

(GI-1, GI-2, VI-VDI-SI-1,2)**DATE: 06.09.2022****MAXIMUM MARKS: 100****TIMING: 3¼ Hours****TAXATION****GENERAL INSTRUCTIONS TO CANDIDATES**

1. The question paper comprises two parts, Part I and Part II.
2. Part I comprises Multiple Choice Questions (MCQs).
3. Part II comprises questions which require descriptive type answers.
4. Ensure that you receive the question paper relating to both the parts. If you have not received both, bring it to the notice of the invigilator.
5. Answers to Questions in Part I are to be marked on the OMR answer sheet only. Answers to questions in Part II are to be written on the descriptive type answer book. Answers to MCQs, if written in the descriptive type answer book, will not be evaluated.
6. OMR answer sheet will be in English only for all candidates, including for Hindi medium candidates.
7. The bar coded sticker provided in the attendance register, is to be affixed only on the descriptive type answer book. No bar code sticker is to be affixed on the OMR answer sheet.
8. You will be allowed to leave the examination hall only after the conclusion of the exam. If you have completed the paper before time, remain in your seat till the conclusion of the exam.
9. Duration of the examination is 3 hours. You will be required to submit (a) Part I of the question paper containing MCQs, (b) OMR answer sheet thereon and (c) the answer book in respect of descriptive type answer book to the invigilator before leaving the exam hall, after the conclusion of the exam.
10. The invigilator will give you acknowledgement on Page 2 of the admit card, upon receipt of the above-mentioned items.
11. Candidate found copying or receiving or giving any help or defying instructions of the invigilators will be expelled from the examination and will also be liable for further punitive action.

PART – II

1. Section-A comprises questions 1-4. In Section-A, answer Question No. 1 which is compulsory and any 2 questions from question No. 2-4. All questions in Section-A relate to assessment year 2019-20, unless otherwise stated.
Section-B comprises questions 5-8. In Section-B, answer Question No. 5 which is compulsory and any 2 questions from question No. 6-8.
2. Working notes should form part of the answer.
3. Answers to the questions are to be given only in English except in the case of candidates who have opted for Hindi Medium. If a candidate has not opted for Hindi Medium, his/her answers in Hindi will not be evaluated.
4. All questions in Section B should be answered on the basis of position of GST law as amended by significant notifications / circulars issued upto 30th April, 2019.

SECTION – A

PART – I – MULTIPLE CHOICE QUESTIONS

TOTAL MARKS: 30 MARKS

Write the most appropriate answer to each of the following multiple choice questions by choosing one of the four options given, All questions are compulsory.

- | | | | | |
|-----|--------|--------|-------------------|-------------------|
| 1. | 1. | Ans. c | } | {2 M Each} |
| | 2. | Ans. a | | |
| | 3. | Ans. c | | |
| | 4. | Ans. b | | |
| | 5. | Ans. a | | |
| 2. | Ans. c | } | {1 M Each} | |
| 3. | Ans. c | | | |
| 4. | Ans. a | | | |
| 5. | Ans. c | | | |
| 6. | Ans. d | | | |
| 7. | Ans. d | | | |
| 8. | Ans. c | | | |
| 9. | Ans. b | | | |
| 10. | Ans. b | | | |
| 11. | Ans. c | | | |
| 12. | Ans. d | | | |
| 13. | Ans. d | | | |
| 14. | Ans. d | | | |
| 15. | Ans. d | | | |
| 16. | Ans. b | | | |
| 17. | Ans. a | | | |

SECTION – A

PART – II - DESCRIPTIVE QUESTIONS

QUESTIONS NO. 1 IS COMPULSORY

ATTEMPT ANY TWO QUESTIONS THE REMAINING THREE QUESTIONS

TOTAL MARKS: 42 MARKS

Answer 1:

