

Roll No.....

Sr. No. of Question Paper:

Unique Paper Code: 22411602

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Name of the Paper: Goods & Services Tax and Custom Laws

Name of the Course: B.Com. (H) CBCS

Semester: Semester VI

Duration: 2 hours

Maximum Marks: 75 Marks

*Instructions for candidates:*

1. Attempt any four questions out of six questions.
2. All questions carry equal marks.

Q.1	<p>Discuss whether payment of GST under Composition Scheme is applicable in the cases given below:</p> <ol style="list-style-type: none"><li>i) Rohit, a trader, goes to sell his garments at a trade fair organized in Delhi from September 01st to 30<sup>th</sup>, 2019. His turnover in the financial year is less than Rs. 50 lakhs. Rohit does not have a fixed place of business in Delhi.</li><li>ii) Ramesh is a distributor of crockery. He is a registered dealer in Delhi during the Financial Year 2018-19. His turnover is likely to be less than Rs. 32 lakhs. He also sells his products in Haryana.</li><li>iii) Karan, a Delhi based caterer, supplies food in offices and residences in Delhi. His annual turnover during the financial year 2018-19 was Rs. 35 lakhs.</li><li>iv) Mr. Rawat of Shillong (Meghalaya) supplied taxable goods of Rs. 47 lakhs and supplied exempted goods of Rs. 33 lakhs during the financial year 2018-19 in different cities of Meghalaya.</li><li>v) Mr. Samir Khan is a manufacturer of paan masala and tobacco products in the State of Orissa. His turnover for the year does not exceed Rs. 1.5 crores.</li><li>vi) ABC Ltd. has two business units -- manufacturing steel pipes and manufacturing agricultural equipment. Its annual turnover from the two business units is Rs. 48 lakhs and Rs. 76 lakhs respectively. ABC Ltd. is registered under normal provisions of GST. With effect from April 1<sup>st</sup> 2019, it wants to opt for composition scheme.</li></ol>
Q.2	<p>Citing the Exemption Notification (entry number), discuss whether the following Services are chargeable to GST:</p> <ol style="list-style-type: none"><li>i) Pranav owns two houses in a residential colony which are rented to Manav, one for residential purposes on a monthly rent of Rs. 50,000/- and the other for commercial purposes at a monthly rent of Rs. 1,00,000/-</li></ol>

	<p>ii) Indigo Airlines operates its flights for transportation of passengers between Mumbai and Sikkim, and also between Mumbai and Lucknow.</p> <p>iii) Shyam Lal owns a piece of agricultural land in Rohtak and another in Meghalaya. He rents it out to Ghasi Ram and Funshuk for growing wheat and rice respectively.</p> <p>iv) Anoop travels from Delhi to Bhopal alongwith his servant Ramu. He purchases a 2nd class sleeper ticket for Ramu for Rs. 640/- and himself travels in 2 Tier AC coach which costed him Rs. 2,500/-.</p> <p>v) Ms. Anubha undergoes a surgery for removal of gallbladder at Lilavati hospital. In the same visit, she also undergoes plastic surgery to get her lips re-shaped. The hospital charges her Rs. 3 lakh for the gallbladder surgery and Rs. 5 lakhs for the plastic surgery.</p> <p>vi) A registered charitable trust has a Community hall which is rented out for organizing marriage functions @ Rs. 8,000/- per day. It also has ten rooms in the same complex which are rented out for Rs. 1,100/- per room per day.</p>																								
Q.3	<p>Determine the amount of Input Tax Credit that can be claimed by Arihant Precision Pvt. Ltd., based on the following information about the inputs/goods purchased during the month of November 2019. Give reasons for each point.</p> <table><tr><th>S. No.</th><th>Particulars of Inward Supplies</th><th>GST (Rs.)</th></tr><tr><td>1</td><td>iPhone purchased to be given as gift to the Director.</td><td>15,000</td></tr><tr><td>2</td><td>Steel rods purchased from Z Ltd., received on 12.11.2019 November, 2019.</td><td>50,000</td></tr><tr><td>3</td><td>Machine oil received from Mr. P; the invoice was received on 09.12.2019</td><td>20,000</td></tr><tr><td>4</td><td>Inputs purchased &amp; used exclusively for supplying exempted Goods.</td><td>35,000</td></tr><tr><td>5</td><td>Goods received in lots. Second lot received on 20.11.2019. Third lot to be received in December 2019.</td><td>60,000</td></tr><tr><td>6</td><td>Goods received from X Ltd, after making full payment; tax is not yet deposited by X Ltd.</td><td>40,000</td></tr><tr><td>7</td><td>Machinery imported from UK in respect of which Bill of Entry has been received dated 27.11.2019.</td><td>1,20,000</td></tr></table>	S. No.	Particulars of Inward Supplies	GST (Rs.)	1	iPhone purchased to be given as gift to the Director.	15,000	2	Steel rods purchased from Z Ltd., received on 12.11.2019 November, 2019.	50,000	3	Machine oil received from Mr. P; the invoice was received on 09.12.2019	20,000	4	Inputs purchased & used exclusively for supplying exempted Goods.	35,000	5	Goods received in lots. Second lot received on 20.11.2019. Third lot to be received in December 2019.	60,000	6	Goods received from X Ltd, after making full payment; tax is not yet deposited by X Ltd.	40,000	7	Machinery imported from UK in respect of which Bill of Entry has been received dated 27.11.2019.	1,20,000
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Q.4	<p>Discuss giving reason, who will be liable to make payment of GST to the Government in the following cases.</p> <p>i) M/s Jagdish Enterprises, a registered supplier sells steel pipes of Rs.1,00,000 to ABC Co.</p> <p>ii) Mr. A, a registered tax payer sells Silk Yarn to XYZ Co., also a registered taxpayer for Rs.50,000.</p> <p>iii) Gagan Enterprises, a registered tax payer provides free consultancy to M/S. ABC Pvt Ltd in which Gagan is one of the directors.</p>																								

