Year-End Closure Activities of GST

As the end of the financial year draws near, it is critical to make sure that all compliance requirements pertaining to GST are duly satisfied. This will ensure a smooth transition for the taxpayers from F.Y. 2024-2025 to F.Y. 2025-2026. Taking all the compliance requirements into due consideration we have jotted down the list of mandatory checks that must be carried to ensure a seamless transition from one financial year to another:

Sl. No.	Particulars	Applicable To	How to comply?
1.	LUT Filing Procedure – To export goods/services or supplies to SEZ without payment of GST	Exporters, SEZ Units/Developers	File LUT in FORM RFD-11 on the GST Portal [gst.gov.in]
2.	Opting from Regular Scheme to Composition Levy	Taxpayers switching from Regular Scheme to Composition Levy	File form CMP - 02 by 31st March, 2025 on the GST Portal. For reversal of ITC on inputs, WIP, finished goods, stock, and capital goods, file FORM ITC-03 by 30th May, 2025.
3.	Option to opt for QRMP Scheme	Taxpayers with turnover up to ₹5 Crores	Option to opt for quarterly frequency of GST return (QRMP) filing for Quarter 1 of F.Y. 2025-26 till 30th April 2025. Taxpayer has an option to opt out of QRMP Scheme for the remaining quarter of the financial year.
4.	Filing of ITC-04 (if goods were sent/received back from Job Worker)	Taxpayers with AATO more than ₹5 Crore / Up to ₹ 5 Crore	**AATO more than ₹5 Crore** Half-yearly return for April to September : 25th October 2024; October-March: 25th April 2025. **AATO upto ₹5 Crore** Yearly return for F.Y. 24-25 : 25th April 2025
5.	Goods Transport Agency	Goods Transport Agencies (GTA)	GTA opting for forward charge must furnish Declaration in Annexure V online by 31st March 2025 for FY 2025-26.
6.	Input Service Distribution (ISD)	Businesses with offices receiving input services on behalf of distinct persons	Register as an ISD if services are received for distribution of such ITC. ****Effective from 01st April 2025.***
7.	e-Invoicing Compliance Check	Businesses with AATO ₹ 10 Crores	As per the advisory of GSTN dated 05th November 2024, e-invoice is to be generated within 30 days from the date of issuance of invoice where the AATO exceeds ₹ 10 Crore. This update is

			applicable from 01st April, 2025 onwards. Thereby implying that only those having AATO less than ₹ 10 Crores are allowed to generate e-invoice from the back date if missed. ***_**Effective from 01st April 2025.**_ As per the sixth proviso to Rule 46, read with Notification No. 14/2020 – Central Tax dated 21.03.2020 (as amended), invoices must include a Dynamic Quick Response (QR) Code if issued by a registered person whose Aggregate Annual Turnover (AATO) exceeds Rs. 500 crore in any financial year from F.Y. 2017-18 onwards. To determine applicability for F.Y. 2025-26, AATO must be reviewed for the period from FY 2017-18 to FY 2024-25. However, certain registered persons are exempt from the requirement of including a Dynamic QR Code on their invoices.
8.	GSTR-1 vs GSTR-3B vs Books Reconciliation	*All Taxable Registered Persons*	Reconcile books with GSTR-1, GSTR-3B, and the tax liabilities reported. Adjust discrepancies wherever necessary by 31st March, 2025. Any adjustments if required in the returns can be made in GSTR-1 / GSTR-3B of March 2025. GST Law allows time till 30th November, 2025 to adjust discrepancies if there are any. Therefore, the taxpayers have an option to make necessary adjustments in October 2025 GSTR – 1 / GSTR-3B.
9.	Outward Supply	Businesses filing GSTR-1 and GSTR-3B	Ensure all amendments (including Debit/Credit Notes) in GSTR-1 are reflected in GSTR-3B. Adjust any carry-forward credit note in GSTR-3B or Annual Return before 30th November 2025.
10.	Documentation Reporting	All Taxable Persons	Ensure accurate reporting of invoices, credit/debit notes, RCM self-invoices, payment vouches, and delivery challans as required in the documentation. Adjust incorrect GSTIN entries in books if necessary.