Particulars	(Rs.)	Does not opt to be taxed u/s 115BAC (Rs.)	Opts to be taxed u/s 115BAC (Rs.)
(a) Salary @ Rs. 20,000 per month	2,40,000		
(b) Dearness allowance @ Rs. 1,000 p.m.	12,000		
(c) City Compensatory Allowance @ Rs. 100 p.m.	1,200		
(d) Bonus at 20% of 2,52,000 (2,40,000 + 12,000)	50,400		
(e) House rent allowance @ Rs. 750	9,000		
(f) Use of car (1,800 x 12)	21,600		
Gross Salary	3,34,200		
Less: Standard deduction	50,000	2,84,200	{2 M} 3,34,200 {2 M}

Income from House Property			
Annual Value of self-occupied house	Nil		
Interest on borrowings allowed	2,400		
Loss from property		(-) 2,400	Nil
Profits and gains from business or profession			
(a) Share of profit is not taxable in his hands			
(b) Salary and commission (80,000 + 20,000)		1,00,000	{1 M} 1,00,000 {1 M}
Income From Other Sources			
(a) Bank Interest	10,700		
(b) Interest on public deposit to minor son (35,000 - 1,500)	33,500	44,200	44,200
Gross Total Income		4,26,000	{1 M} 4,78,400 {1 M}
(i) Deduction u/s 80C (see Note)	20,000		
(ii) Deduction u/s 80G: Donation for National Foundation for Communal Harmony	25,000		
(iii) U/s 80TTA interest on saving bank	10,000	55,000	Nil
Total Income		3,71,000	{3 M} 4,78,400 {3 M}
Note: Amount on which deduction u/s 80C allowed			
• Employee's contribution to Provident Fund		12,000	
• Employee's contribution to superannuation Fund		4,800	
• Life Insurance Premium		3,200	
Total		20,000	

- Since the assessee lives in his own house, house rent allowance is taxable.
- Share of profit from the Association of Persons in this case will not be taxed in the hands of Chakarvati as the AOP has paid tax at the maximum marginal rate. It will also not be included in Total Income.

Answer 2:

(a)

Particulars	(Rs.)	(Rs.)	Does not opt to be taxed u/s 115BAC (Rs.)	Opts to be taxed u/s 115BAC (Rs.)
Income from Salary			2,91,000	2,91,000
Income from House Property			57,000	57,000
Income from Business				
Profit from Poultry Farming			60,000	60,000
Income from Capital Gain				
Long-term Capital Gain		1,55,000		
Less: Short-term Capital Loss		20,000	1,35,000	1,35,000
Income from Other Sources:				
Interest on Government Securities		6,000		
Interest on Bank Deposits		16,000		
Interest on deposits		4,000	26,000	26,000
Gross Taxable Income			5,69,000	5,69,000
Less: Deduction u/s 80C to 80U				
(1) 80C (10,000 + 30,000)		40,000		Nil
(2) 80D - Insurance on health of wife	13,000			

- Insurance on health of dependent son	14,000			
- Insurance on health of dependent father	50,000			
- Insurance on health of dependent brother (Not allowed)	Nil			
	77,000			
But limited to Rs. 25,000, for family and Rs. 50,000 for father being senior citizen whether (dependent or not).		75,000		Nil
(3) U/s. 80DD		75,000		Nil
(4) U/s. 80E		30,000		Nil
(5) U/s. 80TTA		10,000		Nil
(6) U/s. 80G National Children Fund (100%)	2,500			
PM's Relief Fund 6,000 (100%)	6,000			
Approved Charitable Fund (20,000) and Family Planning (14,000) Total Rs. 34,000 but Limited to 10% of Adjusted Net Gross Total Income i.e. Rs. 20,400 Gross Total Income-LTCG - All the deductions under section 80C to 80U except u/s 80G (Rs. 5,49,000 - 1,35,000 - 2,10,000 = 2,04,000)				
Therefore 14,000 - 100%	14,000			
Balance 6,400 - 50%	3,200	25,700	2,55,700	Nil
Total Income		{1 M}	3,13,300	5,69,000 {1 M}
Tax on Rs. 3,13,500/Rs. 5,69,000 shall be as under:				
On LTCG of Rs. 63,300 (Rs. 1,35,000 - 71,700 shifted to other income) @ 20%/ Rs. 1,35,000 @ 20%			12,660	27,000
Other income Rs. 1,78,300 + 71,700 shifted from LTCG/ Rs. 4,34,000			Nil	9,200
Tax payable			12,660	36,200
Less: Rebate u/s 87A (100% of tax or Rs. 12,500 whichever is less)			12,500	Nil
			160	36,200
Add: Health and education cess @ 4%			6	1,448
Tax (rounded off)			{3 M} 170	37,650 {3 M}

