

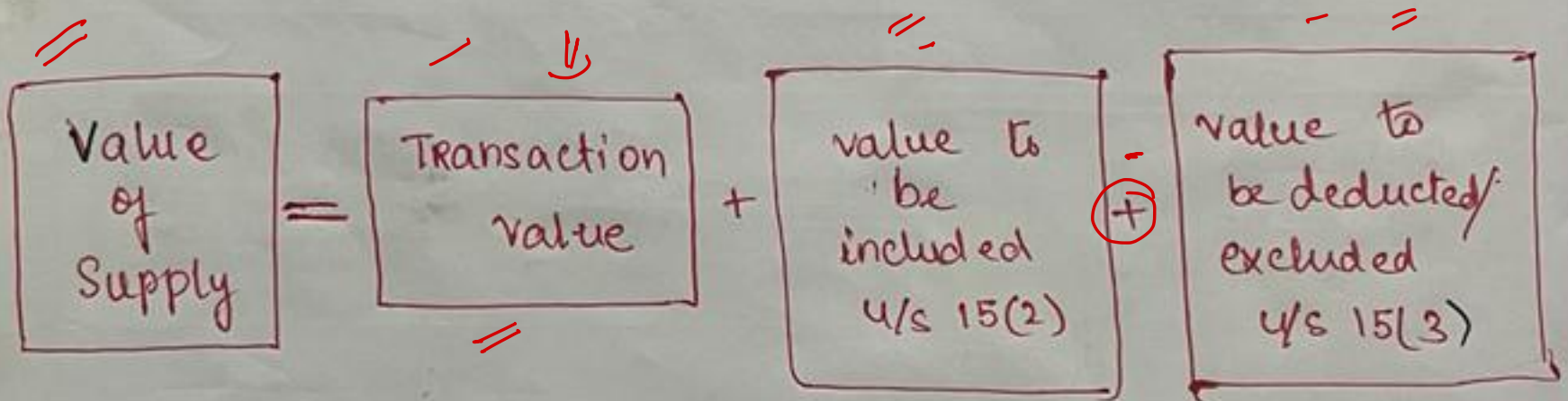
Value Of Supply

Section 15

→ The value of supply of goods or services or both shall be THE TRANSACTION VALUE (Bill value) only if:

(a) Price is the sole consideration that is actually paid or payable. and

(b) The supplier and the recipient are not related parties.



* Value to be included u/s 15(2):

A (a) Any tax, Cess, fees under any law ONLY IF built sep. billed separately

(Other than — CGST, SGST, IGST, UTGST,

Compensation Cess) →

TCS collected under Income tax

u/s 15(2)

(b) Any amount which is:

- liable to be paid by the supplier (Contractual)
- actually incurred by the recipient →
- and it is not included in the price actually paid or payable.

(Add)

(c) Any incidental expenses CHARGED BY the supplier (eg. commission, bar brokerage)

Any other amount charged for anything done at the time or before delivery of goods.

Examples:

- inspection or certification charges.
- installation & testing charges
- weightment charges, loading charges.
- designing charges.
- or any other charges charged by supplier

$$\begin{array}{r} 50000 \times 5\% \\ 2500 \\ \hline \text{+ GST} \\ \hline \end{array}$$

(d) Any interest, late fees, penalty for delayed payment of any consideration (paid or payable)

Inter-Holy

(e) Any subsidy DIRECTLY LINKED to the price, other than Government subsidy and such subsidy is not included in the price →

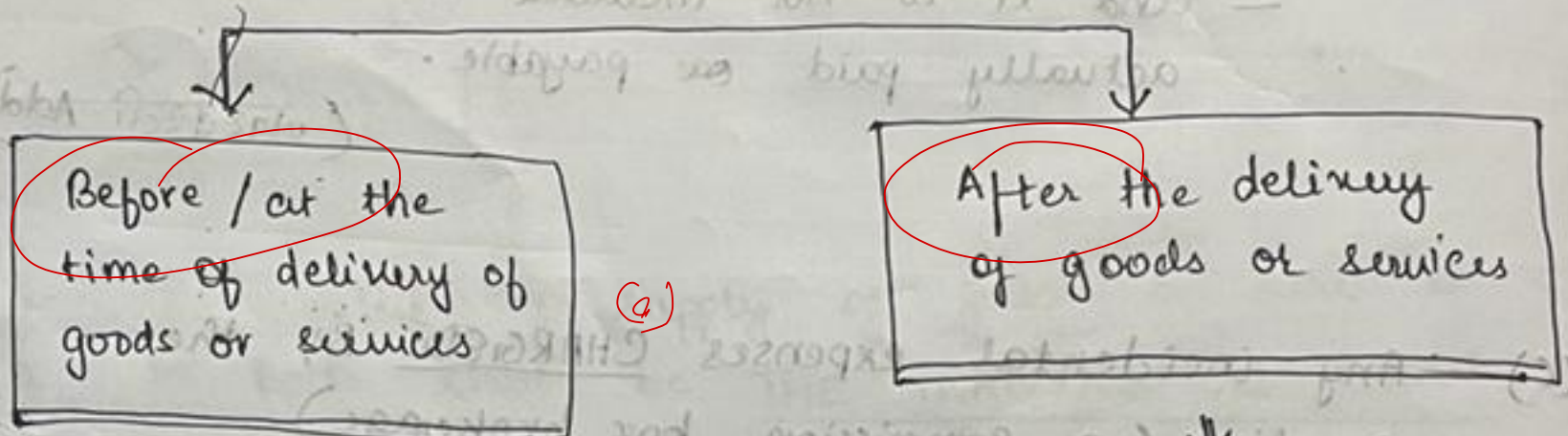
+

5000

$$\begin{array}{r} 50 \times 100 \\ 5000 \\ \hline \text{+ GST} \\ \hline \end{array}$$

$$\begin{array}{r} 2000 \\ \hline \text{+ GST} \\ \hline \end{array}$$

★ Value to be excluded (allowed to be deducted from value up to 15(3) :



Such discount shall be allowed to be deducted if such discount

is shown separately in the INVOICE

Such discount shall be allowed to be deducted only if :

(a) If it is established in the T&C of engagement entered on or before the time of supply.

