

# INTEGRATED CASE SCENARIOS

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

During the month of April in the current year, he availed the following services-

- (a) GTA services from XYZ Transports (GST was charged @ 5%) – ₹ 35,000
- (b) Renting of Godown premises from Local Municipality – ₹ 40,000
- (c) Legal service availed from a Firm of Advocates – ₹ 50,000

He sold a car used for his personal purposes for ₹ 1,00,000. He disposed off his old computers for ₹ 60,000 on which no ITC was claimed. He also gave away his stock of old consumer goods amounting to ₹ 75,000 (on which he had claimed ITC) to an 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 entered in the books of accounts on same day and debited in the bank account on 7th June.

He paid repair expenses for truck used for transportation of goods of his business. GST component involved thereon was ₹ 13,000. He arranged for catering for his workers on Labour Day function and paid bill in which GST component was ₹ 15,000. He received first lot of certain goods having GST component of ₹ 25,000. All the amounts given above are exclusive of taxes, wherever applicable. All the supplies referred above are 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:

- 1.1 Determine the value of services taxable under reverse charge mechanism?

- (a) ₹ 35,000      (b) ₹ 75,000      (c) ₹ 85,000      (d) ₹ 1,25,000

Answer: (b)

- 1.2 In respect of sale of personal car and disposal of computer and stock of goods, total value of supply will be \_\_\_\_\_.

- (a) ₹ 60,000      (b) ₹ 75,000      (c) ₹ 1,35,000      (d) ₹ 2,35,000

Answer: (a)

- 1.3 Time of Supply of goods received by Mr. Pasupathi is \_\_\_\_\_.

- (a) 1st May      (b) 5th May      (c) 5th June      (d) 6th June

Answer: (a)

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

- (a) ₹ 28,000      (b) ₹ 40,000      (c) ₹ 38,000      (d) ₹ 13,000

Answer: (d)



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

- (a) Nil (b) ₹ 19,000 (c) ₹ 22,000 (d) ₹ 50,000

**Answer: (b)**

**2.4 Compute the amount of ITC to be reversed for the month of September? Ignore interest liability, if any.**

- (a) Nil (b) ₹ 28,000 (c) ₹ 15,000 (d) ₹ 13,000

**Answer: (c)**

**2.5 Time of supply in respect of service imported by Vittal & Co from its Associated Enterprise is \_\_\_\_.**

- (a) 1<sup>st</sup> September (b) 30<sup>th</sup> September (c) 1<sup>st</sup> October (d) 10<sup>th</sup> October

**Answer: (b)**

**3.** 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 for which GST is payable @ 5%.

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 ₹ 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 agricultural produce. The firm also undertakes milling of paddy into rice for various agriculturists (not under the Public Distribution Scheme).

The firm paid GST with respect to an order served by the GST authority demanding to pay GST on two counts-

- (a) Demand to pay GST of ₹ 45,000 for suppression of sales figures in monthly returns  
(b) Demand to pay GST ₹ 55,000 for fraudulently obtaining refund of GST.

Further, in a particular month, the GST liability of the firm was ₹ 20,000 IGST; ₹ 10,000 CGST; ₹ 10,000 SGST. The following credits were available in the said month-

IGST: ₹ 8,000 CGST: ₹ 12,000 SGST: ₹ 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 provided above, choose the most appropriate answer for the following questions-**

**3.1 Choose the correct statement(s).**

- (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 & ii (b) iii & iv (c) i & iv (d) ii & iv

**Answer: (c)**

**3.2 Gift of ₹ 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

**Answer: (d)**

**3.3 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 & ii                      (b) iii & iv                      (c) i & iv                      (d) ii & iii

**Answer: (b)**

**3.4 M/s Triambak & Co is eligible to claim input tax credit of \_\_\_\_\_.**

- (a) ₹ 45,000                      (b) ₹ 55,000                      (c) ₹ 1,00,000                      (d) Nil

**Answer: (d)**

**3.5 Compute the GST liability of the firm to be paid in cash, if rule 86B is not applicable?**

- (a) IGST: ₹ 10,000; CGST: Nil, SGST: ₹ 5000
- (b) IGST: ₹ 12,000; CGST: Nil; SGST: ₹ 5000
- (c) IGST: Nil; CGST: ₹ 10,000, SGST: ₹ 5000
- (d) IGST: 5,000; CGST: Nil , SGST: 10,000

**Answer: (a)**

**4.** Ms. Chanchala, is a doctor, registered person under GST, having in- patient facility in her hospital. 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 of various diseases in her hospital and apart from that she also provided the following services in her hospital-

- (a) Plastic surgery to enhance the beauty of the face
- (b) Ambulance service for transportation of patients
- (c) Renting of space to run medical store in hospital premises

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

Further, she also provides canteen facility and received ₹ 55,000 from in-patients, ₹ 35,000 from patients who are not admitted and ₹ 25,000 from 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 31<sup>st</sup> October of the next year, whereas due date for the said Annual return is 31<sup>st</sup> December of the next year.

