

Enrollment No.....



Faculty of Commerce
End Sem (Even) Examination May-2019
CM3CO12 Indirect Tax

Programme: B.Com.(Hons) Branch/Specialisation: Commerce

Duration: 3 Hrs.

Maximum Marks: 60

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.

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| Q.1 | i. | Goods and Services Tax (GST) is on; (a) Sale of Goods (b) Supply of Services (c) Supply of Goods and Services (d) Production of Goods | 1 |
| | ii. | GST is a; (a) Direct Tax (b) Indirect Tax (c) Production Tax (d) Advalorem Tax | 1 |
| | iii. | Registration under GST is mandatory in case of supplier, if annual Turnover is more than; (a) Rs. 2,00,000 (b) Rs. 5,00,000 (c) Rs. 8,00,000 (d) Rs. 20,00,000 | 1 |
| | iv. | GST is applicable in case of Mixed Supply at; (a) Different Rates (b) Higher Rates (c) Principal Rates (d) Lower Rates | 1 |
| | v. | Zero Rate Goods include; (a) Vegetables (b) Rough Diamonds (c) Gold and Silver (d) Dry Fruits | 1 |
| | vi. | 18 % GST Rate is applicable on; (a) Vegetables (b) Rough Diamonds (c) Gold and Silver (d) Head Gears | 1 |
| | vii. | Composition Option is available for a Supplier whose; (a) Taxable Supply is Rs. 1,00,00,000 (b) Annual Total Turnover is up to Rs. 1,00,00,000 (c) Annual Total Tax-Free Turnover is up to Rs. 1,00,00,000 (d) None of these | 1 |

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| viii. | GST Rate applicable for Composition is; | 1 |
| | (a) 1% (b) 2% (c) 3% (d) 4% | |
| ix. | ITC (Input Tax Credit) is available on; | 1 |
| | (a) Receipt of Goods (b) Receipt of Documents | |
| | (c) Both (a) and (b) (d) None of these | |
| x. | ITC is a deduction available against; | 1 |
| | (a) GST payable (b) Net Sales | |
| | (c) Taxable Supply (d) Stock in Trade | |
| Q.2 | i. What do you understand by GST? | 2 |
| | ii. List the salient features of GST. | 3 |
| | iii. Discuss the Scheme of Classification under GST. | 5 |
| OR | iv. Discuss various type of Supply under GST. | 5 |
| Q.3 | Attempt any two: | |
| | i. Discuss the Procedure for Registration under GST. | 5 |
| | ii. Discuss the Cases of Compulsory Registration under GST. | 5 |
| | iii. Discuss the Procedure for Amendment of Registration under GST. | 5 |
| Q.4 | Attempt any two: | |
| | i. Discuss the Term Exempted Goods under GST with examples. | 5 |
| | ii. Discuss the Procedure for Determination of Taxable Value of Supply of Goods under GST. | 5 |
| | iii. DAT Construction Indore to supply ADT Engineering Indore 10 Machines at a Price of Rs. 2,00,000 each in the Month of August 2018, other details of deal are as follows; | 5 |
| | (a) Design and Drawing Charges for Machines (Total) Rs. 15,000. | |
| | (b) Packaging Charges (Per Machine) Rs. 5,000. | |
| | (c) Loading Charges and Haulage (Total) Rs. 1,000. | |
| | (d) Total Outward Cost of Transportation Rs. 8,000. | |
| | Considering effective GST Rate being 18 %, find out Taxable Value and GST Payable in Tax Invoice. | |
| Q.5 | Attempt any two: | |
| | i. Discuss the main features of composition scheme. | 5 |
| | ii. Discuss the provisions for submission of GST returns. | 5 |

