**FAQs On Goods & Services Tax**

**4. Meaning and Scope of Supply**

**Q 4. What are the necessary elements that constitute supply under MGL?**

Ans. In order to constitute a ‘supply’, the following elements are required to be satisfied, i.e.-

(i) supply of goods and / or services;

(ii) supply is for a consideration;

(iii) supply is made in the course or furtherance of business;

(iv) supply is made in the taxable territory;

(v) supply is a taxable supply; and

(vi) supply is made by a taxable person.

**Q 5. Can a transaction in which any one or more of the above criteria is not fulfilled, be still considered as supply under GST?**

Ans. Yes. Under certain circumstances such as importation of service (Section 3(1) (b)) or supplies made without consideration, specified under Schedule-I of MGL, where one or more ingredients specified in answer to question no. 4 are not satisfied, it shall still be treated as supply under GST Law

**Q 6. Importation of Goods is conspicuous by its absence in Section 3. Why?**

Ans. Importation of goods is dealt separately under the Customs Act, 1962, wherein IGST shall be levied as additional duty of customs in addition to basic customs duty.

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