★ In case of insurance company, where

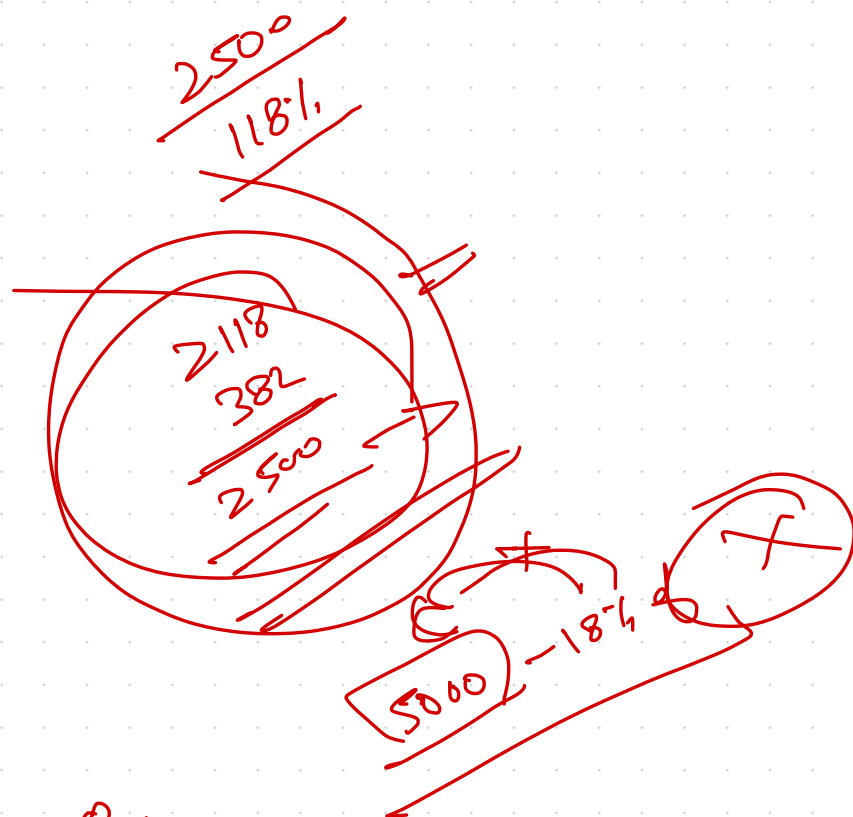
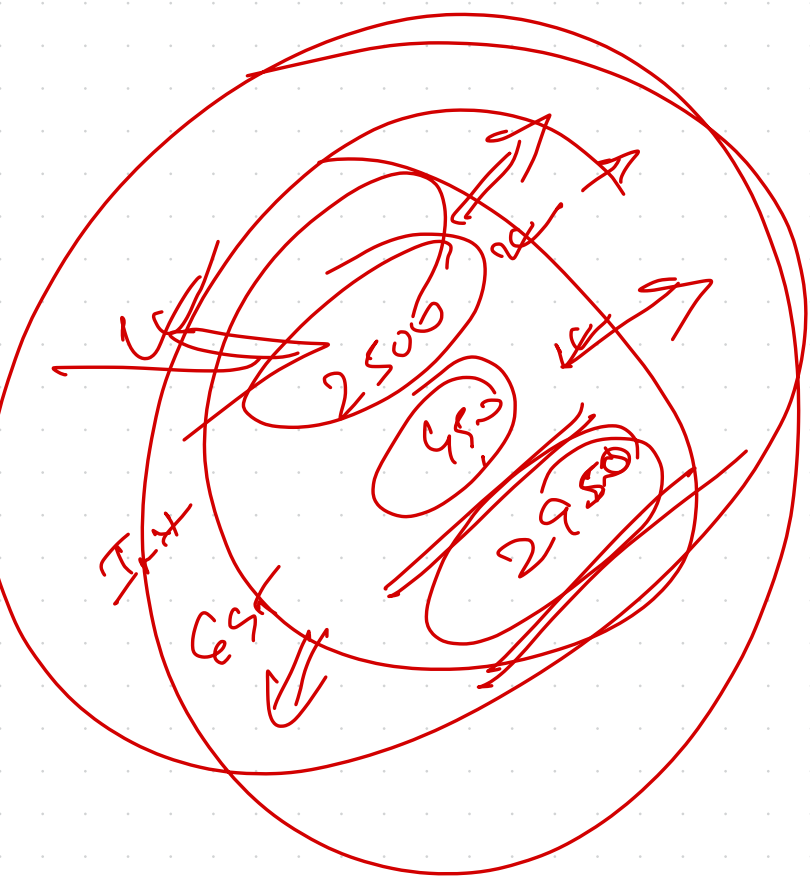
a deduction is provided from the premium amount payable on account of "NO CLAIM BONUS" shall be allowed as deduction

(i.e. GST shall be chargeable on the NET amount (Actual Premium - NO CLAIM BONUS))

⊕

It is linked to a relevant invoice

(b) Input Tax Credit proportionately attributable has been remitted by the recipient of the supply.



$$\frac{5000}{1.18\%}$$

$$\frac{5000}{118\%}$$