

# JADAVPUR UNIVERSITY

KOLKATA – 700 032

Ref No.: REC /N/ 245 /2017

Date: 30.06.2017

## NOTICE ON IMPLICATIONS OF GST ON THE UNIVERSITY PURCHASES/SUPPLY

This is for information of all employees (Teachers, Officers & Non-teaching staff) that a new tax regime is going to start from 1st July 2017, with the introduction of Goods and Service Tax (GST), by replacing almost all the indirect taxes, like Excise duty, Customs Duty(CVD), VAT, Service Tax, Entry Tax or alike. To be more aware on the issue, on 28<sup>th</sup> June 2017 a 'Workshop' was organised in JU on 'GST', which was inaugurated by our Vice Chancellor. We have to implement a few steps for the overall benefits of the University community.

There are three aspects of the GST; (i) As receiver of good and service, we have to pay GST, as we are paying now VAT, Duty etc.; (ii) As a provider of service on testing, consultancy and similar other receipts, we have to collect GST (replacing Service Tax) and deposit to Govt. account and (iii) The adjustment of GST payable to Govt. as at (ii) with the GST paid on supply and services as at (i), by way of 'Input Credit'.

After the introduction of the "Goods and Services Tax", if we purchase/avail the supply & service from GST un-registered vendors, we have to pay additionally the GST (at applicable rate from 5% to 28% on such value of purchases) to Govt., under the reverse-charge mechanism.

Thus it is the most essential steps, being the first measure, not to purchase/avail any supply & services from GST un-registered dealers/vendors, to avoid huge GST payment every month on such purchases, under reverse-charge mechanism. Even small purchases made/services availed in the department/school/Project level, either spent for re-imburement or spending against the advances drawn should not contain any bill/voucher of any GST un-registered dealers/vendors from 1st July 2017. All concerned are requested to use only GST-Registered dealers/vendors, where the GSTN must be printed on the face of the bill. JU GST number (ID) is "19AAAJJ0500E1ZU"

All HoDs, Section-in-charges, Directors, Project Co-ordinators and all concerned handling funds remitted to the University is being cautioned in this issue and is being requested to strictly follow the engagement of only GST registered dealers/vendors for their use.

We are still trying to learn more & more on the issues of (i) Applicability, (ii) Input Credit, (iii) TDS, if any (iv) Transitory provisions thereof and other similar issues, which will be clear by next few days. We will update all from time to time, as available.

  
FINANCE OFFICER