

A close-up photograph of a person's hand holding a golden key. The hand is positioned on the left side of the frame, with the thumb and index finger gripping the key's head. The key is held horizontally, pointing towards the right. The background is a solid dark blue-grey color.

GST - Composition,

Board of Studies
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Discussion by:

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Author

- Handbook to GST - Law & Practise
- Service Tax - Law & Practise

Composition





Composition

- **Who can opt**

- a taxable person having **aggregate turnover** not exceeding Rs. 100 Lacs (75 Lakhs in special category states) in the preceding financial year [Limit raised vide Notification No. 46/2017]
- Can be opted out during the year

- **Who cannot opt**

- Manufacturer manufacturing notified goods
- Supplier of any services other than Restaurant/ Catering etc.
- Supplier engaged in making supply of goods which are not leviable to tax under the Act
- Supplier making inter-state out ward supplies.
- Supplier making Sales through e-commerce operators.
- A casual taxable person or non resident taxable person.



Composition

- **Other provisions**

- Liable for reverse charge payment
- He cannot claim Input tax credit
- He cannot charge / collect any tax from his buyer
- His Tax is not available as credit to Buyer
- He cannot issue tax invoice
- Should mention Composition on board
- The goods held in stock on appointed day, have not been purchased in the course of inter-state or Import or Central purchases against Central Statutory Forms
- Can purchase inter state
- He shall mention words Composition Taxable Person in Bill of Supply raised by him



