

VI SEMESTER
CAF 350: BUSINESS TAXATION II

PART
15 MARKS

A

- 1.Explain provision relating to purchase or sale of foreign currency under rule 32(2).
- 2.Explain provision relating to life insurance business foreign currency under rule 32(4).
- 3.Explain provision relating to life air travel agent business foreign currency under rule 32(3).
4. Explain the provision relating to revocation of cancelation of registration.
5. Explain the time limit for taking registration.
- 6.Define input tax credit. Explain eligibility and conditions for taking input tax credit u/s 16.
- 7.Explain the treatment of input tax credit on the supply of capital goods.
- 8.Define input service distributor. What are the conditions and procedures for distribution of credit by ISD?
- 9.Explain the procedure of registration under GST in India.
- 10.Explain the benefits of registration under GST law.
- 11.Explain the different types of registration under GST.
- 12.From the following particulars compute the taxable value of the following supply of services by Krishna hotel:
 - a. Rented a room to a traveler Rs.8000 per day for 8days
 - b. Rented cars to traveler Rs. 50,000
 - c. Served alcoholic drinks for the inmates of the hotel Rs.4,00,000
 - d. Rented cab and the amount received there from the hotel guest Rs. 25,000
 - e. Amounted collected towards provision of food by the restaurant Rs,8,00,000
 - f. A function hall was rented out to ABC limited and amount received Rs. 30,000 per day for 4 days
 - g. Laundry services provided and amount collected there on Rs.54000

- h. Beauty parlor service provided amounted to Rs. 7,500
- i. Collection from Gym services Rs. 30,000
- j. Wi-Fi charges collected from the guest Rs. 10,500
- k. Club facilities availed to guest Rs. 60,000

13. From the following particulars compute the taxable value of the following supply of services by Regallis hotel:

- a. Rented a room to a traveler Mr.X Rs. 5,450 per day for 10days
- b. Rented a room to a traveler Mr. Y Rs. 7,500 per day for 10days
- c. Rented a room to traveler Mr. B Rs.6500 per day for 15 days
- d. Served alcoholic drinks for the inmates of the hotel Rs.5,00,000
- e. Rented cab and the amount received there from the hotel guest Rs. 25,000
- f. Amounted collected towards provision of food by the restaurant Rs,7,50,000
- g. A function hall was rented out to XYZ limited and amount received Rs. 25,000 per day for 4 days
- h. Laundry services provided and amount collected there on Rs.75000
- i. Beauty parlor service provided amounted to Rs. 25,500
- j. Collection from Gym services Rs. 25,500
- k. Wi-Fi charges collected from the guest Rs. 10,000
- l. Business support services provided Rs.2,50,000

14. From the following particulars compute the taxable value of the following supply of services by hotel Quorum Mysore.

- a. Rented a room to a traveler Rs. 25,000
- b. Rented ola cars to traveler Rs. 5000
- c. Rented cab and the amount received there from the hotel guest Rs. 15,000
- d. Amounted collected towards provision of food by the restaurant Rs, 8,000
- e. A party hall was rented and amount received Rs. 25,000 per day for 5 days
- f. Laundry services provided and amount collected there on Rs. 10,000
- g. Beauty parlor service provided amounted to Rs.500per day for 5 days.
- h. Collection from Gym services Rs. 12,000
- i. Wi-Fi charges collected from the guest Rs. 9,000
- j. Club facilities availed to guest Rs. 30,000

15. HCL group of companies imported a machine through sea transportation from US. Calculate Assessable value of imported machine.

