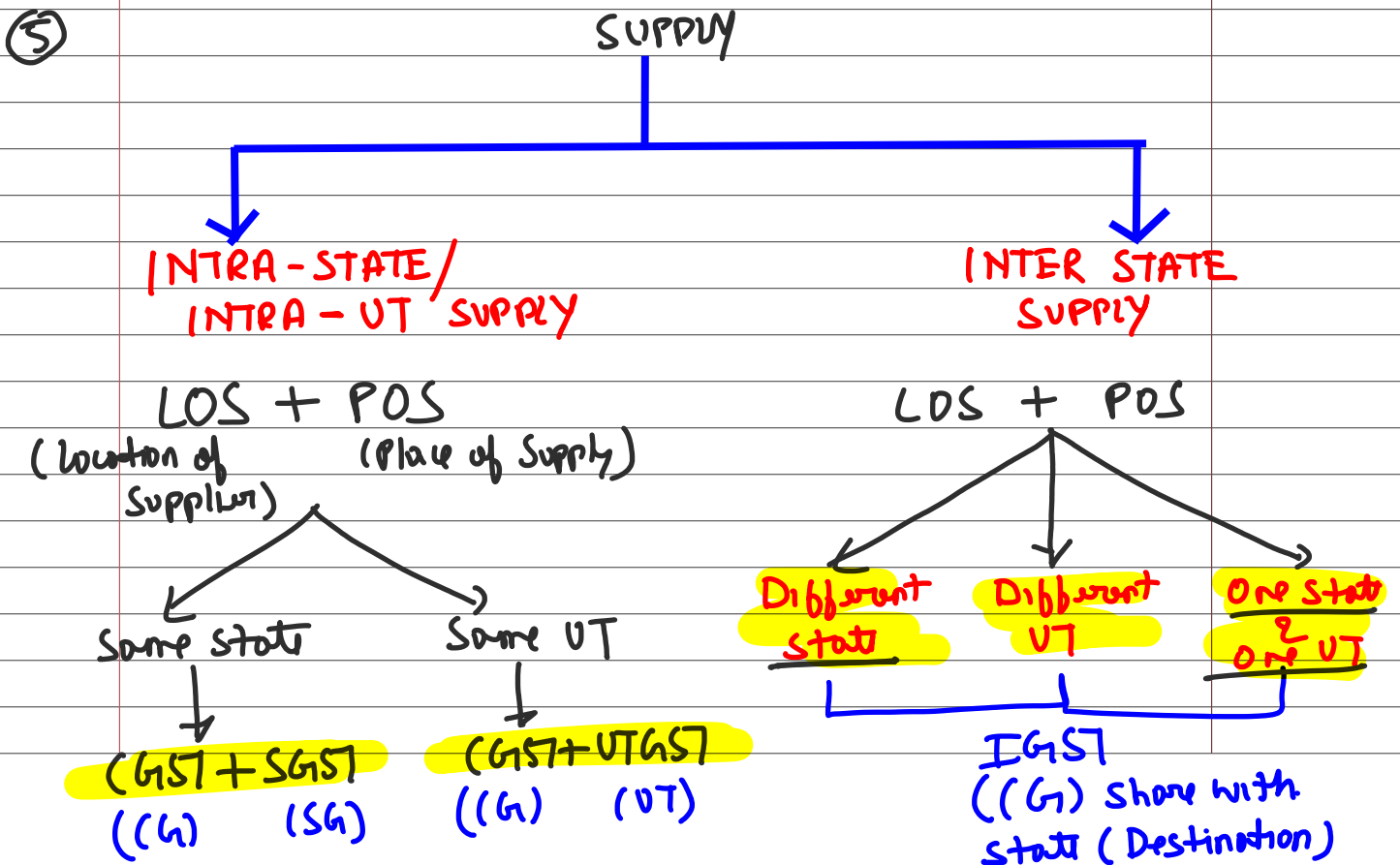
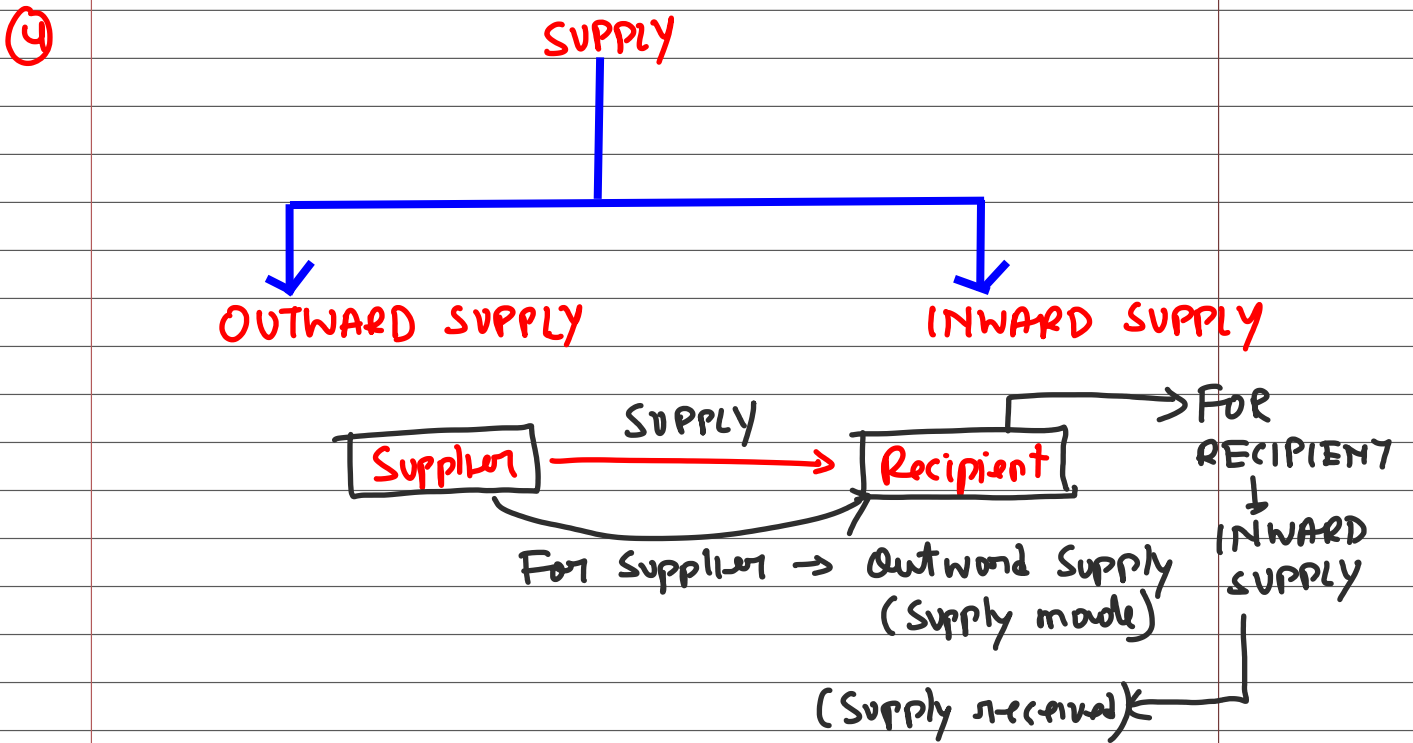


