

VALUE OF TAXABLE SUPPLY

MULTIPLE CHOICE QUESTIONS

- Value of supply under section 15 of CGST Act, 2017 is_____.**
 - Wholesale price
 - Market value
 - Maximum retail price
 - Transaction value
- Which of the following is included while computing the value of supply of goods under GST?**
 - Any amount that the supplier is liable to pay in relation to such supply, but which has been incurred by the recipient of the supply and not included in the price actually paid or payable for the goods or services or both
 - Incidental expenses charged by the supplier from recipient of supply
 - Tax levied by Municipal Authority on sale of the goods
 - All of the above
- The value of supply should include—**
 - Incidental expenses, including commission and packing, charged by the supplier to the recipient of a supply.
 - Interest, late fee or penalty for delayed payment of any consideration for any supply.
 - Subsidies directly linked to the price except subsidies provided by the Central and State Government.
 - All of the above
- The value of supply shall not include:**
 - Any non-GST taxes, duties, cesses, fees charged separately by supplier.
 - Interest, late fee or penalty for delayed payment of any consideration for any supply.
 - Subsidies provided by the Central and State Governments.
 - All of the above
- Which of the following shall not be included in value of supply?**
 - Subsidies provided by the Central Government and State Governments.
 - Discounts which is given before or at the time of the supply if such discount has been duly recorded in the invoice issued in respect of such supply.
 - Any taxes levied under CGST Act, SGST Act, UTGST Act and GST (Compensation to States) Act
 - All of the above

6. Interest or late fee or penalty for delayed payment of any consideration for any supply _____.
- shall always be included in the value of taxable supply
 - shall be included in the value of taxable supply only if the same is recovered from the recipient by the supplier
 - shall always be excluded from the value of taxable supply since it is consideration for delay in payment and not a consideration for supply of goods /services.
 - shall be included in the amount exceeds ₹ 50,000
7. XYZ Ltd. has supplied goods to PQR Ltd. at a list price of ₹ 5,00,000. It has paid taxes levied by local authority on such supply ₹ 50,000 and the same is not recovered from the recipient of supply. It has provided a discount of 5% of list price which is separately shown in the invoice. The value of taxable supply shall be —
- ₹ 5,00,000
 - ₹ 5,50,000
 - ₹ 4,75,000
 - ₹ 5,25,000
8. When can the transaction value be rejected for computation of value of supply?
- When the buyer and seller are related and price is not the sole consideration for supply
 - When the buyer and seller are related or price is not the sole consideration for supply
 - It can never be rejected
 - When the goods are sold at very low margins
9. Which of the following statement(s) is/are correct?
- Section 15 of CGST Act prescribes different provisions for valuation of goods and services.
 - CGST Act and IGST Act have different provisions for valuation of supply.
 - Section 15 of CGST Act prescribes same set of provisions for valuation of goods and services.
 - (a) and (b)
10. Discount given after the supply is deducted from the value of taxable supply, if –
- such discount is given as per the agreement entered into at/or before the supply.
 - such discount is linked to the relevant invoices.
 - proportionate input tax credit is reversed by the recipient of supply.
 - all of the above.
11. Which of the supplies have been notified under section 15(5), where the value of supply will be determined in prescribed manner –
- supply of online money gaming
 - supply of online gaming, other than online money gaming
 - supply of actionable claims in casinos
 - all of the above.
12. From the following information determine the value of taxable supply as per provisions of Section 15 of the CGST Act, 2017?

Particulars	₹
Contracted value of supply of goods (including GST @ 18%)	11,80,000



The contracted value of supply includes the following :	
1. Cost of primary packing	25,000
2. Cost of protective packing at recipient's request for safe transportation	15000

- (a) ₹ 10,00,000
- (b) ₹ 11,80,000
- (c) ₹ 11,55,000
- (d) ₹ 11,40,000

13. From the following information determine the value of taxable supply as per provisions of Section 15 of the CGST Act, 2017?

Particulars	₹
Contracted value of supply of goods (including GST @ 18%)	11,00,000
Other information :	
1. Commission paid to agent by recipient on instruction of supplier not included in contracted value of supply	5,000
2. Freight and insurance charges paid by recipient on behalf of supplier not included in contracted value of supply	75,000

- (a) ₹ 11,00,000
- (b) ₹ 11,80,000
- (c) ₹ 10,00,000
- (d) ₹ 11,75,000

14. Determine the value of taxable supply as per Section 15 of the CGST Act, 2017 :

Particulars	₹
Contracted sale price of goods (including CGST and SGST @ 5%)	10,56,000

The contracted sale price includes the following elements of cost :	
(i) Cost of drawings and design	5,000
(ii) Cost of primary packing	2,000
(iii) Cost of packing at buyer's request	4,000
(iv) Freight and insurance from 'place of removal' to buyer's premises	43,000

A discount of ₹ 6,000 was given by the supplier at the time of supply of goods. CGST and SGST is levied @ 5%.

- (a) ₹ 10,56,000
- (b) ₹ 10,50,000
- (c) ₹ 10,00,000
- (d) ₹ 11,10,000

15. XYZ sells its products through unrelated wholesale dealers. The wholesale price is ₹ 1,00,000 (exclusive of GST). Cash discount of ₹ 3,000 is allowed if the payment is made within 7 days. Charges for normal packing ₹ 1,000 which is not included in the price. The supplier has paid turnover tax ₹ 1,500 and but the same is not recoverable from the recipient. What is the value of supply?

- (a) ₹ 1,00,000
- (b) ₹ 98,000
- (c) ₹ 99,500
- (d) ₹ 97,000

16. PQR Pvt. Ltd. has provided the following particulars relating to goods sold by it to MNO Pvt. Ltd. —

- (1) List price of the goods (exclusive of taxes and discounts) = ₹ 1,25,000
- (2) Tax levied by Municipal Authority on the sale of such goods = ₹ 15,000



- (3) CGST and SGST chargeable on the goods = ₹ 19,200
- (4) Packing charges (not included in price above) = ₹ 15,500

PQR Pvt. Ltd. Received ₹ 9,500 as a subsidy from a Non-profit making organisation in respect of timely supply of such goods. The price of ₹ 1,25,000 of the goods is after considering such subsidy. PQR Ltd. offers 4% discount on the list price of the goods which is recorded in the invoice for the goods. Determine the value of taxable supply made by PQR Pvt. Ltd.

- (a) ₹ 1,50,500
 (b) ₹ 1,60,000
 (c) ₹ 1,40,800
 (d) ₹ 1,69,700

17. Fashions Ltd. a garment manufacturing company sells its garments to its dealers at list price minus standard discount and pays GST accordingly. However, when the garments remain unsold for more than 6 months with the dealers, it offers additional discount on the stock as an incentive to boost the sale. Can this additional discount be reduced from the transaction value of the garments.

- (a) Yes, as the post supply discount is deductible from the transaction value.
 (b) No, as the post supply discount is not deductible from the transaction value.
 (c) No, as the discounts were not known or agreed at the time of supply of goods to the dealers.
 (d) Yes, as any amount given as discount (whether pre or post supply) is deductible from the transaction value.

18. Floral Advertisers conceptualized and designed the advertising campaign for a new product launched by Jupiter Stampings Pvt. Ltd. for a consideration of ₹ 25,00,000. Floral Advertisers owed ₹ 4,50,000 to one of its vendors in relation to the advertising service provided by it to Jupiter Stampings Pvt. Ltd. Such liability of Floral Advertisers was discharged by Jupiter Stampings Pvt. Ltd. Jupiter Stampings Pvt. Ltd. delayed the payment of consideration and thus, paid ₹ 50,000 as interest. Determine the value of taxable supply made by Floral Advertisers. GST Rate is 18%.

- (a) ₹ 25,00,000
 (b) ₹ 29,50,000
 (c) ₹ 29,92,373
 (d) ₹ 25,50,000

19. Determine the value of supply and the GST liability, to be collected and paid by the owner, with the following particulars —

- (1) Rent on commercial building : ₹ 18,00,000.
 (2) Municipal taxes paid by the owner not recovered from the tenant : ₹ 3,00,000.
 (3) Owner intends to charge GST on refundable advance, as GST is applicable on advance : ₹ 6,00,000.
 (4) Maintenance charges collected by local society from the owner and reimbursed by the tenant : ₹ 2,50,000.

GST rate applicable on renting of business premises is 18%.

- (a) ₹ 23,50,000, ₹ 4,23,000
 (b) ₹ 21,00,000, ₹ 3,78,000
 (c) ₹ 24,00,000, ₹ 4,32,000
 (d) ₹ 20,50,000, ₹ 3,69,000



20. Supreme Foods Pvt. Ltd. gets an order for supply of processed food from Hotelia Ltd. Hotelia Ltd. wants the consignment tested for gluten or specified chemical residues. Supreme Foods Pvt. Ltd. does the testing and charges a testing fee of ₹ 15,000 from the Hotelia Ltd. Supreme Foods Pvt. Ltd. argues that such testing fees should not form part of the consideration for the sale as it is a separate activity. Is this argument correct in light of section 15 of the CGST Act, 2017?
- (a) Yes, as the testing fee is not related to the price of the product.
- (b) Yes, as the testing activity being a totally separate activity cannot be treated to be related to the price of the product and therefore, cannot form part of the consideration of then product.
- (c) No, as per section 15 of the CGST Act, 2017, any amount charged for anything done by the supplier in respect of the supply before or at the time of delivery of goods shall be included in the taxable value.
- (d) No, since testing was demanded by the recipient of supply therefore, it was the obligation of the recipient which was met by the supplier.
21. Floral advertising, an advertising firm, gives an interest-free credit period of 30 days for payment by the customer. One of its customers paid for the supply 40 days after the supply of service. Floral advertising waived the interest payable for delay of 10 days. The Department wants to add interest for 10 days as per contract. Should notional interest be added to the taxable value?
- (a) This is a supply that is valued as per transaction value. The interest once waived, is not payable and is therefore, not to be added in the transaction value.
- (b) Since it is a supply to be valued at transaction value, therefore, the interest amount payable, whether waived or not, is includible in the transaction value.
- (c) No, the interest amount is never added to the transaction value.
- (d) None of the above.
22. Leather products Ltd. sells shoes to its dealers, to whom it charges the list price minus standard discount and pays GST accordingly. When such shoes remain unsold with the dealers, it offers additional discounts on the stock as an incentive to push the sales. Can this additional discount be reduced from then price at which the goods were sold if the input tax credit has been reversed by the recipient?
- (a) Since the input tax credit has been reversed by the recipient, the post supply discount has to be excluded from the transaction value.
- (b) Since the discounts were not known or agreed at the time of supply of goods to the dealers, therefore, such discounts cannot be reduced from the transaction value.
- (c) Any discount offered by the seller cannot go to reduce the transaction value.
- (d) The discounts are always excluded from the transaction value.
23. Seva Charitable Institution makes a substantial donation each year to a reputed private management institution to subsidise the education of low income group students who have gained admission there. The fee for these individuals is reduced thereby, coming to ₹ 1 lakh a year

compared to ₹ 4 lakh a year for other students. What would be the taxable value of the service of coaching and instruction provided by the institution?

- (a) ₹ 1,00,000
- (b) ₹ 4,00,000
- (c) ₹ 3,00,000
- (d) ₹ 5,00,000

24. Compute the taxable value of the goods in case the contracted value (including GST of ₹ 1,80,000) is ₹ 11,00,000 which includes ₹ 25,000 cost of primary packing and ₹ 15,000 as cost of protective packing at the recipient's request for safe transportation and ₹ 85,000 for design and engineering charges. The recipient paid ₹ 5,000 to an agent on instruction of the seller. As per the agreement the goods delivered were FOR. However, since the lorry receipt was drawn in buyer's name he paid for the freight and insurance of ₹ 75,000 at the time of taking delivery of the goods. Find the value of taxable supply.

