

MODEL TEST PAPER 6
FINAL COURSE: GROUP - II
PAPER – 5: INDIRECT TAX LAWS

1. Question paper comprises of two parts – Division A and Division B.
2. Division A comprises of Case Scenario based Multiple-Choice Questions (MCQs).
3. Division B comprises of questions which require descriptive type answers.
4. Working Notes should form part of the answers. However, in answers to Questions in Division A, working notes are not required.
5. All questions should be answered on the basis of the position of (i) GST law as amended by significant notifications/circulars issued and by the amendments made by the Finance (No. 2) Act, 2024 which have become effective, till 31.10.2024 and (ii) Customs law as amended by the Finance (No. 2) Act, 2024 and significant notifications/circulars and other legislative amendments made upto 31.10.2024.

Division A – Case Scenario based MCQs (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. Chirag imported a machine from China at ₹ 100 lakh in May of current financial year on payment of all duties of customs. The said machine was exported (sent back) to the supplier for repairs in August of current financial year and re-imported without any re-manufacturing or reprocessing in March of current financial year after repairs as per the terms of warranty, the repairs were carried out free of cost but 50% of the cost of material was to be borne by Chirag. Following details are available in relation to the repairs:

Fair cost of repair (excluding cost of material)	₹4,00,000
Cost of material used in repairs	₹5,00,000
Actual insurance and freight paid towards send back to supplier	₹1,00,000
Actual insurance and freight paid toward re-importation	₹1,20,000

Value for the purpose of levy of customs duty for such repairs under section 20 of the Customs Act, 1962 is:

- (a) ₹ 11,20,000
- (b) ₹ 8,70,000
- (c) ₹ 7,50,000
- (d) ₹ 7,70,000

(2 Marks)

2. Keshav of Bengaluru imported 2,000 pieces of certain dutiable goods from China during the month of April. The Central Government has imposed Anti-Dumping Duty from 1st April by way of notification in the Official Gazette under section 9A of the Customs Tariff Act 1975. Details regarding said import are as follows:

Particular	Amount per piece
Normal Value (Comparable price in China)	\$ 120
Export Price	\$ 60
Landed Value of dumped item	\$ 75
Fair Selling price (Non injurious price)	\$ 105

Rate of exchange relevant for conversion is ₹80 per \$

Maximum amount of anti- dumping to be payable by Keshav on 2000 pieces of dutiable goods is:

- (a) ₹ 48,00,000/-
- (b) ₹ 96,00,000/-
- (c) ₹ 72,00,000/-
- (d) ₹ 24,00,000/-

(2 Marks)

3. Madhav Associates has taken GST registration on 1st January but failed to furnish GST returns. Owing to this, the proper officer cancelled its registration on 31st July and order of cancellation of registration was served to Madhav associates on the same date.

Up to which date an application for revoke the cancellation of registration can be filed assuming no extension in time-limit has been granted?

- (a) 30th August

- (b) 31st August
- (c) 29th October
- (d) 30th October

(2 Marks)

Case Scenario-I

Shreyans Ltd. (hereinafter referred as “company”) is a conglomerate having diversified businesses including hotels, FMCG (Fast-Moving Consumer Goods), information technology etc. It has its corporate office in Delhi and operations across multiple States in India. As an internal policy, the company has obtained single GST registration in each State irrespective of the diversified business operations being undertaken in the State. During the month of April, the company undertook the following transactions:

- (a) The FMCG division of the company in Jaipur, Rajasthan agreed to use the vacant godown within the premises of Hotel Division in Udaipur, Rajasthan for storage of its goods. The value of such an arrangement was agreed at ₹ 5 lakh per month. Said amount was agreed to be adjusted by way of intra-division book adjustment on a monthly basis.
- (b) The Hotel Division of the company in Maharashtra used the IT platform owned and managed by the IT Division of the company in Delhi. The value of such services was determined as ₹ 12 lakh per month. The IT division treated the same as deemed supply liable to GST as per Schedule I of the CGST Act, 2017 and charged GST on such deemed supply in the invoice issued to Hotel Division on 25th April. The Hotel Division availed the input tax credit of such deemed supplies from its Maharashtra Office in April itself. However, no payment was made for such services by the Hotel Division to the IT Division.
- (c) The Executive Director, as part of his salary and perquisites under the employment agreement, was eligible for a voucher worth ₹ 5 lakh, redeemable at any hotel property of the company in India. The voucher was used by the Executive Director for the stay of his family in a company owned hotel in Udaipur, Rajasthan. The total amount charged from the Executive Director was ₹ 25 lakh. The voucher value of ₹ 5 lakh was deducted from such amount at the time of payment.
- (d) The Hotel Division provided accommodation services to a US citizen and resident for a wedding ceremony organized at its hotel in Udaipur, Rajasthan. The total amount of ₹ 2 crores for such services was paid by an Indian individual residing in Delhi on behalf of the US resident in Indian

currency. The amount was received by the Mumbai, Maharashtra Office of Hotel Division.

- (e) The company received long term lease of an industrial plot from Maharashtra Industrial Development Corporation (MIDC) in auction against payment of an upfront amount as lease premium of ₹ 20 crores for a period of 50 years. The company paid location charges of ₹ 5 crores in addition to the said premium.
- (f) The company incurred an expense of ₹ 50 lakh in transportation of empty cargo containers to its warehouse in Mumbai from all the States through a Goods Transport Agency.

The rate of GST in case of intra-State supplies, unless otherwise provided shall be 9% CGST and 9% SGST) and for inter-State supplies shall be 18% IGST. All the divisions of the Company are eligible for 100% input tax credit unless otherwise specified.

Based on the facts of the case scenario given above, choose the most appropriate answer to Q. Nos. 4 to 9, carrying 2 marks each, below:

- 4. Which of the following statements is correct in respect of the services related to usage of vacant godown?
 - (a) The Hotel Division shall charge CGST and SGST amounting to ₹ 45,000 each in the tax invoice issued to FMCG Division.
 - (b) No GST is chargeable on usage of vacant godown of Hotel Division.
 - (c) The Hotel Division shall charge IGST amounting to ₹ 90,000 in the tax invoice issued to FMCG Division.
 - (d) The Hotel Division, Rajasthan shall charge IGST amounting to ₹ 90,000 in the tax invoice issued to Corporate Office in Delhi.
- 5. Assuming that the payment for utilization of IT platform has not been made by the Hotel Division to the IT Division till the end of October month of the current financial year, the Hotel Division:
 - (a) should reverse the input tax credit so availed while filing Form GSTR-3B of the October month.
 - (b) need not reverse the input tax credit so availed in Form GSTR-3B of the October month.

- (c) should have availed the input tax credit only after the end of the current financial year and not in April.
 - (d) should not have availed the input tax credit in respect of said transaction as the same is deemed supply under Schedule I of the CGST Act, 2017.
6. In relation to the stay of Executive Director's family in the company owned hotel in Udaipur, Rajasthan, value of supply of accommodation services provided by the Hotel Division is:
- (a) ₹ 25 lakh
 - (b) ₹ 20 lakh
 - (c) Supply of services by employer to employee is not a taxable supply under GST.
 - (d) ₹ 5 lakh
7. For the accommodation services provided to the US resident and citizen, the place of supply shall be:
- (a) Udaipur
 - (b) Delhi
 - (c) Mumbai
 - (d) USA
8. In respect of the long-term lease of the industrial plot received from Maharashtra Industrial Development Corporation (MIDC),
- (a) upfront lease premium of ₹ 20 crore is exempt. However, the location charges of ₹ 5 crore are liable to GST.
 - (b) GST is payable on the upfront lease premium of ₹ 20 crore. No GST is payable on the location charges.
 - (c) GST is exempt on the entire premium of ₹ 25 crore including location charges.
 - (d) GST is payable on the entire upfront premium of ₹ 25 crore including location charges.
9. For the empty cargo containers transported to Mumbai warehouse:
- (a) e-way bill shall be issued by respective dispatch locations of the company.