BASICS OF GST

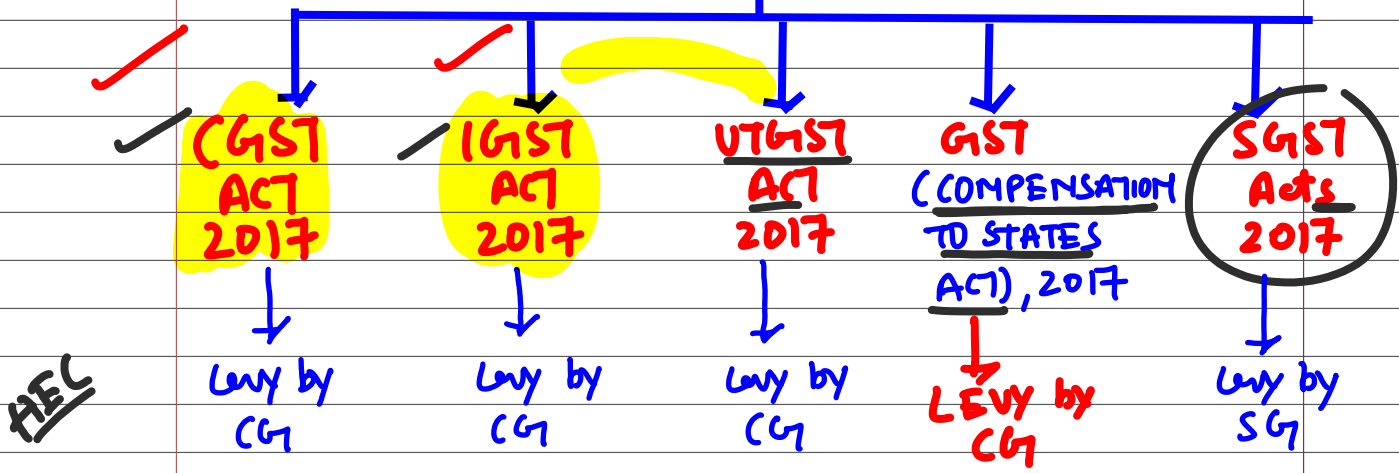
- ① Goods & Services Tax was applicable in India from 1st July 2017 (8th July 2017 in case of Jammu & Kashmir)
- ② GST in India is a Dual Model
- ③ Levy on Supply of Goods or Services or both



WB → ORISSA DIH. State
 Puducherry → Andaman & Nicobar DIH. UT
 WB → Puducherry one state
Lakshwadeep one UT

(6)