- (a) The taxable value shall be ₹ (11,00,000 - 15,000) i.e. ₹ 10,85,000 (being the cost of protective packing not includible in the transaction value.
- (b) The taxable value shall be ₹ (11,00,000 - 15,000 - 1,80,000) i.e. ₹ 9,05,000 (being the cost of protective packing and GST shall not be includible in the transaction value.
- (c) The taxable value shall be ₹ (11,00,000 - 1,80,000 - 5,000 - 75,000) i.e. ₹ 8,40,000 (being the commission paid to agent and freight paid by the recipient shall be excluded from the transaction value.
- (d) The taxable value shall be (11,00,000 - 1,80,000 + 5,000 + 75,000) i.e. ₹ 10,00,000 (being the GST paid shall not be includible in the transaction

value while the other expenses shall form part of transaction value and the obligation of the supplier i.e. commission and freight and insurance charges met by the recipient shall be included in the transaction value).

25. ABC Co. has a policy of giving discounts to its distributors. It therefore, sold its products at 40% on list price of ₹ 500 per package of the product to its distributor. This discount was separately shown in the invoice as 'list price less 40% discount and the final price being ₹ 300'. What shall be the transaction value?

- (a) The transaction value shall be ₹ 500 only as discount offered is not excluded from the transaction value.
- (b) The transaction value shall be ₹ 300 as the discount is given at the time of supply and is shown in the invoice separately, hence it shall be excluded from the transaction value.
- (c) The transaction value shall be ₹ 200.
- (d) None of the above.

26. The agreement of GL Electrical Appliances with its dealers is that sale of washing machine over 500 pieces in the Diwali month will entitle them to discount of 5% per machine sold in the next month. The next month's stock has already been dispatched when the sales figures for the Diwali month are worked out. What shall be the transaction value?

- (a) As the discount is established in terms of the agreement entered into at the time of supply and the same can be worked out for each invoice, the transaction value shall be invoice price less 5% discount.
- (b) The transaction value shall be the invoice price as the post discount is



not includible from the transaction value.

- (c) The transaction value shall be invoice price less 5% discount as the discount is established in terms of the agreement entered into at the time of supply and the same can be worked out for each invoice, and the dealer must reverse the proportionate input tax credit on the relevant stock.
- (d) The transaction value shall be the invoice price as the discounts, whether given before, or at the time of or post supply are not excluded from the transaction value.

27. Which of the following taxes/duties/cesses are not includible in transaction value :

- (1) Central Excise duty
 (2) Municipal taxes
 (3) Entertainment tax
 (4) Compensation cess under GST

- (a) (2) and (3) is not includible
 (b) (4) is not includible
 (c) All of the above are includible in the value of supply
 (d) All of the above

28. ABC Co. entered into an agreement with Z for the supply of certain goods. As per the contract the goods were to be delivered to the premises of the ABC Co. Mr. Z hired a transporter for transportation of the goods. However, the lorry receipt indicates that the freight is payable by ABC Co. Whether this freight amount paid by ABC Co. forms part of the transaction value under GST?

- (a) Since the supplier's obligation is met by the recipient, therefore, it shall form part of the transaction value

- (b) No, as it is not related to the price of the goods
 (c) No, as freight does not form part of the transaction value
 (d) Yes, as freight always forms part of the transaction value irrespective of who has incurred such expenses.

29. Mr. X bought certain goods from Y. X paid buying commission to the agent Z for finding the supplier for him. Will this amount paid as buying commission for part of the transaction value?

- (a) Yes, as any amount incurred by the recipient on behalf of the supplier shall form part of the transaction value.
 (b) No, as the buying commission is the obligation of the recipient and does not require to be included in the transaction value.
 (c) Yes, as any amount paid over and above the price of the goods, whether incurred by the supplier or the buyer is always included in the transaction value.
 (d) No, as it is not related to the price of the goods.

30. M/s. XYZ appoints Mr. A as an agent to procure orders. Mr. A, procures orders from LM Co. for supply of 100 kgs of certain goods at ₹ 100 per kg. M/s. XYZ supplies the goods to LM Co., charging it only ₹ 98 per kg., with the instruction to pay ₹ 2 per kg to the agent A. Is this payment by LM Co. to agent is includible in the transaction value?

- (a) No, as the price of the goods charged was only ₹ 98 per kg.
 (b) Yes, as any amount paid to any agent by the supplier or the recipient shall form part of the transaction value.

- (c) Yes, as the amount paid to the agent A is in connection with the supply of goods made by M/s. XYZ to LM Co. and it is suppliers obligation met by the recipient and therefore it shall be treated as part of the transaction value.
- (d) No, as any commission is the obligation of the recipient and does not require to be included in the transaction value.
31. Mr. X bought an article to gift it to his wife. He requested the supplier to pack the same in attractive packing. The amount for the special packing was separately paid by him. Will the cost of such special packing form part of the transaction value?
- (a) Yes, as the cost of packing, whether ordinary or special, will be included in the transaction value even if it is charged separately.
- (b) No, as it is not related to the supply of the goods.
- (c) No, as this is case of special packing which is not there in case of normal transactions.
- (d) No, as cost of packing, both durable and non-durable or ordinary or special shall never be included in the transaction value.
32. X Ltd. has supplied goods valued ₹ 1,00,000 to M/s. Y on a credit period of 1 month. The contract provides for levy of interest at the rate of 18% p.a on delay in payment. M/s. Y makes payment to X Ltd. after 2 months along with interest of ₹ 1,500. Will this late payment charges includible in the transaction value?
- (a) No, as late payment charges are not related to the price of the goods.
- (b) No, as these are financial cost incurred after the delivery of the goods.
- (c) Yes, as interest or late fee or penalty for delayed payment of any consideration for any supply shall form part of the transaction value of the goods as per the GST law.
- (d) Yes, as it was on account of default of the buyer.
33. The selling price of a geometry box is ₹ 75. For geometry box sold to students in Government schools, a company uses its CSR funds to pay the seller ₹ 50 so that the students pay only ₹ 25 per box. What shall be the transaction value of the box?
- (a) The transaction value shall be ₹ 25 per box, i.e. the amount paid by the students.
- (b) The transaction value shall be ₹ 75 per box as it is a non-government subsidy which shall be included in the transaction value.
- (c) The transaction value shall be ₹ 50 per box, i.e. the amount paid by the company.
- (d) None of the above.
34. The selling price of a domestic gas cylinder is ₹800 per cylinder. The domestic cylinders to low income group people, are sold at subsidized rate of ₹ 500 per cylinder, the Government providing the subsidy of ₹ 300 per cylinder. What shall be the transaction value of the gas cylinder to BPL category?
- (a) The transaction value shall be ₹ 800 per cylinder as subsidy is included in the transaction value.
- (b) The transaction value shall be ₹ 300 per cylinder.
- (c) The transaction value shall be ₹ 500 per cylinder as price subsidy provided by Central and State Governments shall not be included in the transaction value.



- (d) None of the above.
35. If the goods are supplied to related persons then value of taxable supply shall be determined _____.
- With the help of proper officer under GST law
 - By using arm's length price as required under the Income Tax law
 - By identifying the prices at which goods are sold by the unrelated person to his customer
 - By referring rules which are prescribed for this purpose
36. Persons shall be deemed to be "related persons" if any person directly or indirectly owns, controls or holds _____ or more of the outstanding voting stock or shares of both of them.
- 25%
 - 26%
 - 51%
 - 20%
37. Persons shall be deemed to be related if _____.
- such persons are officers or directors of one another's businesses
 - such persons are legally recognised partners in business
 - such persons are employer and employee
 - All of the above
38. Which of the following statements define "Open market value".
- The full value in money to obtain such supply at the same time when the supply being valued is made.
 - Excluding the IGST, CGST, SGST/UTGST and the cess payable by a person in a transaction.
 - Where the supplier and the recipient of the supply are not related.
 - Price is the sole consideration.
- (i) and (ii)
 - (i), (iii) and (iv)
 - None of the above
 - All of the above
39. Value of supply of goods or services where the consideration is not wholly in money shall be _____.
- The open market value of such supply.
 - The transaction value of such supply.
 - The total value of Consideration in money.
 - The total value of consideration not in money.
40. Where a laptop is supplied for ₹ 40,000 along with a barter of printer that is manufactured by the recipient and the value of the printer known at the time of supply is ₹ 4,000 but the open market value of the laptop is not known, the value of the supply is :
- ₹ 40,000
 - ₹ 36,000
 - ₹ 44,000
 - ₹ 4,000
41. Compute the value of taxable supply and GST payable from the following information :
- ABC Ltd. manufactured school bags. During the month of August, XYZ Ltd. purchased 500 bags at the contracted price of ₹ 1,000 per bag (excluding GST and discount) from

ABC Ltd. XYZ Ltd. supplied chains used in the manufacturing of the bags to ABC Ltd. without consideration as per instruction of ABC Ltd. The open market value of the chains so supplied was ₹ 50 per chain. Also a discount of ₹ 20 per bag was given by the supplier at the time of the supply and same has been duly recorded in the invoice issued in respect of such supply. GST rate is 18%.

- (a) ₹ 5,00,000, ₹ 90,000
- (b) ₹ 5,15,000, ₹ 92,700
- (c) ₹ 4,90,000, ₹ 88,200
- (d) ₹ 5,25,000, ₹ 94,500

42. Shiv enterprises, a registered dealer in house hold appliances, supplies certain goods to Surya enterprises at ₹ 5,00,000 (excluding taxes). Surya enterprises also supplied certain materials to Shiv enterprises worth ₹ 80,000 (excluding taxes) as per instructions of Shiv enterprises. Shiv enterprises has supplied the same goods to others for ₹ 5,76,800 (including GST @ 12%). Determine the value of supply.

- (a) The value of supply shall be the monetary consideration paid for the transaction i.e. ₹ 5,00,000
- (b) The taxable value shall be the open market value of such supply. Which shall be ₹ 5,15,000 i.e. (price charged from customer – ₹ 5,76,800 less GST included therein ₹ 5,76,800 × 12/112)
- (c) The taxable value shall be ₹ 6,56,800 i.e. the amount charged from independent customer plus the value of non-monetary consideration ₹ (5,76,800 + 80,000)
- (d) The taxable value of supply shall be ₹ 5,80,000 i.e. ₹ (5,00,000 + 80,000) being the value of monetary

consideration paid and the value of non-monetary consideration added to it.

43. Shiv enterprises, a registered dealer in house-hold appliances, supplies certain goods to Surya enterprises at ₹ 5,00,000 (excluding taxes). Surya enterprises also supplied certain materials to Shiv enterprises worth ₹ 80,000 (excluding taxes) as per instructions of Shiv enterprises. Determine the value of taxable supply.

- (a) The value of supply shall be the monetary consideration paid for the transaction i.e. ₹ 5,00,000
- (b) The taxable value of supply shall be ₹ 4,20,000 (₹ 5,00,000 less ₹ 80,000)
- (c) The taxable value of supply shall be ₹ 5,80,000 i.e. (5,00,000 + 80,000) being the value of monetary consideration paid and the value of non-monetary consideration added to it.
- (d) The taxable value shall be ₹ 5,50,000 (i.e. 5,00,000 + 10% mark-up)

44. Shiv enterprises, a registered dealer in house-hold appliances, supplies certain goods to Surya enterprises at ₹ 5,00,000 (excluding taxes). Surya enterprises also supplied certain materials to Shiv enterprises as per instructions of Shiv enterprises whose monetary value is not ascertainable. Determine the value of taxable supply. At the time of supply of goods to Surya enterprises, identical goods have been supplied at value of ₹ 5,10,000 (excluding taxes).

- (a) The value of supply shall be the monetary consideration paid for the transaction i.e. ₹ 5,00,000.



