INDIRECT

COMPILATION OF CONCEPT- BASED EXCERCISES AND CASELETS ON GOODS AND SERVICES TAX

(Sourced from Publications of ICAI and ICMAI)

by

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E-book on **INDIRECT TAXES**
by
Dr. V Rajesh Kumar & CA R Mahadev
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TRUE OR FALSE QUESTIONS

1. IGST is enacted by respective State Government
2. GST offers comprehensive and continuous chain of tax credit
3. Tour conducted through luxury trains are covered as Tour Operators Service
4. GST is payable for cultivation of ornamental flowers
5. A supply of goods or services or both which is liable to tax under GST Act is taxable supply.
6. Due date for payment of GST under the Composition Scheme is 15th of the month following the quarter.
7. No GST on advance payment received for supply of goods by small tax payers having aggregate annual turnover of up to Rs. 1.50 Crores.
8. Services provided by Recovery Agents is called Intermediary Services.
9. GST element will not be considered for the purpose of determining the Cost of Acquisition.
10. ITC will be allowed for stolen and destroyed goods.
11. Multiple registration is permitted for separate business places in a State.
12. Non-resident taxable person making taxable supply is not required to be registered under GST.
13. The legal heir of a registered person is allowed to cancel GST registration.
14. A bill of supply to be issued by the supplier is not required to mention HSN Code of goods or Accounting codes for services.
15. Certificate of registration for GST is generated in Form REG 06
16. Every registered person is not bound to produce the books of accounts, which is required to be maintained under any law for the time being in force.
17. The recipient is required to maintain books of accounts in relation to the goods stored at the godown of the transporter.
18. As per the CGST Act, the Central Tax can be used for payment of State Tax and Union Territory Tax/
19. Any person or persons on his behalf shall generate a Challan in Form GST PMT – 6 on the common portal for payment of tax, interest etc.

20. Credit of SGST / UGST can be used for payment of IGST only after exhausting credit of IGST and CGST.

21. The GST council provides the guidelines for deduction on Deposit of TDS by the DDO under GST.

22. Return of supplier effected through e-commerce operator and the amount of tax collected to be submitted in Form GSTR-3B

23. Late fee for filing Nil Return has been reduced to Rs. 50 per day of delay in case of tax payers having Nil tax liability

24. Unregistered persons are not required to generate E-way Bill

25. For conducting Audit by Authorities the registered person needs to inform not less than 15 working days prior to the conduct of audit.

Answers

1	False
2	True
3	True
4	False
5	True
6	False
7	True
8	True
9	True
10	False
11	True
12	False
13	True
14	False
15	True
16	False
17	True
18	False
19	True
20	True
21	True
22	False
23	False
24	False
25	True

FILL IN THE BLANKS

1. ___________ is to make recommendation to the Central Government and State Government on tax rate.
2. Residential house taken on rent for commercial purpose is _______ supply.
3. Services by way of sponsorship of sporting event organised by national sports federation is _____________
4. Service by way of right of admission to a theatrical performance is taxable under GST Act if consideration is more than Rs. ____________
5. Electronics Commerce Operator means any person who own, operate and manages _________ or ___________ facility or platform for electronic commerce.
6. GST is a ___________ based tax, means tax will be levied where goods and services are consumed and will accrue to that State.
7. Sole Consideration means by paying GST on such consideration there is no __________ loss to the department.
8. As per Section 2(34), __________ includes a vessel, an aircraft and vehicle.
9. ITC will not be eligible for Input Tax on goods and services used for _______ consumption.
10. Membership of a club, health and fitness centre are _______ for ITC (Eligible / Not Eligible)
11. Compulsory registration is required for persons who are required to pay tax under _________.
12. GST registration of a person can be cancelled by a proper GST Officer if a normal registered person does not file returns consecutively for __________
13. Under GST, a tax invoice is an essential document for the recipient to avail ___________
14. Every registered person is required to ________ the taxes payable and furnish return for each tax period
15. every registered person shall keep the particulars of names and ___________ of the person to whom he has supplied goods or services
16. interest on late payment of tax arises when input tax credit has been claimed in _______ or where it was _________ to be claimed.
17. Tax-payer who have turnover up to --------- shall be considered as small tax payer.

Answers

1	GST Council
2	taxable
3	exempted
4	500
5	digital, electronic
6	destination
7	revenue
8	conveyance
9	personal
10	not eligible
11	reverse charge
12	6 months
13	Input tax credit
14	self-assess
15	complete address
16	excess, not eligible
17	Rs. 5 Crores

MATCH THE FOLLOWING

Question 1:

Match the following:

1. Burden of GST borne by	A. Related Person
2. Acupressure treatment	B. Exempted from GST
3. Plantation of coffee	C. Zero rated Tax
4. Person's member of same family	D. Taxable
5. Services by Court or Tribunal	E. Taxable Supply of Services
	F. Non-taxable Supply
	G. Final Consumer

Question 2:

1. Due date for tax collected at source	A. No GST is payable
2. Payment made by a businessman for medical service availed in USA	B. Deemed recipient of Supply
3. Supply of goods and services to Special Economic Zone	C. Recipient of Credit
4. The supplier of goods and services or both having the same Permanent Account Number as that of input Service Distributor	D. Exempted
5. The recipient of goods can issue direction to deliver the goods to third parties	E. 10th of the following month
	F. 10th of every month
	G. Zero rated tax

Question 3:

1. The turnover of a registered person will be computed	A. Supplier of herbal products
2. Registration under GST is compulsory for	B. credit note issued
3. Casual taxable person can apply for registration in Form	C. GSTR – 5
4. The non-resident taxable person shall furnish return in Form	D. PAN wise
5. The tax liability of the registered person will be adjusted in accordance with the	E. Electronic Commerce Operator
	F. GST REG-1

Question 4:

1. Under GST, the tax to be paid is mainly classified into	A. Electronic Cash Ledger
2. E-commerce operator is required to collect and pay	B. Output tax payable and paid
3. Every deposit made towards tax, interest, penalty is through	C. serially numbered
4. Every registered person is required to maintain a true account of	D. TCS
5. Each volume of books of accounts maintained manually by a registered person shall be	E. IGST, CGST and SGST

Question 5:

1. Post-audit authorities under Ministry of Defence are exempted from	A. GSTR-3B
2. As per Rule 66 the deductor shall furnish TDS Certificate to deductee in Form	B. GSTR-9C
3. A monthly self-declaration has to be filed by registered dealer	C. 30 days
4. GST Auditor shall furnish a copy of the audited annual accounts and a reconciliation statement along with annual return duly certified in Form	D. TDS Compliance
5. On conclusion of the audit, the proper officer must inform the registered person about the finding within	E. GSTR-7A

Answers

Question 1

1	2	3	4	5
G	E	B	A	F

Question 2

1	2	3	4	5
E	A	G	C	B

Question 3

1	2	3	4	5
D	E	F	C	B

Question 4

1	2	3	4	5
E	D	A	B	C

Question 5

1	2	3	4	5
D	E	A	B	C

CASELETS IN GST

Case 1:

PTL Pvt. Ltd., is a retail store of merchandise located in 25 States and/or UTs in the country. For the purpose of clearance of stock of merchandise and to attract customers, PTL Pvt. Ltd., launched scheme of "Buy One Get One Free" for the same type of merchandise, for instance, one shirt to be given free with purchase of one shirt. For saving cost, PTL Pvt. Ltd., directly purchases merchandise from the manufacturers.

