

CA Inter
Answer Sheet - 2

Part A

S.no	Ans	Hints
1.	(d)	Refer Sec 45
2.	(b)	Refer Sec 12(12)- POS = Location of supplier of service (if location of recipient is not on the records of supplier)
3.	(c)	<ul style="list-style-type: none"> ➤ Refer sec 31(2) read with rule 47 - as bus body building is a supply of service. ➤ Here, supply of service is completed when M/s wanderlust travels (P) Ltd confirmed the work on 8.11.20XX. ➤ So, Last date of issuing tax invoice= 08.12.20XX i.e. within 30 days from date of supply of service (08.11.20XX)
4	(c)	Refer Sec 34
5	(a)	Refer Section 10(1)(b) of the IGST Act
6	(c)	Section 31(3)(b) is N.A. to tickets of cinematographic films as per proviso to rule 46. so, separate ticket need to be issued irrespective of value as E-ticket is also not issued which is treated as deemed to be tax invoice as per rule 54
7	(a)	Refer Section 12(7)- POS: place where event is actually held (if the recipient is not registered) & if event is held outside India then POS will be location of the recipient.

Part B

Answer 1:

a)	<p>Legal Provision:</p> <ul style="list-style-type: none"> ➤ As per section 12(12) of IGST Act, the place of supply of banking & other financial services (including stock broking services) provided to any person shall be the location of the recipient of services in the records of the supplier. ➤ However, if the location of recipient of services is not available in the records of supplier, the place of supply shall be the location of the supplier of services. <p>Conclusion:-</p> <ul style="list-style-type: none"> ➤ Since the location of recipient is not available in the records of the supplier. Thus, the place of supply is the location of the supplier of services, i.e. Rajasthan (or Jodhpur). 	1.5 M
b)	<p>Legal Provision:</p> <ul style="list-style-type: none"> ➤ As per section 10(1)(d) of IGST Act, if goods are assembled or installed at site, the place of supply shall be the place of such installation or assembly. <p>Conclusion:</p> <ul style="list-style-type: none"> ➤ Thus, the place of supply is the site of assembly of machine, i.e. Tamil Nadu. 	1.5 M
c)	<p>Legal Provision:</p> <ul style="list-style-type: none"> ➤ As per section 12(6) of IGST Act, for services provided by way of admission to a cultural, artistic, sporting, scientific, educational, entertainment event or amusement park or any other place and services ancillary thereto, the place of supply shall be the place where the event is actually held or where the park or such other place is located. <p>Conclusion:</p> <ul style="list-style-type: none"> ➤ In given case, the place of supply is Mumbai which is the location of the water park 	1.5 M
d)	<p>Legal Provision :</p> <p>As per section 12(9) of IGST Act, if the passenger transportation service is provided to:-</p> <ul style="list-style-type: none"> ➤ a registered person, the place of supply shall be the location of such registered person, 	

1 M	<p>➤ an unregistered person, the place of supply shall be the place where the passenger embarks on the conveyance for a continuous journey wherein the return journey is treated as a separate journey, even if the tickets for onward and return journey is issued at the same time.</p> <p>Discussion & Conclusion:</p> <p>➤ In the given case, the place of supply for the outward and return journey are the locations where Mr. Nitin embarked on the conveyance for the continuous journey, i.e. Prayagraj, Uttar Pradesh for outward journey and Jaipur, Rajasthan, for return journey.</p>
e)	<p>Legal Provision:</p> <p>➤ As per section 10(1)(c) of IGST Act, if the supply does not involve movement of goods by supplier or recipient, the place of supply shall be the location of goods at the time of the delivery to recipient.</p> <p>Discussion & Conclusion:</p> <p>➤ In this case, there will be no movement of goods and the same will be sold on as is where is basis.</p> <p>➤ Thus, location of machine at the time of sale will be the place of supply i.e., Noida, Uttar Pradesh.</p> <p>➤ Since the location of Supplier and the place of supply are in different States, it is an inter-state supply & thus, liable to IGST.</p>