- (b) e-way bill shall be issued by the warehouse location in Mumbai.
- (c) no e-way bill is required to be issued.
- (d) e-way bill shall be issued by the Goods Transport Agency.

Case Scenario-II

Pukhraj Gupta is a registered supplier of goods and services under GST in the State of Karnataka. He provided the following details of outward transactions for FY 1:

Particulars	Amount (₹)
Taxable supply	1,40,00,000
Exempted Supply	3,50,000
Interest received on unsecured loan (not included in above)	2,00,000
Transfer of goods to the residence of his brother, a well-known professional.	Free of cost but the open market value is ₹40,000

During the month of April of FY 2, Pukhraj Gupta provided the following outward supplies:

Particulars	Amount (₹)
Taxable supply of goods	4,00,000
Insurance Agent service to Samta Insurance company, registered under GST	30,000
Interest received for late payment from various customers	10,000
Recovery agent service to Vipul Limited, a trader of goods	40,000
Security and housekeeping service provided to Bachpan School (upto higher secondary), an unregistered person under GST, at its Annual Day function held at Vallabh Convention centre being outside the school campus.	50,000
Renting of Motor Vehicle designed to carry passenger provided to M Sea Limited wherein cost of fuel is included (applicable rate of tax CGST @ 2.50% and SGST 2.50%)	80,000
Received with reference to a contract of ₹ 5,00,000 for taxable supplies of goods, awarded by a public sector undertaking (PSU) registered under section 51 of the CGST Act, 2017 in the state of Tamil Nadu, taxable supplies was made in the State of Karnataka as per instruction of the PSU:	1,50,000

Further, on 20th April of FY 2, he hired Perfect Wedding Planner of Japan to plan and organize his son's wedding under a composite contract of all events of marriage.

Pre-wedding program was organized at Mumbai while the marriage and reception held at Paris (France)

In addition to the above, Proper officer has issued an order under the CGST Act, 2017 dated 10th April of FY 2 and raised a demand of ₹ 33 lakh (Tax -₹ 20 lakh, Interest-₹ 3 lakh and Penalty ₹10 lakh) in respect of an intra-State transaction. The above amounts are related to CGST only.

Pukhraj Gupta admitted the tax demand of ₹5 lakh and interest demand of ₹ 2 lakh and disputed the remaining tax and interest demand and entire penalty demanded.

Pukhraj Gupta wants to file an appeal before the Appellant Authority.

All amounts given above are exclusive of taxes, wherever applicable.

From the information given above, choose the most appropriate answer for the following Q. No. 10 to 15, carrying 2 marks each, with reference to GST law:

10. What is the taxable value of supply for the month of April of FY 2 in the hands of Pukhraj Gupta? **(2 Marks)**
- (a) ₹ 6,50,000
 - (b) ₹ 6,10,000
 - (c) ₹ 6 00,000
 - (d) ₹ 5,60,000
11. Amount of TDS require to be deducted under section 51 by the PSU:
- (a) CGST ₹750 and SGST ₹750
 - (b) IGST ₹3,000
 - (c) CGST ₹1,500 and SGST ₹1,500
 - (d) No TDS required to be deducted under section 51 of the CGST Act, 2017.
12. What is the amount of pre-deposit (of CGST only) to be made for filing the appeal before the Appellant Authority under the GST law?
- (a) ₹8.50 lakh

- (b) ₹10 lakh
 - (c) ₹9.60 lakh
 - (d) ₹12.20 lakh
13. What is the aggregate turnover of FY 1 under section 2(6) of the CGST ACT 2017?
- (a) ₹ 1,45,90,000
 - (b) ₹ 1,45,50,000
 - (c) ₹ 1,43,50,000.
 - (d) ₹ 1,43,90,000
14. What is the place of supply in respect of transaction with Perfect Wedding organization Planner?
- (a) Mumbai for both the event
 - (b) Karnataka for both the event
 - (c) For Pre-wedding- Mumbai and for marriage and reception- Paris
 - (d) Japan for both the event
15. Which of following outward supplies provided by Mr. Pukhraj Gupta are NOT subject to payment of tax under reverse charge mechanism?
- (i) Insurance Agent service
 - (ii) Recovery agent service
 - (iii) Security and Housekeeping service
 - (iv) Renting of Motor vehicle
- Choose the most appropriate answer
- (a) Only (ii), (iii) and (iv)
 - (b) Only (ii) and (iii)
 - (c) Only (ii) and (iv)
 - (d) Only (iii)