- (b) The taxable value of supply shall be the value of supply of identical goods of like kind and quality i.e. ₹ 5,10,000.
- (c) The taxable value shall be ₹ 5,50,000 (i.e. 5,00,000 + 10% mark-up).
- (d) The taxable value shall be determined using reasonable means.
45. PDK & Co. has been appointed as the internal and systems auditor of ABC Ltd. at contracted fees of ₹ 25 lakh. In order to carry on their work uninterrupted, they are provided a free room in the company's head-office for their exclusive use. PDK & Co. pays GST on its fees of ₹ 25 lakh. Is the value for the service provided by PDK & Co. under the GST laws correct? If not, what should be the value of supply?
- (a) Yes, the value of supply of service is ₹ 25 lakh.
- (b) No, the value of supply shall be the value of service plus the market value of the rent of the room provided for their exclusive use.
- (c) The taxable value shall be ₹ 25 lakh minus the market value of the rent of the room provided for their exclusive use.
- (d) None of the above.
46. XY, Jaipur, Rajasthan furnishes following information:
- (i) 50 MT of inputs stock transferred to branch located in Indore, Madhya Pradesh on 10th April.
- (ii) Transfer value of the inputs shown in the invoice is ₹ 50,000.
- (iii) 10 MT of inputs supplied to customer located in Indore at ₹ 25,000 on 10th April.
- (iv) Cost of production of 1 MT of input is ₹ 750.
- (v) Indore branch is eligible for full input tax credit.
- The value of the inputs stock transferred to Indore Branch is —
- (a) ₹ 50,000
- (b) ₹ 1,25,000
- (c) ₹ 41,250
- (d) ₹ 12,500
47. SS Ltd. manufactures a customized product 'A' at its unit in Madhya Pradesh and supplies it to its another establishment, located in Rajasthan. The Contracted sales price is ₹ 9,00,000. The cost of production of Product 'A' is ₹ 10,00,000. SS Ltd. is the sole manufacturer of this product. Determine taxable value of supply if the establishment in Jaipur is eligible to avail full Input tax credit of GST payable by SS Ltd.
- (a) ₹ 9,00,000
- (b) ₹ 11,00,000
- (c) ₹ 10,00,000
- (d) ₹ 8,10,000
48. What option is available to the supplier, in case of supply of goods between distinct or related persons, other than through an agent and such goods are supplied as such by the recipient to unrelated customers,
- (a) Option to take 110% of price charged by recipient from his unrelated Customer as Value.
- (b) Option to take 100% of price charged by recipient from his unrelated Customer as Value.
- (c) Option to take 90% of price charged by recipient from his unrelated Customer as Value.

- (d) Option to take 120% of price charged by recipient from his unrelated Customer as Value.
49. The value declared in the invoice shall be deemed to be the open market value of the goods or services in case of supply of goods or services or both between distinct or related persons, if :
- Recipient is eligible for full ITC.
 - Value of supply of goods or services of like kind and quality not available.
 - Open market value not available.
 - Recipient not eligible for ITC.
50. The value of supply of services by a supplier to a recipient who is a related person, by way of providing corporate guarantee to any banking company or financial institution on behalf of the said recipient, shall be deemed to be –
- 1% of the amount of such guarantee offered, or
 - the actual consideration,
- whichever is higher.
- 1% of the amount of such guarantee offered
 - the actual consideration
 - (i) or (ii) whichever is higher
 - (i) or (ii) whichever is lower
51. ABC Ltd. has provided corporate guarantee in respect of loan taken by its subsidiary company amounting ₹ 100 crore from HDFC Bank. ABC Ltd. has not charged any consideration for providing such corporate guarantee. Which of the following is correct —
- The extension of corporate guarantee is not covered under the ambit of supply.
 - The extension of corporate guarantee is covered under the ambit of supply but no GST is payable as no consideration is charged for the same.
 - The extension of corporate guarantee is covered under the ambit of supply and the value of supply will be 2% of the amount guaranteed i.e. 2% of ₹ 100 crore = ₹ 2 crore
 - The extension of corporate guarantee is covered under the ambit of supply and the value of supply will be 2% of the amount guaranteed i.e. 1% of ₹ 100 crore = ₹ 1 crore
52. ABC Ltd. has provided corporate guarantee in respect of loan taken by its subsidiary company amounting ₹ 100 crore from HDFC Bank. ABC Ltd. has not charged any consideration for providing such corporate guarantee and has issued invoice where the value of supply is declared as Nil. Subsidiary company is entitled to full ITC as it is engaged in making taxable supplies only. Which of the following is correct :
- The provision of corporate guarantee is not covered under the ambit of supply.
 - The provision of corporate guarantee is covered under the ambit of supply but no GST is payable as no consideration is charged for the same and the value declared in Invoice shall be taken as the value of supply since subsidiary company is entitled to full ITC.
 - The provision of corporate guarantee is covered under the ambit of supply and the value of supply will be 2% of the amount guaranteed i.e. 2% of ₹ 100 crore = ₹ 2 crore
 - The provision of corporate guarantee is covered under the ambit of supply and the value of supply will be 1% of the



amount guaranteed i.e. 1% of ₹ 100 crore = ₹ 1 crore

✓
Chp Sep 25

53. XYZ Ltd. has provided corporate guarantee in respect of loan taken by its subsidiary company amounting ₹ 100 crore from HDFC Bank. XYZ Ltd. has not charged any consideration for providing such corporate guarantee and has issued invoice where the value of supply is declared as Nil. Subsidiary company is not entitled to full ITC as it is engaged in making taxable as well as exempt supplies. Which of the following is correct :

- (a) The provision of corporate guarantee is not covered under the ambit of supply.
- (b) The provision of corporate guarantee is covered under the ambit of supply but no GST is payable as no consideration is charged for the same and the value declared in Invoice shall be taken as the value of supply since subsidiary company is entitled to avail partial ITC.
- (c) The provision of corporate guarantee is covered under the ambit of supply and the value of supply will be 2% of the amount guaranteed i.e. 2% of ₹ 100 crore = ₹ 2 crore
- (d) The provision of corporate guarantee is covered under the ambit of supply and the value of supply will be 1% of the amount guaranteed i.e. 1% of ₹ 100 crore = ₹ 1 crore

54. XYZ Ltd. has provided corporate guarantee amounting ₹ 100 crore in respect of loan to be taken by its subsidiary company PQR Ltd. from HDFC Bank. XYZ Ltd. has not charged any consideration for providing such corporate guarantee. PQR Ltd. has availed loan of ₹ 75 crores from HDFC Bank. PQR Ltd. is not entitled to full ITC as it is engaged in making taxable as well as

exempt supplies. Which of the following is correct :

- (a) The provision of corporate guarantee is not covered under the ambit of supply.
- (b) The provision of corporate guarantee is covered under the ambit of supply but no GST is payable as no consideration is charged for the same and the value declared in Invoice shall be taken as the value of supply since subsidiary company is entitled to avail partial ITC.
- (c) The provision of corporate guarantee is covered under the ambit of supply and the value of supply will be 1% of the amount guaranteed i.e. 1% of ₹ 100 crore = ₹ 1 crore
- (d) The provision of corporate guarantee is covered under the ambit of supply and the value of supply will be 1% of the amount of loan availed by PQR Ltd. i.e. 1% of ₹ 50 crore = ₹ 0.5 crore

55. Mr . X director of ABC Ltd. has provided personal guarantee in respect of loan taken by the company amounting ₹ 100 crore from HDFC Bank. Mr. X has not charged any consideration for providing such personal guarantee. Which of the following is correct —

- (a) The provision of personal guarantee is not covered under the ambit of supply.
- (b) The provision of personal guarantee is covered under the ambit of supply but no GST is payable as no consideration is charged for the same.
- (c) The provision of personal guarantee is covered under the ambit of supply and the value of supply will be 2% of the amount guaranteed i.e. 2% of ₹ 100 crore = ₹ 2 crore
- (d) The provision of personal guarantee is covered under the ambit of supply and

the value of supply will be 2% of the amount guaranteed i.e. 1% of ₹ 100 crore = ₹ 1 crore

56. Mr. X located in Jaipur purchases 2,000 drawing boxes for ₹ 2,00,000 from M/s. Stationers Ltd. (wholesalers) located in Delhi. Mr. X's son is an employee in M/s. Stationers Ltd. The price of each drawing box in the open market is ₹ 120. The supplier additionally charges ₹ 5,000 for delivering the goods to the recipient's place of business. Determine value of taxable supply.
- ₹ 2,00,000.
 - ₹ 1,95,000.
 - ₹ 2,05,000.
 - ₹ 2,40,000.
57. GG Ltd. supplied printers from its establishment located in Maharashtra to its computer manufacturing unit in Rajasthan @ ₹ 10,000 per unit. Rajasthan unit is not eligible to avail full input tax credit. GG Ltd. supplied such printers during the same period to independent recipient @ ₹ 14,160 in market (including CGST and SGST @ 18%). Determine the value of supply for GG Ltd. in accordance with the CGST Act, 2017 and the rules made thereof.
- ₹ 10,000 being the transaction value.
 - ₹ 12,000 being the open market value of the supply of such goods i.e. ₹ 14,160 less GST amount included therein.
 - ₹ 8,475 being the transaction value less the amount of GST included therein.
 - ₹ 14,160 being the price charged from independent customer.
58. Value of supply of goods between the principal and his agent shall be _____.
- The open market value of such supply.
 - 90% of the price charged for the supply of goods of like kind and quality by the recipient to his customer not being a related person.
 - Either (a) or (b)
 - The transaction value of such supply.
59. Easy Cooling System Pvt Ltd. (Gurgaon), dealers in refrigerators have 15 agents across the country. The stock is dispatched to the agents on just-in-time basis, to the locations of the agents based on the receipt of orders from various dealers on fortnightly basis. Easy Cooling System Pvt. Ltd. is also engaged in the wholesale supply of the refrigerators in Gurgaon. Easy Cooling System Pvt. Ltd. dispatched 20 refrigerators on 10th December. Easy Cooling System Pvt. Ltd. had sold 20 refrigerators to a retailer in Gurgaon on 8th December for ₹ 2,80,000. The agent effects the sale of the 20 refrigerators to a dealer who would sell it on MRP of ₹ 15,000/ unit. Determine the taxable value of/ supply by Easy cooling System Pvt. Ltd. to its agent.
- It is not a supply as it is effected without consideration between the principal and the agent.
 - Taxable value shall be the open market value i.e. ₹ 2,80,000.
 - Taxable value shall be the price charged by the recipient of the intended supply to its customers i.e. ₹ 15,000 × 20 = ₹ 3,00,000.
 - The value of taxable supply would be either open market value i.e. ₹ 2,80,000 or 90% of the price charged by the recipient of the intended supply to the customers, at the option of the supplier i.e. ₹ 2,80,000 or ₹ 2,70,000.



60. Sinex Meter Ltd. is a registered supplier of solar equipments in Himachal Pradesh. Consignments of solar equipments were sent to Rohan Pvt. Ltd. – agent of Sinex Meters Ltd. in Punjab. Rohan Pvt. Ltd. supplied identical meters to the Electrical Stores located in their respective States for ₹ 30,00,000. The open market value of the supply is ₹ 28,00,000. The manufacturing cost of consignment transferred to Rohan Pvt. Ltd. is ₹ 25,00,000. The taxable value of supply will be _____.

- (a) Nil, as supply is effected between Principal and agent
- (b) ₹ 28,00,000.
- (c) either open market value i.e. ₹ 28,00,000 or 90% of the price charged by the recipient of the intended supply to the customers, at the option of the supplier i.e. 90% of ₹ 30,00,000 = ₹ 27,00,000
- (d) ₹ 30,00,000.

61. As per Rule 30 (cost-based valuation) of CGST Rules, 2017, value of supply of goods or services or both shall be based on _____.

- (a) Cost of the supply minus 10% mark-up
- (b) Cost of the supply plus 10% mark-up
- (c) Cost of the supply plus 20% mark-up
- (d) Cost of the supply minus 20% mark-up

62. Value of supply of lottery if lottery run by State Government shall be deemed to be _____.

- (a) Higher of —
 - 100/112 of the face value of ticket; and
 - 100/112 of the price as notified in the Official Gazette by the organising State.
- (b) Lower of—

- 100/112 of the face value of ticket; and
- 100/112 of the price as notified in the Official Gazette by the organising State.

