

## QUESTION BANK

<p><b>Q1.</b></p>	<p>Examine whether the supplier of goods is liable to get registered in the following independent cases</p> <p>(i) Raghav of Assam is exclusively engaged in intra-State taxable supply of readymade garments. His turnover in the current financial year (FY) from Assam showroom is Rs. 33 lakh. He has another showroom in Tripura with a turnover of Rs. 11 lakh in the current FY.</p> <p>(ii) Pulkit of Panjim, Goa is exclusively engaged in intra-State taxable supply of shoes. His aggregate turnover in the current financial year is Rs. 22 lakh.</p> <p>(iii) Harshit of Himachal Pradesh is exclusively engaged in intra-State supply of pan masala. His aggregate turnover in the current financial year is Rs. 24 lakh.</p> <p style="text-align: right;"><b>(MTP NOV 2021) , 6 Marks</b></p>
<p><b>Ans</b></p>	<p>As per section 22 read with Notification No. 10/2019 CT dated 07.03.2019, a supplier is liable to be registered in the State/Union territory from where he makes a taxable supply of goods and/or services, if his aggregate turnover in a financial year exceeds the threshold limit. The threshold limit for a person making exclusive intra-State taxable supplies of goods is as under:-</p> <p>(a) Rs. 10 lakh for the Special Category States of Mizoram, Tripura, Manipur and Nagaland.</p> <p>(b) Rs. 20 lakh for the States, namely, States of Arunachal Pradesh, Meghalaya, Poducherry, Sikkim, Telangana and Uttarakhand.</p> <p>(c) Rs. 40 lakh for rest of India except persons engaged in making supplies of ice cream and other edible ice, whether or not containing cocoa, Pan masala and Tobacco and manufactured tobacco substitutes.</p> <p>In the light of the afore-mentioned provisions, the answer to the independent cases is as under:-</p> <p>(i) Raghav is eligible for higher threshold limit of turnover for registration, i.e. Rs. 40 lakh as he is exclusively engaged in intra-State supply of goods. However, since Raghav is engaged in supplying readymade garments from a Special Category State i.e. Tripura, the threshold limit gets reduced to Rs. 10 lakh. Thus, Raghav is liable to get registered under GST as his turnover exceeds Rs.10 lakh. Further, he is required to obtain registration in both Assam and Tripura as he is making taxable supplies from both the States.</p> <p>(ii) The applicable threshold limit for registration for Pulkit in the given case is Rs. 40 lakh as he is exclusively engaged in intra-State taxable supply of goods in Goa. Thus, he is not liable to get registered under GST as his turnover is less than the threshold limit.</p> <p>(iii) Harshit being exclusively engaged in supply of pan masala is not eligible for higher threshold limit of Rs.40 lakh. The applicable threshold limit for registration in this case is Rs.20 lakh. Thus, Harshit is liable to get registered under GST.</p>
<p><b>Q2.</b></p>	<p><b>(a) Determine the effective date of registration in following cases:</b></p> <p>(i) Apsara Teleservices is an architect in Lucknow. Its aggregate turnover exceeds Rs. 20 lakh on 25th October. It submits the application for registration on 27th November. Registration certificate is granted to it on 5th December.</p> <p>(ii) The aggregate turnover of Prink Footwear Industries of Delhi has exceeded the applicable threshold limit of Rs. 40 lakh on 1st September. It submits the application for registration on 20th September. Registration certificate is granted to it on 25th September.</p> <p style="text-align: right;"><b>(MTP May 2020), 4 Marks</b></p>

