

Hereafter GST



QUEST

Quiz for knowledge...



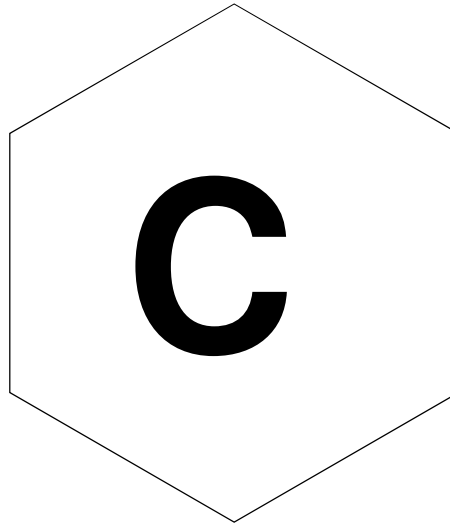
After the idea of GST was mooted, which was the first body which functioned as the think tank of GST and steered it to a great extent?

- A. Parliamentary Committee on Tax Reforms**
- B. Kelkar Committee**
- C. Empowered Committee of the State Finance Ministers**
- D. GST Council**



AND THE ANSWER IS ...



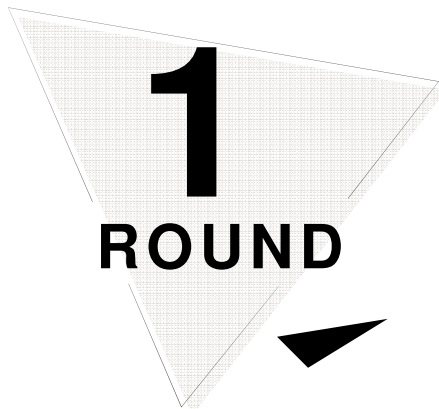


EMPOWERED COMMITTEE OF STATE FMS





For the goods not covered by GST, ED will continue to be levied. Which of the following is /are correct?

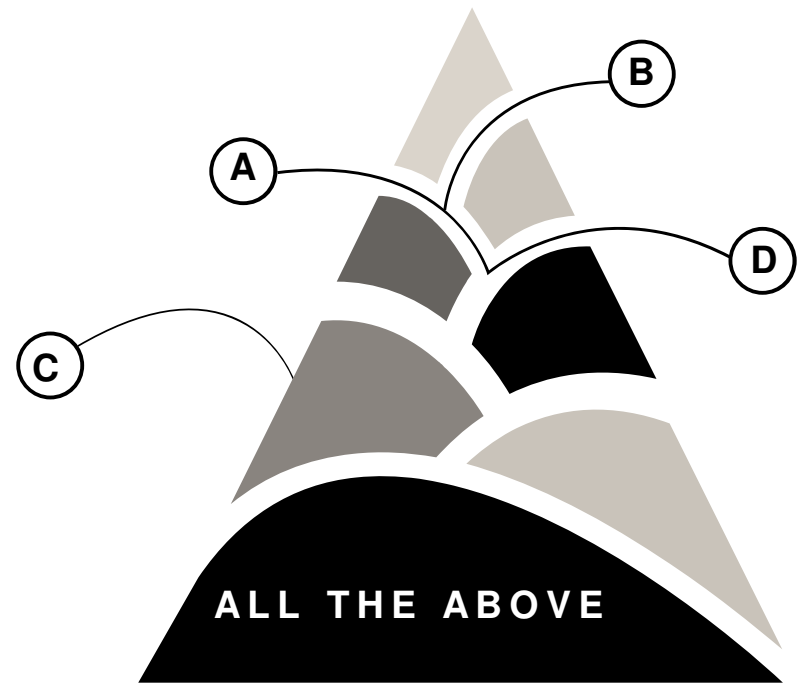


- A. Entry 84 of List I of 7th Schedule of Constitution has been amended**
- B. Sec 3 of CE Act has been amended**
- C. Fourth Schedule to CE Act is introduced for Ch 24 & 27**
- D. CE Tariff Act rescinded**



AND THE ANSWER IS ...







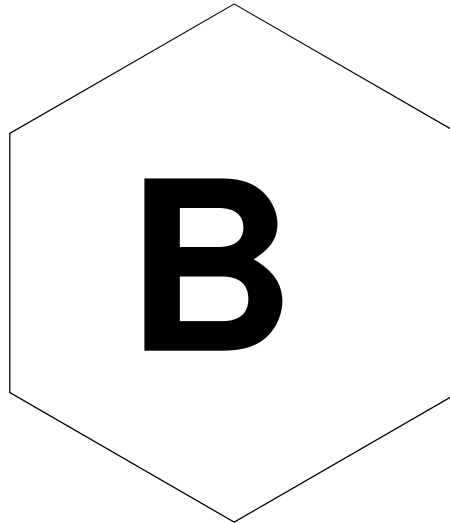
Apart from GST, which of the following attract ED & Compensation Cess?

- A. Kerosene, LPG & Naphtha**
- B. Tobacco**
- C. Alcoholic Liquor for human consumption**
- D. CNG, Petrol, HSD, LSD & ATF**



AND THE ANSWER IS ...





TOBACCO & TOBACCO PRODUCTS





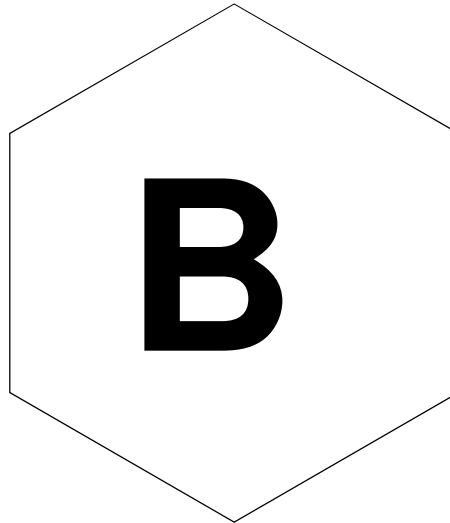
Which provision of the Constitution empowers levy of GST by Central and State Governments?

- A. Article 226A**
- B. Article 246A**
- C. Article 276A**
- D. 101st Constitutional Amendment**



AND THE ANSWER IS ...





ARTICLE 246A OF THE CONSTITUTION





2
ROUND

Where is the statutory provision regarding segregation of powers between States and Centre for administration of GST assesses below 1.5 crores (90:10) and above (50:50)?



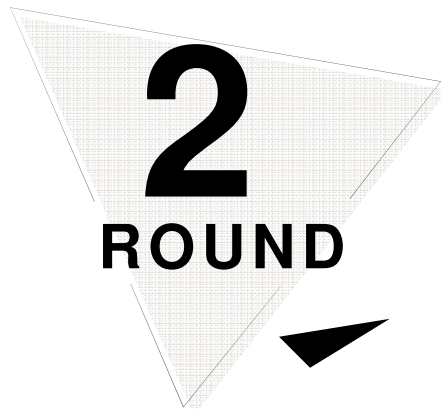
AND THE ANSWER IS ...





NOWHERE



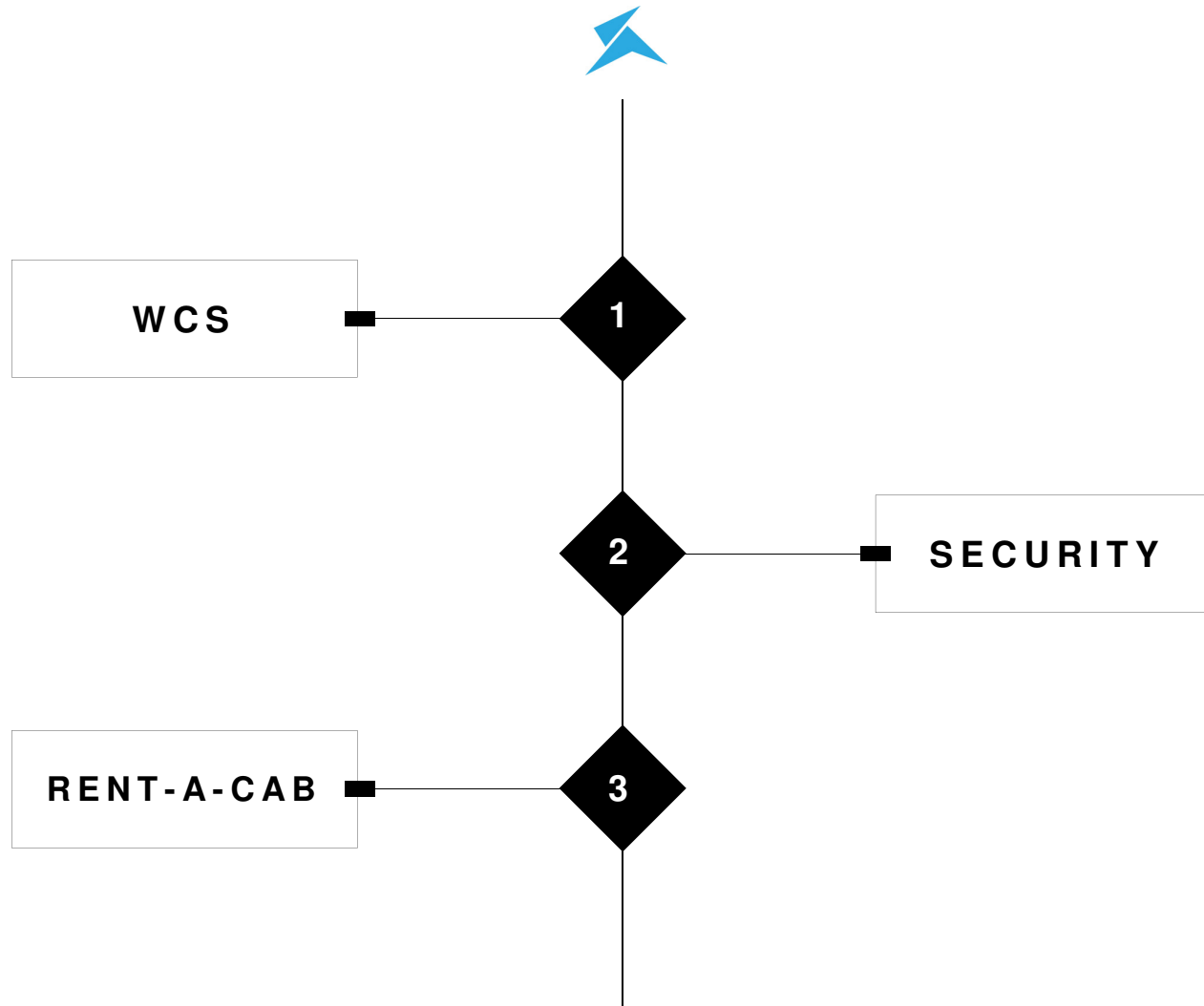


Mention any two omissions in the list of reverse charge applicability on services, which currently attracts reverse charge?



AND THE ANSWER IS ...







What are the important changes relating to Settlement Commission in the GST law?

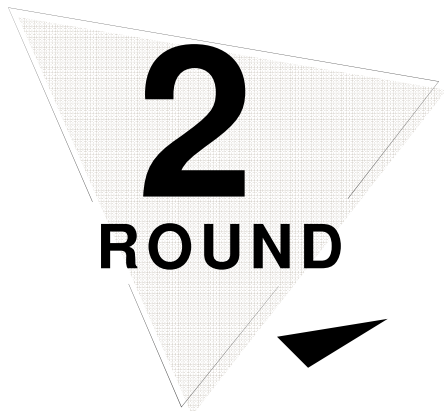


AND THE ANSWER IS ...





REST IN PEACE

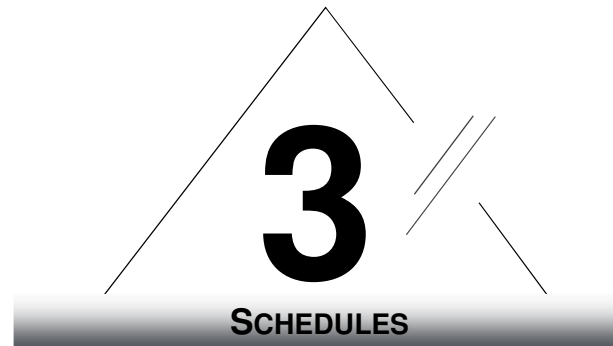


How many schedules are there to CGST Act & SGST Act and what are they?



