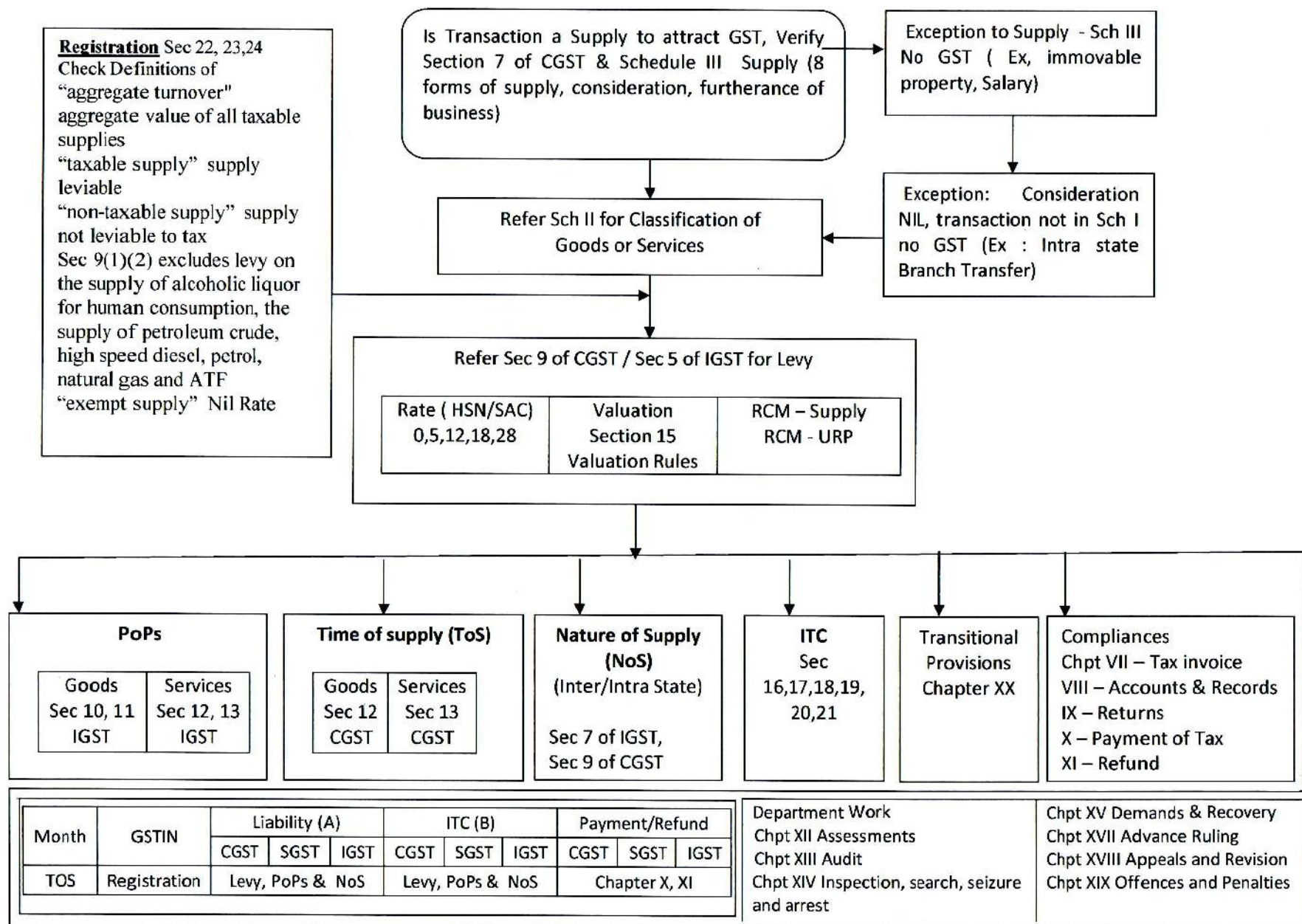
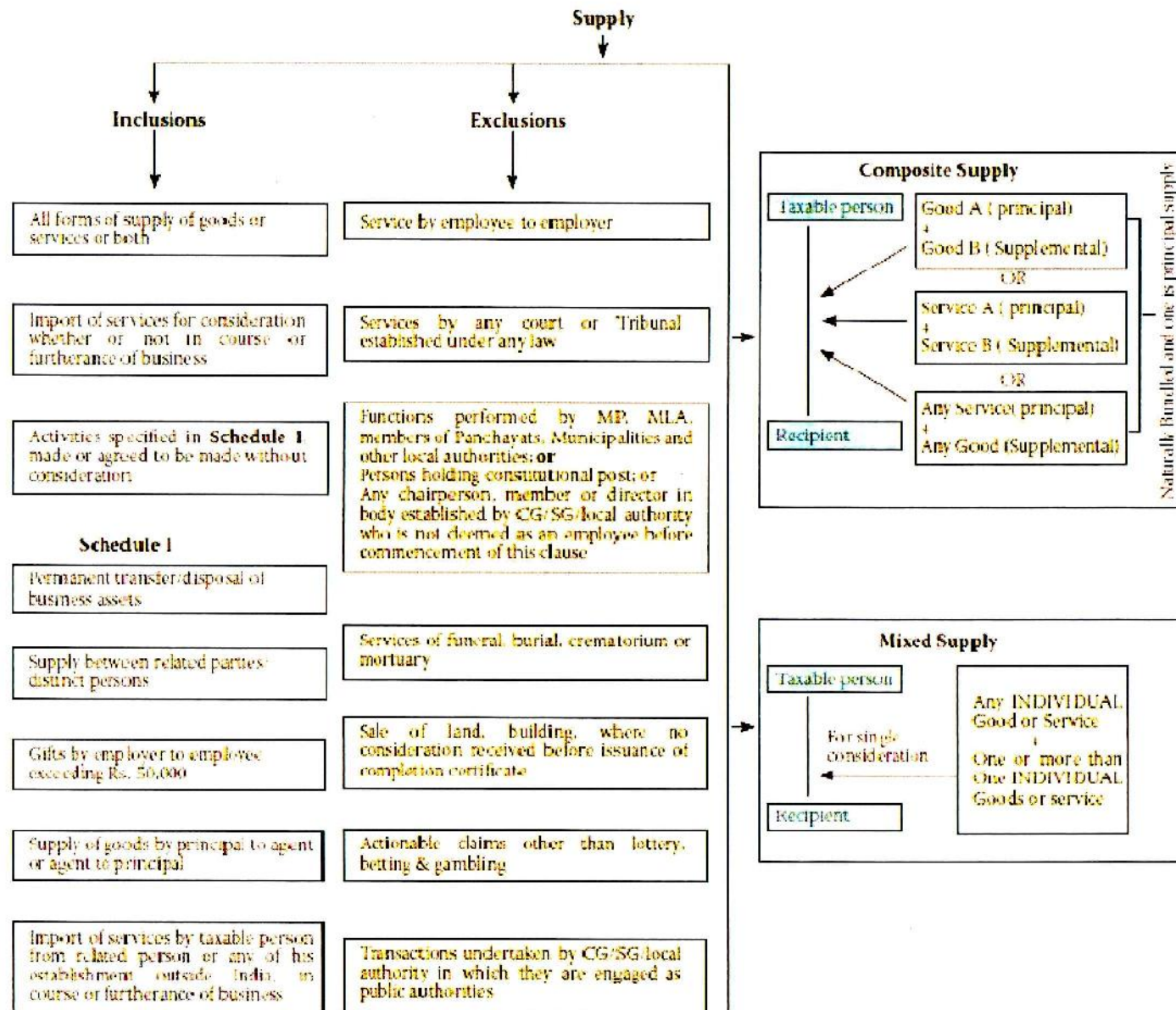
