

MOCK TEST

GST

RETURN TO MISCELLANEOUS TOPICS

Time allowed: 3 hours

Maximum Marks: 100

DESCRIPTIVE TYPE QUESTION (70 Marks)

Question 1 (a)

(5 Marks)

ABC Ltd has submitted information as given below:

Delivered goods on 31/07/2019 to Mr. A ₹ 7,00,000 + CGST @ 9% + SGST @ 9% and issued invoice on 03/08/2019 and received payment on 01/09/2019.

Delivered goods to Mr. B on 10/09/2019 and issued invoice on 31/08/2019 ₹ 6,00,000 + CGST @ 9% + SGST @ 9% and received payment on 01/09/2019.

Delivered goods to Mr. C on 10/08/2019 and issued invoice on 01/09/2019 ₹7,00,000 + CGST @ 9% + SGST @ 9% and payment has not been received so far.

Delivered goods to Mr. D on 30/09/2019 and issued invoice on 31/08/2019 ₹12,00,000 + CGST @ 14% + SGST @ 14% and received payment on 16/08/2019.

Determine Time of Supply 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 1 (b)

(5 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, 2019

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 2 (a)**(4 Marks)**

Explain the activities or transactions which shall be treated neither as a supply of goods nor a supply of services as covered under schedule III.

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

'Rock Farmer Association' is engaged in providing services relating to agriculture. It furnishes the following details with respect to the activities undertaken by them in the month of December, 2019:

Sl. No.	Particulars	Amount (₹)
(i)	Cultivation of ornamental flowers	42,000
(ii)	Packing of tomato ketchup	54,000
(iii)	Warehousing of potato chips	1,65,000
(iv)	Sale of tea leaves (agricultural produce) on commission basis	68,000
(v)	Packaging of pulses in the agricultural field	42,000
(vi)	Training of farmers on use of scientific tools and agro machinery	10,000
(vii)	leasing of vacant land to a stud farm	1,63,000
(viii)	Grading of wheat according to its quality	42,000
(ix)	Testing of samples from plants for pest detection	1,21,500
(x)	Rearing of silk worms	83,500

Compute the GST Payable by 'Rock Farmer Association' for the month of December, 2019. Assume that the point of supply in respect of all the activities mentioned above falls in the month of December, 2019 itself and all the amounts mentioned above are exclusive of GST and Rate of SGST @ 9% and CGST @ 9%.

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

Answer with respect to applicability of GST in the following cases during the month of June, 2019:

(i) Transport of milk, salt and food grain including flours, pulses and rice and newspaper registered with the Registrar of Newspapers by a goods transport agency in a goods carriage.

(ii) Transportation of petroleum and petroleum products and household effects by railways.

(iii) Transportation of postal mails or mail bags by a vessel.

Question 3 (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 2019:

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 2019.

Question 3 (b)**(4 Marks)**

Explain different validity period of e-way bill as given under GST.

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

ABC is a trader dealing in stationery items. It is registered under GST and has undertaken following sales during the day:

S. No.	Recipient of supply	Amount (₹)
1.	R Traders - a registered retail dealer (Composition Dealer)	190
2.	D Enterprises – an unregistered trader	358
3.	G – a Painter [unregistered]	500
4.	O Orphanage – an unregistered entity	188
5.	A – a Student [unregistered]	158

None of the recipients require a tax invoice.

Determine in respect of which of the above supplies, ABC may issue a Consolidated Tax Invoice instead of Tax Invoice at the end of the day?

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

Determine the Time of Supply.

Date of completion	Date of Invoice	Date of Payment
01.08.2019	20.08.2019	18.08.2019
01.07.2019	20.08.2019	18.08.2019
01.07.2019	20.07.2019	01.05.2019
03.08.2019	31.08.2019	01.09.2019

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

Explain Credit Note.

Question 4 (c)**(2 Marks)**

A taxpayer can file GSTR-1 under CGST Act, 2017, only after the end of the current tax period. State exceptions to this.

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

Mr. Gauri Shiva, a registered person in Punjab, supplies goods taxable @ 12% [CGST @ 6%, SGST @ 6% & IGST @ 12%] in the States of Punjab and Haryana. He has furnished the following details in relation to independent supplies made by him in the quarter ending June, 2019:-

Supply	Recipient	Nature of supply	Value (₹)
1	Mr. A, a registered person	Inter-State	2,20,000
2	Mr. B, a registered person	Inter-State	2,55,000
3	Mr. C, an unregistered person	Intra-State	1,80,000
4	Mr. D, an unregistered person	Intra-State	2,60,000
5	Mr. M, an unregistered person	Inter-State	3,00,000
6	Mr. N, an unregistered person	Inter-State	50,000
7	Mr. O, an unregistered person	Inter-State	2,50,000
8	Mr. P, an unregistered person	Inter-State	2,80,000
9	Mr. Q, a registered person	Intra-State	1,50,000
10	Mr. R, a registered person	Intra-State	4,10,000

The aggregate annual turnover of Mr. Gauri Shiva in the preceding financial year was ₹ 1.20 crore. With reference to rule 59 of the CGST Rules, 2017, discuss the manner in which the details of above supplies are required to be furnished in GSTR-1.