Ans	<p>Every supplier becomes liable to registration if his turnover exceeds the applicable threshold limit in a financial year. Since in the given case, the turnover of Apsara Teleservices exceeds the applicable threshold limit [Rs. 20 lakh] on 25th October, it becomes liable to registration on said date.</p> <p>Further, since the application for registration has been submitted after 30 days from the date such person becomes liable to registration, the registration shall be effective from the date of grant of registration. Therefore, the effective date of registration is 5th December.</p> <p>(ii) Every supplier becomes liable to registration if his turnover exceeds the applicable threshold limit [Rs. 40 lakh in this case] in a financial year. Since in the given case, the turnover of Prink Industries exceeded Rs.40 lakh on 1st September, it becomes liable to registration on said date.</p> <p>Further, since the application for registration has been submitted within 30 days from such date, the registration shall be effective from the date on which the person becomes liable to registration. Therefore, the effective date of registration is 1st September.</p>												
Q3.	<p><b>Fair Oils, Delhi has supplied machine oil and high-speed diesel in the month of April as per the details given in table below. Fair Oils is not yet registered.</b></p> <table><tr><th>Sl.No.</th><th>Particulars</th><th>Amount (Rs.)*</th></tr><tr><td>(i)</td><td>Supply of machine oil in Delhi</td><td>9,00,000</td></tr><tr><td>(ii)</td><td>Supply of high speed diesel in Delhi</td><td>18,00,000</td></tr><tr><td>(iii)</td><td>Supply of machine oil made in Punjab by Fair Oils from its branch located in Punjab</td><td>12,00,000</td></tr></table> <p><b>*excluding GST</b> <b>Determine whether Fair Oils is liable for registration.</b></p> <p style="text-align: right;"><b>(MTP March 2021), 6 Marks</b></p>	Sl.No.	Particulars	Amount (Rs.)*	(i)	Supply of machine oil in Delhi	9,00,000	(ii)	Supply of high speed diesel in Delhi	18,00,000	(iii)	Supply of machine oil made in Punjab by Fair Oils from its branch located in Punjab	12,00,000
Sl.No.	Particulars	Amount (Rs.)*											
(i)	Supply of machine oil in Delhi	9,00,000											
(ii)	Supply of high speed diesel in Delhi	18,00,000											
(iii)	Supply of machine oil made in Punjab by Fair Oils from its branch located in Punjab	12,00,000											
Ans	<p>As per section 22 read with Notification No. 10/2019 CT dated 07.03.2019, a supplier is liable to be registered in the State/Union territory from where he makes a taxable supply of goods and/or services, if his aggregate turnover in a financial year exceeds the threshold limit. The threshold limit for a person making exclusive intra-State taxable supplies of goods is as under:-</p> <p>(a) Rs. 10 lakh for the Special Category States of Mizoram, Tripura, Manipur and Nagaland.</p> <p>(b) Rs. 20 lakh for the States, namely, States of Arunachal Pradesh, Meghalaya, Puducherry, Sikkim, Telangana and Uttarakhand.</p> <p>(c) Rs. 40 lakh for rest of India except persons engaged in making supplies of ice cream and other edible ice, whether or not containing cocoa, Pan masala and Tobacco and manufactured tobacco substitutes.</p> <p>The threshold limit for a person making exclusive taxable supply of services or supply of both goods and services is as under:-</p> <p>(a) Rs. 10 lakh for the Special Category States of Mizoram, Tripura, Manipur and Nagaland.</p> <p>(b) Rs. 20 lakh for the rest of India.</p> <p>As per section 2(6), aggregate turnover includes the aggregate value of:</p> <p>(i) all taxable supplies,</p> <p>(ii) all exempt supplies,</p> <p>(iii) exports of goods and/or services and</p> <p>(iv) all inter-State supplies of persons having the same PAN.</p> <p>The above is computed on all India basis. Further, the aggregate turnover excludes central tax, State tax, Union territory tax, integrated tax and cess. Moreover, the value of inward supplies on which tax is payable under reverse charge is not taken into account for calculation of ‘aggregate</p>												

turnover'.

Section 9(2) provides that CGST is not leviable on five petroleum products i.e. petroleum crude, motor spirit (petrol), high speed diesel, natural gas and aviation turbine fuel. As per section 2(47), exempt supply includes non-taxable supply. Thus, supply of high speed diesel in Delhi, being a non-taxable supply, is an exempt supply and is, therefore, includible while computing the aggregate turnover.

In the backdrop of the above-mentioned discussion, the aggregate turnover of Fair Oils for the month of April is computed as under:

S.No.	Particulars	Amount (in Rs.)
(i)	Supply of machine oils in Delhi	9,00,000
(ii)	Add: Supply of high speed diesel in Delhi	18,00,000
(iii)	Add: Supply of machine oil made by Fair Oils from its branch located in Punjab	12,00,000
	Aggregate Turnover	39,00,000

Fair Oils is making exclusive supply of goods and hence the threshold limit for registration would be Rs. 40,00,000. Since the aggregate turnover does not exceed Rs. 40,00,000, Fair Oils is not liable to be registered.

