PETPOOJA

CHECKLIST

Retail Store Setup Checklist for India

Every registration, licence and permission a new store needs before it opens, in the order that actually works: which GST threshold applies to you, where Shop & Establishment law differs by State, what the weighing scale rules really say, and the ten steps that block each other if you do them out of sequence.

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₹40 lakh

Exemption, Goods Only

₹20 lakh is the statutory threshold. ₹40 lakh is a separate exemption notification with four carve-outs

₹0

Threshold If You Sell Online

Section 24(ix) applies from your first marketplace listing

30 days

To Apply for GST

From the date you become liable, Section 25(1)

10 workers

Where Maharashtra Draws the Line

Registration above it, intimation below it, both within 60 days

₹21,000

ESI Wage Ceiling

Per month, ₹25,000 for persons with disability

01 What Applies to You, and What Does Not

Not every store needs everything on this list. Work out which rows are yours before you start queuing.

Requirement	Who it applies to	Authority
GST registration	Turnover above the threshold, or from day one if you sell inter-State or on a marketplace	Sections 22 and 24, CGST Act 2017, with Notification 10/2019-CT
Shop & Establishment	Almost every store, but the form and the threshold are set by your State	Your State's Shops and Establishments Act
Trade licence	Most stores. Issued by the municipal corporation or council, tied to the property	Municipal, varies by city
Udyam registration	Optional, free, and worth doing. Almost every single store is Micro	MSMED Act 2006, criteria revised 01-Apr-2025
FSSAI	Any store selling food, including a general store with a packaged snacks rack	FSS (Licensing and Registration) Regulations
Legal Metrology verification	Any store that weighs or measures goods to sell them	State Controller of Legal Metrology
EPF	Twenty or more employees, and it does not lapse if you drop below	Section 1(3), EPF & MP Act, now under the Code on Social Security 2020
ESI	Ten in most States, twenty in some, for employees up to ₹21,000 a month	Section 1(5) State extensions, ESIC
Professional tax	Employers in States that levy it. Several States do not levy it at all	State legislation
Fire NOC	Depends on building height, floor area and occupancy, not on your turnover	State fire rules read with the National Building Code

Read the State column before you read anything else

Retail setup is the part of Indian compliance where central law does the least work. Shops and Establishments, professional tax, fire safety, weights and measures enforcement, stamp duty and trade licences are all State or municipal. This checklist uses Maharashtra as a fully cited worked example wherever a State rule is needed, because its 2017 Act draws the lines unusually clearly. Treat it as an illustration of the shape of the rule, then check your own State. Where a figure is national, it is labelled as such.

02 Fix the Entity and the Identity Documents

Everything downstream is issued in this name. Changing it later means redoing the registrations, not amending them.

Decide the Structure First

- ✓ **Choose between proprietorship, partnership, LLP and private limited before applying for anything** — Do this first
  The choice drives the PAN, the bank account, the GST registration and the liability position. A proprietorship is the fastest to start and the cheapest to run. A private limited company costs more to maintain but separates your personal assets from the store's debts, which matters more once there is a lease, staff and supplier credit in the picture.

- ✓ **Understand that a proprietorship has no separate PAN** — Commonly missed
  The business uses the proprietor's own PAN. There is no separate one to apply for and waiting for one is a common and entirely avoidable delay. A partnership, LLP or company does need its own PAN in the entity name.

- ✓ **Apply for TAN only if you will actually deduct TDS**
  Not every new store needs one on day one. Rent is usually the first trigger, once payments to the landlord cross the annual limit under Section 194-I. That limit moved in the Finance Act 2025 cycle, so confirm the current figure with your accountant before the first rent payment rather than working from an older chart.
  Section 194-I, Income-tax Act 1961

Register on Udyam

- ✓ **Register as an MSME on the Udyam portal, free, using PAN and Aadhaar** — Free
  There is no fee and no agent required. Any site charging you for Udyam registration is charging for something the Government gives away. The registration links to your PAN, Aadhaar and, once you have it, your GSTIN.

- ✓ **Confirm you are Micro under the revised criteria**
  From 01-Apr-2025 the limits are: Micro, investment up to ₹2.5 crore and turnover up to ₹10 crore. Small, ₹25 crore and ₹100 crore. Medium, ₹125 crore and ₹500 crore. Investment limits went up 2.5 times and turnover limits doubled. A single retail store is Micro by a wide margin.
  Ministry of MSME Notification S.O. 1364(E) dated 21-Mar-2025, effective 01-Apr-2025

- ✓ **Know why it is worth having before your first credit sale**
  Udyam is what gives you the delayed payment protection under the MSMED Act and priority sector lending treatment at the bank. Registering after a customer has already stopped paying is late. An enterprise moves up a category if it crosses either the investment or the turnover limit, but only moves down if it falls below both.

