

Paper 11 - Indirect Taxation

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Full Marks: 100

Time allowed: 3 Hours

1. Answer the following questions

(A) Multiple choice questions:

[7x2=14]

- (i) The form used by composition levy assessee for intimation of willingness to opt for scheme by registered person, is:
(a) Form GST CMP-01
(b) Form GST CMP-02
(c) Form GST CMP-03
(d) Form GST CMP-04.
- (ii) In which of the following goods power to levy the Central Excise Duty on goods produced/ manufactured in India is available?
(a) curd
(b) tobacco and tobacco products
(c) lassi
(d) potatoes.
- (iii) The scope of supply of goods or services or both includes —
(a) Sale;
(b) Exchange;
(c) Lease;
(d) All of the above.
- (iv) As per the GST Law, every registered taxable person must maintain the accounts books and records for at least:
(a) 36 months from the due date of furnishing of annual return for the year pertaining to such accounts and records;
(b) 60 months from the due date of furnishing of annual return for the year pertaining to such accounts and records;
(c) 72 months from the due date of furnishing of annual return for the year pertaining to such accounts and records;
(d) 18 months from the due date of furnishing of annual return for the year pertaining to such accounts and records.
- (v) The frequency to file GSTR – 1 is:
(a) Quarterly;
(b) Monthly;
(c) Annually;
(d) Semi-annually.
- (vi) As per sec. 2(84) of the CGST Act, person includes —
(a) An individual
(b) A company
(c) A firm

(d) All of the above.

(vii) A movie on demand is provided as onboard entertainment during the Delhi-Chennai leg of a Dubai-Delhi-Chennai flight. The place of supply of service will be:

- (a) Dubai
- (b) Delhi
- (c) Chennai
- (d) None of the above.

(B) Say Yes/No for the following questions:

[6×1=6]

- (i)** As per Anti Profiteering, Any reduction in rate of tax on any supply of goods or services or the benefit of input tax credit shall be passed on to the recipient by way of commensurate reduction in prices.
- (ii)** Goods and Services Taxpayer Identification Number (GSTIN) is a state-wise PAN-based 15 digit number.
- (iii)** Wreck means when goods continue to float after thrown in sea.
- (iv)** GST will extend to whole of India excluding the State of Jammu and Kashmir.
- (v)** Value of supply is the figure upon which tax is levied and collected.
- (vi)** Registration is required if the aggregate turnover exceeds ₹ 10 Lakhs in case of special category States except Jammu & Kashmir.

(C) Match the following:

[5×1=5]

	Column 'A'		Column 'B'
1.	High seas	A.	Filed monthly
2.	Sikkim	B.	Special category of state
3.	GSTR-3	C.	Exempted from GST
4.	Banking services	D.	Recipient is liable to pay GST
5.	Reverse charge mechanism	E.	Beyond 200 nautical miles from base line

Answer any five questions from the following. Each question carries 15 marks

2.(a) Determine the safeguard duty payable by X Ltd., under section 8B of the Customs Tariff Act, 1975 from the following:

X Ltd. imported Sodium Nitrite from a developing country from 26th February, 2015 to 25th February, 2016 (both days inclusive) ₹ 50 crores.

Total imports of Sodium Nitrite (including developing country) is ₹ 2,500 crores.

Note: Safeguard duty is @ 30%.

Whether your answer will be different in case of import of Sodium Nitrite from a developing country for ₹ 80 crores? **[7]**

(b) Write down the contents of a bill of supply in GST. **[8]**

3.(a) State the advantages of GST. **[6]**

(b) M/s Andhra ITC Ltd. purchased inputs and capital goods by paying GST to produce electricity or steam for manufacture of taxable goods. The electricity generated for use in manufacture of goods is sometimes also supplied in the residential colony of employees. Whether, M/s Andhra ITC Ltd. is eligible to avail the credit fully? **[5]**

(c) M/s Air Call registered under GST and located in Chennai. M/s Air Call have appointed Mr. C as a selling agent for supplying pre-payment voucher to the subscriber. Find the Place of supply of service and GST liability. **[4]**

4.(a) An importer imported some goods for subsequent sale in India at \$ 10,000 on assessable value basis. Relevant exchange rate and rate of duty are as follows:

Particulars	Date	Exchange rate declared by the CBE&C	Rate of Basic Customs Duty
Date of submission of bill of entry	25th February 2018	₹ 58/USD	10%
Date of entry inwards granted to the vessel	5th March 2018	₹ 58.75/USD	12%

Calculate assessable value and customs duty in Indian rupees. **[8]**

(b) What is composite supply and mixed supply? Illustrate with example. **[7]**

5.(a) State the categories of persons who shall be required to be registered under GST. **[12]**

(b) What do you meant by zero rated supply? **[3]**

6.(a) Compute the GST liability of Mr. A, an air travel agent, for the quarter ended Dec 31, 2017 using the following details:-

Particulars	Amount in ₹
Basic air fare collected for domestic booking of tickets	50,00,000
Basic air fare collected for international booking of tickets	80,00,000
Commission received from the airlines on the sale of domestic and international tickets	4,50,000
Year ending bonus received from airlines	50,000

In the above case, would the GST liability of Mr. A be reduced if he opts for the special provision for payment of GST as per Rule 32(3) of the CGST Rules, 2017? The applicable rate of GST is 18%. **[10]**

(b) Mr. X being a supplier receives consideration in the month of September 2017, instead of due date of July 2017, and for such delay he is eligible to receive an interest amount of ₹ 1000/- and the said amount is received on 15.12.2017.

Find the time of supply for the interest portion and due date of payment. **[5]**

7.(a) Calculate the amount of duty drawback allowable under section 74 of the Customs Act, 1962 in following cases:

- 1) Salman imported a motor car for his personal use and paid ₹ 5,00,000 as import duty. The car is re-exported after 6 months and 20 days.
- 2) Nisha imported wearing apparel and paid ₹ 50,000 as import duty. As she did not like the apparel, these are re-exported after 20 days.
- 3) Super Tech Ltd. imported 10 computer systems paying customs duty of ₹ 50 lakhs. Due to some technical problems, the computer systems were returned to foreign supplier after 2 months without using them at all. **[9]**

(b) M/s Rajendra Dyeing Pvt. Ltd. supplied goods worth ₹ 10,00,000 to M/s Y Ltd. in the month of September, 2017 plus GST 12%. M/s Rajendra Dyeing Pvt. Ltd. paid the GST on 5th December 2018. The amount of input tax credit is ₹ 70,000 is available in the books. Find the interest payment if any under section 50 of the CGST Act, 2017. **[6]**

8.(a) What is First Return and Revision of Returns in GST? **[7]**

(b) State the procedure for application of registration of non-resident taxable person making taxable supply in GST. **[8]**