In the month of May, in order to save employee cost, PTL Pvt. Ltd., purchased a tempo traveler worth Rs. 12,00,000 with seating capacity of 25 persons (including driver) for transportation of its employees. Further, for ensuring the well-being of its employees, PTL Pvt Ltd., voluntarily obtained the health insurance cover of Rs. 2,00,000 for each employee in the same month. The premium of Rs. 1,500 per employee has been paid by the company for 100 employees.

In the month of July, Mr. Raghav, a customer of the company, filed a law suit in the Court, against the company for not supplying goods of the value of Rs. 1,00,000. PTL Pvt. Ltd., engaged Mr. Ram, an advocate, to represent it in Court for an agreed consideration of Rs. 25,000. As per terms of the contract, Mr. Ram issued an invoice on 5th July. However, consideration was not paid till February next year.

Note: All the amounts given above are excluding taxes and all transactions are intra-state transactions. Rate of tax are CGST – 9% and SGST – 9%. However, for tempo traveler, the rates of taxes are CGST – 14% and SGST – 14%.

In relation to the above, answer the following questions:

1. With respect to 'Buy One Get One' offer, which of the following statements is true:

   (a) It will not be considered as supply at all since no consideration is involved in one of the items.

   (b) Supply of item for which consideration is charged under section 7 of the CGST Act 2017 while supply of the other item supplied free of cost is not a supply.

   (c) These are two individual supplies where a single price is charged. Since a single price is charged, the same will always be taxed as a mixed supply.

   (d) These are two individual supplies where a single price is charged for the entire supply. The taxability will depend upon as to whether the supply is a composite supply or a mixed supply.

2. Eligible Input tax credit for the month of May (i) on the purchase of tempo traveler and (ii) on health insurance premium paid (assuming that all other conditions, for availing input tax credit have been complied with) is:

   (a) (i) CGST – Nil, SGST – Nil; (ii) CGST – Nil, SGST – Nil.

   (b) (i) CGST – Rs. 1,68,000, SGST – Rs. 1,68,000; (ii) CGST – Nil, SGST – Nil.

   (c) (i) CGST – Nil, SGST – Nil; (ii) CGST – Rs. 18,000, SGST – Rs. 18,000.

   (d) (i) CGST – Rs. 1,68,000, SGST – Rs. 1,68,000; (ii) CGST-Rs. 18,000, SGST – Rs. 18,000

3. Which of the following statements is true in respect of the services of advocate availed by the company?

   (a) CGST – Rs. 2,250 and SGST – Rs. 2,250 on advocate services are payable by PTL Pvt. Ltd. ITC availed thereon is to be added to its output tax liability with interest as consideration along with tax is not paid within 180 days of the issuance of invoice.

   (b) CGST – Rs. 2,250 and SGST – Rs. 2,250 on advocate services are payable by Mr. Ram. ITC availed thereon is to be added to output tax liability of PTL Pvt Ltd., with interest as consideration along with tax is not paid within 180 days of the issuance of the invoice.

   (c) CGST – Rs. 2,250 and SGST – Rs. 2,250 on advocate services are payable by PTL Pvt. Ltd. The condition of payment of consideration along with tax within 180 days of the issuance of the invoice does not apply in the given case.

   (d) CGST – Rs. 2,250 and SGST – Rs. 2,250 on advocate services are payable by Mr. Ram. The condition of payment of consideration along with tax within 180 days of the issuance of invoice does not apply in the given case.

[Ans: 1. (d), 2. (b), 3. (c)]

Case 2:

Mr. Kumar started interior designing practice from the month of January. His turnover up to the month of March was Rs. 12,50,000. On 30th June, his turnover exceeded Rs. 20,00,000 and reached Rs. 20,50,000. Mr. Kumar applied for GST registration (as regular taxpayer) on 15th July and registration was granted to him on 25th July.

On 16th July, he entered into a contract for designing the flat of Mr. Shyam. The service was completed on 22nd July and Mr. Kumar issued invoice on the same day for Rs. 6,00,000. On 5th July, Mr. Kumar purchased capital goods amounting to Rs. 4,50,000 and from 25th July to 31st July, he availed services amounting to Rs. 1,75,000 for the purpose of completing the service.

On 1st August, Mr. Kumar got another contract for interior designing from Mr. Ram, which he accepted on 2nd August. The service was completed on 6th August and the invoice was issued on 7th August for Rs. 5,00,000. Payment was received on 29th August.

Note: All values are excluding taxes unless specifically mentioned. Mr. Kumar makes only intra-state outward supplies and all purchases are also intra-trade. Rates of tax are CGSt – 9% and SGST – 9%.

In relation to the above, answer the following questions:

1. The effective date of registration for Mr. Kumar is-

    (a) 30th June

    (b) 15th July

    (c) 25th July

    (d) 16th July

2. Mr. Shyam can issue a revised tax invoice till-

    (a) 23rd October

    (b) 8th September

    (c) 25th September

    (d) 8th August

3. Eligible Input Tax Credit available with Mr. Kumar for the month of July is-

   (a) CGST Rs. 40,500 & SGST Rs. 40,500

   (b) CGST Rs. 15,750 & SGST Rs. 15,750

   (c) CGST Rs. 56,250 & SGST Rs. 56,250

   (d) CGST Rs. 36,000 & SGST Rs. 36,000

4. The time of supply of services provided by Mr. Kumar to Mr. Ram is-

   (a) 7th August

   (b) 1st August

   (c) 29th August

   (d) 6th August

5. If instead of opting for regular scheme, Mr. Kumar opts to pay tax under section 10(2A) of the CGST Act, 2017, the tax liability for the month of July will be-

   (a) Nil

   (b) CGST Rs. 54,000 & SGST Rs. 54,000

   (c) CGST Rs. 18,000 & SGST Rs. 18,000

   (d) CGST Rs. 78,150 & SGST Rs. 78,150

[Ans: 1. (a), 2. (d), 3. (c), 4. (a), 5. (c)]

Case 3:

M/s Aditi & Co., a partnership firm registered under GST, is undertaking various Government projects.
The firm has let out on hire the following vehicles-

(i) A motor vehicle to carry more than 15 passengers to a State Government Electricity Department.
(ii) An electric motor vehicle to carry more than 12 passengers to Local Municipal Corporation.
(iii) An electric motor vehicle to carry up to 12 passengers to State Transport Undertaking.