(c) Higher of —

- 100/128 of the face value of ticket; and
- 100/128 of the price as notified in the Official Gazette by the organising State.

(d) Lower of —

- 100/128 of the face value of ticket; and
- 100/128 of the price as notified in the Official Gazette by the organising State.

63. Value of supply of lottery if lottery authorised by State Government shall be deemed to be _____.

(a) Higher of—

- 100/112 of the face value of ticket; and
- 100/112 of the price as notified in the Official Gazette by the organising State.

(b) Lower of—

- 100/112 of the face value of ticket; and
- 100/112 of the price as notified in the Official Gazette by the organising State.

(c) Higher of—

- 100/128 of the face value of ticket; and
- 100/128 of the price as notified in the Official Gazette by the organising State.



- (d) Lower of—
- 100/128 of the face value of ticket; and
 - 100/128 of the price as notified in the Official Gazette by the organising State.

64. Value of supply of actionable claim in the form of chance to win in betting, gambling or horse racing in a race club shall be _____.

- (a) 110% of the face value of the bet or the amount paid into the totalisator.
- (b) 100% of the face value of the bet or the amount paid into the totalisator.
- (c) 90% of the face value of the bet or the amount paid into the totalisator.
- (d) 100% of the winning amount of betting, gambling or horse racing.

65. The value of supply of online gaming, including supply of actionable claims involved in online money gaming, shall be the total amount paid or payable to or deposited with the supplier by way of money or money's worth, including virtual digital assets, by or on behalf of the player —

- (a) The value of supply of online gaming, including supply of actionable claims involved in online money gaming, shall be Nil
- (b) The value of supply of online gaming, including supply of actionable claims involved in online money gaming, shall be 10% of amount paid or payable to or deposited with the supplier by way of money or money's worth, including virtual digital assets, by or on behalf of the player
- (c) The value of supply of online gaming, including supply of actionable claims

involved in online money gaming, shall be the 50% of the amount paid or payable to or deposited with the supplier by way of money or money's worth, including virtual digital assets, by or on behalf of the player

- (d) The value of supply of online gaming, including supply of actionable claims involved in online money gaming, shall be the total amount paid or payable to or deposited with the supplier by way of money or money's worth, including virtual digital assets, by or on behalf of the player

66. Mr. X has paid ₹ 10,000 for participating in Dine Casinos. He was refunded ₹ 1,000 on leaving the casino. The value of supply for calculation of GST liability will be —

- (a) Nil
- (b) ₹ 9,000
- (c) ₹ 10,000
- (d) ₹ 11,000

67. Value of supply of service in relation to purchase or sale of foreign currency, including Money Changing if RBI reference rate is not available at the time of transaction of money changing shall be _____.

- (a) 1% of the gross amount in foreign currency provided or received, by the person changing the money.
- (b) 2% of the gross amount in Indian Rupees provided or received, by the person changing the money.
- (c) 1% of the gross amount in Indian Rupees provided or received, by the person changing the money.
- (d) 2% of the gross amount in foreign currency provided or received, by the person changing the money.



68. Value of supply of service in relation to purchase or sale of foreign currency, including Money Changing if RBI reference rate is not available at the time of transaction of money changing shall be_____.
- 1% of the gross amount in foreign currency provided or received, by the person changing the money.
 - 2% of the gross amount in Indian Rupees provided or received, by the person changing the money.
 - 1% of the gross amount in Indian Rupees provided or received, by the person changing the money.
 - 2% of the gross amount in foreign currency provided or received, by the person changing the money.
69. Value of supply of service in relation to purchase or sale of foreign currency, including Money Changing if neither of the currencies exchanged is Indian Rupees shall be _____.
- Foreign Currency sold × RBI Reference Rate of that currency to Indian rupees
 - Foreign Currency Bought × RBI Reference Rate of that currency to Indian rupees
 - 1% of Lower of (A) or (B)
 - 1% of Higher of (A) or (B)
70. Value of supply of service in relation to sale of foreign currency by money changer shall be_____.
- Selling rate × Total units of currency
 - (Selling rate – RBI reference rate at that time) × Total units of currency
 - (RBI reference rate at that time – Buying rate) × Total units of currency
 - RBI reference rate at that time × Total units of currency
71. Value of supply of service in relation to purchase of foreign currency by money changer shall be_____.
- RBI reference rate at that time × Total units of currency
 - (Selling rate – RBI reference rate at that time) × Total units of currency
 - (RBI reference rate at that time – Buying rate) × Total units of currency
 - Buying rate × Total units of currency
72. As per Rule 32(2)(b) of the CGST Rules, 2017, the option to determine value in relation to supply of foreign currency, including Money Changing shall be deemed to be _____ for an amount up to ₹ 1,00,000 :
- 1% of the gross amount of currency exchanged
 - ₹ 250
 - Lower of (A) or (B)
 - Higher of (A) or (B)
73. As per Rule 32(2)(b) of the CGST Rules, 2017, the option to determine value in relation to supply of foreign currency, including Money Changing shall be deemed to be _____ for an amount exceeding ₹ 1,00,000 and up to ₹ 10,00,000:
- ₹ 1,100 + 0.5 % of the gross amount of currency exchanged
 - ₹ 1,000 + 0.5 % of the gross amount of currency exchanged
 - ₹ 1,100 + 0.1 % of the gross amount of currency exchanged
 - ₹ 1,000 + 0.1 % of the gross amount of currency exchanged.

74. As per Rule 32(2)(b) of the CGST Rules, 2017, the option to determine value in relation to supply of foreign currency, including Money Changing shall be deemed to be _____ for an amount exceeding ₹ 10,00,000 :
- ₹ 5,500 + 0.1% of the gross amount of currency exchanged
 - ₹ 60,000
 - Lower of (A) or (B)
 - Higher of (A) or (B)
75. Option to determine value in relation to supply of foreign currency, including Money Changing is opted for a financial year. Whether it can be withdrawn during the remaining part of the financial year.
- No
 - Yes
 - Yes, with restrictions
 - Yes, after expiry of 6 months
76. M/s. MNO Ltd., Delhi is an authorised money changer registered under FEMA, 1999. It has entered the following transaction of supply of money changing : Find the value of taxable supply if M/s. MNO Ltd. opts for then option under Rule 32(2)(b) of GST Rules 2017.
- 600 transactions of conversion of Dollar into Indian Rupees of ₹ 20,000 per transaction;
 - 300 transactions of conversion of Dollar into Euro of ₹ 100 lakhs per transaction;
 - 200 transactions of conversion of Indian Rupee in Dollar of ₹ 5 lakhs per transaction;
- Compute the value of taxable supply.
- ₹ 51,00,000
 - ₹ 50,70,000
 - ₹ 52,00,000
 - ₹ 54,00,000
77. M/s. MNC Express Ltd., Jaipur is an authorised money changer registered under FEMA, 1999. It enters into the following transactions of money changing :
- Sold 10,000 US \$ @ 1 US \$ = ₹ 71
 - Purchased 1,000 Euro @ 1 Euro = ₹ 70
 - Sold 50,000 units of currency ABC @ 1 ABC = ₹ 15
- RBI reference rate for the various currencies at the relevant time :
- 1 US \$ = ₹70, 1 Euro = ₹ 71, 1 GBP = ₹ 100
- Compute the value of taxable supply as per Rule 32(2)(a) of the CGST Rules, 2017.
- ₹ 14,30,000
 - ₹ 20,60,000
 - ₹ 18,500
 - ₹ 16,500
78. M/s. KPM Express Ltd., Jaipur is an authorised money changer registered under FEMA, 1999. It enters into the transactions of money changing : Sold 11,300 US \$ for 6,800 GBP
- RBI reference rate for the currencies at the relevant time : 1 US \$ = ₹ 60, 1 GBP = ₹ 100
- Compute the value of taxable supply as per Rule 32(2)(a) of the CGST Rules, 2017.
- ₹ 6,780
 - ₹ 6,800
 - ₹ 6,78,000
 - ₹ 6,80,000
79. Value of supply of services in relation to booking of tickets for travel by air provided by an air travel agent in case of domestic



booking shall be calculated —

- (a) @ 10% of the basic fare
- (b) @ 5% of the basic fare
- (c) Lower of (a) or (b)
- (d) Higher of (a) or (b)

80. M/s. Kamal Associates has sold tickets for transport of passengers from various domestic flights during the month of January . The total amount charged is ₹ 90 lakhs on the flight (500 tickets) of which ₹ 10 lakhs is towards passenger taxes.

Determine the value of taxable supply of services and GST payable thereon if rate of GST is 18%. Amounts are exclusive of GST.

- (a) ₹ 8,00,000, ₹ 1,44,000
- (b) ₹ 4,50,000, ₹ 81,000
- (c) ₹ 9,00,000, ₹ 1,62,000
- (d) ₹ 4,00,000, ₹ 72,000

81. Mr. U is an air travel agent. Compute the value of supply of service made by him during a month with the help of following particulars furnished by him:

Particulars	(₹)
Domestic Bookings :	
Basic Fare	1,00,900
Other charges and fees	9,510
Taxes	4,990
Total value of tickets	1,15,400
International Bookings :	
Basic Fare	3,16,880
Other charges and fees	20,930
Taxes	15,670
Total value of tickets	3,53,480

- (a) ₹ 36,733
- (b) ₹ 25,934

- (c) ₹ 41,118
- (d) ₹ 29,214

82. What is the value of supply of services in case of Single Premium Annuity Policies?

- (a) 25% of single premium charged from the policy holder.
- (b) 10% of single premium charged from the policy holder.
- (c) 12.5% of single premium charged from the policy holder.
- (d) 12% of single premium charged from the policy holder.

83. What is the value of supply of services in case of Policy only toward risk cover?

- (a) 25% of premium charged from the policy holder.
- (b) 10% of premium charged from the policy holder.
- (c) 100% of premium charged from the policy holder.
- (d) 12.5% of premium charged from the policy holder.

84. LIC of India provides you the following information for the month of January. You are required to compute value of taxable Supply of services under Rule 32(4) of Determination of value of supply Rules, 2017.

- (1) Single premium annuity policies: Premiums collected ₹ 850 lakhs.
- (2) Only Risk Cover Policies: Premiums collected ₹ 500 lakhs.
- (3) General policies : Total premiums collected ₹ 12,000 lakhs (Out of which 1st year premium is ₹ 5,000 lakhs)
- (4) Life micro-insurance policies where insured amount does not exceed



₹ 2,00,000 : premium collected ₹ 10 lakhs.

(5) **Variable Insurance Policies:** Premiums collected ₹ 8,000 lakhs. (80% of the amount is allocated for investments on behalf of policy holder for which policy holder is given separate break up in premium receipts).

- (a) ₹ 5,075 lakh
- (b) ₹ 5,185 lakh
- (c) ₹ 3,685 lakh
- (d) ₹ 4,310 lakh

85. What is the value of supply of service in case of life insurance policy where the amount allocated for investment/savings is intimated to the policy holder at the time of the supply of service tax.