LANS UNDER GST

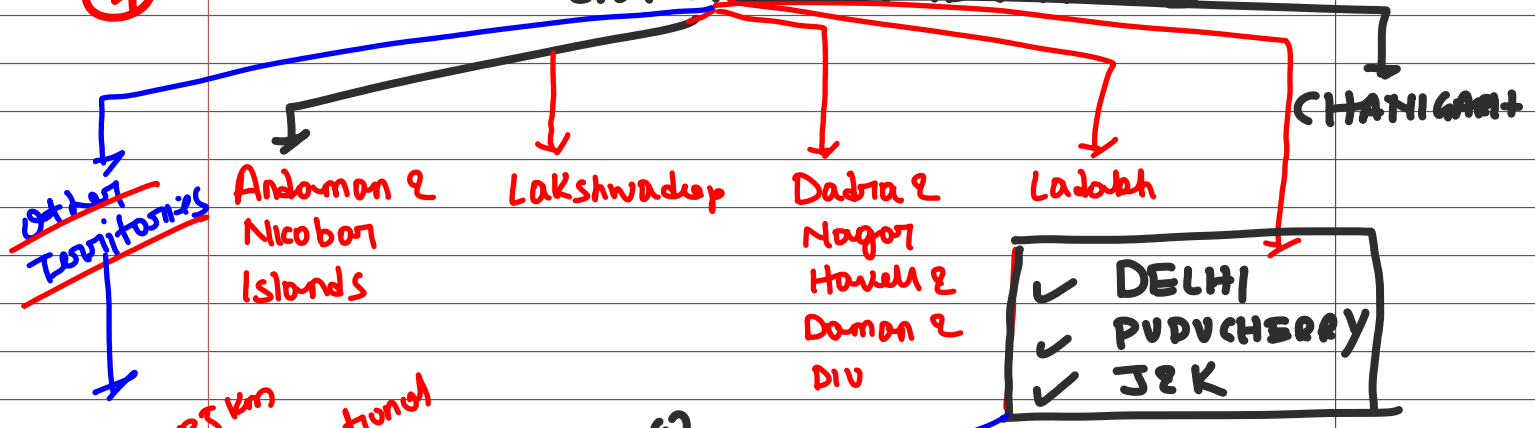


AEC

COMPENSATION CESS

(7)

