

**III Semester M.Com. (F&A) Examination, March/April 2021****(CBCS Scheme)****FINANCE AND ACCOUNTING****Paper – 3.2 : Customs Duty and GST**

Time : 3 Hours

Max. Marks : 70

SECTION – A1. Answer **any seven** questions. **Each** question carries **two** marks : **(7×2=14)**

- a) What is reverse charge mechanism under GST ?
- b) What is anti-dumping duty ?
- c) What is Zero rated supply ?
- d) Define works contract as per CGST Act.
- e) Why GST is called as consumption based tax ?
- f) What is HSN ?
- g) What is composition scheme under GST ?
- h) State any two goods which are out of the scope of GST.
- i) Define distinct person as per CGST Act.
- j) When can supplier avail input tax credit when inputs are received in instalments ?

SECTION – BAnswer **any four** questions. **Each** question carries **five** marks : **(4×5=20)**

2. What is input tax credit ? Describe the conditions for claiming credit.
3. Mr. Gururaj supplies goods worth ₹ 24,300 to Mr. Vijay and issues invoice on 22nd July 2020. Mr. Vijay pays ₹ 26,000 on 27th July 2020. The excess of ₹ 1,700 is adjusted in the next invoice issued on 5th August 2020. Date on which payment entered in books of accounts by supplier is 30th August 2020 and date on which payment credited into Bank account of supplier is 28th August 2020.

Find time of supply of goods.

P.T.O.



4. XZY limited, Mumbai registered supplier is manufacturing chocolates and biscuits. It provides the following details of taxable inter-state supply made by it for the month of October 2020. List price of the goods supplied inter-state ₹ 12,40,000. Items already adjusted in the price given i) Subsidy from central government for supply of biscuits to government school ₹ 1,20,000. ii) Subsidy from trade association for supply of quality biscuits ₹ 30,000. Items not adjusted in the price given i) Tax levied by Municipal authority ₹ 24,000, ii) Packing charges ₹ 12,000. iii) Commission charges ₹ 5,000. Calculate the value of taxable supply made by XZY limited for the month of October 2020.
5. Distinguish between composite supplies and mixed supplies.
6. M/s A Ltd. is a dealer of motor vehicles and a registered person under GST law and purchased 10 cars for Rs. 45 lakhs plus 28% GST. M/s A Ltd. sold 8 cars for Rs. 55 lakh plus 28% GST. Find the GST liability.
7. Briefly explain various types of customs duties.

SECTION – C

Answer **any three** questions. **Each** question carries **twelve** marks : (3×12=36)

8. Write a note on :
- GST Eco system – GST Suvidha Providers.
 - GST Network (GSTN)
 - E way bill.
9. What is Supply under GST ? Describe the scope of Supply.
10. Bring out the major differences between the GST and earlier Indirect Taxes in India.
11. Mr. X, a supplier of goods, pays GST under regular scheme. Mr. X is not eligible for any threshold exemption. He has made the following outward taxable supplies in a tax period.

Particulars	(₹)
Intra-State supply of goods	8,00,000
Inter-State supply of goods	3,00,000



He has also furnished the following information in respect of purchases made by him in that tax period :

Particulars	(₹)
Intra-State purchases of goods	3,00,000
Inter-State purchases of goods	50,000

Mr. X has following ITCs with him at the beginning of the tax period :

Particulars	(₹)
CGST	30,000
SGST	30,000
IGST	70,000

Note :

- i) Rate of CGST, SGST and IGST to be 9%, 9% and 18% respectively.
- ii) Both inward and outward supplies are exclusive of taxes, wherever applicable.
- iii) All the conditions necessary for availing the ITC have been fulfilled.

Compute the net GST payable by Mr. X during the tax period. Make suitable assumptions as required.

12. Mr. A imported second-hand goods from a UK supplier by air, which was contracted on CIF basis. However, there were changes in prices in the international market between the date of contract and actual importation. As a result of several negotiations, the parties agreed for a negotiated price payable as follows :

Particulars	Contract price (£)	Changed Price (£)	Negotiated Price (£)
CIF Value	5000	5800	5500
Air Freight	300	600	500
Insurance	500	650	600



Other details for computing assessable value and duty payable are tabled below :

Particulars	Amount
Vendor inspection charges (inspection carried out by foreign supplier on his own, not required under contract or for making the goods ready for shipment)	£ 600
Commission payable to local agent @ 1% of FOB in local currency	

Date of bill of entry	Basic customs duty	Exchange rate in ₹ (notified by CBIC)
18-02-2020	10%	102
Date of arrival of aircraft	Basic custom duty	Exchange rate in ₹ (notified by CBIC)
15-02-2020	15%	98

Inter-bank rate 1 UK Pound = ₹ 106

Compute the assessable value and calculate basic customs duty payable by Mr. A.

Particulars	Contract price (₹)	Changed price (₹)	Negotiated Price (₹)
Insurance	500	500	500
Air Freight	75	75	500
CIF Value	5000	5000	5000