- a. Exporters factory (ex-factory) price of goods 50,000\$
- b. Carriage, freight, insurance up to the port in the exporters country 500\$

- c. Charges for loading to the ship at the shipping port (exporter) 250\$
- d. Buying commission paid by importer 200\$
- e. Freight charges up to Indian port 1500\$
- f. Insurance charges paid but details are not available
- g. Packing charges 200\$
- h. Packing charges (importer paid) 500\$
- i. Exchange rate announced by board Rs.65

16. Lavanya group of companies imported a machine by air freight from UK. Bill of exchange presented on 10/05/2019 details are as follows:

- a. Exporters factory (ex-factory) price of goods 25000\$
- b. Transportation charges up to port of exporters country 1000\$
- c. Insurance up to port of exporters country 100\$
- d. Buying commission paid by importer 250\$
- e. Materials and components supplied in UK by the importer 2500\$
- f. Engineering and development charges paid to firm 1000\$
- g. Packing charges 200\$
- h. Packing charges (importer paid) 500\$
- i. License fee 1200\$
- j. Freight charges paid 3000\$
- k. Insurance paid but details are not available.
- l. Loading charges paid by importer from port to factory Rs. 20,000
- m. Transport of goods from port of entry to importers depot Rs. 10,000
- n. Cost of post shipment expenditure Rs.8000
- o. Exchange rate announced by board is Rs.75
- p. Rate announced by RBI is Rs.78
- q. Basic custom duty at 10%
- r. SWS 10%
- s. IGST 28%
- t. CVD 12%

Calculate Assessable value of imported machine.

17. Gupta company limited imported a machine from Europe. Calculate Assessable value of imported machine.

- a. Cost of machine (but it does not include the following) 50,000 Euro
- b. Importer sent the goods to the exporter. It was used in manufacturing the machine Rs.2,50,000
- c. Design and development expense incurred outside India 10,000 Euro
- d. Importer paid brokerage to the agent of exporter Rs.1,00,000

- e. Importer paid commission to his agent for delivering the machine from port to place of production Rs. 1,250
- f. Transportation 5000euro
insurance charges 5000euro
- g. Packing charges 2000Euro
- h. Packing charges(returnable) i.e. Importer paid 2500Euro
- i. Basic custom duty at 10%
- j. SWS 10%
- k. IGST 12%
- l. Exchange rate announced by board Rs.70

18.Hindustan company limited imported a machine from America. Calculate Assessable value of imported machine.

- a. Cost of machine (but it does not include the following) 20,000 \$
- b. Transportation charges to Indian port 1000\$
- c. Design and development expense incurred by importer Rs.100
- d. Design and development expense incurred outside India 500 \$
- f. Installation charges of machine in the factory 9,500\$
- g. Transportation charges from port to the factory Rs. 25,000
- h. Insurance charges 17,500\$
- i. Packing charges(returnable) 500\$
- h. 50%commission paid on selling price of the machine
- i. Basic custom duty at 10%
- j. SWS as applicable
- k. IGST 18%
- l. Exchange rate announced by board Rs.65

19. "A" company limited imported a machine from Europe.From the following information determine customs duty payable.

- a. Exporters factory (ex-factory) price of goods 25,000euro
- b. The importer sent the goods to the exporter which was used in manufacturing machine Rs.1,00,000
- c. Design and development expenses incurred Euro 5000
- d. Installation charges of the machine in the factory Rs. 50,000
- e. Technical fees paid to the exporter after importing the machine Euro 4000
- f. Insurance charges paid Euro 500
- g. Packing charges Euro 500
- h. Transportation charges Euro 1000
- i.BCD 12.5%
- j.IGST 28%

k. Compensation cess 20%

l. Exchange rate announced by board Rs.74

m. Exchange rate announced by RBI Rs.72

20. Mudra printers Mangalore imported 10 IBM computers from USA and latest printers from France. Details are as follows:

- a. Price of computer \$500(per computer) and \$5000 for printers.
- b. Packing charges \$10 per computers and printer \$100
- c. iii. Air transportation charges up to Bhajpe airport (Mangalore) for computers \$500 and for printers \$250
- d. Insurance charges \$500 for computer and \$150 for printers.
- e. Brokerage paid to agent of exporter \$175 for computer and \$125 for printers.
- f. Lorry freight charges for transporting computers and printers from port to factory premises and Rs.3000 and Rs.2000 respectively.
- g. Exchange rate 1\$ = 64Rs and 1\$ = 74Rs
- h. BCD 12.5%, IGST 18%