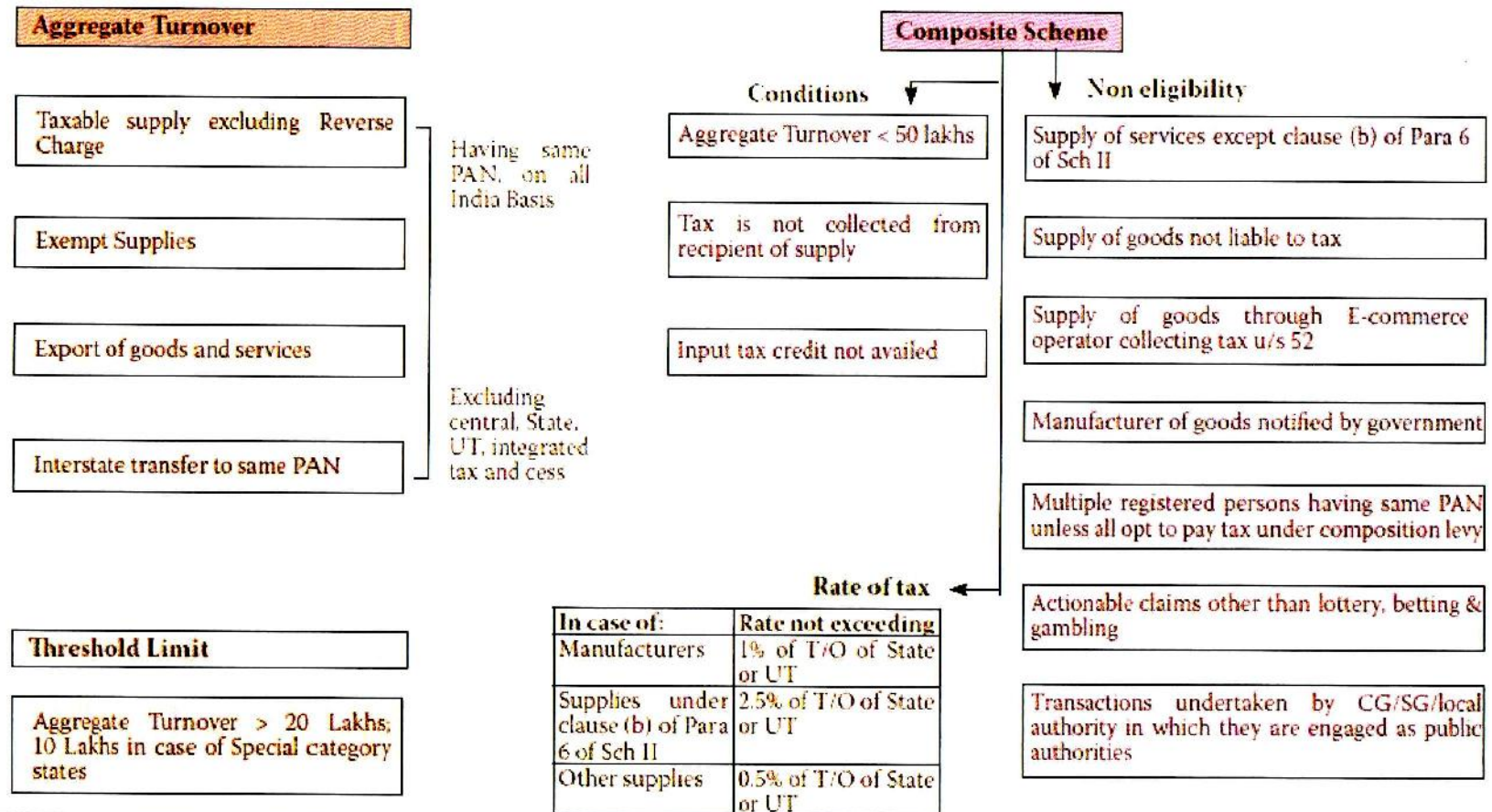


