

FINAL EXAMINATION **SET - 1**
MODEL QUESTION PAPER **TERM – DECEMBER 2023**
PAPER – 19 **SYLLABUS 2022**
INDIRECT TAX LAWS & PRACTICE

Time Allowed: 3 Hours

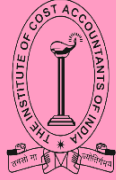
Full Marks: 100

The figures in the margin on the right side indicate full marks.

SECTION – A (Compulsory)

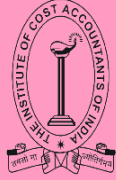
1. Choose the correct option: **[15 x 2 =30]**

- (i) Under GST Act a supply of assortment of sweets, chocolates and firecrackers packed in gift hamper is
- Joint supply
 - Composite supply
 - Mixed supply
 - Assorted supply
- (ii) What happens if the turnover of a registered person paying taxes under composition scheme during the year 2022-23 crosses threshold limit?
- He can continue under composition scheme till the end of the financial year.
 - He will be liable to pay tax at normal rates of GST on the entire turnover for the financial year 2022-23
 - He will cease to remain under the composition scheme with immediate effect
 - He will cease to remain under the composition scheme from the quarter following the quarter in which the aggregate turnover exceeds threshold limit
- (iii) Mr. A has started intra-state supply of goods from Delhi. He is required to obtain registration if his aggregate turnover exceeds _____ during a financial year.
- ₹ 10 lakh
 - ₹ 20 lakh
 - ₹ 30 lakh
 - ₹ 40 lakh
- (iv) Kesar Maharaj, a registered supplier, gave a classical dance performance in an auditorium. The consideration charged for the said performance is ₹ 1,60,000. Such performance is not for promotion of any product/services. Rate of CGST and SGST on such services is 9% each. Assuming the services supplied by him to be intra State supplies, which of the following statement are true?
- GST liability of Kesar Maharaj is Nil
 - Kesar Maharaj is liable to pay CGST and SGST of ₹ 14,400 and ₹ 14,400 respectively.
 - Kesar Maharaj is liable to pay CGST and SGST of ₹900 and ₹900 respectively.
 - None of the above.



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- (v) Calculate Free on Board value from following: Ex-factory price of exporter- ₹ 10,000; Expenses upto loading of goods by foreign exporter- ₹ 12,000. Post importation cost- ₹ 8000:
- ₹ 30,000
 - ₹ 22,000
 - ₹ 18,000
 - ₹ 22,250.
- vi) Is E-way bill mandatory in case of transport of the handicraft goods from one State to another State by a person who has been exempted from the requirement of obtaining registration?
- E-way Bill is not required as the supplier is exempt from the requirement of obtaining registration.
 - E- way Bill is mandatory only if the value of consignment is more than ₹50,000
 - E-way Bill is mandatory even if the value of consignment does not exceed ₹50,000
 - None of the above
- (vii) Mr. A purchase redeemable vouchers worth INR 8000/- on 1st January. The vouchers are redeemable against purchase of any goods. The vouchers are valid till 30th June. What will be the time of supply in case of such vouchers?
- 1st January
 - 30th June
 - The date of redemption of vouchers
 - None of the above.
- (viii) What is the time limit for taking ITC on invoices pertaining to a financial year?
- 180 days
 - 1 year
 - Due date of filling return for the month of September of the next financial year or the date of filling annual return, whichever is earlier
 - No limit
- (ix) Mr. Ram registered in Chennai has supplied goods to Kochi Fisheries Department, for total contract value of ₹ 2,65,000 inclusive of 18% IGST. The tax to be deducted at sources is (TDS on GST):
- Nil
 - ₹ 2,650
 - ₹ 5,300
 - None of these
- (x) The due date for filling GSTR – 6 (Return for input Service distribution) is _____ of the succeeding month.



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- a. 10
- b. 13
- c. 18
- d. 20

(xi) GST is payable by the recipient under reverse charge on:

- a. Sponsorship services
- b. Transport of good by rail
- c. Transport of passengers by air
- d. All of the above

(xii) If any doubt arises in respect of interpretation of FTP, the said doubt should be forwarded to _____:

- a. CBIC
- b. DGFT
- c. Government
- d. Courts.

(xiii) What is the General Free Allowance for passengers coming from Nepal by land route?

- a. Nil
- b. ₹ 50,000
- c. ₹ 15,000
- d. ₹ 25000.

(xiv) At present manufacture, and other operations in which bonded warehouse is not allowed?

- a. Public Bonded Warehouse
- b. Special Bonded warehouses
- c. Only Private Bonded warehouse
- d. Both (a) and (b).

(xv) Value of inputs covered by Advanced authorization ₹25 lakh. Export must be of _____ minimum value addition:

- a. 100%
- b. 15%
- c. 20%
- d. 50%



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SECTION-B

(Answer any five questions out of seven questions given. Each question carries 14 Marks.)

