

Mock Test Paper - Series I: March, 2026

Date of Paper: 25th March, 2026

Time of Paper: 2 P.M. to 5 P.M.

FINAL COURSE: GROUP - II

PAPER – 5: INDIRECT TAX LAWS

1. *Question paper comprises of two parts – Division A and Division B.*
2. *Division A comprises of Case Scenario based Multiple-Choice Questions (MCQs).*
3. *Division B comprises of questions which require descriptive type answers.*
4. *Working Notes should form part of the answers. However, in answers to Questions in Division A, working notes are not required.*
5. *All questions should be answered on the basis of the position of (i) GST law as amended by significant notifications/circulars issued and by the amendments made by the Finance Act, 2025 which have become effective, till 31.10.2025 and (ii) Customs law as amended by the Finance Act, 2025 and significant notifications/circulars and other legislative amendments made upto 31.10.2025.*

Division A – Case Scenario based MCQs (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.

Case Scenario-I

Mr. Vinay Pratap of Bhilwara (Rajasthan) is a registered person under GST and is filing monthly returns. His turnover for the current preceding year was ₹ 1.25 crores. He is engaged in the business of various goods and services. He provided the details of following transactions/supplies undertaken by him during the month of February:

- (i) He executed a hedging contract for a commodity with NCDEX at a price of ₹ 1,100 per unit for 600 units. Original contract of purchase of the commodity was made @ ₹ 1,000 per unit. On the date of expiry of future contract i.e. 28th February, the rate of commodity was ₹ 900 per unit. He squared off the contract without physical delivery of the commodity. He paid ₹ 2,000 each at the time of entry and exit off the future contract.
- (ii) He provided event management services free of cost to his brother (wholly dependent on him) for his son's marriage function in Indore (Madhya Pradesh). Cost of providing said services is ₹ 80,000.

Details of inward supplies during the month:

- (i) Purchased goods for ₹ 20,00,000 from a registered person (it includes ₹ 5,00,000 towards purchase of goods which are exempted).
- (ii) Purchased a truck for ₹ 8,00,000 for transportation of goods for delivery to customers. No depreciation was claimed on GST portion.
- (iii) Incurred ₹ 3,50,000 on renovation of office building and debited the expenses (excluding the GST portion) in the Profit and Loss account under repair and maintenance head.
- (iv) Mr. Vinay Pratap went to Surat, Gujarat for a business meeting which was mandatory under a law for the time being in force in February and stayed in a GST registered hotel named "Seven Seas Hotel" for few days. Room accommodation charges for ₹ 50,000 (taxable value) was paid for the stay.

All amounts given above are exclusive of taxes, wherever applicable.

All supplies are intra-State except otherwise mentioned. All the supplies of goods and services are chargeable to GST @ 9% each under CGST & SGST and @ 18% under IGST except spare parts which are chargeable @ 2.5% each under CGST & SGST and @ 5% under IGST.

Based on the facts of the case scenario given above, choose the most appropriate answer to Q. Nos. 1 to 4 below carrying 2 marks each:

1. Value of outward supply of the contract executed with NCDEX will be:
 - (a) ₹ 6,00,000
 - (b) ₹ 5,40,000
 - (c) ₹ 6,60,000
 - (d) Nil
2. The amount of input tax credit that can be availed for stay in 'Seven Seas Hotel', Surat will be:
 - (a) ₹ 9,000-CGST & ₹ 9,000-SGST
 - (b) ₹ 9,000-IGST
 - (c) No input tax credit available
 - (d) ₹ 4,500-CGST & ₹ 4,500-SGST
3. The amount of total eligible input tax credit (ITC) for the month of February, will be:
 - (a) ₹ 4,86,000
 - (b) ₹ 4,77,000

(c) ₹ 4,23,000

(d) ₹ 4,14,000

4. The event management services provided to his brother are:

(a) not supply at all as services are being provided for the marriage of brother's son who is not a related person.

(b) qualifies as supply since brother is a related person and being an individual supply, it will be taxed at the rate applicable on said service.

