

MOCK TEST

GST (FULL)

Time allowed: 3 hours

Maximum Marks: 100

DESCRIPTIVE TYPE QUESTION (70 Marks)

Question 1 (a)

(8 Marks)

ABC Ltd. is registered under GST Act and has submitted particulars as given below:-

- Purchased Raw Material 'A' ₹1,00,000 + CGST @10% and SGST @10%
- Purchased Raw Material 'B' ₹2,00,000 + IGST @ 20%.
- Purchased plant and machinery ₹20,00,000 + CGST @10% and SGST @10%.

- Life of plant and machinery is 5 years. Depreciation is allowed on SLM basis.

- Service taken ₹3,00,000 + CGST @10% and SGST @10%.

- Processing charges 4,00,000

- Profit 5,00,000

All the goods were sold CGST @10% and SGST @10%

Show tax treatment and compute net tax payable.

Question 1 (b)

(2 Marks)

Mr. Y, a registered person, has filed its GSTR-3B for the month of September on 19th November. Determine the amount of late fee payable if tax payable is ₹90,000 (Outward Supplies ₹ 9,00,000), if any, by Mr. Y.

Question 2 (a)

(5 Marks)

Explain Electronic cash ledger.

Question 2 (b)

(5 Marks)

Explain Payment of Interest on delayed payment of tax

Question 3 (a)

(4 Marks)

Explain Credit Note.

Question 3 (b)

(4 Marks)

Determine the Time of Supply.

Date of completion	Date of Invoice	Date of Payment
01.08.2020	20.08.2020	18.08.2020
01.07.2020	20.08.2020	18.08.2020
01.07.2020	20.07.2020	01.05.2020
03.08.2020	31.08.2020	01.09.2020

Question 3 (c)**(2 Marks)**

Discuss the correctness of the following statements:-

- (i) Once generated, an e-way bill cannot be cancelled.
- (ii) E-way bill generated in one State is valid in another State.

Question 4 (a)**(8 Marks)**

ABC Ltd has submitted information as given below:

Delivered goods on 31/07/2020 to Mr. A ₹ 7,00,000 + CGST @ 9% + SGST @ 9% and issued invoice on 03/08/2020 and received payment on 01/09/2020.

Delivered goods to Mr. B on 10/09/2020 and issued invoice on 31/08/2020 ₹ 6,00,000 + CGST @ 9% + SGST @ 9% and received payment on 01/09/2020.

Delivered goods to Mr. C on 10/08/2020 and issued invoice on 01/09/2020 ₹7,00,000 + CGST @ 9% + SGST @ 9% and payment has not been received so far.

Delivered goods to Mr. D on 30/09/2020 and issued invoice on 31/08/2020 ₹12,00,000 + CGST @ 14% + SGST @ 14% and received payment on 16/08/2020.

Determine TOS and tax liability for each month and last date of payment of GST and if each payment was delayed by 10 days compute Interest also.

Question 4 (b)**(2 Marks)**

Insight Ltd. is operating in West Bengal. The Tax liability for the month of August, 2020 is as follows:

SL. No.	Tax Liability	West Bengal (₹)
(1)	Output CGST Payable	24,000
(2)	Output SGST Payable	9,000
(3)	Output IGST Payable	3,000
(4)	Input CGST	7,000
(5)	Input SGST	14,000
(6)	Input IGST	12,000

Calculate Tax payable and carry forward for the month of August, 2020.

Question 5 (a)**(4 Marks)**

Candy Blue Ltd., Mumbai, a registered supplier, is manufacturing Chocolates and Biscuits. It provides the following details of taxable inter-state supply made by it for the month of October 2020:

Particulars	GST paid (₹)
(i) List price of goods supplied inter-state	12,40,000
Item already adjusted in the price given in (i) above:	
(1) Subsidy from Central Government for supply of Biscuits to Government School.	1,20,000
(2) Subsidy from Trade Association for supply of quality Biscuits.	30,000
Items not adjusted in the price given in (i) above:	
(3) Tax levied by Municipal Authority	24,000
(4) Packing Charges	12,000
(5) Late fee paid by the recipient of supply for delayed Payment of invoice	5,000

Calculate the Value of taxable supply made by M/s Candy Blue Ltd. for the month of October 2020.