21. Explain the prohibitions on importation and exportation of goods under GST.

22. Explain different types of valuation rule for imported goods.

23. From the following details, calculate Assessable value of imported machine.

- a. Cost of machine (but it does not include the following) 20,000 \$
- b. Packing charges \$500
- c. Transportation by air 3000\$
- c. Commission paid 200\$
- d. Royalty payable for each unit of machine reproduced in India Rs.2500
- e. Design and development charges \$3000
- f. Royalty and license fee paid \$1500
- g. Insurance 100\$
- h. Transportation charges from port to factory premises Rs 10,000
- f. Exchange rate announced by board Rs.80
- g. BCD 10%
- h. IGST 28%
- i. SWS as applicable.

24. From the following particulars compute the taxable value of the following supply of services by hotel Blue Inn Mysore:

- a. Rented a room to a traveler Mr. A Rs. 5,000 per day for 15days
- b. Rented a room to a traveler Mr. B Rs. 800 per day for 10days
- c. Rented a room to traveler Mr. C Rs.7500 per day for 8 days
- d. Served alcoholic drinks for the inmates of the hotel Rs.2,00,000
- e. Rented cab and the amount received there from the hotel guest Rs. 15,000
- f. Amounted collected towards provision of food by the restaurant Rs. 50,000
- g. A function hall was rented and amount received Rs. 5,000 per day for 6 days
- h. Beauty parlor service provided amounted to Rs. 3,500
- i. Collection from Gym services Rs.500 per day for 7days
- j. Wi-Fi charges collected from the guest Rs. 800
- k. Business support services provided Rs. 10,000

25. Adarsh service limited Mumbai imported 10 Dell computers from USA and latest laptops from Europe. Details are as follows:

- a. Price of computer \$800(per computer) and \$500 for laptops.
- b. Packing charges \$125 per computers and laptops \$150.
- c. iii. Air transportation charges up to Mumbai airport for computers \$800 and \$200 for laptops.
- d. Insurance charges \$300 for computer and \$500 for laptops.
- e. Brokerage paid to agent of exporter \$500 for computer and \$250 for laptops.
- f. Lorry freight charges for transporting computers and laptops from port to factory premises and Rs.7000 and Rs.3000 respectively.
- g. Exchange rate 1\$ = 70Rs for computers and 1\$ = 74Rs for laptops.
- h. BCD 12.5%.
- i. xi. IGST 18%.

26. From the following particulars compute the taxable value of the following supply of services by hotel Taj Bangalore:

- a. Rented a room at Rs. 8,000 per day for 7days.
- b. Rented a room at Rs.1900 per day for 12days.
- c. Rented a room at Rs.5000 per day for 10days.
- d. Served alcoholic drinks for the inmates of the hotel Rs. 50,000.
- e. Amounted collected towards provision of food by the restaurant Rs. 15,000.
- f. A party hall was rented and amount received Rs. 10,000 per day for 6 days.
- g. Beauty parlor service provided to the clients amounted to Rs. 5,200.
- h. Collection from Gym services Rs.1000 per day for 7days.
- i. Wi-Fi charges collected from the guest Rs. 850.

- j. Business support services provided Rs. 7,000.
- k. Laundry services provided and amount collected there on Rs. 15,000.

27. Hinduja limited imported a machine from USA. Calculate Assessable value of imported machine.

- a. Cost of machine (but it does not include the following) 30,000 \$
- b. Transportation charges to Indian port 5000\$
- c. Design and development expense incurred by importer Rs.250
- d. Design and development expense incurred outside India 650\$
- f. Installation charges of machine in the factory 9,000\$
- g. Transportation charges from port to the factory Rs. 50,000
- h. Insurance charges 16,000\$
- i. Packing charges(returnable)550\$
- h. 20%commission paid on selling price of the machine
- i. Basic custom duty at 12.5%
- j. Social welfare surcharge as applicable
- k. IGST 18%
- l. Exchange rate announced by board Rs.62

