

CBCS SCHEME

18MBAFM403

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Fourth Semester MBA Degree Examination, Aug./Sept. 2020

Indirect Taxation

Time: 3 hrs.

Max. Marks: 100

Note: 1. Answer any FIVE full questions.
2. Calculator may be allowed.

- 1 a. What is GST compensation cess? Give examples. (03 Marks)
b. What is GST council? What are its functions? (07 Marks)
c. What is GST? Discuss its salient features and different types of GST. (10 Marks)
- 2 a. What is taxable event? How is it different in new GST regime? (03 Marks)
b. What are the conditions for levy of GST? (07 Marks)
c. What is composition scheme? Discuss the conditions and threshold limits applicable for the scheme. (10 Marks)
- 3 a. Differentiate between Inter-state and Intra-state supply. (03 Marks)
b. Distinguish between Nil-rated, Zero-rated and Non-GST supply. (07 Marks)
c. Mr. Gupta, a CA, has furnished the following incomes for the quarter ended 30th Sept 2019.
i) Income from certificate of documents under export and import, policy Rs. 3,54,000.
ii) Income from preparation of financial statement Rs. 7,08,000
iii) Income from representation of the client before IT appellate tribunal Rs. 59,000
iv) Receipts of tax consultancy Rs. 35,400
Calculate GST liability assuming that the above values are inclusive of GST at 18%. (10 Marks)
- 4 a. Mention any three benefits of voluntary registration to GST. (03 Marks)
b. What is input Tax credit? What are the conditions for availing it? (07 Marks)
c. Calculate Net GST liability of Mr. X for the month of Aug 2019. (10 Marks)
i) Purchase of raw materials within State Rs. 2,00,000 excluding GST at 5%
ii) Purchase of raw material from other States Rs. 5,00,000 excluding GST at 12%
iii) Sale of output within State Rs. 8,00,000 at 12% GST
iv) Sale of output to other State Rs. 2,00,000 at 18% GST.
- 5 a. Distinguish between FOB and CIF value. (03 Marks)
b. What is custom value? How do you determine it? (07 Marks)
c. Compute assessable value from the following information:
Price of the machine £ 10,000, Freight £ 3,000, Engg and design charges £ 500, License fee for importing the goods payable by the buyer as a condition of sale 20% of price of machine materials and components supplied free of cost, which is valued by the buyer at Rs.20,000, Insurance Rs. 6000, Buying commission paid by the buyer to his local agent £ 100, Inter-bank exchange rate Rs. 98/£, but CBIEC had notified Rs. 100/£. Importer paid Rs. 5000 towards demurrage charges for delay in clearing the machine. (10 Marks)

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Important Note : 1. On completing your answers, compulsorily draw diagonal cross lines on the remaining blank pages.
2. Any revealing of identification, appeal to evaluator and /or equations written eg, 42+8 = 50, will be treated as malpractice.

- 6 a. Distinguish between bill of entry and bill lading. (03 Marks)
 b. What is provisional assessment? Why is it done? (07 Marks)
 c. Assessable value of an item imported is Rs. 1,00,000, Basic custom duty is 10%, Integrated tax is 12%, and social welfare surcharge is 10% on duty. Calculate custom duty liability. (10 Marks)

- 7 a. What is baggage? (03 Marks)
 b. Mr. Venkat, an Indian Resident, had gone to UK for business. He brought the following goods while returning to India,
 i) Personal effects like cloth etc., Rs. 73,000
 ii) 2 litre of liquor Rs. 4,200
 iii) Camera Rs. 63,500
 iv) One Laptop top of Rs. 58,000.
 Calculate custom duty payable by him. (07 Marks)
 c. What is custom duty? Explain different types of custom duties. (10 Marks)

- 8 a. Black Ltd, provided the following information :

Particular	Amount.
List price of goods (exclusive of taxes and discount)	50,000
Tax levied by municipal authority	5,000
Packing charges (not included in the listed price)	1,000

Black Ltd., received Rs. 2000 as a subsidy from NGO on sale of such goods. The list prices of Rs. 50,000 are after considering such subsidy. Black Ltd., offers 2% discount on the list price, which is received in the invoice. Determine taxable values of supply. (10 Marks)

- b. From the following particulars determine assessable value of a machine imported to India by air. FOB value of the machine imported from USA \$ 4,000. Accessories \$1,000. Air freight \$1,200. Details of actual insurance charges are not available. Local agents commission to be paid (by exporter) on Rs. 9300. Transportation charges from Indian airport to factory Rs. 4,000. Exchange rate of USD was Rs.48/\$. (10 Marks)