Proper Officer of the department cancelled the registration certificate of Ms. Chanchala suo-motu on 31<sup>st</sup> July. Order of cancellation was served on 5th August. However, she applied for revocation of the same and got her registration restored back.

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

**From the information given above, choose the most appropriate answer for the following questions-**

**4.1 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)

**Answer: (a)**

**4.2 Compute the taxable value of supply of canteen service provided by Ms. Chanchala?**

- (a) ₹ 25,000    (b) ₹ 35,000    (c) ₹ 60,000    (d) ₹ 80,000

**Answer: (c)**

**4.3 By which date Ms. Chanchala should have applied for revocation of cancellation of registration certificate, in case no extension is granted?**

- (a) 5<sup>th</sup> August    (b) 20<sup>th</sup> August    (c) 30<sup>th</sup> August    (d) 4<sup>th</sup> September

**Answer: (d)**

**4.4 Maximum time permissible for rectification of error committed in monthly return of June is**

- (a) 20<sup>th</sup> July    (b) 20<sup>th</sup> October of the next year
- (c) 31<sup>st</sup> October of the next year    (d) 31<sup>st</sup> December of the next year

**Answer: (b)**

**4.5 Determine which of the following services provided by Ms. Chanchala and her hospital is exempt from GST?**

- (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 service by Ms. Chanchala in other hospitals
- (a) (i), (ii) & (iv)    (b) (i), (ii)    (c) (ii) & (iv)    (d) (i) & (iii)

**Answer: (c)**

**5.** M/s. Visali & Co, a Partnership firm, is engaged in manufacturing of equipment in the State of Kerala. The firm became liable for registration on 10<sup>th</sup> July. It applied for registration on 10<sup>th</sup> August and was granted registration certificate by 14<sup>th</sup> August.

The firm received sponsorship services 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 ₹14 lakh, out of which taxable supply amounted to ₹ 10 lakh and exempt supply amounted to ₹ 4 lakh.

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

The firm belatedly paid the tax amounting to ₹ 40,000 for the quarter ending December on 09<sup>th</sup> February of the succeeding year.

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

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

**5.1 The effective date of registration of M/s. Visali & Co is**

- (a) 10<sup>th</sup> July (b) 9<sup>th</sup> August (c) 10<sup>th</sup> August (d) 14<sup>th</sup> August

**Answer: (d)**

**5.2 Amongst 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 Pvt. Ltd. Co.  
(ii) GTA Services received from Safe Logistics  
(iii) Security Services received from Prompt Security Agency Pvt. Ltd.

- (a) i (b) i & ii (c) i & iii (d) ii & iii

**Answer: (a)**

**5.3 Determine 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) ₹ 14 lakh (b) ₹ 13 lakh (c) ₹ 12 lakh (d) ₹ 11 lakh

**Answer: (d)**

**5.4 Compute the tax payable by the firm for the quarter ending September under CGST and SGST?**

- (a) ₹ 5,000 each (b) ₹ 7,000 each (c) ₹ 10,000 each (d) ₹ 35,000 each

**Answer: (b)**

**5.5 Compute the interest payable by the firm for the belated payment of tax?**

- (a) ₹ 395 (b) ₹ 434 (c) ₹ 414 (d) ₹ 552

**Answer: (b)**

**6.** 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 ₹ 5 Lakhs for his personal purposes.

He availed services, from an entity in India, which are liable to tax under reverse charge for which date of invoice was 1<sup>st</sup> September, payment date as per his books of account and as per his bank account was 15<sup>th</sup> November and 18<sup>th</sup> November respectively.

His turnover for the current financial year is as follows:

Taxable supply of goods – ₹ 55 Lakhs

Exempt supply of goods – ₹ 16 Lakhs

Inward supply liable to tax under reverse charge – ₹ 8 Lakh

He intends to start providing services, other than restaurant services, also from the 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 supplies referred above are intra-State unless specified otherwise.

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

**6.1 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 ₹ 5 Lakh 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 ₹5 Lakh for his personal purposes is not considered as a supply.