Answer:

(b)

Particulars	Rs.	Rs.
Block-Plant 15%		
Written down value of block as on 1.4.2021		14,80,000
Add: Additions during the previous year		
Plant D (for 180 days or more)	1,60,000	
Plant E (for less than 180 days)	3,10,000	4,70,000
		19,50,000
Less: Assets sold during the previous year Plant A		16,30,000
Written down value as on 31.3.2022		3,20,000 {3 M}
Less: Normal depreciation		
On Rs. 3,10,000 x 7.5%	23,250	

On Rs. 10,000 x 15%	1,500	
	24,750	
Add: Additional depreciation		
On Rs. 1,60,000 @ 20%	32,000	
On Rs. 3,10,000 @ 10%	31,000	
WDV as on 1.4.2022		2,32,250 }{3 M}

No capital gain on sale of plant A because sale proceeds are less than the written down value of block of asset. Hence no short-term capital gain u/s 50(2).

Answer 3:**(a)**

Particulars	(Rs.)
Tax on Rs. 10,40,000 @ 30%	1,22,000
Add: Health and education cess @ 4%	4,880
	1,26,880
Less: TDS	0
Tax due on returned income	1,26,880

Date upto which tax is payable	Advance tax required to paid to avoid interest u/s 234C	Advance Tax paid till date	Interest payable on	Rate & period of interest
1. 15.6.2021	12% of Rs. 1,26,880 = 15,225.6	12,000	Rs. 19,032 (15% of Rs. 1,26,880) - 12,000 = 7,032	1% p.m. for 3 months on Rs. 7,000
2. 15.9.2021	36% of Rs. 1,26,880 = 45,676.8	12,000 + 36,000 = 48,000	Nil	Nil
3. 15.12.2021	75% of Rs. 1,26,880 = 95,160	48,000 + 30,000 = 78,000	95,160 - 78,000 = 17,160	1% p.m. for 3 months on Rs. 17,100
4. 15.03.2022	100% of Rs. 1,26,880 = 1,26,880	78,000 + 25,000 = 1,03,000	1,26,880 - 1,03,000 = 23,880	1% p.m. for one month on Rs. 23,800

	Interest u/s 234C	(Rs.)
1.	7,000 x 1% x 3 months	210 }{1 M}
2.	--	Nil }{1 M}
3.	17,100 x 3%	513 }{1 M}
4.	23,800 x 1%	238 }{1 M}
	Total interest payable	961

Answer:

(b) (a) If R does not opt to be taxed under section 115BAC, he should opt for the following as his income from house property shall be minimum in this case:

		Rs.
Income from House I (Deemed to be let out) (see working note)		2,10,000
Income from House II (Self-occupied)	(-) 93,750	
Income from House III (Self-occupied)	(-) 1,12,500	
But limited to Rs. 2,00,000	2,06,250	2,00,000
Income from house property		10,000 }{2 M}

- (b) If R opts to be taxed under section 115BAC, he should opt for the following as his income from house property shall be minimum in this case:

	Opts to be taxed u/s 115BAC
	Rs.
Income from House-I (self occupied)	Nil
Income from House-II (self occupied)	Nil
Income from House-III (deemed let out)	1,04,500
Income from House Property	1,04,500

{1 M}

Working Note:

Step-I: Assume all the three houses are deemed to be let out

	Rs.	House-I Rs.	Rs.	House-II Rs.	Rs.	House-III Rs.
Gross Annual Value		3,30,000		3,30,000		3,30,000
Less: Municipal taxes paid		30,000		10,000		20,000
Net Annual Value		3,00,000		3,20,000		3,10,000
Less: Deductions u/s 24						
(a) Statutory deduction @ 30%	90,000		96,000		93,000	
(b) Interest on loan for house II for three months Rs. 56,250 + 1/5 of pre-construction period i.e. from 1.6.2017 to 31.3.2018 Rs. 1,87,500 = Rs. 37,500	--		93,750			-
Interest on loan for house III for three months Rs. 67,500 + 1/5 of pre-construction period i.e. from 1.6.2017 to 31.3.2018 Rs. 2,25,000 = Rs. 45,000	--	90,000	--	1,89,750	1,12,500	2,05,500
		2,10,000	{1 M}	1,30,250	{1 M}	1,04,500

{1 M}

Answer:

- (c)

	Resident	Not Ordinarily Resident	Non-Resident
	Rs.	Rs.	Rs.
Business Income			
Business A (Profit)	1,50,000	1,50,000	1,50,000
Business B (Profit)	1,00,000	1,00,000	1,00,000
	2,50,000	2,50,000	2,50,000
Business C (Loss); (controlled from India but received out of India)	(-) 60,000	(-) 60,000	Nil
	1,90,000	1,90,000	2,50,000
Unabsorbed depreciation off business C	(-) 35,000	(-) 35,000	Nil
	1,55,000	1,55,000	2,50,000
Income from house property			
Property in India	10,000	10,000	10,000
Property in London	20,000	--	--
Gross Total Income	{1 M} 1,85,000	{2 M} 1,65,000	2,60,000

{1 M}

Answer 4:

- (a) As per section 10AA, in computing the total income of Mr. Suresh from his unit located in a Special Economic Zone (SEZ), which begins to manufacture or produce any article thing on or after 01.04.2005 but before 01.04.2020, there shall be allowed a deduction of 100% of the profit derived from export of such article or thing for the first 5 year period commencing from the year of manufacture or production of articles or things by the Unit in SEZ and 50% of such profits for further 5 years subject to fulfillment of other conditions specified in section 10AA. The relevant particulars are as under : {2 M}

Particulars	Unit A In SEZ (Rs. in lakhs)
Total turnover	180
Export turnover	150
Net Profit	60

If Unit in SEZ was set up and began manufacturing in FY 2016-17: Since it is the 6th year of operation of the eligible unit, it shall be eligible for deduction upto 50% of the profit of such unit assuming all the other conditions specified in section 10AA are fulfilled. {2 M}

$$= \text{Profits of Unit in SEZ} \times \frac{\text{Export turnover of Unit in SEZ}}{\text{Total turnover of Unit in SEZ}} \times 50\%$$

$$= 60 \text{ lakhs} \times \frac{\text{Rs. } 150 \text{ lakhs}}{\text{Rs. } 180 \text{ lakhs}} \times 50\% = \text{Rs. } 25 \text{ lakhs} \quad \{2 M\}$$

Hence, amount of deduction under section 10AA = Rs. 25,00,000.

Answer:

- (b) Computation of total income Mr. A & Mrs. A for the assessment year 2022-23 (amounts in Rs.):

Particulars		Mr. A	Mrs. A
Income from profession/Income from salary		3,90,000	2,30,000
Income from other sources:			
Income of minor son B from company deposit		15,000	
Interest from Bank received by C	[WN-2]	3,000	
Less: Exemption u/s 10(32) (for two children i.e. Rs. 1,500 x 2)		-3,000	
Total Income	{2 M}	4,05,000	2,30,000

{1 M}

Working Notes:

- As per section 64(1A) any income, accruing or arising to a minor child on account of activity involving application of his skill, talent or specialized knowledge and experience, is not to be clubbed. Therefore, income of minor daughter C from special talent shall not be clubbed.
- Interest from bank deposit is liable to be clubbed even when deposit is made out of income arising from application of special talent. {1 M}
- Gift received by C is not taxable since, as per section 56(2)(x), gift received from non- relatives is taxable only when the aggregate amount from one or more person exceeds Rs. 50,000.