(c) not supply at all as services are being provided to brother who is not a related person.

(d) neither supply of goods nor supply of service.

Case scenario 2

Spectrum Ltd., a registered supplier located in the State of Madhya Pradesh, is engaged in supply of taxable goods. It has been regularly complying with its statutory obligations under the GST law. For the financial year 2024–25, it duly filed all its monthly GST returns within the prescribed timelines.

In the course of the scrutiny of its returns for the said financial year conducted in August 2025, the proper officer noticed an inadvertent short payment of CGST and SGST totalling to ₹ 4,60,000 pertaining to the month of October 2024, on account of a bonafide error. Before issuance of the show cause notice by the proper officer, Spectrum Ltd. paid the tax of ₹ 1,00,000 (₹ 50,000 CGST and ₹ 50,000 SGST) on the basis of its own ascertainment along with applicable interest and with penalty, if any, on 15th September 2025 and informed the proper officer in writing of such payment.

In the ordinary course of its business operations, on 10th October 2025, Spectrum Ltd. engages Chhabra & Sons as an agent to sell goods on its behalf. Acting in such capacity, Chhabra & Sons sold goods to Alaska Associates on 25th October 2025, on behalf of Spectrum Ltd.

Subsequently, in January 2026, in connection with a separate enquiry initiated against Spectrum Ltd., Sanyam Jain, the Chief Executive Officer (CEO) of the company, was issued a summon by the Central Tax Officer. The summon required him to appear in person and produce the books of accounts of Spectrum Ltd. for the purposes of the enquiry being conducted in respect of the said company.

Note – Assume that the due date for furnishing annual return has not been extended and limitation period for issuance of order under section 74A has not been extended by the Commissioner.

Based on the facts of the case scenario given above, choose the most appropriate answer to Q. Nos. 5 to 9 below carrying 2 marks each:

5. The last date by which show cause notice can be issued by the proper officer for the amount of tax short paid by Spectrum Ltd. is:
- (a) 30th September 2028
 - (b) 31st December 2028
 - (c) 30th June 2029
 - (d) 31st March 2029
6. If the short payment of tax is on account of fraud, other facts remaining the same, the last date by which show cause notice can be issued by the proper officer for the amount of tax short paid by Spectrum Ltd. is:
- (a) 30th September 2028
 - (b) 31st December 2028
 - (c) 30th June 2029
 - (d) 31st March 2029
7. The amount of penalty, if any, payable on the payment of tax of ₹ 1,00,000 by Spectrum Ltd. on the basis of its own ascertainment along with applicable interest on 15th September 2025 is:
- (a) Nil
 - (b) ₹ 10,000
 - (c) ₹ 15,000
 - (d) ₹ 20,000
8. _____ is/are liable to pay the GST on sale of goods by Chhabra & Sons in terms of section 86 in case GST on said supply remains unpaid.
- (a) Only Spectrum Ltd., being the principal
 - (b) Only Chhabra & Sons, being the supplier of goods
 - (c) Spectrum Ltd. and Chhabra & Sons, jointly and severally
 - (d) Alaska Associates, being the recipient of goods

9. Maximum penalty that can be imposed on Sanyam Jain is _____ each under CGST and SGST.
- (a) ₹ 10,000
 - (b) ₹ 25,000
 - (c) ₹ 50,000
 - (d) Penalty equal to tax involved.

Case scenario 3

Nirvana Technologies Ltd., Coimbatore, Tamil Nadu, (hereinafter referred as Nirvana) exclusively manufactures and sells product 'Z' which is exempt from GST vide notifications issued under relevant GST legislations. The company sells product 'Z' only within Tamil Nadu and is not registered under GST. Further, all the inward supplies of Nirvana are taxable under forward charge.

The turnover of Nirvana in the previous year was ₹ 55 lakh. The company expects the sales to grow by 20% in the current year. Owing to the growing demand for the product, Nirvana decided to increase its production capacity and purchased additional machinery for manufacturing 'Z' on 1st April. The purchase price of such capital goods was ₹ 20 lakh exclusive of GST @ 18%.