AND THE ANSWER IS ...

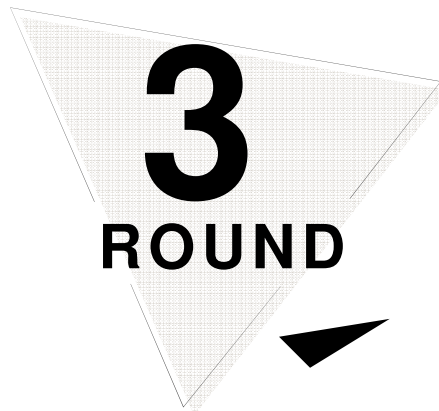




Schedule I – Supplies without consideration.

Schedule II – Activities to be treated as supply of goods or supply of services.

Schedule III – List of items which are neither supply of goods nor supply of services.

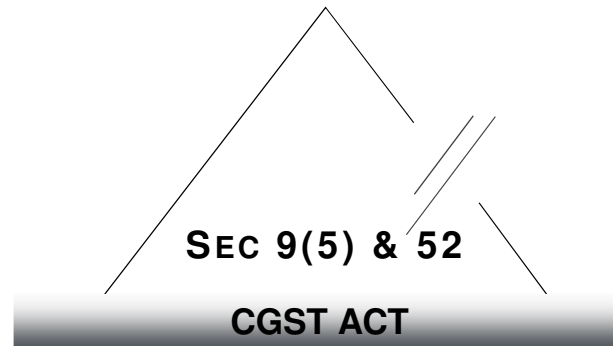


What is the significant difference between sale of goods & provision of service through E-commerce operator?

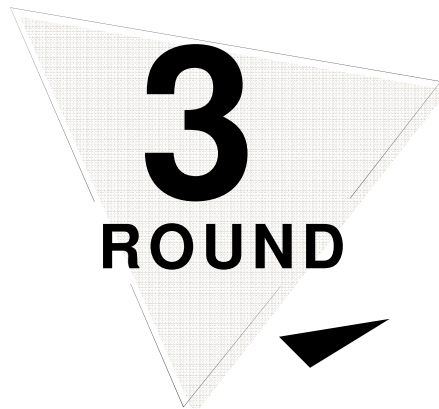


AND THE ANSWER IS ...





While GST on supply of service through E-commerce is payable by the E-comm operator (in respect of notified services), in respect of supply of goods by E-Comm operators, the E-commerce operator is only required to deduct tax at source, at specified percentage and not the entire tax liability is to be paid by the E-comm operator.



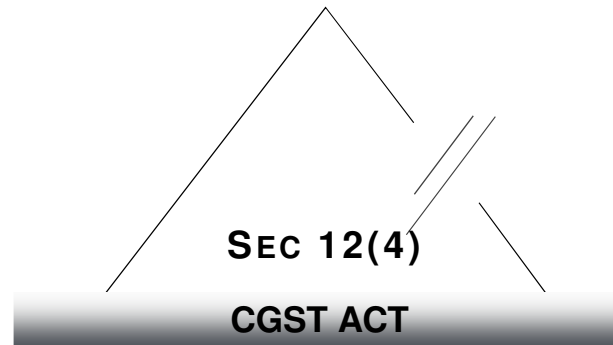
M/s Swamy Associates, intends to give Gift Vouchers to its employees, on the occasion of Diwali. For this purpose, they have purchased 50 numbers of Rs.2000 Face Value vouchers from M/s Shoppers Stop, Chennai which can be redeemed against any merchandise in any outlet of Shoppers Stop, during its validity period.

Now, when M/s Shoppers Stop is liable to pay GST on the sale of gift vouchers and justify.



AND THE ANSWER IS ...





**Only when the vouchers are redeemed
(as the vouchers are not pre identified with any goods)**

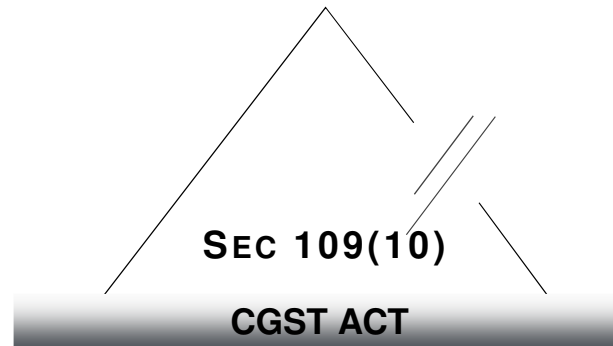


What is the monetary limit for Single Member bench of the Tribunal to hear cases?

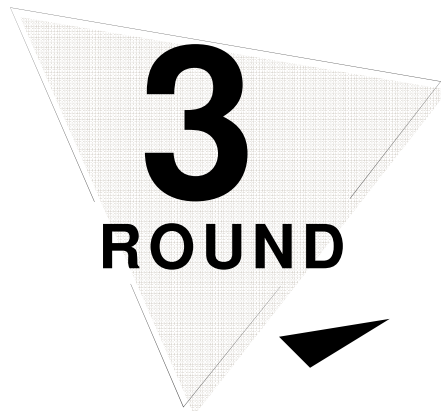


AND THE ANSWER IS ...





Rs. 5,00,000/-



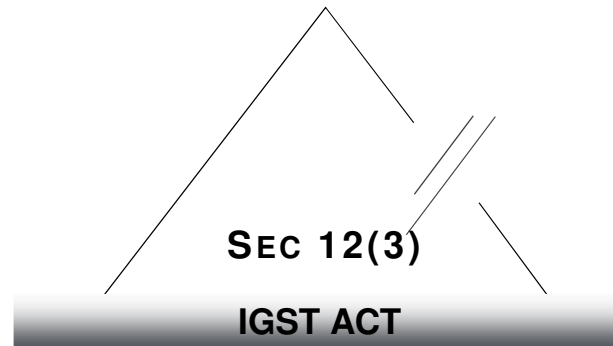
Mr. Kartik has purchased 10 acres of land in Switzerland. He has engaged M/s Chidambaram Constructions, Bangalore to construct a palatial bungalow therein.

Is M/s Chidambaram Constructions liable to pay GST? Justify your reply.



AND THE ANSWER IS ...





YES

- ❖ **M/s Chidambaram Construction should pay IGST.**
- ❖ **Place of supply would be the location of recipient, if the immovable property is outside taxable territory and both the supplier and recipient are in taxable territory.**

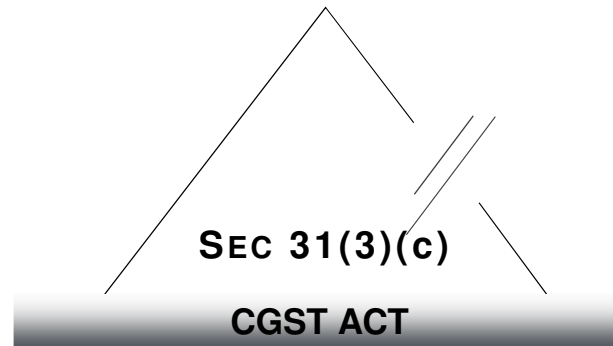


When is a Bill of Supply required to be raised?



AND THE ANSWER IS ...





- ❖ **Supply of exempted goods**
- ❖ **Supplies under composition scheme**



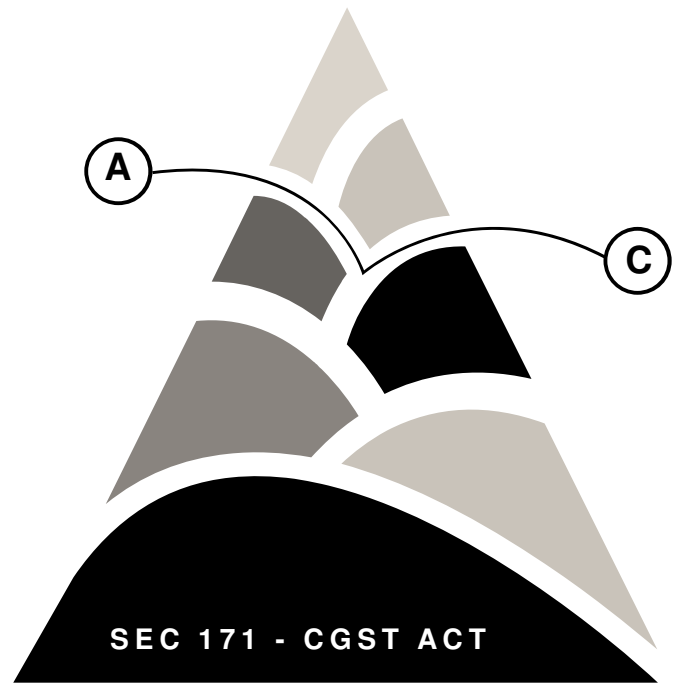
Under what situations, the provisions of anti-profiteering will apply?

- A. The rate of tax on the goods comes down under GST**
- B. The rate of tax on the goods goes up under GST**
- C. High entitlement for input tax credit under GST**
- D. Lower entitlement for input tax credit under GST.**



AND THE ANSWER IS ...







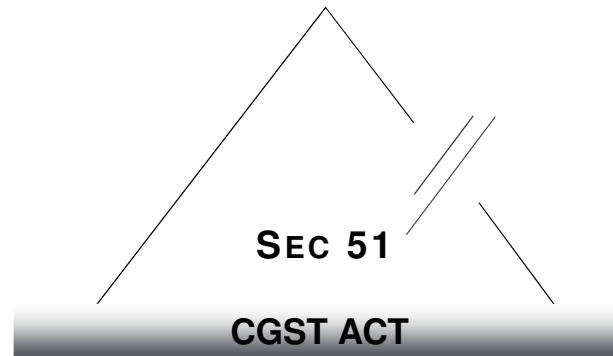
M/s CCS Infotech have supplied laptops to TN Govt worth Rs. 2.20 lakhs. How much tax has to be deducted by the Govt. of TN, under CGST Act and SGST Act?



AND THE ANSWER IS ...



45



NOTHING

Only if the value exceeds Rs.2.5 lakhs, TDS would apply

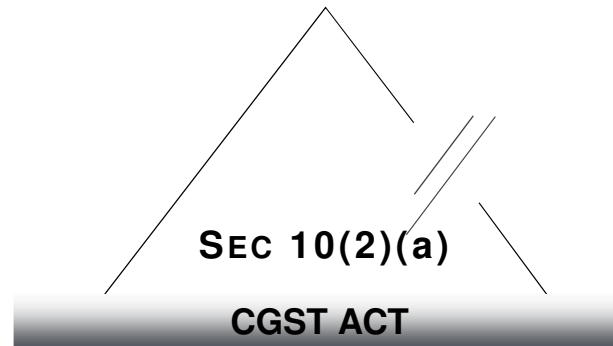


Which is the only service, which is entitled to opt for composition scheme?



AND THE ANSWER IS ...





RESTAURANTS



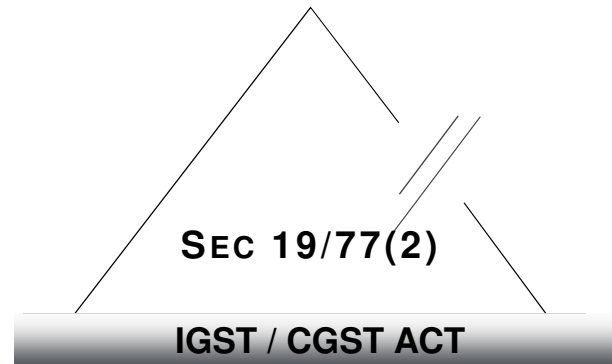
M/s Jagannath Textiles have treated a transaction as inter-state supply and paid IGST. Later it was held to be a intra-state supply.

