

Part I: GST



? Chapter 1 | Supply ?

Section 7 | Schedule I, II, III

? Question 1

[ICAI SM]

Sudama Associates, a registered supplier, disposes the computers owned by the business without consideration and it has not claimed input tax credit on such computers.

Examine whether the disposal of computers by Sudama Associates qualifies as deemed supply under Schedule I of the CGST Act, 2017.

Answer

As per section 7(1)(c) read with Schedule I of the CGST Act, 2017, permanent transfer or disposal of business assets is treated as supply even though the same is made without consideration. However, this provision would apply **only if input tax credit has been availed** on such assets.

Conclusion: Therefore, the disposal of computers by Sudama Associates is **not a supply** as the ITC has not been availed on the same.

? Question 2 ⚠

[Nov'24 Exam; May'26 MTP-1]

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. Is this a supply?

Answer

Since any amount paid by employer to employee for not joining a competing business is paid for providing the service of forbearance to act to refrain **cannot be considered for providing services in the course of employment**, amount received by Miss Chhaya from Dilasa Limited **amounts to supply** under the GST law.

? Question 3

[ICAI SM]

Mokshabhumi Industries has its manufacturing unit in the State of Maharashtra. It stores the finished goods manufactured by it at a depot located in the State of Gujarat. The depot is owned by Punyabhumi Ltd. – a related person of Mokshabhumi Industries. Punyabhumi Ltd. has not charged any consideration from Mokshabhumi Industries for usage of depot for storage purpose. Whether the storage of goods permitted by Punyabhumi Ltd. to Mokshabhumi Industries qualifies as supply under GST?

Answer

As per section 7(1)(c) read with Schedule I, supply of goods or services or both between related persons without consideration when made in the course or furtherance of business qualifies as supply.

Conclusion: Storage services provided by Punyabhumi Ltd. to Mokshabhumi Industries in course or furtherance of business **qualifies as supply** under GST even though no consideration is charged for the same.

? Question 4**[ICAI SM]**

Chandragupta Maurya is an artist who makes contemporary paintings. He is registered in the State of Kolkata. Chandragupta Maurya appoints Dhruv Kumar to auction his painting in Maharashtra. Dhruv Kumar arranges for the auction and identifies the potential bidders. The highest bid is accepted and the painting is sold to the highest bidder. The invoice for the supply of the painting is issued by Dhruv Kumar on the behalf of Chandragupta Maurya but in his own name and the painting is delivered to the successful bidder.

Examine whether Dhruv Kumar can be considered as an agent of Chandragupta Maurya under Para 3 of Schedule I of the CGST Act, 2017.

Answer

Legal Provisions: An activity/transaction qualifies as supply under GST only if it is undertaken for a consideration and is in course/furtherance of business.

However, supply of goods by a principal to his agent where the agent undertakes to supply such goods on behalf of the principal is considered as supply even if made without consideration provided the invoice for further supply is issued by the agent **in his own name** [Section 7(1)(c) read with Para 3 of Sch I of the CGST]

Case Analysis: Dhruv Kumar is not merely providing auctioneering services to Chandragupta Maurya, but is also supplying the painting on behalf of Chandragupta Maurya to the successful bidder and has the authority to transfer the title of the painting on behalf of Chandragupta Maurya. Dhruv Kumar issued the invoice in his own name for supply of the painting on the behalf of Chandragupta Maurya.

Conclusion: Dhruv Kumar **can be considered as an agent** of Chandragupta Maurya under Para 3, Sch I.

? Question 5**[Nov'22 Exam]**

XYZ Consultancy, registered in Bangalore, supplies technical consultancy services to its clients. It has been providing technical services to BA Ltd., Mumbai since past 2 years. Consideration is settled by BA Ltd. assignment-wise. BA Ltd. paid Rs. 37 lakhs to XYZ Consultancy on 10th January for XYZ Consultancy agreeing not to provide similar technical services to any other business entity in India or abroad for a period of next 8 years. XYZ Consultancy is of the view that Rs. 37 lakh is not chargeable to tax under GST law.

You are required to examine whether the view taken by XYZ Consultancy is valid in law. It may be noted that BA Ltd. is not ready to pay any further amount to XYZ Consultancy in addition to the amount already agreed.