Open the Bank Account

- ✓ **Open a current account in the business name, not your savings account**
  Banks ask for registration proof as KYC, usually the Shop & Establishment certificate, the Udyam certificate or the GST registration. This is the reason the order in Section 11 matters: the account often cannot be opened until one of those exists, and some of those cannot be applied for without a premises address.

- ✓ **Keep store money and personal money separate from the first transaction**
  In a proprietorship there is no legal separation, but there is a practical one. Mixed accounts make GST reconciliation, income tax assessment and any future loan application significantly harder, and the mixing usually starts in week one with a deposit paid from a personal account.

03 Secure the Premises Before You Spend on It

Fit-out money is sunk into a site. Every permission below attaches to the property, not to you, so check them before the deposit clears.

Get the Lease Right

- ✓ **Understand which leases must be registered** — Costs money later
  Leases of immovable property from year to year, for any term exceeding one year, or reserving a yearly rent must be registered. An unregistered lease that required registration is not admissible in evidence to prove the terms of the tenancy, which is exactly the moment you need it: when a landlord wants the premises back and your fit-out is already in the walls.
  Section 17(1)(d), Registration Act 1908

- ✓ **Treat the 11-month leave and licence agreement as a trade-off, not a default**
  Because it does not exceed one year and does not reserve a yearly rent, it sits outside the registration requirement, which saves registration cost and stamp duty. It also gives you no security of tenure. For a store where the location is the business, that is a commercial risk worth pricing, not a formality to copy from a template. Several States, Maharashtra among them, require even leave and licence agreements to be registered, so check your State before assuming the shortcut exists.

- ✓ **Check the stamp duty payable in your State and who pays it**
  Stamp duty on a lease or leave and licence agreement is a State levy and the rate and the base differ. Agree in the document who bears it. Deficiently stamped documents can be impounded when you most need to rely on them.

Check the Property Can Legally Be a Shop

- ✓ **Confirm the building's permitted use covers commercial retail** — Before the deposit
  A unit in a residential-use building can be refused a trade licence after the deposit is paid and the shutters are ordered. Ask for the occupancy certificate and the sanctioned plan, and confirm the use with the municipal office rather than with the broker.

- ✓ **Get the landlord's written consent to your registrations**
  GST registration, Shop & Establishment registration and the trade licence all need premises proof, and where you are a tenant that means the lease plus, commonly, a no-objection letter from the owner. Owners who are relaxed about this before signing are sometimes less so afterwards.

- ✓ **Ask what is already sanctioned for the unit**
  Electrical load, water connection, drainage and any existing fire provisioning are attached to the premises. A store that needs three-phase power or a commercial water connection is looking at an application and a wait, not a switch.

Municipal Permissions

- ✓ **Apply for the trade licence from the local corporation or council**
  Called Gumasta in parts of Maharashtra and Gujarat and simply the trade licence elsewhere. It is municipal, so the form, the fee and the documents differ not just by State but by city. It is tied to the property and the nature of trade, which is why it is checked before the lease, not after.

- ✓ **Apply separately for the signage or advertisement licence**
  A shop sign is usually a separate municipal permission from the trade licence, with its own fee, often calculated on the board's area. Fabricating the board before the permission is granted is a common and expensive sequence error.

04

Shop & Establishment Registration

This is State law in the truest sense. The threshold, the form, the fee, the renewal cycle and even whether you register at all are decided by your State.

10 workers
Maharashtra's Dividing Line
Sections 6 and 7, Maharashtra Shops and Establishments Act 2017

60 days
To Register or Intimate
Sections 6 and 7, Maharashtra Shops and Establishments Act 2017

10 years
Maximum Certificate Validity
Section 6, Maharashtra Shops and Establishments Act 2017

The Worked Example: Maharashtra

✓ **Ten or more workers: apply online to the Facilitator for registration within sixty days**
Sixty days runs from the date the establishment commences business. The application goes online to the Facilitator for the local area, with the prescribed fee, a self-declaration and self-certified documents.
Section 6, Maharashtra Shops and Establishments Act 2017

✓ **Fewer than ten workers: give an intimation, not a registration, also within sixty days** — Commonly oversold
Smaller establishments simply intimate the Facilitator online that they have commenced business, and receive a receipt of intimation. There is no registration certificate to obtain and no renewal to track. This is the part most new owners do not know exists, and it is why a store with three staff should not be paying an agent for a registration it does not need.
Section 7, Maharashtra Shops and Establishments Act 2017

✓ **If the headcount later reaches ten, you must then obtain registration**
The intimation does not convert itself. Crossing ten workers is an event that requires a fresh application, and nobody sends a reminder. Put a note against your headcount tracker at eight.

