.

- Further, within a State, an entity with different branches would have single registration wherein it can declare one place as principal place of business (PPoB) and other branches as additional place of business (APoB).

(B) Separate registration for different business verticals within a State/UT may be granted

- Although a taxpayer having multiple business verticals in one State is not mandatorily required to obtain separate registration for each such vertical in the State, he has an option to obtain independent registration with respect to each such separate business vertical.
- Separate registration for each business vertical shall be granted provided all separately registered business verticals pay tax on supply of goods/services/both made to another registered business vertical, of such person and issue a tax invoice for such supply. Separate registration application needs to be filed for each business vertical.

(C) Registration under composition levy

- If one of the business verticals of a taxable person is paying tax under normal levy [Section 9], no other business vertical shall be granted registration to pay tax under composition levy [Section 10].
- If one of the business vertical [separately registered] becomes ineligible to pay tax under composition levy, all other business verticals would also become so ineligible.
- The provisions of rules 9 and 10 relating to verification and grant of registration shall *mutatis mutandis* apply to an application submitted under this rule.



Business vertical means a distinguishable component of an enterprise that is engaged in the supply of individual goods or services or a group of related goods or services which is subject to risks and returns that are different from those of the other business verticals.


Explanation - For the purposes of this clause, factors that should be considered in determining whether goods or services are related include —

- the nature of the goods or services;
- the nature of the production processes;
- the type or class of customers for the goods or services;



- (d) the methods used to distribute the goods or supply of services; and
- (e) the nature of regulatory environment (wherever applicable), including banking, insurance, or public utilities [Section 2(18) of the CGST Act].

(iii) Voluntary registration [Section 25(3)]

-  A person who is not liable to be registered under section 22 or section 24 may get himself registered voluntarily. In case of voluntary registration, all provisions of this Act, as are applicable to a registered person, shall apply to voluntarily registered person.
-  Voluntary registration is advantageous for the persons which supply of goods or services or both to registered persons. The reason for the same is that by virtue of section 9(4) of the CGST Act, in case of supplies received from unregistered supplier by registered recipient, recipient has to pay the tax under reverse charge. Therefore, business units would prefer receiving supplies from the registered persons only. Thus, voluntary registration enables a supplier of goods or services or both to enhance its B2B [Business to Business] transactions.

Voluntary Registration
-  However, once a person obtains voluntary registration, he has to pay tax even though his aggregate turnover does not exceed ₹ 20 lakh/₹ 10 lakh.

(iv) Distinct Persons/ establishments of distinct persons [Section 25(4) &(5)]

-  A person who has obtained/ is required to obtain more than one registration, whether in one State/ Union territory or more than one State/Union territory shall, in respect of each such registration, be treated as **distinct persons**.
-  Further, where a person who has obtained or is required to obtain registration in a State or Union territory in respect of an establishment, has an establishment in another State or Union territory, then such establishments shall be treated as **establishments of distinct persons**.



Mohan, a Chartered Accountant, has a registered head office in Delhi. He has also obtained registration in the State of West Bengal in respect of his newly opened branch office. Mohan shall be treated as distinct persons in respect of registrations in West Bengal and Delhi.

(v) PAN must for obtaining registration [Section 25(6) & (7)]

A Permanent Account Number is mandatory to be eligible for grant of registration.



A Non-Resident Taxable Person (NRTP) may be granted registration on the basis of other prescribed documents [Discussed in detail in subsequent paras].

(vi) Unique Identity Number (UIN) [Section 25(9) & (10) read with rule 17]

Any specialized agency of the United Nations Organization or any Multilateral Financial institution and organization as notified under the United Nations (Privileges and Immunities) Act, 1947, consulate or embassy of foreign countries and any other person notified by the Commissioner, is required to obtain a UIN from the GSTN portal.



This UIN is needed for claiming refund of taxes paid on notified supplies of goods and/or services received by them, and for such other purpose as may be notified.



Such person shall file an application in a different prescribed form. UIN shall be assigned by the proper officer upon submission of application in said form or after filling up the said form or after receiving a recommendation from the Ministry of External Affairs, Government of India.

Registration certificate shall be issued within **3 working days** from the date of submission of application.

(vii) Suo-motu registration by the proper officer [Section 25(8) read with rule 16]

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 prescribed form.



***Such person shall either:*

- (i) submit an application for registration in prescribed form within 90 days from the date of grant of temporary registration, or*
- (ii) file an appeal against such temporary registration.*

In case (ii), if the Appellate Authority upholds the liability to registration, application for registration shall be submitted within 30 days from the date of issuance of such order of the Appellate Tribunal.

Provisions relating to verification and issue of registration certificate [as contained in rules 9 and 10] *[discussed in subsequent paras]* shall, *mutatis mutandis*, apply to such application submitted by the person granted temporary registration. GSTIN thereafter granted shall be effective from the date of order of proper officer granting temporary registration.

(viii) Procedure for registration [Section 25 read with rules 8, 9 & 10]

Provisions relating to procedure for application for registration, verification of the application and approval & issue of registration certificate are contained in the rules 8, 9 and 10 of the CGST Rules, 2017 respectively. The same have to be read in conjunction with section 25 provisions. However, procedure so laid down will not apply to:

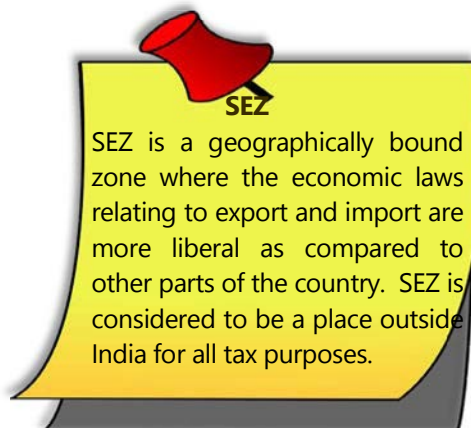
- Non-resident taxable person
- A person required to deduct tax at source under section 51
- A person required to collect tax at source under section 52
- A person supplying online information and database access or retrieval services from a place outside India to a non-taxable online recipient referred to in section 14 of IGST Act who is liable to be registered under section 25(1)

Thus, procedure for registration prescribed under rules 8, 9 and 10 are also applicable to a person paying tax under composition levy, every person seeking voluntary registration under section 25(3) as well as a casual taxable person. Such persons shall apply for registration in Form GST REG 01. The application for registration in GST Form REG 01 is divided into two parts – Part A and Part B.

In order to cater to the needs of tax payers who are not IT savvy, Facilitation centres have been established which help the taxpayer in submitting the application for registration, amending the registration certificate, submitting application for cancellation of registration, revocation of cancellation of registration, etc. Facilitation Centre shall be responsible for the digitization and/or uploading of the forms and documents.

Application for registration by Special Economic Zone (SEZ) [First proviso to rule 8(1) of the CGST Rules, 2017]: A person having unit in

SEZ/SEZ developer will make a separate application for registration as a business vertical distinct from his other units located outside SEZ. Thus, there may be a case where two units of a tax payer are located in same State - one in SEZ and another outside SEZ. Separate registrations have to be obtained for each of the two units as separate business vertical.



Suvarna Industries is engaged in manufacturing activities in Uttar Pradesh. It has two manufacturing units in UP - one in SEZ and another outside SEZ. Under GST, one registration per State is required. However, since in this case, one of the two units of Suvarna Industries is located in SEZ, it will make a separate application for registration as a business vertical distinct from unit located outside SEZ.

Application for registration by Input Service Distributor [Second proviso to rule 8(1) of the CGST Rules, 2017]: Every person being an Input Service

Distributor shall make a separate application for registration as such Input Service Distributor. There is no threshold limit for registration for an ISD. An ISD is required to obtain a separate registration even though it may be otherwise registered, though the application shall be made in Form GST REG 01 only. Different offices like marketing division, security division etc. may apply for separate ISD registration.

Procedure for registration has been depicted by way of a diagram as follows:

Part I

Every person liable to get registered and person seeking voluntary registration shall, before applying for registration, declare his Permanent Account Number (PAN), mobile number, e-mail address, State/UT in **Part A of FORM GST REG-01** on GST Common Portal.

PAN, mobile number and e-mail address are validated

PAN validated online by Common Portal from CBDT database

Mobile number and email verified through one time password sent to it.