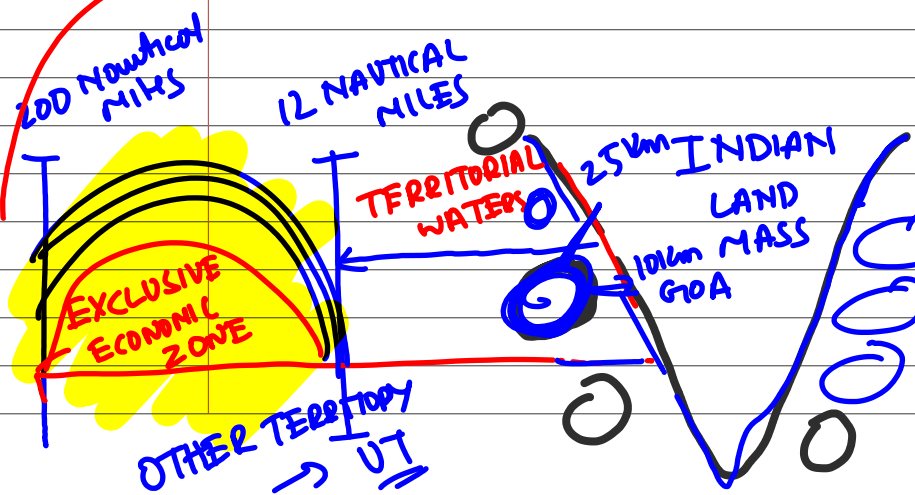
LIST OF UNION TERRITORIES



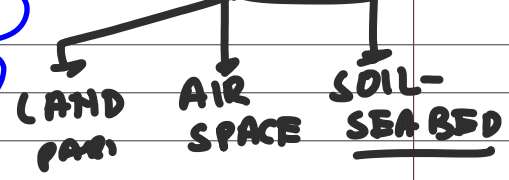
1 NM = 1.85 km
 International waters

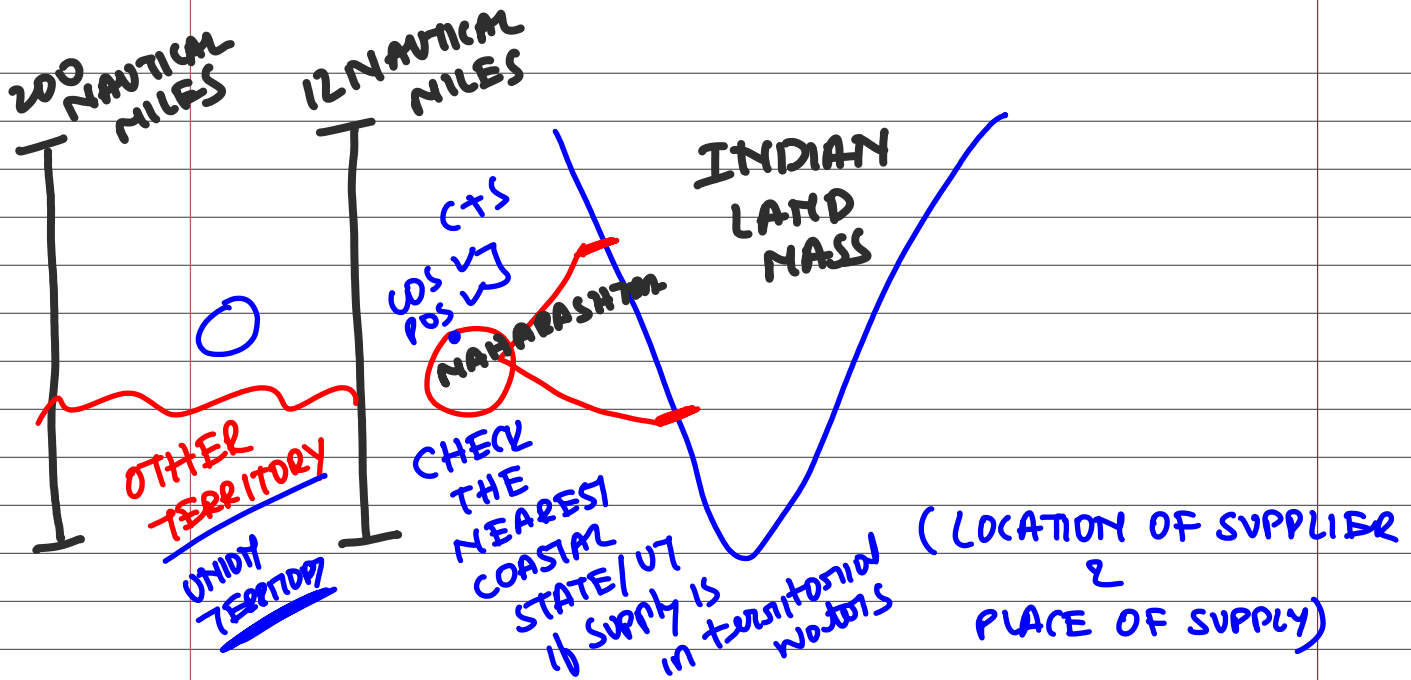
State UT

WILL BE CONSIDERED AS 'STATES' AS THEY HAVE THEIR OWN LEGISLATURE



DEFINITION OF INDIA





8

SUPPLY

(MORE THAN ONE SUPPLY)

