

**Composition Scheme****Original****Q18 – Page no 44**

~~Mr Ravi registered under VAT purchased goods from Mr. Kunal an unregistered dealer under VAT. As on appointed day goods purchased from Mr.Kunal is in stock of Mr. Ravi. Mr. Ravi wants to opt for composition Scheme. Whether Mr. A is eligible for Composition?~~

Ans:-

~~Whether your answer will change if the above goods are purchased by Mr. A in the course of interstate trade?~~

**Corrected**

**Mr A** registered under GST purchased goods from Mr. Kunal an unregistered dealer under GST. As on appointed day goods purchased from Mr.Kunal is in stock of **Mr. A.** **Mr. A** wants to opt for composition Scheme. Whether Mr. A is eligible for Composition?

**Whether your answer will change if the above goods are purchased by Mr. A in the course of interstate trade?**

**Q26 – Page no 46**

**Exclude this part of question as it is repeated**

~~In case the option to pay tax under composition levy is denied by the proper officer, can the person avail ITC on stock after denial?~~

**Time of Supply****Q20 – Page no 56****Original**

Ans:-

Reverse Charge sec 12(3)	Date of invoice issued by supplier	Removal of goods	Receipt of goods	Payment by recipient	Time of supply
No payment made for supply	31-oct-17	30-oct-17	05-Jan-18	-	<del>30-Nov-17</del>

**Corrected**

**Ans:**

<b>Reverse Charge sec 12(3)</b>	<b>Date of invoice issued by supplier</b>	<b>Removal of goods</b>	<b>Receipt of goods</b>	<b>Payment by recipient</b>	<b>Time of supply</b>
No payment made for supply	31-oct-17	30-oct-17	05-Jan-18	-	01-Dec-17

**Q42 – Page no 65**

**Original**

**Question**

<b>Reverse Charge sec 13(3)</b>	<b>Date of invoice issued by supplier</b>	<b>Date of completion of service</b>	<b>Payment by recipient</b>	<b>Entry of receipt</b>
Advance paid	31-oct-17	30-oct-17	<del>05-Nov-17</del>	31-Oct-17

**Ans:**

<b>Reverse Charge sec 13(3)</b>	<b>Date of invoice issued by supplier</b>	<b>Date of completion of service</b>	<b>Payment by recipient</b>	<b>Entry of receipt</b>	<b>Time of supply</b>
Advance paid	31-oct-17	30-oct-17	<del>05-Nov-17</del>	31-Oct-17	<del>05-Nov-17</del>

**Corrected**

**Question**

<b>Reverse Charge sec 13(3)</b>	<b>Date of invoice issued by supplier</b>	<b>Date of completion of service</b>	<b>Payment by recipient</b>	<b>Entry of receipt in suppliers book</b>
Advance paid	31-oct-17	30-oct-17	05-Oct-17	31-Oct-17

Ans:

Reverse Charge sec 13(3)	Date of invoice issued by supplier	Date of completion of service	Payment by recipient	Entry of receipt in suppliers book	Time of supply
Advance paid	31-oct-17	30-oct-17	05-Oct-17	31-Oct-17	05-Oct-17

#### Q60 – Page 73

##### Original

Ans:

**(i) Legal Provision:-** ~~The above the purview case falls within of Section 13 (2) of CGST Act, if invoice is issued within 30 days from date of supply of service then the time of supply shall be date of invoice or receipt of payment whichever is earlier.~~

~~—Section 14 shall be applicable as there is change in rate of tax~~

##### Corrected

Ans:

**(i) Legal Provision:-** As the above case falls under the purview of sec 14(a)(i) of CGST Act

##### Value of Supply

##### Original

#### Q11 – Page no 83

Ans:

Interest for delay in payment of consideration [Includible in the value in terms 15,000 of section - 15(2)(d)]	15000
<b>Value of taxable supply</b>	<b>5,35,000</b>

**Corrected:-** As per ICAI corrigendum

Interest for delay in payment of consideration [Includible in the value in terms 15,000 of section - 15(2)(d)] (Note – 1)	12712
---	-------

<b>Value of taxable supply</b>	<b>5,32,712</b>

**Note -1:-** The interest for delay in payment of consideration will be includible in value of supply but the time of supply will be the date when interest is received in terms of sec 13(6). Such interest is inclusive of GST & value will be computed by back calculations i.e. =  $15000/118*100( \text{Int} /100+\text{tax} *100 )$

#### Q34 – Page no 92

##### Original

DSK Ltd manufactures a self-designed digital product 'X' at its unit in Maharashtra and supplies it to its establishment, located in Karnataka. The declared value for Stock Transfer is Rs 2, 75,000 & its cost of production is ` 3,20,000. DSK Ltd is the sole manufacturer of this product. Determine the taxable value of supply & calculate CGST & SGST payable @ 12%. Would your answer be different if the establishment in Karnataka is eligible to avail input tax credit of GST payable by DSK Ltd?

Ans:

In the given case goods are transferred from one establishment of Maharashtra to another establishment of Karnataka. Hence, the value of the supply would be determined by applying rule 28(c) read with rule 30 is to applied since the product is self-deigned and in absence of open market value i.e.  $110\% \text{ of Cost of production} = 110\% * 3,20,000 = \text{Rs } 3,52,000$ . GST shall be payable @ 12% of Rs 3, 52,000 = Rs 42,240.