What are the consequences?



AND THE ANSWER IS ...





- ❖ **CGST-SGST has to be paid.**
- ❖ **IGST will be refunded.**
- ❖ **No interest is payable.**



When a supply of service would amount to export of service / import of service are specified in IGST Act. State one condition which is unique to export of service and absent in import of service and its effect?



AND THE ANSWER IS ...





DISTINCT PERSONS

**TO QUALIFY AS EXPORT, THE PARTIES SHOULD NOT BE MERELY ESTABLISHMENT OF DISTINCT PERSONS BUT THERE IS NO SUCH CONDITION UNDER IMPORT OF SERVICE, WHICH MEANS EVEN IMPORT OF SERVICE BY DISTINCT PERSONS WOULD ATTRACT GST .
(UNDER REVERSE CHARGE)**



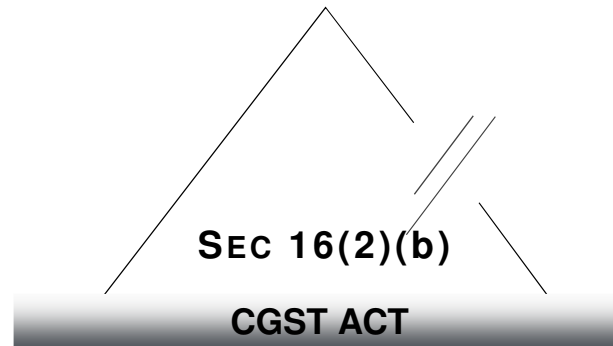
M/s Sify Ltd. have paid advance for purchase of certain goods and also paid advance for receiving some services. The respective suppliers have also paid GST on such advances and issued a receipt voucher.

Can M/s Sify Ltd avail ITC of such GST paid on advances?



AND THE ANSWER IS ...





NO

Receipt of goods / services is essential.



One of the final products manufactured by M/s Allison attracts 12 % GST whereas its major raw materials attract 18 % GST, leading to accumulation of credit, which is entitled for refund. From the following information calculate the maximum of refund that can be claimed in a month.

Value of supply @ 12 % = Rs.10 L

Total value of supply = Rs.30 L

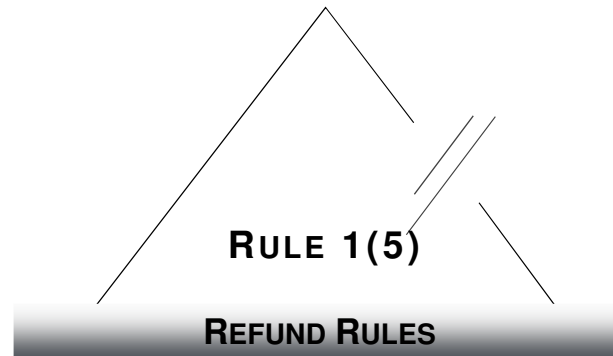
ITC availed in the month = Rs.3 L



AND THE ANSWER IS ...

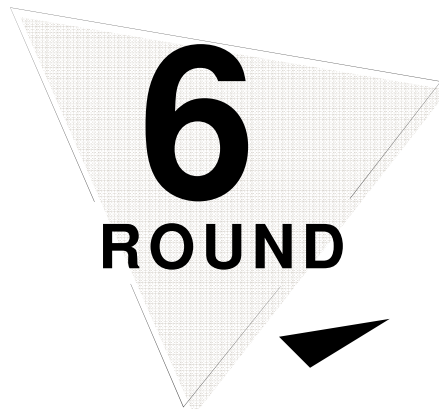


60



NIL

(Rs.10,00,000 / Rs.30,00,000)*Rs.3,00,000 – Rs.1,20,000



M/s TANGY have cleared some goods vide their invoice dated 25.07.2017 to M/s Cadbury and these goods are notified for reverse charge. The goods are received by M/s Cadbury on 01.08.2017 and M/s Cadbury have made the payment to M/s TANGY on 01.09.2017.

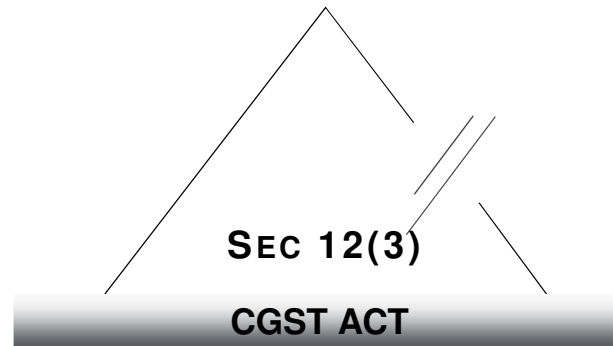
What is the time of supply?

When GST is payable by M/s Cadbury?



AND THE ANSWER IS ...





Time of Supply : 01.08.2017

GST is payable : 20.09.2017



What is the main difference between exempt supply and zero rated supply?



AND THE ANSWER IS ...





ITC



No ITC is permissible for exempt supply but ITC is entitled for zero rated supply.



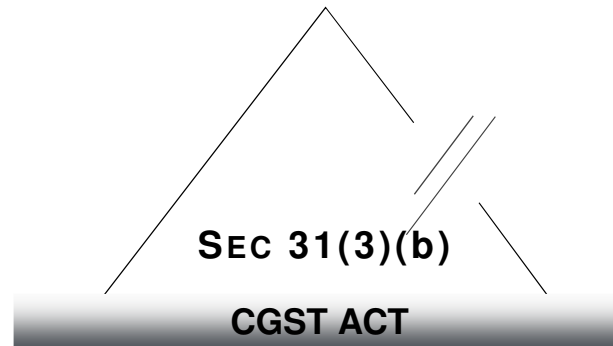
M/s Gaya & Co supplies goods worth Rs.150 to M/s Raga Associates, who is registered under GST. They also supply goods worth Rs.195 to Shri. Jaikumar, who is not registered under GST.

Is M/s Gaya & Co required to raise invoice in the above two cases?



AND THE ANSWER IS ...





M/s Raga Associates – YES

Shri. Jaikumar – NO



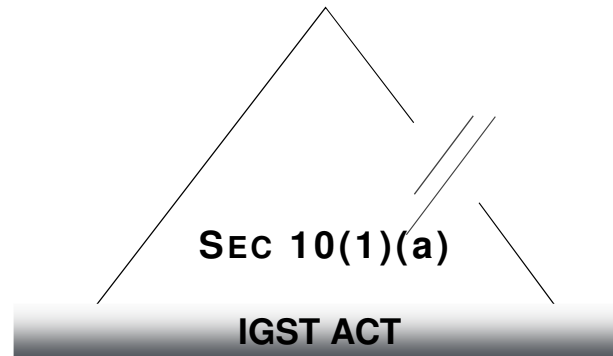
A buyer from Chennai has placed order on M/s Shasun (Puducherry) for supply of certain goods. The terms are ex-factory and M/s Shasun delivers the goods at their factory gate. The buyer himself makes arrangement for transport of the goods from Puducherry to his place, viz., Chennai.

Is it an inter-state supply or intra-state supply at the hands of M/s Shasun? Justify your reply.



AND THE ANSWER IS ...





INTER-STATE SUPPLY



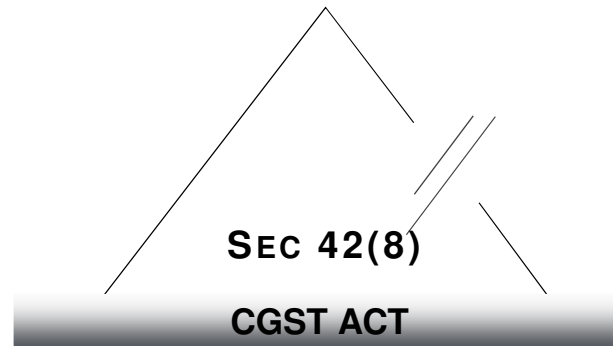
In the GSTR 2, filed by M/s S3 Associates for the month of August 2017, on 15.09.2017 they have claimed ITC of Rs.2,50,000. Out of which the claim for Rs.2,00,000 has matched with the GSTR 1 filed by the suppliers. The discrepancy of Rs.50,000 was communicated to M/s S3 Associates on 03.10.2017. They have taken steps to contact the suppliers and suppliers to an extent of credit of Rs.20,000 have rectified the mistakes at their end. They have found out that their claim to an extent of Rs.7000 was erroneous and rectified the same. The balance claim could not be rectified till 31.10.2017.

Explain what would be the liability of M/s S3 Associates as to payment of credit and interest.



AND THE ANSWER IS ...





- ❖ **Rs.23,000 to be added in the output tax liability of November 2017.**
- ❖ **Interest payable from 16.09.2017 to 20.12.2017.**



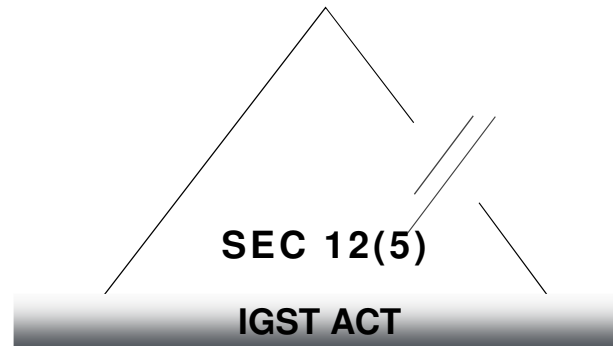
Mr. Shiv Khera offers training on personality development, development of marketing skills, communication skills improvement, etc. M/s Modest, Chennai (registered under GST @ Chennai) has deputed its 5 executives for the training. Mr. Praveenkumar of Chennai has also enrolled for the training in his personal capacity for his own development.

What taxes have to be charged by the training centre?

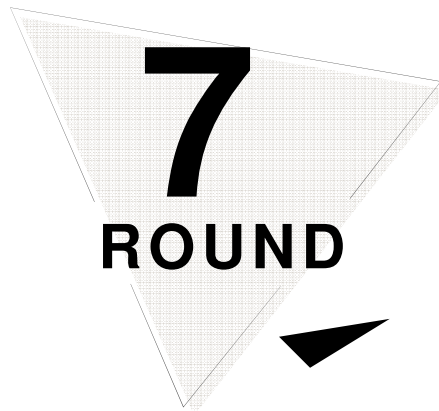


AND THE ANSWER IS ...





IGST for M/s Modest CGST & SGST for Mr. Praveenkumar



M/s IFF from Chennai engages M/s KR Transports to transport goods from Mumbai Port to Nagpur.

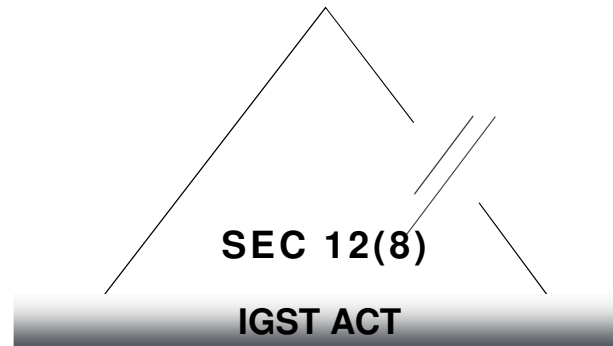
Who is liable to pay GST?

What type of GST is payable?



AND THE ANSWER IS ...





IFF has to pay IGST

- ❖ **Place of supply is Chennai.**
- ❖ **IGST is payable by IFF under reverse charge.**



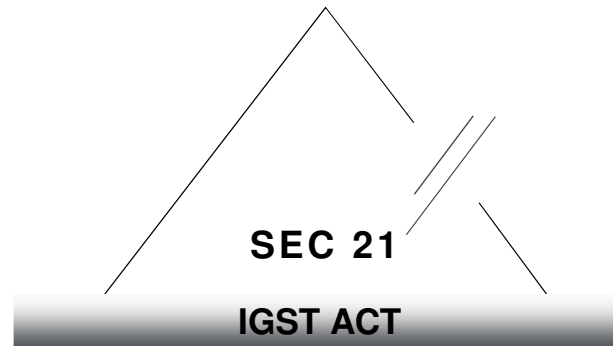
M/s Scionspire have placed a purchase order for import of certain services from abroad, for a total value of Rs.10 lakhs and paid Rs.5 lakhs during May 2017 as an advance and also paid appropriate service tax thereon. The service was received after 01.07.2017. The balance amount of Rs. 5 lakhs is being paid by them in July 2017.