GST Overview







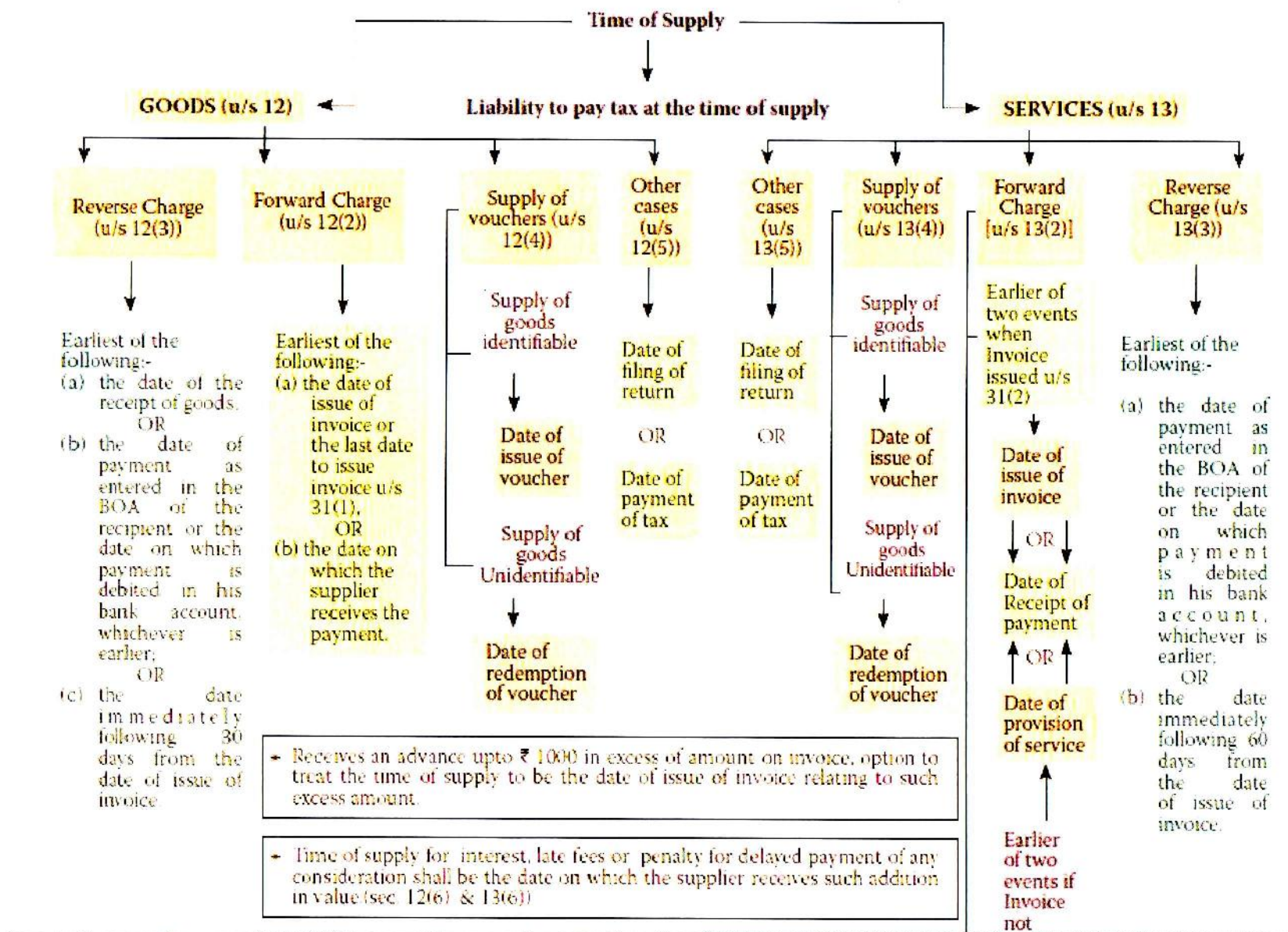
"aggregate turnover" means the aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis,

"taxable supply" means a supply of goods or services or both which is leviable to tax under this Act;

"non-taxable supply" means a supply of goods or services or both which is not leviable to tax under this Act or under the Integrated Goods and Services Tax Act;

Sec 9(1)(2) excludes levy on the supply of alcoholic liquor for human consumption, the supply of petroleum crude, high speed diesel, petrol, natural gas and ATF

"exempt supply" means supply of any goods or services or both which attracts nil rate of tax or which may be wholly exempt from tax under section 11, or under section 6 of the Integrated Goods and Services Tax Act, and includes non-taxable supply;



Value of goods and/or services u/s 15 = Transaction Value when supply is made to unrelated person and price is the sole consideration. When value cannot be determined u/s 15, the same will be determined using Valuation Rules.

Valuation Rules

RULE 1 : Where the consideration is not wholly in money

Value shall be either of the following in the given order

- open market value
- total of consideration in money + amount equal to the consideration not in money
- value of supplies of like kind and quality
- Consideration in money + money value of consideration as per rule 4 or 5 in that order.

RULE 2 : Where supply is between distinct or related persons, other than agent

Value shall be either of the following in the given order:

- open market value
- value of supplies of like kind and quality
- value as per rule 4 or 5 in that order.

RULE 8 : Rate of exchange of currency, other than Indian rupees, for determination of value

It shall be applicable reference rate for that currency as determined by the RBI on the date when point of taxation arises in respect of such supply.

RULE 3 : When supply made or received through an agent

Value shall be either of the following in the given order:

- open market value or 90% of price charge by recipient to his unrelated customer for supplies of like kind and quality;
- value as per rule 4 or 5 in that order.

RULE 4 : Value of supply based on cost

Value shall be 110% of cost

RULE 5 : Residual method for determination of value of supply

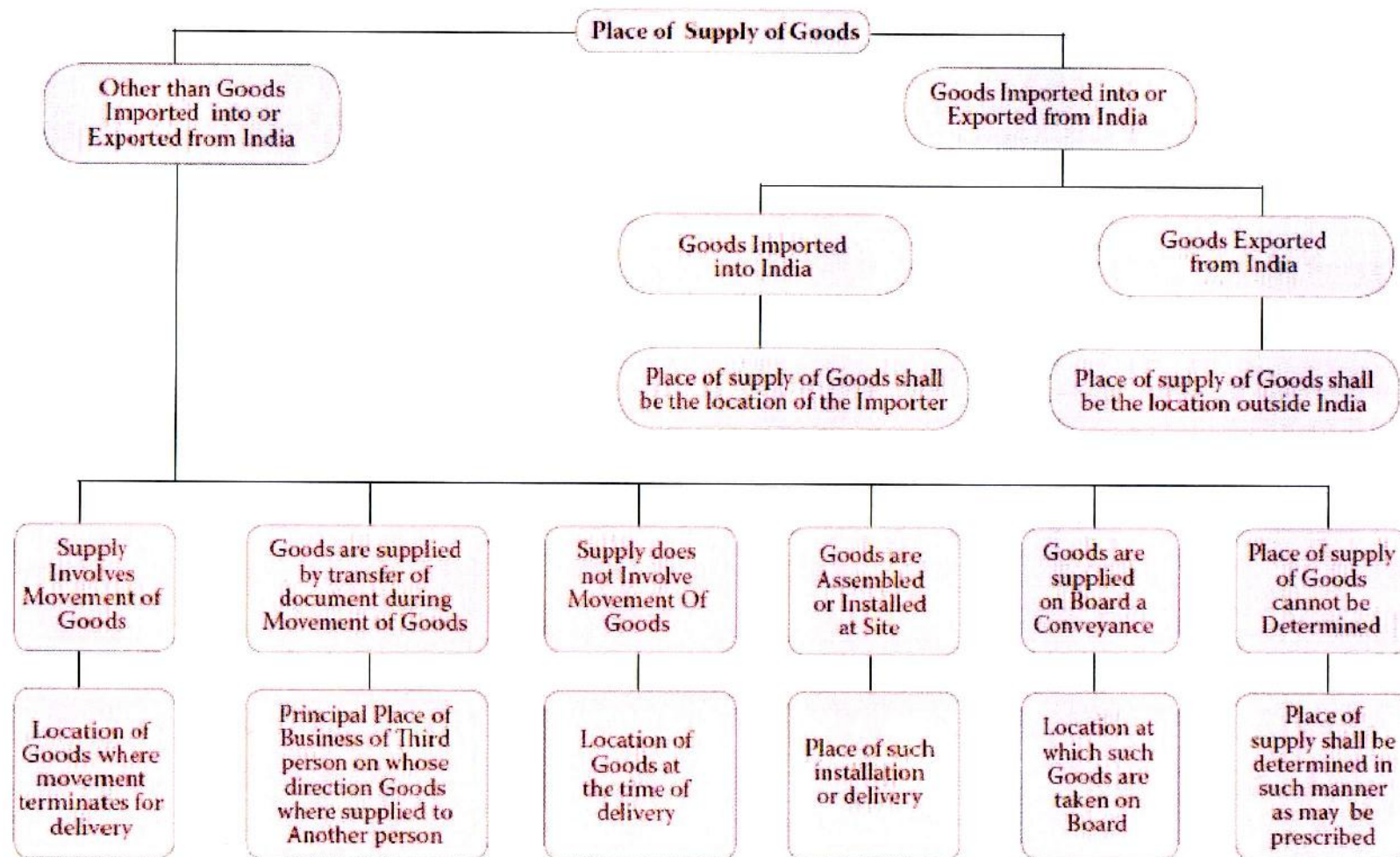
Value shall be determined using reasonable means consistent with the principles and general provisions of section 15 & valuation rules. For services, rule 5 can be adopted before rule 4.