Question 5 (b)

(4 Marks)

Good Health Medical Centre, a clinical establishment, offers following services:

- (i) Reiki healing treatments.
- (ii) Plastic surgeries. One such surgery was conducted to repair cleft lip of a new born baby.
- (iii) Air ambulance services to transport critically ill patients from distant locations to the Medical Centre.
- (iv) Palliative care for terminally ill patients. On request, such care is also provided to patients at their homes. (Palliative care is given to improve the quality of life of patients who have a serious or life-threatening disease).
- (v) Alternative medical treatments by way of yoga.
- (vi) Good Health Medical Centre also operates a cord blood bank which provides services in relation to preservation of stem cells.
- (vii) Good Health Medical Centre is of the view that since it is a clinical establishment, all the service provided **by** it as well as all the services provided **to** it are exempt from payment of GST.

You are required to examine the situation in the light of relevant statutory provisions.

Question 5 (c)

(2 Marks)

Bring out the salient points in respect of fee leviable on late filing of GST returns and also determine the late fee payable by PQR Ltd., where the filing of GST return has been delayed by 45 days if taxable if ₹1,00,000 and tax payable is Nil.

Question 6 (a)

(4 Marks)

Explain Filing of First Return under GST

Question 6 (b)

(4 Marks)

Mr. Alok, a registered supplier of taxable goods, files GSTR 3B for the month of January 2020 on 15th April, 2020. The prescribed due date to file the said GSTR 3B was 20th February, 2020. The amount of net GST payable on supplies made by him for the said month worked out to ₹ 36,500 which was paid on the same date of filing the return.

Briefly explain the related provision and compute the amount of interest payable under the CGST Act, 2017 by Mr. Alok.

Question 6 (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 7 (a)

(4 Marks)

Explain Electronic Liability Register

Question 7 (b)

(4 Marks)

Answer the following with reference to GST Laws:

- (i) What is CPIN?
- (ii) What is CIN

- (iii) What is Bank Reference Number?
- (iv) What is E-FPB?

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

Vakil & Vakil, a firm of lawyers rendered legal advice to Mr. B, an architect, and MNO Ltd., an advertising agency during December, 2019. Who is liable to pay GST in this case? Will your answer be different if Mr. B and MNO Ltd. sought legal advice from Mr. A, a lawyer?

Aggregate Turnover of Mr. B and MNO Ltd. are exceeding prescribed limit in the preceding year.

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.

1. Who is required to furnish details of outward supplies in Form GSTR-1?

- (a) Person paying tax under composition scheme
- (b) Non-resident taxable person
- (c) Both (a) & (b)
- (d) None of the above

2. What does N stand for in HSN?

- (a) Network
- (b) Nationalization
- (c) Nomenclature
- (d) Nomination

3. Composition tax payer is required to file annual return in Form no. _____.

- (a) GSTR-2
- (b) GSTR-3
- (c) GSTR-4
- (d) GSTR-5

4. Which of the following are not required to file the Annual Return?

- (a) Input Service Distributor
- (b) Casual Taxable Person
- (c) Non-resident Taxpayer
- (d) All of the above

5. The due date of filing Final Return is _____.

- (a) 20th of the next month
- (b) 18th of the month succeeding the quarter
- (c) Within three months of the date of cancellation or date of order of cancellation, whichever is later
- (d) 31st December of next financial year

6. What is the due date for submission of monthly GSTR-3B?

- (a) on or before 10th day of the immediately succeeding month
- (b) on or before 15th day of the immediately succeeding month
- (c) on or before 17th day of the immediately succeeding month
- (d) on or before 20th day of the immediately succeeding month

7. Date on which the supplier receives the payment as per section 12 of CGST Act is

- (a) Date entered in books of accounts
- (b) Date of credit in bank account
- (c) Date entered in books of accounts or date of credit in bank account, whichever is earlier
- (d) Date on which receipt voucher is issued by supplier

**8. Deposits towards tax, penalty, interest, fee or any other amount are credited into the-----
-- of a taxable person.**

- (a) Electronic liability register
- (b) Electronic credit ledger
- (c) Electronic cash ledger
- (d) All of the above

9. Which input tax credit cannot be claimed against which output tax liability?

- (a) IGST, SGST
- (b) CGST, IGST
- (c) SGST, IGST
- (d) CGST, SGST

10. Validity of challan generated online is

- (a) 1 day
- (b) 10 days
- (c) 15 days
- (d) 30 days

11. Electronic cash register shall be maintained in form

- (a) GST PMT-01
- (b) GST PMT-05
- (c) GST PMT-03
- (d) GST PMT-04

12. In case of taxable supply of services by an insurer, invoice shall be issued within a period of _____ from the date of supply of service.