	<p>iv) MN Ltd., a firm of advocates (registered taxpayer) provides legal consul tancy of Rs 2,00,000 to Anil &amp; Co. which is also a registered taxpayer.</p> <p>v) Mr. X imported goods from Y of Australia for Rs 5,00,000.</p> <p>vi) Mr. S, an insurance agent, provides insurance agent services to Mr. P for a commission of Rs. 3,000.</p>																		
Q.5	<p>Discuss the following cases :</p> <p>a) Registration requirement under GST Laws for X, a supplier in Maharashtra, engaged in supply of onion in Maharashtra (as well as outside Maharashtra). His turnover has exceeded the threshold limit in Nov 2019.</p> <p>b) Registration requirement for Ratan Traders of Delhi engaged in Intra-state supply of ladies garments, who are planning to participate in an exhibition scheduled for next month in Surat, Gujrat.</p> <p>c) Registration requirement of Y of Mizoram engaged in supply of goods in Mizoram with an aggregate turnover of Rs. 15 lakh</p> <p>d) Z is registered under GST. He owns a small stationery shop. Is he required to issue separate tax invoice for all the supplies made by him in a day? Discuss the alternative available to him.</p> <p>e) Penalty payable by Q, a registered supplier who claimed Input Tax Credit of Rs. 7,500 without actual receipt of goods and services.</p> <p>f) Procedure of generating E-way Bill where W, a consignor, is required to move goods worth Rs.53,000 from NOIDA (UP) to Lucknow (UP). W appointed Hari Transporters to move goods. Hari Transporters transported goods from NOIDA to Agra (UP) and handed over the goods to Ajay Transporters at Agra to be further transported to Lucknow. Ajay transporter transported the goods to the final destination Lucknow.</p>																		
Q.6	<p>Following information is provided in respect of payments made by X FOR goods imported by him from Y (unrelated party), price being the sole consideration for sale.</p> <table><tr><th></th><th>Description</th><th>Amount(Rs.)</th></tr><tr><td></td><td>Price of the goods imported</td><td>20,00,000</td></tr><tr><td></td><td>Payment for design and engineering work</td><td>1,40,000</td></tr><tr><td></td><td>Payment for Royalty and license fees</td><td>2,50,000</td></tr><tr><td></td><td>Payment for Transportation cost (by sea)</td><td>4,00,000</td></tr><tr><td></td><td>Insurance cost (actual)</td><td>2,00,000</td></tr></table> <p>a) Ascertain the Transaction Value of goods under Indian Custom Laws from the above information.</p> <p>b) In which cases the Transaction Value so ascertained is not accepted by Custom</p>		Description	Amount(Rs.)		Price of the goods imported	20,00,000		Payment for design and engineering work	1,40,000		Payment for Royalty and license fees	2,50,000		Payment for Transportation cost (by sea)	4,00,000		Insurance cost (actual)	2,00,000
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	<p>authorities?</p> <p>c) Specify the basis of valuation as per rule 4 to rule 9 of Indian Custom Rules, in case the Transaction Value is rejected.</p>
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