

Ans 2 • Composite Supply :-

(3)

The supply of two or more supplies goods or services by a taxable person, which comprises of a combination of goods and services naturally bundled and supplied together in the ordinary course of business, is called as a Composite Supply.

In other words, a Composite Supply comprises goods & services which are bundled owing to natural necessities.

The elements in a Composite supply of goods and services are generally bifurcated as:

- a) Principal Supply - the pre-dominant element in the Composite supply of goods or services.
- b) Dependent Supply - dependent on the principal supply.

• Mixed Supply :-

The supply of two or more individual supplies of goods or services, or any combination of goods and services, by a taxable person, for a single price, is called a Mixed Supply. In Mixed Supply, the combination of goods and/or services are not bundled due to natural necessities, and they can be supplied individually in the ordinary course of business.

A mixed supply example could be a kit - which contains a tie, a watch, a wallet and a pen - which could be bundled and priced together.