✓ **Choose the certificate validity you actually want, up to ten years** — Set a reminder
The certificate is valid for the period the applicant requests, subject to a maximum of ten years. Renewal is applied for at least thirty days before expiry. Filed within thirty days after expiry, a late fee equal to half the renewal fee applies.
Section 6, Maharashtra Shops and Establishments Act 2017

✓ **Put the name board in Marathi, in Devanagari script, with Marathi first**
Marathi must be written at the beginning of the board and its font size must not be smaller than the font of any other language on it. Another language may be added alongside. This was inserted by amendment in 2022 and is actively enforced.
Section 36A, inserted by Mah. 24 of 2022

How to Apply This in Your Own State

✓ **Find your State's Act and check four things** — Check locally
The worker threshold, whether it is registration or intimation below that threshold, the time limit from commencement, and the renewal cycle. Those four answers differ across States and they are the whole of the obligation.

✓ **Check whether your State has a local-language signage rule**
Maharashtra's is in the Shops and Establishments Act itself. Several other States, Karnataka and Tamil Nadu among them, have their own local-language signage requirements, sometimes under different legislation and sometimes as a municipal condition. Do not assume the absence of one.

✓ **Keep the certificate or the intimation receipt where you can produce it**
It is routinely asked for as address and existence proof by banks, by suppliers opening a credit account, and by the GST officer on a physical verification. A scanned copy on the phone saves a second visit.

05

GST Registration and the Choices That Follow

The threshold is not one number, and for a growing number of retailers it is not a number at all.

₹20 lakh
The Statutory Threshold
Section 22(1), CGST Act 2017

₹40 lakh
Exemption for Goods Only
Notification 10/2019-Central Tax dated 07-Mar-2019, issued under Section 23(2), in force 01-Apr-2019

30 days
To Apply Once Liable
Section 25(1), CGST Act 2017

Work Out Which Threshold Is Yours

✓ **Start from ₹20 lakh, not from ₹40 lakh** — Read this twice

Section 22(1) sets the threshold at ₹20 lakh of aggregate turnover, and ₹10 lakh for special category States. The ₹40 lakh figure everyone quotes is not in Section 22 at all. It comes from a separate notification exempting a defined category of persons from having to register, and that notification carries four carve-outs. Starting from the exemption and forgetting its conditions is how stores end up registering late.

Section 22(1), CGST Act 2017, read with Notification 10/2019-Central Tax

✓ **Check that you are exclusively supplying goods**

The exemption is written for a person 'engaged in exclusive supply of goods'. A separately billed repair charge, installation fee, alteration charge or delivery fee is a service. Once the supply is not exclusively goods, ₹40 lakh is not available to you. A clothing store that bills alterations separately has made this choice without noticing it.

Notification 10/2019-Central Tax, dated 07-Mar-2019

✓ **Check that your State is not on the excluded list** — Telangana trap

The exemption does not apply to a person making intra-State supplies in Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Puducherry, Sikkim, Telangana, Tripura or Uttarakhand. Telangana is the one that surprises people, because it is a large State that looks nothing like the others on that list.

Notification 10/2019-Central Tax, clause (iii)

✓ **Check that you do not sell ice cream, pan masala or tobacco**

The notification lists these three by tariff heading: ice cream and other edible ice (2105 00 00), pan masala (2106 90 20), and all goods under Chapter 24, tobacco and manufactured tobacco substitutes. A general store that keeps a tobacco counter has moved itself back to the ₹20 lakh threshold for its whole turnover.

Notification 10/2019-Central Tax, Table

✓ **Note that the notification carves out Section 24 persons itself**

The first exception in the notification is 'persons required to take compulsory registration under section 24'. So the situations in the next group are not a separate rule competing with the ₹40 lakh figure. They sit inside the exemption as an express exclusion from it.

