

**TOPICS : Tax Invoice, Credit and Debit Notes + E way bill, Time and Value of Supply, Registration , Payment of Tax, Returns, Input Tax Credit**

**QUESTION NO.1**

- A. Advise regarding availability of input tax credit (ITC) under the CGST Act, 2017 in the following independent cases:-
- AMT Co. Ltd. purchased a mini bus having seating capacity of 16 persons for transportation of its employees from their residence to office and back.
  - Bangur Ceramics Ltd., a manufacturing company purchased two trucks for transportation of its finished goods from the factory to dealers located in various locations within the country.
  - “Hans premium” dealing in luxury cars in Chankyapuri, Delhi purchased five Skoda VRS cars for sale to customers.
  - Sun & Moon Packers Pvt. Ltd. availed outdoor catering service to run a canteen in its factory. The Factories Act, 1948 requires the company to set up a canteen in its factory.

**(4 MARKS)**

- B. Mr. Shah , a consignor is required to move goods from Ahmedabad (Gujarat) to Nadiad (Gujarat). He appoints Mehta transporter for movement of goods. Mehta Transporter moves the goods from Ahmedabad (Gujarat) to Kheda (Gujarat) . For completing the movement of goods from Kheda (Gujarat) to Nadiad (Gujarat) , Mehta transporter now hands over the goods to Parikh transporter.

Explain the procedure regarding e – way bill to be followed by consignor and transporter as per provisions of GST law and rules made thereunder.

**(5 MARKS)**

**QUESTION NO.2**

- A. **Examine whether the supplier is liable to get registered in the following independent cases:-**

- Raghav of Assam is exclusively engaged in intra-State taxable supply of readymade garments. His turnover in the current financial year (FY) from Assam showroom is Rs. 28 lakh. He has another showroom in Tripura with a turnover of Rs. 11 lakh in the current FY.
- Pulkit of Panjim, Goa is exclusively engaged in intra-State taxable supply of shoes. His aggregate turnover in the current financial year is Rs. 22 lakh.
- Harshit of Himachal Pradesh is exclusively engaged in intra-State supply of pan masala. His aggregate turnover in the current financial year is Rs. 24 lakh.
- Ankit of Assam is exclusively engaged in intra-State supply of taxable services. His aggregate turnover in the current financial year is Rs. 25 lakh.

- (v) Sanchit of Assam is engaged in intra-State supply of both taxable goods and services. His aggregate turnover in the current financial year is Rs. 30 lakh.

(6 MARKS)

- B. M/s. Flow Pro sold a machine to BP Ltd. It provides the following particulars in this regard:-

S. No.	Particulars	Rs.
(i)	Price of the machine (excluding taxes and incidental charges)	30,000
(ii)	Machine was subject to third party inspection. The inspection charges have been directly paid by BP Ltd. to the inspection agency.	5,000
(ii)	Freight charges for delivery of the machine (M/s Flow Pro has agreed to deliver the goods at BP Ltd's premises)	2,000
(iv)	Subsidy received from State Government on sale of machine under skill Development Programme. [The subsidy is directly linked to the price].	5,000
(v)	Discount of 2% is offered to BP Ltd. on the price and recorded in the invoice	

**Note:** Items given in S. No. (ii) to (v) have not been considered in the price at S. No. (i). Determine the value of taxable supply made by M/s Flow Pro to BP Ltd.

(4 MARKS)

### QUESTION NO.3

- A. Mr. X, a supplier of goods, pays GST under regular scheme. He has made the following outward taxable supplies in a tax period:

Particulars	(Rs.)
Intra-State supply of goods	8,00,000
Inter-State supply of goods	3,00,000

He has also furnished the following information in respect of purchases made by him in that tax period:

Particulars	(Rs.)
Intra-State purchases of goods	2,00,000
Inter-State purchases of goods	50,000

Mr. X has following ITCs with him at the beginning of the tax period:

Particulars	(Rs.)
CGST	57,000
SGST	Nil
IGST	70,000

**Note:**

- Rate of CGST, SGST and IGST to be 9%, 9% and 18% respectively.
- Both inward and outward supplies are exclusive of taxes, wherever applicable.
- All the conditions necessary for availing the ITC have been fulfilled.

Compute the minimum GST, payable in cash, by Mr. X during the tax period. Make suitable assumptions as required.

**(8 MARKS)**

B. Know and Grow publishers, a registered dealer in India, paid in advance Rs. 50000 to Mr. Ganatra, an author, for the copyright covered under Section 13(1)(a) of the Copyright Act, 1957, of his original literary work on 05-09-2018. It made the balance payment Rs. 150000 on 12-12-2018. You are required to determine time of supply, if Mr. Ganatra raised the invoice on:

- 06-10-2018, or
- 17-12-2018

**(4 MARKS)**

#### QUESTION NO.4

A. Please answer following individual independent cases with reference to section 37 of the CGST Act, 2017 and rule 59 of CGST Rules, 2017:

1. Mr. Kolly is registered supplier in the State of Gujarat. He is filing GSTR 1 every month. During the month of February, 2018 he was out of India and so did not do any transaction during the month. He believes that as there is no transaction there is no need to file GSTR 1 for the month of February, 2018. Is he correct?