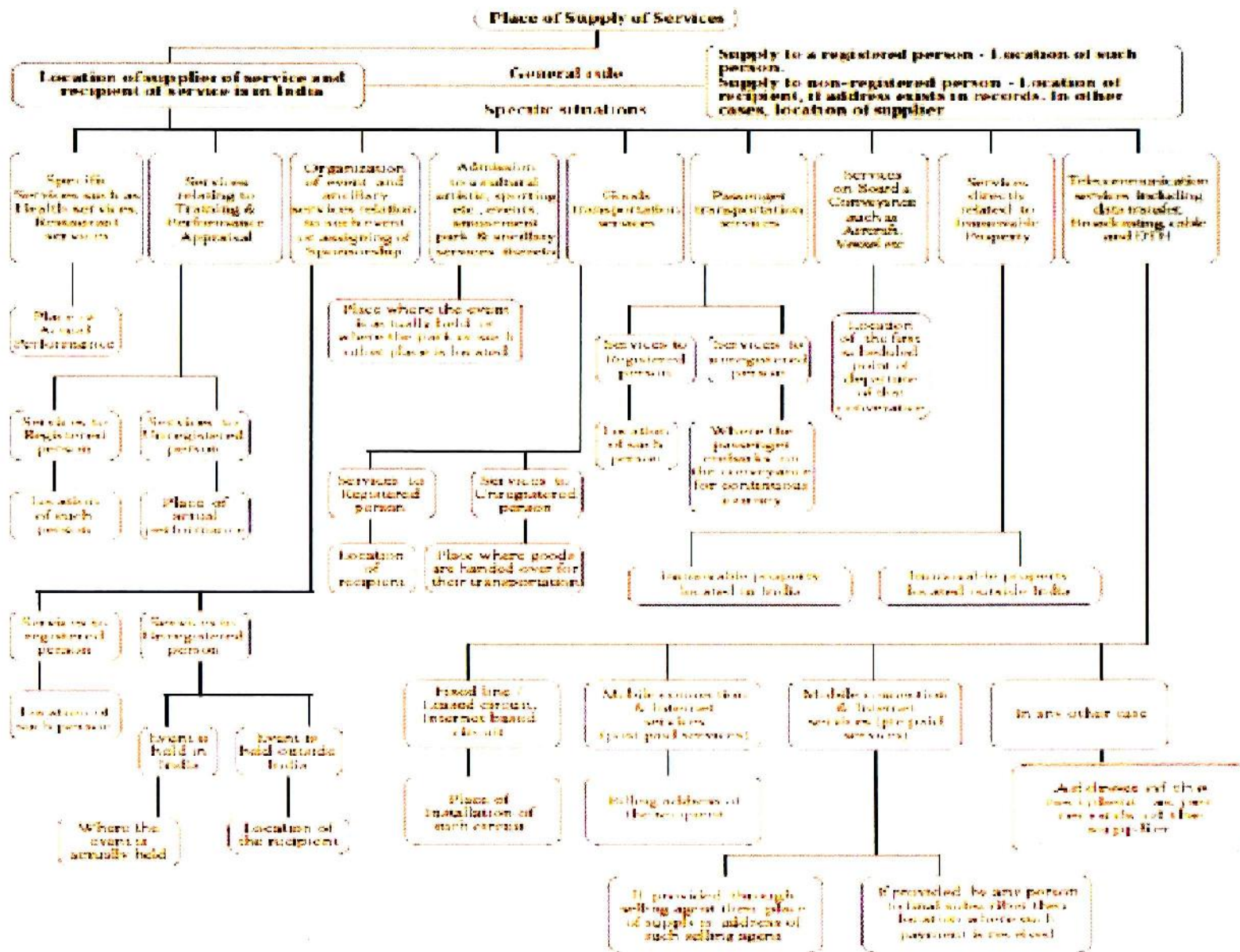
RULE 7: Value of supply in case of pure agent