Temporary Reference Number (TRN) is generated and communicated to the applicant on the validated mobile number and e-mail address.

Using TRN, applicant shall electronically submit application in Part B of application form, along with specified documents at the Common Portal.

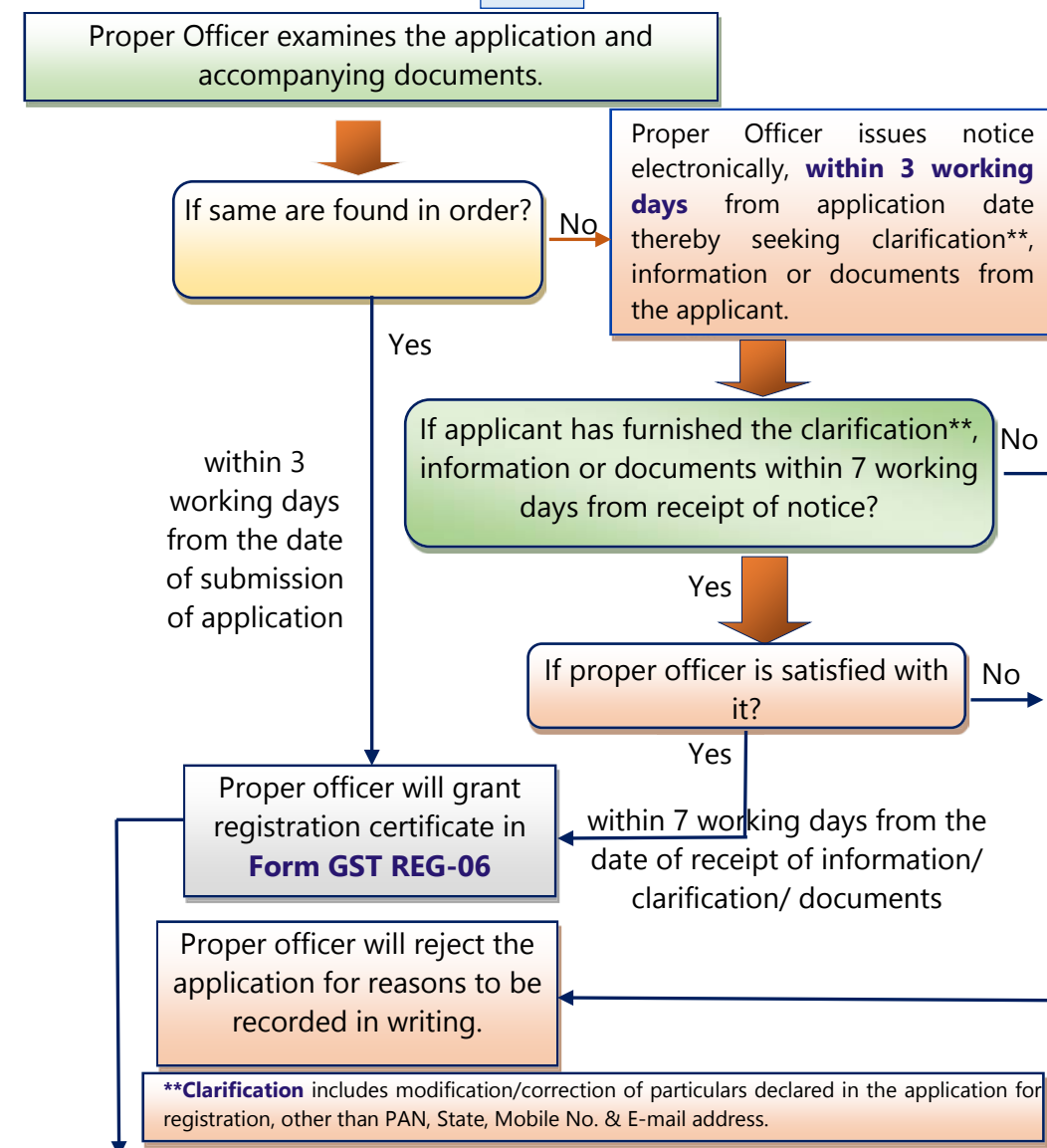
On receipt of such application, an acknowledgement in the prescribed form shall be issued to the applicant electronically. A **Causal Taxable Person (CTP)** applying for registration gets a TRN for making an advance deposit of tax in his electronic cash ledger and an acknowledgement is issued only after said deposit.*

Application shall be forwarded to the Proper Officer.

The procedure after receipt of application by the Proper Officer is depicted in Part II of the diagram.

* Discussed in detail in subsequent paras.

Part II

**Deemed Approval of Application**

If the proper officer fails to take any action -

- within **3 working days** from the date of submission of application, or
- within **7 working days** from the date of receipt of clarification, information or documents furnished by the applicant,

the application for grant of registration shall be deemed to have been approved.

Information required while filing application for registration



Physical verification of business premises in certain cases after grant of registration [Rule 25]

Where the proper officer is satisfied that the physical verification of the place of business of a registered person is required after grant of registration, he may get such verification done and the verification report along with other documents, including photographs, shall be uploaded in the prescribed form on the GST Common Portal, within 15 working days following the date of such verification.

Issuance of registration certificate [Rule 10]

Where the application for grant of registration has been approved, a certificate of registration [duly signed or verified through EVC by the proper officer] in **FORM GST REG-06** showing the principal place of business (PPoB) and additional place(s) of business (APoB) is made available to the applicant on the Common Portal and a Goods and Services Tax Identification Number (hereinafter referred to as "GSTIN") i.e. the GST registration no. is communicated to applicant, within 3 days after the grant of registration.

GSTIN format

State Code	PAN										Entity Code	Check character	sum	

Display of registration certificate and GSTIN on the name board [Rule 18]

Every registered person shall display his registration certificate in a prominent location at his PPOB and at every APOB. Further, his GSTIN also has to be displayed on the name board exhibited at the entry of his PPOB and at every APOB.

(ix) Effective date of registration [Rule 10]

Where an applicant submits application for registration	effective date of registration is
<u>within</u> 30 days from the date he becomes liable to registration	the date on which he becomes liable to registration
<u>after</u> 30 days from the date he becomes liable to registration	date of grant of registration



Sugam Services Ltd. is engaged in taxable supply of services in Madhya Pradesh. The turnover of Sugam Services Ltd. exceeded ₹ 20 lakh on 1st November. It is liable to get registered by 1st December [30 days] in the State of Madhya Pradesh. It applies for registration on 28th November and is granted registration certificate on 5th December. The effective date of registration of Sugam Services Ltd. is 1st November.



In above example, if Sugam Services Ltd. applies for registration on 3rd December and is granted registration certificate on 10th December. The effective date of registration of Sugam Services Ltd. is 10th December.

(x) **Special provisions for grant of registration in case of Non-Resident Taxable Person (NRTP) and Casual Taxable Person (CTP) [Sections 25 & 27 read with rules 13 & 15]**

Before going into nuances of the registration provisions of CTP and NRTP, let us first understand the two terms. The two terms have been defined in the CGST Act as follows:

Casual Taxable Person: means a person who occasionally undertakes transactions involving supply of goods or services or both in the course or furtherance of business, whether as principal, agent or in any other capacity, in **a State/UT where he has no fixed place of business** [Section 2(20)].

Non-Resident Taxable Person: means any person who occasionally undertakes transactions involving supply of goods or services or both, whether as principal or agent or in any other capacity, but who has **no fixed place of business or residence in India** [Section 2(77)].

Based on the aforesaid definitions, following points merit consideration:

- A CTP does not have a fixed place of business in the State/UT where he undertakes supply though he might be registered with regard to his fixed place of business in some other State/UT, while a NRTP does not have fixed place of business/residence in India at all.
- A CTP has to undertake transactions in the course or furtherance of business whereas the business test is absent in the definition of NRTP.

The **special registration provisions** pertaining to CTP and NRTP are as follows:

- (A) Both CRTP and NRTP have to compulsorily get registered under GST irrespective of the threshold limit, at least 5 days prior to commencement of business.**
- (B) As per section 25(6), every person must have a PAN to be eligible for registration. Since NRTP will generally not have a PAN of India, he may be granted registration on the basis of other prescribed documents.**

He has to submit a self-attested copy of his **valid passport** along with the application signed by his authorized signatory who is an Indian Resident having valid PAN. However, in case of a business entity incorporated or established outside India, the application for registration shall be submitted along with its tax identification number or unique

number on the basis of which the entity is identified by the Government of that country or its PAN, if available.