- (a) Gross premium charged
- (b) 10% of gross premium charged
- (c) Gross premium charged – amount allocated for investment/ savings
- (d) 12.5% of the premium charged

86. In the General life insurance policies (other than single premium annuity policies and variable policies where the amount allocated for investment is made known to the policy holder), the value of taxable supply shall be—

- (a) 25% of the premium charged in the first year, and 12.5% of the premium charged in subsequent years.
- (b) 12.5% of the premium charged in the first year, and 25% of the premium charged in subsequent years.
- (c) 10% of gross premium charged
- (d) Gross premium charged - amount allocated for investment/savings

87. What is the value of supply of second hand goods, where no ITC is availed on the purchase of such goods?

- (a) Transaction value of the goods.
- (b) Purchase value of the goods.
- (c) Difference between the selling price and purchase price.
- (d) Sale value of goods

88. What is the value of supply of second hand goods, where ITC has been availed on purchase of such goods?

- (a) Normal valuation as per other applicable provisions.
- (b) Difference between the selling price and purchase price.
- (c) Transaction value of the goods.
- (d) Nil

89. Which of the following statements is incorrect with respect to taxable value of second hand goods—

- (i) The value of supply is the difference between the selling price and the purchase price
 - (ii) The person dealing in second hand goods is allowed to pay tax on the margin only when he has not availed the ITC on such input supply.
 - (iii) If the person dealing in second hand goods has availed of the input tax credit on the purchase of such goods, then such supply is governed by normal GST valuation provisions.
- (a) All are incorrect
 - (b) (i) and (iii) are incorrect
 - (c) Only (iii) is incorrect
 - (d) All are correct



90. In which case value of supply of second hand goods shall be ignored?
- Where Value of such supply (being the difference between the selling price and the purchase price) is positive.
 - Where Value of such supply (being the difference between the selling price and the purchase price) is negative.
 - Where Value of such supply is nil.
 - Where ITC is availed
91. Mr. Roshan is engaged in buying and selling of second hand cars in Jaipur. During the month of December, he supplied a used car after some processing at ₹ 6,00,000 which he had purchased from customer at ₹ 5,40,000 and no input tax credit has been availed on such purchase. Compute the value of taxable Supply.
- ₹ 5,40,000
 - ₹ 6,00,000
 - ₹ 60,000
 - Nil
92. What is the Purchase value of goods repossessed from Defaulting Borrower, if the defaulting borrower is unregistered?
- Purchase price in the hands of such borrower reduced by 5% for every quarter or part thereof, between the date of purchase and the date of disposal by the person making such repossession.
 - Purchase price in the hands of such borrower reduced by 5% for every month or part thereof, between the date of purchase and the date of disposal by the person making such repossession.
 - Purchase price in the hands of such borrower reduced by 5% for every quarter or part thereof, between the date of purchase and the date of repossession by the person making such repossession.
 - Purchase price in the hands of such borrower reduced by 5% for every month or part thereof, between the date of purchase and the date of repossession by the person making such repossession.
93. Mr. Z purchased a motor car on 1st October 2024 for ₹ 20,00,000. 80% of the purchase price of car was financed by Easy Finance Ltd. The loan was payable in 60 monthly installments beginning with 01-11-2024. Mr. Z defaulted in repayment of loan and Easy Finance Ltd. repossessed the car on 15-05-2025. The car was disposed on 10-12-2025 for ₹ 15,50,000. Determine the purchase value of repossessed car as per Rule 32(5) of CGST Rules, 2017.
- ₹ 15,00,000
 - ₹ 15,50,000
 - ₹ 16,00,000
 - ₹ 20,00,000
94. Provisions of Rule 32(6), valuation of token, or a voucher, or a coupon, or a stamp not applicable in relation to _____.
- Stamp paper
 - Adhesive stamp
 - Postage Stamp
 - Self-Adhesive stamp
95. Value of a token, or a voucher, or a coupon, or a stamp (other than postage stamp) shall be _____ redeemable against such token, voucher, coupon, or stamp.
- Wholesale price of the goods or services or both.



- (b) Face value of goods or services redeemable against voucher.
- (c) Money value of the goods or services or both.
- (d) Nil
96. What is the value of service provided by notified service provider between distinct person as specified in Section 25, where ITC is available?
- (a) Transaction Value
- (b) Nil
- (c) 100% of the cost of provision of service
- (d) 110% of the Cost of provision of service
97. Easy Coupons Ltd. sells coupons that are redeemable against specified cosmetic products at retail outlets. Each coupon has a face value of ₹ 1,500 but is redeemable for supplies worth ₹ 1,750. What is the value of supply of such coupon under GST laws?
- (a) ₹ 1,500
- (b) ₹ 1,750
- (c) ₹ 250
- (d) ₹ 1,650
98. "Pure agent" means :
- (a) A Person who enters into a contractual agreement with the recipient of supply to act as his pure agent to incur expenditure or costs in the course of supply of goods or services or both.
- (b) Neither intends to hold nor holds any title to the goods or services or both so procured or supplied and does not use for his own interest such goods or services so procured.
- (c) Receives only the actual amount incurred to procure such goods or services in addition to the amount received for supply he provides on his own account.
- (d) All of the above
99. A Customs House Agent paid custom duty of ₹ 3,00,000 on behalf of his client and stationery expense of ₹ 50,000 and the same was included in his fees 10,00,000. What is the taxable value of his service?
- (a) ₹ 7,00,000
- (b) ₹ 10,00,000
- (c) ₹ 6,50,000
- (d) ₹ 9,50,000
100. What is the exchange rate applicable for determination of value of taxable goods?
- (a) The exchange rate as notified by CBIC for the date of time of supply.
- (b) The exchange rate prevailing on the date of agreement.
- (c) The exchange rate determined as per the Generally Accepted Accounting Principles for the date of time of supply.
- (d) The exchange rate prevailing on the first day of the financial year.
101. What is the exchange rate applicable for determination of value in case of services?
- (a) The exchange rate as notified by CBIC for the date of time of supply.
- (b) The exchange rate prevailing on the date of agreement.
- (c) The exchange rate determined as per the Generally Accepted Accounting Principles for the date of time of supply.
- (d) The exchange rate prevailing on the first day of the financial year.



102. XYZ Ltd has imported services from PQR Inc for US \$ 10,000 on 15-08-2023. The exchange rate notified by CBIC on that date is 1US \$ = ₹ 74. RBI rate prevalent on that date is 1US \$ = ₹ 70. XYZ Ltd has made the payment for the said service on 10-09-2021. The exchange rate notified by CBIC on that date is 1US \$ = ₹ 71. RBI rate prevalent on that date is 1US \$ = ₹ 72 which is for accounting purpose. The value of taxable supply is _____.

- (a) ₹ 7,40,000
- (b) ₹ 7,00,000
- (c) ₹ 7,20,000
- (d) ₹ 7,10,000

103. How will you calculate the tax amount, if the value of supply is inclusive of GST?

- (a) Tax amount = [Value inclusive of taxes × tax rate in % of IGST or as the case may be CGST, SGST or UTGST] / (100 + sum of tax rates, as applicable, in %)
- (b) Tax amount = [Value inclusive of taxes × tax rate in % of IGST or as the case may be CGST, SGST or UTGST] / (100 - sum of tax rates, as applicable, in %)
- (c) Tax amount = Value inclusive of taxes × tax rate in % of IGST or as the case may be CGST, SGST or UTGST
- (d) Either (a) or (b) at the option of the supplier

ANSWERS TO MCQ'S

Question No.	Answer
1.	(d) As per provisions of Section 15(1), the value of a supply of goods or services or both shall be the transaction value, which is the price actually paid or payable for the said supply of goods or services or both where the supplier and the recipient of the supply are not related and the price is the sole consideration for the supply.
2.	(d) As per provisions of Section 15(2), the value of supply shall include— (a) any taxes, duties, cesses, fees & charges levied under any law for the time being in force other than CGST/SGST/UTGST Act and the GST(Compensation to States) Act, if charged separately by supplier; (b) any amount that the supplier is liable to pay in relation to such supply, but which has been incurred by the recipient of the supply and not included in the price actually paid or payable for the goods or services or both; (c) incidental expenses, including commission and packing, charged by the supplier to the recipient of a supply and any amount charged for anything done by the supplier in respect of the supply of goods or services or both at the time of, or before delivery of goods or supply of services.
3.	(d) As per provisions of Section 15(2), the value of supply shall include— (i) any amount that the supplier is liable to pay in relation to such supply, but which has been incurred by the recipient of the supply and not included in the price actually paid or payable for the goods or services or both;

		<p>(ii) incidental expenses, including commission and packing, charged by the supplier to the recipient of a supply and any amount charged for anything done by the supplier in respect of the supply of goods or services or both at the time of, or before delivery of goods or supply of services;</p> <p>(iii) interest or late fee or penalty for delayed payment of any consideration for any supply; and</p> <p>(iv) subsidies directly linked to the price excluding subsidies provided by the Central Government and State Governments.</p>										
4.	(c)	As per provisions of Section 15(2)(e), the value of supply shall include subsidies directly linked to the price excluding subsidies provided by the Central Government and State Governments.										
5.	(d)	<p>As per provisions of Section 15(2), the value of supply shall include—</p> <p>(a) any taxes, duties, cesses, fees and charges levied under any law for the time being in force other than CGST Act/SGST Act/UTGST Act and the GST(Compensation to States) Act, if charged separately by the supplier;</p> <p>(b) subsidies directly linked to the price excluding subsidies provided by the Central Government and State Governments.</p> <p>As per Section 15(3), the value of the supply shall not include any discount which is given before or at the time of the supply if such discount has been duly recorded in the invoice issued in respect of such supply.</p>										
6.	(b)	Interest or late fee or penalty for delayed payment of any consideration for any supply shall be included in the value of taxable supply only if the same is recovered from the recipient by the supplier.										
7.	(c)	<p>The value of taxable supply shall be arrived as under —</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>₹</th> </tr> </thead> <tbody> <tr> <td>List Price of the Goods</td> <td>5,00,000</td> </tr> <tr> <td>Add: Taxes levied by municipal authority not recovered from recipient</td> <td>Nil</td> </tr> <tr> <td>Less: Discount (5% of list price ₹ 5,00,000)</td> <td>25,000</td> </tr> <tr> <td>Value of taxable supply</td> <td>4,75,000</td> </tr> </tbody> </table>	Particulars	₹	List Price of the Goods	5,00,000	Add: Taxes levied by municipal authority not recovered from recipient	Nil	Less: Discount (5% of list price ₹ 5,00,000)	25,000	Value of taxable supply	4,75,000
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Value of taxable supply	4,75,000											
8.	(b)	The transaction value be rejected for computation of value of supply where the buyer and seller are related or price is not the sole consideration for supply.										
9.	(c)	Section 15 of CGST Act prescribes same set of provisions for valuation of goods and services.										
10.	(d)	<p>As per Section 15(3)(b), the value of the supply shall not include any discount which is given after the supply has been effected, if—</p> <p>(i) such discount is established in terms of an agreement entered into at or before the time of such supply and specifically linked to relevant invoices; and</p>										