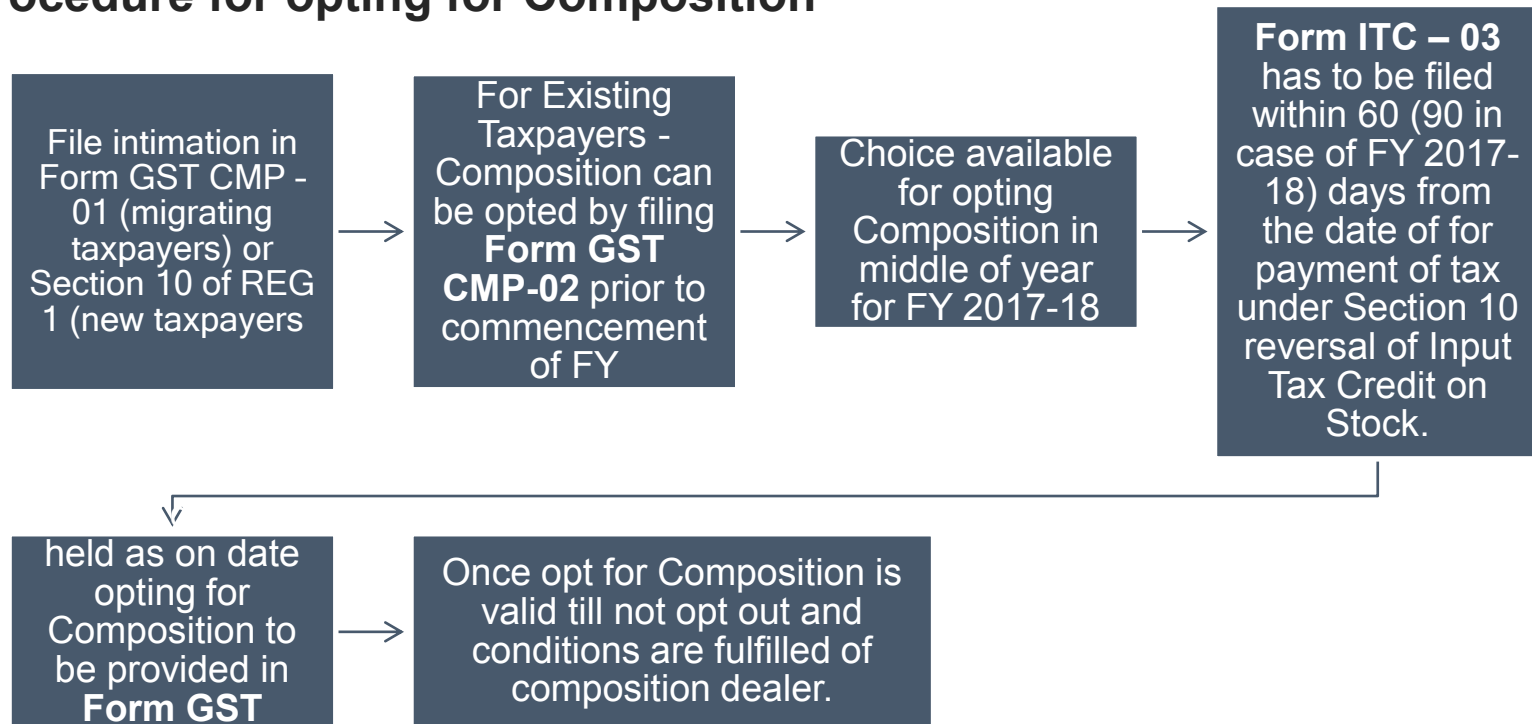
Composition

- **Rates (CGST – Similar rates applicable for SGST)**
 - Supplies of Goods other than manufacturer 0.5% under CGST Act.
 - Supplies of Goods if manufacturer 1% under CGST Act.
 - Supplies of specified services of Restaurants, Hotel and Dhaba etc. 2.5% under CGST Act



Composition

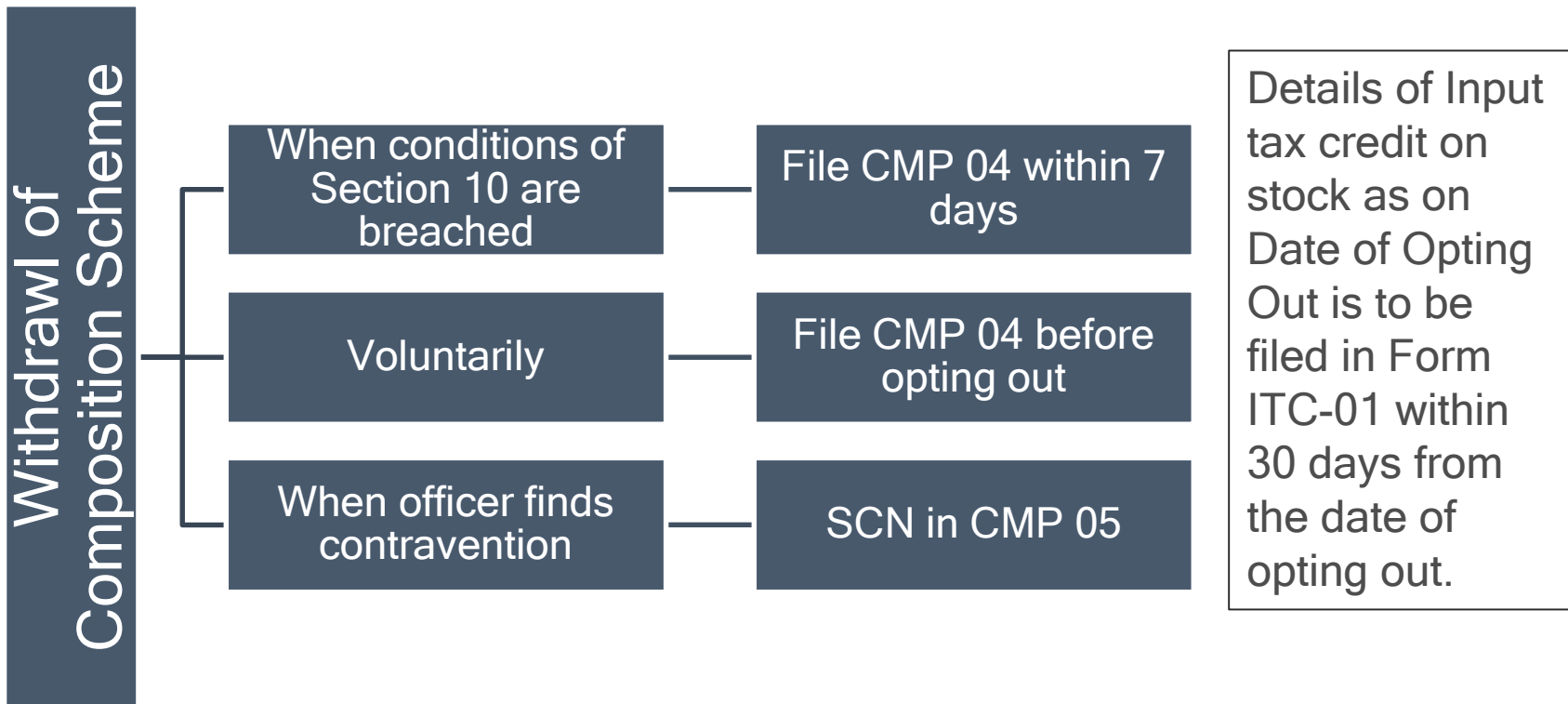
- **Procedure for opting for Composition**