Answer

In the given case, XYZ Consultancy is providing the **service of agreeing to the obligation to refrain** from an act to BA Ltd. against a consideration of Rs. 37 lakh [Schedule II, Para 5(e)].

Conclusion: Therefore, the same is liable to tax under GST law. Thus, view taken by XYZ Consultancy is **incorrect**.

Author's Note: It can be reasonably assumed that an agreement must have been entered w.r.t such amount. Also, you may be wondering that what is the relevance of the line "It may be noted that BA Ltd. is not ready

to pay any further amount to XYZ Consultancy in addition to the amount already agreed". This simply implies that XYZ Consultancy shall have to treat the entire 37 Lacs as amount inclusive of GST and the taxable value shall accordingly be calculated doing reverse calculation, depending upon the GST rate.

? Question 6

[ICAI SM]

Angad Private Ltd. is engaged in the business of distribution of construction material. As an incentive, Angad Private Ltd. pays an amount of Rs. 75,000 to its employees upon achieving a specified sales target. The incentive is part of the salary of the employees and applicable tax is deducted at source as per relevant income tax provisions. Angad Private Ltd. is of the view that GST is not leviable on such incentive paid to the employees. Whether the view taken by Angad Private Ltd. is correct?

Answer

Yes, Angad Private Ltd.'s view is **correct**.

- In terms of section 7(2) read with Schedule III of the CGST Act, 2017, services by an employee to employer in the course of or in relation to his employment shall not be treated as supply under GST.
- Further, the amount paid as incentive by Angad Private Ltd. is **not in the nature of gift**, and thus, is not covered under Schedule I. In fact, in the given case, the incentive is part of the salary and is directly linked to the sales target.
- Therefore, the services provided in course or in relation to employment by the employees for which incentives are given to them shall **not** be treated as a "supply".

Conclusion: GST is **not leviable** on the incentive paid by Angad Private Ltd. to its employees.

? Question 7

[ICAI SM]

Krishnadev is a trader based in India. Ramakrishna, brother of Krishnadev, is located in China and is also engaged in business of trading of goods. Krishnadev places an order with Ramakrishna for procurement of certain goods from local market in China. Before the shipment of goods from China to India, Krishnadev sold such goods to Christiano, a trader located in Brazil. The goods were subsequently shipped from China to Brazil. Comment on the taxability of transaction between Krishnadev and Christiano under GST in India.

Answer

- The transaction between Krishnadev and Christiano is in the nature of **merchant trading**.
- As per Schedule III, transactions involving sale of goods from a place in non-taxable territory to another place in non-taxable territory, without such goods entering into India, shall be treated neither as supply of goods nor as supply of services under GST.

Conclusion: Therefore, the transaction between Krishnadev and Christiano shall **not be treated as supply** and is thus not leviable to GST.

? Question 8**[Dec'21 MTP-2; ICAI SM]**

Mohandas International entered into a transaction for import of goods from a vendor located in Italy. Due to financial issues, Mohandas International was not in a situation to clear the goods upon payment of import duty. Mohandas International sold the goods to Radhakrishnan Export House by endorsement of title to the goods, while the goods were in high seas. The agreement further provided that Mohandas International shall purchase back the goods in future from Radhakrishnan Export House. Discuss the taxability of transaction(s) involved, under the GST law.

Answer

Legal Provisions: As per Schedule III, high seas sale transactions i.e. supply of goods by the consignee to any other person, by endorsement of documents of title to the goods, after the goods have been dispatched from the port of origin located outside India but **before clearance** for home consumption shall be treated neither as supply of goods nor as supply of services under GST.

Conclusion | Taxability of Transactions

- Sale of goods by Mohandas International to Radhakrishnan Export House in high seas shall **not** be liable to GST.
- Further, the import duty including IGST shall be payable by Radhakrishnan Export House at the time of clearance of goods at port of import.
- In case the goods are sold back by Radhakrishnan Export House to Mohandas International at a subsequent point of time, the same shall be treated as **normal domestic sale transaction** and GST shall be applicable on the same, subject to other conditions prescribed under GST Law.