What is their tax liability?



AND THE ANSWER IS ...





IGST has to be paid on 5 Lakhs



M/s Sowbaghya has fixed Rs.5000 as MRP for one model of its wet grinders and selling it at Rs.3000 to the dealers. Earlier they were paying ED of 12 % on MRP minus 35 % abatement and 14% VAT on selling price. Now, let us assume grinders attract 18% GST (9 % CGST and 9 % SGST).

To what extent the MRP of the grinder has to be reduced?



AND THE ANSWER IS ...





NEW MRP = Rs.4675/-

EARLIER ED = $(5000 - 35\%) * 12\% = \text{Rs.}390$
EARLIER VAT = $(3000 + 390) * 14\% = \text{Rs.}475$
Total Taxes = Rs.865
Now GST = $3000 * 18\% = \text{Rs.}540$
Reduction in Taxes under GST = Rs.325
Hence MRP has to be reduced by Rs.325/-



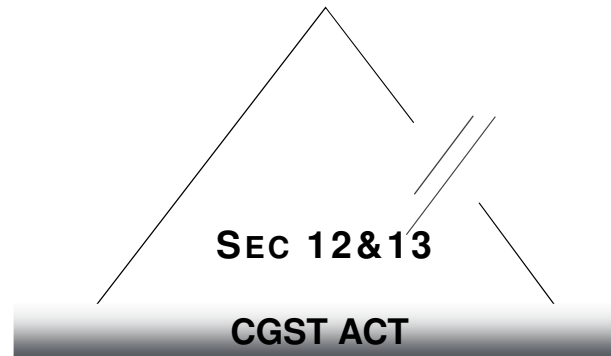
Time of supply of service when the supply is between associated enterprises is specifically defined as “date of entry in the books of recipient or date of payment whichever is earlier”. But while dealing with time of supply of goods, there are no special provisions for associated enterprises.

Why?

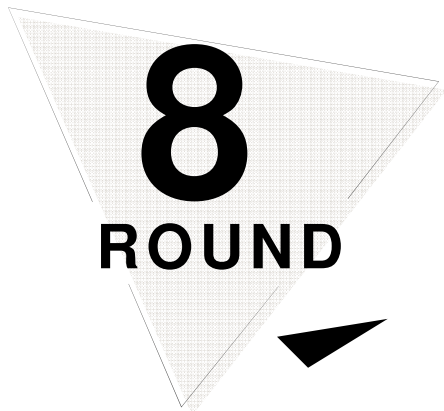


AND THE ANSWER IS ...





For services, by applying the normal principles of time of supply, the same can be postponed indefinitely (raising of invoice / payment) but in case of goods, even from associated enterprises, IGST is payable at the time of import.



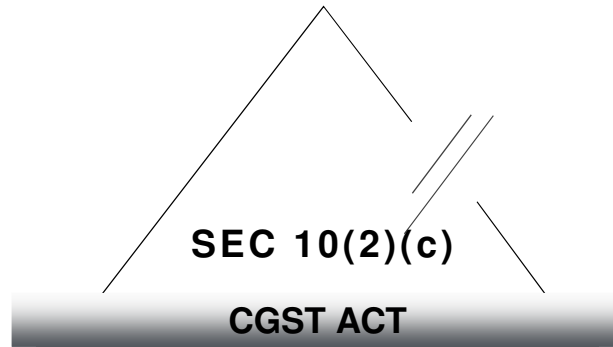
Mr. Ramesh has got a business in Chennai as well as in Mumbai, which are effecting supplies only in the respective States. The turnover of these branches in the preceding financial year is Rs.20 lakhs and Rs.25 lakhs respectively. Occasionally the goods are also stock transferred from Chennai to Mumbai.

Is Mr. Ramesh entitled to opt for composition scheme under Section 10?



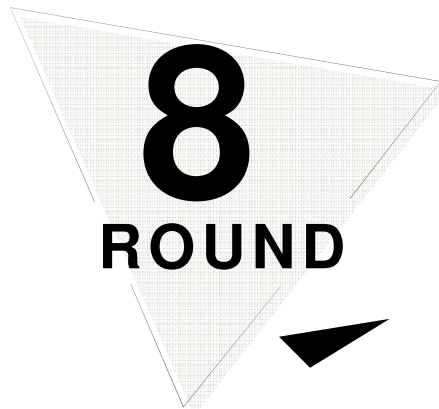
AND THE ANSWER IS ...





NO



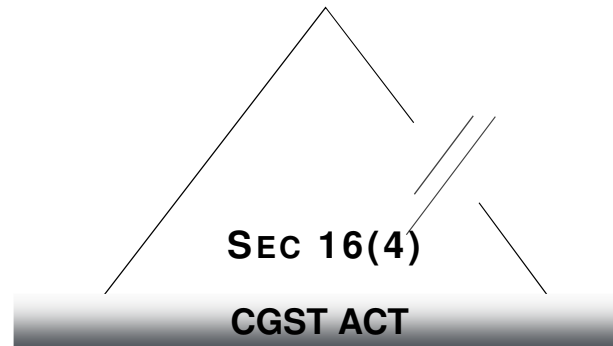


An invoice is dated 30.03.2018, for which ITC has not been taken and the omission was realised on 31.10.2018. The monthly return for the month of September 2018 was not yet filed, though the same should have been filed on 20.10.2018. The annual return for the year 2017-18 has also not yet been filed. Can the credit be taken?



AND THE ANSWER IS ...





NO

The due date for filing monthly return is over on 20.10.2018.



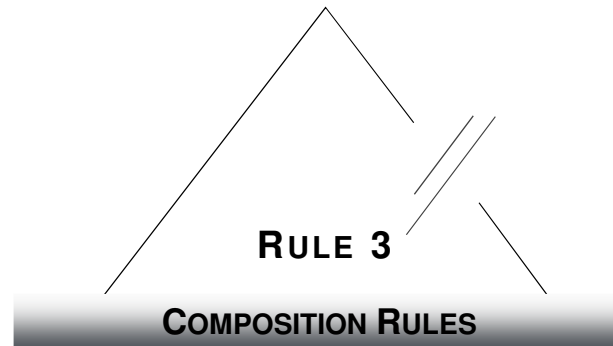
Which of the following factors would disentitle a registered supplier to opt for composition from normal scheme w.e.f 1.4.2018?

- A. They have stock of inputs purchased from inter-state as on 01.04.2018.**
- B. They have stock of inputs purchased from unregistered persons as on 01.04.2018.**



AND THE ANSWER IS ...





B

A is applicable only for those who intend to opt for composition from 01.07.2017.

Way out: Pay GST for all such stock.



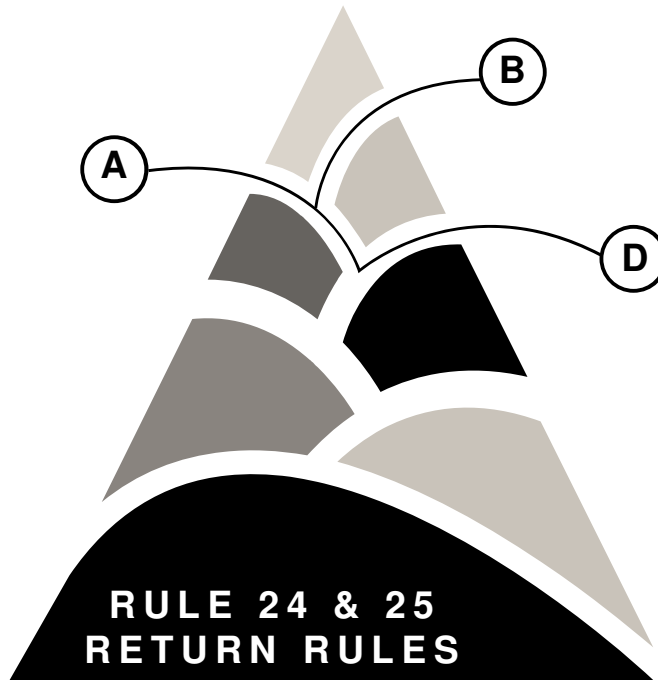
To perform which of the following functions, registration as GST Practitioner is required?

- A. File GSTR 1 & GSTR 2
- B. Make payment into Electronic Cash Ledger
- C. Represent in adjudication / appeals
- D. File a claim for refund



AND THE ANSWER IS ...







Ms. Shreya has purchased goods for Rs.10,000 in Lifestyle and hence they have given her a gift voucher worth Rs.1000 which can be redeemed during any future purchase.

What is the tax liability in this regard?



AND THE ANSWER IS ...





GST is payable on Rs.10,000 for the sale made. Rs.1000 worth voucher is given free of cost and hence there is no tax liability on the issue of voucher. When the said gift voucher is redeemed subsequently on a purchase of Rs.6,000, GST is payable on Rs.5,000. If she purchases goods only for Rs.1000 against the gift voucher, no GST is payable by Lifestyle and to this extent, they would be required to reverse the ITC.



Adyar Ananda Bhavan wants to opt for payment of tax under composition scheme for the restaurants run by them. Assuming that their last year turnover is 65 lakhs:

Whether are entitled for composition?

If so, at what rate?



AND THE ANSWER IS ...





YES (LIMIT INCREASED TO 75 LAKHS)

5% (2.5% CGST & 2.5% SGST)



Mr. Muni is an advocate. He also runs a shop and also engaged in export of garments. His turnover during the year 2017-18 as on 01.07.2017 is:

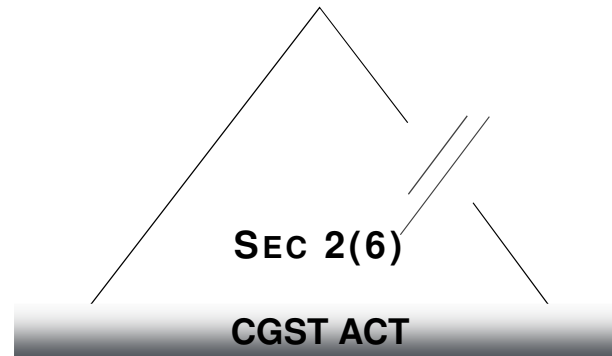
Advocate profession	: Rs. 5 L
Sale from the shop	: Rs. 12 L
Profit from the shop	: Rs. 2 L
Export income	:Rs. 6 L

Is he liable to obtain registration?



AND THE ANSWER IS ...





YES

As per the definition of “aggregate turnover”

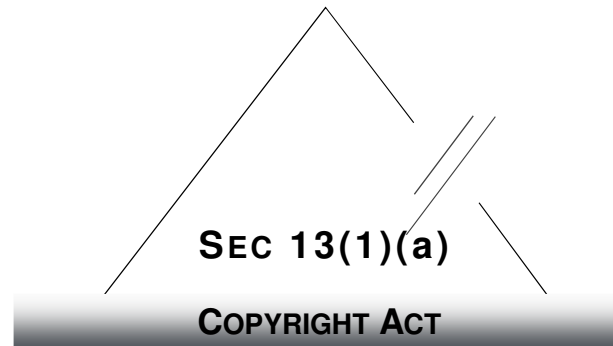


Which segment of film industry which was hitherto not subjected to service tax would be subjected to GST?



AND THE ANSWER IS ...