The firm has provided the following additional information for the month of October:

i. Works contract services were availed for construction of immovable property being plant and machinery, where value of GST was Rs. 1,10,000.
ii. GST amounting to Rs. 70,000 was paid on account of demand of the Department due to fraud in returns filed.
iii. Goods valuing Rs. 10,00,000 (GST on the same Rs. 1,00,000) were received 180 days ago (invoice also issued on the date of receipt of supply) for which payment was been made till date to an extent of Rs. 4,00,000 towards value, Rs. 40,000 towards tax.

The firm made two independent outward supplies in which value of supply was understated in one case by Rs. 75,000 and overstated by Rs. 45,000 in the other case.

The firm received certain supply of goods from registered persons on which tax was payable under reverse charge basis.

All the amounts given above are exclusive of taxes, wherever applicable. All transactions referred to above are intra-state. All the conditions for availing ITC have been fulfilled subject to the information given above.

From the information given above, choose the most appropriate answer for the questions given below:

1. In respect of vehicles let out on hire by the firm, services that are exempt from GST are
   (i) Letting on hire a motor vehicle to State Electricity Department (>15 Passengers)
   (ii) Letting on hire an electric vehicle to Local Municipality (> 12 Passengers)
   (iii) Letting on hire an electric vehicle to State transport Undertaking (< 12 Passengers)

   (a) (i)

   (b) (ii)

   (c) (i) and (iii)

   (d) (ii) and (iii)

2. Determine the amount of eligible ITC to be claimed by the firm for the month of October.

   (a) Rs. 70,000
   (b) Rs. 1,10,000
   (c) Rs. 1,80,000
   (d) Nil

3. Determine the amount of ITC to be added to the output tax liability.

   (a) Rs. 40,000

   (b) Rs. 60,000

   (c) Rs. 1,00,000

   (d) Nil

4. Which of the following is correct in respect of document to be issued by the firm for understatement and overstatement of invoice value?
   (i) Debit note is to be issued for Rs. 75,000
   (ii) Credit note is to be issued for Rs. 75,000
   (iii) Debit note is to be issued for Rs. 45,000
   (iv) Credit note is to be issued for Rs. 45,000

   (a) (i) and (iii)

   (b) (ii) and (iii)

   (c) (i) and (iv)

   (d) (ii) and (iv)

5. Which of the following statements is correct in respect of supply of goods received by the firm which are taxable under reverse charge?
   (i) Firm shall issue a payment voucher at the time of making payment to supplier
   (ii) Firm shall issue invoice for supply of goods
   (iii) Firm shall issue receipt voucher at the time of making payment to supplier
   (iv) Firm is not required to issue any document in respect of such supply

   (a) (i)

   (b) (i) and (ii)

   (c) (ii) and (iii)

   (d) (iv)

[Ans: 1. (b), 2. (b), 3. (b), 4. (c), 5. (a)]

Case 4:

Mr. Pasupathi, registered tax payer under GST, is engaged in trading of various consumer goods. His turnover in the preceding financial year was below the threshold limit liable for registration.

He has issued various bills of exchange, unsecured debentures, and promissory notes in course of his business activity. Further, he is also engaged in betting activities.

During the month of April in the current year, he availed the following services:
(a) GTA services from XYZ Transports (GST was charged @ 5%) – Rs. 35,000.
(b) Renting of Godown premises from Local Municipality – Rs. 40,000
(c) Legal service availed from a Firm of Advocates – Rs. 50,000.

He sold a car used for his personal purposes for Rs. 1,00,000. He disposed off his old computers for Rs. 60,000 on which no ITC was claimed. He also gave away his stock of old consumer goods amounting to Rs. 75,000 (on which had had claimed ITC) to an old orphanage home.

He received goods on 1st May that are liable to tax under reverse charge. Invoice was issued on 5th May and payment for the same was made on 6th June.

He paid repair expenses for truck used for transportation of goods of his business. GST component involved thereon was Rs. 13,000. He arranged for catering on Labor Day function and paid bill in which GST component was Rs. 15,000. He received first lot of certain goods having GST component of Rs. 25,000.

All the amounts given above are exclusive of taxes, wherever applicable. All the supply referred above is intra-state unless specified otherwise. Conditions necessary for claiming ITC have been fulfilled subject to the information given above:

Based on the information given above, choose the most appropriate answer for the following questions:

1. Which of the following is not considered a supply as per the provisions of CGST Act, 2017?
   (i) Bill of Exchange
   (ii) Unsecured Debentures
   (iii) Betting
   (iv) Promissory Note

   (a) (i) and (ii)

   (b) (i), (ii) and (iii)

   (c) (ii), (iii) and (iv)

   (d) (i), (ii) and (iv)

2. Determine the value of taxable service under reverse charge mechanism?

   (a) Rs. 35,000

   (b) Rs. 75,000

   (c) Rs. 85,000

   (d) Rs. 1,25,000

3. In respect of sale of personal car and disposal of computer and stock of goods, value of supply will be-

   (a) Rs. 60,000

   (b) Rs. 75,000

   (c) Rs. 1,35,000

   (d) Rs. 2,35,000

4. Time of Supply of goods received by Mr. Pasupathi is-

   (a) 1st May

   (b) 5th May

   (c) 5th June

   (d) 6th June

5. Compute the amount of input tax credit (except ITC on services taxable under reverse charge mechanism) that can be claimed by Mr. Pasupathi?

   (a) Rs. 28,000

   (b) Rs. 38,000

   (c) RS. 40,000

   (d) Rs. 13,000

[Ans: 1. (d), 2. (b), 3. (b), 4. (a), 5. (d)]

Case 5:

M/s Vittal & Co., a registered supplier under GST, is dealing in supply of taxable goods in the State of Karnataka. The firm opted for Composition Scheme since April. It's turnover crossed Rs. 1.50 Crores on 9th May and has opted for withdrawal of Composition Scheme on the said date.

Vittal & Co., sent goods on 10th June to Suri & Co., on 'Sale and Return Basis'. Suri & Co., accepted the goods vide its confirmation mail dated 15th December.

The firm has paid GST for various items during the month of August. It comprised of the following:

(a) GST paid on input services intended to be used for personal purposes – Rs. 12,000.
(b) GST paid on purchase of Motor Vehicle for business use (being a two-wheeler having engine capacity of 25CC) – Rs. 9,000
(c) GST paid on purchase of computer – Rs. 19,000
(GST portion was included as part of cost to claim depreciation under Income Tax Act, 1961)

During May, Vittal & Co., had reversed ITC of Rs. 10,000 for not making payment to vendors within the time prescribe under CGST Act, 2017. The pending payment was cleared in the month of August.