COMPOSITE SUPPLY

MIXED SUPPLY

Example

- Price of AC (xx)
 - (+) Freight (xx)
 - (+) Installation charges (xx)
- xx

Example

Chocolates	xx	100
Soft Drinks	xx	200
Sweets	xx	300
Combined Package	xx	600

18%
5%
12%

12%
18%
5%

SINGLE RATE

SINGLE PRICE 500

Principal Supply
 $\therefore \text{GST} = (\text{Total Amt}) \times 18\%$

$\therefore \text{GST} = (\text{Total Amt}) \times$

HIGHEST RATE OF TAX

ALWAYS CHECK THE RATE OF PRINCIPAL SUPPLY

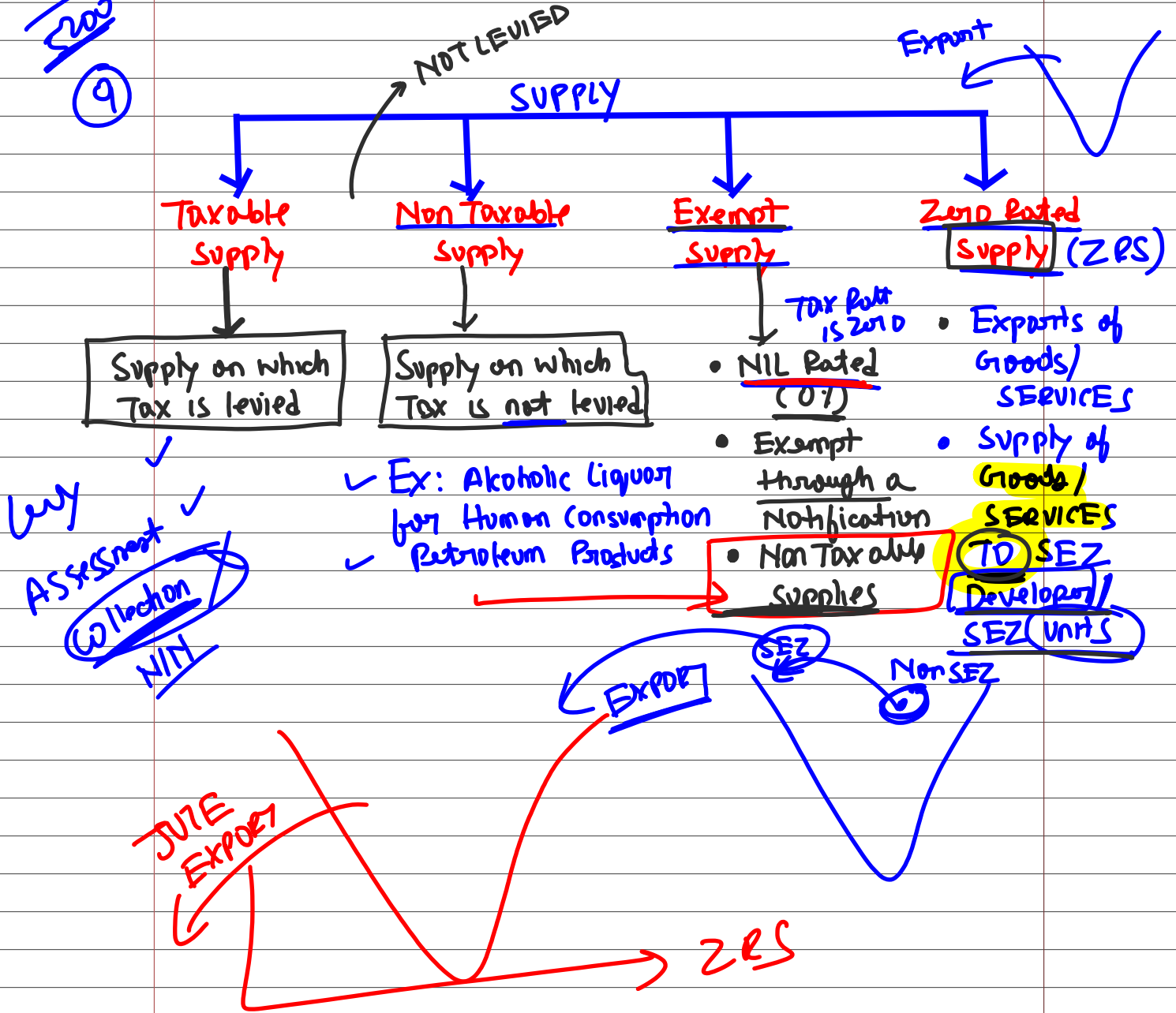
ALWAYS TAKE THE HIGHEST RATE OF TAX

NATURALLY BUNDLED
IN ORDINARY COURSE OF BUSINESS

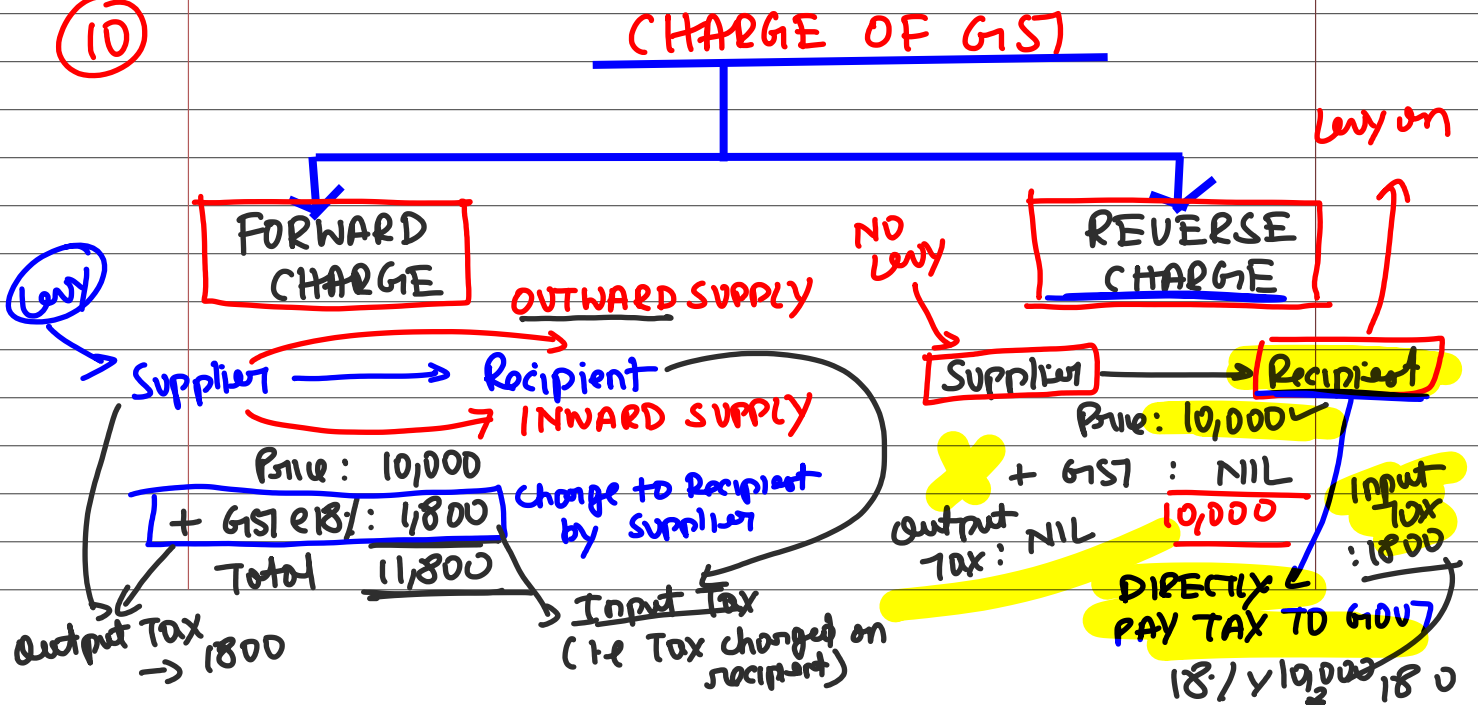
ARTIFICIALLY BUNDLED
(NOT NATURALLY BUNDLED)

⑨
~~2000~~
 200
 2000

NOTE: Individual Supplies made together at different prices shall neither be treated as Composite nor Mixed Supply. Respective GST Rate shall apply on individual prices charged to recipient



⑩



PAN

(11)

REGISTRATION

(GSTIN!)
Identification No.