- ❖ **Transferring or permitting the use of copyright in original literary, dramatic, musical or artistic works (Writers, Music Composers, etc).**
- ❖ **GST is payable by the producers under reverse charge.**



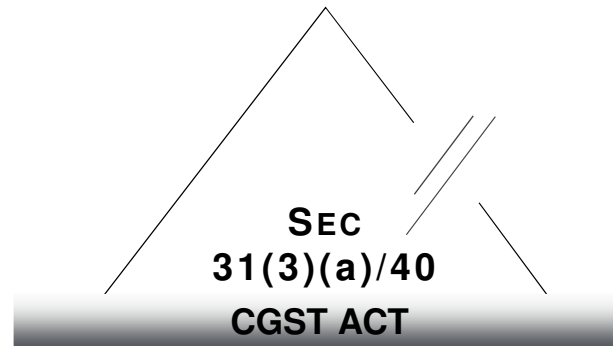
Yogesh Enterprises have crossed Rs.20 lakhs turnover on 24.08.2017 and applied for registration on 03.09.2017 and the same was granted on 12.09.2017. But he has been clearing goods and raising invoices from 24.08.2017 onwards.

What action Yogesh Enterprises have to take?



AND THE ANSWER IS ...





- (a) He shall issue proper GST invoice for all invoices raised from 24.08.2017 to 12.09.2017.**
- (b) In the return for the month of September 2017, they have to include the details of supplies made from 24.08.2017 also.**



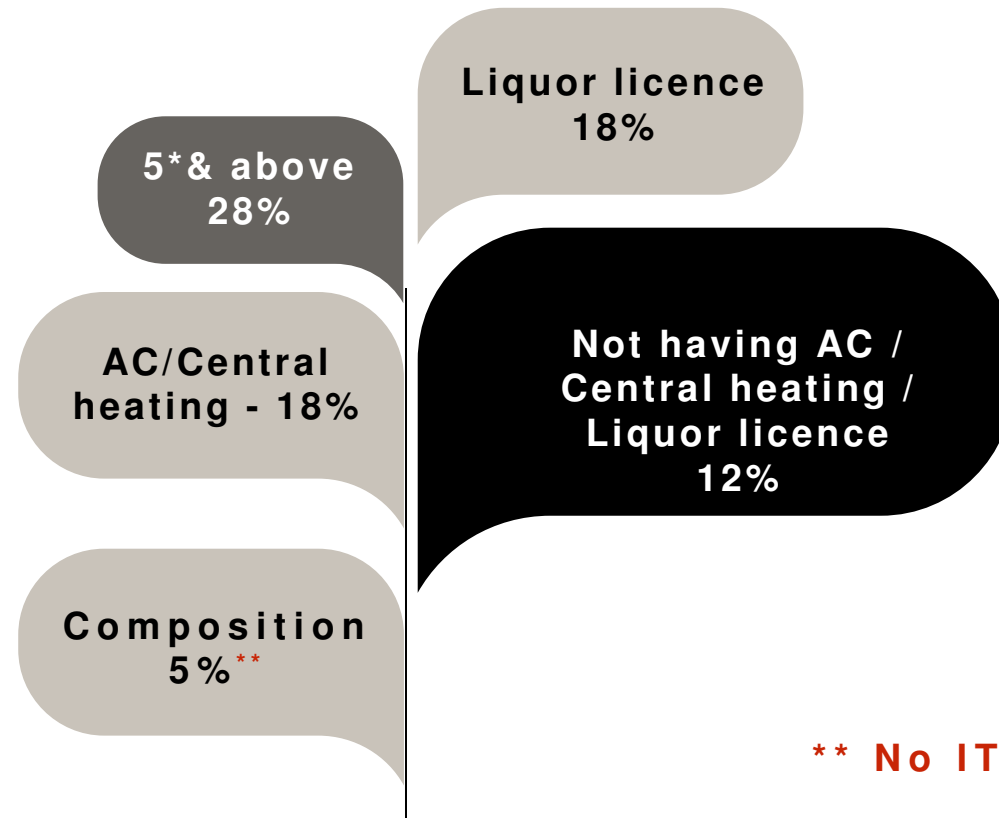
State any two GST rates for hotels / restaurants with their categories?



AND THE ANSWER IS ...



120



** No ITC



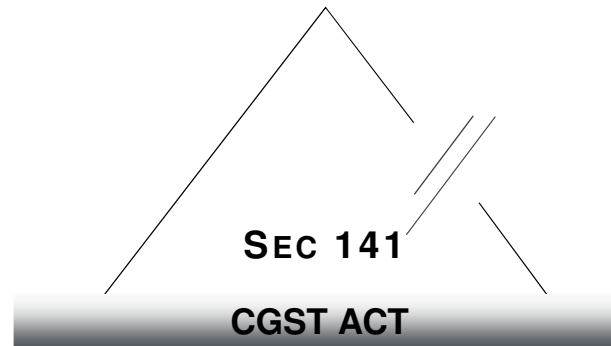
M/s Raja Magnetics have cleared their inputs to various job workers prior to 01.07.2017. One of the job workers has not returned the goods till 31.12.2017.

What are the consequences?



AND THE ANSWER IS ...





- ❖ **The credit availed on such inputs has to be reversed by M/s Raja Magnetics.**
- ❖ **There is also no provision for taking re-credit, as and when they are returned.**



Out of the following where ITC is not eligible?

- A. Inputs and input services used for non business purposes.**
- B. Inputs and input services used for making exempt supplies.**
- C. Inputs and input services used for making zero rated supplies.**
- D. Inputs and input services used for making taxable supplies.**

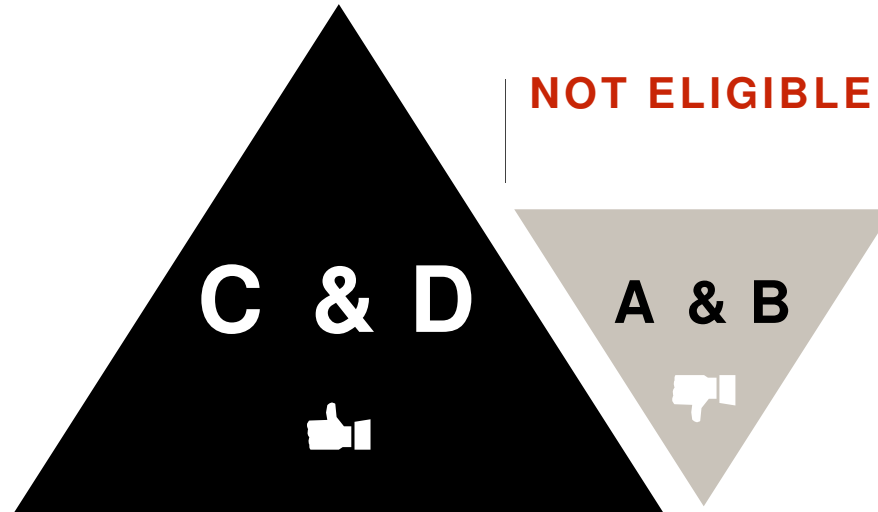


AND THE ANSWER IS ...





NOT ELIGIBLE



ELIGIBLE



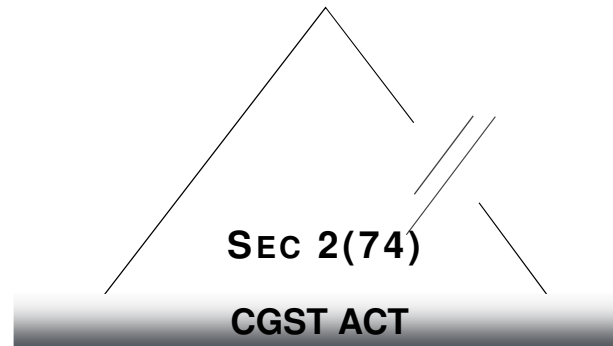
Sri Krishna Sweets comes out with a combo pack for Diwali, comprising of Half KG Sweet and Half KG Savouries and the same is priced at Rs.250. Sweet attracts 5 % GST and Savouries attract 12 % GST.

What is the GST to be paid in this case?



AND THE ANSWER IS ...





MIXED SUPPLY - 12%

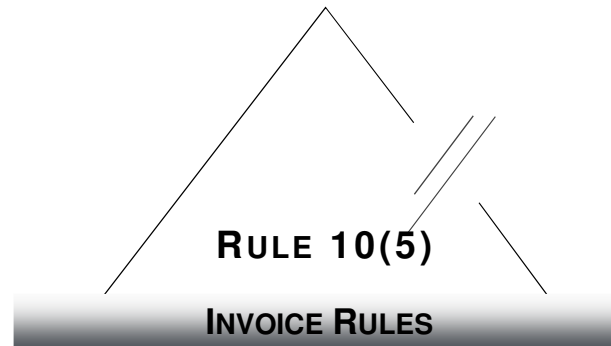


What is the procedure for invoicing, if the goods are cleared in multiple vehicles in knocked down condition?



AND THE ANSWER IS ...





- (a) the supplier shall issue the complete invoice before dispatch of the first consignment**
- (b) the supplier shall issue a delivery challan for each of the subsequent consignments, giving reference of the invoice**
- (c) each consignment shall be accompanied by copies of the corresponding delivery challan along with a duly certified copy of the invoice; and**
- (d) the original copy of the invoice shall be sent along with the last consignment**



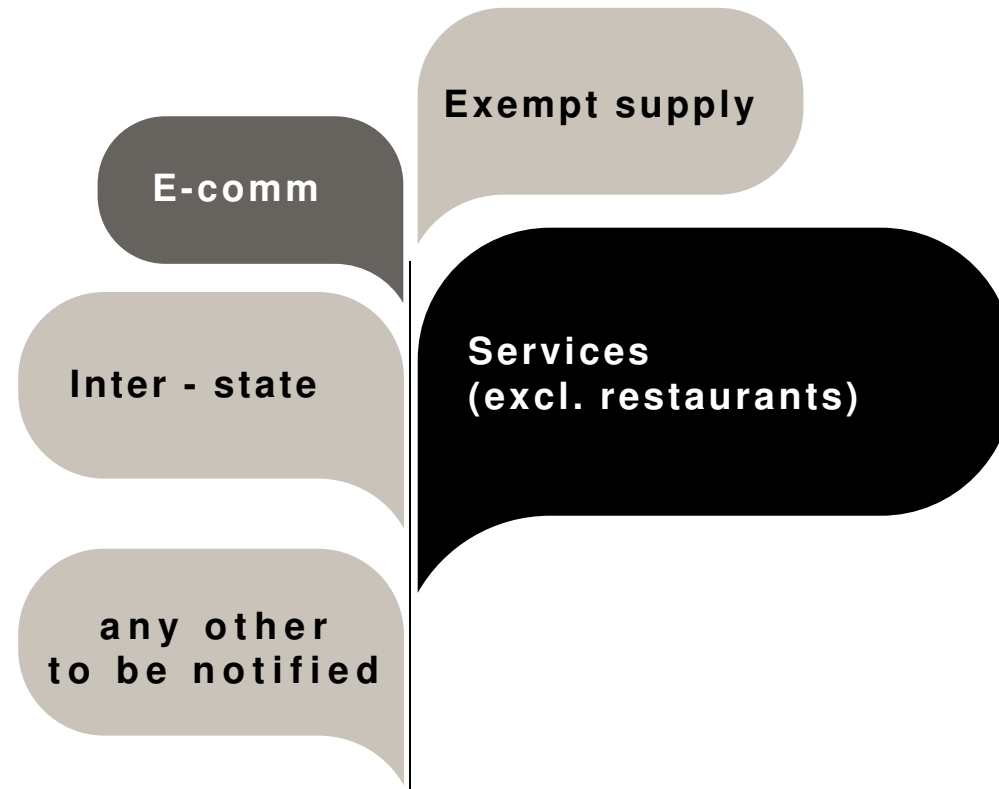
State any four categories of suppliers who are not entitled for composition scheme?



AND THE ANSWER IS ...