**Q4. Examine whether the supplier is liable to get registered in the following independent cases:-**

- (i) Happy Ltd. of Himachal Pradesh is exclusively engaged in intra-State supply of pan masala. Its aggregate turnover in the current financial year is Rs. 24 lakh.
- (ii) Akki Ltd. of Assam is exclusively engaged in intra-State supply of taxable services. Its aggregate turnover in the current financial year is Rs. 25 lakh.
- (iii) Aaru Ltd. of Assam is engaged in intra-State supply of both taxable goods and services. Its aggregate turnover in the current financial year is Rs. 30 lakh.

**(MTP Nov 2020) , 6 Marks**

**Ans** As per section 22 of the CGST Act, 2017 read with Notification No. 10/2019 CT dated 07.03.2019, a supplier is liable to be registered in the State/Union territory from where he makes a taxable supply of goods and/or services, if his aggregate turnover in a financial year exceeds the threshold limit. The threshold limit for a person making exclusive intra-State taxable supplies of goods is as under:-

- (a) Rs. 10 lakh for the Special Category States of Mizoram, Tripura, Manipur and Nagaland.
- (b) Rs. 20 lakh for the States of States of Arunachal Pradesh, Meghalaya, Puducherry, Sikkim, Telangana and Uttarakhand.
- (c) Rs. 40 lakh for rest of India. However, the higher threshold limit of Rs. 40 lakh is not available to persons engaged in making supplies of ice cream and other edible ice, whether or not containing cocoa, Pan masalas and Tobacco and manufactured tobacco substitutes.

The threshold limit for a person making exclusive taxable supply of services or supply of both goods and services is as under:-

- (a) Rs. 10 lakh for the Special Category States of Mizoram, Tripura, Manipur and Nagaland.
- (b) Rs. 20 lakh for the rest of India.

In the light of the afore-mentioned provisions, the answer to the independent cases is as under:-

- (i) Happy Ltd. being exclusively engaged in supply of pan masala is not eligible for higher threshold limit of Rs.40 lakh. The applicable threshold limit for registration in this case is Rs.20 lakh. Thus, Happy Ltd. is liable to get registered under GST.
- (ii) Though Akki Ltd. is dealing in Assam, it is not entitled for higher threshold limit for registration as the same is applicable only in case of exclusive supply of goods while it is exclusively engaged in providing services. Thus, the applicable threshold limit for registration in this case is Rs. 20 lakh and hence, Akki Ltd. is liable to get registered under GST.

	(iii) Since Aaru Ltd. is engaged in supply of both taxable goods and services, the applicable threshold limit for registration in this case is Rs. 20 lakh. Thus, Aaru Ltd. is liable to get registered under GST as its turnover is more than the threshold limit.
<b>Q5.</b>	<p><b>Determine the effective date of registration in following cases:</b></p> <p><b>(i) The aggregate turnover of Dhampur Footwear Industries of Delhi has exceeded the applicable threshold limit of Rs. 40 lakh on 1st September. It submits the application for registration on 20th September. Registration certificate is granted to it on 25th September.</b></p> <p><b>(ii) Mehta Teleservices is an architect in Lucknow. Its aggregate turnover exceeds Rs. 20 lakh on 25th October. It submits the application for registration on 27th November. Registration certificate is granted to it on 5th December.</b></p> <p style="text-align: right;"><b>(MTP NOV 19), Marks</b></p>
<b>Ans</b>	<p>Every supplier becomes liable to registration if his turnover exceeds the applicable threshold limit [Rs. 40 lakh in this case] in a financial year [Section 22 read with Notification No. 10/2019 CT dated 07.03.2019]. Since in the given case, the turnover of Dhampur Industries exceeded Rs. 40 lakh on 1st September, it becomes liable to registration on said date.</p> <p>Further, since the application for registration has been submitted within 30 days from such date, the registration shall be effective from the date on which the person becomes liable to registration [Section 25 read with rule 10 of the CGST Rules, 2017]. Therefore, the effective date of registration is 1st September.</p> <p>(ii) Since in the given case, the turnover of Mehta Teleservices exceeds the applicable threshold limit [Rs. 20 lakh] on 25th October, it becomes liable to registration on said date.</p> <p>Further, since the application for registration has been submitted after 30 days from the date such person becomes liable to registration, the registration shall be effective from the date of grant of registration. Therefore, the effective date of registration is 5th December.</p>
<b>Q6.</b>	<p><b>What could be the liabilities (in so far as registration is concerned) on transfer of a business?</b></p> <p style="text-align: right;"><b>(MTP Nov 19) , 2 Marks</b></p>
<b>Ans</b>	The transferee or the successor shall be liable to be registered with effect from such transfer or succession and he will have to obtain a fresh registration with effect from the date of such transfer or succession.
<b>Q7.</b>	<p><b>Determine the effective date of registration in following cases:</b></p> <p><b>(i) The aggregate turnover of Grand Industries of Delhi has exceeded Rs. 20 lakh on 1st September. It submits the application for registration on 20th September. Registration certificate is granted to it on 25th September.</b></p> <p><b>(ii) Mangal Teleservices is an internet service provider in Lucknow. Its aggregate turnover exceeds Rs. 20 lakh on 25th October. It submits the application for registration on 27th November. Registration certificate is granted to it on 5th December.</b></p> <p style="text-align: right;"><b>(MTP May 19-2) , Marks</b></p>
<b>Ans</b>	<p>Every supplier becomes liable to registration if his turnover exceeds Rs. 20 lakh [in a State/UT other than Special Category States except Jammu and Kashmir] in a financial year [Section 22 of CGST Act, 2017]. Since in the given case, the turnover of Grand Industries exceeded Rs. 20 lakh on 1st September, it becomes liable to registration on said date.</p> <p>Further, since the application for registration has been submitted within 30 days from such date,</p>