(a) i & ii                      (b) i & iv                      (c) ii & iii                      (d) iii & iv

**Answer: (c)**

**6.2 Determine the time of supply of services, received by him and taxable under reverse charge.**

- (a) 1<sup>st</sup> September                      (b) 1<sup>st</sup> November  
(c) 15<sup>th</sup> November                      (d) 18<sup>th</sup> November

**Answer: (b)**

**6.3 Compute the aggregate turnover of Mr. Mandeep for the given financial year.**

- (a) ₹ 63 Lakhs                      (b) ₹ 79 Lakhs                      (c) ₹ 71 Lakhs                      (d) ₹ 47 Lakhs

**Answer: (c)**

**6.4 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 upto:**

- (a) ₹ 5.00 Lakhs                      (b) ₹ 6.3 Lakhs  
(c) ₹ 7.90 Lakhs                      (d) ₹ 7.10 Lakhs

**Answer: (d)**

7. Ms. 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 ₹ 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 ₹ 1,60,000 by performing a western music in a cultural event at a Resort
  - Earned ₹ 50,000 by providing services by way of renting of residential dwelling for use as a boutique.
  - Received ₹ 70,000 by way of rent for letting of 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 – ₹ 45,000
  - Tax collected at source under Income-tax Act, 1961 – ₹ 2,500
  - She received a subsidy of ₹ 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 ₹ 30,000. Goods were to be delivered in 5 lots, out of which three lots were received in the current month.
  - purchased a car having GST component of ₹ 1,50,000 for the usage in a driving school owned by her for imparting training
  - availed health insurance service for her employees on her own voluntarily and paid GST of ₹7,000 thereon
- All the amounts given above are exclusive of taxes, wherever applicable. All the supplies referred above are intra-State unless specified otherwise. 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 answer for the following questions:**

**7.1 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 & applicable rate 12%
- (b) mixed Supply & applicable rate 18%
- (c) composite Supply & applicable rate 18%
- (d) mixed Supply & applicable rate 12%
- (e) ii, iii & iv

**Answer: (b)**

**7.2 Out of payments received by Ms. Riya in month of May, exempt Supply amounts to**

- |                |                |
|----------------|----------------|
| (a) ₹ 50,000   | (b) ₹ 70,000   |
| (c) ₹ 1,20,000 | (d) ₹ 1,60,000 |

**Answer: (b)**



**7.3 Compute the value of supply under section 15 of CGST Act, 2017 made by Ms. Riya?**

- (a) ₹ 45,000 (b) ₹ 47,500 (c) ₹ 48,500 (d) ₹ 51,000

**Answer: (a)**

**7.4 Compute the amount of input tax credit that can be claimed by Ms. Riya?**

- (a) ₹ 30,000 (b) ₹ 37,000 (c) ₹ 1,50,000 (d) ₹ 1,57,000

**Answer: (c)**

**8.** M/s. Shanky Consultants, a partnership firm, registered in Delhi, as a regular tax payer, renders following services during the year:

- (i) Security services: ₹ 2,00,00,000 to registered business entities.
- (ii) Manpower services (Accountants): ₹ 5,00,000
- (iii) Auditing services: ₹ 1,00,00,000

**Other Information:**

- (i) Shanky Consultants also paid sponsorship fees of ₹ 70,000 at seminar organized by a private NGO (a partnership firm) in Delhi.
- (ii) Shanky Consultant pays rent amounting to ₹ 6,00,000 for a building owned by Municipal Corporation of Delhi.
- (iii) Assume all services are taxable at 18% and all transactions to be intra-State supplies.

**Based on the above information, answer the following questions:**

**8.1 What is the aggregate turnover of Shanky Consultants?**

- (a) ₹ 3,05,00,000 (b) ₹ 3,05,70,000 (c) ₹ 1,05,00,000 (d) ₹ 1,05,70,000

**Answer: (a)**

**8.2 GST liability paid under reverse charge by Shanky Consultants is:**

- (a) CGST: ₹ 60,300, SGST: ₹ 60,300 (b) CGST: ₹ 6,300, SGST: ₹ 6,300  
(c) CGST: ₹ 54,000, SGST: ₹ 54,000 (d) None of the above

**Answer: (a)**

**8.3 State which of the following statement is true in respect of security services provided by Shanky Consultants to registered business entities:**

- (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 can issue any document in lieu of tax invoice.
- (d) Shanky Consultants shall issue receipt voucher every time, it receives payment.