135





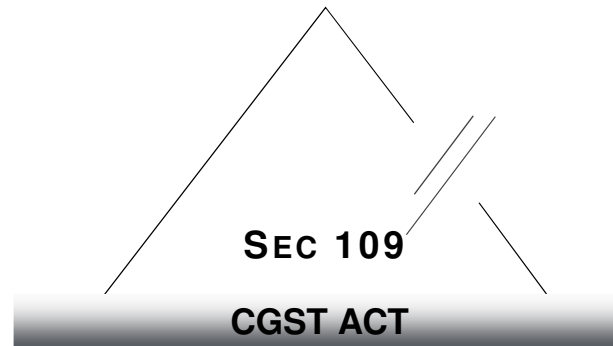
12 ROUND

1. What is the pre-deposit requirements under the CGST law and SGST Law?
2. Can the State Government ask for more pre-deposit?
3. If so upto what extent?



AND THE ANSWER IS ...





- ❖ **First Appeal – 10 % of the disputed demand both under CGST & SGST.**
- ❖ **Second Appeal – 20 % / 25 % of the disputed amount, under CGST & SGST respectively, in addition to the amount paid under first appeal.**
- ❖ **No provisions for seeking enhancement by the State Government.**



M/s Penna Cement are constructing a new factory and awarded the construction contract to M/s NCC. For this purpose, M/s Penna Cement themselves supply the cement manufactured by them to M/s NCC. Is M/s Penna Cement liable to pay GST on such cement used in construction of building for their own purpose?



AND THE ANSWER IS ...





NO. NO SUPPLY





On 1st August 2017, goods were sold for Rs.15,000 and appropriate GST is paid on 20th September 2017. A credit period of two months is allowed for making payment and any delay beyond two months would invite a penal interest of Rs.15 per day of delay. The payment was made after a delay of 20 days and hence a penal interest of Rs.300 has been received by the seller on 21.10.2017.

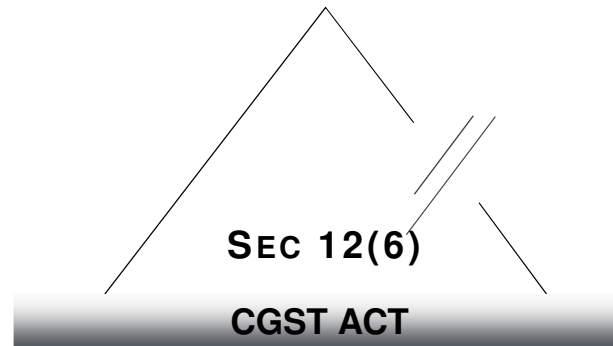
**When GST is payable on this Rs.300?
Whether any interest is payable thereon?**



AND THE ANSWER IS ...



144



20.11.2017
No Interest



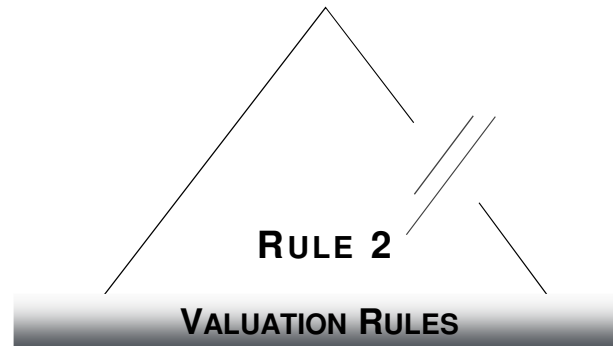
M/s Infosys provides subsidised food to their employees in their canteen free of cost. The comparable value of similar kind of lunch is Rs.100.

**Is Infosys liable to pay GST?
If so, on what value?**



AND THE ANSWER IS ...





YES

Employer and Employees are considered as related persons as per Section 15 of the CGST Act and even supplies without consideration would be liable to GST as per Schedule I.



An inward supply invoice is dated 05.07.2017 for which ITC has been availed by M/s Stovecraft immediately. The value of the invoice is Rs.1,00,000 with GST of Rs.18,000. An amount of Rs.59,000 has been paid by M/s Stovecraft to the supplier on 10.09.2017. But the balance amount has not been paid.

How and when M/s Stovecraft would be liable to pay back the credit?

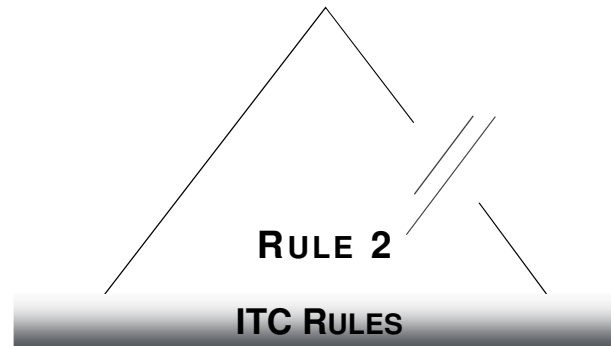
How interest has to be paid?



AND THE ANSWER IS ...



150



In January 2018, the time limit of 180 days for making payment would expire.

So, while filing their returns for the month of January 2018, M/s Stovecraft have to declare that, as against an invoice for Rs.1,18,000 only Rs.59,000 has been paid and an amount of Rs.9000, representing ineligible credit would be added to the output tax liability of M/s Stovecraft for the month of Jan 2018, which has to be paid by 20.02.2018. Interest is payable from the date of availing credit (05.07.2017) to the date on which the amount is added to the output tax liability (15.01.2018).



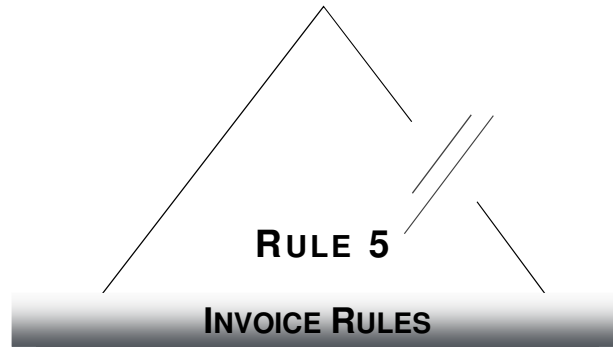
M/s Venus Industries have received a purchase order from M/s Neptune Agencies, for supply of various goods, attracting different rates of GST, 5 %,12 % and 28 %. M/s Neptune have also paid an amount of Rs. 1 lakh as advance, without any specific reference to any goods.

At what rate M/s Venus Industries have to pay GST on the advance amount?



AND THE ANSWER IS ...





18%



APR intends to construct an independent house for him in Sattva Avenue. Mr. Sridhar has given a quote for construction work and asks APR to buy all materials required for the construction activity. Mr. Prince has also given their quote for undertaking complete construction work with all materials. Though both quotes are comparable on all other aspects, which one APR should choose and why?



AND THE ANSWER IS ...





Mr. Sridhar

Only labour contracts for construction of individual houses are exempted from GST. Works Contracts for construction of individual houses are not exempted.



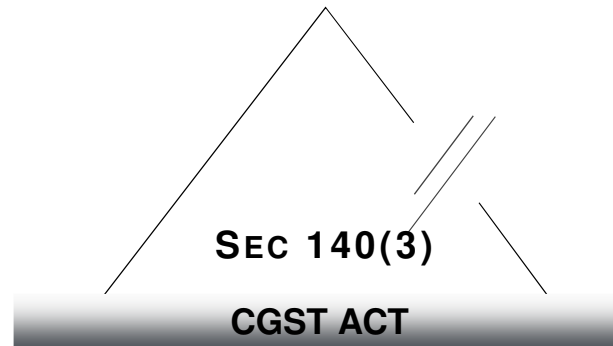
14 ROUND

Under which provision, M/s NCC Ltd, involved in providing various construction related services, could avail ITC of excise duty paid on various materials in stock.



AND THE ANSWER IS ...





A person who was not liable to be registered under the existing law (CE Act).



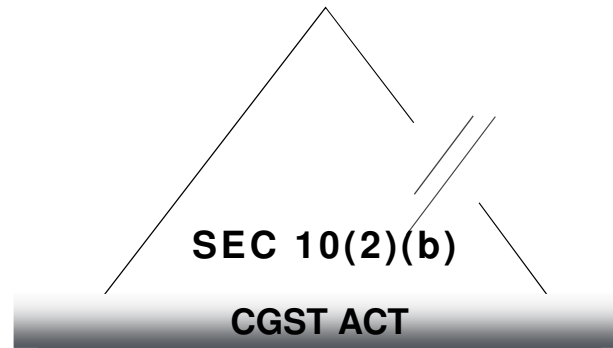
Mr. Bojarajan is running a departmental store in Chennai, the turnover of which during the preceding financial year is Rs.25 lakhs. During the current year, he has also opened a Petrol Bunk at Trichy.

Is he entitled to opt for composition scheme for the current year?



AND THE ANSWER IS ...





NO



The M.D. of M/s Pricol Technologies, CBE goes to Delhi and stays at a Hotel and this hotel is not registered under GST but M/s Pricol Technologies is registered under GST in Tamil Nadu.

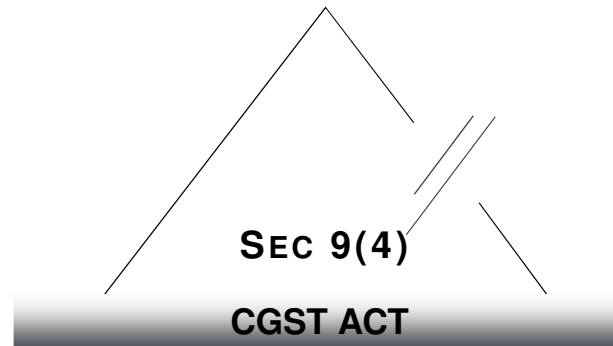
- ❖ **Whether M/s Pricol Technologies have to pay GST?**
- ❖ **If so, under what provisions?**
- ❖ **If so, which GST they have to pay, namely, IGST or CGST & TN SGST or CGST and Delhi SGST?**



AND THE ANSWER IS ...



165



- ❖ **YES. They have to pay GST under reverse charge.**
- ❖ **They have to pay CGST & TN SGST (as they are subjected only to CGST Act and TN SGST Act).**



Jk constructs a cement plant for which he had purchased the following materials for the setting up. Which of the following are not entitled for ITC?

- A. Boiler from BHEL.**
- B. Various other equipments.**
- C. MS Steel Angles, Channels, Beams, Plates, etc. to fabricate various other equipments.**
- D. MS Steel Angles, Channels, Beams, Plates, etc. for erecting supporting structures for these equipments.**
- E. Cement and Readymix concrete for supporting structure for the above equipments.**



AND THE ANSWER IS ...





ALL OF THEM



M/s UB received an input service invoice dated 31.05.2017 and availed credit of it immediately. But, they have not made payment for the same till 31.08.2017 and reversed the credit on 01.09.2017. Subsequently they made the payment on 05.10.2017.

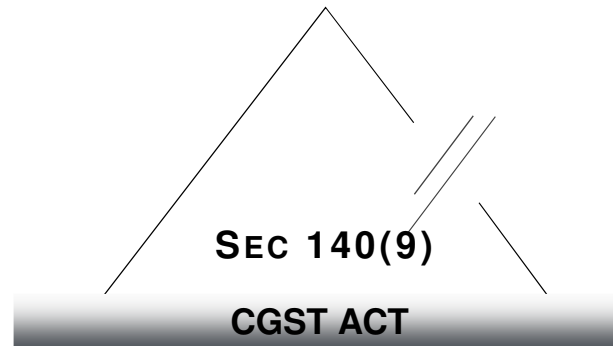
Is such reversal required?

Can they take re-credit?



AND THE ANSWER IS ...