However, effective from 1st August, exemption available on 'Z' was withdrawn by the Central Government and GST @ 12% was imposed thereon. The turnover of the company for the first quarter ended on 30th June was ₹ 50 lakh.

In October, it plans to launch a new taxable product 'Y'. It enters into a contract with Shine Ltd., an advertising company, located and registered in Gurugram, Haryana, to arrange the display of an advertisement of Nirvana's newly launched product 'Y' on a hoarding placed at any prominent location in Bengaluru, Karnataka for initial 3 months of the launch of the product. Shine Ltd., in turn, enters into a contract with the owner of Seaside Hotel located and registered in Bengaluru, Karnataka for display of the advertisement on a hoarding placed in the lawn of the hotel.

Based on the facts of the case scenario given above, choose the most appropriate answer to Q. Nos. 10 to 12 below:

10. Which of the following statements is correct with regard to liability of Nirvana to obtain registration under GST?
- (a) Nirvana is not liable to register on 1st August since its taxable turnover does not exceed the applicable threshold limit of ₹ 20 lakh till that date.
 - (b) Nirvana is not liable to register on 1st August since its taxable turnover does not exceed the applicable threshold limit of ₹ 40 lakh till that date.

- (c) Nirvana becomes liable to register on 1st August since its taxable turnover exceeds the applicable threshold limit of ₹ 40 lakh till that date.
- (d) Nirvana becomes liable to register on 30th June since its taxable turnover exceeds the applicable threshold limit of ₹ 40 lakh till that date.
11. Assuming that Nirvana is already registered with respect to certain taxable supplies being made by it along with manufacture of exempt product 'Z', other facts remaining the same, can it take ITC on additional machinery purchased exclusively for manufacturing 'Z'? If yes, then how much credit can be availed?
- (a) Yes, ₹ 3,24,000
- (b) Yes, ₹ 3,60,000
- (c) Yes, ₹ 36,000
- (d) No, ITC on additional machinery purchased exclusively for manufacturing 'Z' is not available.
12. The place of supply of service(s) provided (i) by Shine Ltd. to Nirvana and (ii) by Seaside Hotel to Shine Ltd.?
- (a) (i) Tamil Nadu, (ii) Karnataka
- (b) (i) Haryana, (ii) Karnataka
- (c) (i) Tamil Nadu, (ii) Haryana
- (d) (i) Tamil Nadu, (ii) Tamil Nadu
13. Himgiri Services Private Limited (HSPL) pays sitting fee of ₹ 25,000 each to its 4 directors per month. Further, there are two directors who are in the executive roles and are withdrawing ₹ 2,00,000 each per month as salary from the company and the applicable TDS amount, under section 192 of the Income-tax Act, 1961, is deducted from such salary.
- HSPL seeks your advice on the taxability of the sitting fee payable to directors and salary payable to the executive directors. The correct advice is:
- (a) Sitting fees paid to the directors is liable to GST under reverse charge and the salary paid to executive directors shall not be liable to GST.
- (b) Total amount payable to directors (sitting fees as well as salary) is exempt from GST.
- (c) Total amount payable to directors (sitting fees as well as salary) is liable to GST under reverse charge in hands of HSPL.

- (d) Total amount payable to directors (sitting fees as well as salary) is liable to GST under forward charge in the hands of the directors as professional income.

(2 Marks)

14. Marsh Industry, India, has imported an 'Article Bethell' in large quantities from Malaysia, a developing country, to meet the increased domestic demand of its final product. The Central Government, concerned about the increased imports of said product, is considering the imposition of safeguard measures, as after conducting enquiry, it is satisfied that such imports are threatening to cause serious injury to the domestic industry. The share of imports of 'Article Bethell' from Malaysia constitutes 4% of the total imports of that article into India.

Which of the following statements is/are correct in relation to imposition of safeguard measures in the given case? Choose the most appropriate option.