**Answer: (a)**

**9.** PTL Pvt. Ltd. is a retail store of merchandise located in 25 States in the country. For the purpose of clearance of stock of merchandise and to attract consumers, 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 traveller worth ₹ 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 ₹ 2,00,000 for each employee in the same month. The premium of ₹ 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 ₹ 1,00,000. PTL Pvt. Ltd. engaged Mr. Ram, an advocate, to represent it in Court for an agreed consideration of ₹ 25,000. As per the terms of the contract, Mr. Ram issued an invoice on 5<sup>th</sup> July. However, consideration was not paid till February next year. All the amounts given above are excluding taxes and all transactions are intra-State transactions. Rates of tax are CGST - 9% and SGST - 9%. However, for tempo traveller, the rates of taxes are CGST - 14% and SGST - 14%.

**In relation to the above, answer the following questions:**

**9.1 With respect to “Buy One, Get One free” 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 is a supply 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 for the entire supply. 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. Their taxability will depend upon as to whether the supply is a composite supply or a mixed supply.

**Answer: (d)**

**9.2 Eligible input tax credit for the month of May (i) on the purchase of tempo traveller 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 and (ii) CGST - Nil, SGST - Nil
- (b) (i) CGST - ₹ 1,68,000, SGST - ₹ 1,68,000 and (ii) CGST - Nil, SGST - Nil
- (c) (i) CGST - Nil, SGST - Nil and (ii) CGST - ₹ 18,000, SGST - ₹ 18,000
- (d) (i) CGST - ₹ 1,68,000, SGST - ₹ 1,68,000 and (ii) CGST - ₹ 18,000, SGST - ₹ 18,000

**Answer: (b)**

**9.3 Which of the following statements is true in respect of the services of advocate availed by the company?**

- (a) CGST-₹ 2,250 and SGST- ₹ 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- ₹ 2,250 and SGST- ₹ 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 invoice.
- (c) CGST- ₹ 2,250 and SGST- ₹ 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 invoice does not apply in the given case.
- (d) CGST- ₹ 2,250 and SGST- ₹ 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.

**Answer: (c)**

**10.** Mr. Kumar started interior designing practice from the month of January. His turnover up to the month of March was ₹ 12,50,000. On 30<sup>th</sup> June, his turnover exceeded ₹ 20,00,000 & reached to ₹20,05,000. Mr. Kumar applied for GST registration (as regular taxpayer) on 15<sup>th</sup> July and registration was granted to him on 25<sup>th</sup> July. **(Also, in MTP Nov 2021 & RTP Nov 2020)**

On 16<sup>th</sup> July, he entered into a contract for designing the flat of Mr. Shyam. The service was completed on 22<sup>nd</sup> July and Mr. Kumar issued invoice on the same day for ₹ 6,00,000. On 5<sup>th</sup> July, Mr. Kumar purchased capital goods amounting to ₹ 4,50,000 and from 25<sup>th</sup> July to 31<sup>st</sup> July, he availed input services amounting to ₹ 1,75,000 in relation to an output service to be provided in the month of August.

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

All values are excluding taxes, unless specifically mentioned. Mr. Kumar makes only intra -State outward supplies and all purchases are also intra-State. Rates of tax are CGST - 9% and SGST – 9%.

**In relation to the above, answer the following questions:**

**10.1 The effective date of registration for Mr. Kumar is-**

- (a) 30<sup>th</sup> June (b) 15<sup>th</sup> July (c) 25<sup>th</sup> July (d) 16<sup>th</sup> July

**Answer: (a)**

**10.2 Mr. Kumar can issue a revised tax invoice till-**

- (a) 23<sup>rd</sup> October (b) 8<sup>th</sup> September (c) 25<sup>th</sup> September (d) 25<sup>th</sup> August

**Answer: (d)**

**10.3 Eligible input tax credit available with Mr. Kumar for the month of July is-**

- (a) CGST ₹ 40,500 & SGST ₹ 40,500 (b) CGST ₹ 15,750 & SGST ₹ 15,750  
(c) CGST ₹ 56,250 & SGST ₹ 56,250 (d) CGST ₹ 36,000 & SGST ₹ 36,000

**Answer: (c)**

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

- (a) 7<sup>th</sup> August (b) 1<sup>st</sup> August (c) 29<sup>th</sup> August (d) 6<sup>th</sup> August

**Answer: (a)**

**10.5** 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 pertaining to July month, out of the total tax liability for the September quarter, will be-

- (a) CGST Nil and SGST Nil
- (b) CGST ₹ 54,000 & SGST ₹ 54,000
- (c) CGST ₹ 18,000 & SGST ₹ 18,000
- (d) CGST ₹ 78,150 & SGST ₹ 78,150

**Answer: (c)**

**11.** 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 ₹ 12,00,000.

During July, she crossed the aggregate turnover of ₹ 50 lakh 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	-	₹ 53,000
ii.	Outward freight	-	₹ 12,000
iii.	Packing Charges	-	₹ 5,000
iv.	Discount given on receiving payment	-	₹ 2,000

(Not included in invoice and there was not any agreement for the same)

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

Ms. Neha received 25 invoices from various suppliers involving GST of ₹ 1,50,000 for the month of July. While filing GSTR-3B for the said month on 20<sup>th</sup> August, she found that only 20 invoices involving GST of ₹ 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	₹ 150
2	Mr. Umesh, a registered person	₹ 110
3	Rains Trust, an unregistered entity	₹ 250

None of the above persons requires a tax invoice.