Notification 10/2019-Central Tax, clause (a)

The Situations Where Turnover Does Not Matter

✓ **Selling through a marketplace requires registration from your first listing** — Zero threshold

A person supplying goods through an e-commerce operator required to collect tax at source must register, irrespective of turnover. Listing on a marketplace at zero turnover makes you liable. This is the single most common reason a small store is registered when its turnover says it need not be.

Section 24(ix) read with Section 52, CGST Act 2017

✓ **One courier order to another State makes you liable**

Persons making any inter-State taxable supply must register irrespective of turnover. Shipping a single order across a State border triggers it. If you are not ready to register, do not accept the order.

Section 24(i), CGST Act 2017

✓ **An exhibition or a mall kiosk in another State makes you a casual taxable person** — Five days before

Casual taxable persons must register, and must apply at least five days before commencing business, not within thirty days after. A three-day festive stall in a neighbouring State needs its application in before the stall opens.

Sections 24(ii) and 25(1), CGST Act 2017

✓ **Check whether reverse charge applies to your rent**
Persons required to pay tax under reverse charge must register irrespective of turnover. Renting commercial premises from an unregistered landlord can bring this into play. Raise it with your accountant before signing, because the answer changes the registration decision, not just the return.

Apply Correctly

✓ **Apply within thirty days of becoming liable**
The clock runs from the date you become liable, not from the date you notice. Registration is granted from the date of liability if you apply within thirty days, which is what protects your input tax credit on opening stock.
Section 25(1), CGST Act 2017

✓ **Complete Aadhaar authentication for the right person**
Authentication is required for the individual, or for the authorised signatory: the karta, managing director, partners or trustees as applicable. Failure to authenticate means the registration is deemed invalid. Some States now route flagged applications through in-person biometric verification, so check what is asked for when your ARN is generated.
Sections 25(6A) to 25(6D), CGST Act 2017

✓ **Register in every State where you have an establishment**
A single registration is granted per State or Union territory, and a person with establishments in more than one State is treated as distinct persons. A second-city store is a second registration, not a branch added to the first.
Section 25, CGST Act 2017

✓ **Decide whether you want separate registrations for multiple stores in one State**
You may be granted separate registration for each place of business within a State, subject to conditions. It is an option, not a requirement. Separate registrations mean separate returns and separate compliance; one registration with multiple additional places of business is simpler for most multi-store owners in a single State.

Composition scheme: cheap in tax, expensive in customers

A trader in goods with turnover up to ₹1.5 crore, or ₹75 lakh in specified special category States, can opt for composition and pay 1% of turnover. The catch is what you give up: you cannot collect GST, you cannot claim input tax credit, you issue a Bill of Supply instead of a tax invoice, and you cannot make inter-State outward supplies or sell through a TCS-liable e-commerce operator. For a store selling to consumers who do not claim credit, the arithmetic can work. For a store with any business customers, it makes you the supplier they cannot claim credit from. Note the 1% is for traders in goods; restaurant service under the same section is 5%.

06

Licences That Depend on What You Sell

These are decided by the shelf, not by the size of the store. The one general retailers miss most is the food one.

FSSAI, and Why It Is Not Just for Restaurants

- ✓ **Get an FSSAI registration or licence if you sell any food at all** — Commonly missed

  A clothing store with a packaged snacks rack at the counter is a food business. So is a stationery shop selling chocolates and a general store selling sealed packets. This is the licence non-food retailers most often discover they needed after an inspection, not before.

- ✓ **Pick the right level from your turnover**

  Registration up to ₹1.5 crore. State Licence from ₹1.5 crore to ₹50 crore. Central Licence above ₹50 crore. These thresholds were revised with effect from 01-Apr-2026, so a chart printed before that date will send you to the wrong counter.

  FSS (Licensing and Registration of Food Businesses) Amendment Regulations 2026, effective 01-Apr-2026

- ✓ **Display the FSSAI number where customers can see it**

  The licence or registration number has to be displayed at the premises. Keep the certificate itself accessible too, because it is asked for by suppliers and by aggregators if you ever list online.

The Rest, By Category

- ✓ **Pharmacy: drug licence from the State Drugs Control authority**

  Requires a qualified registered pharmacist, prescribed premises area, and refrigeration where the schedule demands it. This is not a formality that can be arranged after opening.

- ✓ **Liquor: State Excise licence**

  State excise policy governs eligibility, location restrictions relative to schools and places of worship, hours and fees. The location restrictions are the ones that make a signed lease worthless.

- ✓ **Tobacco: local retail permission, plus the GST consequence**

  Beyond any local permission, note that stocking tobacco removes you from the ₹40 lakh GST exemption covered in Section 05. Decide whether the counter is worth the threshold.