Division B: DESCRIPTIVE QUESTIONS

1. Sachha and Sudh Limited is a registered supplier of taxable goods and services at Raipur in the State of Chhattisgarh under regular scheme. Head office of the company is at Raipur whereas its branch office situated at Ludhiana, Punjab. It furnished the following information for various activities or transaction made during the month of April, 2024:

S. No.	Particulars	Amount (₹)
	OUTWARD TRANSACTIONS	
(i)	Supplied goods to Matadeen and Sons in the State of Rajasthan on the instruction of Dhananjai Associates, a registered person under GST in the State of Chhattisgarh. The contract for such supply was for the delivery of goods at buyer's premises and included a fixed transportation cost of ₹ 20,000 irrespective of the actual freight paid. It is indicated separately in the invoice issued in this respect of supply of goods.	8,00,000
(ii)	Amount received for sale of the loading tempo, used for transportation of goods, to Mr. Suresh. Loading Tempo was purchased at ₹ 4,80,000 and its depreciated value at the time of sale was ₹ 2,40,000. Depreciation has been claimed under the Income-Tax Act, 1961. No GST credit was taken. Delivery of the loading tempo was given at registered office of the company.	1,80,000
(iii)	Provided intra-State supply of sponsorship service to Vidhi Agency, a proprietary concern of Raipur.	50,000
(iv)	Received as fine from Vipul, a registered person, for delayed supply of goods. Such payment was made as a compensation for margin loss caused due to price reduction between due date and actual date of supply. There was no express contract in this respect.	50,000
	INWARD TRANSACTIONS	
(i)	Intra-State purchase of goods from various registered persons.	7,00,000

	(out of this ₹ 7,00,000, goods of ₹ 1,00,000 was received on 1st May, 2024 due to riots in the area but all the invoices were received by 30th April, 2024.)	
(ii)	Rent paid to Indian Railway for office premises situated in the State of Chhattisgarh.	40,000
(iii)	Representational service from Mr. Vikas Gupta, an advocate of Delhi and unregistered person under GST, towards dealing the GST appeal matters with the Commissioner (Appeal)	1,00,000

Additional information: The company paid ₹ 15,000 towards actual freight to Mr. Shailendra of Chhattisgarh, a truck owner and unregistered person in respect of supply of goods to Matadeen & Sons in the State of Rajasthan. Mr. Shailendra had not issued the consignment note.

- (i) On 15th April, 2024, the company acquired 1% additional shareholding in one of its subsidiary company for a consideration of ₹ 10,00,000
- (ii) The company made inter-State purchase of goods of ₹ 1,00,000 to be used for discharge of corporate social responsibility (CSR) referred to in section 135 of the Companies Act, 2013.

Notes:

Assume rates of CGST, SGST and IGST are 9%, 9% and 18% for both inward and outward supply of goods and services except transportation service which is chargeable at 2.5%, 2.5% and 5% CGST, SGST and IGST respectively.

Both inward and outward supplies given above are exclusive of taxes.

All the conditions necessary for availing the ITC have been fulfilled.

There was no opening balance of any input tax credit.

The aggregate turnover of Sachha and Sudh Limited is ₹ 2 crores in the preceding FY.

Compute the minimum net GST payable in cash by Sachha and Sudh Limited for the month of April, 2024 by considering that company wants to pay minimum amount of SGST as far as possible legally.

