

GST TEST - 1

ILLUSTRATION - 1

Discuss Article 246A which grants the power to make laws with respect to Goods and Services Tax.

ILLUSTRATION 2

Meghraj & Co wishes to commence the business of supplying ready-made garments within Punjab and in the neighbouring States of Delhi and Haryana. Kindly state as to what is the taxable event under GST and levability of CGST, SGST/UTGST and IGST on the same?

ILLUSTRATION 3

Examine whether the activity of import of service in the following independent cases would amount to supply u/s 7 of the CGST Act, 2017:

a) Ms Shriniti Kaushik received interior decoration services for her residence located at Bandra, Mumbai from Mr Racheal of Sydney (Australia). The amount paid for the said service is 5,000 Australian Dollar.

b) Ms Shriniti Kaushik received interior decoration services for her residence located at Bandra, Mumbai from her brother, Mr Varun residing in Sydney (Australia) [wholly not dependent on Ms Shriniti].

Further, Ms Shriniti did not pay any consideration for the said service.

c) Will your answer change if in the above case, if Ms Shriniti has taken interior decoration services with regard to her business premises and not her residence?

ILLUSTRATION 4

M/s United Electronics, a registered dealer, is supplying all types of electronic appliances in the State of Karnataka. Their aggregate turnover in the preceding financial year by way of supply of appliances was ₹ 120 L. The firm also expects to provide repair and maintenance service of such appliances from the current financial year. With reference to the provisions of the CGST Act, 2017, examine:

(i) Whether the firm can opt for the composition scheme, u/s 10(1) and 10(2) of the CGST Act, 2017, for the current financial year, as the turnover may include supply of both goods and services?

(ii) If yes, up to what amount, the services can be supplied?

ILLUSTRATION 5

M/s Flow Pro, a registered supplier, sold a machine to BP Ltd. It provides the following information in this regard:

S.No.	Particulars	Amount (Rs)
(i)	Price of the machine (excluding taxes and other charges mentioned at S.No. (ii) and (iii))	25,000
(ii)	Third party inspection charges (Such charges were payable by M/s Flow Pro but the same have been directly paid by BP Ltd to the inspection agency; these charges were not recorded in the invoice issued by M/s Flo Pro)	5,000
(iii)	Freight charges for delivery of the machine (M/s Flow Pro has agreed to deliver the goods at BP Ltd's premises)	2,000
(iv)	Subsidy received from the State Government on sale of machine under Skill Development Programme (Subsidy is directly linked to the price)	5,000
(v)	Discount of 2% is offered to BP Ltd on the price mentioned at S.No. (i) above & recorded in the invoice	

Note: Price of the machine is net of the subsidy received.

Determine the value of taxable supply made by M/s Flow Pro to BP Ltd.

ILLUSTRATION 6

Mr Venaram, proprietor of M/s Lalit Kirana Stores, is registered as a composition dealer in the Jodhpur district of Rajasthan. He has not furnished the statement for payment of self-assessment tax in the Form GST CMP-08 for two consecutive quarters. He placed an order for purchase of taxable goods worth ₹ 5,50,000 with M/s Bob & Sons (a partnership firm), a registered dealer in the Bikaner district of Rajasthan. M/s Bob & Sons has been regularly filing its GST return. M/s Bob & Sons wants to generate e-way bill with respect to intra-state supply to be made to M/s Lalit Kirana Stores. Whether M/s Bob & Sons is allowed to generate e-way bill as per the provisions of CGST Act, 2017?

Answer with

proper reasoning.