- ✓ **Regulated goods: check for a mandatory BIS standard mark**

  A range of products, including many electrical goods, cannot lawfully be sold without the applicable standard mark. This is the manufacturer's obligation, but selling unmarked goods is your exposure. Ask suppliers for the certification, in writing, before the first order.

Waste and Packaging: Know What Is Not Yours

- ✓ **Do not register for e-waste EPR because a website told you to** — Do not over-comply

  The E-Waste (Management) Rules 2022 regulate producers, manufacturers, refurbishers, dismantlers and recyclers. Dealers and retailers are not in that list. The 2016 Rules did cover dealers, which is why a great deal of online guidance still says otherwise. Route old units to an authorised recycler and check your State Pollution Control Board, but do not pay for a registration you are not required to hold.

  E-Waste (Management) Rules 2022, in force 01-Apr-2023

- ✓ **Understand that plastic packaging EPR falls on brand owners and producers**

  A store reselling other people's sealed packaging is not the brand owner of that packaging. If you pack and sell own-brand goods, you may be. The distinction is the same one that decides the Legal Metrology question in the next section.

07 Weights, Measures and Package Labels

There are two separate obligations here and most published guidance runs them together, which leads shopkeepers to buy a licence they do not need.

The Distinction That Saves You a Licence Fee

- ✓ **A dealer licence is for people who make, sell or repair weighing instruments** — Widely misstated
  Delhi's Weights & Measures Department states it plainly: the Department issues a licence to the manufacturer, dealer and repairer of weights and measures, and for dealing in weighing and measuring instruments the licence is a must. A grocery store that uses a scale to sell dal is not in the business of dealing in scales.
  Weights & Measures Department, Government of NCT of Delhi, published FAQ

- ✓ **What a store that only uses a scale needs is verification and stamping**
  Every weight and measure used in trade is stamped by the department after verification, with a seal identifying the Legal Metrology Officer. That is the obligation for a normal retail store, and it is a recurring one, not a one-time registration.

- ✓ **Confirm the position with your own State Controller before deciding**
  Enforcement sits with State Controllers of Legal Metrology and practice differs. The distinction above is what Delhi's department publishes. Do not conclude from it that you definitely need nothing in your State: ask, and get the answer in writing if you can.

Keep the Verification Current

- ✓ **Diarise the re-verification cycle for every instrument**
  In Delhi, electronic scales and platform machines are verified for one year, while cast iron weights, bullion weights and beam scales run two years, and the department operates four quarterly renewal windows. One and two year cycles are common across States but the periods and the windows are set locally, so confirm yours.
  Weights & Measures Department, Government of NCT of Delhi, published FAQ

- ✓ **Treat the penalty as a real operating risk, not a theoretical one** — Seizure risk
  Delhi's published position on failing to get timely verification is a fine of five thousand rupees, and the weight or measure can be seized. Losing the scale mid-trading-day is the part that hurts more than the fine.

- ✓ **Buy instruments that are already model-approved and verifiable**
  An unapproved imported scale bought cheaply online can fail verification entirely, which turns a small saving into a full replacement plus lost trading time.

Packaged Goods on Your Shelves

- ✓ **Check that packs you sell carry the required declarations**
  A retail package must carry the name and address of the manufacturer, packer or importer, the common or generic name, the net quantity, the month and year of manufacture, pre-packing or import, the retail sale price as Maximum Retail Price ₹___ inclusive of all taxes, consumer care details, and country of origin for imports.
  Rule 6, Legal Metrology (Packaged Commodities) Rules 2011

- ✓ **Never sell above MRP, and never add GST on top of it** — Inspector magnet
  MRP is a ceiling and it is inclusive of all taxes. Charging above it, or charging MRP and then adding GST, is the complaint that most reliably brings an inspector to a store. Delhi's department puts the penalty for charging above MRP at a fine which may extend to ₹2,000 per partner or director.

- ✓ **Register as a packer only if you actually pack**
  LMPC registration is required of packers and importers. A shop reselling someone else's sealed packs is neither. A shop that packs and labels its own-brand goods has become a packer and needs it. Decide which you are before you print a label with your store's name on it.

08 Staff Registrations

These are triggered by headcount, and two of the three thresholds behave in ways that catch new employers out.