- ❖ **YES - Second proviso under Rule 4 (7) of CCR, 2004.**
- ❖ **NO - As the payment was not made within three months from the appointed date.**



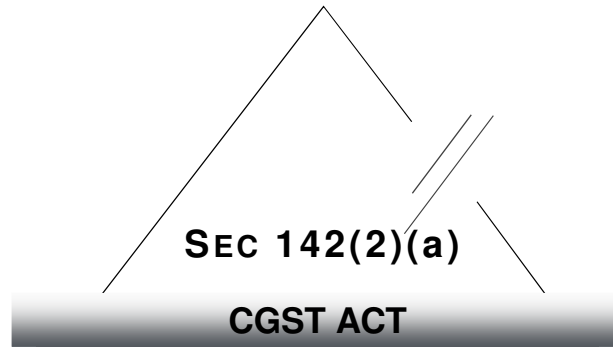
In pursuance of a purchase order issued prior to GST, M/s Anabond have sold goods to M/s Amtrix on payment of ED and VAT. On a price escalation clause in the purchase order, an upward price revision was agreed during 8/2017 and M/s Anabond raises a Debit note on M/s Amtrix.

What tax to be paid by M/s Anabond? Explain.



AND THE ANSWER IS ...





GST

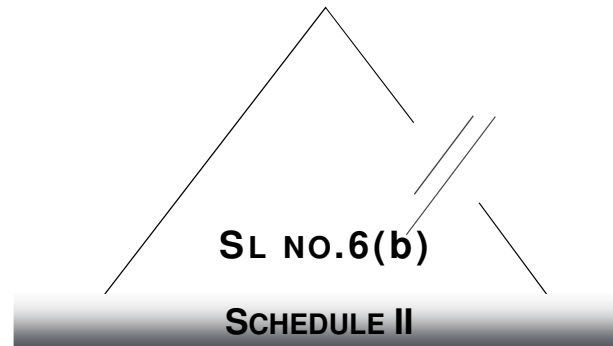


Shalini goes to a hotel and takes several food items, which attract different rates of GST individually. Will that become a mixed supply and whether the hotel is bound to charge the rate maximum rate on all food items?



AND THE ANSWER IS ...





NO

“Mixed supply” will be attracted only in a case of a single price. This is a supply of service and the rate applicable for service would apply.



Strongman, Bangalore is a C & F Agent of M/s Suryadev, Chennai. M/s Suryadev have cleared the goods manufactured by them on stock transfer basis to Strongman on payment of ED. Strongman have sold the goods to Superman, on payment of local VAT. Strongman is not registered under CE as a Dealer. Superman is having stock of 100 tonnes of goods received from Strongman, prior to GST, as on 01.07.2017. He sells 50 tonnes of the same at Rs.10000 per tonne in September 2017 and the goods attract 18% GST.

How much ITC Superman would be entitled?

If balance 50 Tonnes are sold by him in Jan 2018 at Rs.8000 per tonne.

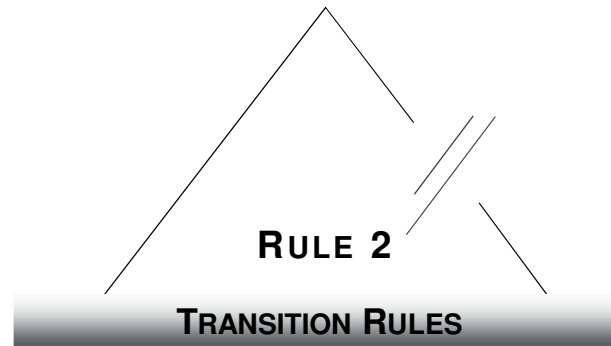
How much ITC Superman will get for this?



AND THE ANSWER IS ...



180



Sale in Sep'17 - 60% of $50 \times 10000 \times 18\%$ = 54000

Sale in Jan'18 - NIL (beyond 6 tax periods)



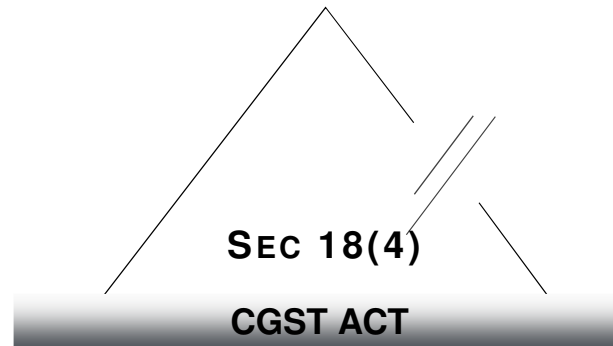
Mr. Shankar is registered under GST and paying GST under the normal method and also avails ITC. One fine day he realises that he is entitled to pay GST under composition scheme. He is liable to reverse, which of the following credits?

- A. Credit attributable to stock of inputs lying in stock, contained in work in progress and Finished goods.**
- B. Credit attributable to capital goods.**
- C. Credit attributable to various input services, received during the last three months prior to exercise of option for composition scheme.**



AND THE ANSWER IS ...





A & B



**M/s Rane Brake Linings has its corporate office at Chennai and factories at Chennai, Ambattur (TN), Mysore, Hyderabad and Gurgaon. The turnover of these units during 2016 -17 are :
Chennai – Rs. 15 Crores.**

Ambattur – Rs. 20 Crores.

Mysore – Rs. 25 Crores.

Hyderabad – Rs. 20 Crores.

Gurgaon – Rs. 20 Crores (out of which Rs.10 crores is exempted goods turnover).

The Corporate office has received an invoice from its Statutory Auditor, for a value of Rs.10 L with 18 % GST (CGST and SGST).

How much credit should be distributed to each of the units under ISD and in what manner the distribution should be done?



AND THE ANSWER IS ...





SEC20 - CGST Act & RULE 4 - ITC Rules



TN - $35/100 \times 180000 = 63000$.
(31500 CGST & 31500 TN SGST).

Mysore - $25/100 \times 180000 = 45000$ as IGST.

Hyd - $20/100 \times 180000 = 36000$ as IGST.

Gurgaon - $20/100 \times 180000 = 36000$ as IGST.

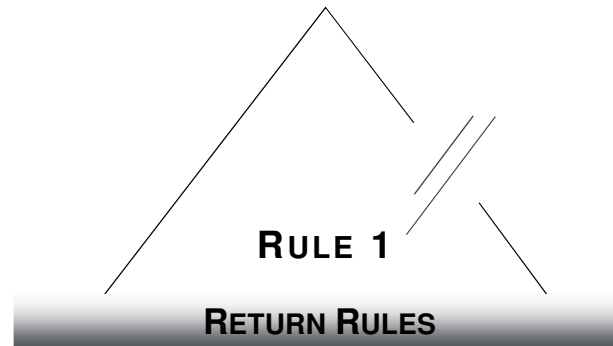


In GSTR 1, how supplies made to unregistered persons should be declared?



AND THE ANSWER IS ...





- (a) In case of inter-State supplies of more than Rs.2.5 lakhs value – Invoice wise**
- (b) In case of inter-state supplies of less than Rs.2.5 lakhs value – STATE wise consolidated details**
- (c) Consolidated details of all intra-State supplies for each rate of tax**



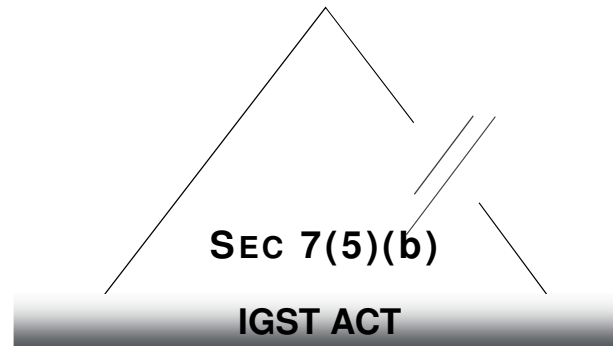
M/s Thirumalai Chemicals, Ranipet (TN) is purchasing certain goods from M/s Flextronics, situated at Sriperumpudur (TN), which is a SEZ.

Is it an intra-state supply or inter-state supply?



AND THE ANSWER IS ...





INTER-STATE SUPPLY

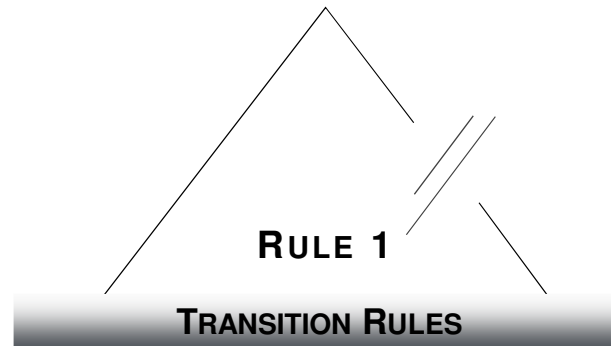


M/s Megha-NCC JV is a special purpose vehicle formed for a particular project. They are having registration at Hyderabad for Service tax. They are executing a project in the State of Chhattisgarh. They have filed their last ST 3 return in Hyderabad. Under GST, they have obtained a registration in Chhattisgarh. They do not have any other projects in Hyderabad. How the cenvat credit balance in the ST 3 filed at Hyderabad would be allowed in Chhattisgarh.



AND THE ANSWER IS ...





**By filing GST TRAN 01 within 90 days
from the appointed day.**

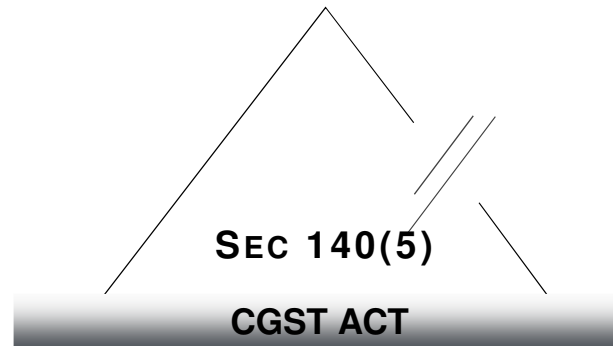


M/s Sharp Pumps have purchased castings in the month of June 2017. The castings were cleared by the suppliers on 25.06.2017 on payment of excise duty. M/s Sharp have received the invoice on 10th July 2017 and accounted the same. But due to some delay in transit, the castings were received only on 02.08.2017. Can M/s Sharp Pumps avail input tax credit of the ED paid on the castings?



AND THE ANSWER IS ...





YES

- ❖ **Once the invoice is accounted within 30 days from the appointed day, credit is entitled.**
- ❖ **Credit can be taken after receipt of the castings.**



M/s Thiruaarooran Sugars is constructing a new sugar plant. The construction work is awarded to Shri. Saravanan. M/s Thiruaarooran Sugars purchases cement and directly supply the same to Shri. Saravanan.

Who can avail credit of the GST paid on cement?



AND THE ANSWER IS ...







Rane TRW is availing credit on common inputs and clearing some of their final products to VFJ claiming exemption and following Rule 6 of CCR, 2004.

Can they avail the benefit of Sec 140 (4) (b)? Explain.



AND THE ANSWER IS ...





NO

**Section 140(4)(b) would cover only exclusive inputs for manufacture of exempted goods.
For common goods lying in stock, credit had already been availed.
For the inputs used in the exempted final products already cleared, credit had already been rev**



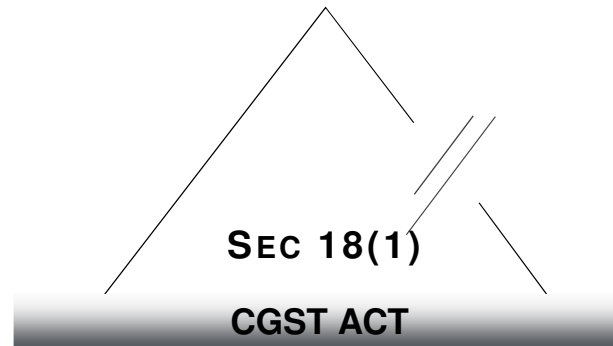
M/s Amman Steels have not availed ITC for an invoice, which is dated 01.08.2017 and this omission was noticed only on 15.09.2018. By that time they have neither filed their monthly return for September 2018 nor filed the annual return for 2017-18.

Can the credit be taken on 15.09.2018?



AND THE ANSWER IS ...





YES

One year time restriction is only for transitional credit.