Working notes and correct provision of law for each point should form the part of your answer along with applicable provisions of place of supply under GST law. **(14 Marks)**

2. (a) Mr. Ayush is a registered supplier in Ahmedabad (Gujarat) under GST law. He provides the following information pertaining to various outward supplies made by him during the month of March, 2024:

S. No.	Particulars	Amount (₹)
(i)	Vijay Vayapar Chamber of Commerce organized a business summit. Nuba Pvt. Ltd., manufacturer of readymade garments, sponsored the summit and paid sponsorship fee of ₹ 1,80,000 to Vijay Vayapar Chamber of Commerce. Mr. Ayush, an independent director of Nuba Private Ltd., provided the services to the company in relation to this in the capacity of director and Nuba Private Ltd. paid ₹ 40,000 to him as remuneration.	40,000
(ii)	Supply of railway equipments by way of transportation by a vessel from one place in India to another.	1,20,000
(iii)	Services by way of storage/warehousing of processed tea used for beverage as green tea.	70,000
(iv)	Health care services by his clinical establishment of providing rooms having room charges ₹ 3,100 per day to a person receiving health care services.	3,00,000
(v)	Services of a guest house, for lodging purposes, having value of supply of a unit of accommodation ₹ 800 per day	72,000

All above amounts are exclusive of GST. All the supplies are intra-State supply and assume the rate of taxes are IGST @ 18% and CGST & SGST @ 9% each.

From the above information, compute the GST liability of each item separately, on which tax to be paid by Mr. Ayush for the month of March, 2024.

Correct provision of law should form the part of your answer.

(5 Marks)

- (b) M/s Ronak Ltd. having a registered head office in Maharashtra, provides a service to its branch office in Kerala in the month of April, 2024 by way of carrying out administrative work with the use of service of the employees working in the head office. However, the head office has not included the salary cost of employees involved in providing the said services while issuing tax invoice to its branch office.

You are required to decide the following:

What will be the value of service and also discuss whether the salary cost of head office employees involved in providing the said services has to be mandatorily included in the computation of value of service provided by head office to branch office (when full ITC is available to the concerned branch office)?

What will be the value of service if head office has not issue invoice to the branch office?

Also discuss in brief the relevant provisions of GST law. **(5 Marks)**

- (c) Sneha International Ltd., Bombay imported a drill machine from USA (by air). Machinery reached Delhi airport from where it was transhipped to Mumbai airport. Contracted CIF price of machine was US \$ 20,000 which was to be delivered in February 2024. But on request of Sneha International Ltd., supplier agreed to deliver the machine in January 2024 for which US \$ 2000 was charged over and above the contracted CIF price.

Other information is given below:-

S. No.	Particulars	Amount
(i)	Air freight	\$ 5000
(ii)	Insurance charges paid	\$1200

(iii)	Inspection charges of drill machine paid by the supplier (The same was neither mentioned in the terms of contract nor required for making the goods ready for shipment).	\$500
(iv)	Transport charges from Delhi airport to Mumbai Airport	₹ 50000

You are required to determine the assessable value of imported machine (rounded off to nearest one rupee) under the Customs Act, 1962 from the particulars given above.

Notes:-

- (a) Rate of exchange to be taken as ₹ 83 for one \$
- (b) Brief reasoning for treatment of each item should form part of your answer. **(4 Marks)**
3. (a) Vijay Pvt. Ltd. of Chennai, Tamil Nadu, exclusively manufactures and sells product 'V2Z' which is exempt from GST vide notifications with certain taxable supplies. The company sells product 'V2Z' only within Tamil Nadu and it is registered under GST under regular scheme. Further, all the inward supplies of the company are taxable under forward charge. The company expects the sales to grow in the current year. Owing to the growing demand for the product, the company decided to increase its production capacity and purchased additional machinery exclusively used for manufacturing 'V2Z' on 1st August. The purchase price of such machinery was ₹ 45 lakh (exclusive of GST@ 18%).

However, with effect from 1st December, exemption available on 'V2Z' was withdrawn by the Central Government and GST @ 12% was imposed thereon. Can Vijay Pvt. Ltd take input tax credit on additional machinery purchased exclusively for manufacturing 'V2Z'? If yes, then when and how much credit can be availed?