20	10 or 20	₹21,000
EPF Coverage Threshold	ESI Threshold for Shops	ESI Monthly Wage Ceiling
Section 1(3), EPF & MP Act 1952, now under the Code on Social Security 2020	*Section 1(5) State extensions; the Central extension is at 20*	*ESIC, effective 01-Jan-2017; ₹25,000 for persons with disability*

Provident Fund

✓ **Register once you employ twenty or more persons**

Section 1(3) applies the Act to a factory in a Schedule I industry employing twenty or more, and to any other establishment employing twenty or more, or a class of such establishments, which the Central Government specifies by notification. Shops and commercial establishments are a notified class, which is how a retail store is covered. The Code on Social Security 2020 came into force on 21 November 2025 and subsumes the EPF & MP Act 1952, but the threshold itself has not moved.

Section 1(3)(a) and 1(3)(b), EPF & MP Act 1952, read with the Code on Social Security 2020

✓ **Know that coverage does not lapse when headcount falls** — One way door

An establishment once covered 'shall continue to be governed by this Act notwithstanding that the number of persons employed therein at any time falls below twenty'. Hiring twenty seasonal staff for the festive season and dropping to twelve in January does not un-cover the store. This is the single most misunderstood point in the Act and it is written into the section itself.

Section 1(5), EPF & MP Act 1952

✓ **Count everyone, not just the ones on the payroll software**

Casual, temporary and contract staff working in the establishment count towards the threshold. A store that employs fourteen directly and eight through a housekeeping contractor is not comfortably below twenty.

Employees' State Insurance

✓ **Check your State's threshold, because there are two possible answers** — State variable

ESI coverage for shops and establishments comes through State extensions under Section 1(5). The Central Government's own extension to shops, hotels, restaurants and similar establishments sits at twenty or more persons. Most States have reduced it to ten. Some have not. Confirm yours rather than assuming ten.

Section 1(5) extensions, ESIC

✓ **Apply the wage ceiling correctly**

The wage limit for coverage, effective 01-Jan-2017, is ₹21,000 per month, and ₹25,000 per month for persons with disability. An employee above the ceiling is outside coverage; an employee who crosses it mid-contribution-period stays covered until the end of that period.

ESIC, coverage

✓ **Register the establishment before the first covered employee's first wage**

Contribution liability starts with employment, not with registration. Registering late does not remove the liability for the intervening months, it just adds interest and damages to it.

State Levies and Wages

✓ **Register for professional tax if your State levies it**

This is a State levy with a separate employer registration, and often a separate enrolment for the proprietor personally. Several States, including Delhi, Haryana, Uttar Pradesh and Rajasthan, do not levy it at all. Slabs differ everywhere it exists.

- ✓ **Check the minimum wage for your State and scheduled employment before setting salaries**
  The Code on Wages 2019 now subsumes the Minimum Wages Act 1948, but rates remain State-specific and scheduled-employment-specific, and are typically revised twice a year with the variable dearness allowance. Setting a salary from a national figure is how underpayment claims start.

- ✓ **Have written appointment letters from day one**
  Not because a specific rule mandates a format for a small store, but because every dispute about hours, duties, notice or wages later turns on what was agreed at the start. A one-page letter signed by both sides is cheaper than the alternative.

Cite the Code, but expect the older rules in practice

India's four Labour Codes were notified into force on 21 November 2025. The Code on Social Security 2020 subsumes both PF and ESI, the Code on Wages 2019 subsumes minimum wages. Full operational enforcement still depends on central and State rules, many of which were in draft through 2026, so the substance of the thresholds above continues to govern during the transition. What has changed is which instrument you should be naming when you write a policy or answer an inspector.

09 Safety, Signage and the Local Rules

The rules here are set by the building and the street, not by your turnover, and they are the ones most likely to be enforced by someone walking in.

Fire

- ✓ **Establish whether a fire NOC applies to your premises before fit-out, not after** — Before fit-out
  Applicability is driven by building height, floor area and occupancy class under your State's fire rules read with the National Building Code. A small ground-floor shop in a low-rise building is frequently outside the requirement. A store in a mall or a multi-storey building usually is not, even if the building itself is provisioned.
- ✓ **Get the position in writing from the building's fire consultant**
  Sprinkler head positions, exit widths and shutter types are decided by the layout you build. Changing them after the fit-out is installed costs several times what it costs to design them in.
- ✓ **Keep extinguishers serviced and the exit route genuinely clear**
  The most common finding in a retail fire inspection is not a missing certificate, it is stock stacked in front of the exit. It is also the finding that matters most on the one day it counts.