- (i) The Central Government is empowered to impose safeguard measures for a maximum period of 10 years from the date of its imposition.
- (ii) Safeguard measures can be imposed since share of imports of 'Article Bethell' from Malaysia exceeds 3% of the total imports of that article into India.
- (iii) The Central Government is empowered to impose safeguard measures for a maximum period of 4 years from the date of its imposition with no further extension permitted.
- (iv) Safeguard measures cannot be imposed since share of imports of 'Article Bethell' from Malaysia exceeds 3% of the total imports of that article into India.
- (a) (i) and (ii)
- (b) (iii)
- (c) (iv)
- (d) (ii) and (iii)

(2 Marks)

15. Mr. Babu Ram is engaged in the wholesale business of dry fruits. He imported 5,150 kg of almonds from California. Post importation, he did not clear them for home consumption but kept the imported almonds in a customs warehouse due to the renovation work going on in his retail store. Mr. Chunni Lal, the warehouse keeper, is of the view that titular rights of the almonds vest with him and Mr. Babu Ram has no access to them. However, Mr. Babu Ram wishes to inspect the goods and ensure that goods do not deteriorate during storage in the warehouse and thereafter, show them for sale to Mr. Bhim Sen.

Which of the following statement(s) is correct in the given case as per the provisions of the Customs Act, 1962?

- (a) The view taken by Mr. Chunni Lal is correct.
- (b) The view taken by Mr. Chunni Lal is incorrect. However, Mr. Babu Ram can only inspect the goods.
- (c) The view taken by Mr. Chunni Lal is incorrect. However, Mr. Babu Ram can only inspect the goods and ensure that goods do not deteriorate during storage in the warehouse but thereafter he cannot show them in warehouse for sale to Mr. Bhim Sen.
- (d) The view taken by Mr. Chunni Lal is incorrect. Further, Mr. Babu Ram can inspect the goods and ensure that goods do not deteriorate during storage in the warehouse and also thereafter, he can show them in warehouse for sale to Mr. Bhim Sen.

(2 Marks)

Division B – Descriptive Questions (70 Marks)

Question paper comprises of 6 questions.

Answer Question No. 1 which is compulsory and any 4 questions out of the remaining 5 questions.

1. UrbanLedger Ltd., a registered supplier under GST in the State of Tamil Nadu, is engaged in providing various kinds of supplies of goods and services. It provides the following information for month of October of the current financial year:

S. No.	Particulars	Amount (₹)
	OUTWARD SUPPLY:	
(i)	Supplies a consignment of goods in the territorial water to M/s Vikram Industries, registered in Kerala. The said territorial waters is located at a distance of 12 nautical miles from the baseline of State of Kerala and 11 nautical miles from the baseline of State of Tamil Nadu.	5,00,000
(ii)	Provided pure labour services of construction of a single commercial unit located in Delhi not forming part of any residential complex to a customer in Delhi.	26,00,000
(iii)	Sold the goods to a party in Turkey	7,00,000

	INWARD SUPPLY:	
(i)	Goods received which are intended to be used for activities relating to company's obligations under corporate social responsibility referred to in section 135 of the Companies Act, 2013;	6,00,000
(ii)	Purchased silk yarn (to be used as raw material) from Mr. Ravi, who manufactures silk yarn from raw silk. Mr. Ravi is registered in the State of Rajasthan.	8,00,000
(iii)	Company was allotted an office on rent by the State Government of Tamil Nadu.	9,00,000

Notes:

The company provided the following additional information related to above said transactions or otherwise:

- (i) The goods sold in Turkey were purchased from Taiwan and sold in Turkey without bringing them to India. Purchase value was ₹ 5,00,000.
- (ii) The company supplied large paper rolls to Ford Mount School, Bengaluru (Karnataka), for printing of question papers for ₹2,50,000. As directed by the school, UrbanLedger Ltd. delivered the paper rolls at a printing press located in Trivandrum, Kerala.
- (iii) In the month of March of preceding financial year, company had availed services in an inter-State transaction with a taxable value of ₹ 9,00,000 and a tax rate of 18%. This transaction was liable to tax under reverse charge. Payment for the same to the supplier was not made till the current month (overdue for 181 days during October of the current financial year). However, tax due under the said transaction was paid to Government and input tax credit availed in the month of transaction itself.
- (iv) Turnover of UrbanLedger Ltd. for the precious financial year was ₹ 150 lakh.
- (v) Rates of CGST, SGST and IGST are 9%, 9% and 18% respectively for both inward and outward supply of goods and services involved.
- (vi) All the amounts given above are exclusive of the GST, wherever applicable. There is no opening balance of any input tax credit and all the conditions necessary for availing the input tax credit have been fulfilled except if mentioned otherwise and also that details of GST paid on inward supplies are available in GSTR 2B.
- (vii) Assume that all the inward supplies have been used only for taxable outward supply.

Compute minimum net GST liability of UrbanLedger Ltd, to be paid in cash if any, after utilizing input tax credit if any, for the month of October of the current financial year.

Note: Working notes along with legal reasoning of each item should form part of your answer. **(14 Marks)**

2. (a) Sterling Professionals, a proprietary firm registered under GST, is engaged in providing various services under one roof. The firm provides the following information pertaining to supplies made/input services availed by it during the month of March:

S. No.	Particulars	Amount (exclusive of GST) (₹)
1.	Amount collected for loading, unloading, packing and warehousing of potato chips	15,000
2.	Fees paid for yoga camp conducted by a charitable trust registered under section 12AB of the Income-tax Act, 1961 for employees of the firm	20,000
3.	Interest received on fixed deposits with Dhandhan Bank by the firm	30,000
4.	Professional services provided to foreign diplomatic mission located in India	50,000
5.	Recovery agent services provided to Truevalue Finance Ltd. - an NBFC located in Delhi	1,00,000
6.	Security services provided to Zenith Ltd. - a registered person under GST	80,000
7.	Receipts from Nirvana Ltd. for organizing a business exhibition held outside India	35,00,000
8.	Supply value including cost of fuel for provision of renting of motor vehicle designed to carry passengers service to NPS Ltd.	88,000

Determine the GST liability (inclusive of liability for the supplies received also) of Sterling Professionals for the month of March with necessary explanation for treatment of each item.

Rate of tax for both inward and outward supply is CGST and SGST @ 9% each except for the service of renting of motor vehicle designed to carry passengers for

which CGST and SGST @ 2.5% each is applicable. All the supplies are intra-State only. **(10 Marks)**

- (b) A non-resident Indian from USA donated food processing machinery to Bholenath Charitable Trust (BCT). BCT, however, paid commission to local agent in India.

Assistant Commissioner of Customs determined the FOB value of machine at US \$ 17,500 including design and development charges. Design and development is undertaken in USA and necessary for the production of imported goods. The trust accepted the value determined. Actual air freight paid was US \$ 4,000 and insurance cost was US \$ 1,500. Other details available are given below:

- (i) Commission paid to local agent of the exporter is US\$ 2,100 (paid in ₹ 1,57,500).
- (ii) Date of Bill of Entry presentation is 25th March. On this date, rate of BCD is 10%. Rate of exchange notified by CBIC is ₹ 75 per US \$; Reserve Bank Rate is ₹ 76 per US \$.
- (iii) Date of arrival of aircraft at customs station is 5th April.
On this date, rate of BCD is 15%, rate of exchange notified by CBIC is ₹ 74 per US \$; Reserve Bank Rate is ₹ 75 per US \$.
- (iv) Social welfare surcharge is leviable @ 10% and applicable IGST rate is 18%

Compute the assessable value under the Customs Act and also calculate basic customs duty payable, social welfare surcharge and IGST on import of machine. Assume that no exemption is available on this transaction and make suitable assumptions, if required. **(4 Marks)**