AGGREGATE
(TURNOVER)

PERSONS LIABLE TO TAXE REGISTRATION (SEC. 22)

PERSONS NOT LIABLE TO TAXE REGISTRATION (SEC. 23)

COMPULSORY REGISTRATION IN CERTAIN CASES (SEC 24)

Aggregate Turnover in a FY

10 LAKHS (M2NT) Manipur, Mizoram, Nagaland, Tripura

20 LAKHS other states

40 LAKHS 100% For Exclusively supply of GOODS (NO SERVICE) (subject to conditions)

Exclusively making exempt / non taxable supplies

Other notified cases by Govt

Agriculturist engaged in cultivation of land (supplying agri. produce)

IRRESPECTIVE OF AGGREGATE T/O (OVERRIDE SEC 22)

LEVY & COLLECTION

(12)

CHARGING SECTION 9 [CGST ACT 2017]

9(1) LEVY OF CGST UNDER FORWARD CHARGE

9(2) NO LEVY OF CGST ON 5 PETROLEUM PRODUCTS UNTIL DATE NOTIFIED BY GOVT. ON RECOMMENDATION OF GST COUNCIL

9(3) & 9(4) REVERSE CHARGE LIABILITY IS ON RECIPIENT

9(5) TAX PAID BY E-COMM OPERATOR ON NOTIFIED SERVICES SUPPLIED THROUGH IT

OLD TAXES (EXCISE & VAT)

(PD-PAN) Petrol, Diesel, Petroleum (crude), Aviation Turbine Fuel, Natural Gas

(28)

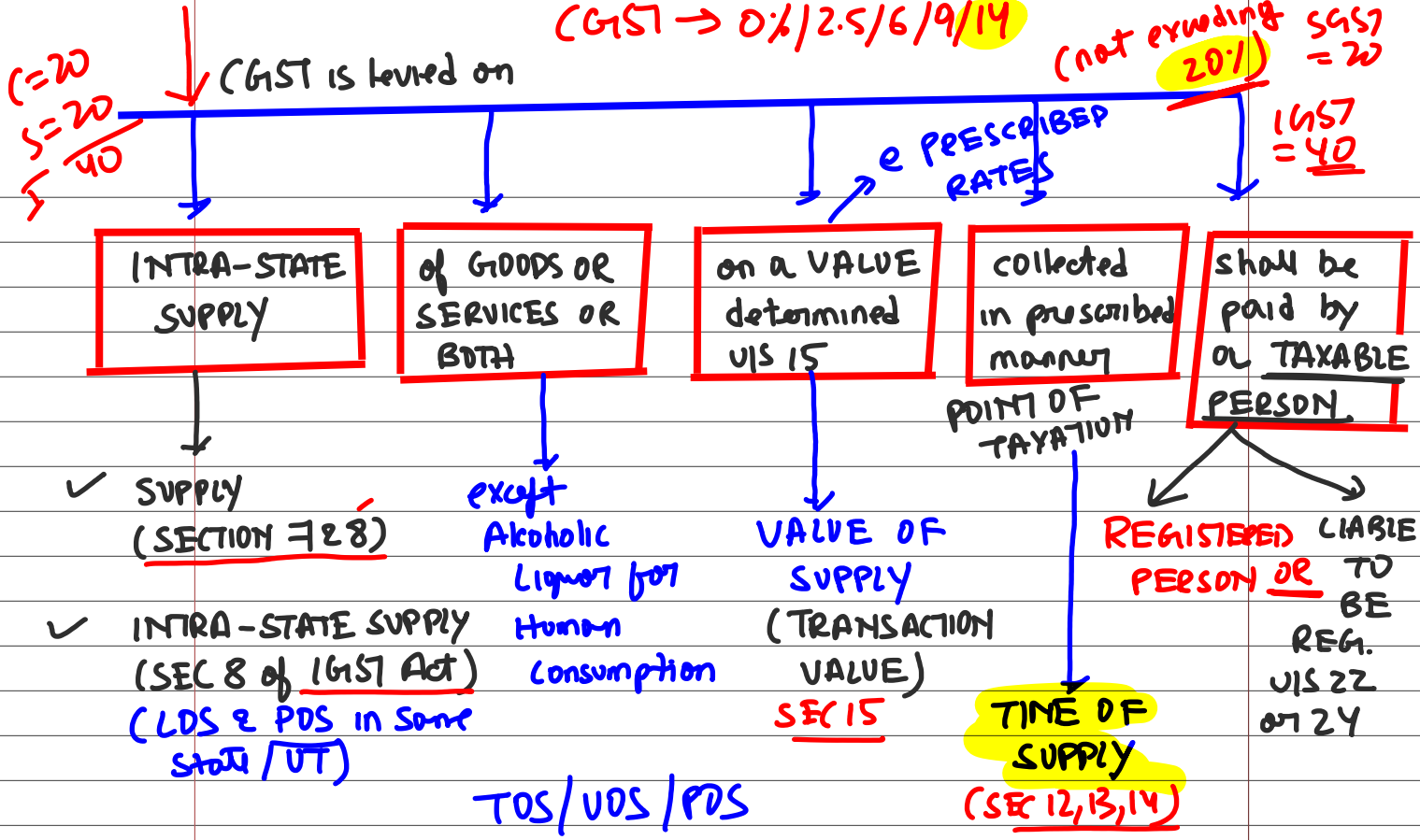
RESTAURANT

(SMB)

