**Multiple Choice Questions (MCQs):-**

1. Under Section 15(1) of the CGST Act, 2017 the value of taxable supply shall be the transaction value when:
A. Supplier and recipient are related
B. Price is not the sole consideration
C. Supplier and recipient are not related and price is the sole consideration
D. Supply is made without consideration

**Answer:** **C**

1. Which of the following is included in the value of supply under Section 15(2)?
2. GST charged separately by supplier
3. Post-supply discounts without prior agreement
4. Interest or penalty for delayed payment
5. Subsidies given by Central Government

**Answer: C**

1. Post-supply discount can be excluded from value of supply if:
2. Discount is linked to relevant invoices and ITC attributable is reversed by recipient
3. Discount is given without prior agreement
4. Discount is given after supply without linkage to invoices
5. Discount is given by State Government

**Answer: A**

1. In case of supply where consideration is **not wholly in money** (Rule 27), the first method to determine value is:
A. Cost of production + 10%
B. Open market value of such supply
C. Value of like kind and quality
D. Residual method

**Answer:** B

1. When goods are supplied between related persons and recipient is eligible for full ITC, the value of supply shall be:
A. Open market value only
B. 90% of recipient’s selling price
C. Invoice value declared by supplier
D. Cost + 10%

**Answer:** C

1. Under Rule 29, value of goods supplied by a principal through an agent can be:
A. 110% of cost of production
B. Open market value or 90% of recipient’s price to unrelated customer
C. Face value of goods
D. Cost price only

**Answer:** B

1. Under Rule 31A, the value of supply of lottery is deemed to be:
A. 100% of face value of ticket
B. 100/128 of face value of ticket or notified price, whichever is higher
C. Notified price only
D. Face value plus GST

**Answer:** B

1. In life insurance business, where policy has dual benefit and investment portion is intimated to policyholder, taxable value is:
A. Entire premium
B. Gross premium less investment portion
C. 25% of premium
D. 10% of premium

**Answer:** B

1. Under Rule 32(5), for second-hand goods when ITC is **not availed**, taxable value is:
A. Purchase price only
B. Selling price only
C. Selling price – Purchase price (ignore if negative)
D. Selling price + Purchase price

**Answer:** C

1. For supply of services in case of pure agent, the expenditure incurred as pure agent is excluded from value if:
A. It is recorded in books of supplier
B. It is separately indicated in invoice and incurred on authorisation of recipient
C. It is incurred before supply
D. It is incurred for own use

**Answer:** B