All the amounts given above are exclusive of taxes, wherever applicable. All the supplies referred above are 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-**

**11.1** Compute the tax liability for the quarter ending June under CGST and SGST?

- (a) ₹ 30,000 each
- (b) ₹ 12,000 each
- (c) ₹ 6,000 each
- (d) ₹ 36,000 each

**Answer: (d)**

**11.2 Compute the value of Supply made by Ms. Neha to Breathe Wall LLP?**

- (a) ₹ 56,000 (b) ₹ 58,000 (c) ₹ 68,000 (d) ₹ 75,000

**Answer: (b)**

**11.3 Determine the amount of ITC that can be claimed by Ms. Neha for the month of July?**

- (a) ₹ 1,00,000 (b) ₹ 1,10,000 (c) ₹ 1,05,000 (d) ₹ 1,50,000

**Answer: (c)**

**11.4 Determine the time of supply made to Breathe Wall LLP?**

- (a) 22<sup>nd</sup> July (b) 25<sup>th</sup> July (c) 28<sup>th</sup> July (d) 30<sup>th</sup> July

**Answer: (b)**

**11.5 Ms. Neha need not issue tax invoice to which of the following persons but required to issue a consolidated tax invoice?**

- (a) Mr. Pawan  
(b) Mr. Pawan and Umesh  
(c) Mr. Pawan and Rains Trust  
(d) Need not issue invoice to all the three persons

**Answer: (a)**

**12. Poorva Logistics is a Goods Transport Agency registered under GST. It provided GTA services (taxable @ 5%) to the following persons-**

- (a) Kunal Traders, an unregistered Partnership firm  
(b) Mr. Amar, 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 Equipment  
(b) Railway equipment's  
(c) Organic Manure

Poorva Logistics opted to charge GST @ 12% from April, next year. It provided GTA Services to Bama Steels Pvt. Ltd. on 1<sup>st</sup> April and issued an invoice dated 5<sup>th</sup> May. Payment was received on 6<sup>th</sup> May. 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-**

**12.1 Which of the following persons are liable to pay GST on reverse charge in respect of the GTA services (taxable @ 5%) provided by Poorva Logistics?**

- (i) Kunal Traders  
(ii) Mr. Amar  
(iii) Small Traders Co-operative society  
(a) i & ii (b) ii & iii (c) i & iii (d) i, ii & iii

**Answer: (c)**



**12.2 Out of items transported by Poorva Logistics, which of the following is/are exempt from GST?**

- i. Defence equipment
- ii. Railway equipment's
- iii. Organic Manure

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

**Answer: (c)**

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

(a) 6<sup>th</sup> May (b) 5<sup>th</sup> May (c) 30<sup>th</sup> May (d) 1<sup>st</sup> April

**Answer: (d)**

**12.4 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 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

**Answer: (b)**

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

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

In the month of November, the firm received 80 invoices for various inward supplies on which total GST paid was ₹ 8 lakh. However, only 60 invoices involving GST of ₹ 7.70 lakh was uploaded in GSTR-1 by the respective suppliers. Also, while filing return for the month of November, the firm generated E -Challan on 5<sup>th</sup> December for making payment of GST through RTGS of their bank. All the supplies referred above are 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-**

**13.1 Determine the effective date of registration of Vedanshi & Co.?**

- (a) 1<sup>st</sup> April (b) 1<sup>st</sup> October
- (c) 10<sup>th</sup> October (d) 5<sup>th</sup> November

**Answer: (b)**

**13.2 Vedanshi & Co. is eligible to claim ITC in respect of inputs held in stock as on:**

- |                                |                               |
|--------------------------------|-------------------------------|
| (a) 30 <sup>th</sup> September | (b) 1 <sup>st</sup> October   |
| (c) 10 <sup>th</sup> October   | (d) Not eligible to claim ITC |

**Answer: (a)****13.3 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 of Vedanshi & Co. 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 of Vedanshi & Co. to transporter location nor from transporter location to consignee's location.
- (d) Information in Part-B is mandatory in in transport of consignment from Godown of Vedanshi & Co. to transporter location and from transporter location to consignee's location.