? Question 9**[Sep'25 RTP]**

ABC Insurance Ltd., a registered insurer in Maharashtra, is engaged in providing insurance services. During the current financial year, the company entered into following transactions:

- (i) ABC Insurance Ltd. enters into a co-insurance agreement with XYZ Insurance Ltd. where ABC Insurance Ltd. is the lead insurer. The insured – Gyaati Industries- pays a total premium of ₹ 50,00,000 which is apportioned by the lead insurer - ABC Insurance Ltd. between itself and XYZ Insurance Ltd. in the ratio of 60:40 for the insurance services jointly supplied by them to Gyaati Industries. ABC Insurance Ltd. agrees to discharge the entire GST liability on the full amount of premium received from Gyaati Industries.
- (ii) A large industrial plant needs an insurance worth ₹ 500 crore. It approaches ABC Insurance Ltd. for the same. However, since ABC Insurance Ltd. is unable to underwrite the entire risk alone, it enters into a reinsurance agreement with a reinsurer - PQR Insurance Ltd. The total premium charged is ₹ 50 lakh. The insurer - ABC Insurance Ltd. pays a reinsurance premium of ₹ 20 lakh to PQR Insurance Ltd. This allows ABC Insurance Ltd. to manage its risk and financial exposure. While paying this amount to PQR Insurance Ltd., ABC Insurance Ltd. deducts a ceding commission of ₹ 1,00,000 which it has charged for the services it provides to PQR Insurance Ltd. PQR Insurance Ltd. pays GST on the gross reinsurance premium including the ceding commission.

Based on the provisions of Schedule III of the CGST Act, 2017, discuss whether the following activities amount to supply:

- (a) Apportionment of co-insurance premium by ABC Insurance Ltd. to XYZ Insurance Ltd. for the insurance services jointly supplied by them to Gyaati Industries.
- (b) Services by ABC Insurance Ltd. to PQR Insurance Ltd. for which ceding commission is deducted from reinsurance premium paid by ABC Insurance Ltd. to PQR Insurance Ltd.

Answer

- (a) As per para 9 of Schedule III of the CGST Act, 2017, activity of apportionment of co-insurance premium by the lead insurer to the co-insurer for the insurance services jointly supplied by the lead insurer and the co-insurer to the insured is **neither supply of goods nor supply of services** and hence **no GST** is charged on the apportionment transaction.

Conclusion: However, the lead insurer (ABC Insurance Ltd.) is required to pay the entire GST (CGST and SGST or IGST, as applicable) on the full premium amount paid by the insured – Gyati Industries, of ₹ 50,00,000. The co-insurer – XYZ Insurance Ltd. does not pay GST on its share of the premium separately.

- (b) As per para 10 of Schedule III of the CGST Act, 2017, services by insurer to the reinsurer for which ceding commission or the reinsurance commission is deducted from reinsurance premium paid by the insurer to the reinsurer is **neither supply of goods nor supply of services**, subject to the condition that the central tax, the State tax, the Union territory tax and the integrated tax is paid by the reinsurer on the gross reinsurance premium payable by the insurer to the reinsurer, inclusive of the said ceding commission or the reinsurance commission.

Conclusion: However, the reinsurer (PQR Reinsurers Ltd.) is liable to pay GST on the **gross reinsurance premium** payable by the insurer (₹ 20 lakh), inclusive of the ceding commission (₹ 1 lakh).

Section 8: Composite and Mix Supply

? Question 10

Sharma Carriers is a Good Transport Agency engaged in transportation of goods by road. As per the general business practice, Sharma carriers also provides intermediary and ancillary services like loading /unloading, packing/unpacking, transshipment and temporary warehousing in relation to transportation of goods by road.

With reference to the provisions of GST law, analyse whether such services are to be treated as part of the GTA services, being a composite supply or as mixed supply.

Answer

Composite supply means a supply made by a taxable person to a recipient consisting of two or more taxable supplies of goods or services or both, or any combination thereof, which are **naturally bundled** and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply [Section 2(30) of the CGST Act, 2017].

Mixed supply means two or more individual supplies of goods or services, or any combination thereof, made in conjunction with each other by a taxable person for a **single price** where such supply **does not constitute a composite supply** [Section 2(74) of the CGST Act, 2017].

Analysis | Conclusion

The various intermediary and ancillary services provided by GTA are not provided as independent services but as ancillary to the principal service, namely, transportation of goods by road. The invoice issued by the GTA for providing the said service includes the value of intermediary and ancillary services. In view of this, if any intermediary and ancillary service is provided in relation to transportation of goods by road, and charges, if any, for such services are included in the invoice issued by Sharma Carriers, such service would form part of the GTA service, and thus **will be composite supply**, and not a mixed supply even though a single price is charged for the supply.

