



GARV & Affiliates



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GOODS AND SERVICES TAX

Goods and Service Tax (GST), one of the most radical reforms that the Government of India would have ever implemented, is likely to come into effect from April, 2017.

The advent of GST will revamp the current taxation system in India by removal of existing complexities, multiplicities and ambiguities, and is expected to act as a catalyst for removal of economic distortion and development of common national market.

Our newsletter aims at keeping you abreast with the legal scenario while assisting your business to adapt with this new taxation system.

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What is GST? How does it work?

GST is a destination based tax which subsumes several indirect taxes such as Central Excise, Countervailing Duty, Special Additional Duty, Service Tax, VAT, Central Sales Tax and other taxes which eliminates double taxation. It would be levied upon supply of Goods and/or Services within or outside the State wherein 'supply' has a wider connotation which includes transaction without consideration too.

GST is a single tax on the supply of goods and services, right from the manufacturer to the consumer. Credits of input taxes paid at each stage will be available in the subsequent stage of value addition, which makes GST essentially a tax only on value addition at each stage. The final consumer will thus bear only the GST charged by the last dealer in the supply chain, with set-off benefits at all the previous stages

GST Model law and Business Processes have been released and the GST Council has been constituted which will pave way for final Central and State GST Acts. Some issues such as taxability of stock transfers and other transitional issues are prevalent as of now, which should be addressed in the final GST legislation. One of the most prominent feature of the GST regime is the creation of GST Network for online credit, payment and return mechanism.

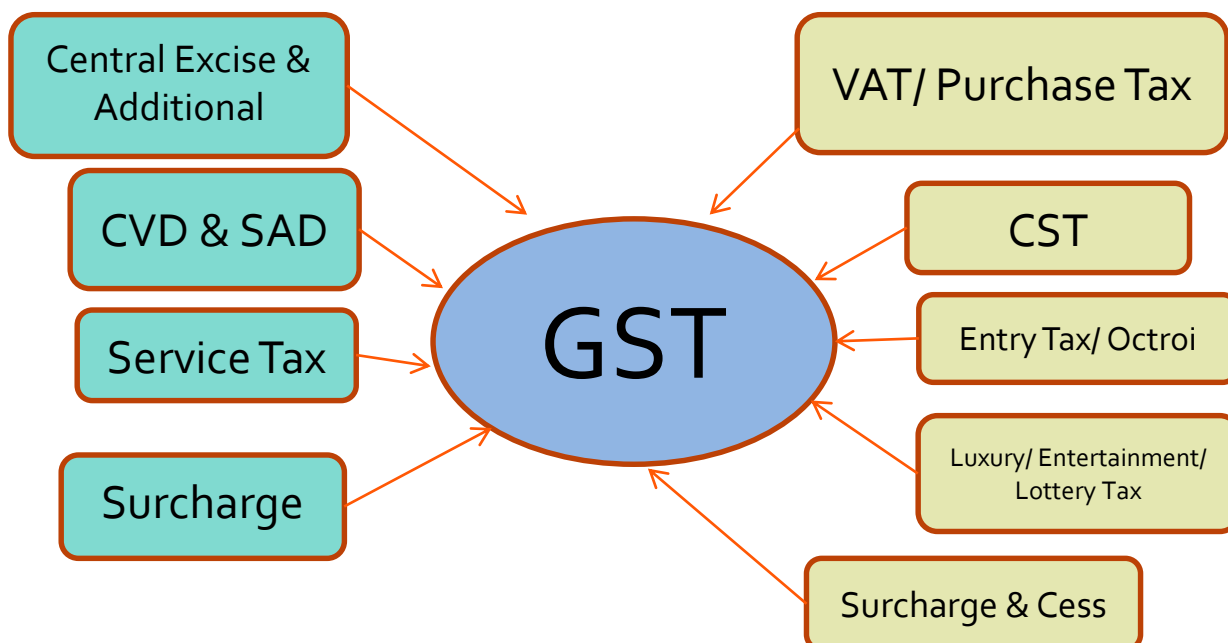


FOR MORE INFORMATION

Write to us at

GARV & AFFILIATES
info@garvca.com

Taxes Subsuming into GST



BASIC FACTS



Job Workers

Exempt from obtaining Registration



Interstate Supplies

Obtain Registration irrespective of threshold limit

FAST FACTS

10 Lakhs

Of Annual Turnover - Limit for payment of tax

9 Lakhs

Limit of Aggregate Turnover for Registration under GST

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A person is liable to pay tax if his **aggregate turnover** in a financial year **exceeds Rs. 10 Lakhs**. However, a person conducting business in any of the North Eastern States including Sikkim, is required to pay tax if his aggregate turnover exceeds Rs. 5 Lakhs.