**Answer: (a)****13.4 Compute the amount of ITC that can be claimed by Vedanshi & Co for the month of November?**

- |                |                |
|----------------|----------------|
| (a) ₹ 7,50,000 | (b) ₹ 8,00,000 |
| (c) ₹ 8,25,000 | (d) ₹ 6,75,000 |

**Answer: (b)****13.5 Determine the validity of E-Challan generated by Vedanshi & Co. for payment of taxes for the month of November?**

- |                               |                               |
|-------------------------------|-------------------------------|
| (a) 5 <sup>th</sup> December  | (b) 15 <sup>th</sup> December |
| (c) 20 <sup>th</sup> December | (d) 31 <sup>st</sup> December |

**Answer: (c)**

**14.** 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.

Safe Bank Ltd. received software support service free of cost from its Head office (HO) located in United Kingdom for business purpose in April. Safe Bank Ltd. provided one high end laptop worth ₹ 50,000 to its new Managing Director (MD) 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.

Safe Bank Ltd. provided the following details for the month of May, in respect of one of its branches:

S.No.	Nature of receipt	Amount in (₹)
i.	Interest received on Term Loan	10,75,000
ii.	Interest received on credit card transactions	6,20,000
iii.	Interest received on Fixed Deposit held with SBI, Mumbai	25,00,000
iv.	Commission received on Letter of Credit issued	3,00,000
v.	Documentation charges collected from borrowers	1,25,000
vi.	Sale of foreign exchange to Bank of Rajasthan, an authorized dealer	15,60,000

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

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

**14.1 Which of the following statements is correct under GST law?**

- (i) Receipt of software support service by Safe Bank Ltd. from HO is supply.
  - (ii) Issue of laptop to new MD as gift is supply.
  - (iii) Receipt of software support service by Safe Bank Ltd. from HO is not a supply.
  - (iv) Issue of laptop to new MD as gift is not a supply.
- (a) (i) & (ii)      (b) (i) & (iv)      (c) (ii) & (iii)      (d) (iii) & (iv)

**Answer: (b)**

**14.2 In respect of services availed by 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

**Answer: (b)**

**14.3 Compute the value of exempt supply provided by the branch of Safe Bank Ltd. for the month of May?**

- (a) ₹ 15,00,000      (b) ₹ 41,95,000      (c) ₹ 51,35,000      (d) ₹ 66,95,000

**Answer: (c)**

**14.4 Compute the value of taxable supply made by the branch of Safe Bank Ltd. for the month of May?**

- (a) ₹ 10,45,000      (b) ₹ 21,20,000      (c) ₹ 36,80,000      (d) ₹ 61,80,000

**Answer: (a)**

**15.** 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.  
KBC Insurance Ltd. secure its business through various insurance agents spread across India.

Those agents include individuals, firm, LLP and private limited company 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.

KBC Insurance Ltd. provided the following details of insurance business for the month of May-

S. no	Nature of receipt	Amount in ₹
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 ₹ 2.50 lakh	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

KBC Insurance Ltd. received a proposal for Pandemic Insurance for IPL matches from the franchisees. Sum assured for said insurance was ₹ 250 Crores with a premium of ₹ 50 lakh.

The company issued the said policy on 1<sup>st</sup> July. Invoice for the same was issued on 5<sup>th</sup> August. Premium was received on 14<sup>th</sup> August. KBC Insurance Ltd. received the following supplies in the month of May and the details of GST paid on such supplies are as follows-

- GST paid on purchase of car for use of Managing Director – ₹ 5,00,000
- 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-₹ 3,00,000
- GST of ₹ 80,000 was paid on general insurance taken from Amity Insurance Ltd. for motor vehicles for transportation of persons with seating capacity  $\leq$  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 supplies referred above are intra-State unless specified otherwise. Aggregate turnover of the company is not less than ₹ 10 crores for the past three years. Conditions necessary for availment of ITC are fulfilled subject to the information given.