Out of purchases made and ITC availed during earlier months, the following information is made available as on September:

Supplier Name	Payment is due for (Number of days)	Related ITC component
XYZ	165	Rs. 13,000
ABC	199	Rs. 15,000
PQR	99	Rs. 20,000

Vittal & Co., received accounting services from Raghu & Co., an associated enterprise, located in Sri Lanka. Raghu & Co., issued invoice for the service on 1st September, which was entered by Vittal & Co., in its book on 10th October. But payment was made on 30th September. All the supply referred above is intra-state unless specified otherwise. Conditions applicable for availment of ITC are fulfilled subject to the information given above.

Based on the information provided above, choose the most appropriate answer for the following questions:

1. Vittal & Co., needs to furnish a statement containing details of stock of inputs / inputs held in finished goods on the withdrawal of Composition Scheme by___________

   (a) 9th May

   (b) 23rd May

(c) 8th June

(d) 7th July

2. In respect of the goods sent on sale or return basis, Vittal & Co., shall issue the invoice by-

(a) 10th June

(b) 10th September

(c) 10th December

(d) 15th December

3. Determine the amount of eligible input tax credit that can be availed by Vittal & Co., for the month of August?

(a) Nil

(b) Rs. 19,000

(c) Rs. 22,000

(d) Rs. 50,000

4. Compute the amount of ITC to be reversed for the month of September?

(a) Nil

(b) Rs. 28,000

(c) Rs. 15,000

(d) Rs. 13,000

5. Time of supply in respect of service imported by Vittal & Co., from its Associated Enterprise is-

(a) 1st September

(b) 30th September

(c) 1st October

(d) 10th October

[Ans: 1. (c), 2. (c), 3. (b), 4. (c), 5. (b)]

Case 6:

M/s Triambak & Co., a LLP registered dealer under GST is engaged in various types of business activities.

It provided GTA services to Government Department, registered under GST for providing various services. The firm provided services of Direct Selling Agency (DSA services) to NBFC located in Mumbai. The firm also provided gift to each of its employees valuing Rs. 50,000 once in a financial year.

M/s Triambak & Co., let out its warehouse to Mr. Grushnesh, who in turn let out to an Agriculturist for warehousing of agri produce. The firm also undertakes milling of paddy into rice for various agriculturists.

The firm was served with an order by the GST authority demanding to pay GST on two counts-
(a) Demand to pay GST of Rs. 45,000 for suppression of sales figures in monthly returns.
(b) Demand to pay GST of Rs. 55,000 for fraudulently obtaining refund of GST.

Further, in a particular month, the GST liability of the firm was Rs. 20,000 IGST, Rs. 10,000 CGST and Rs. 10,000 SGST. The following credits were available for the said month-
IGST: Rs. 8,000
CGST: Rs. 12,000
SGST: Rs. 5,000

All the amounts given above are exclusive of taxes, wherever applicable. All the supply referred above is intra-state unless specified otherwise. Conditions for availing ITC are fulfilled subject to the information given above.

Based on the information given above, choose the most appropriate answer for the following questions:

1. Choose the Correct Statements:
   (i) For GTA services, Government is liable to pay GST under reverse charge.
   (ii) For DSA services, NBFC is liable to pay GST under reverse charge.
   (iii) For GTA services, Triambak & Co., is liable to pay GST under forward charge.
   (iv) For DSA services, Triambak & Co., is liable to pay GST under forward charge.

   (a) (i) and (ii)

   (b) (iii) and (iv)

   (c) (i) and (iv)

   (d) (ii) and (iv)

2. Gift of Rs. 50,000 in value provided by Triambak & Co., to each of its employee will be-

   (a) Supply of goods

   (b) Supply of services

   (c) Both supply of goods and services

   (d) Neither supply of goods nor supply of services

3. Which of the following statement is correct?
   (i) Letting out of warehouse to Grushnesh is exempt
   (ii) Milling of paddy into rice is exempt
   (iii) Letting out of warehouse to Grushnesh is not exempt
   (iv) Milling of paddy into rice is not exempt

   (a) (i) and (ii)

   (b) (iii) and (iv)

   (c) (i) and (iv)

   (d) (ii) and (iii)

4. M/s Triambak & Co., is eligible to claim input tax credit of-

   (a) Rs. 45,000

   (b) Rs. 55,000

   (c) Rs. 1,00,000

   (d) Nil

5. Compute the GST Liability of the firm to be paid in cash:

   (a) IGST: Rs. 10,000, CGST: Nil, SGST: Rs. 5,000

   (b) IGST: Rs. 12,000, CGST: Nil, SGST: Rs. 5,000

   (c) IGST: Nil, CGST: Rs. 10,000, SGST: Rs. 5,000

   (d) IGST: Rs. 5,000, CGST: Nil, SGST: Rs. 10,000

[Ans: 1. (c), 2. (d), 3. (b), 4. (d), 5. (a)]

Case 7:

Ms. Chanchala, having an in-patient facility in her hospital, is a registered person under GST.

She availed interior decoration services from her spouse without any consideration being paid. She also availed IT related services from her sister-in-law without any consideration. Both services were for the purpose of her profession.

Ms. Chanchala provided treatment for various diseases in her hospital and apart from that she also provided the following services in her hospital:
(a) Plastic surgery to enhance beauty of the face
(b) Ambulance service for transportation of patients
(c) Renting of space to run medial store in hospital premises

She is also a consultant in other hospitals and received Rs. 40,00,000 as consultancy fee from the other hospitals.

Further, she also provides canteen facility and received Rs. 55,000 from in-patients, Rs. 35,000 from patients who are not admitted and Rs. 25,000 from the visitors for the same facility.

She filed GSTR-3B for the month of June with some errors. She filed the annual return for the said financial year on 31st October of the next year, whereas due date for the said Annual Return is 31st December of the next year.

Proper officer of the department cancelled the registration certificate of Ms. Chanchala suo-moto on 31st July. Order of cancellation was served on 5th August. However, she applied for revocation of the same and got her registration certificate revoked.