Application will be submitted by NRTP in a different prescribed form whereas CTP will submit the application for registration in the normal form for application for registration i.e. Form GST REG 01 and his registration of CTP will be a PAN based registration.

(C) Period of validity of registration certificate granted to CTP/NRTP

Registration Certificate granted to CTP/NRTP will be valid for:

- (i) Period specified in the registration application, or
- (ii) 90 days from the effective date of registration [can be extended further by a period not exceeding 90 days by making an application before the end of the validity of registration granted to him**]



whichever is earlier.

Provisions relating to verification of application and grant of registration [under rules 9 and 10] will apply *mutatis mutandis*, to an application for registration filed by NRTP.

(D) Advance deposit of tax

At the time of submitting the registration application, CTP/NRTP are required to make an **advance deposit of tax** in an amount equivalent to the estimated tax liability of such person for the period for which the registration is sought.

Such person will get a TRN for making an advance deposit of tax which shall be credited to his electronic cash ledger. An acknowledgement of receipt of application for registration is issued only after said deposit.

***Where extension of time is sought, such registered taxable person will deposit an additional amount of tax equivalent to the estimated tax liability of such person for the period for which the extension is sought.*

(xi) Deemed registration [Section 26]

Registration under GST is not tax specific, which means that there is single registration for all the taxes i.e. CGST, SGST/UTGST, IGST and cesses.

Grant of registration/UIN under any SGST Act/ UTGST Act is deemed to be registration/UIN granted under CGST Act provided application for registration has not been rejected under CGST Act.

Further, rejection of application for registration/UIN under SGST Act/UTGST Act is deemed to be rejection of application for registration under CGST Act.

(xii) Special provisions for grant of registration in case of persons required to deduct tax at source under section 51 or to collect tax at source under section 52 [Rule 12]

Application for registration has to be submitted by such persons in a different prescribed form at GST Common Portal. They would be granted registration within **3 working days** from the date of submission of application after due verification.

Registration will be cancelled if proper officer is satisfied that such person is no longer liable to deduct tax at source or collect tax at source. Cancellation of registration will be communicated to such person electronically in prescribed form. Proper Officer shall follow the procedure laid down for cancellation of registration prescribed under this Act and rules therein.

(xiii) Special provisions for grant of registration in case of person supplying online information and data base access or retrieval services (OIDAR services) from a place outside India to a non-taxable online recipient [Rule 14]

Application for registration has to be submitted by such persons in a different prescribed form. They would be granted registration subject to such conditions and restrictions and by such officer as may be notified by the Central Government on the recommendations of the Council.



In this Chapter, while elaborating the registration provisions contained in Chapter -III Registration of CGST Rules, 2017, only Registration forms - Form GST REG-01 and Form GST REG-06 have been discussed. Students are advised to go through various forms/formats relating to registration at <http://www.gst.gov.in> for knowledge purposes.



7. AMENDMENT OF REGISTRATION [SECTION 28]



STATUTORY PROVISIONS

Section 28	Amendment of registration
Sub-section	Particulars
(1)	Every registered person and a person to whom a Unique Identity Number has been assigned shall inform the proper officer of any changes in the information furnished at the time of registration or subsequent thereto, in such form and manner and within such period as may be prescribed.
(2)	The proper officer may, on the basis of information furnished under sub-section (1) or as ascertained by him, approve or reject amendments in the registration particulars in such manner and within such period as may be prescribed. Provided that approval of the proper officer shall not be required in respect of amendment of such particulars as may be prescribed. Provided further that the proper officer shall not reject the application for amendment in the registration particulars without giving the person an opportunity of being heard.
(3)	Any rejection or approval of amendments under the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act, as the case may be, shall be deemed to be a rejection or approval under this Act.



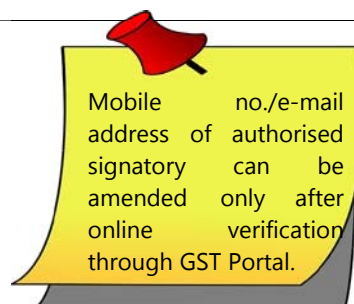
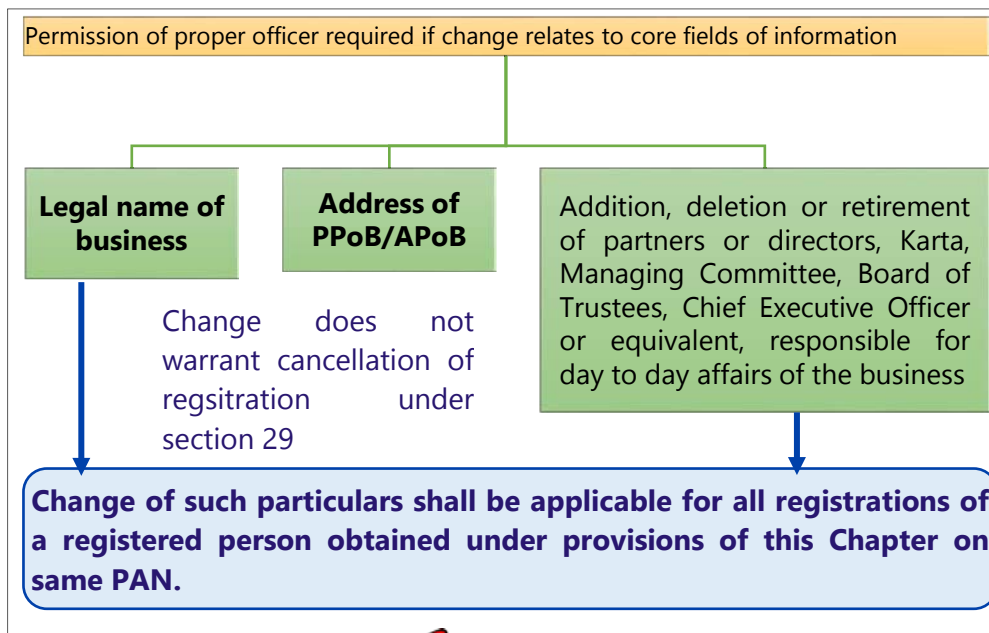
ANALYSIS