In the second situation, if the establishment in Karnataka takes the input tax credit, ~~then it will be treated as a distinct person & the value of supply shall be as per Rule 28 of CGST Rules 2017, i.e. open market value~~ thus the value of taxable supply shall be Rs 2, 75,000 and GST payable shall be 12 % of Rs 2,75,000 = Rs 33,000.

##### Corrected

DSK Ltd manufactures a self-designed digital product 'X' at its unit in Maharashtra and supplies it to its establishment, located in Karnataka. The declared value for Stock Transfer is Rs 2, 75,000 & its cost of production is ` 3,20,000. DSK Ltd is the sole manufacturer of this product. Determine the taxable value of supply & **calculate IGST payable @ 12%**. Would your answer be different if the establishment in Karnataka is eligible to avail input tax credit of GST payable by DSK Ltd?

Ans:

In the given case goods are transferred from one establishment of Maharashtra to another establishment of Karnataka. Hence, the value of the supply would be determined by applying rule 28(c) read with rule 30 is to applied since the product is self-deigned and in absence of open market value i.e.

110% of Cost of production =  $110\% \times 3,20,000 = \text{Rs } 3,52,000$ . **IGST shall be payable @ 12% of Rs 3,52,000 = Rs 42,240.**

In the second situation, **if the establishment in Karnataka takes i.e. eligible to input tax credit, then as per the proviso to said rule the value declared in invoice shall be taken as open market value of supply**, i.e. the value of taxable supply shall be Rs 2,75,000 and GST payable shall be 12 % of Rs 2,75,000 = Rs 33,000.

**Q39 – Page no 94**

**Add point 4 in question as its missing**

**4. Life micro insurance policies collected Rs 20 Lakhs**

**Place of Supply**

**Q16 – Page no 138**

**Ans.**

**Please scratch this part its misprint**

**Discussion-** ~~As per the above Section Place of Supply of goods where the goods are assembled or installed at site, the place of supply shall be the place of such installation or assembly. Hence, Place of Supply is Mumbai~~

**Q17 – Page no 138**

**Please scratch this part its misprint**

**Discussion-** ~~As per the above Section Place of Supply of goods where the goods are assembled or installed at site, the place of supply shall be the place of such installation or assembly. Hence, Place of Supply is Mumbai~~

**Q55 –Page no 151**

**Original**

Deepak global tours organize tours all over the world. ~~They arrange a tour to Singapore. Mr Jairam, from Mumbai participated in the tour.~~ Mr Jairam is of the view that no GST is chargeable by the tour Operator as the tour is outside India. Is the contention of Mr. Jairam correct? State with reasons

**Corrected**

Deepak global tours organize tours all over the world. **They arrange an event during the tour to Singapore for entertainment of its customers in Singapore.** Mr Jairam, from Mumbai participated in the tour. Mr Jairam is of the view that no GST is chargeable by the tour Operator as the tour is outside India. Is the contention of Mr. Jairam correct? State with reasons

**Input tax credit****Q10 – Page no 162****Ans:**

As per section 16(2)(c) of CGST Act, the tax charged in respect of such supply has been actually paid to the Government, either in cash or through utilization of input tax credit admissible in respect of the said supply ~~within a period of 180 days from date of supply.~~ **(Scratch out this line).**

**Payment of tax****Q4 – Page no 196****Original****Ans:**

~~c) any other amount payable under the Act or the rules made thereunder including the demand determined under section 66 or 67.~~

**Corrected****Ans:**

c) any other amount payable under the Act or the rules made thereunder including the demand determined under **section 73 or 74.**

**Q25 – Page No 201****Original**

**Ans:-** In the credit side column – **1<sup>st</sup> point.** Electronic ~~credit~~ ledger (Payment of Amount deducted u/s 51 or amount collected u/s 52, amount payable on Reverse Charge basis, amount payable u/s 10, any amount payable towards interest, penalty, fee or any other amount under the Act)

**Corrected**

**Ans:-** In the credit side column – **1<sup>st</sup> point.** Electronic **cash** ledger (Payment of Amount deducted u/s 51 or amount collected u/s 52, amount payable on Reverse Charge basis, amount payable u/s 10, any amount payable towards interest, penalty, fee or any other amount under the Act)

**Q33 – Page no 204****Original****Ans:**

Tax

Rs 1,20,000

Less: Input tax credit \_\_\_\_\_ Rs 70,000

Tax payable \_\_\_\_\_ Rs 50,000

Interest shall be calculated from the next day of the due date of payment i.e. ~~11th October to the actual date of payment i.e. 5th December. interest is  $50000 \times 18\% \times 56/365 = 1381$~~

**Corrected**

Tax payable \_\_\_\_\_ Rs 1,20,000

Interest shall be calculated from the next day of the due date of payment i.e. **21<sup>st</sup> October to the actual date of payment i.e. 5th December. interest is  $1,20,000 \times 18\% \times 46/365 = \text{Rs } 2722/-$ .**