All the amounts given above are exclusive of taxes, wherever applicable. All the supply referred above is intra-state unless otherwise specified. From the information provided above, choose the most appropriate answers for the questions given below:

1. Which of the following is a correct statement as per the provisions of CGST Act, 2017?
   (i) Service availed from her spouse is a deemed supply
   (ii) Service availed from her sister-in-law is a deemed supply
   (iii) Service availed from her spouse is not a deemed supply
   (iv) Service availed from her sister-in-law is not a deemed supply

   (a) (i) and (iv)

   (b) (iii) and (iv)

   (c) (ii) and (iii)

   (d) (i) and (ii)

2. Compute the taxable value of canteen service provided by Ms. Chanchala:

    (a) Rs. 25,000

    (b) Rs. 35,000

    (c) Rs. 60,000

    (d) Rs. 80,000

3. Ms. Chanchala should have applied for revocation of cancellation of registration by-

    (a) 5th August

    (b) 20th August

    (c) 30th August

    (d) 4th September

4. Maximum time permissible for rectification of error committed in monthly return of June is-

    (a) 20th July

    (b) 20th October of the next year

    (c) 31st October of the next year

    (d) 31st December of the next year

5. Which of the following services provided by Ms. Chanchala and her hospital are exempt from tax?
    (i) Plastic surgery to enhance the beauty of the face
    (ii) Ambulance service for transportation of patients
    (iii) Renting of space to run medical store in hospital premises
    (iv) Consultancy services by Ms. Chanchala in other hospitals

    (a) (i), (ii) and (iv)

    (b) (i) and (ii)

    (c) (ii) and (iv)

    (d) (i) and (iii)

[Ans: 1. (a), 2. (c), 3. (d), 4. (b), 5. (c)]

Case 8:

M/s Visali & Co., a partnership firm, is engaged in the manufacturing of equipment in the state of Kerala.

The firm became liable for registration on 10th July. It applied for registration on 10th August and was granted registration certificate on 14th August.

The firm received sponsorship service from "Leisure Treat Bay Private Limited" for conducting a business expo. It received a consignment from M/s Safe Logistics, a GTA, which charged 6% each CGST and SGST for its services. It also received security services from Prompt Security Agency Pvt. Ltd.

The firm had opted for Composition levy and its turnover for the quarter ending September was Rs. 14 Lakhs, out of which taxable supply amounted to Rs. 10 Lakhs and exempt supply amounted to Rs. 4 Lakhs.

The firm made a supply of equipment to an unrelated limited company in the month of October having a market value of Rs. 12 Lakh, wholesale value of Rs. 13 Lakh and maximum retail price of Rs. 14 Lakh. However, the transaction was made at Rs. 11 Lakh.

The firm belatedly paid tax amounting to Rs. 40,000 for the quarter ending December on 9th February of the succeeding year.

All the amounts given above are exclusive of taxes, wherever applicable. All the supplies mentioned above are intra-state, unless specified otherwise.

Based on the information given above, choose the most appropriate answer for the following questions:

1. The effective date of registration of M/s Visali & Co., is-

   (a) 10th July

   (b) 9th August

   (c) 10th August

   (d) 14th August

2. Among the services availed by M/s Visali & Co., which of the following services are taxable under reverse charge mechanism?
   (i) Sponsorship services received from Leisure Treat Bay Private Limited.
   (ii) GTA services received from Safe Logistics
   (iii) Security Services received from Prompt Security Agency Pvt. Ltd.

(a) (i)

(b) (i) and (ii)

(c) (i) and (iii)

(d) (ii) and (iii)

3. What is the value of supply of equipment under section 15(1) of CGST Act, 2017 made by M/s Visali & Co., in the month of October?

   (a) Rs. 14 Lakh

   (b) Rs. 13 Lakh

   (c) Rs. 12 Lakh

   (d) Rs. 11 Lakh

4. What is the tax payable by the firm for the quarter ending September under CGST and SGST?

   (a) Rs. 5,000 each

   (b) Rs. 7,000 each

   (c) Rs. 10,000 each

   (d) Rs. 35,000 each

5. What is the amount of interest payable by the firm for the belated payment of tax?

   (a) Rs. 395

   (b) Rs. 434

   (c) Rs. 414

   (d) Rs. 552

[Ans: 1. (d), 2. (a), 3. (d), 4. (b), 5. (b)]

Case 9:

Mr. Mandeep, a registered dealer, is engaged in the business of supplying construction material in the State of Assam. He availed architect services for his business from his friend in London free of cost. He also availed designing services from his brother in London for Rs. 5 Lakh for personal purposes.

He availed services which are liable to tax under reverse charge for which the date of invoice was 1st September, payment date as per his books of accounts and as per his bank account was 15th November and 18th November respectively.

His turnover for the current financial year is as follows:

Taxable supply of goods – Rs. 55 Lakhs
Exempt supply of goods – Rs. 16 Lakhs
Inward supply liable to tax under reverse charge – Rs. 8 Lakhs.

He intends to start providing services also, from next financial year and also to avail composition scheme under section 10(1) of the CGST Act, 2017. He also wishes to make supplies to the Government.

All the amounts given above are exclusive of taxes, wherever applicable. All the supply referred above are intra-state unless otherwise specified.

Based on the information given above, choose the most appropriate answers for the following questions:

1. In respect of services imported by Mr. Mandeep, which of the following is a correct statement?
   (i) Architect services for his business from his friend in London free of cost is considered as a supply.
   (ii) Designing services from his brother in London for Rs. 5 Lakhs for his personal purposes is considered as a supply.
   (iii) Architect services for his business from his friend in London free of cost is not considered as a supply.
   (iv) Designing services from his brother in London for Rs. 5 Lakhs for his personal purposes is not considered as a supply.

   (a) (i) and (ii)

   (b) (i) and (iv)

   (c) (ii) and (iii)

   (d) (iii) and (iv)

2. What is the time of supply of services received by Mr. Mandeep, which are taxable under reverse charge?

   (a) 1st September

   (b) 1st November

   (c) 15th November

   (d) 18th November

3. What is the aggregate turnover of Mr. Mandeep for the given financial year?

   (a) Rs. 63 Lakhs

   (b) Rs. 79 Lakhs

   (c) Rs. 71 Lakhs

   (d) Rs. 55 Lakhs

4. Mr. Mandeep will be eligible for composition scheme under section 10(1) of the CGST Act, 2017, in the next financial year, but he can supply services only up to

   (a) Rs. 5.00 Lakhs

   (b) Rs. 6.30 Lakhs

   (c) Rs. 7.90 Lakhs

   (d) Rs. 7.10 Lakhs

5. In case he supplies services to State Government by way of any activity in relation to any function entrusted to a Municipality under Article 243W of the Constitution, in the next financial year, which of the following will be exempt?
   (i) Pure services
   (ii) Composite supply of goods and services in which value of supply of goods constitutes not more than 25% of value of said composite supply
   (iii) Composite supply of goods and services in which value of supply of services constitutes not more than 25^ of value of said composite supply

   (a) (i) and (iii)
   (b) (ii) and (iii)
   (c) (i), (ii) and (iii)
   (d) (i) and (ii)

[Ans: 1. (c), 2. (b), 3. (c), 4. (d), 5. (d)]

Case 10:

Miss Riya, is a multi-faceted business personality. She is registered under GST from April, this year.