			If any document is missed to be reported in GSTR-1, report any such discrepancies in GSTR-1 for March, 2025.
11.	HSN Reporting	Businesses reporting GSTR-1	Compare GSTR-1 with HSN details and adjust discrepancies in March. Ensure credit notes and HSN details match, and correct HSN/SAC codes and GST rates are opted.
12.	Input Tax Credit (ITC) Reconciliation	Businesses claiming ITC in GSTR-3B	Reconcile ITC in books and GSTR-3B. Identify missed ITC and ensure timely reversal in books of accounts for unclaimed ITC or reversal in GSTR-3B for wrongly claimed ITC. Reconcile opening balances and ensure ITC reversal is done where applicable. Ensure that no ITC is availed on purchases from composition dealers or where GST is not applicable. Follow up with suppliers whose GSTR-3B is pending. Reversal of ITC is required if GSTR-3B is not filed by suppliers.
13.	GSTR-1 and E-Way Bill	Businesses issuing E-way Bills	Reconcile outward supply data with e-way bills. Ensure all invoices have generated e-way bills where required. Prepare reconciliation for any supply without an e-way bill and provide reasons.
14.	Reversal of ITC on Outstanding Invoices whose payment is not made within 180 days from the invoice date	Businesses with unpaid invoices whose payment is not made within 180 days from the invoice date	Reverse ITC for invoices that remain unpaid for more than 180 days from the invoice date, along with applicable interest as on 31st March, 2025.
15.	Identification of Suppliers with Suspended/Canceled Registration	Businesses needing ITC adjustments	Identify suppliers whose registration has been canceled or suspended during FY 2024-25 for necessary actions regarding ITC reversal or adjustment.
16.	1% Cash Payment Compliance under Rule 86B of the CGST Rules	Taxpayers who are required to comply with Rule 86B	Ensure compliance with Rule 86B, paying the remaining 1% of output tax liability from the Cash Ledger unless exempted.
17.	Zero-Rated Supply to SEZ Units/Developers made without payment of Tax	Suppliers to SEZ Units/Developers	Ensure goods/services to SEZ are used for authorized operations. Reconcile supplies and maintain endorsement copies.
18.	Taxes paid under Reverse Charge	Taxpayers who have received goods/services liable to tax under reverse charge (RCM)	Check if taxes under RCM have been paid for specified goods/services; ensure self-invoice for RCM from unregistered persons. Verify RCM tax calculations for specific goods/services like GTA, security services, etc.

<table>
<tr><td></td><td></td><td></td><td>Requirement of self – invoicing and payment voucher:
<table>
<tr><th>Type</th><th>Registered Supplier</th><th>Unregistered supplier</th></tr>
<tr><td>Self-Invoice</td><td>No</td><td>Yes</td></tr>
<tr><td>Payment Voucher</td><td>Yes</td><td>Yes</td></tr>
</table>