**(2 Marks)**

2. Mr. Kaji is a registered dealer in Kerala. He was registered as a normal tax payer for FY 2017-18. But on 15-01-2018, he converted from normal tax payer to composition tax payer. Is he liable to file GSTR-1 for the month of February, 2018?

**(2 Marks)**

3. Mrs. Zeel a registered dealer in Rajasthan did not file GSTR 1 for the month of June, 2018 but she wants to file GSTR 1 for the month of July, 2018. Is it possible?

**(2 Marks)**

- B. The aggregate turnover of Sangri Services Ltd., Delhi, exceeded Rs. 20 lakh on 12<sup>th</sup> August. He applied for registration on 3rd September and was granted the registration certificate on 6<sup>th</sup> September. You are required to advise Sangri Services Ltd. as to what is the effective date of registration in its case. It has also sought your advice regarding period for issuance of Revised Tax Invoices.

**(4 MARKS)**

**QUESTION NO.5 Multiple Choice Questions (MCQs)**

1. GST is payable by recipient of services in the following cases:-

**(2 M)**

- (i) Services provided by way of sponsorship to ABC Ltd.
  - (ii) Services supplied by a director of Galaxy Ltd. to Mr. Krishna.
  - (iii) Services by Department of Posts by way of speed post to MNO Ltd.
  - (iv) Services supplied by a recovering agent to SNSP Bank
- (a) (i) & (iii)
  - (b) (i) & (iv)
  - (c) (ii) & (iii)
  - (d) (ii) & (iv)

2. Which of the following statements are correct?

**(2 M)**

- i. Revocation of cancellation of registration under CGST/SGST Act shall be deemed to be a revocation of cancellation of registration under SGST/CGST Act.
- ii. Cancellation of registration under CGST/SGST Act shall be deemed to be a cancellation of registration under SGST/CGST Act.
- iii. Revocation of cancellation of registration under CGST/SGST Act shall not be deemed to be a revocation of cancellation of registration under SGST/CGST Act.
- iv. Cancellation of registration under CGST/SGST Act shall not be deemed to be a cancellation of registration under SGST/CGST Act.

- a. (i) and (ii)
- b. (i) and (iv)
- c. (ii) and (iii)
- d. (iii) and (iv)

3. M/s. Comfortable (P) Ltd. is registered under GST in the State of Odisha. It is engaged in the business of manufacturing of iron and steel products. It has received IT engineering services from M/s. High-Fi Infotech (P) Ltd. for Rs. 11,00,000/- (excluding GST @ 18%) on 28-Oct-20XX. Invoice for service rendered was issued on 5-Nov-XX. M/s Comfortable (P) Ltd. made part-payment of Rs. 4,20,000/- on 30-Nov-XX. Being unhappy with service provided by M/s High-fi Infotech (P) Ltd., it did not make the balance payment. Deficiency in service rendered was made good by M/s High-Fi Infotech (P) Ltd. by 15-Feb-XY. M/s. Comfortable (P) Ltd. made payment of Rs. 3,00,000/- on 15-Feb-XY and balance payment was made on 6-June-20XY, i.e. after 180 days of issue of invoice.

Input tax credit available in respect of IT engineering services received from M/s. High-Fi Infotech (P) Ltd. in financial year 20XX-XY: **(2 M)**

- (a) Rs. 1,98,000/-
- (b) Nil
- (c) Rs. 64,068/-
- (d) Rs. 1,09,831/-

4. Mr. Sham is receiving legal services from a lawyer Mr. Gyan. The information regarding date of payment, invoice etc. is as follows- **(2 M)**

- 1. Invoice issued by Mr. Gyan on 15-Apr-20XX
- 2. Payment received by Mr. Gyan on 5-May-20XX
- 3. Date of payment entered in books of accounts of Sham: 1-May-20XX

What is time of supply of services?

- a) 1-May-20XX
- b) 5-May-20XX
- c) 14-Jun-20XX
- d) 15-Apr-20XX

5. A non-resident taxable person is required to apply for registration: **(1 M)**

- a. within 30 days from the date on which he becomes liable to registration
- b. within 60 days from the date on which he becomes liable to registration
- c. at least 5 days prior to the commencement of business
- d. None of the above

6. Mr Ram, a jeweller registered under GST in Mumbai, wants to sell his jewellery in a Trade Expo held in Delhi. Which of the following statements is false in his case? **(1 M)**

- a. He needs to get registration in Delhi as casual taxable person.
- b. He needs to pay advance tax on estimated tax liability.
- c. He needs to mandatorily have a place of business in Delhi.
- d. He needs to file GSTR-1 and GSTR-3B for Delhi GSTIN for the month when he is registered in Delhi.