CONSUMER

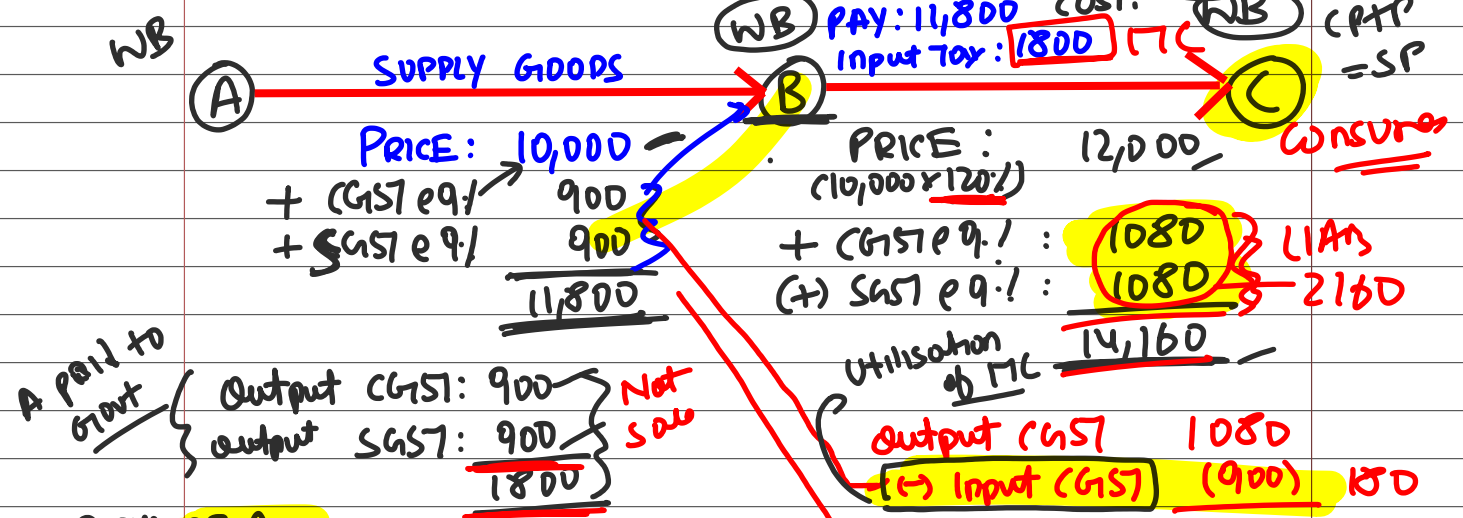
JKST=20

(CG) (SG)



(13) CONCEPT OF INPUT TAX CREDIT (ITC)

(Assume: GST → 18%; Monop → 20%) INTRA-STATE SUPPLY



BOOKS OF A

Debtor A/c (B)	Dr	11,800
To Sales A/c		10,000
To CGST LIAB		900
To SGST LIAB		900