Further, Circular No. 211/5/2024-GST Dated 26th June, 2024 was issued by CBIC which clarified that for supplies received from unregistered persons where tax is paid under the reverse charge mechanism (RCM), the relevant financial year for input tax credit (ITC) under Section 16(4) of the CGST Act is the year in which the recipient issues the invoice, not the year of supply. ITC can be claimed up to the deadline for that financial year, subject to tax payment and compliance with other conditions. If the invoice is issued late, interest on delayed tax payment applies, along with potential penalties under Section 122 of the CGST Act.</td></tr>
<tr><td>19.</td><td>Reporting under Clause 44 of the Tax Audit Form [FORM 3CD]</td><td>Taxpayers subject to Tax Audit</td><td>Disclose total expenditure breakdown for registered/non-registered entities under GST. Prepare a working sheet detailing all expenses for FY 2024-25.</td></tr>
<tr><td>20.</td><td>Residential Dwellings</td><td>Persons renting residential dwellings to registered persons</td><td>Ensure GST under RCM has been discharged on services provided for residential dwellings during FY 2024-25.</td></tr>
<tr><td>21.</td><td>Commercial Property</td><td>Persons renting commercial property to registered persons</td><td>Ensure GST under RCM has been discharged on renting of commercial property by unregistered suppliers from 9th October 2024.</td></tr>
<tr><td colspan="4">Other Points</td></tr>
<tr><td>22.</td><td>New Invoice Series</td><td>Taxpayers registered under GST</td><td>The registered person must ensure that a new unique series is applied to Tax Invoices, Debit Notes, Credit Notes, Delivery Challans, Bills of Supply, and Invoice-cum-Bills of Supply pertaining to F.Y. 25-26</td></tr>
<tr><td>23.</td><td>Other Income</td><td>Taxpayers registered under GST</td><td>Taxpayers need to ensure that other Income as per the books of accounts which is subject to GST has been considered in the GST Returns. E.g.: Profit on sale of car.</td></tr>
<tr><td>24.</td><td>Special Transactions</td><td>Taxpayers registered under</td><td>Taxpayers need to be extra cautious about the transactions of special nature such as sale of</td></tr>
</table>

		GST	fixed assets which are not reflected in profit & loss accounts as not related to the ordinary Course of business.
25.	TDS and TCS credit received	TDS: Taxpayers dealing with Government Departments / PSUs and certain notified entities required to deduct tax while making payments to suppliers under Section 51 of the CGST Act. TCS: Taxpayers dealing with e-commerce operators who are required to collect tax u/s 52 of CGST Act, 2017	As per Section 51 of the CGST Act, TDS at 2% (1% CGST & 1% SGST) must be deducted by the deductor, while under Section 52, TCS at 0.5% must be collected by the e-commerce operator. The deducted TDS and collected TCS amounts are reflected in the electronic cash ledger upon successful acceptance under the TDS and TCS credit received option. These balances should be reconciled with the corresponding amounts recorded in the books of accounts.
Real Estate / Builders Actions			
22.	Procurement Ratio for Registered and Unregistered Suppliers	Real Estate/Builders	Ensure 80% of inputs and input services are procured from registered suppliers, and the remaining 20% from unregistered suppliers.
23.	Construction Service Invoices	Real Estate/Builders	Raise invoices for construction services on the landlord.
24.	TDR Liability under RCM	Real Estate/Builders	For residential properties, ensure TDR liability is discharged on unsold area, and for commercial properties, ensure total RCM payment and ITC availed.
25.	Reversal of ITC on Commercial Properties	Real Estate/Builders	For commercial properties with occupancy certificates, reverse ITC on unsold area post first occupancy.

A detailed explanation of the above table, including specific actions and compliance requirements, is available for your reference. This document provides comprehensive guidance on various GST-related tasks for FY 2024-2025 and FY 2025-2026, including switching schemes, filing forms, and ensuring timely compliance with tax obligations. Please refer to the detailed explanations to better understand the necessary actions to ensure full GST compliance.