	<p>the registration shall be effective from the date on which the person becomes liable to registration [Section 25 read with rule 10 of the Chapter III - Registration of CGST Rules, 2017]. Therefore, the effective date of registration is 1st September.</p> <p>(ii) Since in the given case, the turnover of Mangal Teleservices exceeds Rs. 20 lakh on 25th October, it becomes liable to registration on said date.</p> <p>Further, since the application for registration has been submitted after 30 days from the date such person becomes liable to registration, the registration shall be effective from the date of grant of registration. Therefore, the effective date of registration is 5th December.</p>
<b>Q8.</b>	<p><b>State the persons who are not liable for registration as per provisions of Section 23 of Central Goods and Service Tax Act, 2017.</b></p> <p style="text-align: right;"><b>(MTP May19-2) , 5 Marks</b></p>
<b>Ans</b>	<p>As per provisions of Section 23 of CGST Act, 2017, the persons who are not liable for registration are as under-</p> <ul style="list-style-type: none"> <li>(a) Person engaged exclusively in supplying goods/services/both that are wholly exempt from tax.</li> <li>(b) Person engaged exclusively in supplying goods/services/both that are not liable to tax.</li> <li>(c) Agriculturist to the extent of supply of produce out of cultivation of land.</li> <li>(d) Persons only engaged in making supplies of taxable goods or services or both liable to reverse charge.</li> <li>(e) Persons making inter-State supplies of taxable services up to an aggregate turnover of Rs. 20 lakh (Rs. 10 lakh in case of special category States except Jammu and Kashmir).</li> <li>(f) Casual Taxable Persons making taxable supplies of specified handicraft goods up to an aggregate turnover of Rs. 20 lakh (Rs. 10 lakh in case of special category States except Jammu and Kashmir) subject to specified conditions.</li> <li>(g) Persons making inter-State supplies of specified handicraft goods up to an aggregate turnover of Rs. 20 lakh (Rs. 10 lakh in case of special category States except Jammu and Kashmir) subject to specified conditions.</li> <li>(h) Job workers making inter-State supply of services to a registered person up to an aggregate turnover of Rs. 20 lakh (Rs. 10 lakh in case of special category States except Jammu and Kashmir) subject to specified conditions.</li> <li>(i) Persons making supplies of services through an electronic commerce operator (other than supplies specified under section 9(5) of the CGST Act) up to an aggregate turnover of Rs. 20 lakh (Rs. 10 lakh in case of special category States except Jammu and Kashmir). EXCLUSI</li> </ul>
<b>Q9.</b>	<p><b>M/s Siya Ram is a trader of decorative items in Hauz Khas, Delhi. His aggregate turnover exceeded Rs. 20 lakh in the month of October, 20XX. He applied for registration on GST portal, but missed to submit the details of his bank account. His tax consultant advised him that prior submission of bank details is mandatory to obtain registration. Examine whether the advice of Mr. Siya Ram's tax consultant is correct.</b></p> <p style="text-align: right;"><b>(RTP MAY 2020)</b></p>
<b>Ans</b>	<p>The advice of Mr. Siya Ram's consultant that prior submission of bank details is mandatory to obtain registration is no more valid in law.</p> <p>A new rule 10A has been inserted in the CGST Rules, 2017 vide Notification No. 31/2019 CT dated 28.06.2019 which allows the registered person to furnish information with respect to details of bank account, or any other information, as may be required on the common portal in order to comply with any other provision, soon after obtaining certificate of registration and a GSTIN, but not later than 45 days from the date of grant of registration or the date on which the return required under section 39 is due to be furnished, whichever is earlier.</p> <p>This relaxation is however not available for those who have been granted registration as TDS</p>

