

A

Q1

- Think of it buddy, its supply of services by Tryt to Uncram, so Tryt is supplier of service and Uncram is recipient of service.
- It is supply of service as per schedule II Para 5, in which it is specified that agreeing to the obligation to refrain from an act shall be treated as supply of service.
- Valuation shall be done under section 15(1) if two basic conditions are satisfied.

C

Q2

- As per section 22 a supplier is required to get compulsory registration if turnover exceeds the basic ceiling limit of 20lacs or 10lacs as the case may be.
- Further as per sec 24 ECO is required to get compulsory registration irrespective of its turnover.
- Further as per sec 9(5) a supplier who is covered under specified services is not required to get registration because in this case aggregator shall be treated as a deemed supplier for the purpose of GST. And transportation of passengers by Motor cycle is one of the notified services.
- So in this case Mr. Chahat is required to get registration only if exceeding the limit of Sec 22.

B

Q3

- As per section 2(52) goods means every kind of moveable property, so raw cotton is very much covered in the precincts of goods.
- Sale of raw cotton is very much covered under the scope of supply under section 7.
- Now as per section 9(1) a taxable person is required to pay GST. But as per section 2(107) taxable person means a person who is registered or required to get registration.
- But as per section 23 agriculturists is not required to get registration, so not liable to pay GST because he is not a taxable person at all.
- So supply of Raw cotton is very much covered under definition of supply but not liable for GST because agriculturist is not liable to registration.

Q4 D

Q5 A

Q 6 The maximum amount of refund admissible on account of inverted duty structure is computed as under (In Rs.)

(i)	Net ITC i.e. input tax credit availed on inputs during the relevant period (Rs. 3,60,000)	3,60,000
(ii)	Turnover of inverted rated supply of goods	30,00,000
(iii)	Adjusted total turnover [Turnover of inverted rated supply of goods + turnover of other supplies of goods] [Rs. 30,00,000 + Rs. 10,00,000]	40,00,000
(iv)	Tax payable on such inverted rated supply of goods [Rs. 30,00,000 X 5%]	1,50,000
(v)	Maximum refund = [item(ii) / item(iii)] X item(i) – [item(iv)]	1,20,000

Q 7 **Ans** Computation of assessable value-

FOB cost		Yen	2,00,000
Add: Freight	WN 1	Yen	20,000
Add: Designing charges	WN 2	Yen	30,000
Total A		Yen	2,50,000
Exchange rate to be applied is 1 Yen = Rs0.65 , as notified by CBIC	WN 3	Rs	0.6500
Total sum in Indian Rs		Rs	1,62,500.00
Add: commission to the Agent [5% of FOB value of goods]	WN 4	Rs	65,00.00
Add: Developmental activities with respect to the imported machine	WN 5	Rs	-
Add: Insurance charges	WN 6	Rs	10,000.00
Total CIF value/Assessable value		Rs	1,79,000.00

Working Notes:

- (1) Only the cost of transport of the imported goods up to the place of importation is includible for the purpose of valuation. Thus, transport cost from Mumbai port (place of importation) to the factory in Karnataka has not been included in the assessable value.
- (2) Value of designed work undertaken elsewhere than in India is includible in the value of the imported goods.
- (3) Rate of exchange notified by the CBIC has been considered.

- (4) Buying commission is not includible in the value of imported goods. Since the agent's commission does not represent buying commission, hence it is includible.
- (5) Value of development work undertaken in India is not includible in the value of the imported goods. Hence Rs 100000 expended in India for developmental activities have not been considered.
- (6) Insurance of the machine is includible in the assessable value.

Q 8 If you are supplying the food product in packets to the customers, then it will be considered as manufacture and accordingly, 2% GST rate will apply. **However, if supply bhajiya to the customers in its own restaurants, then 5% GST shall be applicable.**

Q 9 The services provided by a commission agent for sale or purchase of agricultural produce are exempt under GST therefore no registration is required to be obtained.