3. (a) Surya Electronics Limited is engaged in manufacture of taxable electronic goods. Its two manufacturing units are located in Mumbai and Nagpur and both the units are registered under GST in the State of Maharashtra. It has provided the following details of the activities/ transactions undertaken in April:

S. No.	Particulars	Mumbai unit (₹)	Nagpur unit (₹)
(i)	Sale of taxable goods	12,50,000	13,50,000
(ii)	Interest received on fixed deposits with a nationalised bank		1,08,000

(iii)	Sale of securities [Such securities were purchased for ₹ 2,75,000]	4,50,000	
(iv)	Sale of agricultural land in the vicinity of the manufacturing plant [Stamp duty was paid on ₹ 1,85,00,000]		1,85,00,000
(v)	Sale of old factory building which was not used anymore [Stamp duty was paid on ₹ 75,00,000]	90,00,000	

With the help of above information, you are required to determine the value of exempt supply under GST law as provided by Nagpur unit and Mumbai unit for the purpose of apportionment of ITC under section 17(3) of the CGST Act, 2017.

(5 Marks)

(b) Decide with reason whether following independent transactions amount to supply or not as per the provisions of the GST law:

- (i) Vibhu has lent securities to Kala Enterprises for a consideration of ₹ 10,000 towards lending of securities under the Securities Lending Scheme, 1997 through an approved intermediary. Ignore the transaction between Vibhu and intermediary.
- (ii) Kunda Limited made supply of goods to its agent, Tanishk, without consideration. Tanishk issued invoice for the further supply of goods to the customers in his own name. Tanishk also disclosed the name of principal in the invoice issued.
- (iii) Sambhavna Limited recruited Miss Unnati as senior relationship manager. At the time of joining as senior relationship manager, the company paid ₹ 3,00,000 towards "Not joining" Naman Limited, a stiff competitor of Sambhavna Limited.

(5 Marks)

(c) John Biden, aged 32, is a tourist of US origin. He has come to India on a travel visa and carries with him the following articles as part of baggage:

Particulars	Value in ₹
Used personal effects	50,000
Travel souvenirs	50,000
Laptop	1,20,000

200 gms tobacco [Valued @ ₹ 5 per gram]	1,000
50 cigars [Valued @ ₹ 100 each]	5,000
Fire-arms	80,000
80 cartridges of fire-arms [Valued @ ₹ 500 per cartridge]	40,000
1.5 litres wine	5,000
Mobile phone	80,000

With reference to the Baggage Rules, 2016, determine customs duty payable. Ignore agriculture infrastructure and development cess. **(4 Marks)**

4. (a) M/s GPT, registered in the State of Maharashtra under GST, made the following supplies during the last week of October. Considering the below mentioned independent supplies your advice is sought with appropriate reasoning for applicability of TDS provisions on the supplies made by GPT along with quantification of the amount of TDS, if applicable. Value of supply is exclusive of GST unless otherwise stated. The applicable rate of GST on outward supplies made is CGST 9%, SGST 9% and IGST 18%.
- (i) Provided taxable supply worth ₹ 20,000 & exempted supply worth ₹ 40,000/- in an invoice to the Government of NCT of Delhi at New Delhi where a contract for supply is for ₹ 5,00,000/- (out of which ₹ 2,60,000 is for taxable supply including GST and ₹ 2,40,000 is for exempted supply).
 - (ii) Provided supply of taxable goods amounting to ₹ 20,00,000 to Mumbai office of National Housing Bank, a society established by Government of India under the Societies Registration Act, 1860.
 - (iii) Provided taxable services worth ₹ 5,00,000 to the Government department of Himachal Pradesh (Registered in Himachal Pradesh only) directly in relation to the property located at Nagpur in the State of Maharashtra and being managed by the government of Himachal Pradesh.
 - (iv) Provided supply of taxable goods valued at ₹ 1,00,000 (Contract Value ₹ 2,50,000) to Government of Chhattisgarh.
 - (v) Provided supply of taxable iron scrap valued at ₹ 3,00,000/- to M/s SMT Private Limited, a non-Government private company and registered under GST in Mumbai, Maharashtra. The iron scrap is falling under Chapters 72 to 81 in the First Schedule to the Customs Tariff Act, 1975. **(5 Marks)**

- (b) With the help of the following information in the case of M/s Jayant Enterprises, Jaipur (Rajasthan) for the financial year, determine the aggregate turnover for the purpose of registration under the CGST Act.