Advice Vijay Pvt. Ltd. on the above issues with reference to the provisions of GST law.

Correct provisions of law should form the part of your answer.

(5 Marks)

(b) Decide with reason whether following independent transactions amount to supply or not as per the provision, rules, circulars and notification issued under the GST law:

(i) Satyam has lent securities to Kala Enterprises for a consideration of ₹ 10,000 towards lending of securities under the Securities Lending Scheme, 1997 through an approved intermediary. Ignore the transaction between Satyam and intermediary.

(ii) Patta Limited made supply of goods to its agent, Romi, without consideration. Romi issued invoice for the further supply of goods to the customers in his own name. Romi also disclosed the name of principal in the invoice issued.

(iii) Dilasa Limited recruited Miss Chhaya as senior relationship manager. At the time of joining as senior relationship manager, the company paid ₹ 3,00,000 towards "Not joining" Milan Limited, a stiff competitor of Dilasa Limited. **(5 Marks)**

(c) Rustam imported a sports car from Japan. He paid the applicable customs duty and an order for home consumption was issued. At the time of actual clearance for home consumption, he found that the sports car was destroyed due to a fire occurred at the customs station. The loss of sports car is forever and beyond recovery.

Rustam seeks your advice on how to deal with the situation under the provisions of the Customs Act, 1962.

Whether your answer would differ if Rustam warehoused the sports car due to delay in legal formalities after complying with the relevant provisions of the Customs Act, 1962 and the fire occurred there after the payment of duty but before actual clearance therefrom?

(4 Marks)

4. (a) M/S MN Ltd has a balance of ₹ 30,000 as CGST and ₹ 30,000 SGST in the electronic credit ledger in the beginning of April 2024. During the month of April, 2024, M/S MN Ltd has following liabilities:-

Particulars	CGST (₹)	SGST (₹)
GST Payable on outward supplies	10,000	10,000

GST payable as a consequence of proceeding instituted under the provision of GST law	5,000	5,000
GST payable on reverse charge supplies	6,000	6,000
Interest for default in late filing of GSTR-3B	500	500
Penalty	500	500
TOTAL	22,000	22,000

There is no input tax credit for the month of April 2024.

M/S MN Ltd is of the view that since opening balance in the electronic credit ledger is sufficient to discharge the whole liability for the month of April 2024, it is not required to deposit any tax for the above month.

Explain with reasons whether the contention of M/S MN Ltd is correct in view of the applicable provisions of the CGST Act, 2017.

If not, what would be the amount payable in cash for the month of April, 2024?

Also discuss in brief, the relevant provision of GST law. **(5 Marks)**

- (b) Sunita Industries, registered in the State of Gujarat, receives machinery for repair in its workshop located in Surat, Gujarat on 4th April, 2024 from Titen Ltd., an automobile manufacturing company based in China. The machinery is exported without being put to any use in India. Titen Ltd. is not registered in India. The repair work was carried out by Sunita Industries for which it was paid in convertible foreign exchange. The aggregate turnover of Sunita Industries was ₹ 450 crore in the preceding financial year 2023-2024 but for the financial year 2022-2023 the turnover was ₹ 562 crore.

While raising the invoice for the said consideration, the accountant of Sunita Industries approaches you as to whether the Dynamic Quick Response (QR) code is mandatorily required on said invoice?

You are required to advise him on the same by explaining the relevant provisions of GST law with reference to Dynamic Quick

Response code along with applicable provisional of place of supply.

(5 Marks)

- (c) Mr. Sahil, an importer, had made provisional payment of customs duty of ₹ 2,00,000 under section 18 of the Customs Act, 1962 on 17th July, 2023, along with a security of ₹ 1,00,000 towards provisional release of goods. Final assessment was completed on 15th October, 2023 with a duty assessed as ₹ 50,000. The refund order of ₹ 50,000 and the order of release of security of ₹ 1,00,000 was issued on the same day (15th October, 2023).

