

Paper 11 - Indirect Taxation

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Full Marks: 100

Time allowed: 3 Hours

1. Answer the following questions

(A) Multiple choice questions:

[7×2=14]

- (i) Which of the following is not a feature of indirect taxes?
 - (a) Regressive nature
 - (b) Supply based taxes
 - (c) Rate of taxes are different from person to person
 - (d) no previous year and assessment year concept
- (ii) Which of the following is the function of GSTN (Goods and Services Tax Network)?
 - (a) filing of registration application
 - (b) filing of return
 - (c) creation of challan for tax payment
 - (d) all of the above
- (iii) The scope of supply of goods or services or both includes —
 - (a) Sale;
 - (b) Exchange;
 - (c) Lease;
 - (d) All of the above.
- (iv) Which of the following activities to be treated as supply of goods ?
 - (a) Transfer of the title in goods
 - (b) Lease, tenancy, easement, license to occupy land
 - (c) Temporary transfer or permitting the use or enjoyment of any intellectual property right
 - (d) Works contract services
- (v) The form of return which is used by the compounding taxable persons to file their return quarterly is
 - (a) GSTR-1;
 - (b) GSTR-2;
 - (c) GSTR-3;
 - (d) GSTR-4.
- (vi) Indirect tax is based tax .
 - (a) Income
 - (b) Supply
 - (c) Both (a) and(b)
 - (d) None 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) In GST, agricultural activities are not exempted from GST .
- (ii) In Customs, warehouse means a public warehouse or a private warehouse or special warehouse
- (iii) Services received by the Reserve Bank of India from outside India in relation to management of foreign exchange reserves also exempt from GST .

- (iv) Wreck means when goods continue to float after thrown in sea.
- (v) GST will extend to whole of India excluding the State of Jammu and Kashmir.
- (vi) Value of supply is the figure upon which tax is levied and collected.

(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) Name the specified persons who are required to pay GST under reverse charge in case of services provided by Goods Transport Agency. [7]

(b) 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, 2018 to 25th February, 2019 (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? [8]

3.(a) Mr. Lalit an event organiser, located in Chennai received an order from M/s Tisman publications, Mumbai to conduct a book fair at Chennai. Find the Place of supply of service and GST in the following two cases:

Case 1: Tisman publications is a registered person.

Case 2: Tisman publications is a un-registered person . [6]

(b) M/s Ananda 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 Ananda 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) Mr. A has output Tax Liability of ₹ 1,00,000/- towards CGST & SGST/UGST and ₹ 20,000 towards IGST and also interest payable of ₹ 1800/-. Explain the manner of discharge tax liability by Mr. A in the following two independent cases:

1. Input tax credit available of CGST & SGST is ₹ 25,000/- each & IGST is ₹ 25,000/-

2. Input tax credit not available. [7]

5.(a) Mr. A located at Kolkata provides training at Kolkata to employees of M/s Infosys Ltd, which is registered at Mumbai.

Find the place of supply of service and GST liability in the following two cases:

Case 1: Infosys Ltd. is registered person under GST.

Case 2: Infosys Ltd. is not registered person under GST. [6]

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

(c) What is composite supply and mixed supply? Illustrate with example. [6]

6.(a) Compute the GST liability of Mr. A, an air travel agent, for the quarter ended Dec 31, 2018 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 2018, instead of due date of July 2018, and for such delay he is eligible to receive an interest amount of ₹ 1000/- and the said amount is received on 15.12.2018.

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

7.(a) Compute the assessable value and Customs duty payable from the following information:

(i) F.O.B value of machine 8,000 UK Pounds

(ii) Freight paid (air) 2,500 UK Pounds

(iii) Design and development charges paid in UK- 500 UK Pounds

(iv) Commission payable to local agents @ 2% of F.O.B in Indian Rupees

(v) Date of bill of entry (Rate BCD 12%; Exchange rate as notified by CBIC ₹68 per UK Pound) 24.10.2018

(vi) Date of entry inward (Rate of BCD 18%; Exchange rate as notified by CBIC ₹ 70 per UK Pound) 20.10.2018

(vii) IGST payable 18%

(viii) Insurance charges actually paid but details not available [9]

(b) M/s Rajendra Dyeing Pvt. Ltd. supplied goods worth ₹ 10,00,000 to M/s Y Ltd. in the month of September, 2018 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) Mr. M of Maharashtra supplied goods/services for ₹ 35,000 to Mr. P of Pune. Mr. M purchased goods/services for ₹ 23,600 (inclusive of IGST 18%) from Mr. C of Tamil Nadu. SGST and CGST rate on supply of goods and services is 9% each. Find the following:

1. Total price charged by Mr. M for supply of goods/services and
2. Who is liable to pay GST?
3. Net liability of GST.

[8]