Answer to Q No. 2
Supply Under GST
[Section 7, 8, 25 (CGST) Schedule I, II III]

1) Section 7 Meaning & Scope of Supply (Inclusive)
- Sale, Transfer, Barter, Exchange, Licence, Lease, Rental PLUS Consideration PLUS Business
- Importation of Service PLUS Consideration PLUS Business के लिए है तो भी, नहीं है तो भी।
- Schedule I and Schedule II
- Not a Supply – Schedule III / CG/SG/LA as Public Authority
- Govt by Notification may specify a particular Supply as supply of Goods or Services

2) Goods means Movable and Includes Actionable Claim PLUS Growing Crops or things attached to earth but Excludes Money and Securities.
Service means Other than Goods but Includes Use of Money or Conversion of Money but Excludes Money and Securities [However, Facilitating or arranging the transaction in Securities is supply of Service]

3) Consideration Includes Cash/Kind received by Supplier or any person on his behalf or Monetory Value of any act or forbearance / Advance not to Include deposit unless applied / Subsidy received from Govt for supply not form part of Consideration.

4) Business Includes Profit motive है तो भी नहीं है तो भी / Volume Frequency-not relevant / acquisition before start / Supply on Closure / Supply to member by Club or Association / admission

to premises for consideration / Race club - Book Maker / activities by CG/SG/LA in Public Authority.

5) Taxable person - Who either Regd or liable to be regd.

6) Money - Legal Tender, FC, cheque, PN, BOE, LC, Draft, Pay order, Travellers cheque, Money order, Postal order, other modes permitted by RBI However does not Include Money held for Numismatic Value. Commerical Paper or Certificate of deposit PN ₹ hence money.

7) Securites - As defined in SCRA - Derivatives Security ₹ / Future Forward Contract - if no actual delivery - Security ₹ and if actual delivery - supply ₹ ! / acquisition of secured debt derivative ₹ ! / Interest Rate Swap, Foreign exchange Swap Security ₹ !

8) Sale, Transfer not defined under GST.

9) Schedule I : Treated as Supply without Consideration
- Transfor or Disposal of Business Asset (Not defined) where ITC claimed when it was purchased
- Supply between Related or Distinct Person

Related Person - officer, Director, Partners, Employee, x hold 25% or more directly, Indirectly in 'A' and 'B', 'Z' Controls 'P', 'S' Controls 'D' and 'C', 'R' and 'M' Controls 'Y', Sole Agent or distributor, Family [Spouse, children (may be dependent or Independent) Parent, Grand Parents, Brother, sister if dependent]

Distinct Person [Section 25] - Delhi Place 1 & 2 Registered or required to be registered - Place 1 & 2 are Distinct / Delhi and Haryana Registered or required to be Registered - Delhi

and Haryana are Distinct / UP (Registred या Required to be registered another place in Delhi (not required to Regd)·
UP and Delhi are Distinct ·
Service by EE to ER (Schedule III) but Gift by ER to EE more than 50000/- in a FY is Supply (Gift not defined but it is Voluntary in nature)

- Principal ⇄ Agent (GOODS) - Circular 57/31/2018 Dt 04.09.18
  अगर Agent further Supply का Invoice अपने नाम से बनाता है तभी P → A वाली Supply Schedule I में आएगी। अगर Agent अपने नाम से purchase करता है तो A → P वाली Supply Schedule I में आएगी। ये Circular DCA के लिए भी applicable है। (DCA Guarantee the Payment to Principal)
  Circluar 73/47/2018 Dt. 05-11-2018 - DCA
  Agent ने Further Supply का Invoice अपने नाम से नहीं बनाया and buyer को Finance किया - जो Interest उसने charge किया तो Principal की supply में add नहीं होगा। अगर Agent ने Further Supply का Bill अपने नाम से बनाया और late Payment का interest receive किया तो interest Agent की value of Supply में add होगा।
- Import of Service - Received from Related person or establishment outside India (its Branch) PLUS For Business - Schedule I apply होगा।
  IMPORT OF SERVICE कब Supply नहीं होगी
  - Import without Consideration not for the purpose of business from related or Branch
  - Import without Consideration for business but from other than Related or Branch.

Circular No. 92/11/2019 Dt 07.03.19 - Sale Promotion Scheme
- Free Samples / Gift not supply unless fall in Schedule I
- Buy one Get one Free will be dependent whether it is Composite or mixed Supply, accordingly GST Rate be decided.