Answer:

- (c) Capital gains for A.Y. 2022-23 in respect of above cases shall be computed as follows-

- (i) Commercial plot of land acquired by property dealer 'Ramesh' for his business purpose is in the nature of stock-in-trade for him. Therefore, it is not a capital asset and hence, no capital gains will arise. }{1/2 M}
- (ii) Personal motorcar sold by Mr. Roy is a personal effect. Therefore, it is not a capital asset and hence, no capital gains will arise. }
- (iii) The transfer of the residential house by Mr. Pawan was effected on 01.04.2021, which doesn't fall within the previous year 2021-22. Hence, this transaction is not liable to capital gains in the assessment year 2022-23, but will be taxable in the assessment year 2023-24. }{1/2 M}
- (iv) In this case, agricultural land is situated in an area, the population of whose municipality is less than 10,000. Hence, the land is a rural agricultural land, thus not a capital asset. }{1 M}
- (v) Bracelet for personal use is 'jewellery' and is specifically excluded from the term personal effect. Therefore, it is a capital asset liable to capital gains tax, as follows : }

Full value of consideration	5,00,000	}{1 M}
Less: Indexed cost of acquisition (Rs. 40,000 x 317 ÷ 113)	1,12,212	
Less: Indexed cost of improvement being fitting of diamond (Rs. 10,000 x 317 ÷ 129)	24,574	
Long-term capital gains	3,63,214	
- (vi) While sculpture / drawings are capital assets, but their transfer to a University / National Museum is exempt under section 47(ix). Hence, no capital gains shall arise. }{1 M}

SECTION – B - DESCRIPTIVE QUESTIONS

QUESTION NO. 5 IS COMPULSORY

ATTEMPT ANY TWO QUESTIONS OUT OF REMAINING THREE QUESTIONS.

TOTAL MARKS: 28 MARKS

Answer 5:

Computation of GST payable for the month of October 2021

Particulars	Ref	CGST (Rs.)	SGST (Rs.)	IGST (Rs.)
GST payable on outward supplies	WN 1	1,22,500	1,22,500	6,14,000
Less: Input credit available for set-off	WN 2	2,35,000	3,05,000	1,20,000
Balance tax payable / (Excess credit available)		(1,12,500)	(1,82,500)	4,94,000
Cross utilisation Set-off of CGST & SGST excess credit to IGST payable	Note	1,12,500	1,82,500	(2,95,000)
Net GST liability for the month		{2 M} Nil	{2 M} Nil	1,99,000}{2 M}

Note: The credit of CGST and SGST shall be first utilised against the respective output tax dues. Excess credit thereafter, if any, in the CGST & SGST, can be utilised to set-off the output tax payable under IGST in this order respectively. It may be noted that the CGST credits cannot be used to set-off SGST output tax and vice versa. The balance of IGST output tax payable of shall be paid through electronic cash ledger.

Computation of GST payable on outward supplies (WN 1)

Particulars	Amount (Rs.)	Rate	CGST (Rs.)	SGST (Rs.)	IGST (Rs.)
Inter-state 5% supplies	10,00,000	5%	--	--	50,000

Inter-state 12% supplies	47,00,000	12%	--	--	5,64,000
Intra-state 5% supplies	13,00,000	5%	32,500	32,500	--
Intra-state 12% supplies	15,00,000	12%	90,000	90,000	--
Total of output tax payable			1,22,500	1,22,500	6,14,000

Computation of eligible input credit (WN 2)