Further, if such incidental services are provided as **separate services and are billed separately**, whether in the same invoice or separate invoices, they will be treated as separate supply and not composite supply and there being **no single price**, the supply will also not be treated as mixed supply.

? Question 11 ⚠

[Nov'18 RTP]

Jaskaran, a registered supplier of Delhi, has made the following supplies in the month of January, 20XX:

S. No.	Particulars	Amount* (₹)
(i)	Supply of 20,000 packages at ₹ 30 each to Sukhija Gift Shop in Punjab [Each package consists of 2 chocolates, 2 fruit juice bottles and a packet of toy balloons]	6,00,000
(ii)	10 generators hired out to Morarji Banquet Halls, Chandigarh [including cost of transporting the generators (₹ 1,000 for each generator) from Jaskaran's warehouse to the Morarji Banquet Halls]	2,50,000
(iii)	500 packages each consisting of 1 chocolate and 1 fruit juice bottle given as free gift to Delhi customers on the occasion of Diwali [Cost of each package is ₹ 12, but the open market value of such package of goods and of goods of like kind and quality is not available. Input tax credit has not been taken on the items contained in the package]	
(iv)	Catering services provided free of cost for elder son's business function in Delhi [Cost of providing said services is ₹ 55,000, but the open market value of such services and of services of like kind and quality is not available.]	

*excluding GST

You are required to determine the GST liability [CGST & SGST and/or IGST, as the case may be] of Jaskaran for the month of January, 20XX with the help of the following additional information furnished by him for

the said period:

1. Penalty of ₹ 10,000 was collected from Sukhija Gift Shop for the payment received with a delay of 10 days.
2. The transportation of the generators from Jaskaran's warehouse to the customer's premises is arranged by Jaskaran through a Goods Transport Agency (GTA) who pays tax @ 18%.
3. Assume the rates of GST to be as under:

<i>Goods/services supplied</i>	<i>CGST</i>	<i>SGST</i>	<i>IGST</i>
Chocolates	9%	9%	18%
Fruit juice bottles	6%	6%	12%
Toy balloons	2.5%	2.5%	5%
Service of renting of generators	9%	9%	18%
Catering service	9%	9%	18%

Answer

Computation of GST liability of Jaskaran for the month of January, 20XX

Particulars	CGST [₹]	SGST [₹]	IGST [₹]
Supply of 20,000 packages to Sukhija Gift Shop, Punjab [Note-1]			1,09,526 [6,08,475 x 18%]
Renting of 10 generators to Morarji Banquet Halls, Chandigarh [Note-2]			45,000 [2,50,000 x 18%]
500 packages given as free gift to the customers [Note-3]	NIL	NIL	NIL
Catering services provided free of cost for elder son's business function in Delhi [Note-4]	5,445 [60,500 x 9%]	5,445 [60,500 x 9%]	
Total GST liability (rounded off)	5,445	5,445	1,54,526

Notes

1. As per section 2(74) of the CGST Act, 2017, mixed supply means two or more individual supplies of goods or services, or any combination thereof, made in conjunction with each other by a taxable person for a single price where such supply does not constitute a composite supply.

Supply of a package containing chocolates, fruit juice bottles and a packet of toy balloons is a mixed supply as each of these items can be supplied separately and is not dependent on any other. Further, as per section 8(b) of the CGST Act, 2017, the mixed supply is treated as a supply of that particular supply which attracts the **highest rate of tax**.

→ Thus, in the given case, supply of packages is treated as supply of chocolates [since it attracts the highest rate of tax]. Consequently, being an inter-State supply of goods, supply of packages to Sukhija Gift Shop of Punjab is subject to **IGST @ 18% each**.

Further, value of supply includes interest or late fee or penalty charged for delayed payment of any consideration for any supply in terms of section 15(2)(d) of the CGST Act, 2017. Thus, penalty of ₹10,000 [**considered as inclusive of GST**] collected from Sukhija Gift Shop for the delayed payment will be included in the value of supply. The total value of supply is ₹ 6,08,475 [$₹ 6,00,000 + ₹ 10,000 \times 100/118$]

2. Services by way of transportation of goods by road **except the services of a Goods Transportation Agency (GTA)** are exempt [**nothing shall apply to local delivery services through or by ECO**]. Since Jaskaran is **not a GTA**, transportation services provided by him are **exempt from GST**. However, since the generators are invariably hired out along with their transportation till customer's premises, it is a case of composite supply under section 2(30) of the CGST Act, 2017 wherein the principal supply is the renting of generator.

