

Reg. No.



BCMCMC 371

Credit Based VI Semester B.Com. Degree Examination, April/May 2018
(2017 – 18 Batch Onwards)
COMMERCE
Business Taxation – IV
Goods and Service Tax and Custom Duty

Time : 3 Hours

Max. Marks : 120

Instruction : Give working notes wherever necessary.

SECTION – A

Answer **any four** of the following questions.

(4x6=24)

1. What is GST ? State the types of GST.
2. Ritu Private Ltd. is having its manufacturing units at Mangalore and Chennai. It also has service unit at Mysore. From the following calculate Aggregate Turnover of Ritu Private Ltd. for the year 2017 – 18.
 - a) Sold goods from Mangalore Unit to a dealer at Delhi for Rs. 25,00,000.
 - b) Sold goods from Mangalore Unit to a dealer at Mysore for Rs. 5,00,000.
 - c) Supplied goods from Chennai Unit to UK for Rs. 20,00,000.
 - d) Rendered service from Mysore Unit to a person located in Hubli for Rs. 1,00,000.
 - e) Mangalore Unit supplies non-taxable goods to Mr. Narayan at Bangalore for Rs. 2,50,000.
 - f) Supplied goods from Mangalore Unit to SEZ located in Delhi for Rs. 5,00,000.
 - g) Total IGST and CGST paid by Ritu Private Ltd. for the year 3,00,000.
 - h) Supplied goods which are exempt from tax from Chennai Unit to a dealer at Dharwad for Rs. 20,000.



3. Mr. Gangadhar of New Delhi supplies goods to Ajay of Mumbai. Gangadhar has to send goods for delivery from New Delhi to Mumbai. Gangadhar sends the goods to Ajay on 29th August 2017. Determine the time of supply in different scenarios of the following :

	Date of Removal of goods	Date of issue of Invoice	Last Date for Tax Invoice	Date on which payment is entered in Books of A/c	Date on which payment is credited in Bank A/c
1	29 th Aug.	29 th Aug.	29 th Aug.	31 st Aug.	1 st Sept.
2	29 th Aug.	2 nd Sept.	29 th Aug.	31 st Aug.	1 st Sept.
3	29 th Aug.	29 th Aug.	29 th Aug.	28 th Aug.	30 th Aug.
4	29 th Aug.	4 th Sept.	29 th Aug.	27 th Aug.	30 th Sept.

4. Who are the persons liable for registration under GST ?
5. Write a note on documentary requirements for claiming input tax credit.
6. Determine the custom duty payable by Mr. Chinmay from the following details :
 - a) Assessable value of imported goods Rs. 5,00,000
 - b) Basic Custom Duty payable @ 10%
 - c) Goods is liable for payment of Safeguard duty @ 15%
 - d) Compensation cess @ 28% and IGST @ 12%.

SECTION – B

Answer any four of the following questions.

(4×12=48)

7. Explain the benefits of GST.
8. M/S Murali and Co. a registered dealer in Maharashtra furnishes the following information for the month of November 2017. Compute the turnover which is taxable under SGST/CGST and IGST.
 - a) Goods of Rs. 8,00,000 sold to a dealer at Patna (Bihar).
 - b) Commodity worth Rs. 3,50,000 sold to an unregistered dealer of Assam.
 - c) Goods of Rs. 2,20,000 supplied within the State.

- d) Goods worth Rs. 5,00,000 supplied to a unit of EOU at New Delhi.
 - e) Goods amounting to Rs. 3,00,000 supplied to Andaman.
 - f) Goods worth Rs. 3,75,000 received from an unregistered dealer at Nagpur.
 - g) Commodity Z supplied to a dealer at London for Rs. 7,65,000.
 - h) Goods of Rs. 2,50,000 supplied from job worker place directly to dealer of Mumbai.
 - i) Commodity Z worth Rs. 6,10,000 transferred to their branches in Karnataka.
 - j) Goods purchased from an Unregistered dealer of Mumbai for Rs. 10,00,000.
 - k) Goods worth Rs. 8,00,000 sent to job worker at Nagpur. He supplied goods directly after processing to a dealer at Bangalore for Rs. 5,00,000 and a registered dealer at Pune for Rs. 4,00,000.
9. A dealer in Karnataka entered a contract with a supplier in Tamil Nadu for the delivery of a Machinery along with essential accessories. From the information determine the total amount of GST payable U/S 15 of the CGST Act (Composite supply) :
- a) Machinery cost (excluding taxes) Rs. 8,00,000.
 - b) Installation charges charged separately Rs. 60,000.
 - c) Secondary Packing charges Rs. 1,60,000.
 - d) Selling expenses Rs. 20,000.
 - e) Design charges paid by the buyer Rs. 20,000.
 - f) Cost of materials supplied by buyer free of Cost Rs. 10,000.
 - g) Pre-delivery inspection charges Rs. 4,000.
 - h) Loading and handling charges within factory Rs. 10,000.

Other Information :

- a) Cash Discount @ 5% on price of machinery.
- b) Trade Discount @ 10%.

- c) Bought out accessories supplied along with machinery valued @ Rs. 10,00,000 which was necessary for the working of machinery. These bought out goods are charged for a tax at the rate of 5%.
- d) GST Rate is 18%.