Sl. No.	Particulars	Amount (₹)
(i)	Sale of diesel on which VAT is levied by Rajasthan Government.	1,00,000
(ii)	Supply of goods, after completion of job work, from the place of Jayant Enterprises directly by principal by declaring the place of M/s Jayant Enterprises as its additional place of business.	3,00,000
(iii)	Export of goods to England (U.K.)	5,00,000
(iv)	Supply to its own additional place of business in Rajasthan free of cost.	5,00,000
(v)	Outward supply of services on which GST is to be paid by recipient under reverse charge.	1,00,000

All the above amounts are excluding GST.

You are required to provide reasons for treatment of various items given above.

(5 Marks)

- (c) M/s. Shrine Premium Stiches imported 10 automated looms from Germany for a price of US \$ 70,000. The price was settled and machines were shipped on 20th March. Meanwhile, the importer made further negotiations with the exporter for reduction of price of looms based on the leads given by them so far and also in future. Due to this negotiation, the exporter further reduced the price of 10 automated looms to US \$ 60,000 and confirmed the same by email dated 30th March. However, consignment arrived in India on 29th March. Proper officer of customs ignored the revised price confirmed by email and assessed the value based on original price of US \$ 70,000. This was contested by the importer as unfair action by the Department. Importer seeks your advice on the correctness of action of the proper officer. Give reason in support of your answer. **(4 Marks)**

5. (a) Mr. Rohit intends to start a new manufacturing business in Jaipur. However, he is not able to determine the classification of the goods proposed to be manufactured and supplied by him since the classification of said goods has been contentious. Mr. Rohit read an article about advance ruling in the newspaper and decided to apply for advance ruling so as to avoid litigation later.

Mr. Shivam, who is friend of Mr. Rohit is also engaged in the supply of goods similar to which Mr. Rohit proposes to manufacture in Jaipur and Mr. Shivam advised him to apply the same classification as of his, since he has already taken advance ruling order regarding classification of the said goods.

Mr. Rohit's tax consultant also agreed with the advice given by Mr. Shivam. Mr. Rohit also thought it to be a good decision since he was unregistered and thought that he needed to be registered to apply for advance ruling in his name.

You are required to advise Mr. Rohit with respect to following:

- (i) Whether Mr. Rohit and his tax consultant are right and can classify the goods proposed to be supplied by Mr. Rohit on the basis of his friend Mr. Shivam's advance ruling order?
- (ii) Whether Rohit needs to get registered to apply for advance ruling?

(5 Marks)

- (b) Mr. Rishabh had filed an appeal before the Appellate Tribunal against an order of the Appellate Authority where the issue involved relates to place of supply. The order of Appellate Tribunal is also in favour of the Department. Mr. Rishabh now wants to file an appeal against the decision of the Appellate Tribunal as he feels the stand taken by him is correct.

You are required to advise him suitably with regard to filing of an appeal before the appellate forum higher than the Appellate Tribunal.

(5 Marks)

- (c) Enumerate the circumstances under which goods are considered to have been removed improperly from a warehouse under the Customs Act.

(4 Marks)

6. (a) State the various modes of service of a notice, decision, order, summons, or any other communication under the CGST Act, on the taxable person or any other person to whom it is intended.
- (b) What happens to the GST liability when the estate of a taxable person is under the control of Court of Wards?

(6 Marks)

(4 Marks)

OR

- (b) Who can order for carrying out 'inspection' and under what circumstances?

(4 Marks)

- (c) Discuss the privileges granted under FTP to Status Holders.

(4 Marks)