

F.3(486) GST/Policy/2023/ 721

Dated: 23-06-2023

STANDARD OPERATING PROCEDURE

Sub: Standard Operating Procedure (SOP) for processing of GST Registration application at Centralized GST Registration Cell (**named as "SEVA KENDRA"**)

Seva Kendra

The Department of Trade & Taxes has established a Centralised GST Registration Cell (Seva Kendra) to receive and process new GST Registration applications.

This will streamline the registration process, reduce deemed registrations to minimal thereto restrict the entry of fake/ non-genuine taxpayers, curb tax evasion causing revenue loss to the Government. Additionally, it will give ward officials more time to focus on GST-related responsibilities as well as other key tax administration tasks like revenue collection, compliance monitoring, scrutiny of returns, audit, assessments, and appeals.

2. Relevant statutory provisions for granting GST Registration:

- 2.1 Every person liable to be registered under GST Act, 2017 other than Non-Resident Taxpayer (NRTP), Tax deductor at Source (TDS), Tax collector at Source (TCS), Online Information and Data Access or Retrieval Service Provider (OIDAR), Applicants for grant of UIN (UN Bodies/ Embassies/ others) and Applicants for GSTP (GST Tax Practitioner) enrolment has to file an application for Registration in FORM GST REG-01.
- 2.2 The Corporate Debtors have to file application for Registration as a distinct person, in the same State/ UT where already registered, in FORM GST REG-01 as provided under Rule 8 of DGST Rules, 2017.

2.3 A person having a unit in a Special Economic Zone (SEZ) or being a SEZ developer has to apply for a separate registration as a distinct person, in addition to registration for his place of business located outside the SEZ in the same State or Union territory, in **FORM GST REG-01 as provided under Section 25/ Rule 8 of DGST Act, 2017.**

2.4 Other Applicants have to file application in the following forms:

- | | | |
|------|------------------------|-----------------|
| i. | TDS and TCS applicants | FORM GST REG-07 |
| ii. | Non-Resident Taxpayers | FORM GST REG-09 |
| iii. | OIDAR applicants | FORM GST REG-10 |
| iv. | Applicants for UIN | FORM GST REG-13 |
| v. | Applicants for GSTP | FORM GST PCT-01 |

Registration Certificate is issued in FORM GST REG-06 to all above applicants, except to GSTPs, to whom it is issued in FORM GST PCT-02 as provided **under Rules 12, 13, 14, 17 and 83 of DGST Rules, 2017.**

2.5 Every applicant as above except United Nations Organization or any Multilateral Financial Institution and Organization notified under the United Nations (Privileges and Immunities) Act, 1947, Consulate or Embassy of foreign countries has to declare PAN Number (of self or Authorized Signatory) and the Mobile number and e- mail address in Part A of the respective FORM on the common portal.

2.6 In case of an application in FORM GST REG-01, The PAN number is validated by the common portal from CBDT database. Also, the mobile and email ID declared by the applicant is validated through One Time Password (OTP). Once the PAN number is validated, the common portal generates Temporary Reference Number (TRN). Through TRN, the applicant electronically submits an application in Part B of Form REG-01 along with the documents specified as provided **under Rule 8 of DGST Rules, 2017.**

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2.7 Verification of the Application and Approval:

2.7.1 On receipt of the application, the proper officer shall examine the application and the accompanying documents and if the same are found to be in order, approve the grant of registration to the applicant within a period of seven working days from the date of submission of the application as provided **under Rule 9(1) of DGST Rules, 2017.**

2.7.2 Where,

(i) The applicant other than a person notified under sub-section (6D) of section 25, fails to undergo authentication of Aadhaar number as specified in sub-rule (4A) of rule 8 or does not opt for authentication of Aadhaar number; or

(ii) A person, who has undergone authentication of Aadhaar number as specified in sub-rule (4A) of rule 8, is identified on the common portal, based on data analysis and risk parameters, for carrying out physical verification of places of business; or