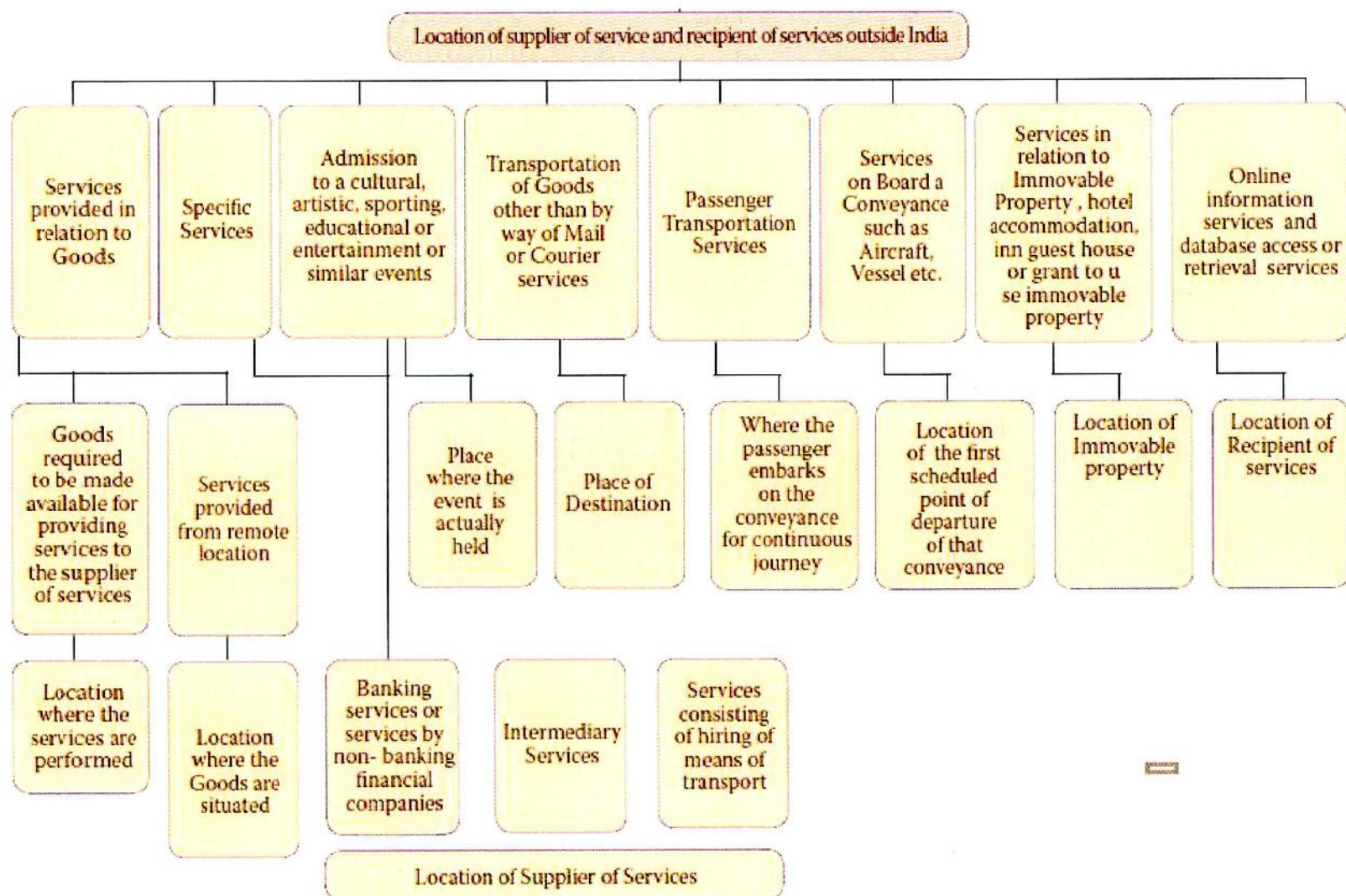
Costs incurred by the supplier as a pure agent of recipient shall be excluded from value of supply.

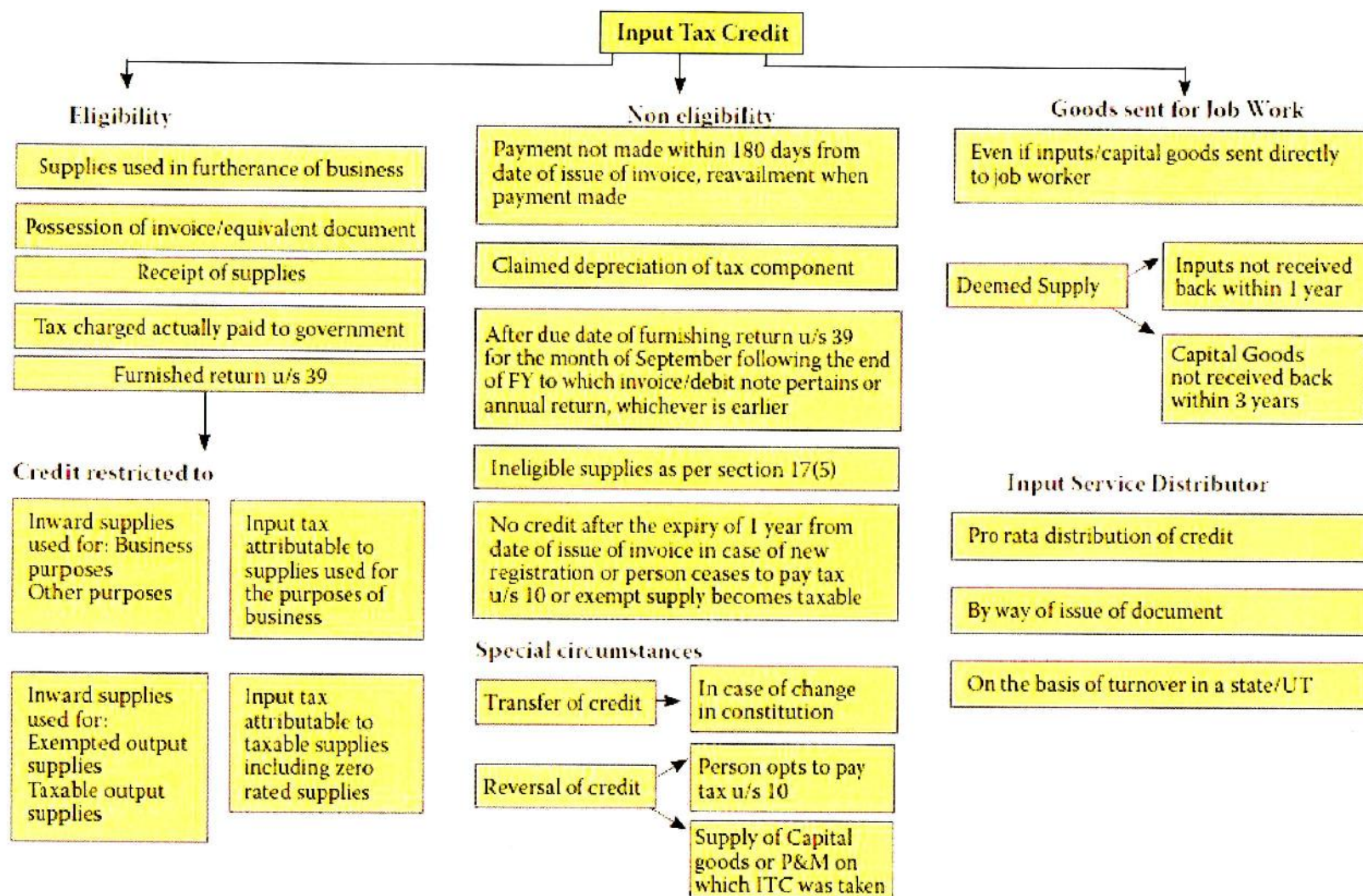
RULE 6 : Value of supply in respect of certain supplies