Mr. Sahil had filed a refund application on 20th October, 2023 alongwith necessary documents. On perusal of the refund application, proper officer had found some deficiencies which were communicated to Mr. Sahil.

Mr. Sahil had submitted the required additional documents and proper officer had issued an acknowledgement on 5th November, 2023. Refund was paid to him on 25th March, 2024.

You are required to compute interest receivable by Mr. Sahil under section 18 of the Customs Act, 1962 on amount of duty and on amount of security if any.

Calculation should be nearest to one rupee and assume 366 days in the year.

(4 Marks)

5. (a) Swastik Tours and Travel is registered taxable person under GST in the State of Punjab. Its gross receipts from the overseas package tours for the month of February 2024 amounted to ₹ 50 crore. Out of this ₹ 50 crore, ₹ 10 crore were received from registered persons. While filing GSTR-1 for the month-of February 2024, it tampered the amount of invoices issued to unregistered persons and reported only ₹ 20 crore on account of B to C transactions (i. e, transaction with unregistered persons), thus, understating the tax liability by ₹ 3.60 crore (i.e. 18% of 20 crore). Moreover, while filing GSTR-3B for the same month, it availed ITC of ₹ 0.40 crore on account of fake invoices received without receipt of goods/services.

GST Department initiated prosecution proceedings against Swastik Tours and Travel for the above offence.

Swastik Tours and Travel deposited the amount of tax due along with the interest and penalty and ₹ 1 crore as compounding amount

being amount equivalent to 25% of tax evaded and requested the commissioner for compounding of offence. Other conditions required for compounding the amount were duly complied with.

Even then commissioner rejected the request of Swastik Tours and Travel on the plea that compounding amount deposited by Swastik Tours and Travel is less than the minimum amount to be deposited for compounding of offence.

You are required to examine the case and comment upon the rejection of request of Swastik Tours and Travel as per the provisions of section 138 of the CGST Act, 2017 read with relevant rule of the CGST Rules, 2017.

Also discuss the relevant legal provision in brief. **(5 Marks)**

- (b) Miss Meena is aggrieved by the order passed by the Assistant Commissioner and wants to file an appeal with Commissioner (Appeals). Her accountant, who looked after her GST related matters including filing of GST returns /other compliances online, is on leave for one month. So, she decides to file the appeal manually.

The order against which appeal is to be filed is available on the GST portal. There was no such notification issued by the commissioner that appeal can be filed manually.

With reference to the provisions of GST law, you are required to ascertain:-

- (i) Whether Miss Meena can file an appeal to the commissioner (Appeals) in this case?
- (ii) Whether decision taken by Miss Meena to manually file an appeal is valid?

Also explain the relevant legal provisions in support of your answer.

(5 Marks)

- (c) Mr. Charanjit, an importer, filed a claim for refund of custom duty paid under protest which was assessed on the value of imported machinery.

The assessment order on the basis of which duty was payable by Mr. Charanjit had neither been reviewed nor modified in any appeal. The department rejected the claim for refund filed by Mr. Charanjit.

Discuss with the help of the decided case law, if any, whether the action of Department rejecting the claim is correct in law? Give reason for support of your answer.

What other options are available to Mr. Charanjit?

Note: Name of the case law is not mandatory to be part of your answer. **(4 Marks)**

6. (a) Describe the provision of payment of tax and other amount in installment under section 80 of the CGST Act, 2017.

Also discuss, under what circumstances such payment facility shall not be allowed. **(6 Marks)**

- (b) Discuss in brief the precautions to be observed while issuing summons under the GST law. **(4 Marks)**

OR

Under the GST law who can order for carrying out inspection and under what circumstances? **(4 Marks)**

- (c) Define Status Holder under Foreign Trade Policy. Which categories of exporter firms are eligible for recognition as a Status Holder and what are the criteria towards recognition as Status Holder?

Also state what would be the minimum threshold limit of export performance of Status holders for various categories of Star Export House. **(4 Marks)**