Signage and Display

- ✓ **Check the local-language requirement for your name board**
  Maharashtra requires the board in Marathi, in Devanagari script, with Marathi written first and in a font no smaller than any other language on the board. Other States have their own requirements under their own legislation or as municipal conditions. Confirm before the board is fabricated.
  Section 36A, Maharashtra Shops and Establishments Act 2017, inserted by Mah. 24 of 2022
- ✓ **Display what you are required to display, where it can be seen**
  Depending on what you sell and where, this can include the GSTIN at the principal place of business, the FSSAI number, the Shop & Establishment certificate, and the weights and measures verification certificate. Collect them into one frame near the counter rather than in a drawer.
- ✓ **Check the signage licence covers the board you actually built**
  Municipal signage permissions are commonly granted for a stated area and position. A board larger than sanctioned is a fresh application, and in the meantime it is a removable one.

Insurance and Security

- ✓ **Insure the stock, not just the premises**
  For most retail stores the largest asset in the building is the inventory, and a landlord's building policy does not cover it. Fire and burglary cover on stock, at a sum insured that reflects your peak festive holding rather than your average, is the version that pays out.
- ✓ **Check whether public liability cover is required or merely sensible**
  Requirements vary, and mall lease agreements very often mandate a minimum cover as a condition of the licence to occupy. Read the lease before pricing the policy.
- ✓ **Set up CCTV with retention that outlives a dispute**
  Footage that is overwritten in three days is of no use in a stock shrinkage investigation that surfaces at month-end. Match the retention period to your stock count cycle.

10 Set Up Billing Before Day One

The decisions in this section are cheap to make now and genuinely difficult to change once there are transactions behind them.

Fix the Invoice Basics

- [ ] **Fix the invoice serial series before the first sale** — Cannot be redone

  It must be consecutive, unique for the financial year, and not exceeding sixteen characters. Changing the series mid-year creates the gaps that get questioned two years later, long after anyone remembers why it changed.

  Rule 46(b), CGST Rules 2017

- [ ] **Load HSN codes at four digits, and know when it becomes six**

  Turnover up to ₹5 crore in the preceding financial year means four-digit HSN, mandatory on B2B invoices. Above ₹5 crore it is six digits on all invoices. A new store has no preceding year, so it works to the four-digit rule in year one and should plan the switch rather than discover it.

  Notification 78/2020-Central Tax, in force 01-Apr-2021

- [ ] **Set up the consolidated small-value invoice correctly**

  For supplies below ₹200 to an unregistered buyer who does not ask for an invoice, one consolidated tax invoice may be raised at the close of each day. Configure this at setup rather than issuing thousands of counter bills you did not need.

  Fourth proviso to Rule 46, CGST Rules 2017

- [ ] **Plan for record retention of seventy-two months**

  Books and records, including tax invoices, bills of supply, credit and debit notes, e-way bills and delivery challans, must be kept for seventy-two months from the due date of the annual return for that year. Decide now whether that is paper in a cupboard or a backed-up digital archive.

  Section 36, CGST Act 2017

Stock and Barcodes

- [ ] **Count and enter opening stock before the first sale** — One chance

  There is no statutory form for this and that is exactly why it gets postponed. The opening count is the baseline every future stock variance is measured against, and it is the one count that cannot be reconstructed later. Do it before the doors open, not in the first quiet week.

- [ ] **Use the in-store barcode range for your own shelf numbering**

  Prefix 04 is the range reserved for in-store use, and a single store numbering its own items does not need a GS1 subscription at all. You need a GS1 Company Prefix only when your own-brand product must scan correctly in somebody else's shop. If you do get one, use it exactly as allocated: it already contains the country code, so writing 890 in front of it produces a number belonging to someone else.

- [ ] **Decide the SKU convention before you have three thousand items**

  Renaming SKUs after a year of transactions breaks every historical report you would want to compare against.

Payments and Returns

- [ ] **Accept UPI and cards from day one and reconcile them daily**

  Match the cash drawer to the counter total, card settlements to the acquirer statement, and UPI collections to the bank settlement report, separating the opening float. Daily reconciliation takes minutes; monthly reconciliation takes a day and finds less.

- [ ] **Know that e-invoicing does not apply yet, and what it will cover when it does**

  E-invoicing applies at aggregate turnover above ₹5 crore, and covers B2B supplies, exports and supplies to SEZ or Government, not walk-in counter sales. Choose billing software that can switch it on rather than software you will replace.