S.NO	Particulars	Explanation
1.	**LUT Filing Procedure** –To export goods/services or supplies to SEZ without payment of GST	(a) Check whether or not the LUT for the Current FY (2024-25) has been furnished. If not then furnish and request for condonation of delay in filling LUT in accordance with Para 44 of Circular 125/44/2019-GST Dated 18th November 2019. (b) LUT for Next FY 2025-2026 to be furnished in advancein FORM GST RFD-11 till 31st March 2025.
2.	**Reconciliation** – The Purpose is to identify the GAP between books of accounts and GST returns filed for the year and to take appropriate measures accordingly. Report the same in the return or pass the entry in the books of accounts wherever required.	**(A) Outward Supply :** **1. GSTR-1 and GSTR-3B :** **Impact of Amendments :** • Ensure that all the amendments (including Debit Note / Credit Note) made in GSTR-1 are correctly reported in GSTR-3B; **Impact of Credit Note :** • Ensure the carry forward credit note has been adjusted from the sales of GSTR-3B; • If any unadjusted credit note is left over from reporting in GSTR-3B, the same can be adjusted before the filing of the Annual Return or 30th November 2025 whichever isearlier. **2. GSTR - 1 / 3B and Books of Accounts :** 1. Reconcile turnover (Taxable, Exempt and Non-GST supply) with books and Accounts, GSTR 1 and GSTR 3B filed and the difference is to be adjusted in the GST Return for March 2025; 2. GST Law allows time till 30th November, 2025 to adjust discrepancies if there are any. Therefore, the taxpayers have an option to make necessary adjustments in October 2025 GSTR – 1 / GSTR-3B; 3. Check for the advances which are not adjusted in the GSTR 1 (Table 11B) and are still reflecting as an advance in the books of accounts. Adjust the advances accordingly in GSTR-1 or books of accounts wherever necessary;

4. Reconcile taxes paid from books of accounts and Electronic cash ledger;
5. Reconcile of Debit Note / Credit Note as per books of accounts and GST returns;
6. Ensure that export of goods is made within 90 days from the date of the export invoice. Otherwise, create GST Liability along with Interest. (if the export is made against LUT without payment of tax);
7. Ensure the timely realization of foreign remittances related to Exports as per RBI/FEMA Guidelines. Otherwise, create GST Liability along with Interest. (If the export is made against LUT without payment of tax).

(iii) GSTR-1 and E-Way Bill :

1. Reconcile data of E-way Bill and Outward Supply and ensure all the Invoices were reported in the GST Return and e-way bill is generated wherever required.
2. Prepare a separate reconciliation for outward supply where e-way bill is not generated along with the due reason for the same. This will help in ensuring that no e-way bill is missed to be generated.

(iv) Others :

1. If there is any Deemed supply as per Schedule I, ensure it has been reported and taxes are also paid through GSTR 3B;
2. Match the TDS deducted and outward supplies reported in GSTR 1;
3. Match the TCS collected and outward supplies reported in GSTR 1;
4. If E-Invoice is applicable then ensure it has been made for all B2B invoices, Export invoices, Credit Notes and Debit Notes;
5. Check the date of goods sent on approval basis or goods sent to the Job worker or Capital Goods sent to Job worker and if the same is not received within the timeline as per the provision then treat the same as deemed supply and pay the taxes;
6. Check whether or not GST is paid on other income like scrap sale, disposal of assets etc.;
7. Check the liability to pay tax arises or not on
8. Financial Credit Notes received;

(v) Table 14 of GSTR-1:

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		✓ Ensure to report supplies made via E-commerce operator such as Amazon, Flipkart in Table 14 of GSTR-1. If the supplies via e-commerce operator have been reported as normal supplies under Table 4 to Table 10 of GSTR-1 then make a downward amendment in such reported supply and do correct reporting in Table 14 of GSTR-1 for January 2024 and February 2024 in accordance with NN 26/2022 – CT Dated 26th December, 2022. **Reporting in GSTR-1 :** **(a) Documentation reporting for the entire FY :** (i) Tax Invoice, Credit Note / Debit Note; (ii) Self – Invoice for RCM; (iii) Payment Voucher for RCM Supplier; (iv) Receipt Voucher and Refund Voucher for advances receipts; (v) Delivery Challan etc. (b) In case invoices have been generated/accounted with the wrong GSTIN in books of accounts but in GSTR 1 it has been reported with the correct GSTINby taxpayer, then a suitable adjustment has to be made in the books to match the same; (c) If in case any E-invoice is missed to be generated then the same will be generated in the month of March. It will auto-populate in GSTR 1 for the March month, so to remove the duplicity from the outward supply of March the same will have to be removed manually. ***It is pertinent to note here that as per the advisory of GSTN dated 05th November 2024, e-invoice is to be generated within 30 days from the date of issuance of invoice where the AATO exceeds ₹ 10 Crores. This update is applicable from 01st April, 2025 onwards.*** Thereby implying that only those having AATO less than ₹ 10 Crores are allowed to generate e-invoice from the back date if missed. **(d) HSN Reporting :** (i) Compare GSTR-1 and HSN [if any discrepancy, the same is to be adjusted in March].