As per section 8(a) of the CGST Act, 2017, the composite supply is treated as the supply of the principal supply. Therefore, the service of transportation of generators will also be taxed at the rate applicable for renting of the generator (**principal supply**).

Consequently, being an inter-State supply of service, service of hiring out the generators to Morarji Banquet Halls of Chandigarh is subject to IGST @ 18% each.

Alternative Point of View: As per section 2(30), composite supply means a supply made by a taxable person to a recipient consisting of two or more taxable supplies. Since in point (ii), service of hiring out of generator is taxable while transportation service is exempt, it is possible to take a view that this is not a case of composite supply. In that case, the two services will be treated as independent services and taxed accordingly.

3. As per section 7(1)(c) of the CGST Act, 2017, an activity made without consideration can be treated as supply only when it is specified in Schedule I of the CGST Act, 2017. Para 2. of Schedule I provides that supply of goods or services or both between related persons or between distinct persons as specified in section 25, when made in the course or furtherance of business, are to be treated as supply even if made without consideration.

However, since the question does not provide that customers are related to Jaskaran, free gifts given to the customers **cannot be considered as a supply** under section 7. Consequently, no tax is leviable on the same.

4. Further, the catering services provided by Jaskaran to his elder son without consideration will be treated as supply as Jaskaran and his elder son, **being members of same family, are related persons** in terms of explanation (a)(viii) to section 15 of the CGST Act, 2017 and said services have been provided in course/furtherance of business.
 - ✓ Value of supply of services between related persons, other than through an agent is determined as per rule 28 of the CGST Rules, 2017.
 - ✓ Accordingly, the value of supply is the open market value of such supply; if open market value is not available, the value of supply of goods or services of like kind and quality.
 - ✓ However, if value cannot be determined under said methods, it must be worked out based on the **cost of the supply plus 10% mark-up**. Thus, in the given case, value of catering services provided to the

elder son of Jaskaran is ₹ 60,500 [₹ 55,000 × 110%]. Further, being an intra-State supply of services, catering services are subject to CGST and SGST @ 9% each.

RCM Liability w.r.t GTA Service: GST is payable by the recipient on reverse charge basis on the receipt of services of transportation of goods by road from a goods transport agency (GTA) provided such GTA has not paid GST @ 18%. Since in the given case, Jaskaran has received services from a GTA who has paid GST @ 18%, reverse charge provisions will not be applicable.

➡ **Note:** What if, instead of elder son, it would have been his brother (wholly dependent on him) and the supply is say for his brother's son's wedding: *Wholly dependent brother would still be a part of family (hence a related person), and hence a related person. Hence, answer would remain the same.*

? Question 12

[May'23 Exam]

M/s Diva Fashions (Proprietor Ms. Diva), a registered supplier in Ludhiana (Punjab) under GST law, has made the following supplies in the month of February 2025:

- (i) Supply of designer silk dresses packed in designer boxes to a boutique in Mumbai, (Maharashtra) as per contract entered with the boutique amounting to Rs. 25,00,000.
- (ii) Supply of 600 kits (at Rs. 1,000 each kit) amounting to Rs. 6,00,000 to Mrs. Arora in Amritsar (Punjab). Each kit consisted of 1 silk dupatta, 1 sari brooch and 1 lipstick.
- (iii) M/s Diva Fashions organizes a fashion show in Chandigarh. Zion Exports Ltd, a registered entity in Jaipur (Rajasthan) has sponsored the show for which M/s Diva Fashions received Rs. 7,50,000 from it.
- (iv) 200 kits are given as free gifts to customers on occasion of 5th anniversary of M/s Diva Fashions. Each kit consists of 1 silk dupatta & 1 sari brooch. Cost of each kit is Rs. 350. The OMV of such kit of goods and of goods of like kind and quality is not available. Input tax credit has not been taken on the goods contained in the kit.
- (v) Professional services provided free of cost by Ms. Diva to her independent married sister to set up her own boutique in Delhi. Cost of providing such services is Rs. 1,00,000, but the open market value of such services and of services of like kind and quality is not available.
- (vi) M/s Diva Fashions enters into a contract on 1st February, 2023 for 3 years with Miss Shikha, a local model to act as a brand ambassador for their products for Rs. 1 lakh (exclusive of GST - 18% IGST, 9% CGST and SGST each) per annum. Miss Shikha terminated the contract on 2nd February 2025. As per the contract, M/s Diva Fashions received 25% of the total contract fees paid to Miss Shikha as the contract is terminated before 3 years, on 15th February, 2025. Miss Shikha had received the contract fee for 2 years at the time of termination of the contract.