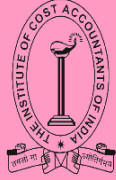
2. (a) Explain the provisions relating to tax liability on Composite supply and mixed supply. [7]
- (b) Discuss non-resident taxable person? Analyze the provision relating to filling of returns by non-resident taxable persons. [7]
3. (a) Well-Being Nursing Home has received the following amounts in the month of Jan 2023 in lieu of various services rendered by it in the same month. You are required to determine its GST liability from the details furnished below:

Sl. No.	Particulars	(₹ in lakh)
(i)	Palliative care for terminally ill patients at patient's home (Palliative care is given to improve the quality of life of patients who have a serious or life-threatening disease but the goal of such care is not to cure the disease)	30
(ii)	Services provided by cord blood bank unit of the nursing home by way of preservation of stem cells	24
(iii)	Hair transplant services	100
(iv)	Ambulance services to transport critically ill patients from various locations to nursing home	12
(v)	Transportation of patients in an ambulance on behalf of the State Governments against consideration	10
(vi)	Naturopathy treatments. Such treatment is a recognized system of medicine in terms of section 2(h) of the Clinical Establishments Act, 2010	80
(vii)	Plastic surgery to restore anatomy of a child affected due to an accident.	30
(viii)	Pranic healing treatments. Such treatment is not a recognized system of medicine in terms of section 2(h) of the Clinical Establishments Act, 2010	120
(ix)	Mortuary services	10

Note: All the amounts given above are exclusive of GST. Further, Well-Being Nursing Home is registered person under GST. Applicable rate of GST 18%. All transactions are at intra-State level. [7]

- (b) Ram & Co., being a registered person under GST supplied the following in the month of January 2023:

Particulars	Value in ₹
Taxable supply of goods	20,00,000
Exempted supply of goods	5,00,000



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Sale of land	12,50,000
Recovery Agent services supplied to OK Bank	2,50,000
Deposit on which interest received	2,00,000
Total	42,00,000

Common inputs for the relevant tax period is ₹2,00,000.
GST applicable rate on outward supply of goods @ 28%
Compute the GST liability. [7]

4. (a) Briefly explain the concept of TDS and TCS under GST Law. [7]
- (b) Explain “Related persons” and “distinct persons” under GST. [7]
5. (a) The Times Group being an event organizer located at New Delhi organized Miss India 2022 beauty pageant in India in the following Cities for M/s Femina Miss India a registered person located in Mumbai:

City	No. of Days	Fee in ₹
New Delhi	12	12 crores
Chennai	18	18 crores
Mumbai	20	20 crores
Total	50	50 crores

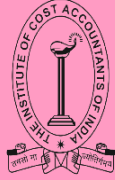
Determine the place of supply of service if contract specifies clear details.
Also determine the place of supply of service if contract specifies lump sum amount of ₹48 crores. [7]

- (b) M/s. Money Express Ltd., Jaipur is an authorized money changer registered under FEMA, 1999. It enters into the following transactions of money changing:

- (1) Sold 10,000 US \$ @ 1 US \$ = ₹71
- (2) Purchased 1,000 Euro @ 1 Euro = ₹ 7
- (3) Purchased 1,000 GBP @ 1 GBP = ₹ 99
- (4) Sold 50,000 units of currency ABC @ 1 ABC = ₹ 15
- (5) Sold 9680 US \$ for 6,8000 GBP
- (6) RBI reference rate for the various currencies at the relevant time:
1 US \$ = ₹70
1 Euro = ₹ 71
1 GBP = ₹ 100

You are required to calculate value of taxable supply of service and tax thereon if all charges are exclusive GST. Applicable GST rate – 18%. [7]

6. (a) Briefly discuss Remission of Duties and Taxes on Export Promotion scheme [RODTEP]. [7]
- (b) Analyze the Concept of “Deemed exports” with reference to Foreign Trade Policy. [7]



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7. (a) Mrs. A, a person of India origin, aged 40 years came to India to tour along with her baby aged 1½ years. She carried with her following goods:
- (1) Personal effects like clothes of Mrs. A valued at ₹ 40,000
 - (2) Used personal effects of infant valued at ₹ 60,000
 - (3) Laptop worth ₹ 65,000
 - (4) Travel souvenirs valued at ₹ 25,000
 - (5) 1 liter wine worth ₹ 5,000
 - (6) Mobile worth ₹ 20,000
 - (7) Digital camera ₹ 60,000
 - (8) Cigars 20 worth ₹ 1,340

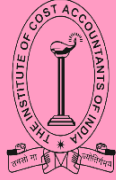
Compute the customs duty payable. [7]

- (b) Compute the assessable value and Custom duty payable from the following information:
- (i) FOB 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 agent @ 2% of FOB in Indian ₹
 - (v) Date of bill of entry – 24-10-2022 (Rate BCD 10%, Exchange rate as notified by CBIC ₹90 per UK Pound)
 - (vi) Date of arrival of aircraft – 20-10-2022 (Rate BCD 18%, Exchange rate as notified by CBIC ₹ 85 per UK Pound)
 - (vii) Integrated tax leviable under Section 3(7) of CTA, 1975 - @12%
 - (viii) Insurance charge actually paid but details not available. [7]

8. (a) Multi-Level Marketing (MLM) is a marketing strategy in which the distributor is compensated for the sales of the other salespeople that they recruit. This recruited sales force is referred to as the participant's "downline", and can provide multiple levels of compensation. In this model, distributors sell products directly to consumers by means of relationship referrals or by encouraging others to join the company as a distributor. In this model, usually three kinds of incentives/rewards are earned by the distributor-
- Profit margin earned on sale of goods purchased from the MLM company (hereafter referred to as "company");
 - Incentive received for buying certain quantum of goods; and
 - Consideration for identification of persons who can further be appointed as distributors.

Justify. [7]

- (b) Sundar Motors is a car dealer selling cars of an international car company. It also provides maintenance and repair services of the cars sold by it as also of other cars. It seeks your advice on availability of input tax credit in respect of the following expenses incurred by it during the course of its business operations:



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- (i) Cars purchased from the manufacturer for making further supply of such cars. Two of such cars are destroyed in accidents while being used for test drive by potential customers.
- (ii) Works contract services availed for constructing a car washing shed in its premises. [7]