

**GUJARAT NATIONAL LAW UNIVERSITY  
GANDHINAGAR**

Course: Law of Taxation II  
Semester- VIII (Batch: 2019-24)

**End Semester Examination: May 2023**

**Date: 02<sup>nd</sup> May, 2023**

**Duration: 3 hours**

**Max. Marks: 50**

**Instructions:**

- Read the questions properly and write the answers in the given answer book.
- Do not write anything on the question paper.
- The respective marks for each question are indicated in-line.
- Indicate correct question numbers in front of the answer.
- No questions or clarification can be sought during the exam period, answer as it is, giving reason, if any.
- Word Limit: 10 Marks: 600 Words.

Answer **any five** of the following:

**Marks**

- Q.1 a) We Vision (WV) is a DTH company having its DTH operations throughout India. (10)  
In order to enhance its presence and to capture market WV made an announcement in the newspaper, the advertisement provides that consumers located in Gandhinagar can avail its supply of goods and services by making a purchase of LED Smart TV, dish antenna, set-top box, installation, free repair for 3 years and subscription of 500 channels for five years as a package for INR fifty thousand. To determine the GST applicable, in this instance identify the appropriate supply and explain its distinction from other supplies.
- b) KIA India Commercial Vehicles Ltd, Gandhinagar (KICVL), supplier of various KIA cars also provides services of repair and maintenance of KIA vehicles in Gandhinagr. KICVL made a supply of cars to its consumers located in Gandhinagar in the month of March 2023. Supply of various cars were made along with the facility of repair and maintenance services during warranty. Free repair service for three years and warranty for five years as a package has been provided to the customers. In relation to determine the GST, identify the appropriate supply and explain its distinction from other types of supplies under GST law. Explain the provisions of GST law and principles along with various decisions of AAR and AAAR.
- Q.2 Gandhinagar Recreation Club (GRC) is a club registered and established in Gandhinagar, (10)  
which has various facilities for its members. The building and premises of the club are fully functional at Sector- 30 of Gandhinagar. GRC has a five star hotel, restaurant, sports complex and resort. The members of the club are entitled to take benefit of the club and its facilities. Every club member got admitted to the club by paying INR two lakhs for five years. Assistant Commissioner issued a notice to the GRC, assessee, proposing to demand GST on supply of food and services to the members. Explain the provisions of the GST law and applicable legal principles on the basis of the demand notice issued by the Assistant Commissioner. Whether the supply made by GRC to its members would constitute a supply under GST Law? Explain the nature of this supply with legal principles, case laws and provisions of GST Law.

- Q.3 a) Mr. Prakash is a registered supplier of Air Conditioners having his shop at Kudasan, Gandhinagar named as 'Freeze king'. During November 2020, Mr Prakash got registered under the CGST Act as a registered person for his establishment. Subsequently new shops were opened in the Kudasan area selling air conditioners, which include big business entities like, CROMA, Reliance Digital etc. This resulted in turnover getting reduced and Mr. Prakash was advised by his friends to opt for different schemes available under GST Law. He wanted to use the options available to him, He had stock worth INR 30, 00,000/- and paid 28% GST. On the paid GST he availed input tax credit of INR 18000/- against the output tax. (10)
- b) Mr. Ashish, registered under composition scheme as per GST law, after one year of opting for composition scheme, found that his turnover exceeded the prescribed limit. When Mr. Ashish applied for switching over from composition scheme to a registered person under GST, he had stock of Goods worth INR 6, 00,000 and Tax he paid at the rate of 18% GST.
- Explain applicable provisions and principles of GST Law in the above set of facts.
- Q.4 a) Maruti Suzuki Motors (MSM) have established its car manufacturing unit in Ahmedabad. The said unit has more than twenty thousand employees working. MSM engaged service providers to provide transportation facilities to its employees in AC buses with seating capacity of more than 13 persons for transportation of its employees from manufacturing units at Ahmedabad to residential quarters at Gandhinagar. Bus passes are issued to their employees against a nominal amount. Explain the position of the law of GST on the applicable tax, whether the transportation facility provided is subject to GST. (10)
- b) Bank of Gandhinagar made an order to Kevin Xerox company limited for supply of photocopier machines. As per the terms of the order, Kevin Xerox is liable to supply machines at the office of the bank at Chandkheda, Ahmedabad for a sum of INR five lakhs. Upon the delivery of the machine, the bank was asked to pay the transportation charges of INR ten thousand by Kevin Xerox Company Limited. In relation to the said supply whether the transportation charges paid is required to be included in determining GST.
- Explain the provisions of the GST Law in the present case. How will the taxable supply be determined?
- Q.5 a) ABC purchased a machine costing INR 500000 and 90000 as GST at the rate of 18% for its printing press. ABC printed magazines, tickets, covers, newsletters, journals etc. in their press and made supplies to various companies. In relation to claim Input Tax Credit it made a claim of depreciation in respect of machine, process losses, and handling losses is being made by ABC. (10)
- b) Innovation Transport ltd, purchased 10 Innova cars from Toyota, which in total valued for INR 25000000 and paid applicable GST and SGST. These cars were provided on lease to various companies under lease agreement. Innovation Transport ltd also provide their vehicles for supplying it as rent-a- cab service. Based on the facts stated above, explain the scope of claiming input tax credit on the basis of GST law by illustrating provisions of CGST Act and various rulings.
- Q.6 a) GL International ltd (GL) is the manufacturer of LED TV in India and various components of LED TV which are manufactured in its unit at Ahmedabad. The manufactured components of LED TV are assembled for testing each set, after (10)



testing they are disassembled and then transported as parts to other units of GL. Individual serial numbers were given to each part while manufacturing various parts. In the units of the company located in various parts of India they reassemble these parts and make the LED TV and supply it to its customers.

- b) Sofvisc ltd has developed an operating system (software) and installed it with computers and laptops branded in the name of PH computers. The said software controls the working of computers and laptops which are preloaded with it. Sofvisc ltd in relation to its supply of laptops and computers included the value of hard disks and software along with laptop and computers. Sofvisc Ltd classified the products on the basis as computers and claimed that GST required to be calculated for the entire product on the basis of HSN code assigned to computers. Based on the factual circumstances identifying applicability of GST, whether classification must be done on the basis of parts or on the basis of finished complete goods? Explain applicable law of classification of goods and services.

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