Circular 22/22/17 Dated 21-12-2017 Art Work
Artist अपनी Art को Exhibition के लिए without Consideration भेजता है hence not a Supply unless fall in Schedule I.

10) Schedule II Treated as Supply of Goods or Services

- Supply of Goods - Transfer of title / Hire Purchase / Transfer of Business Asset / Goods forming Part of Asset of any business Carried on by person who Ceases to be a taxable Person Exception Business transferred as a Going Concern or Business Carried on by personal representative / Supply of goods by Unincorporated association to its member for Consideration.

- Supply of Service - Transfer of Right in Goods / Lease, Tenancy, easement, Licence to occupy Land & Building / Job Work / Goods held for Business used for Private Purpose / Renting of Immovable Property / Construction of Complex or building where either Full or Part of Consideration received before Completion Certificate or possession whichever is earlier / Temporary transfer of IPR / Development, Design, upgradation etc of IT Softwares / Agreeing to obligation, refrain, tolerate an act or Situation / Transfer of right to use in any goods for any purpose / Composite Supply - Work Contract Services and Food Services

- Taxability of Tenancy Right (Pagdi System) Circular No. 44/18/2018 Dated 2-5-18 Mr. A ने Mr. B से

- Joint Venture Circular 35/9/2018 Dt 05-03-18
[Cash Call, operating Member]
operating Member Cash Call other member से लेगा जो Cash Call की money है वो JV की Capital है जिस पर कोई GST नहीं लगेगा being it is transaction of money, जिस Money को operating Member JV के object के लिए खर्च करेगा। लेकिन अगर operating member अपनी Asset JV के object के लिए use करता है तो ये माना जाएगा कि वो other Members/JV को Service दे रहा है and he will liable for GST.

- Circular No. 34/8/2018 Dt 01-03-18 Priority Sector Lending Certificate (PSLC) as per RBI is Goods.
[IGST will be charged Circular 93/12/2019 Dt 08-03-19]

- Circular No. 44/21/2018 Dt 08-06-18 [Moulds, Dies, OEM, CM]
Moulds or Dies Send by OEM to CM without Consideration is not Supply Unless fall in Schedule I.

- Circular No. 1/1/2017 Dt 07-07-17 Inter-State movement of various mode of Conveyance between Distinct person
If for Supply of Goods/Services, It is Not Supply
If for Repair/Maintainance, It is Supply of Service

- Circular 47/21/2018 Dt 08-06-18 Servicing of Car
spare part used पे Goods का GST Rate लगेगा and Service Component पर Service का GST लगेगा If spare part and Service Component Seperately mentioned on Invoice.

11) Schedule III Not treated as Supply (Negative List)

- Service by EE to ER in the Course of employment (Pre-Mature termination of EE is also in the course of employment) ध्यान रखना है • Relation if Principal to Principal - it is a Supply • Amount paid for not Joining Competing business - It is a forbearance of act hence It is a supply / Services by Court or Tribunal ध्यान रखना है Consumer Dispute Redressal Commission की service भी Schedule III में आएगी Circular No. 32/6/18 Dt 12.2.18 / Functions performed by MP, MLA, LA, Panchayat or Muncipality / Post held as per Constitution i.e. President Vice-President of India, PM, chief Justice, speaker of Lok Sabha, EC, Chairman UPSC, CAG etc / Sale of Land Building / Actionable Claim other than Betting, Gambling or Lottery / Dead body related Services / Supply of Goods from NTT to NTT without entering into India / WH Goods before entering for HC / Supply of Goods by endorsement of document after dispatch from port outside India and before Clearance for HC

12) Section 8 Composite or Mixed Supply

- Composite Supply - Supply of Two or more Taxable Supply of Goods / Services and Naturally bundled be treated as Supply of Principal Supply. Mixed Supply - Two or more Supply of Goods / Services and Independent to each Other - In this Case Highest GST rate Shall apply.

- Circular 11/11/2017 Dt 20.10.17 Printer - If Content Supplied by recipient / Publisher - It is supply of Service otherwise Supply of Goods by Printer.

- Circular No. 34/8/2018 dt 01-03-18 Bus Body Building
  Principal Supply will be determined on the basis of Circumstances of each Case Seperately.

- Circular No. 34/8/2018 Dt 01-03-18 Retreading of Tyres
  old Type पर Rubber चढ़ाई - It is supply of Service
  अगर old Tyre लेकर old Tyre पहले से Rubber चढ़ा हुआ दिया - It is supply of Goods.