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

**15.1 Determine the services on which the company is liable to pay tax under reverse charge?**

- Service availed from insurance agents
- Service availed from RR Travels Private Limited
- None of the services availed attracts RCM
- Both (a) & (b)

**Answer: (a)**

**15.2 Compute the total value of exempt supply provided by. KBC Insurance Ltd. for the month of May?**

- (a) ₹ 9,00,000 (b) ₹ 13,00,000 (c) ₹ 20,00,000 (d) ₹ 32,00,000

**Answer: (a)**

**15.3 Compute the total value of taxable supply made by KBC Insurance Ltd. for the month of May?**

- (a) ₹ 4,00,000 (b) ₹ 12,00,000 (c) ₹ 23,00,000 (d) ₹ 32,00,000

**Answer: (c)**

**15.4 Determine the amount of ITC that can be claimed by KBC Insurance Ltd?**

- (a) ₹ 80,000 (b) ₹ 3,00,000 (c) ₹ 3,80,000 (d) ₹ 8,80,000

**Answer: (c)**

**15.5 Determine the time of supply of service provided to IPL franchisees?**

- (a) 1<sup>st</sup> July (b) 16<sup>th</sup> August (c) 05<sup>th</sup> August (d) 14<sup>th</sup> August

**Answer: (c)**

**16.** 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 operated vehicle to carry more than 12 passengers to Local Municipal Corporation
- iii. An electric operated vehicle to carry up to 12 passengers to State Transport Undertaking

The firm 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 component was ₹ 1,10,000.
- ii. GST amounting to ₹ 70,000 was paid on account of demand of the Department due to fraud in payment of tax.
- iii. Goods valuing ₹ 10,00,000, (GST on the same - ₹ 1,00,000) were received 180 days ago (invoice also issued on the date of receipt of supply) for which payment has been made till date to an extent of ₹ 4,00,000 towards value, ₹ 40,000 towards tax.

The firm issued invoices pertaining to two independent outward supplies, where in one invoice value of supply was understated by ₹ 75,000 and in another invoice, value was overstated by ₹ 45,000

The firm received certain supply of goods amounting to ₹ 8,40,000 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.

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**16.1. 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             |     |      |     |               |     |                |
| (ii)  | Letting on hire an electric operated vehicle to Local Municipality          |     |      |     |               |     |                |
| (iii) | Letting on hire an electric operated vehicle to State Transport Undertaking |     |      |     |               |     |                |
| (a)   | (i)   | (b) | (ii) | (c) | (i) and (iii) | (d) | (ii) and (iii) |

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

- |                |                |
|----------------|----------------|
| (a) ₹ 70,000   | (b) ₹ 1,10,000 |
| (c) ₹ 1,80,000 | (d) Nil        |

**16.3 Determine the amount of ITC to be added to the output tax liability. (Ignore interest)**

- |     |            |     |          |
|-----|------------|-----|----------|
| (a) | ₹ 40,000   | (b) | ₹ 60,000 |
| (c) | ₹ 1,00,000 | (d) | Nil      |

**16.4 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 ₹ 75,000.  
(ii) Credit note is to be issued for ₹ 75,000.  
(iii) Debit note is to be issued for ₹ 45,000.  
(iv) Credit note is to be issued for ₹ 45,000.
- (a) i & iii                      (b) ii & iii                      (c) i & iv                      (d) ii & iv

**16.5 Which of the following statements is correct in respect of supply of goods amounting to ₹8,40,000 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 & ii | (c) | ii & iii | (d) | iv |
|-----|---|-----|--------|-----|----------|-----|----|

**17.** MM Charitable Trust is registered under section 12AB of the Income- tax Act, 1961.

The trust conducted a three-day residential yoga camp among people on the occasion of international yoga day for the advancement of yoga and charged ₹ 7,500 per person inclusive of stay and food.

The trust also conducted programmes for the advancement of education of persons aged above 65 years in metro cities. A nominal fee was charged for the same.

The trust received following donations during the month of September: -

- i. Mr. Sunil Sharma, proprietor of Solid Steels donated a RO water plant to the trust costing ₹75,000 and displayed his firm name in the RO system installed at the premises of the trust as "Donated by Mr. Sunil, owner of Solid Steels -trusted by all".
- ii. Mr. Prasanna, a lawyer donated chairs to the trust costing ₹ 25,000 and 'Love all' is printed on all chairs donated by him to the trust.

The following are the details of GST payment made by the firm-

- i. GST of ₹ 1,75,000 was paid for the purchase of motor vehicle for transportation of needy persons (Seating capacity including driver is 13).
- ii. GST of ₹ 2,45,000 was paid for works contract services availed from Super Builders for construction of Trust's office building.

MM Charitable Trust also owns and manages a Gurudwara. It rented the community hall located in the precincts of the Gurudwara for a rent of ₹ 8,500 per day for a marriage function. It also rented the commercial shop located in the precincts of the Gurudwara for a rent of ₹ 10,000 per month per shop.

You can assume that the Trust is registered under GST and all the transactions are intra-State only. Conditions for availing ITC are fulfilled subject to the above-mentioned information.

