



Ministry of Finance
Central Board of Indirect
Taxes & Customs



सत्यमेव जयते

केन्द्रीय जी.एस.टी. आयुक्तालय, दमण
CENTRAL GST
COMMISSIONERATE, DAMAN
द्वितीय तल, हनीस लैन्डमार्क,
वापी-दमण मार्ग, चला, वापी
2nd FLOOR, HANI'S LANDMARK,
VAPI-DAMAN ROAD, CHALA, VAPI

actechvapt@gmail.com

Ph.: 0260-2460305 Fax: 0260-2460484

TRADE NOTICE NO.04/2019
DATED : 20.06.2019

Sub: Advisory for Bill of Supply issued by composition taxable person -
reg.

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Attention is invited to the Trade Associations, Chambers of Commerce, Members of Regional Advisory Committee and all the stake holders, informing that the GST is being charged by dealers registered under Composition Scheme and consumers who are not aware of the fact are being duped. In spite of specific provisions in the law, some composition taxable persons are not following the same and may be charging GST from consumers, which is not legal. In order to make such taxpayers as well as the consumers aware about these legal provisions, the following Advisory is issued as under:

2. Advisory for Bill of Supply issued by composition taxable person:

Rule 5 of CGST Rules, 2017 provides conditions and restrictions for a taxable person exercise the option to pay tax under Section 10 of CGST Act, 2017 i.e. composition levy, Sub-rule 5(f) and 5(g) of said rule provide that:

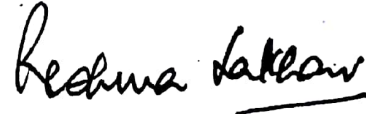
- (f) he shall mention the words "composition taxable person, not eligible to collect tax on supplies" at the top of the bill of supply issued by him; and
- (g) he shall mention words "composition taxable person" on every notice or signboard displayed at a prominent place at his principal place of business and at every additional place or places of business.

3. Therefore, it is advised that the composition taxable person should print "**COMPOSITION TAXABLE PERSON, NOT ELIGIBLE TO COLLECT TAX ON SUPPLIES**" (in bold and capital letters) on each and every bill of supply they issue and they should also mention "**COMPOSITION TAXABLE PERSON**" (in

bold and capital letters) on every notice or signboard displayed at a prominent place at their principal place of business and at every additional places of business.

4. If composition taxable person fails to comply with the conditions as mentioned in rule 5 of CGST Rules, the proper officer may initiate appropriate action against such persons under GST Law. It may be noted that contravention of any provision of CGST Act, 2017 or rules made thereunder attract penalty, fine or prosecution as the case may be.

5. All the Trade Associations, Chambers of Commerce, Members of Regional Advisory Committee and all the stake holders are requested to publicize the contents of this Trade Notice among their Members/Constituents to make the composition taxpayers and consumers aware about the correct legal provision. Difficulty, if any faced in this regard may be brought to the notice of this office.



(Reshma Lakshani)
Principal Commissioner,
Central GST & Central Excise,
Daman.

F.No.: V/Misc-129/DMN/T/17-18

Vapi, Dated .06.2019.

Copy submitted to:

1. The Chief Commissioner, Central GST, Vadodara Zone, Vadodara.
2. The Commissioner, Publicity & Public Relations, Central GST, Central Excise Building, I.P. Bhawan, New Delhi.
3. All Commissioners of Central GST, Vadodara Zone.
4. All Trade Associations as per the mailing list.
5. All Deputy / Assistant Commissioners of Central GST & Central Excise, Daman Commissionerate.
6. The Superintendent (Systems), Daman Commissionerate with a request to upload the Trade Notice on the official website of the Daman Commissionerate.
7. All Section Heads of CGST & CE, Daman Commissionerate.
8. Notice Board.