(ii) Check whether or not the impact of HSN for credit note has been taken or not from the HSN reported. If not, take the impact in March 2024 GSTR-1.

(iii) Check whether HSN is reported at the time of issuance of invoice.

(iv) Ensure that the Correct HSN / SAC and GST rate has been opted.

(B) Input Tax Credit :

(i) GSTR – 3B and Books :

1. Reconcile the ITC as per Books and ITC claimed in GSTR 3B – Identify and name the missed ITC as an unreconciled ITC.
2. Check and ensure that the Reversal and reclaim opening balance as per the GST Portal and books of accounts matches. Further, ensure to prepare an invoice wise list of the reclaimable ITC which was reversed in Table 4B2 of GSTR-3B.
3. Follow up with suppliers, whose ITC is not reflecting in GSTR2A/2B, to report transactions in their GSTR 1.
4. Check whether the ineligible ITC as appearing in GSTR-2B and accordingly reported in Table 4B1 of GSTR-1 matches. In case of any discrepancy make changes wherever necessary.
5. In case of any purchases from a composition dealer, please ensure that neither any ITC pertaining to this is availed in books of accounts or availed in GSTR-3B.
6. Check whether the Accounting entry for offset of the liabilities is done or not on monthly basis-So that the closing balance of ITC ledger and GSTCash ledger as per book of accounts and as per GST Portal is matching.
7. **Ageing Report of Creditor –** If any purchase Invoice is outstanding from the Invoice date andamount is not paid for more than 180 days thenthe ITC needs to be reversed along with interest.[Sec 50(3) says If ITC is utilized then only Interestliability will arise, but as per second proviso to sec 16(2) Interest is to be paid in this scenario].
8. Any missed ITC for the respective year is to be claimed in accordance with the time limit as per Section 16(4) of the CGST Act, 2017.
9. Apply rule 42/43 for reversal of common ITC if the

		outward supply is exempt and taxable both. The annual reconciliation is to be done to determine whether the difference of ITC is subjected to reversal or reclaim. 10. Import BOE documents and ITC availed (w.r.t. Import of goods) to be reconciled and maintained in proper order. If any particular Bill of Entry is not appearing in GSTR-2B then a query for the same is to be raised via ICEGATE Portal. 11. Ensure that all ITC has been claimed as per GSTR 2B,if excess, then reverse along with interest if utilized.If it is short then claim the ITC. 12. Ensure not to avail ineligible ITC under GSTR 2B and report properly in the GSTR-3B table 4. 13. Ensure whether or not the ITC not available due to POS provisions is reported separately in Table 4D2 of GSTR-3B. If not, the same should be reported in March 2024. **(ii) GSTR-2A and GSTR-2B :** **Check the transaction appearing in 2A and not in 2B** – GST Helpdesk ticket can be raised if the same is not appearing in GSTR 2B. **(iii) Others:** 1. Check the suppliers whose GSTR 3B is not yet filled – Follow up with the supplier for filling of GSTR 3B, else the ITC needs to be reversed as per Rule 37A; 2. Reconciliation of ITC pertaining to the FY 2023-24 availed and utilized in GSTR-3B of FY 2024-25 [This will be useful at the time of finalizing of GST Audit]; 3. Identify the suppliers whose registration has been either cancelled or suspended for any reason during the FY 2024-25 for your onward needful actions. 4. Identify the invoices appearing in GSTR-2B which do not belong to your company, however ITC of the same is availed by accepting the said invoices via IMS. Ensure to carry permanent reversal to avoid any litigation issues in the future. 5. Check whether or not e-invoicing is applicable to the supplier. If yes, and e-invoice is not generated, follow up with the supplier as non-generation of e-invoice by the supplier can lead to denial of ITC in the future by the Department.