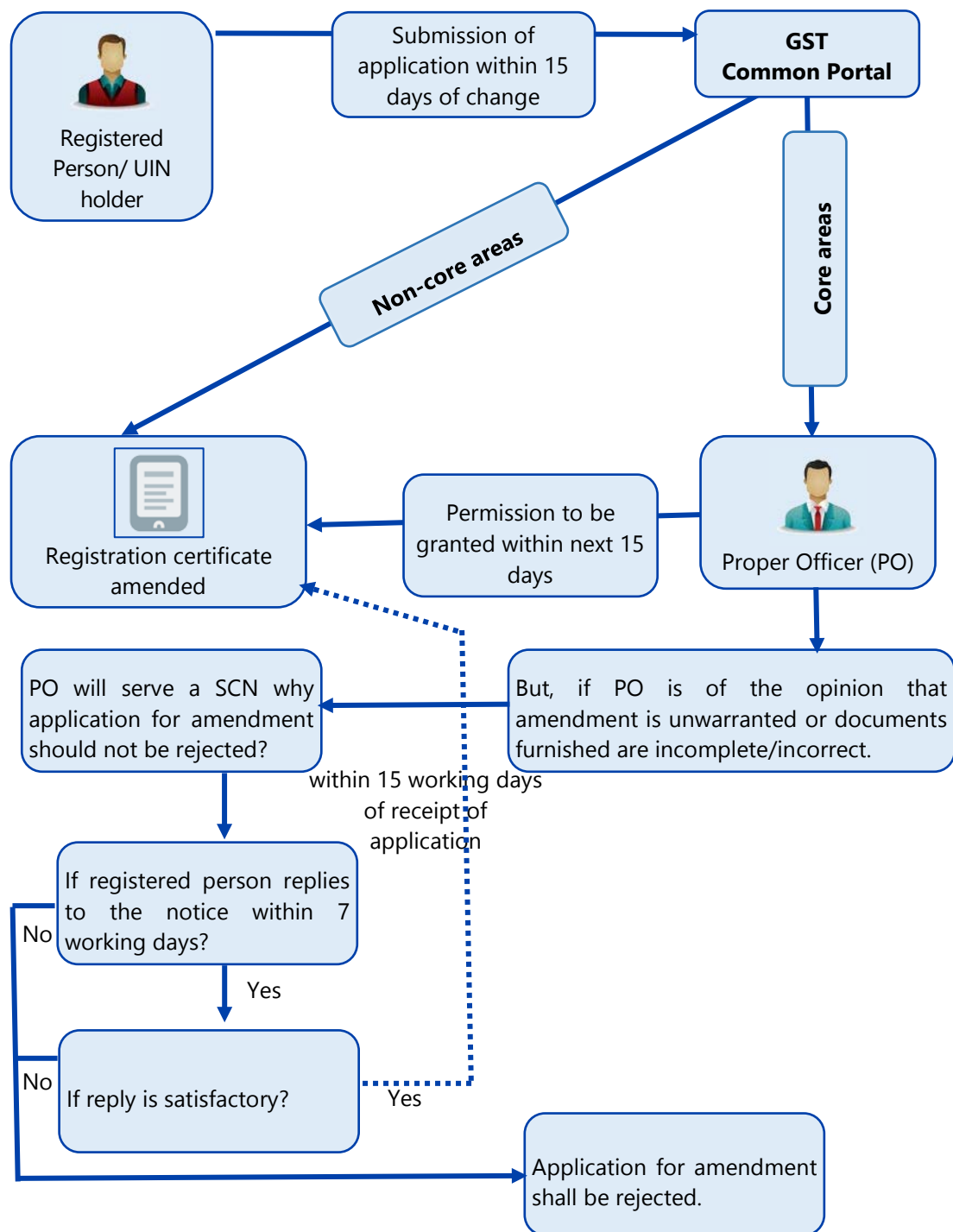
The provisions relating to amendment of registration are contained in section 28 read with rule 19 of CGST Rules, 2017. The significant aspects of the same are discussed hereunder:

- Where there is any change in the particulars furnished in registration application/UIN application, registered person shall submit an application in

prescribed manner, **within 15 days** of such change, along with documents relating to such change at the Common Portal.

- ❑ **In case of amendment of core fields of information**, the proper officer may, on the basis of information furnished or as ascertained by him, approve or reject amendments in the registration particulars in the prescribed manner. Such amendment shall take effect from the date of occurrence of event warranting such amendment.
- ❑ However, **where change relates to non-core fields of information**, registration certificate shall stand amended upon submission of the application for amendment on the Common Portal.
- ❑ **Where a change in the constitution of any business results in change of PAN of a registered person**, the said person shall apply for fresh registration. The reason for the same is that GSTIN is PAN based. Any change in PAN would warrant a new registration.





If the proper officer fails to take any action,-

- (a) within a period of fifteen working days from the date of submission of the application, or
- (b) within a period of seven working days from the date of the receipt of the reply to the show cause notice,

the certificate of registration shall stand amended to the extent applied for and the amended certificate shall be made available to the registered person on the common portal.



8. CANCELLATION OF REGISTRATION AND REVOCATION OF CANCELLATION [SECTIONS 29 & 30]



STATUTORY PROVISIONS

Section 29	Particulars						
Sub-section	Cancellation of registration						
(1)	<p><i>The proper officer may, either on his own motion or on an application filed by the registered person or by his legal heirs, in case of death of such person, cancel the registration, in such manner and within such period as may be prescribed, having regard to the circumstances where:</i></p> <table border="1" style="width: 100%;"> <tbody> <tr> <td style="text-align: center;">(a)</td> <td><i>the business has been discontinued, transferred fully for any reason including death of the proprietor, amalgamated with other legal entity, demerged or otherwise disposed of</i></td> </tr> <tr> <td style="text-align: center;">(b)</td> <td><i>there is any change in the constitution of the business</i></td> </tr> <tr> <td style="text-align: center;">(c)</td> <td><i>the taxable person, other than the person registered under sub-section (3) of section 25, is no longer liable to be registered under section 22 or section 24</i></td> </tr> </tbody> </table>	(a)	<i>the business has been discontinued, transferred fully for any reason including death of the proprietor, amalgamated with other legal entity, demerged or otherwise disposed of</i>	(b)	<i>there is any change in the constitution of the business</i>	(c)	<i>the taxable person, other than the person registered under sub-section (3) of section 25, is no longer liable to be registered under section 22 or section 24</i>
(a)	<i>the business has been discontinued, transferred fully for any reason including death of the proprietor, amalgamated with other legal entity, demerged or otherwise disposed of</i>						
(b)	<i>there is any change in the constitution of the business</i>						
(c)	<i>the taxable person, other than the person registered under sub-section (3) of section 25, is no longer liable to be registered under section 22 or section 24</i>						

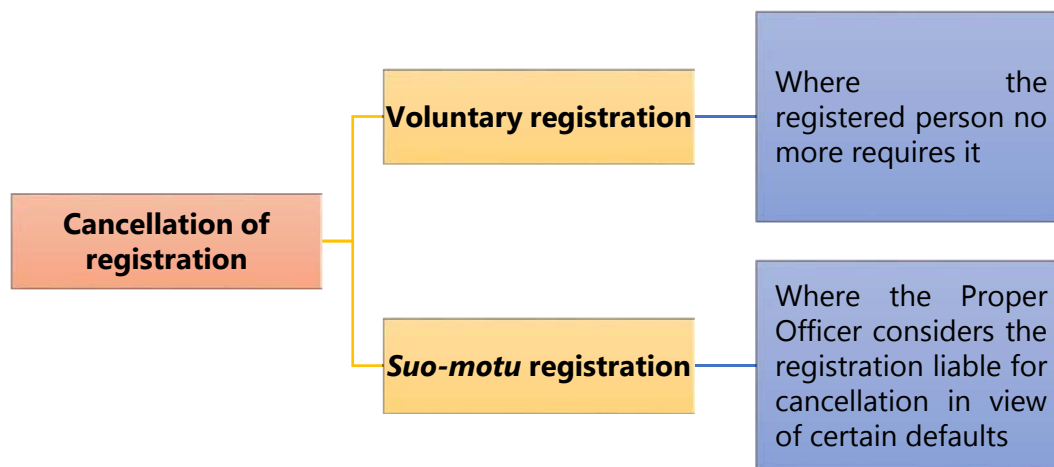
(2)	<p><i>The proper officer may cancel the registration of a person from such date, including any retrospective date, as he may deem fit, where,—</i></p>
	<p><i>(a) a registered person has contravened such provisions of the Act or the rules made thereunder as may be prescribed</i></p>
	<p><i>(b) a person paying tax under section 10 has not furnished returns for three consecutive tax periods</i></p>
	<p><i>(c) any registered person, other than a person specified in clause (b), has not furnished returns for a continuous period of six months</i></p>
	<p><i>(d) any person who has taken voluntary registration under sub-section (3) of section 25 has not commenced business within six months from the date of registration</i></p>
	<p><i>(e) registration has been obtained by means of fraud, wilful misstatement or suppression of facts</i></p>
<p><i>Provided that the proper officer shall not cancel the registration without giving the person an opportunity of being heard.</i></p>	
(3)	<p><i>The cancellation of registration under this section shall not affect the liability of the person to pay tax and other dues under this Act or to discharge any obligation under this Act or the rules made thereunder for any period prior to the date of cancellation whether or not such tax and other dues are determined before or after the date of cancellation.</i></p>
(4)	<p><i>The cancellation of registration under the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act, as the case may be, shall be deemed to be a cancellation of registration under this Act.</i></p>
(5)	<p><i>Every registered person whose registration is cancelled shall pay an amount, by way of debit in the electronic credit ledger or electronic cash ledger, equivalent to the credit of input tax in</i></p>