(iii) The proper officer, with the approval of an officer authorised by the Commissioner not below the rank of Assistant Commissioner, deems it fit to carry out physical verification of places of business,

the registration shall be **granted within thirty days of submission of application, after physical verification of the place of business** in the presence of the said person, in the manner provided under rule 25 and verification of such documents as the proper officer may deem fit as provided under **Rule 9(1) of DGST Rules, 2017.**

2.7.3 Where the application submitted under rule 8 is found to be deficient or where the proper officer requires any clarification with regard to any information provided in the application or documents furnished therewith, he may issue a notice to the applicant electronically in FORM

GST REG-03 within a period of seven working days from the date of submission of the application and the applicant shall furnish such clarification, information or documents electronically, in FORM GST REG-04, within a period of seven working days from the date of the receipt of such notice.

2.7.4 Where,

(i) The applicant other than a person notified under sub-section (6D) of section 25, fails to undergo authentication of Aadhaar number as specified in sub-rule (4A) of rule 8 or does not opt for authentication of Aadhaar number; or

(ii) A person, who has undergone authentication of Aadhaar number as specified in sub-rule (4A) of rule 8, is identified on the common portal, based on data analysis and risk parameters, for carrying out physical verification of places of business; or

(iii) The proper officer, with the approval of an officer authorised by the Commissioner not below the rank of Assistant Commissioner, deems it fit to carry out physical verification of places of business,

the notice in **FORM GST REG-03** may be issued **not later than thirty days** from the date of submission of the application as provided under **Rule 9(2) of DGST Rules, 2017**.

The ARNs marked for Physical Verification are to be processed by Seva Kendra officer within 30 days. Please note that these are a total of 30 days and not 30 working days.

2.7.5 Where the proper officer is satisfied with the clarification, information or documents furnished by the applicant, he may approve the grant of registration to the applicant **within a period of seven working days** from the date of the receipt of such clarification or information or documents as provided under **Rule 9(3) of DGST Rules, 2017**.

2.7.6 Where no reply is furnished by the applicant in response to the notice issued under sub-rule (2) or where the proper officer is not satisfied with the clarification, information or documents furnished, he may, for reasons to be recorded in writing, reject such application and inform the applicant electronically in **FORM GST REG-05** as provided under **Rule 9(4) of DGST Rules, 2017**.

2.7.7 If the proper officer fails to take any action, -

- (i) **within a period of seven working days from the date of submission** of the application in cases where the person is not covered under proviso to sub-rule (1); or
- (ii) **within a period of thirty days from the date of submission** of the application in cases where a person is covered under proviso to sub-rule (1); or
- (iii) **within a period of seven working days from the date of the receipt** of the clarification, information or documents furnished by the applicant under sub-rule (2),

the application for grant of registration shall be deemed to have been approved as provided under **Rule 9(5) of DGST Rules, 2017**.

2.8 **Timelines for processing GST Application**

Processing of GST registration application is to be concluded in a time bound manner as prescribed below:

2.8.1 **For AADHAAR AUTHENTICATED applications**

- i. The registration application received needs to be processed within a period of seven working days from the date of submission.
- ii. In case, deficiency is found in application or clarification is needed then proper officer can issue notice in FORM REG-03 to which the applicants shall file reply in FORM REG-04 within seven working days from receipt of

such notice. If reply is found to be satisfactory, then registration shall be granted within seven working days from receipt of reply.

- iii. In case no reply is filed, or reply submitted is not satisfactory, the application shall be rejected with reasons to be recorded in writing and the same shall be intimated electronically in **FORM REG-05**.

2.8.2 For Non-AADHAAR AUTHENTICATED applications

The applications need to be processed within 30 days from the date of submission.