- (a) 30 days
- (b) 45 days
- (c) 60 days
- (d) 90 days

13. Where the goods being sent or taken on approval for sale or return are removed before the supply takes place, the invoice shall be issued:

- (a) before/at the time of supply
- (b) 6 months from the date of removal
- (c) Earlier of (a) or (b)
- (d) None of the above

14. Tax invoice must be issued by _____

- (a) Every supplier
- (b) Every taxable person
- (c) Registered persons not paying tax under composition scheme
- (d) All the above

15. Date on which the supplier receives the payment as per section 12 of CGST Act is

- (a) Date entered in books of accounts
- (b) Date of credit in bank account
- (c) Date entered in books of accounts or date of credit in bank account, whichever is earlier
- (d) Date on which receipt voucher is issued by supplier

16. Mr. X supplied goods on 10.08.2019 and issued invoice on 08.08.2019 but payment was received after 6 months and Mr. X has received interest of ₹ 10,000 on 10.03.2020, in this case Time Of Supply for the interest received shall be

- (a) 10.08.2019

- (b) 08.08.2019
- (c) 10.03.2020
- (d) none of these

17. Value of supply under section 15(1) is :

- (a) Wholesale price
- (b) Market value
- (c) Maximum retail price
- (d) Transaction value

18. Which of the following shall not be included in value of supply?

- (a) GST
- (b) Interest
- (c) Late fee
- (d) Commission

19. ABC Ltd. has imported certain goods for ₹ 2,00,000 and paid custom duty ₹ 20,000, in this case IGST shall be charges on

- (a) 2,00,000
- (b) 20,000
- (c) 2,20,000
- (d) none of these

20. 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. ABC Ltd. has given 10% discount on ₹ 2,00,000 at the time of sale, in this case value of supply shall be

- (a) 3,00,000
- (b) 3,86,000
- (c) 2,89,000
- (d) 2,86,000
- (e) 2,91,000
- (f) 2,88,000
- (g) none of these

21. 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)

22. Which of the following supplies are naturally bundled?

- (a) Rent deed executed for renting of two different floors of a building-one for residential and another for commercial purpose to same person.
- (b) Pack of watch, tie and belt
- (c) Package of canned food such as burger, chocolates, sweets, cake etc.
- (d) None of the above

23. As per schedule I, activity to be treated as supply even if made without consideration shall include

- (a) Supply of goods or services or both between related persons or between distinct persons as specified in section 25, whether or not made in the course or furtherance of business
- (b) Supply of goods or services or both between related persons or between distinct persons as specified in section 25, when made in the course or furtherance of business
- (c) Supply of goods or services or both between unrelated persons as specified in section 25, when made in the course or furtherance of business
- (d) none of these

24. 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)

25. 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

26. Which of the following services provided by Department of Posts are exempt from GST?

- (a) Speed posts
- (b) Life Insurance
- (c) Express parcel posts
- (d) None of the above

27. Mr. Narayan Goel has booked a room on rent in Sunshine Hotel for the purpose of lodging on 10.08.2019. GST is not payable by Mr. Narayan Goel in case rent for the same is ____

- (a) ₹1,000
- (b) ₹6,000
- (c) ₹11,000
- (d) ₹1,500
- (e) none of the above.

28. Services by a hotel, inn, guest house, club or campsite are exempted for residential / lodging purposes –

- (a) If the actual tariff for a unit of accommodation is below ₹ 10,000
- (b) If the actual tariff for a unit of accommodation is below ₹ 1,000
- (c) If the declared actual tariff for a unit of accommodation is exactly ₹ 1,000
- (d) If the declared actual tariff for a unit of accommodation is above ₹ 1,000

29. Renting of agro machinery in Delhi to an agricultural farm(in Delhi) of ₹10,00,000. GST Payable shall be

- (a) CGST – ₹1,80,000
- (b) SGST - ₹1,80,000
- (c) CGST- ₹90,000 and SGST- ₹90,000
- (d) Nil

30. Mr. A sponsored a dance competition organized by ‘Taal Academy’, a dance school run by an individual. The dance competition was named as ‘Mr. A’s Dance Show’ by ‘Taal Academy’. Who is liable to pay GST in this case?

- (a) Taal Academy
- (b) Mr. A
- (c) Both
- (d) None of above