Basic Exemption Limit & Registration

Aggregate turnover means the aggregate value of **all taxable** and **non-taxable** supplies, **exempt** supplies and **exports** of goods and/or services of a person having the same PAN, to be computed on **all India basis**

Registration - Turnover Limit

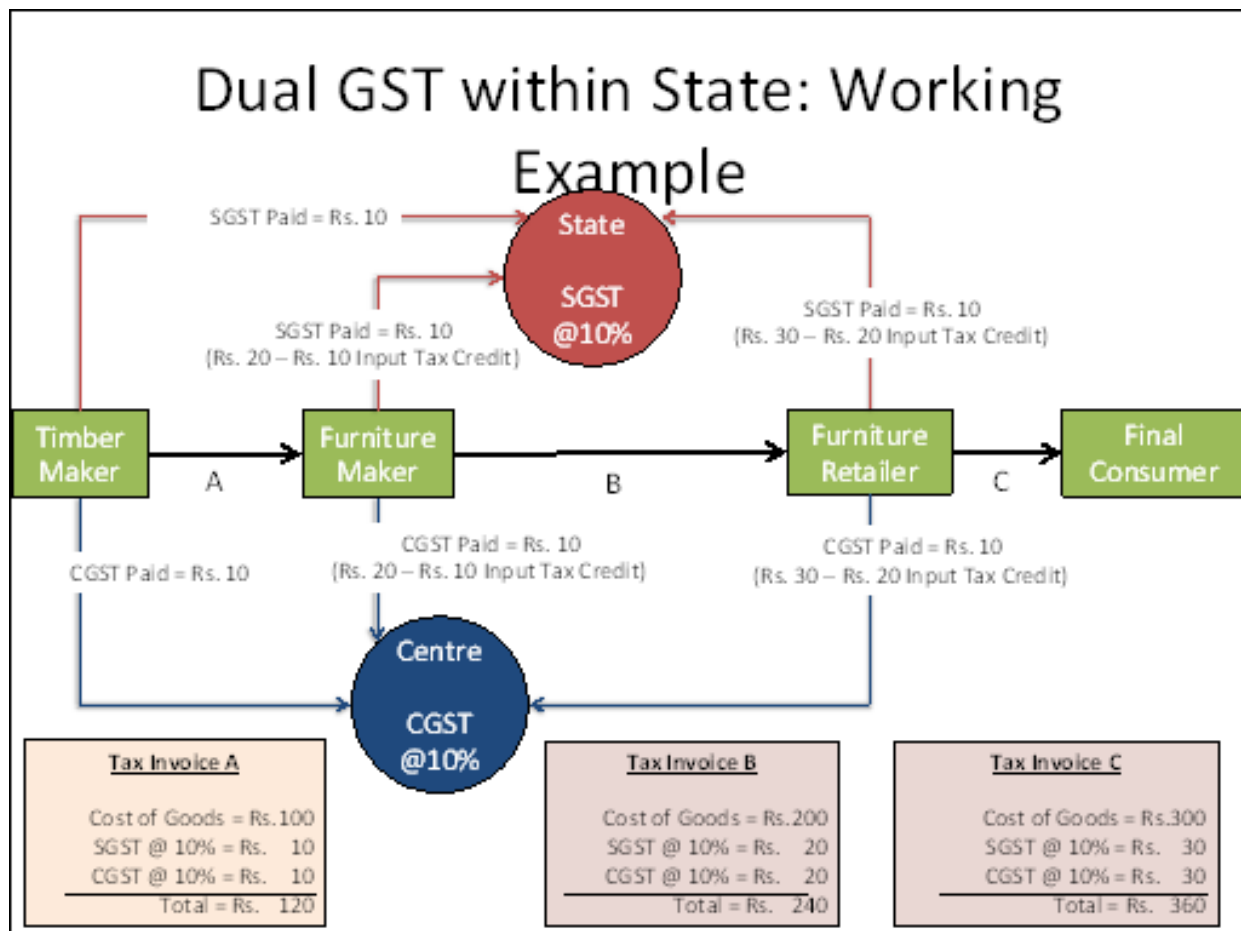
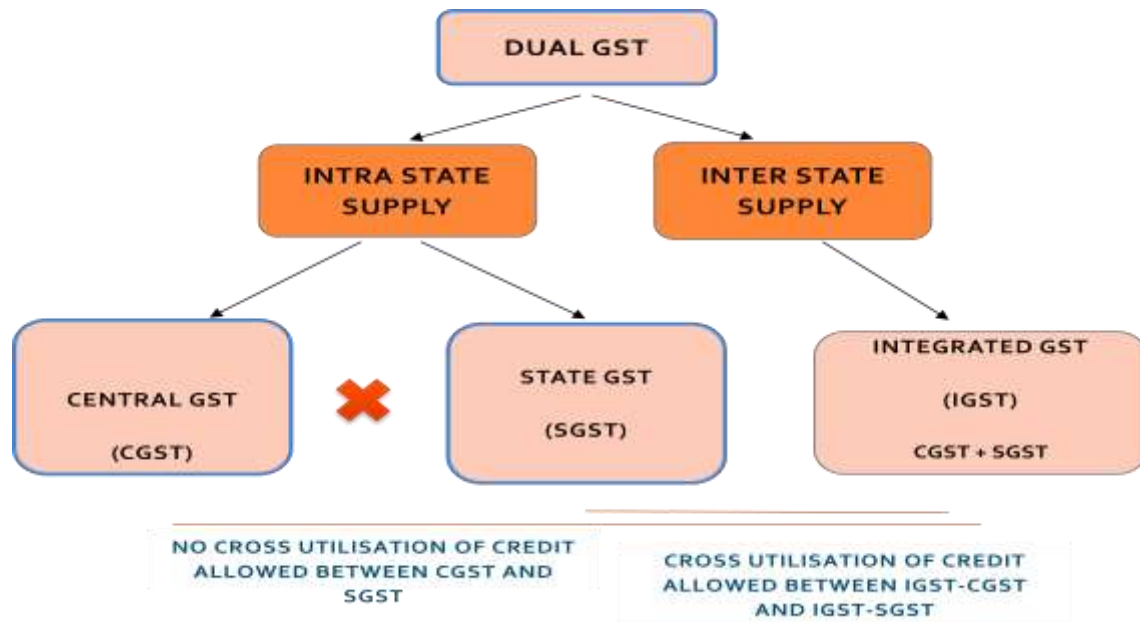
A person is required to get registered under GST if his aggregate turnover in a financial year exceeds Rs. 9 Lakhs (Rs. 4 Lakhs where business is conducted in any of the North Eastern States including Sikkim)