Composition

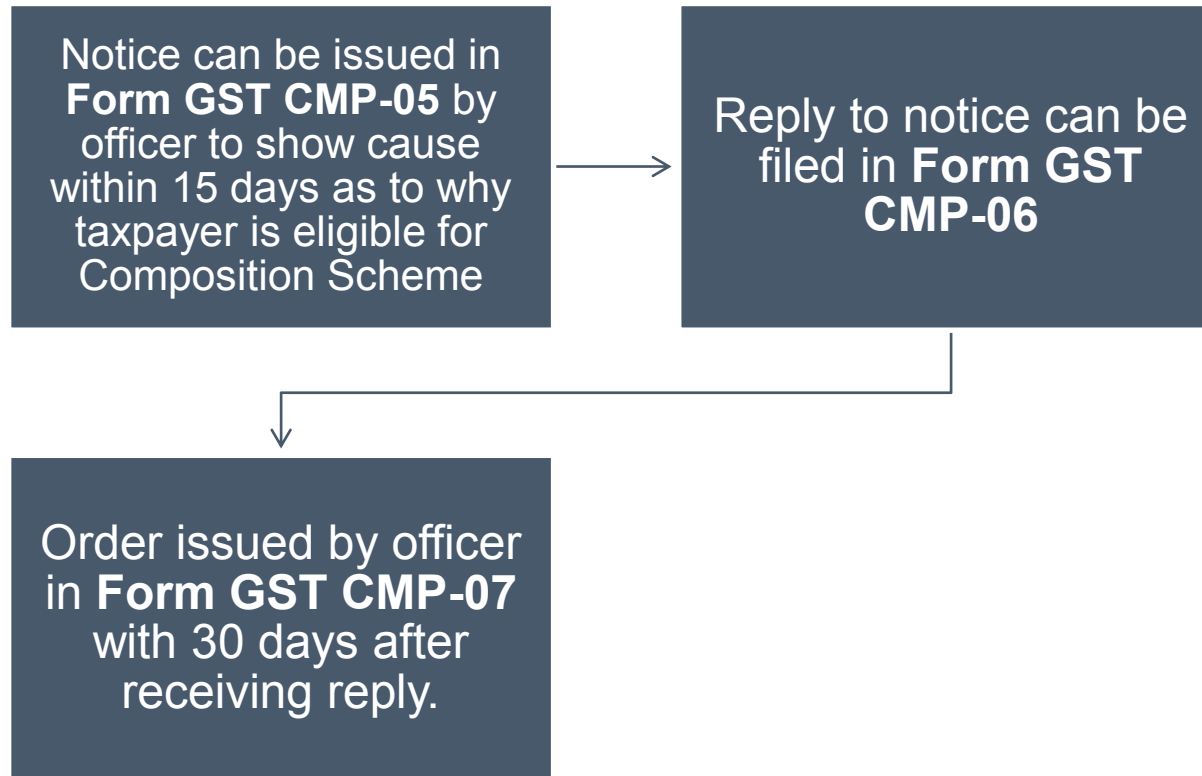
- **Procedure for withdrawal of Composition**





Composition

- **Procedure for withdrawal of Composition**





*Thank
you*



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