3. Procedure to be followed for processing of GST Registration application

- 3.1 As soon as the application for the registration is reflected in the Task List, the proper officer shall examine the details filled in registration application with the prescribed documents listed in FORM GST REG-01. However, no clarification can be sought for information furnished in Part-A of REG-01.
- 3.2 While examining the application, the proper officer shall ensure that the applicant does not have an active GSTIN on same address. The proper officer shall also check if the applicant is having an inactive/ cancelled GSTIN in same State and if so, the proper officer shall ascertain as to whether the earlier registration was cancelled by the Department suo-moto or on the request of the taxpayer. It may also be verified as to whether the applicant has filed application for revocation of cancellation of earlier registration. In case the proper officer finds that application for revocation of cancellation of registration has not been filed and the reasons for which the earlier registration was cancelled suo-moto by the department are still in place, then the application is liable to be rejected or the details of the same should form part of the physical verification report.
- 3.3 Once the application is allocated to the Proper Officer, the task may be tagged to the same officer till approval/ rejection of the application, unless he/she intimates leave/ transfer in which case the task will be re distributed to other proper officers. When proper officer resumes duty, only fresh tasks shall be allocated to him/her.

- 3.4 While scrutinizing the GST registration application, the Proper Officer must check as to whether any previous GST registration was granted to the applicant's PAN number and if there is any tax liability pending on his part, a query to produce NOC may be raised before considering the GST registration for approval/rejection.
- 3.5 After grant of GST registration, the credential of taxpayer shall automatically be transferred to the jurisdictional ward for all other purposes.
- 3.6 The Centralized GST Registration Cell (Seva Kendra) shall ensure that it only deals with new GST registration applications. Any application related to amendment/ cancellation, if reflected on the portal should be transferred to the concerned proper officer. Similarly, Ward Officers shall not deal with any fresh application for registration. In case any new GST registration application is reflected on their GST Portal, the same shall be transferred to the Seva Kendra.
- 3.7 **Procedure for Physical Verification:**
- i. Physical verification is not required in the case of **AADHAAR-authenticated** applications. However, if the proper officer has reasons to believe that the applicant appears to be fake or non-genuine, he may conduct a physical verification of such applicants for the reasons to be recorded in writing.
 - ii. In case of **NON-AADHAAR Authenticated** applications, if the application is categorised as **High-Risk** in the system or the applicant deals in **evasion prone commodities** or if the proper officer has **reasons to believe** that the applicant appears to be fake or non-genuine, he may conduct a physical verification of such applicants for the reasons to be recorded in writing.
 - iii. At present, the time available for processing of non-AADHAAR authenticated applications is 30 days, **if warranted the**

Physical Verification of the Place of Business of the taxpayer should be completed within 21 days.

- iv. The GSTI shall conduct the physical verification of the place of business, and the verification of documents as per requirement of FORM REG -30 (Physical Verification Report) and submit PV report within 3 days of visit. It is advised to use online app or any other mode as may be prescribed by the GST authorities or mandated by GST Law for submitting field visit report.

3.8 During the physical verification, the officer would also verify the following details among other things:

- i. In case the applicant intends to carry out manufacturing activity, whether capital goods, if required for the said manufacturing activity have been installed.
- ii. Electricity connection, electricity bills paid in the relevant period.
- iii. Size of the premises - whether it is commensurate with the activity to be carried out by the applicant. (Coloured pictures should be included in verification report).
- iv. Whether premises are self-owned or are rented and documents relating to ownership/ registered lease of the said property.
- v. In case of doubt, enquiry may also be made from the landlord/ owner of the property in case of rented/leased premises.
- vi. No. of employees already employed and record of their employment.
- vii. AADHAAR and PAN of the applicant and its proprietor, partners, Karta, Directors as the case may be and the authorized signatories. E.g.: Bank's letter for up-to-date KYC.
- viii. ITRs of the company/ LLP from the date of incorporation or for last three financial years, whichever is less and ITRs of

proprietor/partners/Karta, etc. in other cases.

The above list is only indicative and the GSTI may call for any other documents/information on case-to-case basis to ensure that no bogus/non-genuine person may obtain GST Registration. It is the responsibility of GSTI to ensure that only genuine registrations are granted.