Mandatory Registration - Turnover Limit

Following category of persons are mandatorily required to obtain GST registration irrespective of threshold turnover limit

- Persons making any inter-State taxable supply of goods or services
- Persons under reverse charge mechanism
- Casual/ Non Resident Taxable Person
- Input Service Distributor
- Persons who supply goods and/or services, other than branded services, through electronic commerce operator
- Persons who are required to deduct tax under GST law
- Agents
- An aggregator who supplies services under his brand name or his trade name

Dual GST Structure



Returns

BASIC FACTS

Category of Person	Monthly/Quarterly Returns	Annual Return	Total Returns to be filed annually
All Regular Taxpayer	3 Returns per month X 12 Months	1 Annual Return	37 Returns
Compounding Taxpayer	1 Return per Quarter X 4 Quarters	1 Annual Return	5 Returns
Input Services Distributor	1 Return per Month X 12 Months		12 Returns
Person deducting tax at Source	1 Return per Month X 12 Months		12 Returns



MINIMUM RETURNS

Minimum 37 Returns to be filed by every Registered person for each State

REGISTRATION IN MORE THAN ONE STATE

If a person has 10 state registrations, then minimum $37 \times 10 = 370$ returns to be filed

BUSINESS VERTICAL

Separate Returns are required to be filed for each Business Vertical

Transition to GST: Key Planning Areas

SECTOR IMPACT

- Analyse the impact of GST on your existing business sector and processes
- Analysis of Pricing, Costs and Margins in the wake of GST law

REVIEW OF EXISTING CONTRACTS

- Existing Orders and Contracts needs to be reviewed and amended to incorporate tax effect on account of GST
- Terms & Conditions of existing orders, invoices and documents needs to be altered

TRANSITIONAL CREDIT

- Existing inventories of Raw Materials, Semi-Finished Goods, Finished Goods needs to be monitored especially the planning for inventory position as on year end just before introduction of GST, to avail the optimum benefit of credit
- Goods sent to job workers and the inventories held by them as at year end needs to be monitored

CHANGE IN IT/ ERP SYSTEMS

- The proposed GST mechanism will be completely online and system driven. The existing IT and ERP environment of your organisation needs to be modified to align with the requirements of GST Network mechanism

Contact Us

GARV & Affiliates

CA Ajay Mitruka
CA Ashish Rustagi
CA Vikash Parakh
CA Anshuma Rustagi



OUR OFFICES

Unit No. 403, 4th Floor
Shantiniketan Building
8 Camac Street
Kolkata – 700017

19, R. N. Mukherjee Road
Eastern Building, 1st Floor
Kolkata - 700001

Email: info@garvca.com

Website: www.garvca.com

Call us:

+91 33 40404743 / 44

CA Vikash Parakh

+91 98309 69234

CA Anshuma Rustagi

+91 98303 91245

Network Partners:

Rustagi & Co., Chartered Accountants

**Parakh & Kapoor, Chartered
Accountants**

**Mitruka & Associates, Chartered
Accountants**

About Us

Garv & Affiliates is one of the most professional and dynamic network firm of Chartered Accountants in India. We at Garv & Affiliates are always committed to deliver ideal solutions to our clients based on thorough understanding of their needs. The interests and requirements of our clients and value addition to their business are always our first priority and our expertise and professionalism ensures client satisfaction and complete confidentiality at all times.