Question.5. (b)**(4 Marks)**

Dina Ltd., a registered supplier from Maharashtra is engaged in the manufacturing of passenger auto. The company provides the following details of purchase made/services availed by it during the month of March 2021:

Sl. No.	Particulars	GST Paid ₹
i.	Purchase of iron which is used as a raw material (Goods were received in two instalments, first on in March 2021 and the second instalment was received in April)	2,50,000
ii.	Purchase of accessories which were delivered directly to the Dealers of the company. Only invoice was received by Dina Ltd.	90,000
iii.	Purchase of Bus (seating capacity 15) for the transportation of employees from their residence to company and back	1,97,000
iv.	Input tax credit on general insurance taken on a car used by Executives of the company for official purposes.	5,200
v	Payment made to M/s Tasty Caterers for providing daily breakfast & lunch to the employees of the company, as voluntary staff welfare measure.	54,700

You are required to determine the eligible input Tax Credit available to M/s Dina Ltd. for the month of March 2021, by giving brief explanations for treatment of various items. Subject to the information given above, all the other conditions necessary for availing input tax credit have been fulfilled.

Question 5 (c)**(2 Marks)**

State whether the following supplies would be treated as supply of goods or supply of services as per Schedule II of the CGST Act:

- (a) Renting of immovable property
- (b) Goods forming part of business assets are transferred or disposed of by/under directions of person carrying on the business, whether or not for consideration.
- (c) Transfer of right in goods without transfer of title in goods.
- (d) Possession of goods under an agreement which stipulates that title in property shall pass at a future date.

Question 6 (a)**(4 Marks)**

Answer the following questions with respect to casual taxable person under the CGST Act, 2017:

- (i) Who is a casual taxable person?
- (ii) Can a casual taxable person opt for the composition scheme?
- (iii) When is the casual taxable person liable to get registered?
- (iv) What is the validity period of the registration certificate issued to a casual taxable person?
- (v) Can the validity of registration certificate issued to a casual taxable person be extended? If yes, what will be the period of extension?

Question 6 (b)**(4 Marks)**

State whether the following supplies would be treated as supply of goods or supply of services as per Schedule-II of CGST Act:

- (i) Renting of Immovable Property
- (ii) Transfer of right in goods without transfer of title in goods.

- (iii) Works Contract Services
- (iv) Temporary transfer of permitting use or enjoyment of any intellectual property right.
- (v) Sale of personal car to dealer.

Question 6 (c)**(2 Marks)**

Explain Filing of First Return.

Question 7 (a)**(4 Marks)**

Worldwide Pvt. Ltd (a registered Taxable Person) having the Gross receipt of ₹50 Lakhs in the previous financial year provides the following information relating to their services for the month of July, 2020

Particulars	Amount in (₹)
(1) Running a boarding school (upto higher secondary)	2,40,000
(2) Fees from prospective employer for campus interview	1,70,000
(3) Education Services for obtaining the qualification recognised by law of foreign country	3,10,000
(4) Renting of Furnished Flats for Temporary Stay to different persons (Rent per day is less than 1000 per person).	1,20,000
(5) Conducting Modular Employable Skill Course. Approved by National Council of Vocational Training	1,40,000
(6) Conducting Private Tutions	3,00,000

Compute the value of Taxable Supply and the amount of GST Payable. The above receipts doesn't include the GST Amount. Rate of GST is 18%

Question 7 (b)**(4 Marks)**

Big Agro Handlers' furnishes the following details with respect to the activities undertaken by them in the month of December, 2020:

Sl. No	Particulars	Amount in (₹)
(i)	Supply of farm labour	58,000
(ii)	Warehousing of biscuits	1,65,000
(iii)	Commission on sale of paddy	68,000
(iv)	Training of farmers on use of new pesticides and fertilizers developed through scientific research	10,000
(v)	Renting of vacant land to a stud farm	1,31,500
(vi)	Testing undertaken for seeds	1,21,500
(vii)	Leasing of vacant land to a poultry farm	83,500

Compute the GST Payable by 'Big Agro Handlers' for the month of December, 2020.

Assume that the point of supply in respect of all the activities mentioned above falls in the month of December, 2020 itself and all the amounts mentioned above are exclusive of GST. Rate of CGST @ 9% & SGST @ 9%.

Question 7 (c)**(2 Marks)**

Mr. Allan, a non-resident person, wishes to provide taxable supply of goods. He has no fixed place of business or residence in India. He seeks your advise on the following aspects, relating to CGST Act, 2017:

- (i) When shall he apply for registration?
- (ii) Is PAN mandatory for his registration?
- (iii) What is the period of validity of RC granted to him ?
- (iv) Will he be able to extend the validity of his registration? If yes, what will be the period of extension ?

MULTIPLE CHOICE QUESTION

(MCQ) (30 Marks)

Write the most appropriate answer to each of the following multiple choice questions by choosing one of the four options given. All questions are compulsory.

Question 1

Which of the following is not covered under Schedule III of CGST Act, 2017?