She supplied a package consisting of stapler, calculator and charger at a single price of Rs. 300. Rate of GST for stapler, calculator and charger is 5%, 12% and 18% respectively.

She wants to opt for composition levy.

She received following payments during the month of May:

- Earned Rs. 1,60,000 by performing a western music in a cultural event at a resort
- Earned Rs. 50,000 by providing services by way of renting of residential dwelling for use as boutique
- Received Rs. 70,000 by way of rent for letting agro machinery

Ms. Riya, made a supply during June, details of which are as follows:

- Basic price of the product before TCS under Income Tax Act, 1961 – Rs. 45,000
- Tax collected at source under Income Tax Act, 1961 – Rs. 2,500
- She received a subsidy of Rs. 3,500 from Green Foundation Pvt. Ltd., for usage of green energy and the subsidy was linked to saving energy

Ms. Riya provides the following information regarding receipt of inward supply during July:

- Received invoice for goods having GST component of Rs. 30,000. Goods were to be delivered in 5 lots, out of which 3 lots were received in the current month
- Purchased a car having GST component of Rs. 1,50,000 for the usage in a driving school owned by her
- Availed health insurance service for her employees on her own and paid GST of Rs. 7,000 thereon

All the amounts given above are exclusive of taxes, wherever applicable. All the supply referred above is intra-state unless otherwise specified. Conditions necessary for claiming input tax credit (ITC) have been fulfilled subject to the information given above.

From the information given above, choose the most appropriate answers for the following questions:

1. What would be the nature of supply and the applicable rate of GST for the supply of package made by Ms. Riya (when not registered under composition scheme)-

    (a) Composite Supply, 12%

    (b) Mixed Supply, 18%

    (c) Composite Supply, 18%

    (d) Mixed Supply, 12%

2. Ms. Riya can opt for composition scheme if she does not undertake the supply of-
   (i) Aerated water
   (ii) Tobacco
   (iii) Pan Masala
   (iv) Milk

   (a) (i) and (ii)

   (b) (iii) and (iv)

   (c) (i), (ii) and (iii)

   (d) (ii), (iii) and (iv)

3. Out of payments received by Ms. Riya in the month of May, exempt supply amounts to-

   (a) Rs. 50,000

   (b) Rs. 70,000

   (c) Rs. 1,20,000

   (d) Rs. 1,60,000

4. What is the value of supply made by Ms. Riya under section 15(1) of CGST Act?

   (a) Rs. 45,000

   (b) Rs 47,500

   (c) Rs. 48,500

   (d) Rs. 51,000

5. What is the amount of input tax credit that can be claimed by Ms. Riya?

   (a) Rs. 30,000

   (b) Rs. 37,000

   (c) Rs. 1,50,000

   (d) Rs. 1,57,000

[Ans: 1. (b), 2. (c), 3. (b), 4. (a), 5. (c)]

Case 11:

M/s Shanky Consultants, a partnership firm registered in Delhi, renders following services during the year:
(i) Security services: Rs. 2,00,00,000 to registered business entities
(ii) Manpower services (Accountants): Rs. 5,00,000
(iii) Auditing Services: Rs. 1,00,00,000
Other information:
(i) Shanky Consultants also paid Sponsorship fees of Rs. 70,000 at seminar organised by a Private NGO (a partnership firm) in Delhi.
(ii) Shanky Consultant pays rent amounting to Rs. 6,00,000 for a building owned by MCD.
(iii) Assume all services are taxable at 18% and all transactions to be intra-state supplies.
Based on the above, answer the following questions:

1. What is the aggregate turnover of Shanky Consultants?

   (a) Rs. 3,05,00,000

   (b) Rs. 3,05,70,000

   (c) Rs. 1,05,00,000

   (d) Rs. 1,05,70,000

2. GST Liability paid under reverse charge by Shanky Consultants is-

   (a) CGST: Rs. 60,300, SGST: Rs. 60,300

   (b) CGST: Rs. 6,300, SGST: Rs. 6,300

   (c) CGST: Rs. 54,000, SGST: Rs. 54,000

   (d) None of the above

3. Which of the following statement is true in respect of security services provided by Shanky Consultants to registered business activities?

   (a) Shanky Consultants shall issue GST compliant tax invoice.

   (b) Shanky Consultants shall issue bill of supply stating “Tax to be paid by Service Recipient under Reverse Charge”

   (c) Shanky Consultants shall issue any document in lieu of tax invoice

   (d) Shanky Consultants shall issue receipt voucher every time it receives payment.

[Ans: 1. (a), 2. (a), 3. (a)]

Case 12:

Ms. Neha is engaged in supply of services. She is registered under GST and has opted to pay tax under composition scheme for service provider under section 10(2A) of the CGST Act. The turnover for the quarter ending June was Rs. 12,00,000.

During July, she crossed the aggregate turnover of Rs. 50,00,000 and opted out of Composition Scheme. She also started trading of goods in July.

She supplied an order to Breathe-well LLP on ex-factory basis, the details of which are as follows:

i. Basic Price of the product: Rs. 53,000
ii. Outward freight Rs. 12,000
iii. Packing charges Rs. 5,000
iv. Discount given on receiving the payment (not included in invoice) Rs. 2,000

For supplies provided to Breathe-well LLP, she received half of the amount in advance on 22nd July. The goods were dispatched from her factory on 25th July and delivered on 28th July. She raised the invoice on 30th July and the balance payment was also received on the same date.

Ms. Neha received 25 invoices from various suppliers involving GST of Rs. 1,50,000 for the month of July. While filing GSTR-3B for the said month on 20th August, she found that only 20 invoices involving GST of Rs. 1,00,000 were uploaded by the suppliers.

Ms. Neha supplied goods to the following persons:

Sl. NO.	Recipient	Value of Supply
1	Mr. Pawan – an unregistered person	Rs. 150
2	Mr. Umesh – a registered person	Rs. 110
3	Rains Trust – an unregistered entity	Rs. 250

None of the above persons required a tax invoice.