Our Vision

Our three-fold vision has always been:

Knowledge Sharing – Professional Commitment – Shaping the Future Together

Our Mentors

CA Ramanand Rustagi, B.com, FCA : Possessing rich experience of 36 years in practice having wide ranging knowledge of audit procedures and practices. Served as Chairman of the Eastern Region of the Institute of Chartered Accountants of India and President of various study circles like the Direct Taxes Professional Association, Association of Corporate Advisors etc. An expert in Income Tax Laws and Practices.

Adv. Ashok Kumar Parakh, B.Com (Hons), L.L.B : An Advocate practicing since 1979 in the areas of Income Tax and other allied laws and has acquired professional experience of more than three decades. Currently he is the President of Jain Swetambar Terapanthi Vidyalyaya (Girls) and is also associated with several social and professional organisations such as Terapanth Professional Forum, All India Marwari Sammellan, and Tollygunge Sabha.

Our Team

CA Ajay Mitruka, B.Com(H), FCA, DISA, Grad CWA

Having a post qualification experience of over two decades in the area of Audit , Law, Taxation & Finance, providing services in the area of Direct Taxation including Representation before Income Tax authorities, Business analysis, Financing, Management and Investment Consultancy. Looking after Direct Tax matters including compliance with RBI and FEMA for overseas Investments. Associated with several professional associations such as DTPA, ACAE, Views Exchange, Vitta Salahkar, Central Kolkata CA study circle. Also associated with several Social Organisations viz Paribartan, Nava Prayas, Kankurgachi Lok Sanskriti etc

CA Ashish Rustagi, B.Com(Hons), FCA, CIFRS

A dynamic and sincere Chartered Accountant possessing updated knowledge about latest audit practices and standards as well as income tax laws. Has the vision and foresight in the direction of promoting the firm towards best and modern audit practices. Regularly appears at various forums and is associated with various professional associations such as Direct Taxes Professionals' Association, Association of Corporate Advisors & Executives. An expert in Income Tax Laws and Practices.

CA Vikash Parakh, B.Com (Hons), FCA, DISA (ICAI), DIRM (ICAI)

Graduate from St. Xavier's College, Calcutta and a fellow member of the Institute of Chartered Accountants of India with post-qualification experience of over a decade in the thrust areas of GST, Internal Audit, ERP implementation & Business process consultancy. He is also associated with several other professional associations such as Direct Taxes Professionals' Association, Association of Corporate Advisors & Executives and Terapanth Professional Forum. Currently he is member of Kolkata Study Group for GST constituted under ICAI and is also an empanelled faculty on GST.

CA Anshuma Rustagi, B.Com (Hons), ACA, DISA (ICAI)

All-India Rank holder throughout the academic career she has been Selected and Invited to present Papers in Regional and National Student Conferences on various issues. Co-Author of "*Value Added Tax in West Bengal – A Ready Reckoner*", she is an erudite writer and is currently practicing as a Chartered Accountant, Service Tax, Value Added Tax and GST having served in Hindustan Lever Limited as a management trainee for 6 months.

CA Rachana Mitruka, B.Com (Hons), FCA

Having experience of almost 18 years, efficiently handles the drafting of legal opinions / Agreements / MOU etc besides Audit and Company Law compliances

CA Gaurav Kapoor, B.Com (Hons), FCA

Graduate from St. Xavier's College, Calcutta and a fellow member of the Institute of Chartered Accountants of India. He has been efficiently handling audit and assurance services and compliance management since a decade.

CA Anurag Sharma, B.com, FCA holding 25 years of experience in income tax and company law matters

CA Gaurav Agarwal, B. Com (H), ACA having 4 years experience in direct and indirect taxes

CA Itisha Ghorawat, B.Com, ACA, ACS having 4 years post qualification experience in company law and audit

CA Narayan Sharma, B.Com (H), ACA, ACMA

CA Naina Mittal, B.Com(H), ACA

Adv. Sumit Saurav, B.A. LL.B. (Taxation Law Hons.)