- [ ] **Diarise the first return due dates on the day the GSTIN is granted**

  The first GSTR-1 and GSTR-3B arrive faster than most new owners expect, and the first one filed sets the pattern.

11

The Order to Do It In

Most published lists are flat. Several of these steps block each other, and doing them out of order is what turns a three-week setup into a three-month one.

#	Step	What it is blocked by
1	Entity structure and PAN	Nothing. Start here, because everything downstream is issued in this name
2	Premises secured, permitted use confirmed	Nothing, but do it before spending. Trade licences attach to the property
3	Lease executed, registered or stamped as required	Row 2 above
4	Shop & Establishment registration or intimation	A premises address, so row 2
5	Current account	Registration proof, usually row 4 or the Udyam certificate
6	GST registration	Entity PAN, premises proof and Aadhaar authentication, so rows 1 to 3
7	Udyam registration	PAN and Aadhaar. Benefits from having the GSTIN, so easiest after row 6
8	Sector licences: FSSAI, drug, excise	Several ask for the GSTIN and the S&E certificate, so rows 4 and 6
9	Staff registrations: PF, ESI, professional tax	Headcount, and the entity and premises from rows 1 to 4
10	Weights verification, signage, fire sign-off, billing setup, opening stock	Fit-out complete. The last things before the doors open

Why there are no day counts in that table

Every vendor site publishes a processing time for these registrations and none of them is a service standard. The actual time depends on your State, on how complete your first submission is, and on whether the application is picked for physical or biometric verification. Plan the dependencies, which are fixed, rather than the durations, which are not. The one deadline that is genuinely fixed is the GST one: thirty days from becoming liable, and five days before commencing business if you are a casual taxable person.

The two things worth doing earlier than feels necessary

First, confirm the permitted use of the premises before the deposit clears, because a refused trade licence on a signed lease is the most expensive mistake on this list. Second, register on Udyam as soon as you have PAN and Aadhaar, because it is free, it takes minutes, and the delayed payment protection it carries only helps for invoices raised after you hold it.

12 What Goes Wrong Most Often

Almost every expensive mistake below is a sequencing error rather than a knowledge gap: the right thing done after the money was spent. Confirm what the premises permits, confirm which State rules apply to you, and only then start signing and buying.

Getting the Threshold Wrong

- ✓ **Assuming ₹40 lakh applies, then billing a service**
  One separately billed alteration or installation charge and the exclusivity condition is gone. The store is measured against ₹20 lakh and has been registering late without knowing it.
- ✓ **Listing on a marketplace before registering for GST**
  Section 24(ix) has no turnover cushion. The listing itself creates the liability.
- ✓ **Treating a second store in another State as a branch**
  It is a distinct person requiring its own registration. Billing it on the first State's GSTIN creates a problem that grows every month it continues.

Paying for Things You Do Not Need

- ✓ **Buying a Legal Metrology dealer licence to run a shop**
  The dealer licence is for those who make, sell or repair weighing instruments. A store that only uses a scale needs verification and stamping. Ask your State Controller before an agent tells you.
- ✓ **Registering for e-waste EPR as a retailer**
  The 2022 Rules regulate producers, manufacturers, refurbishers, dismantlers and recyclers. Dealers are not listed. Guidance saying otherwise describes the superseded 2016 Rules.
- ✓ **Registering under Shop & Establishment where an intimation would do**
  In Maharashtra an establishment with fewer than ten workers intimates rather than registers. Paying for a certificate and its renewals is money spent on an obligation that did not exist.

Sequencing and Setup

- ✓ **Signing the lease before confirming permitted commercial use**
  The trade licence attaches to the property. A residential-use building can defeat the plan after the deposit is paid.
- ✓ **Fabricating the name board before checking the language rule**
  In Maharashtra the board must be in Marathi in Devanagari script, with Marathi first and no smaller than any other language. A board that fails this is remade, not amended.
- ✓ **Opening without entering opening stock**
  Every stock variance for the life of the store is measured from a baseline that was never taken.

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This checklist is provided by Petpooja for informational purposes. Verify all compliance details with official sources before acting.

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AUTOMATE THIS

The registrations are one day. The *billing runs every day*

Getting the licences is a week of paperwork. Getting every invoice right, with the correct HSN, an unbroken serial series and returns that reconcile, is what the next ten years look like. Petpooja Invoice handles GST invoicing, e-invoices, e-way bills, barcode billing and stock from the first sale, so the setup you do now still holds when the store is busy.

Book a Free Demo

Talk to us: +91-92279 80766 | getinvoice@petpooja.com

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