All the amounts given above are exclusive of taxes, wherever applicable. All the supply referred above are intra-state unless otherwise specified. Conditions applicable for availment of ITC are fulfilled subject to the information given above. From the information given above, choose the most appropriate answer for the following questions:

1. Compute the tax liability for the quarter ending June under CGST and SGST

   (a) Rs. 30,000 each

   (b) Rs. 12,000 each

   (c) Rs. 6,000 each

   (d) Rs. 36,000 each

2. Compute the value of supply made by Ms. Neha to Breathe-well LLP:

   (a) Rs. 56,000

   (b) Rs. 58,000

   (c) Rs. 68,000

   (d) Rs. 75,000

3. What is the amount of ITC that can be claimed by Ms. Neha for the month of July?

   (a) Rs. 1,00,000

   (b) Rs. 1,10,000

   (c) Rs. 1,20,000

   (d) Rs. 1,50,000

4. What is the time of supply for the supply made to Breathe-well LLP?

   (a) 22nd July

   (b) 25th July

   (c) 28th July

   (d) 30th July

5. Ms. Neha need not issue invoice to which of the following persons:

   (a) Mr. Pawan

   (b) Mr. Pawan and Umesh

   (c) Mr. Pawan and Rains Trust

   (d) Need not issue invoice to all the three persons

[Ans: 1. (d), 2. (b), 3. (c), 4. (b), 5. (a)]

Case 13:

Poorva Logistics is a Goods Transport Agency (GTA) registered under GST. It provided GTA services (taxable @ 5%) to the following persons:
(a) Kunal Traders, an unregistered partnership firm
(b) Mr. Amar, a casual taxable person, who is not registered under GST
(c) Small Traders Co-operative Society registered under Societies Registration Act.

In a particular consignment, Poorva Logistics transported the following:
(a) Defence Equipments
(b) Railway Equipments
(c) Organic Manure

Poorva Logistics opted to charge GST @ 12% from October. It provided GTA services to Bama Steels Pvt. Ltd., on 1st October and issued an invoice dated 5th November. Payment was received on 6th November. It provided both inter-State and intra-State service to various registered as well as unregistered persons. Based on the information provided above, choose the most appropriate answer for the following questions:

1. Which of the following persons are liable to pay GST on reverse charge in respect of GTA services (taxable @ 5%) provided by Poorva Logistics?
   (i) Kunal Traders
   (ii) Mr. Amar
   (iii) Small Traders Co-operative Society

   (a) (i) and (ii)

   (b) (ii) and (iii)

   (c) (i) and (iii)

   (d) (i), (ii) and (iii)

2. Out of the items transported by Poorva Logistics, which of the following is/are exempt from GST?
   (i) Defence Equipments
   (ii) Railway Equipments
   (iii) Organic Manure

   (a) (i)

   (b) (i) and (ii)

   (c) (i) and (iii)

   (d) (i), (ii) and (iii)

3. What will be the time of supply in respect of the services provided by Poorva Logistics to Bama Steels Pvt. Ltd?

   (a) 6th November

   (b) 5th November

   (c) 30th November

   (d) 1st October

4. Which of the following statements is correct in respect of services provided by Poorva Logistics to Bama Steels Pvt. Ltd?

   (a) Bama Steels Pvt. Ltd., is liable to pay GST

   (b) Poorva Logistics Ltd., is liable to pay GST

   (c) Service provided by Poorva Logistics to Bama Steels Pvt. Ltd., is exempt under GST

   (d) Bama Steels Pvt. Ltd., is liable to pay 50% GST and remaining 50% will be paid by Poorva Logistics

5. In respect of which of the following supplies, Poorva Logistics has to provide invoice-wise details in GSTR-1?
   (i) Inter-state supplies to registered person with invoice value not exceeding Rs. 2,50,000
   (ii) Inter-state supplies to unregistered person with invoice value not exceeding Rs. 2,50,000
   (iii) Inter-state supplies to unregistered person with invoice value exceeding Rs. 2,50,000
   (iv) Intra-state supplies to registered person with invoice value not exceeding Rs. 2,50,000

   (a) (i) and (iv)

   (b) (i) and (ii)

   (c) (ii) and (iii)

   (d) (i), (iii) and (iv)

[Ans: 1. (c), 2. (c), 3. (d), 4. (b), 5. (d)]

Case 14:

Vedanshi & Co., a partnership firm, is engaged in retail trade service since 1st April. The firm became liable for registration on 1st October. However, it applied for registration on 10th October. It had inputs held in stock, semi-finished and finished goods. The firm was granted certificate of registration on 5th November.

Vedanshi & Co., needs to transport one consignment to the transporter and then to the consignee. The distance between godown of the firm and the transporter is 20 kms and from the place of transporter to consignee is 99 kms.

In the month of November, the firm received 80 invoices for various inward supplies on which total GST paid was Rs. 8 Lakhs. However, only 60 invoices involving GST of Rs. 7.50 Lakhs was uploaded in GSTR-1 by the respective suppliers.

Also, while filing return for the month of November, the firm generated E-challan on 5th December for making payment of GST through RTGS of their bank.

All the supply referred above is intra-state unless specified otherwise. Conditions applicable for availment of ITC are fulfilled subject to the information given above.

From the information provided above, choose the most appropriate answer for the following questions:

1. Determine the effective date of registration of Vedanshi & Co?

   (a) 1st April

   (b) 1st October

   (c) 10th October

   (d) 5th November

2. Vedanshi & Co., is eligible to claim ITC in respect of inputs held in stock as on-

   (a) 30th September

   (b) 1st October

   (c) 10th October

   (d) Not eligible to claim ITC

3. Which of the following statements is true in respect of furnishing of details of conveyance in Part B of e-way Bill?

   (a) Part B need not be filed in respect of transport of consignment from Godown to transporter location

   (b) Part B need not be filed in respect of transport of consignment from transporter location to consignee's location.

   (c) Information in Part B is neither required in transport of consignment from Godown to transporter location nor from transporter location to consignee location

   (d) Information in Part B is mandatory in transport of consignment from Godown to transporter location and from transporter location to consignee's location

4. What is the amount of ITC that can be claimed by Vedanshi & Co., for the month of November?

   (a) Rs. 7,50,000

   (b) Rs. 8,00,000

   (c) Rs. 8,25,000

   (d) Rs. 6,75,000

5. Determine the validity of E-Challan generated by Vedanshi & Co., for payment of taxes for the month of November:

   (a) 5th December

   (b) 15th December

   (c) 20th December

   (d) 31st December

[Ans: 1. (b), 2. (a), 3. (a), 4. (b), 5. (c)]

Case 15:

M/s Safe Bank Ltd., a small finance bank, was incorporated in April this year. The bank got registered under GST immediately on its incorporation as a banking company.

M/s Safe Bank Ltd., received its software support service from its Head Office (HO) located in United Kingdom. No amount was charged by HO for the said service. Value of the said service was Rs. 4,10,000. M/s Safe Bank Ltd., provided one high end laptop worth Rs. 50,000 to its new Managing Director as a gift for discharge of his duties.

Initially the bank opened 125 branches across India covering various States. In order to secure business, the bank appointed 'Quick Loan Providers LLP', a direct selling agent, on Pan India basis. The bank was in need of services of recovery agents for various retail and personal loans granted by its branches. For this purpose, the bank appointed 'Fast Recovery Services Pvt. Ltd.,' a recovery agent, on pan India basis.