M/s Swamy Associates have provided services to M/s APSRTC and raised an invoice. M/s APSRTC have also paid applicable GST thereon under reverse charge and availed ITC of the same. But, they have not made payment against the invoice to M/s Swamy Associates even after a lapse of more than 6 months?

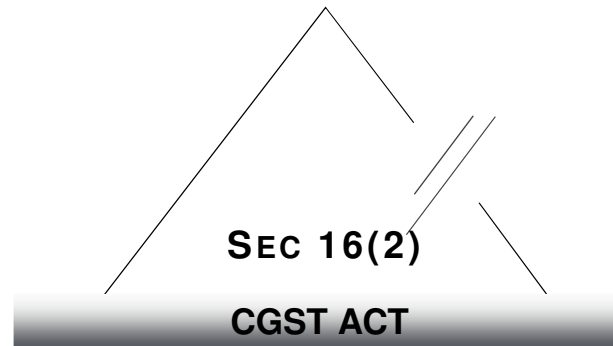
What is the consequence for M/s APSRTC?



AND THE ANSWER IS ...



210



- ❖ **They need not reverse any credit, as the requirement for such reversal is not applicable for GST paid under reverse charge and availed as ITC.**
- ❖ **Rule 2 of ITC Rules.**



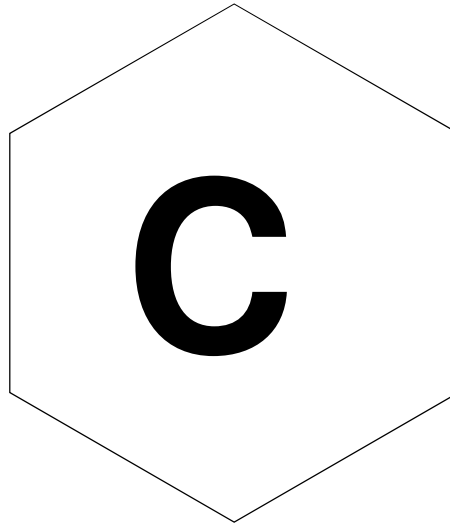
Under the following situations, when ITC for Motor Vehicles is not eligible?

- A. M/s Good Driver Driving School buys few cars for being used in their business of imparting driving skills.**
- B. M/s IM Gears purchases a Goods Transport Vehicle, for transport of their final products.**
- C. M/s Rane TRW purchases a van, for transport of their employees.**
- D. M/s Kun Hyundai, purchases cars for subsequent sale.**
- E. M/s KPN Travels purchases a bus for their business of travel.**



AND THE ANSWER IS ...





Sec 17(5)(a) - CGST ACT



M/s Mahendra Pumps, CBE have cleared pumps, on payment of GST to their Bangalore branch and the Bangalore branch has availed ITC of it. But being their own branch, no payments would be made against the supply invoice by the Bangalore Branch to M/s Mahendra Pumps, CBE.

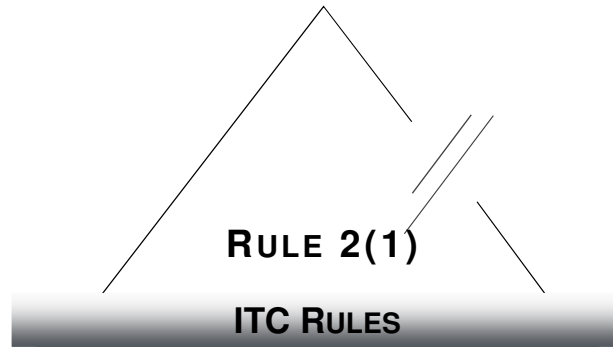
Should the Bangalore branch reverse the ITC, after expiry of six months?



AND THE ANSWER IS ...



216



NO

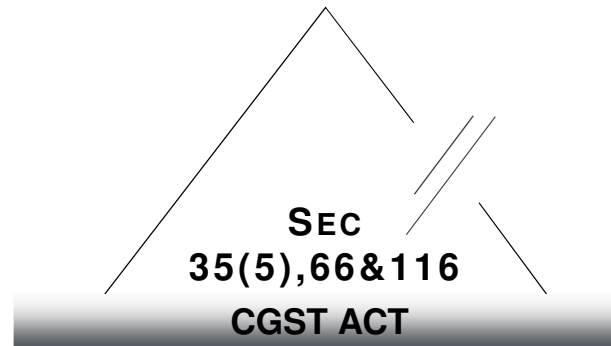


What are the roles of Chartered Accountants under GST law (any two)?



AND THE ANSWER IS ...





- ❖ **If the turnover exceeds specified limit, accounts have to be audited by CA.**
- ❖ **During investigation, if required, the department can order for an audit by CA.**
- ❖ **Right to act as authorised representative.**



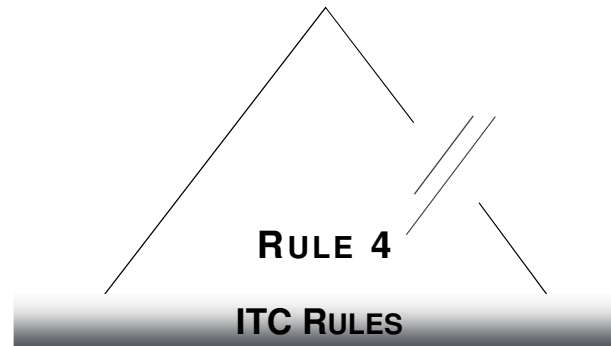
An ISD has been distributing credits to its four registered units. For the month of September 2017, an amount of Rs.6,500 , Rs.15,000, Rs.20,000 and Rs.7000 is entitled for distribution to Unit A, B, C and D, respectively. It has been realised that during previous periods an amount of Rs.10,000 wrongly to Unit A and Rs.5,000 wrongly to Unit D.

How this will be dealt with?



AND THE ANSWER IS ...





While distributing credit for September 2017, the amount to be distributed to A would be a negative amount of Rs.3,500 (Rs.6,500 – Rs.10,000), which will be added to the output tax liability of A and an amount of Rs.2,000 would be distributed to unit D (Rs.7,000 – Rs.5,000).



ITC is not entitled for inputs / input services used for non-business purposes and for making exempted supplies. What is the sequence in which the requirements are met in this regard?

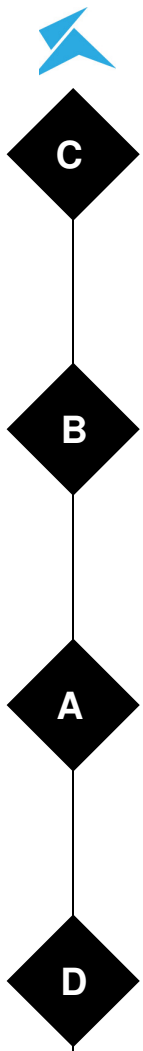
- A. Calculation of the proportion of common credit attributable to inputs & input services used for making exempted supplies.**
- B. Separation of Credit exclusively pertaining to inputs and input services used for making taxable supplies and zero rated supplies.**
- C. Exclusion of credit exclusively pertaining to inputs & input services used for non-business purposes, exempt supplies and ineligible credits.**
- D. Addition of the proportion of common credit attributable to inputs and input services used for making exempted supplies to the output tax liability.**



AND THE ANSWER IS ...



225



RULE 7 OF ITC RULES



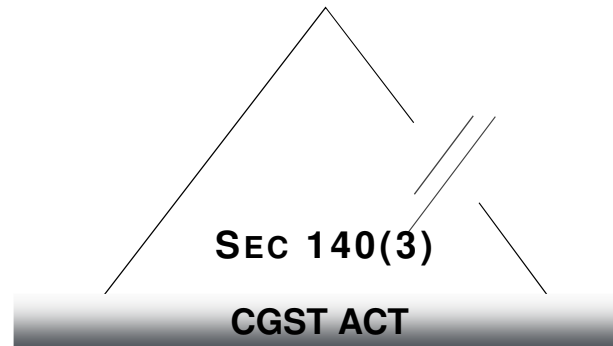
M/s Bahubali Agencies are dealers in various consumer products. They have purchased various goods from M/s Himalaya Agencies, Baddi, HP, where ED is exempted and are having stock of such goods on 01.07.2017. Under GST, these goods attract 18 %.

Would M/s Babubali Agencies be entitled to avail any transitional credit for CGST?



AND THE ANSWER IS ...





60%

**Only when goods are unconditionally exempt, credit would not be entitled.
Rule 2 of Transition Rules.**

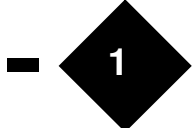


RAPID FIRE



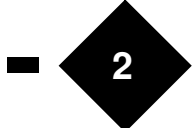


TRUE



Gold Jewellery would attract 3%.

FALSE



COD by Tribunal without time limit.

FALSE (Kamal)



Rajni has protested 28% GST on films.



TRUE



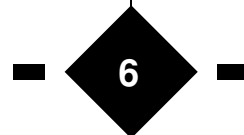
Mixed Supply should have a composite price.

FALSE (10L)



For NE States, threshold exemption is Rs.12 lakhs.

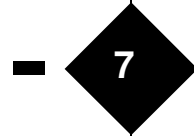
FALSE



Voluntarily registered person need not pay GST upto his threshold exemption.

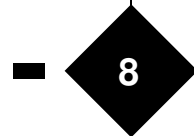


TRUE



Place of supply for an Exhibition at Delhi would be Delhi, irrespective of the participants.

FALSE



Casual taxable person, shall deposit twice the amount of estimated tax liability.



RAPID FIRE





FALSE



Stock transfer to CSA within the State does not attract GST.

FALSE



Job worker is not liable to GST on labour charges if principal pays GST.

FALSE (50000)



Gifts to employees not taxable upto a value of Rs.25000.



TRUE



Pre-deposit for first appeal is 10% of the disputed tax.

TRUE



“Existing law”, does not include Customs Act.

FALSE



On sale of credit availed CG, GST has to be paid only on sale price.



FALSE (IGST)



ISD at Hyd can distribute CGST credit to the unit in Blr as CGST.

TRUE



Under GST, a retired CE Inspector with more than 10 years service, cannot appear before the authorities or Tribunal.



RAPID FIRE





TRUE



Many exemptions for colleges have been withdrawn.

FALSE



Reverse charge not applicable for Senior advocates.

TRUE



The maximum period of validity of registration of casual taxable person is 6 months.



FALSE(14)



In the Compensation Bill the nominal growth rate of revenue of the State is 15% pa.

FALSE (IGST)



A person can pay CGST & SGST on exports and claim rebate.

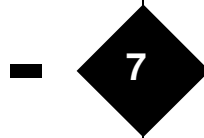
TRUE



E-way bill is required for job work movements also if its > 50000.

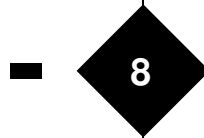


FALSE



While filing first appeal only against penalty 10% of the penalty should be paid as PD.

FALSE



National bench of the Tribunal would hear matters relating to CGST and the State Benches would hear SGST.



RAPID FIRE





FALSE



E-way bills not applicable for exports.

FALSE



There is no appeal against Advance Ruling Authority.

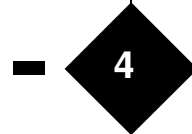
FALSE (99)



Classification of services is placed under Chapter 97.

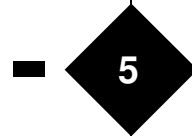


FALSE



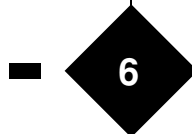
Leasing of goods would attract 50% of the GST applicable on supply of such goods.

FALSE



Time of supply for reverse charge is only date of payment.

FALSE



Discount can be deducted to arrive at the value, only if it is shown in the invoice.



TRUE



Appeal against orders of the State bench lies to HC and appeals against orders of the National Bench lies to SC.

TRUE



No one year time limit for availing ITC in normal course.

A large, light gray, textured circle is centered on the page. It is partially enclosed by a thin black outline of a triangle. Two thin, light gray diagonal lines cross the scene, one from the top-left to the bottom-right and another from the top-right to the bottom-left, intersecting the circle and triangle.

THANKS

MILES TO GO ...