**THE SHIPPING CORPORATION OF INDIA LIMITED**

**FAQs on GST**

1. **Will my provisional ID generated at the time of migration will be my final GST No.?**

Yes, provisional ID received at the time of migration will be final GST No.

1. **What will be rate of GST on ocean freight?**

As per entry no. 7 of "List of services at 5%" under "Service Rate booklet” available on CBEC website, GST rate on the service of ocean freight will be 5%, wherever taxable.

1. **What is ARN No.?**

ARN no. is "Application Reference No." generated once the process of migration is complete in all respect on GSTN.

1. **What if there is delay in payment of consideration to vendor?**

As per section 16 of CGST Act, 2017, if payment is not made to the vendor within 180 days from the date of invoice, amount of input tax credit claimed earlier will have to be reversed back alongwith interest thereon. However, above restriction is not applicable in case of vendors where tax is payable under RCM by SCI.

1. **Vendor under composition scheme will charge GST on invoice?**

No, taxpayer falling under composition scheme cannot charge GST to customers while raising invoice.

1. **Is IGST rate is sum total of CGST rate and SGST rate?**

Yes, IGST rate will always be sum of CGST rate and SGST rate.

1. **Will CGST rate and SGST rate will be equal?**

Yes, as per rate notifications recently released by central government and respective state government, CGST rate and SGST rate will be equal and sum total of both will be equal to IGST rate.

1. **If any service/goods is received from vendor under composite scheme, do SCI need to pay tax under RCM?**

No, since vendor under composite scheme falls under the category of "Registered customer". (Subject to condition that such services do not fall specifically under the category of services on which tax is payable under RCM)

1. **What are invoice requirements as per GST?**

A tax invoice should mandatory contain following details:-

1. GSTIN of customer and vendor.

2. Name, address of customer and vendor.

3. Date of issue of invoice.

4. Place of supply with name of the state.

5. GST rate, GST type(i.e. IGST or CGST and SGST).

6. HSN/SAC.

7. Description of service etc.

Requirements are clearly stated in *Invoice, debit or credit note rule.*

1. **Is mandatory that requirements as per invoice, debit or credit note rules should only form part of tax invoice?**

No, taxpayer can add further details in invoice if required.

1. **A self-invoice is required in case when tax is payable under RCM by SCI?**

Yes.

1. **What will be rate of GST in case of import of vessel?**

GST rate in case of import of vessel will be 5% as per rate schedule for goods.

1. **Will import freight service provided by SCI to foreign customer liable to GST?**

Yes, import freight in case of foreign customer is liable to GST. Same does not satisfy condition of "export" as defined u/s 2(6) of IGST Act, 2017.

1. **Will import freight service provided by SCI to a customer not registered under GST liable to tax?**

Yes, same is liable to tax as it satisfy requirements of section 7(5)(a) of IGST Act, 2017.

1. **What will be type of GST (i.e. IGST or CGST and SGST) to be applicable in case of import freight service provided by SCI to a customer not registered under GST?**

IGST will get attracted in case of import freight service provided by SCI to a customer not registered under GST since the same satisfy requirements of inter-state supply as state under section 7(5) of IGST Act, 2017.

1. **What is the GST rate on export?**

Export as per GST shall be taxed at 0%. (I.e. Zero-rates supply).

1. **What type of GST will apply in case of inter-state supply?**

IGST will apply in case of inter-state supply.

1. **What type of GST will apply in case of intra-state supply?**

CGST and SGST will apply in case of intra-state supply.

1. **What is the tax treatment in case of service is provided to SEZ unit?**

Services provided by SCI to a SEZ customer falls under the category of zero-rated supply as stated under 16(1)(b) of IGST Act, 2017.