M/s Safe Bank Ltd., provided the following details for the month of May-

Sl. No	Nature of Receipt	Amount (Rs.)
1	Interest received on term loan	10,75,000
2	Interest received on credit card transactions	6,20,000
3	Interest received on Fixed Deposit held with SBI, Mumbai	25,00,000
4	Commission received on Letter of Credit issued	3,00,000
5	Documentation charges collected from borrowers	1,25,000
6	Sale of foreign exchange to authorised dealers of Bank of Rajasthan	15,60,000

M/s Safe Bank Ltd., had opted for optional method, under section 17(4) of CGST Act, 2017, for claiming input tax credit in respect of its operations. For the month of May, the relevant details are as follows:
(i) GST paid on eligible input services – Rs. 12,00,000
(ii) GST paid on eligible capital goods – Rs. 6,00,000
(iii) GST paid on items whose credit is blocked under section 17(5) of CGST Act – Rs. 4,00,000
(iv) GST paid on services availed from within the same Bank having distinct registration – Rs. 2,00,000

All the amounts given above are exclusive of taxes, wherever applicable. All supply referred above are intra-state unless specified otherwise. Based on the information given above, choose the most appropriate answer for the following questions:

1. Determine the value of deemed supply in the given case:

    (a) Nil

    (b) Rs. 50,000

(c) Rs. 4,10,000

(d) Rs. 4,60,000

2. In respect of services availed by M/s Safe Bank Ltd., the bank shall pay tax under reverse charge for which of the following services?

   (a) Service availed from 'Quick Loan Providers LLP'

   (b) Service availed from 'Fast Recovery Services Pvt. Ltd.'

   (c) Both (a) and (b)

   (d) None of the services availed attracts RCM

3. Compute the value of exempt supply provided by M/s Safe Bank Ltd., for the month of May?

   (a) Rs. 15,00,000

   (b) Rs. 41,95,000

   (c) Rs. 51,35,000

   (d) Rs. 66,95,000

4. What is the value of taxable supply made by M/s Safe Bank Ltd., for the month of May?

   (a) Rs. 10,45,000

   (b) Rs. 21,20,000

   (c) Rs. 36,80,000

   (d) Rs. 61,80,000

5. What is the amount of ITC that can be claimed by M/s Safe Bank Ltd.?

   (a) Rs. 11,00,000

   (b) Rs. 18,00,000

   (c) Rs. 20,00,000

   (d) Rs. 24,00,000

[Ans: 1. (c), 2. (b), 3. (c), 4. (a), 5. (a)]

Case 16:

M/s KBC Insurance Ltd., is an insurance company providing life and non-life products across India. The company is carrying on its business for the past three years with the approval of IRDA.

M/s KBC Insurance Ltd., secure its business through various insurance agents spread across India. Those agents include individuals, firm, LLP and Private Ltd. Co., also. However, all of them are licensed under Insurance Act.

The company availed services of renting of motor vehicles for its employees in Pan India through 'RR Travels Private Limited', where cost of fuel is included in the consideration charged. The service provider charged 5% GST and informed the company that it is claiming ITC only in respect of the same line of business.

M/s KBC Insurance Ltd., provided the following details of insurance business for the month of May-

Sl. No	Nature of Receipt	Amount (Rs.)
i.	Premium received on Pradhan Mantri Jan Dhan Yojana	5,00,000
Ii	Premium received on Aam Aadmi Bima Yojana	3,00,000
iii.	Premium received on Life micro-insurance product having a sum assured of Rs. 2.50 Lakhs	4,00,000
iv.	Premium received on reinsurance of Group Personal Accident Policy for Self-Employed Women	1,00,000
v.	Premium received on Fire and Special Perils policy of various business units	7,00,000
vi.	Premium received on Money-back policies issued	12,00,000

M/s KBC Insurance Ltd., received a proposal for Pandemic Insurance for IPL matches from the franchisees. Sum assured for the said insurance was Rs. 250 Crores with a premium of Rs. 50 Lakhs. The company issued the said policy on 1st July. Invoice for the same was issued on 5th August. Premium was received on 14th August.

Invoice dated 5th August issued by the Company contained the following information:
(i) Serial Number.
(ii) Name of the Recipient
(iii) Address of the Recipient
(iv) Taxable Value
(v) Date of its Issue
(vi) Amount of tax charged

M/s KBC Insurance Ltd., received the following supplies in the month of May and the details of GST paid on such supplies are as follows:

(a) GST paid on purchase of car for use of Managing Director – Rs. 5,00,000
(b) GST paid on bus (seating capacity for 14 persons) purchased by the Company for transportation of its employees from their residence to office and back - Rs. 3,00,000
(c) GST of Rs. 80,000 was paid on General Insurance taken from Amity Insurance Ltd., for motor vehicles for transportation of persons with seating capacity ≤ 13 persons (including the driver) which were used in transportation of staff of the company.

All the amounts given above are exclusive of taxes wherever applicable. All the supply referred above are intra-State unless specified otherwise. Aggregate turnover of the company is not less than Rs. 10 Crores for the past three years. Conditions necessary for availment of ITC are fulfilled subject to information given.

Based on the information given above, choose the most appropriate answer for the following questions:

1. Identify the services for which the company is liable to pay tax under reverse charge:

   (a) Service availed from insurance agents

   (b) Service availed from RR Travels Private Limited

   (c) None of the Services availed attracts RCM

   (d) Both (a) and (b)

2. What is the value of exempt supply provided by M/s KBC Insurance Ltd., for the month of May?

   (a) Rs. 9,00,000

   (b) Rs. 13,00,000

   (c) Rs. 20,00,000

   (d) Rs. 32,00,000

3. What is the value of taxable supply made by M/s KBC Insurance Ltd., for the month of May?

   (a) Rs. 4,00,000

   (b) Rs. 12,00,000

   (c) Rs. 23,00,000

   (d) Rs. 32,00,000

4. What is the amount of ITC that can be claimed by M/s KBC Insurance Ltd.?

   (a) Rs. 80,000

   (b) Rs. 3,00,000

   (c) Rs. 3,80,000

   (d) Rs. 8,80,000

5. What is the time of supply of service provided to IPL Franchisees?

   (a) 1st July

   (b) 16th August

   (c) 5th August

   (d) 14th August

6. Which of the following details are not mandatorily required to be mentioned in the invoice by the company?
   (i) Serial Number.
   (ii) Name of the Recipient
   (iii) Address of the Recipient
   (iv) Taxable Value
   (v) Date of its Issue
   (vi) Amount of tax charged

   (a) (i) and (ii)

   (b) (i) and (iii)

   (c) (i), (ii) and (iii)

   (d) (iv), (v) and (vi)

[Ans: 1. (a), 2. (a), 3. (c), 4. (c), 5. (c), 6. (b)]