Answer 2:

a)	<p>Legal Provision:</p> <p>➤ If the taxpayer opts to withdraw from the composition scheme, he has to file GSTR-4 for the period for which he has paid tax under the composition scheme.</p> <p>➤ Such return is required to be furnished till 30th June following the end of the financial year during which such withdrawal falls.</p> <p>Discussion & Conclusion:</p> <p>➤ In the given case, Mr. Kalpesh is liable to file GSTR-4 for the said F.Y. during which he opted out of composition scheme by 30th June of next F.Y.</p>
b)	<p>Legal Provision:-</p> <p>➤ As per section 39(9) of CGST Act, Under GST law, a return once filed cannot be revised but the details of those transactions that are required to be amended can be changed in any of the future GSTR- 1s in tables specifically provided for the same.</p> <p>Discussion & Conclusion:-</p> <p>➤ In given case, Ms. Pragya cannot revise GSTR-3B filed by her for the month of October.</p> <p>➤ But she can amend the details of taxable supply that was underreported in GSTR-1 for November.</p> <p>➤ The tax payable due to such error will be paid along with interest in GSTR-3B for November.</p>
c)	<p>➤ In the given case, Mr. Sameer would be intimated on the portal and his email address of such difference and be directed to either</p> <ul style="list-style-type: none"> - pay the differential tax liability along with interest or - explain the difference within period of 7 days. <p>➤ On receiving such intimation, Mr. Sameer should either</p> <ul style="list-style-type: none"> - deposit the amount specified in the said intimation fully or partially, along with interest and furnish the details on the common portal or

1 M	- furnish a reply explaining the reasons for any amount of differential tax liability remaining unpaid within period of 7 days.
1 M	➤ Where any amount specified in the said intimation remains unpaid within 7 days' period and where no explanation is furnished by Mr. Sameer or where the explanation furnished by him is not found to be acceptable by the proper officer, the said amount shall be recoverable from him.
d)	No, the stand taken by Tax Consultant of X Ltd. is not correct. 1 M
	Legal Provision:-
1 M	➤ Annual return is required to be filed by every registered person paying tax as a normal taxpayer.
	➤ Final return is filed by the registered persons who have applied for cancellation of registration, within three months of the date of cancellation or the date of cancellation order, whichever is later.
	Discussion & Conclusion:-
	➤ In the given case, X Ltd., a registered person, is winding up its business and is thus, applying for cancellation of registration.
	➤ Therefore, it is required to file both annual return and final return. 1 M

Answer 3:

a)	Legal Provision:-
1 M	➤ As per Rule 48(4) of CGST Rules, 2017, E-Invoice is required to be prepared by a registered person having aggregate turnover in any preceding financial year from 2017-18 onwards exceeding ₹ 5 Crore.
1 M	➤ Exception to generating E-Invoice:- However, Goods Transport Agency (GTA) supplying services of transportation of goods by road in a goods carriage is exempted from the requirement of preparing E-Invoice.
3 M	Discussion & Conclusion:-
	➤ In the present case, GTA is providing services by air.
	➤ But the exemption from preparing E-Invoice is given to GTA only if it provides goods transportation services by road and not by air.
	➤ Since the aggregate turnover of GTA also exceeds ₹ 5 Crore in previous year 20XX-XY and it makes supplies to registered person only, the GTA is required to prepare E-invoice.
	➤ Therefore, the view taken by accountant is not correct.
b)	Legal Provision:-
2 M	➤ As per Section 31 , A registered person shall issue an invoice in respect of goods and/or services received by him provided he is liable to pay tax under reverse charge on such supplies.
	➤ As per section 31(3)(f) , when a registered person receives supply of goods &/or services which are liable to tax on reverse charge basis from an unregistered person, then Invoice is to be issued by recipient on the date of receipt of goods &/or services.
	Discussion & Conclusion:
2 M	➤ In the given case, tax on services received from advocate Sameer by Mohan Enterprise is payable under reverse charge.
	➤ However, Mohan Enterprises is not required to issue an invoice with respect to said supply as supplier Sameer is registered.
	➤ Further, tax on labour services received from unregistered person-Shekhar is not payable under reverse charge.
	➤ Therefore, Mohan Enterprises is not required to issue an invoice with respect to said supply.

VS
SMART
ACADEMY