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| iii. | Raymond Ltd. is a garment manufacturer, information if its business is as follows; | 5 |
| | (a) Estimated Annual Turnover (including GST) Rs. 68,25,000 | |
| | (b) Manufacturing Cost for preparing finished goods; | |
| | I. Purchase of Cloth Rs. 18,00,000 | |
| | II. Stitching Material Rs. 7,00,000 | |
| | III. Wages to Tailoring Workers Rs. 12,00,000 | |
| | IV. Electricity Charges Rs. 3,00,000 | |
| | V. Packing Material Rs. 4,00,000 | |
| | VI. Other Costs- Designing, Ironing Rs. 600,000 | |
| | (c) GST Paid on Inward Supply of Material and Cloth Rs. 3,00,000 | |
| | GST applicable @ 5% on Ready Made Garments. Prepare a Comparative Statement and suggest that Composition Option should be taken or not. | |
| Q.6 | Attempt any two: | |
| | i. Explain the concept of ITC. | 5 |
| | ii. What are the items on which ITC is not available? | 5 |
| | iii. Bajaj Electrical is a Registered Dealer under GST, supplies Goods by charging GST @ 18%. They receive Goods from Registered/ Unregistered Suppliers of M.P. as well as other States. Supply details are as follows; | 5 |
| | (a) Taxable Goods supplied during the period Rs. 16,00,000 | |
| | (b) Goods received from Registered Dealers during the period Rs. 10,00,000 | |
| | (c) GST charged by Registered Dealers Rs. 1,25,000 | |
| | (d) Goods Purchased from Unregistered Dealers Rs. 3,00,000 | |
| | (e) Tax paid as Reverse Charge Rs. 54,000 | |
| | (f) Goods Supplied from Other States Rs. 4,00,000 | |
| | (g) Tax Charged by Dealers of Other States Rs. 16,000 | |
| | (h) Closing Stock Rs. 5,00,000 | |
| | Calculate the Input Tax Credit (ITC) and Net Tax Payable under GST. | |

Marking Scheme
CM3CO12 Indirect Tax

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| Q.1 | i. | Goods and Services Tax (GST) is on; (c) Supply of Goods and Services | 1 |
| | ii. | GST is a; (b) Indirect Tax | 1 |
| | iii. | Registration under GST is mandatory in case of supplier, if annual Turnover is more than; (d) Rs. 20,00,000 | 1 |
| | iv. | GST is applicable in case of Mixed Supply at; (b) Higher Rates | 1 |
| | v. | Zero Rate Goods include; (a) Vegetables | 1 |
| | vi. | 18 % GST Rate is applicable on; (d) Head Gears | 1 |
| | vii. | Composition Option is available for a Supplier whose; (b) Annual Total Turnover is up to Rs. 1,00,00,000 | 1 |
| | viii. | GST Rate applicable for Composition is; (a) 1% | 1 |
| | ix. | ITC (Input Tax Credit) is available on; (c) Both (a) and (b) | 1 |
| | x. | ITC is a deduction available against; (a) GST payable | 1 |
| Q.2 | i. | GST Definition 1 mark Explanation 1 mark | 2 |
| | ii. | Salient features of GST. (Six features) 0.5 mark for each feature (0.5 mark * 6) | 3 |
| | iii. | Scheme of Classification under GST. Chart 2 marks Description 3 marks | 5 |
| | iv. | Type of Supply under GST. (any five types) 1 mark for each (1 mark * 5) | 5 |
| Q.3 | | Attempt any two: | |
| | i. | Procedure for Registration under GST. 1 mark for each (1 mark * 5) | 5 |
| | ii. | Cases of Compulsory Registration under GST. 1 mark for each case (1 mark * 5) | 5 |

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| iii. | Procedure for Amendment of Registration under GST. | | 5 |
| | Meaning | 2 marks | |
| | Explanation | 3 marks | |
| Q.4 | | Attempt any two: | |
| | i. | Exempted Goods under GST with examples. | 5 |
| | | Definition 2 marks | |
| | | Explanation 2 marks | |
| | | Example 1 mark | |
| | ii. | Procedure for Determination of Taxable Value of Supply of Goods under GST. | 5 |
| | | 0.5 mark for each procedure (0.5 mark * 10) | |
| | iii. | Total Taxable Value Rs. 20,74,000 | 2.5 marks |
| | | Total amount of Invoice Rs. 24,47,320 | 2.5 marks |
| | | Full marks for correct answer else step marking | |
| Q.5 | | Attempt any two: | |
| | i. | At least 5 features of composition scheme. | 5 |
| | | 1 mark for each feature (1 mark * 5) | |
| | ii. | Provisions for submission of GST returns. | 5 |
| | | Minimum 10 points 0.5 mark for each (0.5 mark * 10) | |
| | iii. | Total Taxable Value Rs. 3,68,250 | 2.5 marks |
| | | Tax liability at normal rate Rs. 3,25,000 | 2.5 marks |
| Q.6 | | Full marks for correct answer else step marking | |
| | | Attempt any two: | |
| | i. | Concept of ITC. | 5 |
| | | Definition 2 marks | |
| | | Explanation 2 marks | |
| | | Example 1 mark | |
| | ii. | Items on which ITC is not available | 5 |
| | | 1 mark for each item (1 mark * 5) | |
| | iii. | Net Tax Payable Rs. 43,000 | 5 |
| | | Step wise 0.5 marks (0.5 mark * 8) | 4 marks |
| | | Correct answer + proforma | 1 mark |
| | | Full marks for correct answer else step marking | |