	<p><i>respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock or capital goods or plant and machinery on the day immediately preceding the date of such cancellation or the output tax payable on such goods, whichever is higher, calculated in such manner as may be prescribed.</i></p> <p><i>Provided that in case of capital goods or plant and machinery, the taxable person shall pay an amount equal to the input tax credit taken on the said capital goods or plant and machinery, reduced by such percentage points as may be prescribed or the tax on the transaction value of such capital goods or plant and machinery under section 15, whichever is higher.</i></p>
(6)	<i>The amount payable under sub-section (5) shall be calculated in such manner as may be prescribed.</i>
Section 30	Revocation of cancellation of registration
(1)	<i>Subject to such conditions as may be prescribed, any registered person, whose registration is cancelled by the proper officer on his own motion, may apply to such officer for revocation of cancellation of the registration in the prescribed manner within thirty days from the date of service of the cancellation order.</i>
(2)	<p><i>The proper officer may, in such manner and within such period as may be prescribed, by order, either revoke cancellation of the registration or reject the application.</i></p> <p><i>Provided that the application for revocation of cancellation of registration shall not be rejected unless the applicant has been given an opportunity of being heard.</i></p>
(3)	<i>The revocation of cancellation of registration under the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act, as the case may be, shall be deemed to be a revocation of cancellation of registration under this Act.</i>



ANALYSIS

The provisions relating to cancellation of registration and its revocation are contained in sections 29 & 30 respectively read with rules 20 to 23 of the CGST Rules, 2017:



(i) Circumstances where registration is liable to be cancelled [Section 29(1) & (2)]

A. Circumstances when the registration can be cancelled either suo motu by proper officer or on an application of the registered person or his legal heirs (in case death of such person)

<ul style="list-style-type: none"> •--Business discontinued --Transferred fully for any reason including death of the proprietor --Amalgamated with other legal entity --Demerged or --Otherwise disposed of 	<ul style="list-style-type: none"> •Change in the constitution of the business 	<ul style="list-style-type: none"> •Taxable person (other than voluntarily registered person) who is no longer liable to be registered under section 22 or section 24.
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B. Circumstances when the proper officer can cancel registration on his own

In the following cases, registration can be cancelled by the proper officer from such date, including any retrospective date, as he may deem fit:

Following contraventions done by the registered person:

(i) He does not conduct any business from the declared place of business, or

(ii) He issues invoice/bill without supply of goods/services in violation of the provisions of this Act, or the rules made thereunder.

(iii) If he violates the provisions of section 171 of the CGST Act.*

A registered person has not filed returns for *continuous 6 months**.

*3 *consecutive tax periods in case of a person who opted for composition levy*

Voluntarily registered person has not commenced the business within 6 months from the date of registration

Registration was obtained by means of fraud, wilful misstatement or suppression of facts

* Section 171 of the CGST Act, 2017 contains provisions relating to anti-profiteering measure.

(ii) Procedure for cancellation of registration

- ❑ A registered person seeking cancellation of registration shall electronically submit the application for cancellation of registration in prescribed form within 30 days of occurrence of the event warranting cancellation.
- ❑ He is required to furnish in the application the details of inputs held in stock or inputs contained in semi-finished/finished goods held in stock and of capital goods held in stock on the date from which cancellation of registration is sought, liability thereon, details of the payment, if any, made against such liability and may furnish relevant documents thereof.
- ❑ **Where a person who has submitted an application for cancellation of his registration** is no longer liable to be registered, proper officer shall

issue the order of cancellation of registration within 30 days from the date of submission of application for cancellation.

- ❑ **Where the proper officer cancels the registration *suo-motu***, he shall not cancel the same without giving a show cause notice and without giving a reasonable opportunity of being heard, to the registered person. The reply to such show cause notice (SCN) has to be submitted within 7 days of service of notice.

If reply to SCN is satisfactory, proper officer shall drop the proceedings and pass an order in prescribed form. Where registration of a person is liable to be cancelled, proper officer shall issue the order of cancellation of registration within 30 days from the date of reply to SCN.

- ❑ The cancellation of registration shall be effective from a date to be determined by the proper officer. He will direct the taxable person to pay arrears of any tax, interest or penalty including the amount liable to be paid under section 29(5) *[as discussed in the next para]*.

(iii) Reversal of credit [Section 29(5) & (6)]

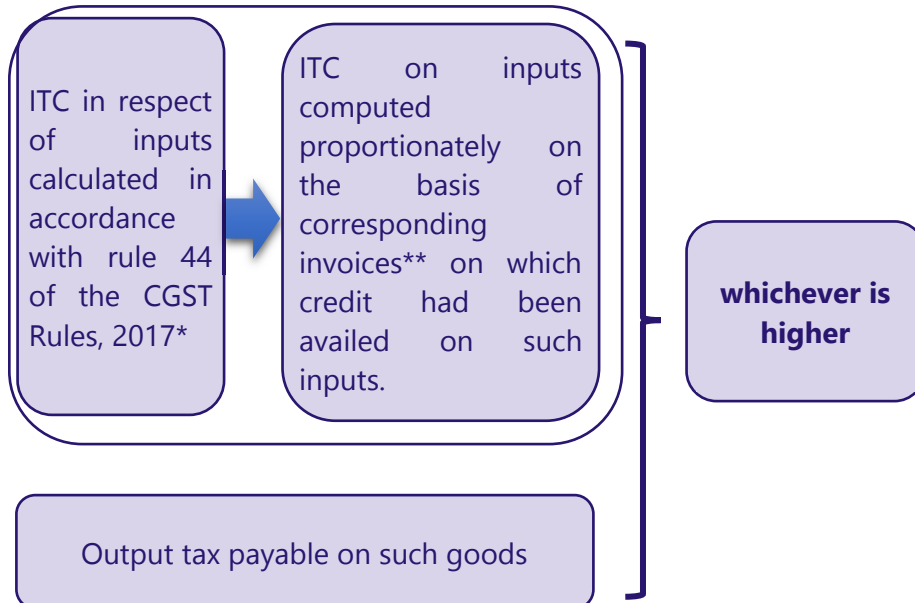
- ❑ A registered person whose registration is cancelled will have to debit the electronic credit or cash ledger by an amount equal to
 - (i) input tax credit (ITC) in respect of:
 - stock of inputs and inputs contained in semi-finished/finished goods' stock or
 - capital goods or plant and machinery
 on the day immediately preceding the date of cancellation, or
 - (ii) the output tax payable on such goods

whichever is higher, calculated **in such manner as may be prescribed**.

- ❑ However, in case of capital goods or plant and machinery, the taxable person shall pay an amount equal to the input tax credit taken on the said capital goods or plant and machinery, reduced by such percentage points **as may be prescribed** or the tax on the transaction value of such capital goods or plant and machinery under section 15, whichever is higher.

The manner of determination of amount of credit to be reversed is prescribed under rule 44 of the CGST Rules, 2017. On conjoint reading of section 29(5) and rule 44, it can be inferred as follows:

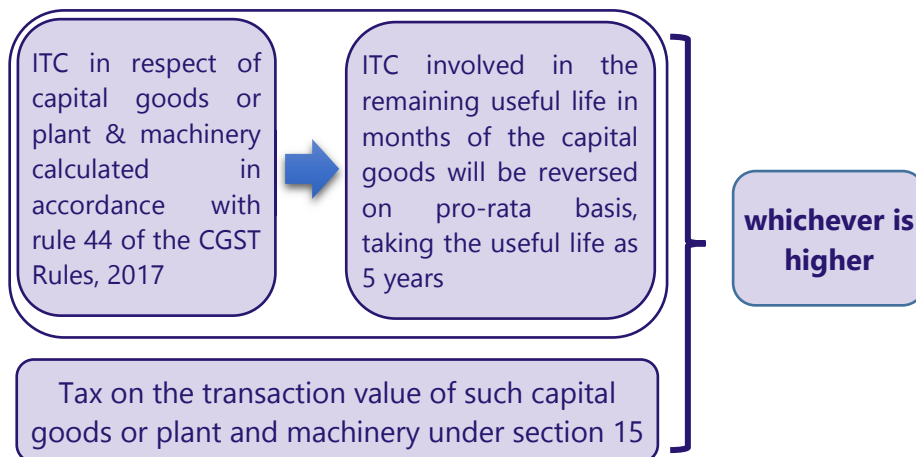
❑ **Amount of credit to be reversed in respect of INPUTS:**



* Discussed in detail in Chapter-8: Input Tax Credit

**If tax invoices are not available, the ITC to be reversed will be based on the prevailing market price (MP) of such goods on the date of cancellation.