3.9 Reporting requirements in Seva Kendra:

3.9.1 The duties and responsibilities of the officials with respect to Seva Kendra functioning

S. No.	Officer	Responsibilities
1.	Special Commissioner	<ul style="list-style-type: none">• Overall supervision and monitoring
2.	Joint Commissioner	<ul style="list-style-type: none">• Regular supervision, monitoring, and further reporting to higher authorities• Analysis of weekly/ monthly report• Recommending corrective actions
3.	Assistant Commissioner	<ul style="list-style-type: none">• Day to day monitoring and task supervision• Preparation of deemed approval, physical verification, and registration reports• Any other task as may be assigned
4.	Goods and Services Tax Officer (GSTO)	<ul style="list-style-type: none">• Granting of GST registrations• Assigning physical verification• Preparation of deemed approval, physical verification, and GST registration reports• Any other task as may be assigned
5.	Goods and Services Tax Inspector (GSTI)	<ul style="list-style-type: none">• Conducting physical verification• Preparation of physical verification report using prescribed app• Any other task as may be assigned

3.9.2 Deemed Approval Report:

- The Assistant Commissioner/GSTO need to compile a report in Performa provided at **(Annexure-I)** and **(Annexure-II)** where taxpayers have been granted deemed registration on weekly basis for further action by ward officials and submit the same

for perusal of the Joint Commissioner. Wards officials may decide if field verification is required in cases where GST registration was granted under the category of Deemed approval and are advised to monitor the functioning of deemed taxpayer for at least six months and take action accordingly as per GST Law.

- ii. A Monthly Report of deemed registrations shall also be prepared stating the reasons for deemed approval must be submitted to Joint Commissioner.

3.9.3 Registration Report:

The Assistant Commissioner/GSTO needs to compile a report in Performa provided at **(Annexure-III)** containing the details of total GST registration application received and granted/rejected on a weekly basis.

- 3.10 The directions issued vide (i) Circular No. 08/2019-GST endorsed vide No. F.3(250)/Policy-GST/2019/91-97 dated 16.05.2019; and (ii) provisions of GST Registrations and relevant CBIC guidelines shall be strictly followed in letter and spirit, while approving/rejecting the GST registration application.
- 3.11 So far as registration in respect of DVAT dealers is concerned, the registration process will be finalized by the concerned Ward In charge as in vogue.

This SOP is issued with approval of the Principal Commissioner (Trade & Taxes).


23/06/23

(AWANISH KUMAR, IAS)
Special Commissioner (Policy)

Copy forwarded for information/necessary action to the: -

- 1) PS to Pr. Commissioner (T&T).
- 2) All Special/Additional/Joint Commissioner/Zonal Incharges
- 3) All Ward In-charges through their Zonal Incharges.
- 4) AC/GSTOs, Seva Kendra (Centralized Registration Cell).
- 5) Senior System Analyst for developing the Utility and uploading on the portal.
- 6) Assistant Commissioner HR, GNCTD.
- 7) Guard file.

 23/6/23

(RITA KAUSHIK)
Assistant Commissioner (Policy)

Annexure-I

Deemed Approvals- GSTIN wise details			
GSTIN of deemed approval during week	Party's Name	Status of Physical Verification (Y/N)	Remarks

Annexure-II

Physical Verification Data & Results									
OB (PVs pendi ng)	Deeme d Appro vals during week	Total registra tion granted	PVs condu cted	Numb ers of Adver se Repor t	Na me of PV offic er	REG -17 (SCN) issue d in Adve rse Repo rts	Issue of REG- 17 (SCN) pend ing	Cancell ations during week (out of IV)	CB (PVs pendi ng) (I+III- IV)
I	II	III	IV	V	VI	VII	VIII	IX	X



Annexure-III

Total Registrations					
Opening Balance ARNs (Applications) pending for approval	ARNs received during the week	Approved during week	Rejected during week	Closing Balance ARNs pending for approval	GSTINs of Deemed Approvals