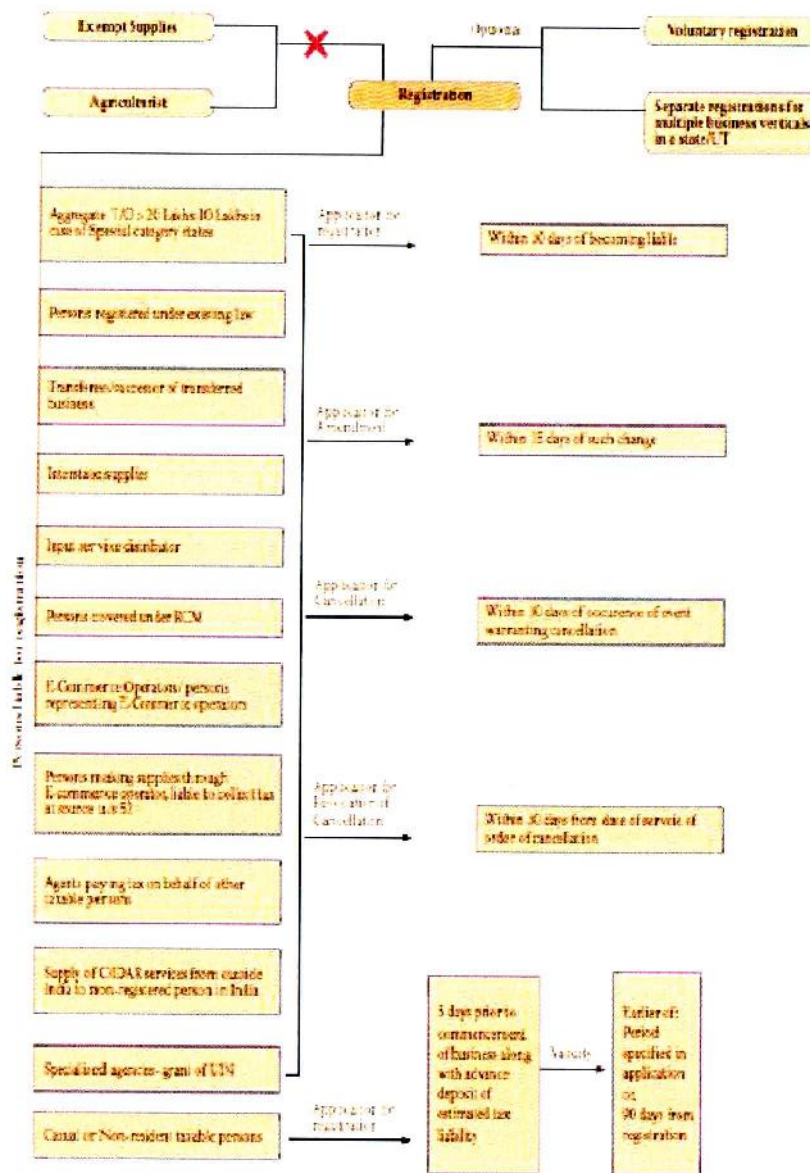
- **Purchase/sale of foreign currency:** When exchanged from, or to, (INR), value = [Buying rate/Selling rate – RBI reference rate at that time] x total units of currency. If no RBI reference rate, value = 1% of INR received/provided. If the currencies exchanged are not in INR, value = 1% of lesser of two amounts that would have been received by converting any of two currencies into INR at RBI reference rate. OR specified % for different slabs of the gross currency exchanged.
- **Booking of tickets by air travel agent:** Value = 5% of basic fare for domestic bookings, and 10% of the basic fare for international bookings.
- **Life insurance business:** Value = gross premium charged from a policy holder reduced by amount allocated for investment OR specified % of premium in 1st and subsequent years.
- **Buying & selling of second hand goods:** Value = Selling price – Buying price (ignore if value is -ve).
- **Coupon/voucher:** Value = money value of supplies redeemable against such voucher/coupon.
- **Notified supplies under Entry 2 of Schedule 1:** Value = Nil