❑ **Amount of credit to be reversed in respect of CAPITAL GOODS OR PLANT & MACHINERY:**





Capital goods have been in use for 4 years, 6 month and 15 days. The useful remaining life in months = 5 months ignoring a part of the month.

ITC taken on such capital goods = C

ITC attributable to remaining useful life = $C \times 5/60$

(iv) Other points

A voluntarily registered person cannot seek cancellation before the expiry of a period of 1 year from the effective date of registration [Proviso to rule 20]

A person to whom a UIN has been granted under rule 17 cannot apply for cancellation of registration [Rule 20]

The cancellation of registration will not affect liability of registered person to pay tax and other dues under the Act for any period prior to the date of cancellation [Section 29(3)]

The cancellation of registration under either SGST Act/UTGST Act shall be deemed to be a cancellation of registration under CGST Act [Section 29(4)].

(vi) Revocation of cancellation of registration [Section 30 read with rule 23]

- ❑ Where the registration of a person is cancelled suo-motu by the proper officer, such registered person may apply for revocation of the cancellation to such proper officer, **within 30 days** from the date of service of the order of cancellation of registration, at the GST Common Portal in the prescribed manner.
- ❑ However, in case registration was cancelled for failure of registered person to furnish returns, before applying for revocation the person has

- to make good the defaults (by filing all pending returns, making payment of all dues in terms of such returns alongwith interest, penalty, late fee, etc.) for which the registration was cancelled by the officer.
- ❑ If the proper officer is satisfied that there are sufficient grounds for revocation of cancellation, he may revoke the cancellation of registration, by an order **within 30 days** of receipt of application and communicate the same to applicant.
 - ❑ Otherwise, he may reject the revocation application. However, before rejecting the application, he has to first issue SCN to the applicant who shall furnish the clarification within 7 working days of service of SCN. The proper officer shall dispose the application (accept/reject the same) within 30 days of receipt of clarification.
 - ❑ The revocation of cancellation of registration under the SGST Act/ UTGST Act, as the case may be, shall be deemed to be a revocation of cancellation of registration under CGST Act

LET US RECAPITULATE

1. Nature of registration

The registration in GST is PAN based and State specific.

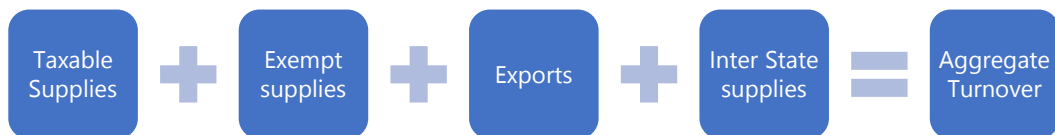
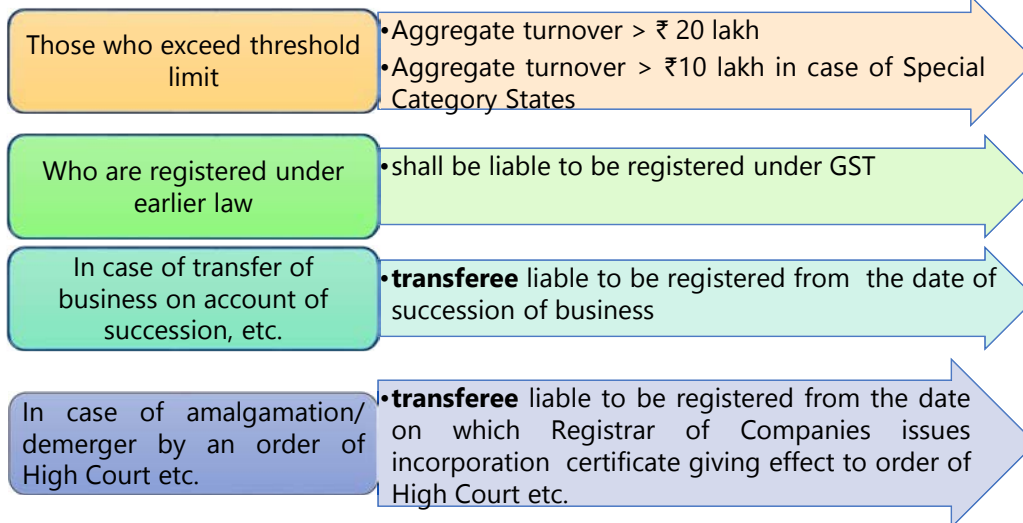
One registration per State/UT.

However, a business entity having separate business verticals in a State may obtain separate registration for each of its business verticals.

GST identification number called "GSTIN" - a 15-digit number and a certificate of registration incorporating therein this GSTIN is made available to the applicant on the GSTN common portal.

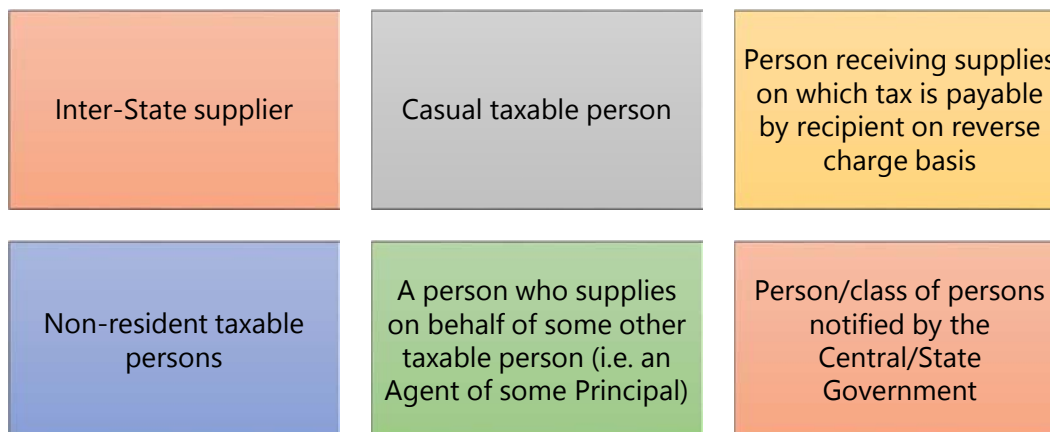
Registration under GST is not tax specific, i.e. single registration for all the taxes i.e. CGST, SGST/UTGST, IGST and cesses.

2. Persons liable to registration

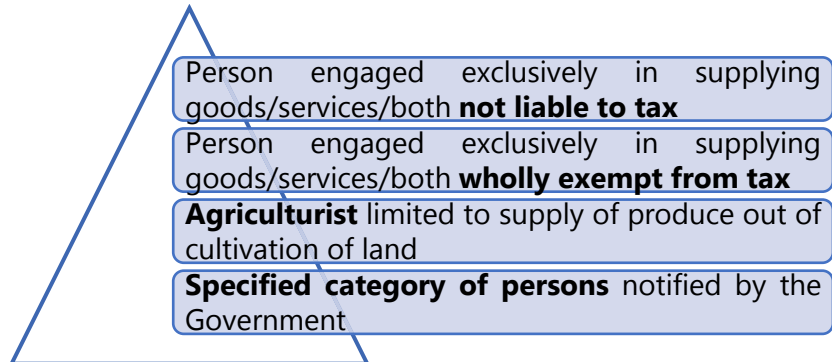


Aggregate Turnover will be computed on All-India basis for same PAN

3. Compulsory registration in certain cases



4. Persons not liable for registration



5. Where and by when to apply for registration?

Person who is liable to be registered under section 22 or section 24

- in every such State/UT in which he is so liable
- within 30 days from the date on which he becomes liable to registration

A casual taxable person or a non-resident taxable person

- in every such State/UT in which he is so liable
- at least 5 days prior to the commencement of business

6. Voluntary Registration and UIN

Voluntary Registration

- Person not liable to be registered under sections 22/24 may get himself registered voluntarily.

Unique Identification Number (UIN)

- In respect of supplies to some notified agencies of United Nations organisation, multinational financial institutions and other organisations, a UIN is issued.

