

2023

M.Com.

4th Semester Examination

COMMERCE

PAPER : COM-403.1 & 403.2

(Indirect Taxes)

Full Marks : 50

Time : 2 hours

The figures in the right-hand margin indicate marks.

*Candidates are required to give their answers
in their own words as far as practicable.*

Illustrate the answers wherever necessary.

COM-403.1

1. Answer **any two** questions from the following :
2×2=4

(a) What is GST Schedules?

(2)

- (b) What is GSTIN?
- (c) State the composition of the GST Council.
- (d) Who is not eligible for GST Composition Levy Scheme?

2. Answer *any two* questions from the following :
4×2=8

- (a) State the advantages and limitations of Indirect taxes over the direct taxes.
- (b) State the amount of penalty to be imposed in the following cases :
 - (i) Delay in filing GST Return
 - (ii) Not filing GST Return
 - (iii) Not issuing a Tax invoice
 - (iv) Committing fraud
- (c) State briefly, about the three types of electronic ledgers that are maintained for a registered tax payer under GST.

(d) Mr. Ghosh is travelling from Howrah to Delhi by Rajdhani Express train in AC 2 tier. The fare that he has paid for this purpose is ₹2,850 (excluding GST), which includes ₹2,100 as basic fare, ₹350 as food charges, ₹250 for laundry charges, and remaining ₹150 for safety and security charges. If the rate of GST for travel in upper class is 12%, food 5%, for laundry service 12% and for safety and security is 5%, then calculate the amount of GST to be paid by Mr. Ghosh for his travel. [Give your explanations, as required]

3. Answer **any one** question from the following :

8×1=8

- (a) (i) What do you understand by Input Tax Credit (ITC)? State the rules for utilization of input tax credit under IGST, CGST and SGST.
- (ii) Mr. Sanju, a dealer of goods and registered under GST, has business at Kharagpur. During May, 2023 he has made the following supplies :
- (A) Sold goods to a dealer at Burdwan for ₹5,00,000. Rate of GST is 18%.
- (B) Sold goods to a wholesaler at Ranchi for ₹12,00,000. Rate of GST is 12%.
- (C) Sold goods to a retailer at Midnapore for ₹2,00,000. GST payable @ 5%

During the month, he purchased a capital goods from Delhi at a price of ₹9,00,000 and paid GST @ 18%. In May, 2023 he purchased input goods of ₹5,00,000 from Kolkata, GST paid @ 5% and also procured services from a service provider of Kharagpur for ₹30,000, paid GST @ 12%.

Compute the GST liability of Mr. Sanju for the month of May, assuming there was no balance in his electronic credit ledger. 4+4

(b) (i) What do you mean by under GST law reverse charge?

(ii) Mr. Raghu purchased a heavy vehicle for his business use on 5th July, 2021 with ₹30 lakh. He paid GST on such purchase @ 12% and took full advantage of Input Tax Credit (ITC) for purchasing the vehicle. However, on 20th March 2023, Mr. Raghu sold the vehicle at ₹18 lakh, where the GST rate applicable on such sale remained the same.

(A) Compute the amount of ITC reversal for selling his old vehicle.

(B) Compute the final GST liability of Mr. Raghu for selling his vehicle.

[Give your explanations, as required]

3+5

(5)
COM-403.2

4. Answer *any two* questions from the following :
2×2=4
- (a) What is the significance of territorial water?
 - (b) Define 'Goods' as per Customs Act, 1962.
 - (c) What is customs station?
 - (d) What is CIF value in customs?
5. Answer *any two* questions from the following :
4×2=8
- (a) Find out antidumping duty from the following information :
 - (i) Transaction Price (cost) 10000 units
(a) \$1,800/unit
 - (ii) Assessable value \$20,00,000
 - (iii) Normal selling price in exporting country (a) \$2,600/unit
 - (iv) Selling price of similar goods in India :
(a) \$2,400/unit
 - (v) Customs duty \$2,00,000
 - (vi) Consider \$1 = ₹80 4
 - (b) What is warehousing? What are the advantages of storing the imported goods in warehouse? 1+3=4

(6)

(c) Write short notes on Brand Rate and Special Brand Rate in respect of Duty drawback.

2+2=4

(d) Determine assessable value from the information of following imported goods :

(i) FOB value ₹ 2,00,000

(ii) Shipping Freight ₹ 50,000

(iii) Insurance is not ascertainable

(iv) Design and Development ₹ 20,000

(v) Penalty paid from breach of import rule ₹ 25,000

(vi) Packing of material ₹ 2,000

6. Answer *any one* question from the following :

8×1=8

(a) What are the different ways of importing goods as per Customs Act? What are the steps for importation through ship? 2+6=8

(b) When safeguard duty is imposed? Mr. Basu imported toys from Indonesia at assessable value of \$5,00,000. It has been recently notified by the Central Government that share of imports of toys from Indonesia exceeds 5% of total import of toys. Safeguard duty notified on this product is 20%. Basic Customs Duty 30% and IGST 12%. Exchange rate is \$1 = 80. Determine the total customs duty payable.

2+6=8

[Internal Assessment : 10 Marks]

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