

MOCK TEST

GST FULL SYLLABUS

Time allowed: 3 hours

Maximum Marks: 100

DESCRIPTIVE TYPE QUESTION (70 Marks)

Question 1 (a) **(8 Marks)**

Mr. X is registered in GST and he is a manufacturer and he has purchased raw material R1 for ₹2,50,000 and has paid CGST @ 10% plus SGST @ 10%.

He purchased raw material R2 for ₹3,20,000 and paid IGST @ 20% and raw material was purchased from other state.

He has purchased raw material R3 for ₹5,50,000 and has paid CGST @ 10% plus SGST @ 10%.
Processing charges ₹4,00,000 plus profit ₹70,000.

The manufacturer has taken input services in connection with manufacturing of the product and has paid ₹5,00,000 plus CGST @ 10% plus SGST @ 10%.

Final product was sold and charged CGST @ 10% plus SGST @ 10%.

Show the working for GST and also show the working for payment of tax at the time of sale of final product.

Question 1 (b) **(2 Marks)**

Differentiate between direct and indirect Taxes (Give any two points)

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

Explain Electronic cash ledger.

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

Briefly explain Quarterly Return Monthly Payment (QRMP) Scheme.

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

Explain Restriction on furnishing of information in PART A of FORM GST EWB-01. Rule 138E. i.e. Blocking of e-way bill generation facility

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

XYZ Ltd., is engaged in manufacture of taxable goods. Compute the ITC available with XYZ Ltd. for the month of October, 2020 from the following particulars:-

S. No.	Inward supplies	GST (₹)	Remarks
(i)	Inputs 'A'	1,00,000	One invoice on which GST payable was ₹ 10,000, is missing
(ii)	Inputs 'B'	50,000	Inputs are to be received in two instalments. First instalment has been received in October, 2020.
(iii)	Capital goods	1,20,000	XYZ Ltd. has capitalised the capital goods at full invoice value inclusive of GST as it will avail depreciation on the full invoice value.
(iv)	Input services	2,25,000	One invoice dated 20.01.2020 on which GST payable was ₹50,000 has been received in October, 2020.

Note:

- (i) All the conditions necessary for availing the ITC have been fulfilled.
- (ii) ABC Co. Ltd. is not eligible for any threshold exemption.
- (iii) The annual return for the financial year 2019-20 was filed on 15th September, 2020.

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

Angira Ltd. is a supplier of taxable goods in Karnataka. It got registered under GST in the month of September, 2020 and wishes to pay its IGST liability for the month. Since it is making the GST payment for the first time, it is of the view that it needs to mandatorily has the online banking facility to make payment of GST; offline payment is not permitted under GST. You are required to apprise Angira Ltd. regarding the various modes of deposit in the electronic cash ledger. Further, advise it with regard to following issues:

- (a) Are manual challans allowed under GST?
- (b) What is the validity period of the challan?

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

Mr. X started rendering services in Delhi w.e.f 01.04.2020 and has submitted particulars as given below:

- Rendered output services on 30.06.2020 and charged ₹ 20,00,000 and has taken input services on 30.06.2020 ₹3,00,000 + CGST @ 9% + SGST @ 9%.

- He rendered services of ₹ 15,00,000 on 30.09.2020 and purchased inputs on 30.09.2020 ₹ 7,00,000 + CGST @ 6% + SGST @ 6%.
- He rendered services ₹ 15,00,000 on 31.12.2020 and purchased capital goods on 01.10.2020 ₹10,00,000 + CGST @ 10% + SGST @ 10%.
- He opted for composition scheme under section 10(2A) from 01.07.2020.
- He is shifted to normal scheme w.e.f 01.01.2021 and by that time he has consumed 50% of inputs.
- He rendered services and issued invoice
 - 10.01.2021 ₹ 4,00,000 + CGST @ 9% + SGST @ 9%
 - 10.02.2021 ₹ 5,00,000 + CGST @ 9% + SGST @ 9%
 - 10.03.2021 ₹ 6,00,000 + CGST @ 9% + SGST @ 9%
- He purchased inputs ₹ 8,00,000 + CGST @ 5% + SGST @ 5% on 01.01.2021.

Discuss Tax Treatment and compute net tax payable/refundable and also mention the due date on which payment is to be made.

Question 4 (b)

(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.

Question 5 (a)

(4 Marks)

Explain the Revised time limits prescribed under rule 9 for grant of registration.

Question.5. (b)

(4 Marks)

Examine the liability of compulsory registration under section 24 of the CGST Act, 2017, in each independent cases mentioned below:

(1) Meenu is a supplier in Maharashtra, is engaged in supply of potatoes within Maharashtra and also outside Maharashtra, whose turnover exceeds threshold limit under GST Law.

(2) Jinu Oils, Gujarat, is engaged in supplying machine oil as well as petrol. Total turnover of machine oil is ₹30 lakh and of petrol is ₹15 lakh.

(3) Tilu is working as an agent, he is supplying goods as an agent of Tiku (who is registered taxable person) and its aggregate turnover does not exceed ₹40 lakh during the financial year.

Question 5 (c)

(2 Marks)

Whether E-invoicing mandatory for all registered businesses.

Question 6 (a)

(4 Marks)

Mr. X is a supplier of services registered in GST and has submitted the information as given below:

1. Rendered services on 01.05.2020 and issued bill on 10.06.2020 for ₹ 6 lakhs and payment was received on 10.12.2020
2. Rendered services on 07.06.2020 and issued bill on 30.06.2020 for ₹ 15 lakhs and payment was received on 07.03.2021.
3. Rendered services on 12.07.2020 and issued bill on 31.08.2020 for ₹ 30 lakhs and payment was received on 07.01.2021.