- (a) Director's monthly salary under employment agreement
- (b) Sitting fees to independent directors for attending AGMs
- (c) Payment to employee for providing broking services to the employer for purchase of commercial property. Such services do not form part of the employment contract entered into by the employer with the employee.
- (d) Both (b) and (c)

Question 2

Kala Niketan School is an educational institution providing pre-school education and education up to higher secondary school. Which of the following services are exempt if provided to Kala Niketan School?

- (i) Transportation of students, faculty and staff
 - (ii) Catering services
 - (iii) Cleaning services performed in such educational institution
- (a) (i)
 - (b) (i) and (iii)
 - (c) (ii) and (iii)
 - (d) (i), (ii) and (iii)

Question 3

Which of the following service is not exempt under GST?

- (a) Loading and unloading of paddy
- (b) Loading and unloading of sugarcane
- (c) Loading and unloading of tea bags
- (d) Loading and unloading of potato

Question 4

GST is payable by the recipient under reverse charge on:

- (a) Sponsorship services
- (b) Transport of goods by rail
- (c) Transport of passengers by air
- (d) All of the above

Question 5

Part payment made on 30.06.2020 and balance amount paid on 01.09.2020 and date of issue invoice 29.06.2020, in this case TOS under reverse charge shall be

- (a) 30.06.2020 for part payment and 29.08.2020 for balance payment
- (b) 29.06.2020 for part payment and 01.09.2020 for balance payment
- (c) 31.08.2020 for part payment and 01.09.2020 for balance payment
- (d) none of these

Question 6

Time of supply of services in case of reverse charge shall be earliest of the following dates:

(i) the date of payment as entered in the books of account of the recipient or the date on which the payment is debited in his bank account, whichever is earlier.

(ii) the date immediately following _____ days from the date of issue of invoice.

- (a) 50 days
- (b) 30 days
- (c) 60 days
- (d) 40 days

Question 7

Reverse charge shall be applicable

- (a) Services by the Department of Posts by way of speed post, express parcel post, life insurance, and agency services provided to a person other than Government
- (b) Services in relation to an aircraft or a vessel, inside or outside the precincts of a port or an airport
- (c) Transport of goods or passengers
- (d) in respect of services provided by Government or local authority except (a) , (b) & (c)
- (e) in respect of services provided by Government or local authority except (a) & (b) only

Question 8 to 12

Mr. Mandeep, a registered dealer, is doing building material business 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 which are liable to tax under reverse charge for which date of invoice was 01.09.2020, payment date as per his books of account and as per his bank account was 15.11.2020 and 18.11.2020 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 also from the next financial year and also to avail composition scheme.

He also wishes to make supplies to the Government.

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

8. 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

9. The time of supply of services, received by him and taxable under reverse charge, is

- (a) 01.09.2020
- (b) 01.11.2020
- (c) 15.11.2020
- (d) 18.11.2020

10. Aggregate turnover of Mr. Mandeep for the given financial year will be,

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

- (d) ₹ 47 Lakhs
11. Mr. Mandeep will be eligible for composition scheme in the next financial year, but he can supply services only upto:
- ₹ 5.00 Lakhs
 - ₹ 6.3 Lakhs
 - ₹ 7.90 Lakhs
 - ₹ 7.10 Lakhs
12. 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?
- Pure Services
 - Composite supply of goods and services in which value of supply of goods constitutes not more than 25% of value of said composite supply
 - Composite supply of goods and services in which value of supply of service constitutes not more than 25% of value of said composite supply
- i & iii
 - ii & iii
 - i, ii & iii
 - i & ii

Question 13

On Petroleum Crude, High Speed Diesel, Motor Spirit (commonly known as Petrol), Natural Gas and Aviation Turbine Fuel:

- GST is not levied at all
- GST will be levied from a date to be notified on the recommendations of the GST Council
- GST is levied, but exempt
- None of the above

Question 14

Which of the following statement is correct.

- India was the first country to implement GST.
- France was the first country to implement GST.
- China was the first country to implement GST.
- Brazil was the first country to implement GST.
- Germany was the first country to implement GST.

Question 15

List-I of the Constitution contains matters in respect of which _____ has the exclusive right to make laws.

- Central Government
- State
- Both Centre and State Governments
- None of the above

Question 16

Mr. X let out one residential building in Delhi for ₹50,00,000 to Mr. B, in this case GST Payable shall be if rate of GST is 18%

- Nil
- CGST – ₹4,50,000 & SGST – ₹4,50,000
- CGST – ₹9,00,000
- SGST – ₹9,00,000

Question 17

Post office of Ashok Vihar, Delhi rendered basic mail services and charged ₹1,00,000 from its customer in Delhi, in this case GST Payable shall be

- (a) CGST – ₹18,000
- (b) SGST - ₹18,000
- (c) CGST- ₹9,000 and SGST- ₹9,000
- (d) Nil

Question 18

Which of the following service is not exempt under GST?