	deductor/ TCS collector under rule 12 or who have obtained suo-motu registration under rule 16.
<b>Q10.</b>	<p><b>Examine whether the liability to register compulsorily under section 24 of the CGST Act, 2017 arises in each of the independent cases mentioned below:</b></p> <p><b>(1) Heera, a supplier in Haryana, is exclusively engaged in supply of potatoes produced out of cultivation of his own land, within Haryana and also outside Haryana.</b></p> <p><b>(2) Aanya of Telangana is exclusively engaged in intra-State supply of toys. Its aggregate turnover in the current financial year is Rs. 22 lakh.</b></p> <p style="text-align: right;"><b>(RTP Nov 2021)</b></p>
<b>Ans</b>	<p>Section 24 of the CGST Act, 2017 provides that persons making any inter -State taxable supply of goods are required to obtain registration compulsorily under GST laws irrespective of the quantum of aggregate turnover.</p> <p>However, as per section 23 of the CGST Act, 2017, an agriculturist, to the extent of supply of produce out of cultivation of land, is not liable to registration.</p> <p>Heera is exclusively engaged in cultivation and supply of potatoes. Thus, he is not liable to registration irrespective of the fact that he is engaged in making inter -State supply of goods. Further, Heera will not be liable to registration, in the given case, even if his turnover exceeds the threshold limit.</p> <p>(2) As per section 22 of the CGST Act, 2017 read with Notification No. 10/2019 CT dated 07.03.2019, a supplier is liable to be registered in the State/Union territory from where he makes a taxable supply of goods and/or services, if his aggregate turnover in a financial year exceeds the threshold limit. The threshold limit for a person making exclusive intra- State taxable supplies of goods is as under:-</p> <p>(a) Rs. 10 lakh for the Special Category States of Mizoram, Tripura, Manipur and Nagaland.</p> <p>(b) Rs. 20 lakh for the States, namely, States of Arunachal Pradesh, Meghalaya, Puducherry, Sikkim, Telangana and Uttarakhand.</p> <p>(c) Rs. 40 lakh for rest of India except persons engaged in making supplies of ice cream and other edible ice, whether or not containing cocoa, Pan masala and Tobacco and manufactured tobacco substitutes</p> <p>Since Aanya is making taxable supplies from Telangana, she will not be eligible for higher threshold limit available in case of exclusive supply of goods. The applicable threshold limit for registration for Aanya in the given case is Rs. 20 lakh. Thus, she is liable to get registered under GST.</p>
<b>Q11.</b>	<p><b>For the payment of Rs. 1,50,000: 12.12.2018 [earlier of date of payment and 61st day from date of issue of invoice] Explain the registration requirements under GST law in the following independent cases:</b></p> <p><b>(a) Mr. Ahmad of Jammu engaged in the business of supplying tobacco based PanMasala with an aggregate turnover of Rs. 24 lacs.</b></p> <p><b>(b) Mr. Lepcha of Mizoram is engaged in the supply of papers with an aggregate turnover of Rs. 13 lacs (MTP NOV 19) , 5MARKS</b></p>
<b>Ans</b>	<p>(i) A person is eligible for enhanced threshold limit of Rs. 40 lakh in the State of Jammu and Kashmir if he is engaged exclusively in intra-State supply of goods.</p> <p>However, the enhanced threshold limit is not applicable if the person is engaged, inter alia, in the supply of pan masala and all goods of chapter 24 i.e. Tobacco and manufactured tobacco substitutes. In that case, the normal threshold limit of Rs. 20 lakh will be applicable.</p> <p>In view of said provisions, in the given case, Mr. Ahmad is liable to register since his aggregate turnover (Rs. 24 lakh) exceeds the applicable threshold limit for registration of Rs. 20 lakh.</p>