Current LIAB

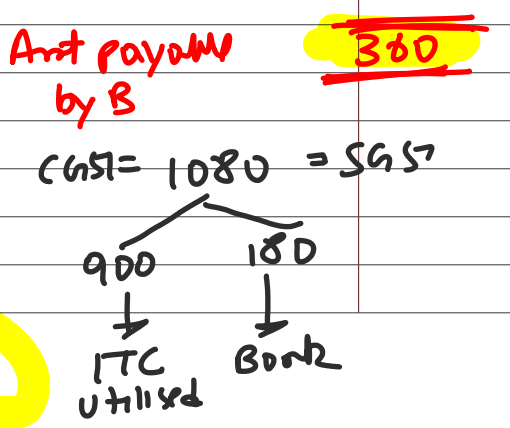
Bank A/c Dr 10,000

To Debtors 10,000

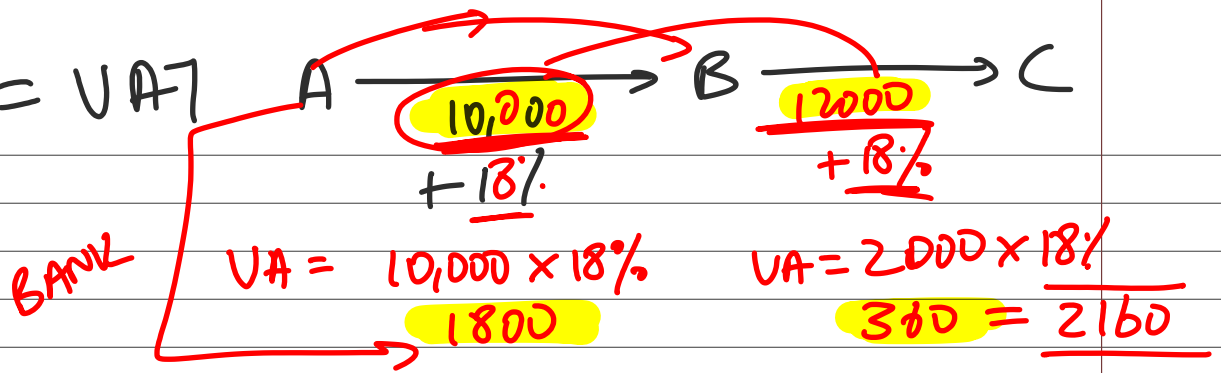
CGST LIAB Cr 900

SGST LIAB Cr 900

To Bank 1800



GST = VAT



BOOKS OF B

Cost

CGST LIAB	Dr	1080
SGST LIAB	Dr	1080
To Input CGST		900
To Input SGST		900
To Bank A/c		360

Purchases A/c	Dr	12,000
Input CGST	Dr	900
Input SGST	Dr	900
To Creditor		14,800
Debtor	Dr	14,160
To Sales		12,000
To CGST LIAB		1,080
To SGST LIAB		1,080

$18\% \times 10,000 = VA$

A to B

$18\% \times 2,000 = VA$

B to C

12,000

CG	SG	Total
900	900	1800
<u>360</u>	<u>180</u>	<u>540</u>
1080	1080	2160

Assume GST % = 18 / Input = 20 /

ILLUSTRATION ON INTER STATE SUPPLY

WB

SUPPLY

WB

COST: 10,000
ITC: 1800

ORISSA

COST 12000
ITC 2160

ORISSA

A

B

C

D

Price: 10,000

Price: 12,000

Price: 14,400

(Consumer)

+ CGST 18% / 900
+ SGST 18% / 900

+ 18% GST / 12,000
2,160

+ CGST 18% / 12,96
+ SGST 18% / 12,96

11,800

14,160

16,902

CGST = 900
SGST = 900

output C 900
output S 900

output I 2,160
less: Input C 900
less: Input S 900

Net IGST 360

2000 x 18%

output C 1296

Input 18% 1296

Net CGST =

output S 1296

Input I 804

(2160 - 1296)

Net SGST 432

SG to CG
SGST 18%

ORISSA

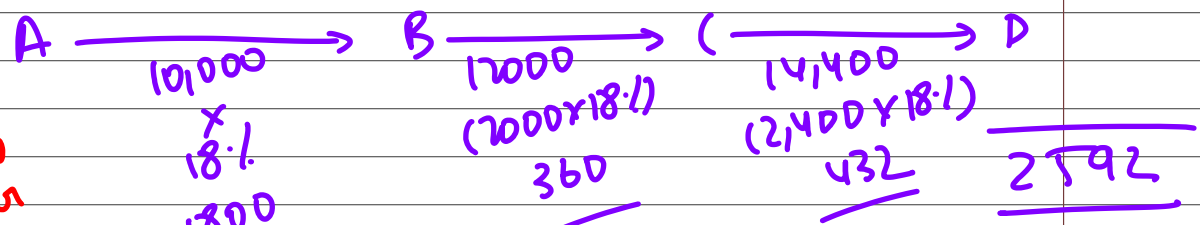
Net SGST

Statement of Revenue to Govt

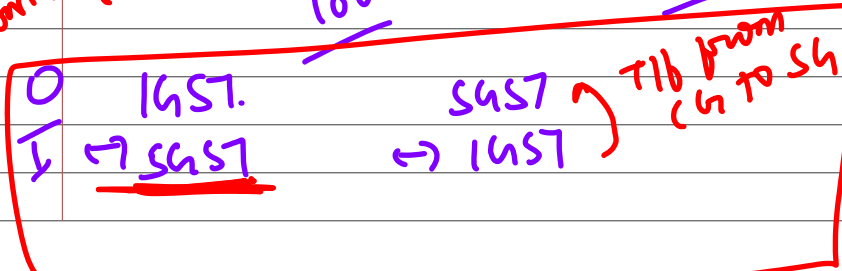
Particulars	CG	SG(WB)	SG(ORISSA)	
A to B	900	900	-	
B to C	360	-	-	
C to D	-	-	432	
Tib from WB GST to IGST	900	(900)		
Tib from CGST AIL to 18% AIL	900	(900)		
Tib from 18% AIL to CGST AIL	1296	(1296)		
Tib from 18% AIL to ORISSA SGST	(864)	-	864	
Total Revenue	1296	-	1296	2592

CGST 18%

GST = VAT



Tib from SG to CG



(contn)
CGST 18%
18% CGST

Ex1

Compute GST payable

	CGST	SGST	IGST	Total
output	10,000	8,000	20,000	38,000
Input	12,000	1,000	25,000	38,000
		7000	3000	

20,000
20,000

Excess (5000)

NIL

IGST
CGST
SGST

Computation of GST payable

Particulars	IGST	CGST	SGST
Output Tax	20,000	10,000	8,000
Less: Input Tax Credit	20,000	-	5,000
	-	10,000	3,000
: Input CGST & SGST	-	(12,000)	(1,000)
ITC c/b	-	(2,000)	
GST payable			2,000