Particulars	Amount (Rs.)	Rate	Note	CGST (Rs.)	SGST (Rs.)	IGST (Rs.)
Paid to Karthick for supply of 10,000 kg of rice in instalments	4,00,000	5%	1	--	--	--
Purchase from Divesh, a local trader	16,00,000	12%		96,000	96,000	--
Purchase of truck	6,00,000	28%	2	84,000	84,000	--
Lunch at Sangeeta Restaur	3,500	5%	3	--	--	--
Inter-state purchases from Eswar Ltd.	20,00,000	5%		--	--	1,00,000
Total eligible credit for the month				1,80,000	1,80,000	1,00,000
Add: Opening balance available in electronic credit ledger				55,000	1,25,000	20,000
Total credit available for set-off against the liability				2,35,000	3,05,000	1,20,000

Notes:

- (a) As per sec. 16, when goods are supplied in lots or instalments, credit can be taken only on the receipt of the last instalment. Hence, credit on this can be taken on receipt of the last instalment i.e. 1st March 2022.
- (b) Taxes paid on acquiring motor vehicles and other conveyances are covered under blocked credits u/s. 17(5). However, credit is eligible when such vehicles are used (A) for making taxable supplies (further supply of vehicles or conveyances, or transportation of passengers, or imparting training on driving, flying, navigating such vehicles or conveyances) and (B) for transportation of goods. In the given case, since the truck is purchased for transportation of goods to the customers, credit can be availed. }{1 M}
- (c) Input tax paid on food and beverage cannot be taken as credit, as it is a blocked credit u/s. 17(5). }{1 M}

Answer 6:

- (a) Computation of eligible Input Tax Credit of M/s. Lace Tux for the month of December, 2021:

Particulars of supplies received	Note	Taxable Amount (Rs.)	Tax Rate (%)	CGST (Rs.)	SGST (Rs.)	IGST (Rs.)	
Chiffon Cloth	A	22,80,000	12	--	--	2,73,600	
Blazers	B	18,50,000	12	1,11,000	1,11,000	--	
Audit Services	C	1,75,000	18	--	--	31,500	
Salaries	D	--	--	--	--	--	
Eligible input tax credit			{1 M}	1,11,000	{1 M}	1,11,000	3,05,100 {1 M}

Notes:

- A. The credit of tax paid on goods lost or theft is not an eligible input tax credit i.e. blocked credit u/s. 17(5). Accordingly, the taxable amount on which input credit will be eligible is Rs. 22,80,000 i.e. Rs. 25,10,000 less Rs. 2,30,000. This being the inter-state purchase, the tax paid will be IGST. }{1 M}

- B. In case of intra-state supply, the GST rate shall be charged equally between the Central tax (CGST) and State tax (SGST). Accordingly, the rate of 12% shall be charged @ 6% each for CGST & SGST. **{1 M}**

OR

- C. The audit services are availed from a firm based in Kochi i.e. inter-state transaction, and accordingly the tax charged shall be IGST. **{1 M}**
 D. As per schedule III, services by an employee to the employer in the course of or in relation to his employment shall not be treated as supply of services. **{1 M}**

Answer:

- (b)** A registered person may not issue a tax invoice or bill of supply, where the value of the goods or services or both supplied is less than Rs. 200. If the recipient is neither registered nor required such invoice or bill of supply.

Accordingly, the analysis to whom consolidated tax invoice can be issued by M/s. X & Sons is as below:

Particulars	Amount (Rs.)	Nature of Invoice	Remarks	
M/s. PQR Traders - registered retail trader	150	Tax invoice	The recipient being the registered retail trader and requested invoice though sale made is less than Rs. 200. Hence, it cannot be considered for issuing consolidated invoice.	{1 M}
M/s. DEF Enterprises - unregistered trader	501	Tax invoice	Though the recipient is unregistered, the amount of sale is more than Rs. 200 and hence. It cannot be considered for issuing consolidated invoice.	{1 M}
Mr. Gaurav Carpenter (Unregistered)	475	Tax invoice	Though the recipient is unregistered, the amount of sale is more than Rs. 200 and hence, he cannot be considered for issuing consolidated invoice.	{1 M}
M/s. OMG Orphanage - Unregistered Entity	163	Consolidated tax invoice	The recipient is unregistered and also the sale value is less than Rs. 200. Hence, they can be considered for issuing consolidated invoice.	{1/2 M}
Mr. Anand (Student - Unregistered)	145	Consolidated tax invoice	The recipient is unregistered and also the sale value is less than Rs. 200. Hence, he can be considered for issuing consolidated invoice.	{1/2 M}
Mr. Satwik (Opted for composite levy)	175	Tax invoice	The recipient opted for composition levy means he is a registered dealer. Accordingly cannot be considered for issuing consolidated invoice even though the amount of sale is less than Rs. 200.	{1 M}