		(ii) input tax credit as is attributable to the discount on the basis of document issued by the supplier has been reversed by the recipient of the supply.																
11.	(d)	The following supplies have been notified under section 15(5) in this regard : (i) supply of online money gaming; (ii) supply of online gaming, other than online money gaming; and (iii) supply of actionable claims in casinos.																
12.	(a)	The value of taxable supply shall be arrived as under— <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Particulars</th> <th style="text-align: center;">₹</th> </tr> </thead> <tbody> <tr> <td>Contracted value of supply of goods (including GST @ 18%)</td> <td style="text-align: right;">11,80,000</td> </tr> <tr> <td>1. Cost of primary packing [Since the same is already included]</td> <td style="text-align: right;">-</td> </tr> <tr> <td>2. Cost of protective packing at recipient's request for safe transportation[Since the same is already included]</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Cum Tax value</td> <td style="text-align: right;">11,80,000</td> </tr> <tr> <td>Less: GST [₹ 11,80,000 × 18 ÷ 118]</td> <td style="text-align: right;">1,80,000</td> </tr> <tr> <td>Value of taxable supply</td> <td style="text-align: right;">10,00,000</td> </tr> </tbody> </table>	Particulars	₹	Contracted value of supply of goods (including GST @ 18%)	11,80,000	1. Cost of primary packing [Since the same is already included]	-	2. Cost of protective packing at recipient's request for safe transportation[Since the same is already included]	-	Cum Tax value	11,80,000	Less: GST [₹ 11,80,000 × 18 ÷ 118]	1,80,000	Value of taxable supply	10,00,000		
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14.	(c)	Determination of value of taxable supply— <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Particulars</th> <th style="text-align: center;">₹</th> </tr> </thead> <tbody> <tr> <td>Contracted sale price of goods (including CGST and SGST @ 5%)</td> <td style="text-align: right;">10,56,000</td> </tr> <tr> <td>(i) Cost of drawings and design [Since it is already included]</td> <td style="text-align: right;">-</td> </tr> <tr> <td>(ii) Cost of primary packing [Since it is already included]</td> <td style="text-align: right;">-</td> </tr> <tr> <td>(iii) Cost of packing at buyer's request [Since it is already included]</td> <td style="text-align: right;">-</td> </tr> <tr> <td>(iv) Freight and insurance from 'place of removal' to buyer's premises [Since it is already included]</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Less: Discount</td> <td style="text-align: right;">6,000</td> </tr> <tr> <td>Cum Tax Value</td> <td style="text-align: right;">10,50,000</td> </tr> </tbody> </table>	Particulars	₹	Contracted sale price of goods (including CGST and SGST @ 5%)	10,56,000	(i) Cost of drawings and design [Since it is already included]	-	(ii) Cost of primary packing [Since it is already included]	-	(iii) Cost of packing at buyer's request [Since it is already included]	-	(iv) Freight and insurance from 'place of removal' to buyer's premises [Since it is already included]	-	Less: Discount	6,000	Cum Tax Value	10,50,000
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		Less: GST [$\text{₹ } 10,50,000 \times 5 \div 105$]	50,000
		Value of taxable supply	10,00,000
15.	(b)	Determination of value of taxable supply—	
		Particulars	₹
		Wholesale price	1,00,000
		Less: Cash discount	-3,000
		Add: Charges for normal packing [Since not included in price, the same shall be added in the value of taxable supply.]	1,000
		Add: Turnover tax is not recovered from the recipient, hence is not included in the value of supply	-
		Value of taxable supply	98,000
16.	(b)	Computation of value of taxable supply—	
		Particulars	₹
		List price of the goods (exclusive of taxes and discounts)	1,25,000
		Add: Taxes levied by Municipal Authority on the sale of such goods	15,000
		CGST and SGST chargeable on the goods	-
		Packing charges not included in the price above	15,500
		Subsidy received from a NGO	9,500
		Total	1,65,000
		Less: Discount @ 4% on ₹ 1,25,000	5,000
		Value of taxable supply	1,60,000
17.	(b)	The discounts were not known or agreed at the time of supply of goods to the dealers. Therefore, such discounts cannot be reduced from the price on which tax had been paid in terms of section 15(3).	
18.	(c)	Computation of value of taxable supply —	
		Particulars	₹
		Service charges	25,00,000
		Payment made by Jupiter Stampings Pvt. Ltd to vendor of Floral Advertisers [Liability of the supplier being discharged by the recipient, is includible in the value in terms of section 15(2)(b)]	4,50,000
		Interest for delay in payment of consideration [Includible in the value in terms of section 15(2)(d)] [WN]	42,373
		Value of taxable supply	29,92,373
		Working Note: The interest for delay in payment of consideration will be includible in the value of supply but the time of supply of such interest will be the date when such interest is received in terms of section 13(6). Such interest has been assumed to be inclusive of GST and the value computed by making back calculations [$\text{Interest}/100 + \text{tax rate} \times 100$].	

19.	(d)	Computation of value of taxable supply—	
		Particulars	₹
		Rent on commercial building	18,00,000
		Municipal taxes paid by the owner not recovered from the tenant [Since not recovered from tenanat]	Nil
		Refundable advance [Same is not consideration]	Nil
		Maintenance charges collected by local society from the owner and reimbursed by the tenant [Suppliers obligation met by tenant]	2,50,000
Value of taxable supply		20,50,000	
GST Liability [₹ 20,50,000 × 18%]		3,69,000	
20.	(c)	<p>Section 15(2) mandates the addition of certain elements to transaction value to arrive at taxable value. Section 15(2)(c) specifies that amount charged for anything done by the supplier in respect of the supply at the time of or before delivery of goods or supply of services shall be included in taxable value.</p> <p>Since Supreme Foods Pvt. Ltd. does the testing before the delivery of goods, the charges therefor will be included in the taxable value. Therefore, Supreme Foods Pvt. Ltd.'s argument is not correct. The testing fee of ₹ 15,000 should be added to the price to arrive at taxable value of the consignment.</p>	
21.	(a)	<p>This is a supply that is valued as per transaction value under section 15(1) as the price is the sole consideration for the supply and the supply is made to unrelated person. The concept of transaction value has been expanded to include certain elements like interest which are actually payable. Once waived, the interest is not payable and is therefore, not to be added to transaction value.</p>	
22.	(b)	<p>The discounts were not known or agreed at the time of supply of goods to the dealers. Therefore, such discounts cannot be reduced from the price on which tax had been paid in terms of section 15(3).</p>	
23.	(b)	<p>As per section 15(2)(e), the value of a supply includes subsidies directly linked to the price, excluding State Government and Central Government subsidies. In this case, the subsidy is not from the Government but is from a philanthropic association. Therefore, the subsidy is to be added back to the price to arrive at the taxable value, which comes to ₹ 4,00,000 a year.</p>	
24.	(d)	Computation of Value of taxable supply —	
		Particulars	₹
		Contracted value of supply of goods (including GST @ 18%)	11,00,000
		1. Cost of primary packing [Since the same is already included]	-
		2. Cost of protective packing at recipient's request for safe transportation [Since the same is already included]	-

		<p>3. Design and engineering charges [Since the same is already included]</p> <p>4. Payment to agent [Suppliers obligation met by the recipient]</p> <p>5. Freight and insurance charges [Suppliers obligation met by the recipient]</p> <p>Cum Tax value</p> <p>Less: GST</p> <p>Value of taxable supply</p>	<p>-</p> <p>5000</p> <p>75,000</p> <p>11,80,000</p> <p>1,80,000</p> <p>10,00,000</p>
25.	(b)	In this case the transaction value shall be ₹ 300, as the discount is given at the time of supply and is shown in the invoice separately, hence it shall be excluded from the transaction value as per provisions of section 15(3)(a) of the CGST Act.	
26.	(c)	<p>As per Section 15(3)(b), the value of the supply shall not include any discount which is given after the supply has been effected, if—</p> <p>(i) such discount is established in terms of an agreement entered into at or before the time of such supply and specifically linked to relevant invoices; and</p> <p>(ii) input tax credit as is attributable to the discount on the basis of document issued by the supplier has been reversed by the recipient of the supply.</p> <p>In this case the transaction value shall be invoice price less 5% discount as the discount is established in terms of the agreement entered into at the time of supply and the same can be worked out for each invoice, and the dealer must reverse the proportionate input tax credit on the relevant stock.</p>	
27.	(b)	Compensation cess under GST is specifically excluded from the value of taxable supply under Section 15(2)(a) of the CGST Act, 2017]	
28.	(a)	<p>As per provisions of Section 15(2)(b), the value of supply shall include any amount that the supplier is liable to pay in relation to such supply but which has been incurred by the recipient of the supply and not included in the price actually paid or payable for the goods or services or both.</p> <p>In this case, Mr. Z was required to make the payment to the transporter as it was the obligation of Mr. Z to deliver the goods to the premises of ABC & Co. As against Mr. Z making the payment to transporter, the payment is made by ABC & Co. Therefore, such payment will form part of transaction value of the goods supplied.</p>	
29.	(b)	As per provisions of Section 15(2)(b), the value of supply shall include any amount that the supplier is liable to pay in relation to such supply but which has been incurred by the recipient of the supply and not included in the price actually paid or payable for the goods or services or both. No, as the buying commission is the obligation of the recipient and does not require to be included in the transaction value.	

30.	(c)	As per provisions of Section 15(2)(b), the value of supply shall include any amount that the supplier is liable to pay in relation to such supply but which has been incurred by the recipient of the supply and not included in the price actually paid or payable for the goods or services or both. In this case as the amount paid to the agent Mr. A is in connection with the supply of goods made by M/s. XYZ to LM Co. and it is suppliers obligation met by the recipient and therefore it shall be treat-ed as part of the transaction value.
31.	(a)	As per provisions of Section 15(2)(c), the value of supply shall include incidental expenses, including commission and packing, charged by the supplier to the recipient of a supply and any amount charged for anything done by the supplier in respect of the supply of goods or services or both at the time of, or before delivery of goods or supply of services. Thus, cost of packing whether ordinary or special packing will be included in the transaction value even if it is charged separately.
32.	(c)	As per provisions of Section 15(2)(d), the value of supply shall include interest or late fee or penalty for delayed payment of any consideration for any supply. In this case as interest or late fee or penalty for delayed payment of any consideration for any supply shall form part of the transaction value of the goods as per the GST law. Hence, late payment charges will be includible in the transaction value.
33.	(b)	As per provisions of Section 15(2)(e), the value of supply shall include subsidies directly linked to the price excluding subsidies provided by the Central Government and State Governments. The taxable value of the geometry box will be ₹ 75, as this is a non- government subsidy.
34.	(c)	As per provisions of Section 15(2)(e), the value of supply shall include subsidies directly linked to the price excluding subsidies provided by the Central Government and State Governments. In this case the transaction value shall be ₹ 500 per cylinder as price subsidy provided by Central and State Governments shall not be included in the transaction value.
35.	(d)	If the goods are supplied to related persons then value of taxable supply shall be determined in such manner as may be prescribed i.e. by referring rules which are prescribed for this purpose.
36.	(a)	As per Explanation to Section 15, Persons shall be deemed to be "related persons" if any person directly or indirectly owns, controls or holds 25% or more of the outstanding voting stock or shares of both of them.
37.	(d)	As per Explanation to Section 15, Persons shall be deemed to be "related persons" if– (i) such persons are officers or directors of one another's businesses; (ii) such persons are legally recognised partners in business; (iii) such persons are employer and employee; (iv) any person directly or indirectly owns, controls or holds 25% or more of the outstanding voting stock or shares of both of them;

		(v) one of them directly or indirectly controls the other; (vi) both of them are directly or indirectly controlled by a third person; (vii) together they directly or indirectly control a third person; or (viii) they are members of the same family.												
38.	(d)	<p>“Open market value” of a supply of goods or services or both means –</p> <ul style="list-style-type: none"> – the full value in money to obtain such supply at the same time when the supply being valued is made, – excluding the integrated tax, central tax, State tax, Union territory tax and the cess payable by a person in a transaction, – where the supplier and the recipient of the supply are not related; and – price is the sole consideration. 												
39.	(a)	As per Rule 27(a), where the supply of goods or services is for a consideration not wholly in money, the value of the supply shall, be the open market value of such supply.												
40.	(c)	Where a laptop is supplied for ₹ 40,000 along with a barter of printer that is manufactured by the recipient and the value of the printer known at the time of supply is ₹ 4,000 but the open market value of the laptop is not known, the value of the supply of laptop is ₹ 44,000.												
41.	(b)	<p>Computation of Value of taxable supply and GST payable—</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Particulars</th> <th style="text-align: center;">₹</th> </tr> </thead> <tbody> <tr> <td>Contracted sale price of goods [₹ 1,000 × 500]</td> <td style="text-align: right;">5,00,000</td> </tr> <tr> <td>Add: Open market value of supply of chains [₹ 50 × 500]</td> <td style="text-align: right;">25,000</td> </tr> <tr> <td>Less: Discount [₹ 20 × 500]</td> <td style="text-align: right;">-10,000</td> </tr> <tr> <td>Value of taxable supply</td> <td style="text-align: right;">5,15,000</td> </tr> <tr> <td>GST payable @ 18%</td> <td style="text-align: right;">92,700</td> </tr> </tbody> </table>	Particulars	₹	Contracted sale price of goods [₹ 1,000 × 500]	5,00,000	Add: Open market value of supply of chains [₹ 50 × 500]	25,000	Less: Discount [₹ 20 × 500]	-10,000	Value of taxable supply	5,15,000	GST payable @ 18%	92,700
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42.	(b)	<p>As per provisions of Rule 27 of the CGST Rules, 2017, where the supply of goods or services is for a consideration not wholly in money, the value of the supply shall,—</p> <ul style="list-style-type: none"> (a) be the open market value of such supply; (b) if the open market value is not available under clause (a), be the sum total of consideration in money and any such further amount in money as is equivalent to the consideration not in money, if such amount is known at the time of supply; (c) if the value of supply is not determinable under clause (a) or clause (b), be the value of supply of goods or services or both of like kind and quality; (d) if the value is not determinable under clause (a) or clause (b) or clause (c), be the sum total of consideration in money and such further amount in money that is equivalent to consideration not in money as determined by the application of Rule 30 or Rule 31 in that order i.e. the consideration in money 												