4. Rendered services on 22.11.2020 and issued bill on 28.12.2020 for ₹ 60 lakhs and payment was received on 18.11.2020.

All the above amounts are exclusive of GST and Rate of CGST is 9% and SGST is 9%.
Compute the GST Payable for each month and also last date upto which GST should be paid.

Question 6 (b) (4 Marks)

Explain Validity period of e-way bill or a consolidated e-way bill [Rule 138(10)]

Question 6 (c) (2 Marks)

What are the advantages of taking registration in GST?

Question 7 (a) (4 Marks)

Explain Restrictions on use of amount available in electronic credit ledger [Rule 86B]

Question 7 (b) (4 Marks)

Explain Activities or Transactions Which shall be treated Neither as a Supply of Goods nor a Supply of Services.

Question 7 (c) (2 Marks)

Explain the Persons/class of persons exempt from aadhaar authentication.

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

Transportation of passengers by _____ are exempt from GST.

- (a) Railway in first class
- (b) Railway in an air-conditioned coach
- (c) Metro
- (d) All of the above

Question 2

Which of the following services are exempt under GST?

- (i) testing of agricultural produce
 - (ii) supply of farm labour
 - (iii) warehousing of agricultural produce
- (a) (i)
 - (b) (i) and (ii)
 - (c) (ii) and (iii)
 - (d) (i), (ii) and (iii)

Question 3

What of the following services provided to an educational institution – Debo Public School (providing education upto higher secondary) - are exempt from GST?

- (a) Transportation of staff of the school
- (b) Cleaning of the school
- (c) Services relating to conduct of higher secondary exams
- (d) All of the above

Question 4

Mr. Narayan Goel has booked a room on rent in Sunshine Hotel for the purpose of lodging on 10.08.2020. 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.

Question 5

Which of the following is exempt.

- (i) External asset management services received by Reserve Bank of India from overseas financial institutions.
- (ii) Service provided by an Indian tour operator to Mr. B, a Japanese National, for a tour conducted in Europe

(iii) Services provided to a Higher Secondary School affiliated to CBSE Board by an IT company in relation to development of a software to be used for enhancing the quality of classroom teaching.

- (a) only (i) is exempt
- (b) all the above is exempt
- (c) (ii) & (iii) is exempt
- (d) (i) & (iii) is exempt
- (e) (i) & (ii) is exempt
- (f) None of the above

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:
 (a) ₹ 5.00 Lakhs
 (b) ₹ 6.3 Lakhs
 (c) ₹ 7.90 Lakhs
 (d) ₹ 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?
 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 service constitutes not more than 25% of value of said composite supply
 (a) i & iii
 (b) ii & iii
 (c) i, ii & iii
 (d) i & ii

Question 13

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

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

Question 14

Transportation of chairs for a single consignee in the goods carriage is exempt if

- (a) transportation charges is upto ₹1,500
 (b) transportation charges is exceeding ₹1,500
 (c) transportation charges is upto ₹750
 (d) transportation charges is exceeding ₹750

Question 15 to 17

M/s. Shanky Consultants, a partnership firm registered in Delhi, 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 MCD.
- (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:

15. 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/-

16. 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

17. 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 Shanky Consultants receives payment.

Question 18 to 20

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 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 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. 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:

18. 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 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.

19. 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

20. 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.

Question 21

Akash Ltd. a registered person in Punjab has purchased Air Conditioner for invoice value of ₹ 32,000 (which includes GST at 18%) from Mukesh Ltd. registered in Punjab. Akash Ltd. had capitalized Air Conditioner in his books of accounts for full value of ₹ 32,000 and taking the benefit of depreciation on the same. Keeping in view of the above situation the input tax credit which Akash Ltd. is required to take in his books of accounts will be;

- (a) Nil
- (b) ₹ 4,881
- (c) ₹ 5,760
- (d) ₹ 2,880

Question 22

Mr. Raghu avails services of Mr. Raja, a Chartered Accountant, as under-

- | | |
|---|----------|
| (i) Audit of financial accounts | ₹ 55,000 |
| (ii) Tax audit and annual filing | ₹ 10,000 |
| (iii) Income-tax return filing of Mr. Raghu 's wife | ₹ 5,000 |

All the above amounts are exclusive of taxes and the applicable rate of GST on these services is 18%.

The accountant of Mr. Raghu has booked the entire expenses of ₹70,000 plus GST in the books of account. Mr. Raghu is eligible to take input tax credit of -

- (a) ₹ 13,500
- (b) ₹ 11,700
- (c) ₹ 9,900
- (d) ₹ 1,800

Question 23

Calculate the amount of eligible input tax credit-

S.No.	Particulars	GST paid (₹)
1.	A Mini bus having seating capacity of 15 persons (including driver) used for running on hire	15,00,000
2.	Car having seating capacity of 8 people used for business purposes	1,00,00,000
3.	Car having seating capacity of 4 persons used for imparting training on driving such car	50,00,000
4.	Special purpose vehicle having seating capacity of 2 persons used for transportation of goods	60,00,000

- (a) ₹ 2,25,00,000/-
- (b) ₹ 2,10,00,000/-
- (c) ₹ 1,25,00,000/-
- (d) ₹ 75,00,000/-

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

Which document is required in case of movement of goods of consignment value of ₹ 1,05,000 for reasons other than supply:-

- (a) Bill of supply
- (b) Receipt Voucher
- (c) Payment voucher
- (d) E-way bill

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