Based on the above, M/s. X & Sons can issue consolidated invoice for an amount equal to Rs. 308 for the sales made to M/s. OMG Orphanage- Unregistered Entity and Mr. Anand (Student - Unregistered) at the end of the day.

Answer 7:

- (a)** Computation of value of taxable supply

Particulars	Gross amount charged (Rs.)

Fees charged for yoga camp conducted by a charitable trust registered under section 12AA of the Income-tax Act, 1961 [Note-1]	Nil	{1 M}
Amount charged by business correspondent for the service provided to the rural branch of a bank with respect to Savings Bank Accounts [Note-2]	Nil	{1 M}
Amount charged by cord blood bank for preservation of stem cells [Note-3]	Nil	{1 M}
Service provided by commentator to a recognized sports body [Note-4]	5,20,000	{1 M}

Notes:

1. Services by an entity registered under section 12AA of the Income-tax Act, 1961 by way of charitable activities are exempt from GST. The activities relating to advancement by yoga are included in the definition of charitable activities. So, such activities are exempt from GST.
2. Services by business facilitator or a business correspondent to a banking company with respect to accounts in its rural area branch have been exempted from GST.
3. Services provided by cord blood banks by way of preservation of stem cells or any other services in relation to such preservation are exempt from GST.
4. Services provided to a recognized sports body only by an individual as a player, referee, umpire, coach or team manager for participation in a sporting event organized by a recognized sports body are exempt from GST. Thus, services provided by commentators are liable to GST.

Answer:

- (b)** As per Sec. 25, a casual taxable person and a non-resident taxable person, shall apply for registration at least 5 days prior to the commencement of business. In the given case, Mr. Swami has applied for the registration on 07.09.2021 i.e., only 2 days prior to the commencement of business and hence he has contravened the provision of the CGST Act, 2017. In order to comply with the provisions, he should have applied on or before 04.09.2021.

Answer 8:

- (a)** As per Sec. 25, every person having multiple place of business in a State or Union territory may be granted a separate registration for each such place of business. Since registration is PAN based supplier is required to obtain single registration in State or UT. In the given case, YY Ltd. can apply for registration in both the branch even though it has registration in the state of Andhra Pradesh, subject to the conditions.

Answer:

- (b)** Schedule I of CGST Act, inter alia, stipulates that import of services by a person from a related person located outside India, without consideration is treated as supply if it is provided in the course or furtherance of business. Explanation to section 15, inter alia, provides that persons shall be deemed to be "related persons" if they are members of the same family. Further, as per section 2(49) of the CGST Act, 2017, family means-
- (i) the spouse and children of the person, and
 - (ii) the parents, grand-parents, brothers and sisters of the person if they are wholly or mainly dependent on the said person.

In the given case, Raman has received free of cost legal services from his brother. However, in view of section 2(49)(ii) above, Raman and his brother cannot be considered to be related as Raman's brother is a well-known lawyer and is not wholly/mainly dependent on Raman. Further, Raman has taken legal advice from him in personal matter and not in course or furtherance of business. Consequently, services provided by Raman's brother to him would not be treated as supply under section 7 read with Schedule I of the CGST Act.

In the above case, if Raman has taken advice with regard to his business unit, services provided by Raman's brother to him would still not be treated as supply under section 7 of the CGST Act read with Schedule I as although the same are provided in course or furtherance of business, such services have not been received from a related person.

{2 M}

— ** —