		<p>plus the money equivalent of the non-money consideration, as worked out based on cost of the supply plus 10% mark-up.</p> <p>In this case the taxable value shall be the open market value of such supply which shall be ₹ 5,15,000 i.e. (price charged from customer – ₹ 5,76,800 less GST included therein ₹ 5,76,800 × 12/112)</p>
43.	(c)	<p>As per provisions of Rule 27 of the CGST Rules, 2017, where the supply of goods or services is for a consideration not wholly in money, the value of the supply shall,—</p> <p>(a) be the open market value of such supply;</p> <p>(b) if the open market value is not available under clause (a), be the sum total of consideration in money and any such further amount in money as is equivalent to the consideration not in money, if such amount is known at the time of supply;</p> <p>(c) if the value of supply is not determinable under clause (a) or clause (b), be the value of supply of goods or services or both of like kind and quality;</p> <p>(d) if the value is not determinable under clause (a) or clause (b) or clause (c), be the sum total of consideration in money and such further amount in money that is equivalent to consideration not in money as determined by the application of Rule 30 or Rule 31 in that order i.e. the consideration in money plus the money equivalent of the non-money consideration, as worked out based on cost of the supply plus 10% mark-up.</p>
44.	(b)	<p>As per provisions of Rule 27 of the CGST Rules, 2017, where the supply of goods or services is for a consideration not wholly in money, the value of the supply shall,—</p> <p>(a) be the open market value of such supply;</p> <p>(b) if the open market value is not available under clause (a), be the sum total of consideration in money and any such further amount in money as is equivalent to the consideration not in money, if such amount is known at the time of supply;</p> <p>(c) if the value of supply is not determinable under clause (a) or clause (b), be the value of supply of goods or services or both of like kind and quality;</p> <p>(d) if the value is not determinable under clause (a) or clause (b) or clause (c), be the sum total of consideration in money and such further amount in money that is equivalent to consideration not in money as determined by the application of Rule 30 or Rule 31 in that order i.e. the consideration in money plus the money equivalent of the non-money consideration, as worked out based on cost of the supply plus 10% mark-up.</p> <p>Thus, the taxable value of supply shall be the value of supply of identical goods of like kind and quality i.e. ₹ 5,10,000.</p>
45.	(b)	<p>PDK &Co. gets an office room free of cost, which is an additional non-monetary consideration for its services. The market value of the rent of the room must be added to the retainer fee (₹ 25 lakh) in order to arrive at the value of the taxable service provided by PDK &Co., as per rule 27 of the CGST Rules relating to valuation.</p>

46.	(a)	In this case Indore branch is eligible for full input tax credit, then value declared in invoice shall be taken to be open market value as per provisions of Rule 28 of CGST Rules, 2017. Hence, the value of taxable supply shall be ₹ 50,000.
47.	(a)	If establishment in Jaipur is eligible to take Input tax credit, then value declared in invoice shall be taken to be open market value as per provisions of Rule 28 of CGST Rules, 2017. Hence, the value of taxable supply shall be ₹ 9,00,000.
48.	(c)	As per Rule 28, the value of the supply of goods or services or both between distinct persons as specified in Section 25(4) and (5) or where the supplier and recipient are related, where the goods are intended for further supply as such by the recipient, the value shall, at the option of the supplier, be an amount equivalent to 90% of the price charged for the supply of goods of like kind and quality by the recipient to his customer not being a related person.
49.	(a)	As per Rule 28, where the recipient is eligible for full ITC, the value declared in the invoice shall be deemed to be the open market value of the goods or services.
50.	(c)	The value of supply of services by a supplier to a recipient who is a related person, by way of providing corporate guarantee to any banking company or financial institution on behalf of the said recipient, shall be deemed to be – (i) 1% of the amount of such guarantee offered, or (ii) the actual consideration, whichever is higher.
51.	(d)	The value of supply of services by a supplier to a recipient who is a related person, by way of providing corporate guarantee to any banking company or financial institution on behalf of the said recipient, shall be deemed to be – (i) 1% of the amount of such guarantee offered, or (ii) the actual consideration, whichever is higher. Hence, in this case the value of supply shall be ₹ 1 crore.
52.	(b)	The value of supply of services by a supplier to a recipient who is a related person in India, by way of providing corporate guarantee to any banking company or financial institution on behalf of the said recipient, shall be deemed to be – (i) 1% of the amount of such guarantee offered per annum, or (ii) the actual consideration, whichever is higher. However, where the recipient is eligible for full input tax credit, the value declared in the invoice shall be deemed to be the value of said supply of services.
53.	(d)	The value of supply of services by a supplier to a recipient who is a related person in India, by way of providing corporate guarantee to any banking company or financial

		<p>institution on behalf of the said recipient, shall be deemed to be –</p> <p>(i) 1% of the amount of such guarantee offered per annum, or</p> <p>(ii) the actual consideration, whichever is higher.</p> <p>However, where the recipient is eligible for full input tax credit, the value declared in the invoice shall be deemed to be the value of said supply of services. In this case since the recipient is not entitled to avail full ITC, hence invoice value cannot be taken as the value of supply.</p>								
54.	(c)	<p>The value of supply of services by a supplier to a recipient who is a related person in India, by way of providing corporate guarantee to any banking company or financial institution on behalf of the said recipient, shall be deemed to be –</p> <p>(i) 1% of the amount of such guarantee offered per annum, or</p> <p>(ii) the actual consideration, whichever is higher.</p> <p>the value of supply of the service of providing a corporate guarantee will be calculated based on the amount guaranteed and will not be based on the amount of loan actually disbursed to the recipient of the corporate guarantee. Hence, the value of supply shall be 1% of ₹ 100 crores = ₹ 1 crore.</p>								
55.	(b)	<p>The extension of personal guarantee is covered under the ambit of supply but no GST is payable as no consideration is charged for the same.</p>								
56.	(c)	<p>Mr. X and M/s. Stationers Ltd. would not be treated as related persons merely because the son of the recipient is an employee of the supplier, although such son and the supplier would be treated as related persons. (As they fall under deemed relationship of employer and employee).</p> <p>Therefore, the transaction value will be accepted as the value of the supply. The transaction value includes incidental expenses incurred by the supplier in respect of the supply up to the time of delivery of goods to the recipient. This means, the transaction value will be: ₹ 2,00,000 + ₹ 5,000 i.e. ₹ 2,05,000.</p>								
57.	(b)	<p>As per Section 25(4) of the CGST Act, 2017, a person who has obtained more than one registration, whether in one State or Union territory or more than one State or Union territory shall, in respect of each such registration, be treated as distinct persons for the purposes of this Act. Hence, the value of the supply would be the open market value of such supply.</p> <p>In this case the open market value shall be arrived as under :</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Particulars</th> <th style="text-align: center;">₹</th> </tr> </thead> <tbody> <tr> <td>Price charged from independent recipient</td> <td style="text-align: right;">14,160</td> </tr> <tr> <td>Less: GST included in the above price [₹ 14,160 × 18 ÷ 118]</td> <td style="text-align: right;">2,160</td> </tr> <tr> <td>Open market value of supply of goods under consideration</td> <td style="text-align: right;">12,000</td> </tr> </tbody> </table>	Particulars	₹	Price charged from independent recipient	14,160	Less: GST included in the above price [₹ 14,160 × 18 ÷ 118]	2,160	Open market value of supply of goods under consideration	12,000
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58.	(c)	As per Rule 28(1), the value of supply of goods between the principal and his agent shall— (a) be the open market value of the goods being supplied, or (b) at the option of the supplier, be 90% of the price charged for the supply of goods of like kind and quality by the recipient to his customer not being a related person, where the goods are in-tended for further supply by the said recipient.
59.	(d)	The law deems these supplies between the principal and agent to be supplies for the purpose of GST. Therefore, the transfer of goods by the principal (Easy Cooling systems Pvt Ltd.) to its agent for him to effect sales on behalf of the principal would be deemed to be a supply although made without consideration. The value would be either the open market value, or 90% of the price charged by the recipient of the intended supply to its customers, at the option of the supplier. Thus, the value of the supply by Easy Cooling Systems Pvt. Ltd. to its agent would be either ₹ 2,80,000, or ₹ 2,70,000 (i.e., 90% × 15,000 × 20), based on the option chosen by Easy Cooling system Pvt Ltd.
60.	(c)	Value of supply of goods made through an agent is determined as per Rule 29 of the CGST Rules. Accordingly, the value of supply of goods between the principal and his agent is the open market value of the goods being supplied, or at the option of the supplier, is 90% of the price charged for the supply of goods of like kind and quality by the recipient to his unrelated customer, where the goods are intended for further supply by the said recipient. Thus, the value of the supply by Sinex Meter Ltd. to its agent would be either ₹ 28,00,000, or ₹ 27,00,000 (i.e., 90% × 30,00,000), based on the option chosen by Sinex Meter Ltd.
61.	(b)	As per Rule 30 of the CGST Rules, 2017, where the value of a supply of goods or services or both is not determinable by any of the preceding rules, the value shall be 110% of the cost of production or manufacture or cost of acquisition of such goods or cost of provision of such services.
62.	(c)	As per Rule 31A, the value of supply of lottery run by State Governments shall be deemed to be 100/128— (i) of the face value of ticket; or (ii) of the price as notified in the Official Gazette by the organising State, whichever is higher.
63.	(c)	As per Rule 31A, the value of supply of lottery authorised by State Governments shall be deemed to be 100/128— (i) of the face value of ticket; or (ii) of the price as notified in the Official Gazette by the organising State, whichever is higher.

64.	(b)	As per Rule 31A of the CGST Rules, 2017, the value of supply of actionable claim in the form of chance to win in betting, gambling or horse racing in a race club shall be 100% of the face value of the bet or the amount paid into the totalisator.								
65.	(d)	The value of supply of online gaming, including supply of actionable claims involved in online money gaming, shall be the total amount paid or payable to or deposited with the supplier by way of money or money's worth, including virtual digital assets, by or on behalf of the player.								
66.	(d)	<p>The value of supply of actionable claims in casino shall be the total amount paid or payable by or on behalf of the player for –</p> <p>(a) purchase of the tokens, chips, coins or tickets, by whatever name called, for use in casino; or</p> <p>(b) participating in any event, including game, scheme, competition or any other activity or process, in the casino, in cases where the token, chips, coins or tickets, by whatever name called, are not required.</p> <p>However, any amount returned or refunded by the casino to the player on return of token, coins, chips, or tickets, as the case may be, or otherwise, shall not be deductible from the value of the supply of actionable claims in casino.</p> <p>Hence, the value of supply will be ₹ 10,000.</p>								
67.	(c)	As per Rule 32(a), Value of supply of service in relation to purchase or sale of foreign currency, including Money Changing if RBI reference rate is not available at the time of transaction of money changing shall be 1% of the gross amount of Indian Rupees provided or received, by the person changing the money.								
68.	(c)	As per Rule 32(a), Value of supply of service in relation to purchase or sale of foreign currency, including Money Changing if RBI reference rate is not available at the time of transaction of money changing shall be 1% of the gross amount of Indian Rupees provided or received, by the person changing the money.								
69.	(c)	<p>As per Rule 32(2)(a), in case where neither of the currencies exchanged is Indian Rupee, the value shall be equal to 1% of the lesser of the two amounts the person changing the money would have received by converting any of the two currencies into Indian Rupee on that day at the reference rate provided by RBI.</p> <p>i.e.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Amount 1 = Foreign Currency sold × RBI Reference Rate of that currency to Indian rupees</td> <td style="text-align: center; padding: 2px;">× × ×</td> </tr> <tr> <td style="padding: 2px;">Amount 2 = Foreign Currency Bought × RBI Reference Rate of that currency to Indian rupees</td> <td style="text-align: center; padding: 2px;">× × ×</td> </tr> <tr> <td style="padding: 2px;">Gross Indian Rupees = Amount 1 or Amount 2, whichever is less</td> <td style="text-align: center; padding: 2px;">× × ×</td> </tr> <tr> <td style="padding: 2px;">Value = 1% of the Gross Indian Rupees</td> <td style="text-align: center; padding: 2px;">× × ×</td> </tr> </table>	Amount 1 = Foreign Currency sold × RBI Reference Rate of that currency to Indian rupees	× × ×	Amount 2 = Foreign Currency Bought × RBI Reference Rate of that currency to Indian rupees	× × ×	Gross Indian Rupees = Amount 1 or Amount 2, whichever is less	× × ×	Value = 1% of the Gross Indian Rupees	× × ×
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70.	(b)	Value of supply of service in relation to sale of foreign currency by money changer shall be (Selling rate – RBI reference rate at that time) × Total units of currency.								