	<p>(ii) The enhanced threshold limit of Rs. 40 lakh as applicable to a person engaged exclusively in intra-State supply of goods, is not applicable to Mizoram [a specified Special Category State]. Instead, a lower threshold limit of Rs. 10 lakh for registration is applicable for Mizoram. Thus, in the given case, Mr. Lepcha of Mizoram is liable to register since his aggregate turnover (Rs. 13 lakh) exceeds the applicable threshold limit for registration of Rs. 10 lakh. The enhanced threshold limit of Rs. 40 lakh is also specifically not applicable in the State of Meghalaya. Instead, the normal threshold limit of Rs. 20 lakh for registration is applicable to it.</p> <p>Therefore, if Mr. Lepcha is located in Meghalaya, he is not liable to register since his aggregate turnover (Rs. 13 lakh) does not exceed the applicable threshold limit for registration of Rs. 20 lakh.</p>
<b>Q12.</b>	<p><b>The aggregate turnover of Sangri Services Ltd., Delhi, exceeded Rs. 20 lakh on 12th August. He applied for registration on 3rd September and was granted the registration certificate on 6th September. You are required to advise Sangri Services Ltd. as to what is the effective date of registration in its case. It has also sought your advice regarding period for issuance of Revised Tax Invoices. (MTP NOV 19) , 6MARKS</b></p>
<b>Ans</b>	<p>As per section 25 read with CGST Rules, 2017, where an applicant submits application for registration within 30 days from the date he becomes liable to registration, effective date of registration is the date on which he becomes liable to registration. Since, Sangri Services Ltd.'s turnover exceeded Rs. 20 lakh on 12th August, it became liable to registration on same day. Further, it applied for registration within 30 days of so becoming liable to registration, the effective date of registration is the date on which he becomes liable to registration, i.e. 12th August.</p> <p>As per section 31 read with CGST Rules, 2017, every registered person who has been granted registration with effect from a date earlier than the date of issuance of certificate of registration to him, may issue Revised Tax Invoices. Revised Tax Invoices shall be issued within 1 month from the date of issuance of certificate of registration. Revised Tax Invoices shall be issued within 1 month from the date of issuance of registration in respect of taxable supplies effected during the period starting from the effective date of registration till the date of issuance of certificate of registration.</p> <p>Therefore, in the given case, Sangri Services Ltd. has to issue the Revised Tax Invoices in respect of taxable supplies effected during the period starting from the effective date of registration (12th August) till the date of issuance of certificate of registration (6th September) within 1 month from the date of issuance of certificate of registration, i.e. on or before 6th October.</p>
<b>Q13.</b>	<p><b>BBD Pvt. Ltd. of Gujarat exclusively manufactures and sells product 'Z' which is exempt from GST vide notifications issued under relevant GST legislations. The company sells 'Z' only within Gujarat and is not registered under GST laws. The turnover of the company in the previous year 2018-19 was ` 50 lakh. The company expects the sales to grow by 10% in the current year 2019-20.</b></p> <p><b>However, effective 01.01.2020, exemption available on 'Z' was withdrawn by the Central Government and GST@ 5% was imposed thereon. The turnover of the company for the nine months ended on 31.12.2019 was ` 42 lakh.</b></p> <p><b>BBD Pvt. Ltd. is of the opinion that it is not required to get registered under GST for current financial year 2019-20.</b></p> <p style="text-align: right;"><b>(NOV 2020 Suggested) , 4 Marks</b></p>
<b>Ans</b>	<p>For a supplier exclusively engaged in intra-State supply of goods, the threshold limit of turnover to obtain registration in the State of Gujarat is ` 40 lakh. However, a person exclusively engaged in</p>

