

**VI Semester B.Com. Degree Examination, April/May 2019***(Credit Based Semester Scheme)**(2017-18 Batch Onwards)***BUSINESS TAXATION - IV****Goods and Service Tax and Customs Duty**

Time : 3 Hours]

[Max. Marks : 120

Instructions : Provide working notes necessary.

SECTION - A

Answer **any four** of the following :**(4 × 6 = 24)**

1. What are the powers of GST council?
2. Explain the aggregate turnover under GST Act 2017.
3. Write a note on HSN/SAC codes.
4. Mr. Anil made an aggregate turnover of Rs. 90,00,000 for the month of February 2019. Compute taxable turnover if following supplies are included in the aggregate turnover :
 - (a) Inter-state supply Rs. 40,00,000
 - (b) Supply to Sez developer - Rs. 10,00,000
 - (c) Export to China - Rs. 5,00,000
 - (d) Supply within the state - Rs. 25,00,000
 - (e) Exempt supplies - 8,00,000
 - (f) CGST, SGST and IGST collected Rs. 2,00,000



5. From the following calculate custom duty payable :
- Assessable value of imported goods Rs. 30,00,000
 - Basic custom duty payable at 10%
 - IGST at 18%
 - Anti-dumping duty at 10%.
6. Determine the total amount of GST payable on a machine using the details given below :
- Selling price of the machine (inclusive of CGST at 9% and SGST at 9%) Rs. 2,95,000
 - Cost of durable and returnable packing included in the sale price Rs. 10,000
 - Design and development charges paid by the buyer on behalf of seller to a third party Rs. 6,000
 - Warranty charges charged separately by the seller Rs. 2,000
 - Rate of GST 18%.

SECTION - B

Answer **any four** of the following :

(4 × 12 = 48)

- Who are the persons compulsorily required to register under GST?
- State the contents of tax invoice under GST.
- Charan is a taxable person in Bangalore, Karnataka. He gives the following information from which calculate CGST, SGST and IGST payable for the month of March 2019 :

	Rs.
(a) Supply of goods to Mysore (5%)	14,00,000
(b) Supply to a taxable person in Maharashtra (12%)	24,00,000
(c) Supply to Sez developer in Bangalore (5%)	12,00,000
(d) Supply of exempt goods to Udupi	20,00,000
(e) Export to Canada (12%)	15,00,000

(f)	Supply to a taxable person in Goa delivery of goods Received in Bangalore by their agent (5%)	8,00,000
(g)	Rendered services to a person in Pondicherry (18%)	50,000
(h)	Provided services to a person in Madras, TN (18%)	8,00,000
(i)	Goods supplied to a job worker in Chennai, TN (5%)	50,000
(j)	Rendered services to foreign diplomatic mission (12%)	1,00,000

He had a credit in the electronic ledger : 1 GST – Rs. 45,000, CGST – Rs. 40,000 and SGST – Rs. 40,000.

10. A dealer of Mumbai entered into contract with a supplier in Kerala, for the delivery of a machinery along with essential accessories. From the following information calculate transaction value and GST payable machinery cost including GST – Rs. 11,20,000 :

(a) Following expenses are not included :

Installation charges – Rs. 80,000

Primary and secondary packing – Rs. 20,000

Design charges – Rs. 10,000

Bought out accessories not essential for its working – Rs. 1,00,000 were supplied along with the machine. Following are included in the price :

Durable and returnable packing – Rs. 50,000

(b) GST rate 12% on the machinery and 18% on accessories

(c) Trader has the practice of allowing 5% discount on the price of the machinery

(d) He had purchased inputs on which he paid IGST of Rs. 42,000.

11. Spike Ltd. has its head office based at Chennai and five branch Offices at Bangalore, Indore Hyderabad, Bhopal and Ahmedabad. It seeks the services of expert security solutions based at Chennai for cyber security for its H.O. and its branches. Expert security solutions raises a bill which include GST amounting Rs. 2,50,000 on the H.O. The turnover of the H.O. and the branches during the quarter ending 31st Dec, 2018 were as under :



Chennai H.O. - Rs. 2,30,000, Indore - Rs. 2,80,000, Bangalore - Rs. 1,80,000, Bhopal - Rs. 3,25,000, Hyderabad - Rs. 1,50,000 and Ahmedabad - Rs. 1,25,000.

Compute distribution of input tax by the Chennai H.O. to its branches if it takes ISD registration in Chennai.

12. Compute customs duty payable :

Assessable value - Rs. 10,00,000

BCD - 10%

Safeguard duty - 25%

Antidumping duty - Rs. 10 per kg. total imported goods - 10,000 kgs

IGST tariff on similar goods in India is 12%

What is the cost of imported goods?

SECTION - C

Answer **any two** of the following :

(2 × 24 = 48)

13. Explain the procedure for registration under GST.

14. From the following information you are required to calculate the assessable value and amount of GST payable by the dealer on his transaction. (GST rate at 12%)

Selling price includes the following :

- (a) Cost of durable and returnable packing Rs. 1,30,000
- (b) Trade discount (It is allowed at the time of supply) Rs. 75,000

The sale price of Rs. 8,00,000 does not include the following :

- 1. Selling expenses Rs. 30,000
- 2. Insurance cost Rs. 15,000
- 3. Warranty expenses Rs. 20,000
- 4. Design and development charges Rs. 16,000



5. Pre-delivery inspection charges Rs. 15,000
 6. Packing cost Rs. 27,000
 7. Material purchased (exclusive of GST) Rs. 2,00,000
 8. Publicity expenses Rs. 30,000
 9. Taxes, duties, cesses, fees and charges Rs. 75,000
 10. Transportation charges Rs. 15,000
 11. Installation and erecting expenses Rs. 35,000
 12. Freight charges Rs. 50,000
 13. Advertising charges Rs. 20,000.
15. Pavan Pvt. Ltd furnishes the below information. Compute net GST payable :
- Purchases from local market (inclusive of GST at 5%) – Rs. 1,47,000
- Goods purchased from a unit of Sez in Bangalore – Rs. 3,20,000
(Net of taxes and duties) @ 12% GST
- Raw materials purchased from a registered dealer in Mysore for Rs. 20,000
(GST 18%)
- Materials purchased within the state from a registered dealer who opted for composition – Rs. 3,00,000 (GST 12%)
- Materials purchased from Japan including BCD and excluding GST @ 28% - Rs. 1,00,000
- Sales at 18% GST.
- The goods are sold as below :
- 20% to a unit of Sez in Mysore
- 30% to an unregistered dealer of New Delhi
- 20% to a registered dealer of Mangalore who opted for composition scheme – Rs. 3,00,000.
- Balance to a registered dealer in Udupi.

BCMCMC 371



16. Galaxy Colour Labs has imported a new film processing unit from Konica, Singapore. Following are the details of import :

Cost of the machine : \$ 40,000

Cost of spare parts and accessories : \$ 300

Packing charges (including durable packing \$ 50) - \$ 250

Licence fees payable to Konica Japan - \$ 5000

Air freight - \$ 600

Insurance - Rs. 40,000

Installation charges payable to Konica India, Bangalore - Rs. 25,000

Commission to their agent in Singapore - \$ 400

Unloading and handling charges - Rs. 30,000

Freight from airport to the business premises - Rs. 10,000

Date of entry inwards 2.2.2019, exchange rate 1\$ = Rs. 66.

Date of submission of bill of entry 30/01/2019, exchange rate 1\$ = Rs. 65.

Calculate assessable value and customs duty payable if GST on similar goods is 18%.