71.	(c)	Value of supply of service in relation to purchase of foreign currency by money changer shall be (RBI reference rate at that time – Buying rate) × Total units of currency.										
72.	(d)	As per Rule 32(2)(b), at the option of the supplier of services, the value in relation to the supply of foreign currency, including money changing, shall be deemed to be value of supply shall be calculated at the rate of 1% of the gross amount of currency exchanged or ₹ 250, whichever is higher for an amount up to ₹ 1,00,000										
73.	(b)	As per Rule 32(2)(b) of the CGST Rules, 2017, the option to determine value in relation to supply of foreign currency, including Money Changing shall be deemed to be ₹ 1,000 + 0.5 % of the gross amount of currency exchanged for an amount exceeding ₹ 1,00,000 and up to ₹ 10,00,000.										
74.	(c)	As per Rule 32(2)(b) of the CGST Rules, 2017, the option to determine value in relation to supply of foreign currency, including Money Changing shall be deemed to be ₹ 5,500 + 0.1% of the gross amount of currency exchanged for an amount exceeding ₹ 10,00,000 or ₹ 60,000, whichever is lower.										
75.	(a)	Option to determine value in relation to supply of foreign currency, including Money Changing is opted for a financial year, the same cannot be withdrawn during the remaining part of the financial year.										
76.	(a)	<p>Computation of Value of taxable supply —</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>₹</th> </tr> </thead> <tbody> <tr> <td>Conversion of Dollar into INR of ₹ 20,000 per transaction (600 × ₹ 250) [(i.e. ₹ 20,000 × 1% subject to minimum of ₹ 250) per transaction]</td> <td>1,50,000</td> </tr> <tr> <td>300 transactions of conversion of Dollar into Euro [(₹ 5,500 + ₹ 90 lakhs × 0.1%) subject to maximum of ₹ 60,000 per transaction]</td> <td>43,50,000</td> </tr> <tr> <td>Conversion of INR into Dollar (₹ 1,000 + ₹ 4,00,000 × 0.5%) × 200</td> <td>6,00,000</td> </tr> <tr> <td>Total value of taxable supply</td> <td>51,00,000</td> </tr> </tbody> </table>	Particulars	₹	Conversion of Dollar into INR of ₹ 20,000 per transaction (600 × ₹ 250) [(i.e. ₹ 20,000 × 1% subject to minimum of ₹ 250) per transaction]	1,50,000	300 transactions of conversion of Dollar into Euro [(₹ 5,500 + ₹ 90 lakhs × 0.1%) subject to maximum of ₹ 60,000 per transaction]	43,50,000	Conversion of INR into Dollar (₹ 1,000 + ₹ 4,00,000 × 0.5%) × 200	6,00,000	Total value of taxable supply	51,00,000
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Total value of taxable supply	18,500											

78.	(a)	Computation of Value of taxable supply —			
		Direct conversion of GBP into US \$ [Value of Service = 1% of (Lower of 'Amount 1 or Amount 2')]			
		Amount 1 = 11,300 US \$ × ₹ 60 = ₹	6,78,000		
		Amount 2 = 6,800 GBP × ₹ 100 = ₹	6,80,000	6,780	
		Total value of taxable supply	6,780		
79.	(b)	Value of supply of services in relation to booking of tickets for travel by air provided by an air travel agent in case of domestic booking shall be calculated @ 5% of the basic fare.			
80.	(d)	The relevant computations are as under —			
		Particulars	₹		
		Value of Taxable Supply provided by M/s. Kamal Associates :			
		Basic Fare (Total ₹ 90 lakhs – Government Taxes ₹ 10 lakhs)			80,00,000
		Value of Taxable Supply as per Rule 32(3) @ 5% of Basic fare			4,00,000
		CGST @ 9%			36,000
SGST @ 9%			36,000		
		Total GST payable	72,000		
81.	(a)	The value of the supply of services in relation to booking of tickets for travel by air provided by an air travel agent shall be deemed to be an amount calculated—			
		(a) @ 5% of the basic fare in the case of domestic bookings, and			
		(b) @ 10% of the basic fare in the case of international bookings of passage for travel by air.			
		Particulars	Basic Fare	Rate	Value of taxable supply
		Domestic Bookings	1,00,900	5%	5,045
International Bookings	3,16,880	10%	31,688		
		Value of taxable supply	36,733		
82.	(b)	Value of supply of services in case of Single Premium Annuity Policies shall be 10% of single premium charged from the policy holder.			
83.	(c)	Value of supply of services in case of only risk cover Policies shall be 100% of the premium charged from the policy holder.			
84.	(d)	Computation of Value of Taxable Supply of services (₹ in lakhs) :			
		Particulars	Amount	Rate	Taxable Value
		General policies:			
		First year premium	5,000	25%	1,250

		Subsequent years i.e. policies issued in earlier years	7,000	12.5%	875
		Single premium annuity policies	850	10%	85
		Only Risk Cover Policies Since the entire premium is for risk cover, hence, the option u/r 32(4) is not available.	500	100%	500
		Life micro-insurance policies[Exempt vide Entry 36 of Notification No. 12/2017-CT (Rate)]	10	Exempt	-
		Variable Insurance Policies[Gross premium - Amount allocated towards investment]	8,000	-	1,600
		Value of taxable supply			4,310
85.	(c)	If the amount allocated for investment/ savings is intimated to the policy holder at the time of the Supply of Service the value of taxable supply shall be the gross premium charged from a policy holder reduced by the amount allocated for investment, or savings on behalf of the policy holder, if such an amount is intimated to the policy holder at the time of supply of service.			
86.	(a)	In the General life insurance policies (other than single premium annuity policies and variable policies where the amount allocated for investment is made known to the policy holder), the value of taxable supply shall be 25% of the premium charged from the policy holder in the first year and 12.5% of the premium charged from the policy holder in subsequent years.			
87.	(c)	As per Rule 32(5), where a taxable supply is provided by a person dealing in buying and selling of second hand goods i.e., used goods as such or after such minor processing which does not change the nature of the goods and where no input tax credit has been availed on the purchase of such goods, the value of supply shall be the difference between the selling price and the purchase price, and where the value of such supply is negative, it shall be ignored.			
88.	(a)	Where a taxable supply is provided by a person dealing in buying and selling of second hand goods i.e., used goods as such or after such minor processing which does not change the nature of the goods and where input tax credit has been availed on the purchase of such goods, the value of taxable supply is to be determined as per provisions of Section 15 of the CGST Act, 2017.			
89.	(d)	As per Rule 32(5), where a taxable supply is provided by a person dealing in buying and selling of second hand goods i.e., used goods as such or after such minor processing which does not change the nature of the goods and where no input tax credit has been availed on the purchase of such goods, the value of supply shall be the difference between the selling price and the purchase price, and where the value of such supply is negative, it shall be ignored. If the person dealing in second hand goods has availed of the input tax credit on the purchase of such goods, then such supply is governed by normal GST valuation provisions.			

		Hence, all the above provisions are correct.																
90.	(b)	As per Rule 32(5), where a taxable supply is provided by a person dealing in buying and selling of second hand goods and where no input tax credit has been availed on the purchase of such goods, the value of supply shall be the difference between the selling price and the purchase price, and where the value of such supply is negative, it shall be ignored.																
91.	(c)	As per Rule 32(5) of CGST Rules, 2017, where a taxable supply is provided by a person dealing in buying and selling of second hand goods i.e. used goods as such or after such minor processing which does not change the nature of the goods and where no input tax credit has been availed on purchase of such goods, the value of supply shall be the difference between the selling price and purchase price. Computation of value of taxable supply of second hand car—																
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92.	(a)	As per Rule 32(5) of CGST Rules, 2017, the purchase value of goods repossessed from a defaulting borrower, who is not registered, for the purpose of recovery of a loan or debt shall be deemed to be the purchase price of such goods by the defaulting borrower reduced by 5% points for every quarter or part thereof, between the date of purchase and the date of disposal by the person making such repossession.																
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94.	(c)	As per Rule 32(6), valuation of token, or a voucher, or a coupon, or a stamp not applicable in relation to postage stamp.
95.	(c)	As per Rule 32(6), the value of a token, or a voucher, or a coupon, or a stamp (other than postage stamp) which is redeemable against a supply of goods or services or both shall be equal to the money value of the goods or services or both redeemable against such token, voucher, coupon, or stamp.
96.	(b)	As per Rule 32(7), the value of taxable services provided by such class of service providers as may be notified by the Government, on the recommendations of the Council, as referred to in Paragraph 2 of Schedule I of the said Act between distinct persons as referred to in Section 25, where input tax credit is available, shall be deemed to be NIL.
97.	(b)	As per provisions of Rule 32(6) of the CGST Rules relating to valuation, the value of a coupon is the money value of the goods redeemable against it. Therefore, though the coupon is sold for ₹1,500, its value is ₹ 1,750.
98.	(d)	As per Rule 33 of the CGST Rules, 2017, "Pure agent" means a person who— (a) enters into a contractual agreement with the recipient of supply to act as his pure agent to incur expenditure or costs in the course of supply of goods or services or both; (b) neither intends to hold nor holds any title to the goods or services or both so procured or supplied as pure agent of the recipient of supply; (c) does not use for his own interest such goods or services so procured; and (d) receives only the actual amount incurred to procure such goods or services in addition to the amount received for supply he provides on his own account.
99.	(a)	In this case expenditure of custom duty amounting ₹ 3,00,000 has been incurred in capacity of pure agent of recipient of service, hence the same shall not form part the value of taxable supply.
100.	(a)	As per provisions of Rule 34 of the CGST Rules, 2017, the rate of exchange for determination of value of taxable goods shall be the applicable rate of exchange as notified by the Board u/s 14 of the Customs Act, 1962 for the date of time of supply of such goods in terms of section 12 of the Act.
101.	(c)	As per provisions of Rule 34, the rate of exchange for determination of value of taxable services shall be the applicable rate of exchange determined as per the generally accepted accounting principles for the date of time of supply of such services in terms of Section 13 of the Act.
102.	(c)	As per provisions of section 34, the rate of exchange for determination of value of taxable services shall be the applicable rate of exchange determined as per the generally accepted accounting principles for the date of time of supply of such services in terms of section 13 of the Act. The time of supply in such case is 10-9-2021

		as payment is made within 60 days from the date of invoice. RBI rate prevalent on that date is 1 US \$ = ₹ 72, hence the value of taxable supply is ₹ 7,20,000.
103.	(a)	As per Rule 35 of CGST Rule, 2017, where the value of supply is inclusive of integrated tax or as the case may be, central tax, State tax, Union territory tax, the tax amount shall be determined in the following manner, namely,— Tax amount = [Value inclusive of taxes × tax rate in % of IGST or as the case may be CGST, SGST or UTGST] / (100 + sum of tax rates, as applicable, in %)