7. Effective date of registration

Application submitted **within 30 days** of the applicant becoming liable to registration

•Effective date is the date on which he becomes liable to registration

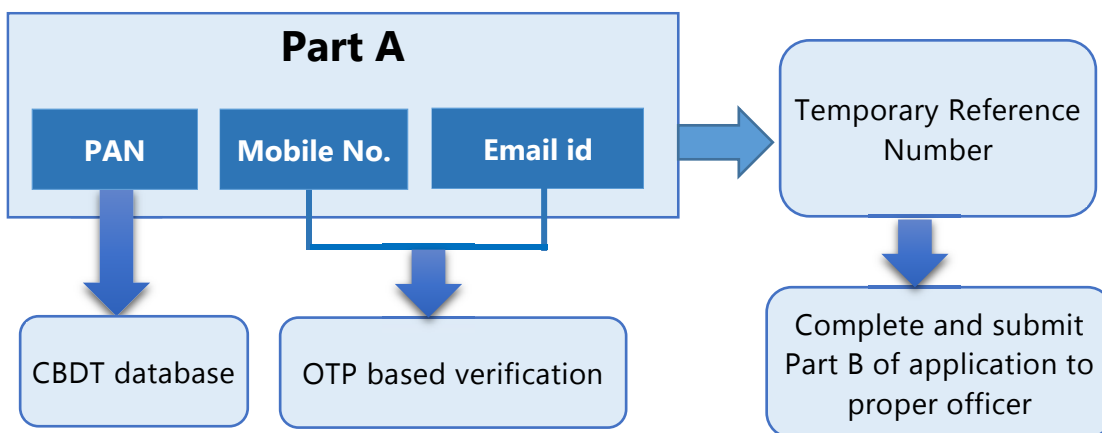
Application submitted **after 30 days** of the applicant becoming liable to registration

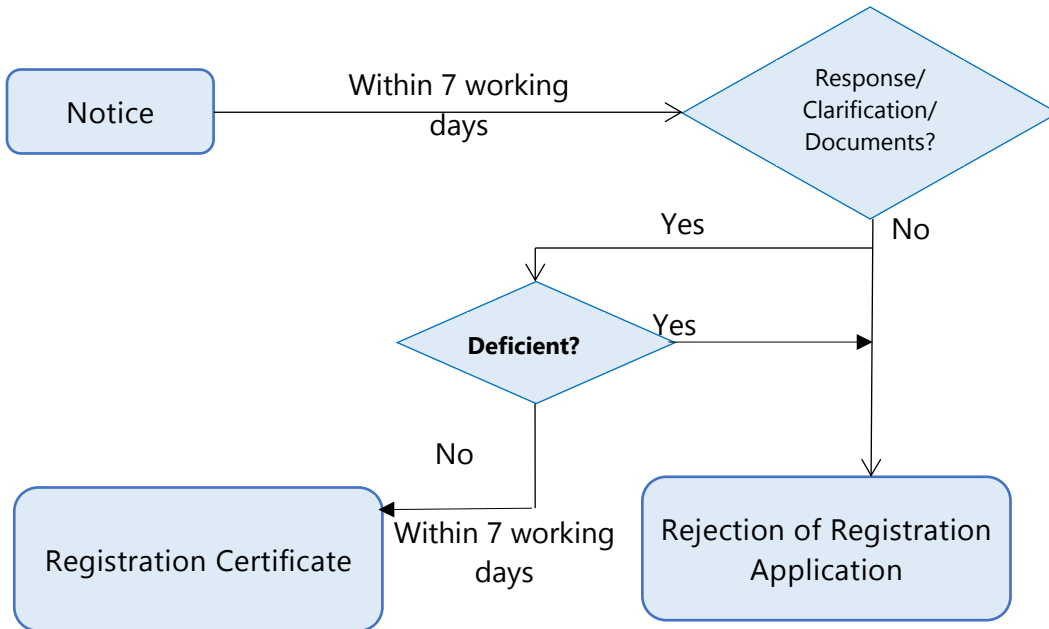
•Effective date is date of grant of registration

8. Procedure for registration

How to apply for registration?

- On common portal www.gst.gov.in
- Part A:** PAN + Mobile no. + E-mail ID





10. Special procedure for registration of CTD and NRTD

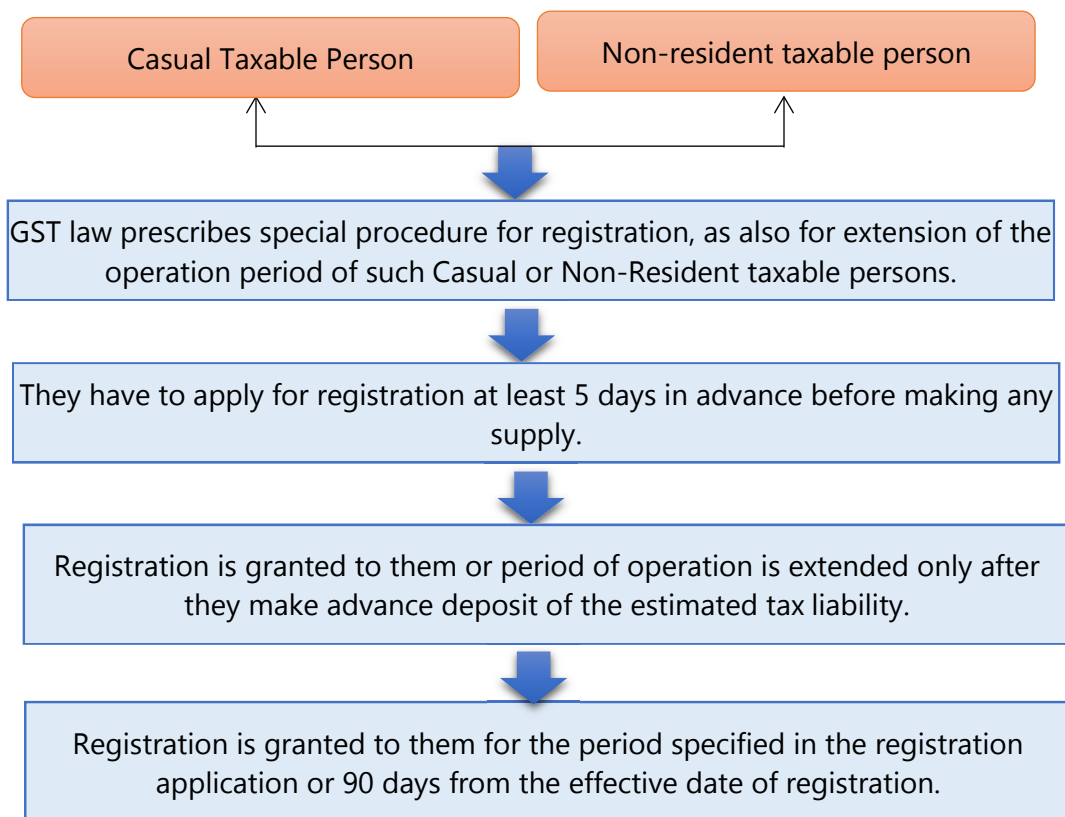
Casual Taxable Person

A Casual taxable person is one who has a registered business in some State in India, but wants to effect supplies from some other State in which he is not having any fixed place of business.

Such person needs to register in the State from where he seeks to supply as a Casual taxable person.

Non-resident Taxable Person

A Non-Resident taxable person is one who is a foreigner and occasionally wants to effect taxable supplies from any State in India, and for that he needs GST registration.



11. Amendment of Registration

Except for the changes in some core information in the registration application, a taxable person shall be able to make amendments without requiring any specific approval from the tax authority.

In case the change is for legal name of the business, or the State of place of business or additional place of business, the taxable person will apply for amendment within 15 days of the event necessitating the change.

The Proper Officer, then, will approve the amendment within the next 15 days.

For other changes like the name of day-to-day functionaries, e-mail IDs, mobile numbers etc. no approval of the Proper Officer is required, and the amendment can be affected by the taxable person on his own on the common portal.