	<p>the business of supplying goods and/or services that are not liable to tax or are wholly exempt from tax is not liable to registration.</p> <p>Therefore, since BBD Pvt. Ltd. was engaged exclusively in supplying exempted goods till 31.12.2019, it was not required to be registered till that day; though voluntary registration was allowed.</p> <p>The position, however, will change from 01.01.2020 as the supply of goods become taxable from that day and the turnover of BBD Pvt. Ltd. is more than ` 40 lakh. Since the aggregate turnover limit of ` 40 lakh includes exempt turnover also, turnover of 'Z' till 31.12.2019 will be considered for determining the threshold limit even though the same was exempt from GST. Therefore, BBD Pvt. Ltd. needs to register within 30 days from 01.01.2020.</p>
<b>Q14.</b>	<p><b>Under the provision of section 29(1) of CGST Act, 2017 read with rule 21A of CGST Rules, 2017 related to suspension of registration if the registered person has applied for cancellation of registration, what is the period and manner of suspension of registration?</b></p> <p><b>(JAN 2021 SUGGESTED) , 5 Marks</b></p>
<b>Ans</b>	<p>Where a registered person has applied for cancellation of registration, the registration shall be deemed to be suspended from:</p> <p>(a) the date of submission of the application or</p> <p>(b) the date from which the cancellation is sought, whichever is later, pending the completion of proceedings for cancellation of registration</p> <p>Such person shall not make any taxable supply during the period of suspension and shall not be required to furnish any return.</p> <p>The expression "shall not make any taxable supply" mean that the registered person shall not issue a tax invoice and, accordingly, not charge tax on supplies made by him during the suspension period.</p>
<b>Q15.</b>	<p><b>Explain the circumstances under which proper officer can cancel the registration on his own of a registered person under CGST Act, 2017.</b></p> <p><b>(JAN 2021 SUGGESTED) , 5 Marks</b></p>
<b>Ans</b>	<p>(i) A registered person has contravened any of the following prescribed provisions of the GST law:</p> <p>(a) he does not conduct any business from the declared place of business.</p> <p>(b) he issues invoice/bill without supply of goods/services in violation of the provisions of GST law.</p> <p>(c) he violates the provisions of anti-profiteering.</p> <p>(d) he violates the provisions relating to furnishing of bank details.</p> <p>(ii) A person paying tax under composition levy has not furnished returns for 3 consecutive tax periods.</p> <p>(iii) A registered person paying tax under regular scheme has not furnished returns for continuous period of 6 months.</p> <p>(iv) Voluntarily registered person has not commenced the business within 6 months from the date of registration.</p> <p>(v) Registration was obtained by means of fraud, wilful misstatement or suppression of facts.</p> <p>[Note: Any 5 points out of the above 8 points may be mentioned]</p>
<b>Q16.</b>	<p><b>Examine the following cases and explain with reasons whether the supplier of goods is liable to get registered in GST:</b></p> <p><b>(a) Krishna of Himachal Pradesh is exclusively engaged in intra-State taxable supply of readymade suits. His turnover in the current financial year from Himachal Pradesh showroom is ` 25 lakh. He has two more showrooms one in Manipur &amp; another in Sikkim with a turnover of ` 15 lakh and ` 18 lakh respectively in the current financial year.</b></p>



	<p>(i) Ankit of Telangana is exclusively engaged in intra-State taxable supply of footwears. His aggregate turnover in the current financial year is ` 25 lakh:</p> <p>(ii) Aakash of Uttar Pradesh is exclusively engaged in intra-State supply of pan masala. His aggregate turnover in the current financial year is ` 30 lakh.</p> <p style="text-align: right;"><b>(JULY 2021 SUGGESTED) , 5 Marks</b></p>
<b>Ans</b>	<p>Every person engaged in making a taxable supply is required to obtain registration if his aggregate turnover exceeds ` 20 lakh in a financial year. An enhanced threshold limit for registration of ` 40 lakh is available to persons engaged exclusively in intra-State supply of goods in specified States</p> <p>(i) The applicable threshold limit for registration gets reduced to ` 10 lakh in case a person is engaged in making taxable supply from a Special Category State.</p> <p>Since Krishna is making taxable supply from Manipur – a Special Category State, the applicable threshold limit will get reduced to ` 10 lakh. Thus, it is liable to be registered under GST as its aggregate turnover exceeds the said threshold limit.</p> <p>(ii) Since Ankit is exclusively engaged in intra-State supply of goods in Telangana, which is not a specified State for enhanced threshold limit, the applicable threshold limit for registration is ` 20 lakh.</p> <p>Thus, Ankit is liable to be registered under GST as its aggregate turnover exceeds the said threshold limit</p> <p>(iii) Though the enhanced threshold limit for registration of ` 40 lakh is available to Uttar Pradesh, the same will not be applicable if the person is engaged in supply of pan masala.</p> <p>In view of the same, the applicable threshold limit for Aakash is ` 20 lakh. Thus, it is liable to be registered under GST as its aggregate turnover exceeds the said threshold limit.</p>