3.	**Opting from Regular Scheme to Composition Levy**	If planning to opt for Composition Levy to Regular Scheme, file form CMP -02 by 31st March, 2025. In case if switching from Normal to composition scheme, ITC claimed on inputs lying in form of inputs, WIP, finished goods stock as on 31.03.2025 and capital goods (on reduced percentage basis) is required to be reversed by filing FORM ITC – 03 by 30th May, 2025.
4.	**Option to opt for QRMP Scheme**	Taxpayers having Turnover up to ₹ 5 Crores shall have an option to select the quarterly frequency of GST return (QRMP) filing for FY 2025-26 till 30th April 2025.
5.	**Notices**	Check the Notices Tab and see if any time-barred notice is left and act accordingly.
6.	**Documentation**	✓ For F.Y. 2024-2025, reconcile the document series as per books of accounts and GSTR-1. If any discrepancy take action accordingly. For e.g. if any number in the document series is missed automatically by the software that you are using. Ensure to report such document as canceled. ✓ Document numbering to be realigned for FY 2025-2026.
7.	**Filling of ITC-04, if thegoods were sent/received back from Job Worker**	1. Taxpayer with AATO more than Rs.5 crore – Half-yearly returns; April-September - due on 25th October 2024 and October-March - due on 25th April 2025. 2. Taxpayer with AATO up to Rs.5 crore – Yearly returndue on 25th Apr 2025.
8.	**Book of accounts-related compliance**	Ensure that all the documents are ready for Audit.
9.	**Taxes paid under Reverse Charge**	1. Check the taxes have been paid under reverse charge (A detailed list has been given in Annexure Ifor Goods and Services). 2. Ensure that self-invoice is raised in case of specified goods or services covered under RCM, received from an unregistered person; 3. RCM liability should be more than or equal to ITC availed under RCM;

		4. Check the tax has been correctly calculated and paid under RCM in case of import of Services, sittingfees paid to directors, GTA, Security Services, rent aCab, Advocate fees, etc.
10.	**Reporting Under Clause 44 of the Tax Audit Form [FORM 3CD]**	The Taxpayer must disclose the total expenditure breakdown of registered and non-registered entities underGST for reporting purposes under Clause 44 of the Tax Audit Form (Form 3CD) for the Financial Year 2024-25, entities subject to Tax Audit in accordance with the IncomeTax Act, 1961. The taxpayer must prepare a working sheet to report their expenses, including the total amount of expenditure incurred during FY 2024-25, expenditure for registered andnon-registered entities, expenditure for goods or services exempt under GST, expenditure for entities under the composition scheme, expenditure for other registered entities, and total payment to registered entities
11.	**Goods Transport Agency**	Goods Transport Agency opting for the forward charge hasto furnish the Declaration in Annexure V online by 31st March 2025 for F.Y. 2025-26.
12.	**Place of Business**	Ensure all the places of business and additional place of business has been reported in the GST Registration.
13.	**GST Registration fields**	All the fields of GST registrations (like Authorized signatory,email, address etc.) are updated – if not then apply for CoreField / Non-Core Field Amendment.
14.	**Residential Dwellings**	W.e.f. 18th July 2022, services by way of residential dwelling to a registered person by any person fall under the ambit of RCM and hence, the person to whom such dwelling is rented is liable to discharge GST on the same under RCM. Ensure that RCM has been discharged on the same during F.Y. 24-25.
15.	**Commercial Property**	W.e.f. 09th October 2024, in case of renting of any premises other than a residential dwelling by an unregistered supplier to a registered recipient shall fall under the ambit of RCM. Ensure that RCM has been discharged on the same from 9th October, 2024 onwards.
16.	**Input Service Distribution [ISD]**	The Finance Act 2024 amended Section 2(61) of the CGST Act, 2017, pursuant to which it is mandatory for any office receiving tax invoices for input services, including those under RCM, on behalf of distinct persons (as per Section 25) to register as an Input Service Distributor (ISD). Prior to this amendment, the businesses were opting for cross charge in order to distribute ITC related to common supply of services received for business operations. The above amendment is effective from 01st April, 2025. Prior to 1st April, 2025 Cross Charge applies to services generated