10. Mr. Vivek a dealer in Karnataka furnishes the following details of transactions for the year 2017 – 18. Compute the turnover and state whether she is eligible for Composition levy under GST law ? If so, calculate tax liability :

- a) Sold goods to Mr. X in Chamarajnagar Rs. 5,00,000.
- b) Sold goods to Mr. Y in Mandya Rs. 2,00,000.
- c) Sold goods to XYZ company in Bangalore Rs. 1,50,000.
- d) The goods received from unregistered dealer Rs. 10,000.
- e) Goods supplied to a job worker in Mysore Rs. 1,50,000 and returned after completion.
- f) Supply of services to Mr. B for Rs. 4,00,000 at zero rate under GST..
- g) The sale of goods to a merchant in Mysore Rs. 5,00,000.
- h) Transfer of goods from Branch in Mandya to a branch in Bangalore Rs. 5,00,000.
- i) Imported goods worth Rs. 8,00,000.
- j) Purchased goods from Hyderabad for Rs. 10,00,000.
- k) Supplied goods from her branch at Mandya for Rs. 5,00,000.
- l) Sold food and drinks for Rs. 10,00,000.

11. Explain the eligibility conditions for taking input tax credit.

12. Abhish Ltd. imported a machine from Europe. From the following information, determine the Custom Duty payable :

- a) Cost of Machine 25,000 Euro, but it does not include the following :

The importer sent the goods to the exporter for the Machine. It was used in manufacturing the machine, Rs. 1,00,000.

- b) Design and Development expenses incurred outside India 5000 Euro.
- c) Technical fees paid to exporter after import of machine 4000 Euro.

- d) Installation charges of machine in the factory Rs. 50,000.
- e) Packing charges 500 Euro.
- f) Insurance premium paid in India 500 Euro.
- g) Transportation charges 1000 Euro.
- h) Transportation and Insurance charges from port to factory Rs. 10,000.
- i) Rate of basic custom duty 12.5%.
- j) IGST 28% (K) compensation cess – 20%.
- k) Exchange Rate declared by Board ₹ 74 per Euro.
- l) Exchange Rate declared by the RBI ₹ 72 per Euro.

SECTION – C

Answer **any two** of the following.

(2×24=48)

13. Explain the objectives and the salient features of GST.
14. From the following information you are required to calculate the Assessable Value :

The sale price of Rs. 1,50,000 does not include the following :

	Rs.
Pre-delivery inspection charges	10,000
Publicity Expenses	25,000
Packing Cost	15,000
Cost of special packing	5,000
Material purchased (Exclusive of GST)	10,000
Design and development charges	5,000
Royalty charges	4,000
Advertising charges	14,000



Servicing charges	5,000
Selling expenses	25,000
Freight charges	30,000
Installation and Erecting charges	6,000
Insurance cost	5,000
Transportation charges	6,000
Taxes, duties, fees and charges	4,000
Incentives paid to sales personnel	5,000
Warranty expenses	3,000
Materials imported from UK (including BCD but excluding IGST)	10,000

But the selling price includes the following :

- a) Trade discount (it is allowed before or at the time of supply) Rs. 10,000.
- b) Cost of durable and returnable packing Rs. 5,000.

15. Jagdeesh a registered dealer in Karnataka submits the following information for the month of January 2018. Compute Net GST payable :

Particular	Amount	Rate of GST in %
Details of Purchases :		
Materials purchased from Bihar	10,00,000	5%
Raw material X purchased from Mangalore	12,00,000	12%
Raw material Y purchased from Bangalore	8,00,000	5%
Materials purchased in local market	3,00,000	18%
Material A purchased from a unit of EOU (including BCD @ 10% & IGST)	28,00,000	28%
Raw material R purchased from UK (including BCD @ 12% & IGST)	12,98,000	18%



Raw materials purchased from a dealer opted for composition scheme	13,00,000	2%
Material B purchased from Hyderabad	2,00,000	12%
Material S purchased from unregistered dealer	3,00,000	5%
Semi finished goods obtained from another manufacture of Mysore	5,00,000	18%
Details of Sales :		
Sold goods to a regd. dealer of Hyderabad	12,50,000	12%
Goods sold to dealer of Mangalore registered under composition scheme	30,00,000	12%
Sold goods in local market	30,00,000	18%
Sold goods to Lakshadweep	28,00,000	28%
Sold goods to dealer in France	13,00,000	0%
Sold goods to a unit of SEZ in Gujarath	25,00,000	0%
Sold goods to an unregistered dealer of Pune	12,00,000	0%

16. M/S Narendra Printers, Mangalore imported 10 IBM computers from USA and a latest new printer from France and furnishes the following information :

- Price per computer is \$ 500 and printer is € 5,000.
- Packing charges per computer \$ 10 and printer € 100.
- Air transportation charges upto Bajpe Airport for computer \$ 500 and for printer € 250 upto New Mangalore Port.
- Transit insurance \$ 500 for computer and € 150 for printer.
- Brokerage paid to agent of exporters \$ 175 for computers and € 125 for printers.
- Lorry freight for transporting computers and printer to Narendra Printers, Mangalore Rs. 3,000 and Rs. 2,000 respectively.
- Rate of Exchange : \$ = Rs. 64 and € = Rs. 74.

Compute the assessable value and custom duty payable Rates of Custom Duty :
BCD - 12.5% and IGST - 18%.