

CBCS SCHEME

20MBAFM403

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Fourth Semester MBA Degree Examination, Dec.2023/Jan.2024 Indirect Taxation

Time: 3 hrs.

Max. Marks:100

- Note: 1. Answer any FOUR full questions from Q.No.1 to Q.No.7.
2. Question No. 8 is compulsory.**

- 1 a. Define GST and mention various types of GST. (03 Marks)
b. Explain the functions and powers of GST Council. (07 Marks)
c. Discuss the different types of Custom duties. (10 Marks)
- 2 a. Mention any three benefit of Voluntary Registration to GST. (03 Marks)
b. What is Zero rated and Exempt supply? Briefly explain. (07 Marks)
c. Discuss the provisions for determination of place of supply in domestic transactions under General Provision. (10 Marks)
- 3 a. Differentiate between Inter – State and Intra – Stage Supply. (03 Marks)
b. What is Provisional Assessment? Why it is done? (07 Marks)
c. Determine the Time of supply where supply involves movement of goods. (10 Marks)

Sr.No.	Date of Removal of Goods	Date of issue of invoice by the supplier	Date when goods made available to the recipient	Date of receipt of payment by the supplier
1	15 – 01 - 2022	18 – 01 - 2022	20 – 01 - 2022	28 – 01 - 2022
2	17 – 01 - 2022	16 – 01 - 2022	19 – 01 - 2022	02 – 02 - 2022
3	25 – 01 - 2022	25 – 01 - 2022	28 – 01 - 2022	02 – 01 - 2022

- 4 a. What is Time of Supply? (03 Marks)
b. Discuss the concept of Reverse Charge Mechanism (RCM) in GST. (07 Marks)
c. Laxmi Ltd of Bhopal (Madhya Pradesh) is a supplier of machinery. It has supplied machinery to PQR Enterprises in Indore (Madhya Pradesh) as 01-10-2021. The Invoice for supply has been issued on 01-10-2021. The following information is provided : (10 Marks)

Rs

1.	Basic price of Machinery excluding all taxes but including design and Engineering charges of Rs 10,000/- and loading charges of Rs 20,000	20,00,000
2.	It provides one year warranty additional charges	1,00,000
3.	Laxmi Ltd has received consultancy charges in relation to pre – installation planning and freight and insurance charges.	30,000
4.	It has received subsidy from Central Government – for supply of the machinery to backward region since receiver was located in that region.	50,000
5.	Laxmi Ltd also received a payment from the Joint Venture partners of PQR Enterprises for making timely supply.	50,000

A cash discount of 1%. On the basic price of machinery is offered at the time of supply. if PQR Enterprises agrees to make the payment within 30 days of the receipt of the machinery at its premises. The machinery attracts CGST and SGST @ 18% (9% + 9%) and IGST @ 18%. Compute the CGST and SGST or IGST payable as the case may be on the machinery.

- 5 a. What is Input Tax Credit? (03 Marks)
- b. The Taj Hotel group of companies provided the following services within the state of Karnataka from its various establishments. Compute the amount of GST payable for the month of July – 2021.
- 1) Supply of food or drink in restaurant not having facilities in air conditioning @ 12% GST Rs 20,000.
 - 2) Supply of food or drink in restaurant is having license to serve liquor @ 18% GST Rs 60,000.
 - 3) Supply of foods or drink in outdoor catering @ 18% GST Rs 1,00,000.
 - 4) Renting of hotels rooms @ 18% GST Rs 1,50,000.
 - 5) Supply of food or drink in air condition restaurant in 5 star or above rate hotel @ 28% GST Rs 1,00,000. (07 Marks)
- c. What is Composition Scheme? Discuss the conditions and threshold limits applicable for the scheme. (10 Marks)
- 6 a. What is meant by Baggage? (03 Marks)
- b. Distinguish between FOB and CIF value. (07 Marks)
- c. Discuss the conditions to be satisfied for availing Input Tax Credit. (10 Marks)
- 7 a. Define the term Consideration. (03 Marks)
- b. A material was imported by air at FOD price of Rs 16,32,000/-. The cost of transportation to India paid was Rs 4,00,000/-. What will be transportation cost to be included while determining the assessable value? How your answer will be if the mode of transport by sea? (07 Marks)
- c. Mr. Ajay a registered supplier of goods, pays GST under regular scheme and provides the following information for the month of August 2021.
- 1) Inter – State taxable supply of goods – Rs 10,00,000.
 - 2) Intra – State taxable supply of goods – Rs 2,00,000.
 - 3) Intra – State purchase of taxable goods – Rs 5,00,000.
- He has the ITC at the beginning of August 2021. CGST - Rs 20,000 , SGST – Rs 30,000 and IGST Rs 25,000 , Rate of CGST, SGST and IGST are 9% , 9% and 18% respectively. Both inward and outward supplies are exclusive of taxes wherever applicable. All the conditions necessary for availing the ITC have been fulfilled. Compute the Net GST payable by Ajay for the month of August 2021. (10 Marks)

8 **CASE STUDY (Compulsory) :**

Compute the assessable value and custom duty payable for the following information :

- 1) FOB value of machine – 8,000 UK Pounds.
- 2) Freight paid (air) - 2,500 UK Pounds.
- 3) Design and development charges paid in UK – 500 UK Pounds.
- 4) Commission payable to local agent @ 2% of FOB in Indian Rupee.
- 5) Date of bill of entry 24 – 10 – 2021 (Rate of BCD 15% , Exchange rate as notified by CBE @ Rs 68/- per UK Pound).
- 6) Date of Entry inward 20-10-2021 (Rate of BCD @ 10%, Exchange Rate as notified by CBE @ Rs 70/- per Pound).

Social welfare surcharge @ 10% on duty as applicable. **CMRIT LIBRARY**
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IGST @ 18% payable. Insurance charges paid actually by details not available.
Compute : Assessable value and Customs duty. (20 Marks)