TEST YOUR KNOWLEDGE

1. Determine the effective date of registration in following cases:
 - (a) The aggregate turnover of Dhampur Industries of Delhi has exceeded ₹ 20 lakh on 1st September. It submits the application for registration on 20th September. Registration certificate is granted to it on 25th September.
 - (b) Mehta Teleservices is an internet service provider in Lucknow. Its aggregate turnover exceeds ₹ 20 lakh on 25th October. It submits the application for registration on 27th November. Registration certificate is granted to it on 5th December.
2. State the time-period within which registration needs to be obtained in each of the following independent cases:
 - (a) Casual taxable person
 - (b) Person making inter-State taxable supply
3. In order to be eligible for grant of registration, a person must have a Permanent Account Number issued under the Income- tax Act, 1961. State one exception to it.
4. State which of the following suppliers are liable to be registered:
 - (a) Agent supplying goods on behalf of some other taxable person and its aggregate turnover does not exceed ₹ 20 lakh during the financial year.
 - (b) An agriculturist who is only engaged in supply of produce out of cultivation of land.
5. What are the advantage of taking registration in GST?
6. Can a person without GST registration collect GST and claim ITC?
7. If a person is operating in different States, with the same PAN number, can he operate with a single registration?
8. Can a person having multiple business verticals in a State obtain separate registrations for each business vertical?
9. Is there a provision for a person to get himself voluntarily registered though he may not be liable to pay GST?
10. Can the Department, through the proper officer, suo-moto proceed to register of a person?
11. Whether the registration granted to any person is permanent?

12. *Is it necessary for the UN bodies to get registration under GST?*
13. *What is the responsibility of the taxable person making supplies to UN bodies?*
14. *What is the validity period of the registration certificate issued to a casual taxable person and non- resident taxable person?*
15. *What happens when the registration is obtained by means of willful mis-statement, fraud or suppression of facts?*
16. *Is there an option to take centralized registration for services under GST Law?*
17. *What could be the liabilities (in so far as registration is concerned) on transfer of a business?*
18. *At the time of registration, will the assessee have to declare all his places of business?*
19. *What will be the time limit for the decision on the on-line registration application?*
20. *What will be the time of response by the applicant if any query is raised in the online application?*
21. *Does cancellation of registration impose any tax obligations on the person whose registration is so cancelled?*

ANSWERS/HINTS

1. (a) Every supplier becomes liable to registration if his turnover exceeds ₹ 20 lakh [in a State/UT other than Special Category States] in a financial year [Section 22]. Since in the given case, the turnover of Dhampur Industries exceeded ₹ 20 lakh on 1st September, it becomes liable to registration on said date.

Further, since the application for registration has been submitted within 30 days from such date, the registration shall be effective from the date on which the person becomes liable to registration [Section 25 read with rule 10 of the Chapter III - Registration of CGST Rules, 2017]. Therefore, the effective date of registration is 1st September.

- (b) Since in the given case, the turnover of Mehta Teleservices exceeds ₹ 20 lakh on 25th October, it becomes liable to registration on said date.

Further, since the application for registration has been submitted after 30 days from the date such person becomes liable to registration, the registration shall be effective from the date of grant of registration. Therefore, the effective date of registration is 5th December.

2. Section 25(1) of the CGST Act stipulates the time-period within which registration needs to be obtained in various cases. It provides the following time-limits:

In case of	registration needs to be obtained
a person who is liable to be registered under section 22 or section 24	within 30 days from the date on which he becomes liable to registration
a casual taxable person or a non-resident taxable person	at least 5 days prior to the commencement of business

In view of the aforesaid provisions:

- (a) A casual taxable person must obtain registration at least 5 days prior to the commencement of its business.
 - (b) As per section 24 of the CGST Act, person making inter-State taxable supply is liable to get compulsorily registered. Therefore, such person must obtain registration within 30 days from the date on which he becomes liable to registration.
3. A Permanent Account Number is mandatory to be eligible for grant of registration. One exception to this is a non-resident taxable person. A non-resident taxable person may be granted registration on the basis of other prescribed documents instead of PAN. He has to submit a self-attested copy of his valid passport along with the application signed by his authorized signatory who is an Indian Resident having valid PAN and application will be submitted in a different prescribed form [Section 25(6) & (7)].
4. (a) Section 22 stipulates that every supplier becomes liable to registration if his turnover exceeds ₹ 20 lakh in a State/UT [₹ 10 lakh in Special Category States] in a financial year. However, as per section 24, a person supplying goods/services or both on behalf of other taxable persons whether as an agent or not is liable to be compulsorily registered even if its aggregate turnover does not exceed ₹ 20 lakh during the financial year.
 - (b) As per section 23, an agriculturist who is only engaged in supply of produce out of cultivation of land is not required to obtain registration.
5. Registration will confer following advantages to the business:

- Legally recognized as supplier of goods or services.
 - Proper accounting of taxes paid on the input goods or services which can be utilized for payment of GST due on supply of goods or services or both by the business.
 - Legally authorized to collect tax from his purchasers and pass on the credit of the taxes paid on the goods or services supplied to purchasers or recipients.
 - Become eligible to avail various other benefits and privileges rendered under the GST laws.
6. No, a person without GST registration can neither collect GST from his customers nor can claim any input tax credit of GST paid by him.
 7. No. Every person who is liable to take a registration will have to get registered separately for each of the States where he has a business operation (and is liable to pay GST)
 8. Yes. In terms of the proviso to sub-section (2) of section 25, a person having multiple business verticals in a State may obtain a separate registration for each business vertical, subject to such conditions as may be prescribed.
 9. Yes. In terms of sub-section (3) of section 25, a person, though not liable to be registered under sections 22 or 24 may get himself registered voluntarily, and all provisions of this Act, as are applicable to a registered taxable person, shall apply to such person.
 10. Yes. In terms of sub-section (8) of section 25, where a person who is liable to be registered under GST law fails to obtain registration, the proper officer may, without prejudice to any action which may be taken under CGST Act, or under any other law for the time being in force, proceed to register such person in the manner as is prescribed in the CGST Rules, 2017.
 11. Yes, the registration certificate once granted is permanent unless surrendered, cancelled, suspended or revoked.
 12. Yes. In terms of section 25(9) of the CGST Act, all notified UN bodies, Consulate or Embassy of foreign countries and any other class of persons so notified would be required to obtain a unique identification number (UIN) from the GST portal.

The structure of the said ID would be uniform across the States in conformity with GSTIN structure and the same will be common for the Centre and the States. This UIN will be needed for claiming refund of taxes paid on notified

supplies of goods and services received by them, and for any other purpose as may be notified.

13. The taxable supplier making supplies to UN bodies is expected to mention the UIN on the invoices and treat such supplies as supplies to another registered person (B2B) and the invoices of the same will be uploaded by the supplier.
14. In terms of section 27(1) read with proviso thereto, the certificate of registration issued to a "casual taxable person" or a "non-resident taxable person" shall be valid for a period specified in the application for registration or 90 days from the effective date of registration, whichever is earlier. However, the proper officer, at the request of the said taxable person, may extend the validity of the aforesaid period of 90 days by a further period not exceeding 90 days.
15. In such cases, the registration may be cancelled with retrospective effect by the proper officer [Section 29(2)(e)].
16. No, the tax payer has to take separate registration in every State from where he makes taxable supplies.
17. The transferee or the successor shall be liable to be registered with effect from such transfer or succession and he will have to obtain a fresh registration with effect from the date of such transfer or succession [Section 22(3)].
18. Yes. The principal place of business and place of business have been separately defined under section 2(89) & 2(85) of the CGST Act respectively. The taxpayer will have to declare the principal place of business as well as the details of additional places of business in the registration form.
19. If the information and the uploaded documents are found in order, the proper officer has to respond to the application within 3 common working days. If he communicates any deficiency or discrepancy in the application within such time, then the applicant will have to remove the discrepancy / deficiency within 7 days of such communication. Thereafter, for either approving the application or rejecting it, the proper officer has 7 days' time from the date when the taxable person communicates removal of deficiencies. In case no response is given by the proper officer within the said time line, the portal shall automatically generate the registration.
20. If during the process of verification, one of the tax authorities raises some query or notices some error, the same shall be communicated to the

applicant and to the other tax authority through the GST Common Portal within 3 common working days. The applicant will reply to the query/rectify the error/ answer the query within a period of 7 days from the date of receipt of deficiency intimation.

On receipt of additional document or clarification, the relevant tax authority will respond within 7 common working days from the date of receipt of clarification

21. Yes, as per section 29(5) of the CGST Act, every registered taxable person whose registration is cancelled shall pay an amount, by way of debit in the electronic cash ledger, equivalent to the credit of input tax in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock or capital goods or plant and machinery on the day immediately preceding the date of such cancellation or the output tax payable on such goods, whichever is higher.