		internally. Therefore, registered persons must ensure that invoicing is done between distinct persons, where applicable. This clarification is also provided in Circular No. 199/11/2023-GST, dated 17.07.2023.
17.	**1% Cash payment compliance under Rule 86B of the CGST Rules**	Under **Rule 86B of the CGST Rules (2017)**, taxable persons are allowed to use their **Electronic Credit Ledger** to pay up to 99% of their **outward tax liability**. The remaining **1% must be paid from the Cash Ledger**. However, this rule does **not apply** if any of the following conditions are met: 1. The **value of domestic supply** (excluding exempt supply) for the GSTIN is below **₹ 50 lakh** for the current month. 2. The taxpayer has paid **more than ₹ 1 lakh** in **Income Tax** under the Income Tax Act, 1961. 3. The taxpayer has received a **refund of more than ₹ 1 lakh** in the previous financial year, either due to **exports under LUT** or because of an **inverted tax structure**. 4. The taxpayer has already paid **more than 1%** of their **output tax liability** using the **cash ledger** in total for the current financial year. 5. The taxpayer is a **Government Department**, **Public Sector Undertaking (PSU)**, **Local Authority**, or a **Statutory Authority**. Thus, if the taxpayer falls out of any of the above elucidated category in then it needs to ensure compliance with Rule 86B of the CGST Rules.
18.	**Zero-Rated Supply to SEZ Units/Developers made without payment of Tax**	As per the amendment in the **IGST Act**, the supply of goods or services to SEZ units or developers will be considered **zero-rated (no GST)** only if the goods or services are used for the **authorized operations** of the SEZ unit or developer. To ensure that the goods or services are used for authorized purposes, it is necessary to get an **endorsement** from the **Commissioner** or the **appropriate authority** of the SEZ unit or developer. Make sure to **reconcile** the supplies made to the SEZ unit/developer and keep a record of the **endorsement copies** received.

✓ **Actions to be taken w.r.t. Real Estate / Builders:**

S.NO.	Action
1.	Ensure that Input and Inputs Services are procured from registered & unregistered suppliers in the ratio of 80:20.
2.	Ensure construction service Invoices are raised on the landlord.
3.	**Check If any TDR liability is to be discharged under RCM :** **(a) For Residential Properties -** to the extent of Unsold area, no ITC can be availed; **(b) For Commercial properties -** Total to be paid under RCM and ITC to be availed.
4.	For commercial properties for which an occupancy certificate/First Occupancy has been issued, ITC has been reversed to the extent of the unsold area.

Annexure I

Reverse Charge Mechanism for Goods [NN 04/2017-CTR Dated 28th June, 2017]

S.No.	Description	Supplier	Recipient
1	Cashew nuts, not shelled or peeled	Agriculturist	Any registered person
2	Bidi wrapper leaves (tendu)	Agriculturist	Any registered person
3	Tobacco leaves	Agriculturist	Any registered person
3A	Mentha piperita etc.	Any Unregistered Person	Any Registered Person
4	Silk yarn	Any person who manufactures silk yarn	Any registered person
4A	Raw cotton	Agriculturist	Any registered person
5	Supply of lottery	State Government, Union Territory or any local authority	Lottery distributor or selling agent.
6	Used vehicles, seized and confiscated goods, old and used goods, waste and scrap	Central Government [excluding Ministry of Railways (Indian Railways)], State Government, Union territory or a Local authority	Any registered person
7	Priority Sector Lending Certificate	Any registered person	Any registered person
8	Metal scrap	Any unregistered person	Any registered person