Other information is given below -

- (a) *All above amounts are exclusive of GST.*
- (b) *Mrs. Arora paid interest of Rs. 8,850 (inclusive of GST) for delay in making payment to M/s Diva Fashions.*
- (c) *Assume rates of GST as under:*

S. No.	Particulars	Rate of IGST	Rate of CGST	Rate of SGST
1	Silk Dresses	18%	9%	9%
2	Designer Boxes	28%	14%	14%
3	Silk Dupatta	12%	6%	6%
4	Sari Brooch	18%	9%	9%
5	Lipstick	5%	2.5%	2.5%
6	Sponsorship received from Zion Exports Ltd.	28%	14%	14%
7	Professional services	18%	9%	9%

From the above information, compute the total GST liability of M/s Diva Fashions for the month of February 2025. Working notes should form part of your answer.

Answer

Computation of total GST liability of M/s Diva Fashions for the month of February, 2025

Particulars	Amount	CGST ₹	SGST ₹	IGST ₹
Supply of silk dresses in designer boxes <i>[Since supply of silk dresses in designer boxes is naturally bundled, it is a composite supply which is treated as the supply of the principal supply (viz. silk dresses). Accordingly, <u>rate of principal supply, i.e. silk dresses will be charged.</u>]</i>	25,00,000			4,50,000 [25,00,000 x 18%]
Supply of kits of silk dupatta, sari brooch and lipstick <i>[Since supplies are not naturally bundled and a single price is being charged, it is a mixed supply. It is treated as supply of that particular supply which attracts <u>highest tax rate (i.e., sari brooch).</u>]</i>	6,00,000	54,000 [6,00,000 x 9%]	54,000 [6,00,000 x 9%]	
Since sponsorship services are provided by non-body corporate <u>to</u> a body corporate, tax is payable under reverse charge by recipient.	7,50,000			Nil
Free gifts to customers <i>[Not a supply as it is made without consideration and is also not covered in</i>	Nil			

<i>Schedule I because customers are not related persons.]</i>				
Professional services provided free of cost <i>[Not a supply as it is made without consideration and is also not covered in Schedule I because sister being independent is not a related person.]</i>	Nil			
Fee received for termination of contract <i>[Being 'liquidated damages', they are merely compensation for loss due to breach of the contract and not the consideration for tolerating non-performance of contract.]</i>	Nil			
Interest received for delayed payment (excluding GST) <i>[Includible in value of original supply. Further, since it is received in February itself, time of supply is when it is received i.e. February.]</i>	7,500 [8,850 x 100/118]	675 [7,500 x 9%]	675 [7,500 x 9%]	
GST liability		54,675	54,675	4,50,000

? Question 13**[ICAI SM]**

Shivaji Pvt. Ltd., a registered supplier, supplies the following goods and services for construction of buildings and complexes-

- excavators for required period at a per hour rate;
- manpower for operation of the excavators at a per day rate;
- soil-testing and seismic evaluation at a per sample rate.

The excavators are invariably hired out along with operators. Similarly, excavator operators are supplied only when the excavator is hired out.

For a given month, the receipts (exclusive of GST) of Shivaji Pvt. Ltd. are as follows:

- Hire charges for excavators: Rs. 18,00,000
- Service charges for supply of manpower for operation of the excavator: Rs. 20,000
- Service charges for soil testing and seismic evaluation at three sites: Rs. 2,50,000

Compute the GST payable by Shivaji Pvt. Ltd. for the given month. Assume the rates of GST to be as under:

- Hiring out of excavators: 5%
- Supply of manpower services and soil-testing and seismic evaluation services: 18%