- (a) Loading and unloading of paddy
- (b) Loading and unloading of sugarcane
- (c) Loading and unloading of tea bags
- (d) Loading and unloading of potato

Question 19

Which of the following activity shall be treated neither as a supply of goods nor a supply of services?

- (i) Permanent transfer of business assets where input tax credit has been availed on such assets
- (ii) temporary transfer of intellectual property right
- (iii) transportation of deceased
- (iv) services by an employee to the employer in the course of employment

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

Question 20

ABC Ltd. sold certain goods for ₹ 3,00,000 and received subsidy from a private organisation ₹1,00,000 hence charged from customer ₹ 2,00,000, in this case value of supply shall be

- (a) 3,00,000
- (b) 2,00,000
- (c) 4,00,000
- (d) 5,00,000
- (e) none of these

Question 21

ABC Ltd. sold certain goods for ₹ 2,00,000 and charged ₹ 3,000 for packing and ₹ 5,000 for weightment and the buyer has also paid ₹ 1,00,000 to XYZ Ltd. on behalf of ABC Ltd., in this case value of supply shall be

- (a) 2,08,000
- (b) 3,08,000
- (c) 2,05,000
- (d) 3,00,000
- (e) none of these

Question 22

Mr. X has taken advance of ₹ 30,000 on 01.01.2021 for rendering services and services were rendered on 10.01.2021 and issued invoice on 09.01.2021 and balance amount of ₹ 70,000 was received on 31.01.2021, in this case TOS shall be

- (a) For ₹ 30,000, 01.01.2021 and for ₹ 70,000, 31.01.2021
- (b) For ₹ 30,000, 10.01.2021 and for ₹ 70,000, 09.01.2021
- (c) For ₹ 30,000, 01.01.2021 and for ₹ 70,000, 09.01.2021
- (d) For ₹ 30,000, 31.01.2021 and for ₹ 70,000, 09.01.2021
- (e) none of these

Question 23

Mr. X, a registered person deals in supply of taxable goods. He need not issue tax invoice for the goods supplied on 16.04.2020 as the value of the goods is ____.

- (a) ₹1,200
- (b) ₹600

- (c) ₹150
- (d) ₹200

Question 24

In which of the following cases, a deliver challan can be issued instead of tax invoice

- (a) supply of liquid gas where the quantity at the time of removal from the place of business of the supplier is not known
- (b) transportation of goods for job work
- (c) transportation of goods for reasons other than by way of supply
- (d) any of the above

Question 25

CPIN Stands for

- (a) Common portal identification number
- (b) Common portal identity number
- (c) Challan portal identification number
- (d) Challan passbook identification number

Question 26

The maximum amount of late fee payable by any registered person on failure to furnish return under section 39 by the due date is ₹ ____.

- (a) 1,000
- (b) 5,000
- (c) 10,000
- (d) 25,000

Question 27

Which form is furnished for submission of details of outward supplies u/s 37?

- (a) GSTR-1
- (b) GSTR-2
- (c) GSTR-3
- (d) GSTR-5

Question 28

Manufacturer of following goods are not allowed for composition scheme.

- (a) Pan masala
- (b) Ice cream
- (c) Tobacco product
- (d) Electrical goods
- (e) (a), (b) & (c)
- (f) (b), (c) & (d)

Question 29

Mr. X is a dealer registered in GST and has purchased goods from other State ₹5,00,000 and paid IGST @ 10% and sold the goods at a profit of ₹2,00,000 and charged output CGST @ 5% and Output SGST @ 5%. Tax Payable shall be

- (a) CGST – ₹35,000 & SGST - ₹35,000
- (b) CGST – ₹20,000 & SGST - ₹20,000
- (c) CGST – Nil & SGST - ₹20,000
- (d) CGST – Nil & SGST - Nil
- (e) IGST – ₹50,000

Question 30

Mr. X is a dealer registered in GST and has purchased goods for ₹7,60,000 and paid CGST @ 9% & SGST @ 9% and sold the goods at a profit of 40% on cost and charged output CGST @ 9% and Output SGST @ 9%. Tax Payable shall be

- (a) CGST – ₹27,360 & SGST - ₹27,360
- (b) CGST – ₹27,360 & SGST - Nil
- (c) CGST – Nil & SGST - ₹27,360
- (d) CGST – Nil & SGST - Nil
- (e) CGST – ₹95,760 & SGST - ₹95,760