Final Course

Study Material

(Modules 1 to 4)

Paper 5

Indirect Tax Laws

Part – I: Goods and Services Tax

Module – 1

(Relevant for May 2027 and November 2027 examinations)

BOARD OF STUDIES (ACADEMIC)

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BEFORE WE BEGIN ...

Indirect Tax Laws: Dynamic Subject Area

In the realm of chartered accountancy education, Indirect Tax Laws has emerged as one of the most dynamically evolving subjects. At the Final level, this subject is divided into two parts: Part I, which covers Goods and Services Tax (GST) for 80 marks, and Part II, which focuses on Customs & Foreign Trade Policy (FTP) for 20 marks. GST has brought a paradigm shift in the country's indirect tax landscape. It aims to create a unified market with consistent tax rates and procedures, breaking down economic barriers and promoting a more integrated national economy. By subsuming most of the erstwhile Central (excise duty, service tax, central sales tax) and State taxes (State-Level VAT) into a single tax and by allowing a set-off of prior-stage taxes for the transactions across the entire value chain, it mitigates the ill effects of cascading and improves competitiveness. It follows a multi-stage collection mechanism where tax is collected at every stage and the credit of tax paid at the previous stage is available as a set off at the next stage of transaction.

The nitty-gritties of this new tax law coupled with its inherent dynamism, makes the learning, understanding, application and analysis of the provisions of this law in problem solving both fascinating and challenging.

Know your Study Material

This Study Material is relevant for May 2027 and November 2027 examinations. **The subject matter of Part I: Goods and Services Tax of this Study Material is based on the provisions of the Central Goods and Services Tax Act, 2017 and Integrated Goods and Services Act, 2017 as amended by the Finance Act, 2025[1] including the significant notifications and circulars issued and other legislative amendments made, which have become effective upto 30.04.2026.** These amendments have been indicated in ***bold italics*** in this Study Material.

[1] *Only those amendments of Finance Act, 2026 which have become effective upto 30th April, 2026 have been incorporated in the Study Material.*

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Further, the Finance Act, 2026 has come into force from 30.03.2026 after receiving the assent of the President of India. However, most of the amendments made in the CGST Act, 2017 and the IGST Act, 2017 vide the Finance Act, 2026 have not become effective till 30.04.2026. Therefore, the applicability or otherwise of the such amendments made by the Finance Act, 2026 for May 2027 and November 2027 examinations shall be announced by the ICAI only after the same becomes effective.

In the Study Material, the existing provisions[2] are compared with the provisions as amended by the Finance Act, 2026 (which have not become effective till 30.04.2026) at the end of each chapter, wherever relevant. Once the announcement for applicability of such amendments for examination(s) is made by the ICAI, students should read the amended provisions in place of the related provisions discussed in the Chapter.

The content discussed in Part II: Customs & FTP is based on the Customs laws as amended by the Finance Act, 2026 including the significant notifications and circulars issued and other legislative amendments made, which have become effective upto 30.04.2026. The amendments are indicated in ***bold italics*** in the Study Material.

The significant notifications and circulars issued in Part I: Goods and Services Tax and Part II: Customs & FTP from 01.05.2026 to 31.10.2026 will be compiled and web-hosted on the BoS Knowledge Portal as Statutory Update for May 2027 examination. Similarly, significant notifications and circulars issued from 01.05.2026 to 30.04.2027 will be compiled and web-hosted as Statutory Update for November 2027 examination.

Framework of Chapters: Uniform Structure comprising of specific components

Efforts have been made to present the complex indirect tax laws in a lucid manner. Care has been taken to present the chapters in a logical sequence to facilitate easy understanding by the students. The Study Material has been divided into four modules for ease of handling by students. The first three modules are on GST and the fourth module is on Customs and FTP.

[2] *Provisions existing as on 30.04.2026*

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The various chapters of this subject have been structured uniformly and comprise of the following components:

	Components of each Chapter	About the component
1.	**Learning Outcomes**	Learning outcomes which you need to demonstrate after learning each topic have been detailed in the first page of each chapter/unit. Demonstration of these learning outcomes will help you to achieve the desired level of technical competence
2.	**Content**	The concepts and provisions of indirect tax laws are explained in student-friendly manner with the aid of examples/ illustrations/ diagrams/ flow charts. Diagrams and flow charts would help you understand and retain the concept/ provision learnt in a better manner. Examples and illustrations would help you understand the application of concepts/provisions. These value additions would, thus, help you develop conceptual clarity and get a good grasp of the topic.
3.	**Test Your Knowledge**	This section comprises of variety of questions which will help you to analyse the provisions of indirect laws and apply the same in problem solving, thus, sharpening your application skills. In effect, it will test your ability to analyse and apply the concepts/provisions learnt in solving problems and addressing issues. Questions aim to test your analytical ability and interpretational skills.
4.	**Answers**	After you work out the problems/questions given under the section "Test Your Knowledge", you can verify your answers with the answers given under this section. This way you can self-assess your level of

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		understanding of the provisions or concepts of a chapter.
5.	**Significant Select Cases**	The recent significant select Supreme Court and High Court rulings in customs law have been reported at the end of chapters of Part II Customs & FTP to help you appreciate the interpretation of the provisions of customs law by the Courts.