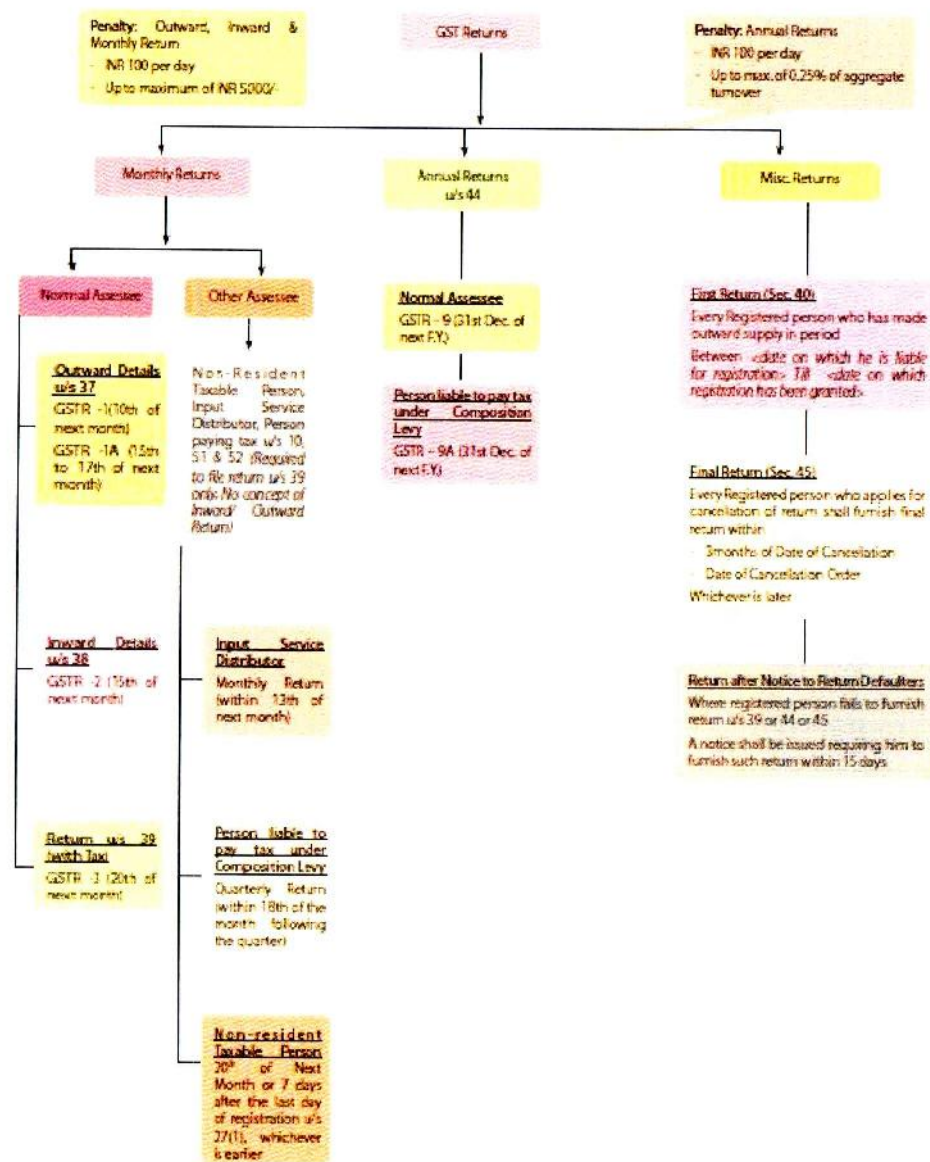




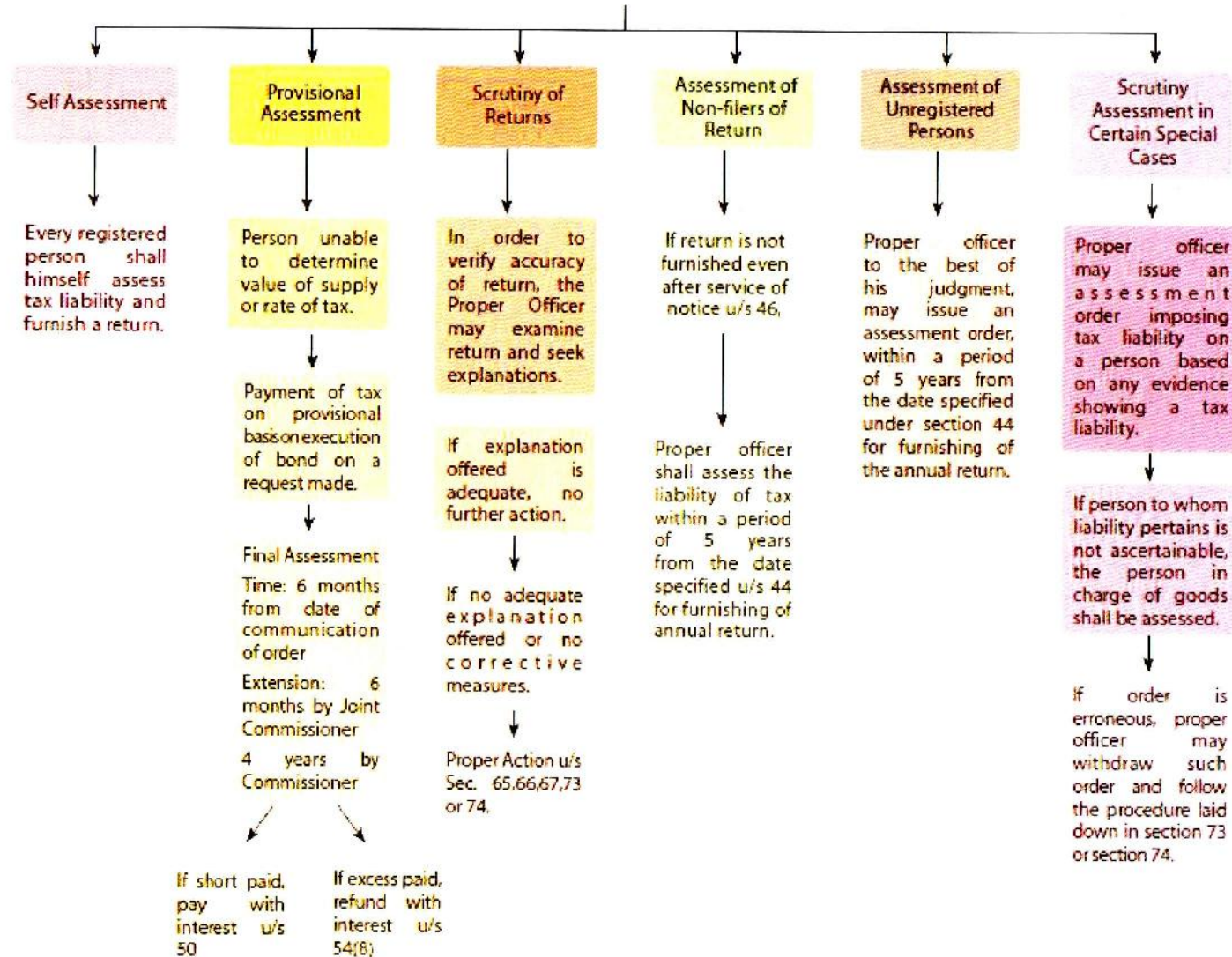


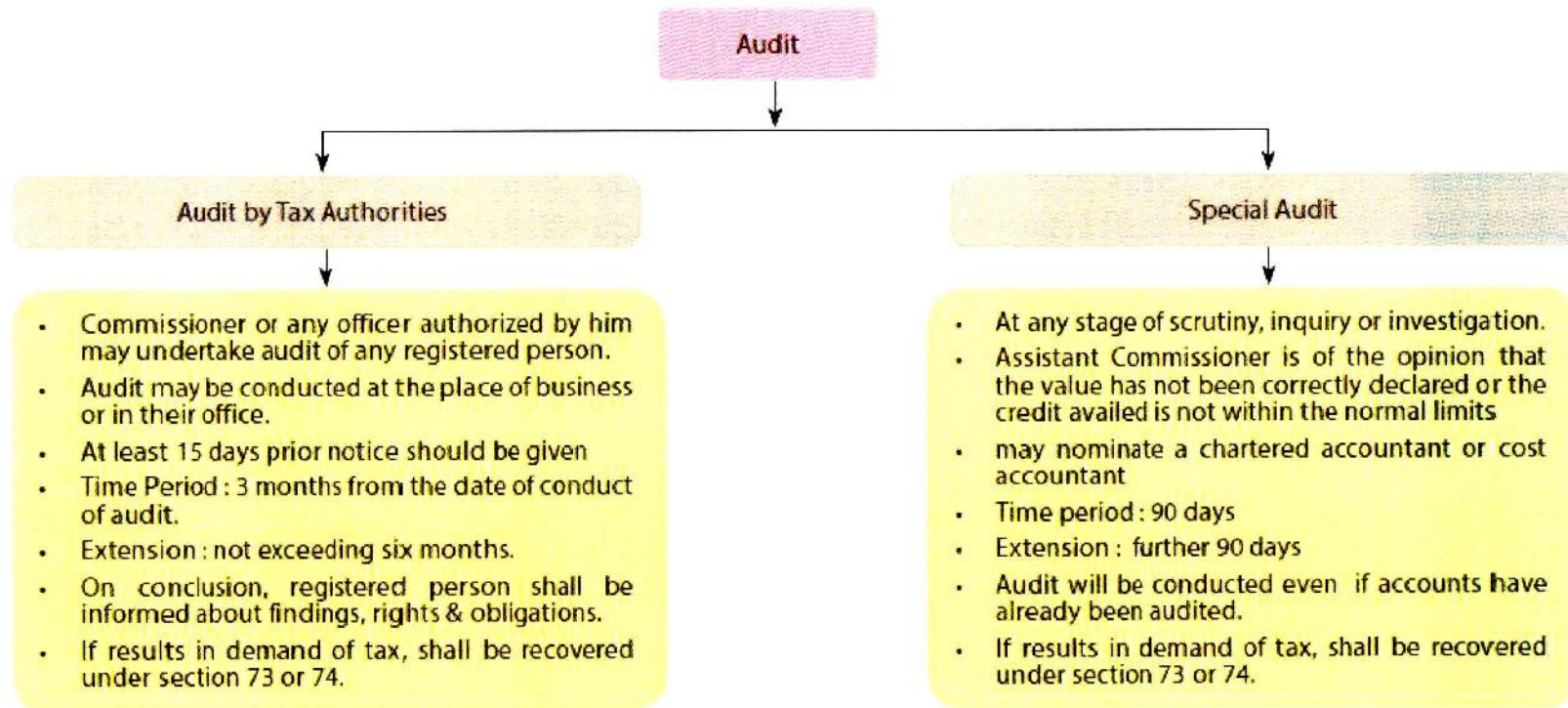


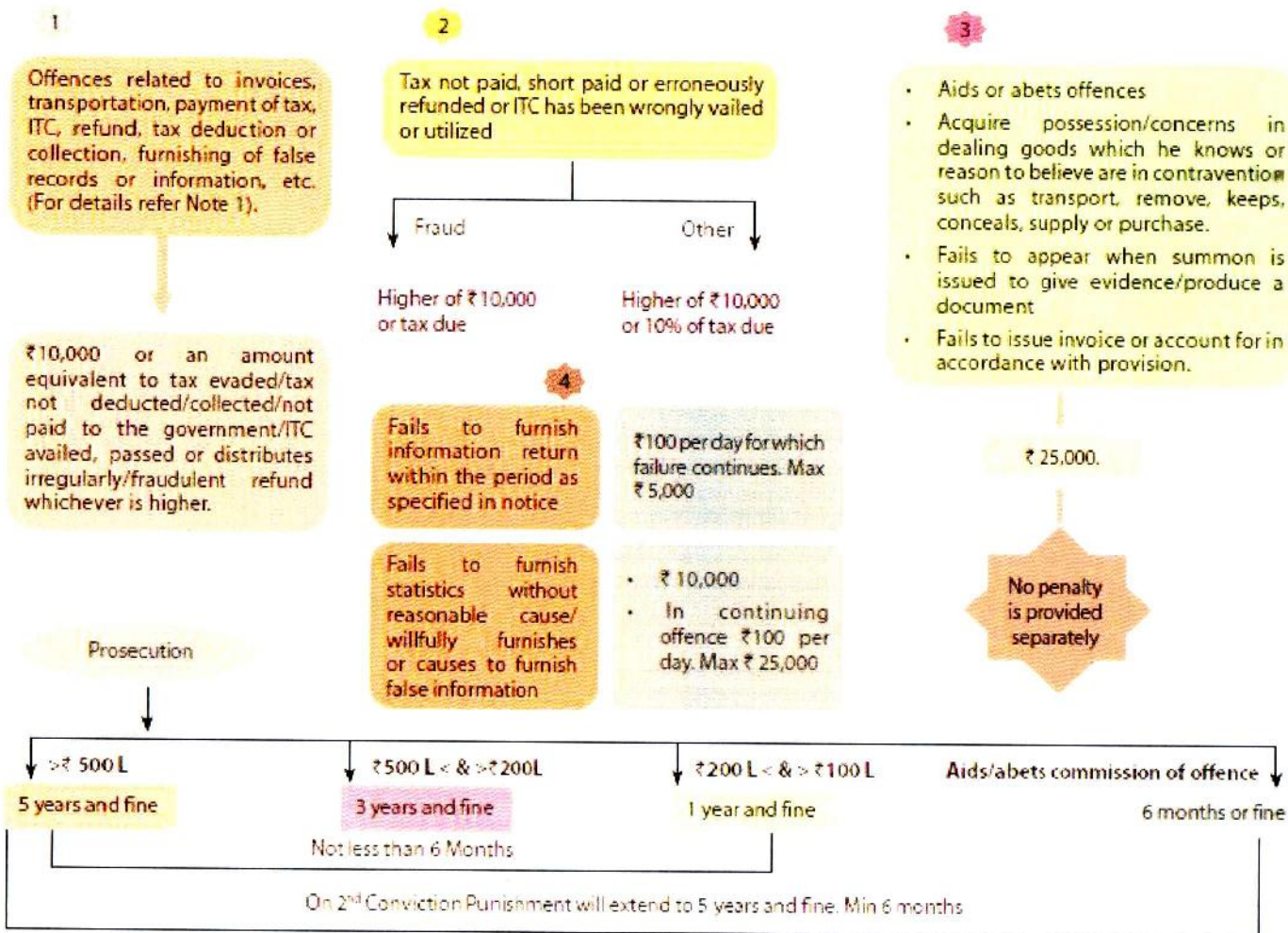




Assessment







Note 1

- 1 Supplies made without invoice/ false invoice/ invoices or bills issued without any invoice/ transports taxable goods without document cover.
- 2 Collects tax, but fails to pay within 3 months.
- 3 Fails to deduct any tax or collect tax/ deduct or collect lesser amount of tax/ failed to pay the same.
- 4 Takes or utilizes ITC/ takes or distributes ITC in contravention of the act.
- 5 Obtains refund fraudulently.
- 6 Falsifies or substitutes financial records/ produces fake accounts/ furnishes false information with an intention to evade tax/ suppresses the turnover in order to evade tax.
- 7 Fails to obtain registration/ furnishes false particulars with regard to registration/ issues invoices using registration number of another person.
- 8 Obstructs or prevents officer incharge of its duties.
- 9 Fails to keep, maintain or retain books of accounts.
- 10 Fails to furnish information or documents/ furnishes false information during any proceedings.
- 11 Supplies, transports or stores goods which has a reason to believe are liable for confiscation.
- 12 Tamper with or destroys any material evidence or document. Disposes off or tampers any goods that have been detained, seized or attached.

Transitional Provisions

