11244

Fourth Semester M.Com. Degree Examination, October 2021

(CBCS Scheme)

Commerce

Paper AT 4.4 – CUSTOMS DUTY AND GST

Time : 3 Hours] *[Max. Marks : 70*

SECTION – A

1. Answer any **SEVEN** questions out of Ten. Each question carries **2** marks : **(7 × 2 = 14)**

   (a) State any four benefits of GST.

   (b) What is GSTN?

   (c) What do you mean by Place of Supply?

   (d) What is GSTRs?

   (e) What do you mean by transfer of Input Tax Credit?

   (f) Define assessment under GST.

   (g) Acronym of GSP.

   (h) State any four drawbacks of customs duties paid.

   (i) What do you mean by appellate Tribunal?

   (j) State the goods which are exempted from GST.

SECTION – B

Answer any **FOUR** questions out of Six. Each question carries **5** marks : **(4 × 5 = 20)**

2. Having Regards to the provisions of CGST and SGST Act, 2017. Compute the Transaction Value of Goods from the following information and GST payable :

Particulars	Amount (Rs.)
Listed selling price (including IGST of Rs. 5,000)	35,000
FOLLOWING TRANSACTIONS ARE NOT INCLUDED	
Normal Secondary Packing Cost	2,000
Cost of Special Packing	1,000

Particulars	Amount (Rs.)
Cost of durable and returnable packing	1,500
Freight charges paid by supplier Charged Separately	800
Insurance on Freight paid by supplier Charged Separately	200
Trade Discount (normal practice)	2,000

Rate of GST 12%.

3. Briefly explain the methods of valuation of customs duty.

4. Describe the framework of GSTN.

5. Briefly discuss the customs procedure in collection of customs duty.

6. Enumerate the eligibility and conditions for claiming credit under ITC.

7. Mr. Bharadvaj a dealer submits the following information in relation to manufacturing and selling of drilling machine. Compute the net GST liability from the following information :

   (a) Imports of raw material (excluding 10% of BCD on imports and 5% of IGST) – Rs. 1,40,000

   (b) Raw material purchased from Karnataka (including CGST at 14% and SGST at 14%) – Rs. 5,12,600

   (c) Raw material purchased from Kerala including IGST at 5% – Rs. 40,000

   (d) Subsidy received from an NGO which was directly related to price of the goods – Rs. 13,000

   (e) Manufacturing expenses Rs. 3,800

   (f) Subsidy received from Central Govt. which was directly linked to the price of the product – Rs. 14,000

   (g) Additional incentive paid to the employees of sales dept – Rs. 3,000

   (h) Warranty charges – Rs. 9,600

   (i) Exempted services received in connection with the manufacture Rs. 6,600. Along with the machine he supplied 3 different components at a fixed price of Rs. 15,000 each of these components are not naturally bundled with the supply of the machine. The GST rate of three products is 28%, 5% and 12% respectively.

   Mr. Bharadvaj sold the machine to Mr. Gokul a registered dealer in Delhi at a profit of 15% on the cost of product and rate of GST on such sales is 18%.

SECTION – C

Answer any **THREE** questions out of Five. Each question carries **12** marks : **(3 × 12 = 36)**

8. From the following information compute the transaction value and the amount of GST payable :

   (a) Purchases from local market (GST inclusive at 5%) – Rs. 1,47,000

   (b) Goods purchased from a unit of SEZ's in Bengaluru (excluding GST at 12%) – Rs. 1,00,000

   (c) Raw material purchased from a unregistered dealer in Mysore for Rs. 20,000 rate of GST applicable to such material is 18%

   (d) Materials purchased from SEZ in Bidar (inclusive GST at 5%) Rs. 2,10,000

   (e) Material purchased within the state from a registered dealer who opted for composition scheme under GST. Rate of GST to this product is 12% – Rs. 3,00,000

   (f) Material purchased from Japan including BCD and excluding GST at 28% – Rs. 1,00,000

   (g) Material expenses is Rs. 1,00,000

   (h) Profit to manufacturer is Rs. 30,000

   Sales details : Out of the total finished goods :

   (i) 20% sold to a SEZ in Bengaluru

   (ii) 30% sold to an unregistered dealer of Delhi

   (iii) 20% sold to a registered dealer of Mysore who opted for composition scheme under GST and

   (iv) The balance is sold to a registered dealer in Mysore.

9. Discuss the guidelines and GSP architecture to integrate with GST system.

10. Explain the assessment and audit inspection under administration of GST.

11. XYZ Ltd. of Chennai agreed to sell an electronic motor on which the rate of GST applicable is 12% to ABC Ltd. of Bangalore for Rs. 15,000 on ex-factory price. Other particulars are :

   (a) Transportation and transit insurance were arranged by XYZ Ltd. This was at the request of ABC Ltd. and amounted for Rs. 1,250 and Rs. 1,500 respectively which were charged separately?

   (b) A discount of Rs. 1,000 was given to ABC Ltd. on the agreed price on payment of an advance of Rs. 3,500 with the order. (Ignore notional interest on advance).

(c) Interest of Rs. 800 was charged from DEF Ltd. as it failed to make payment within 30 days.

(d) Packing charges of the motor amounts to Rs. 1,300.

(e) The expenditure incurred by ABC Ltd. towards 'free after sale service' during warranty period comes out to be Rs. 500 per month.

Compute IGST payable.

12. Mr. Kiran a dealer submits the following information in relation to manufacture and selling of drilling machine. Compute the net GST liability from the following information :

(a) Imports of raw material (excluding 10% of BCD on imports and 12% of IGST) – Rs. 2,40,000

(b) Raw material purchased from Karnataka (including CGST at 14% and SGST at 14%) – Rs. 2,81,600

(c) Raw material purchased from Goa including IGST at 5% – Rs. 63,000

(d) Subsidy received from an NGO which has directly related to price of the goods – Rs. 13,000

(e) Penalty levied by Mr. S for delayed payment – Rs. 575

(f) Subsidy received from Central Govt. which was directly linked to the price of the product – Rs. 34,000

(g) Additional incentive paid to the employees of sales dept – Rs. 5,000

(h) Warranty charges – Rs. 8,500

(i) Manufacturing expenses – Rs. 6,000

(j) Service received from a registered dealer to manufacture a machinery rate of GST applicable to these service 12% – Rs. 23,000.

Along with the machine he supplied 3 different components at a fixed price of Rs. 25,000 each of these components are not naturally bundled with the supply of the machine.

The GST rate of three products is 5%, 12% and 28% respectively. Mr. Kiran sold the machine to Mr. Uday a registered dealer in Delhi at a profit of 15% on the cost of product and rate of GST on such sales is 18%.