Students may make note of the following while reading the Study Material:

- For the sake of brevity, the "Goods and Services Tax", "Central Goods and Services Tax", "State Goods and Services Tax", "Union Territory Goods and Services Tax", "Integrated Goods and Services Tax", "Central Goods and Services Tax Act, 2017", "Integrated Goods and Services Tax Act, 2017", "Union Territory Goods and Services Tax Act, 2017", "Central Goods and Services Tax Rules, 2017" and "Integrated Goods and Services Tax Rules, 2017" have been referred to as "GST", "CGST", "SGST", "UTGST", "IGST", "CGST Act", "IGST Act", "UTGST Act", "CGST Rules" and "IGST Rules" respectively in Part I: Goods and Services Tax of the Study Material.
- Unless otherwise specified, the section numbers and rules referred to in the chapters of Part I: Goods and Services Tax pertain to CGST Act and CGST Rules respectively (except Chapter 3: Place of Supply, where the section numbers and rule numbers pertain to IGST Act and IGST Rules).
- The illustrations, examples, questions and answers given under **'Test Your Knowledge'** in Part I: Goods and Services Tax and Part II: Customs & FTP are solved/answered on the basis of the **position of law, as existing on 30.04.2026**. The reference to years/months subsequent to such date in the examples, illustrations, questions and answers is only for the purpose of explaining the concepts and provisions as the position of law may change subsequently.

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- Although the erstwhile Income-tax Act, 1961 has been replaced by the Income-tax Act, 2025 with effect from 01.04.2026, the references to income-tax law in the provisions of GST law continue to be references to the Income-tax Act, 1961. Accordingly, in this Study Material, references to the provisions of the erstwhile Income-tax Act, 1961 have been retained wherever they appear in the context of GST law.
- Though all efforts have been taken in developing this Study Material, the possibilities of errors/omissions cannot be ruled out. You may bring such errors/omissions, if any, to our notice so that the necessary corrective action can be taken.

We hope that these student-friendly features in the Study Material improves your learning curve and sharpens your analytical and interpretational skills.

Happy Reading and Best Wishes!

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SYLLABUS

PAPER – 5 : Indirect Tax Laws

(One paper – Three hours – 100 Marks)

Part-I: Goods and Services Tax (80 Marks)

Objective:

To acquire the ability to analyse and interpret the provisions of the goods and services tax law and recommend solutions to case scenarios.

Contents:

1. Goods and Services Tax (GST) Law as contained in the Central Goods and Services Tax (CGST) Act, 2017 and Integrated Goods and Services Tax (IGST) Act, 2017 including

(i) Case studies based on following:

Levy and collection of CGST and IGST – Application of CGST/IGST law; Concept of supply, inter-State supply, intra-State supply, supplies in territorial waters; Charge of tax including reverse charge; Classification; Exemption from tax; Place of supply; Time of Supply; Value of supply; Input tax credit; Computation of GST liability

(ii) Procedures under GST including registration, tax invoice, credit and debit notes, electronic way-bill, accounts and records, returns, payment of tax

(iii) Refunds and case studies based on refund provisions

(iv) Job work

(v) Liability to pay in certain cases

(vi) Administration of GST; Assessment and Audit

(vii) Inspection, Search, Seizure and Arrest

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(viii) Demand and Recovery; Offences and Penalties

(ix) Appeals and Revision

(x) Advance Ruling

(xi) Ethics under GST

(xii) Other provisions[3]

Part-II: Customs & FTP (20 Marks)

Objective:

To develop an understanding of the customs laws and foreign trade policy and acquire the ability to analyse and interpret the provisions of such laws/concepts.

Contents:

1. Customs Law as contained in the Customs Act, 1962 and the Customs Tariff Act, 1975

(i) Introduction to customs law including Constitutional aspects

(ii) Levy of customs duties including application of customs law, taxable event, charge of customs duty, exceptions to levy of customs duty, exemption from custom duty

(iii) Types of customs duties

(iv) Classification and valuation of imported and export goods

(v) Import and Export Procedures including special procedures relating to baggage, goods imported or exported by post, stores

(vi) Warehousing

(vii) Refund

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[3] *The entire CGST and IGST laws are included in the syllabus at the Final level. Any residuary provision under the CGST Act, 2017 and IGST Act, 2017, not covered under any of the above specific provisions, would be covered under "Other provisions". Further, if any new Chapter is included in the CGST Act, 2017 and IGST Act, 2017, the syllabus will accordingly include the provisions relating thereto.*

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2. Foreign Trade Policy

(i) Introduction to FTP – legislation governing FTP, salient features of an FTP, administration of FTP, contents of FTP and other related provisions

(ii) Basic concepts relating to import and export

(iii) Basic concepts relating to export promotion schemes provided under FTP

Note *– While covering the above laws, students should familiarise themselves with the ethical considerations and information technology aspects involved in the compliance of these laws.*

If any new legislation(s) is enacted in place of an existing legislation(s), the syllabus will accordingly include the corresponding provisions of such new legislation(s) in place of the existing legislation(s) with effect from the date to be notified by the Institute. Similarly, if any existing legislation ceases to have effect, the syllabus will accordingly exclude such legislation with effect from the date to be notified by the Institute. Students shall not be examined with reference to any particular State GST Law.

Further, the specific inclusions/exclusions in any topic covered in the syllabus will be effected every year by way of Study Guidelines, if required.

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