(Also, in RTP Nov 2021)

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

**17.1 Which of the following activities conducted by trust is exempt from GST?**

- |                         |                               |
|-------------------------|-------------------------------|
| (a) Advancement of Yoga | (b) Advancement of education  |
| (c) Both (a) and (b)    | (d) Neither of the activities |

**Answer: (a)**

**17.2 Determine the value of taxable supply in respect of donations received by the Trust?**

- |              |              |                |         |
|--------------|--------------|----------------|---------|
| (a) ₹ 25,000 | (b) ₹ 75,000 | (c) ₹ 1,00,000 | (d) Nil |
|--------------|--------------|----------------|---------|

**Answer: (b)**

**17.3 Compute the amount of input tax credit that can be claimed by the Trust?**

- |                |                |                |         |
|----------------|----------------|----------------|---------|
| (a) ₹ 1,75,000 | (b) ₹ 2,45,000 | (c) ₹ 4,20,000 | (d) Nil |
|----------------|----------------|----------------|---------|

**Answer: (d)**

**17.4 Which of the following statements is/are correct under GST law in respect of Gurudwara managed by MM Charitable Trust?**

- (a) Renting of community hall is taxable while renting of commercial shop is exempt.
- (b) Renting of community hall is exempt while renting of commercial shop is taxable.
- (c) Both renting of community hall and renting of commercial shop are taxable.
- (d) Both renting of community hall and renting of commercial shop are exempt.

**Answer: (b)**

18. Mr. Dhev is engaged in supply of tiles and marbles in the State of Telangana. He is not registered under GST. He commenced his business from July month.
- He availed godown construction services for business from his brother-in-law who was dependent on him. He also availed professional consultancy services for the purpose of business from his son who was a Chartered Accountant and his son was not dependent on him. Mr. Dhev did not pay anything for both the services as both of them were his relative / family member respectively.
- On the basis of advice of his son, Mr. Dhev made the supply of tiles within his State only. He reached a turnover of ₹ 7 lakh as on 31<sup>st</sup> October. However, he planned to expand his business to other States since he received decent orders from other States also.
- During the month of December, he received a consignment of tiles from Rajasthan through Prompt Carriers, a goods transport agency based in the State of Rajasthan. Goods were dispatched by the supplier on 'to-pay' basis for freight. Freight charges were ₹ 50,000 and the said GTA pays GST @ 12%. Mr. Dhev paid the invoice amount in the month of December itself. This was an inter-State transaction. During the month of January, Mr. Dhev made his first inter-State supply to Tamil Nādu on 4th January. His turnover before making such supply was ₹ 15 lakh.
- Value of such inter-state supply was ₹ 4,50,000, exclusive of taxes. Payment for the said inter-State supply was received on 28<sup>th</sup> February. Invoice was raised by Mr. Dhev on 25<sup>th</sup> January.
- All the figures given above are exclusive of taxes wherever applicable.

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

**18.1 In respect of services availed by Mr. Dhev, which of the following is a correct statement?**

- (a) Godown construction service availed from his brother-in-law free of cost is considered as a deemed supply
- (b) Professional service availed from his son free of cost is considered as a deemed supply
- (c) Neither of the services is a deemed supply
- (d) Both services are deemed supply

**Answer: (b)**

**18.2 Up to which limit of aggregate turnover Mr. Dhev can continue to supply goods without registration within his state, if he does not procure any goods/services on which tax is payable under reverse charge mechanism?**

- (a) ₹ 20 lakh
- (b) ₹ 40 lakh
- (c) ₹ 10 lakh
- (d) ₹ 150 lakh

**Answer: (a)**

**18.3 What is the tax liability for the freight charges?**

- (a) ₹ 6000 of IGST under reverse charge
- (b) ₹ 6000 of IGST under forward charge
- (c) ₹ 3000 each under CGST and SGST under reverse charge
- (d) Nil as it is exempt

**Answer: (d)**

**18.4 Which of the following statement is correct with respect to liability of Mr. Dhev to register under GST?**

- (a) Mr. Dhev is liable to register in the month of December for receipt of GTA services.
- (b) Mr. Dhev is liable to register in the month of January for effecting inter-State outward supply of goods.
- (c) Mr. Dhev is liable to register only when his turnover exceeds the threshold limit irrespective of whether he is in receiving any GTA services or is effecting inter-State outward supply.
- (d) Mr. Dhev is not required to register as it is his first year of business.

**Answer: (b)**

**18.5 What is the time of supply of goods made by Mr. Dhev during January?**

- |                              |                               |
|------------------------------|-------------------------------|
| (a) 4 <sup>th</sup> January  | (b) 25 <sup>th</sup> January  |
| (c) 3 <sup>rd</sup> February | (d) 28 <sup>th</sup> February |

**Answer: (a)**

**Working notes:**