Reverse Charge Mechanism for Services [NN 13/2017-CTR Dated 28th June, 2017]

S.No.	Description	Supplier	Recipient
1	Supply of Services by a goods transport agency (GTA)	GTA	Factory, Society, Cooperative Society, Registered person in GST, Body Corporate, Casual Taxable person, Partnership firm
2	Services supplied by an individual advocate including a senior advocate	An individual advocate including a senior advocate or firm of advocates.	Any business entity located inthe taxable territory.
3	Services supplied by an arbitral tribunal to a business entity.	An arbitral tribunal.	Any business entity located inthe taxable territory.
4	Services provided by way of sponsorship to any body corporate or partnership firm.	Any person	Any business entity located inthe taxable territory.

5	Services supplied by the Central Government	Central Government, State Government, Union territory or local	Any business entity located inthe taxable territory.
5A	Services supplied by the Government by way of renting of immovable property to a registered person	Central Government, State Government, Union territory or local authority	Any person registered under the CGST Act, 2017.
5AA	Service by way of renting of residential dwelling to a registeredperson.	Any person	Any person registered person
5AB	Service by way of renting of any immovable property other than residential dwelling.	Any unregistered person	Any registered person 16[other than a person who has opted to pay tax under composition levy.
5B	Services supplied by any person byway of transfer of development rights or Floor Space Index (FSI) (including additional FSI) for construction of a project by a promoter.	Any person	Promoter.
5C	Long term lease of land (30 yearsor more) by any person against consideration in the form of upfront amount (called as premium, salami, cost, price, development charges or by any other name) and/or periodic rent for construction of a project by a promoter	Any person	Promoter.
6	Services supplied by a director of a company or a body corporate to the said company or the body corporate.	A director of a company or a bodycorporate	The company or a body corporate located in the taxable territory.
7	Services supplied by an insurance agent to any person carrying on insurance business.	An insurance agent	Any person carrying on insurance business, located inthe taxable territory.
8	Services supplied by a recovery agent to a banking company or a financial institution or a nonbanking financial company.	A recovery agent	A banking company or a financial institution or a non-banking financial company, located in the taxable territory.
9	Supply of services by a music composer, photographer, artist orthe like	Music composer, photographer, artist, or the like	Music company, producer or the like, located in the taxable territory.

9A	Supply of services by an author byway of transfer or permitting the use or enjoyment of a copyright	Author	Publisher located in the taxable territory:

10	Supply of services by the members of Overseeing Committee to RBI.	Members of Overseeing Committee constituted by the Reserve Bank of India.	Reserve Bank of India
11	Services supplied by individual Direct Selling Agents (DSAs) other than a body corporate, partnership or limited liability partnership firm to bank or non- banking financial company (NBFCs).	Individual Direct Selling Agents (DSAs) other than a body corporate, partnership or limited liability partnership firm.	A banking company or a non-banking financial company, located in the taxable territory.
12	Services provided by business facilitator (BF) to a banking company	Business facilitator (BF)	A banking company, locatedin the taxable territory
13	Services provided by an agent of business correspondent (BC) to Business correspondent (BC).	An agent of business correspondent (BC)	A business correspondent, located in the taxable Territory.
14	Security services (services provided by way of supply of security personnel) provided to aregistered person	Any person other thana body corporate	A registered person, located in the taxable territory.
15	Services provided by way of renting of any motor vehicle designed to carry passengers.	Any person, other than a body corporate who supplies the service to a body corporate and does not issue an invoice charging centraltax at the rate of 6 per cent. to the service recipient	Any body corporate located in the taxable territory.
16	Services of lending of securities under Securities Lending Scheme, 1997 ("Scheme") of Securities and Exchange Board of India ("SEBI"), as amended.	Lender	Borrower