28.Sunil group of companies imported a machine by air freight from Europe. Bill of exchange presented on 1/1/2020 details are as follows:

- a. Exporters factory (ex-factory) price of goods 50,000 €.
- b. Transportation charges up to port of exporters country 1000€.
- c. Insurance up to port of exporters country 150€.
- d. Buying commission paid by importer 500€.
- e. Materials and components supplied in Europe by the importer 6500€.
- f. Engineering and development charges paid to firm 500€.
- g. Packing charges 50€.
- h. Packing charges (importer paid) 800€.
- i. License fee 1000€.
- j. Freight charges paid 800€.
- k. Insurance paid but details are not available.
- l. Loading charges paid by importer from port to factory Rs. 25,000.
- m. Transport of goods from port of entry to importers depot Rs. 15,000.
- n. Cost of post shipment expenditure Rs.2000.
- o. Exchange rate announced by board is Rs.70.
- p. Rate announced by RBI is Rs.80.
- q. Basic custom duty at 12%.
- r. SWS as applicable.
- s. IGST 28%.

t. CVD 12%.

Calculate Assessable value of imported machine.

29. From the following particulars compute the taxable value of the following supply of services by hotel Paradise Mangalore:

- a. Rented a room to a traveler Rs. 10,000 per day for 3 days.
- b. Rented cars to traveler Rs. 15,000.
- c. Served alcoholic drinks for the inmates of the hotel Rs. 3,00,000.
- d. Rented cab and the amount received there from the hotel guest Rs. 7,200.
- e. Amount collected towards provision of food by the restaurant Rs. 20,000.
- f. A function hall was rented out to Mr. Roy and amount received Rs. 50,000.
- g. Laundry services provided and amount collected there on Rs. 5,000.
- h. Beauty parlor service provided amounted to Rs. 10,000.
- i. Wi-Fi charges collected from the guest Rs. 100 for 3 days.
- j. Club facilities availed to guest Rs. 12,000.

30. Rakesh group of companies imported a machine from Europe. From the following information determine customs duty payable.

- a. Exporter's factory (ex-factory) price of goods 50,000€.
- b. The importer sent the goods to the exporter which was used in manufacturing machine Rs. 2,20,000.
- c. Design and development expenses incurred 3000€.
- d. Installation charges of the machine in the factory Rs. 55,000.
- e. Technical fees paid to the exporter after importing the machine 5600€.
- f. Insurance charges paid 800€.
- g. Packing charges 600€.
- h. Transportation charges 1000€.
- i. BCD 12.5%.
- j. IGST 28%.
- k. Compensation cess 20%.
- l. SWS as applicable.
- m. Exchange rate announced by board Rs. 72.
- n. Exchange rate announced by RBI Rs. 78.

PART
10 MARKS

B

31. Explain person who is liable to pay tax under GST act.

32. What is the provision relating to time of supply of services under forward charge?
33. Explain about time of supply u/s 12 of CGST.
34. What is reverse charge mechanism? Explain provision relating to reverse charge.
35. Briefly explain supply between related persons and distinct person.
35. Define value of supply u/s 15. Who are the persons to be related to each other?
36. Briefly explain taxable event under supply.
37. What is the provision relating to time of supply of services under reverse charge?
38. Explain the provision of a job worker under GST act.
39. Explain the treatment of input tax credit on inputs and capital goods sent to the job worker.
40. Mention the condition for claiming input tax credit.
41. What do you mean by composition levy? When is it applicable?
42. Explain difference between direct and indirect tax.
43. Explain in detail the process of cancellation of registration u/s 29.
44. Explain the provision on Ecommerce under GST.
45. Explain the impact of GST on different sector.
46. Prepare structure of GSTN and its working mechanism.
47. Explain the types of custom duty.
48. Explain advantages of filing GST returns.
49. Explain provision of IGST under section 3(7) in custom duty.
50. What is assessable value? How do you determine assessable value of imported goods?
51. Explain different types of valuation rule for exported goods.
52. Define custom duty. Explain different types of custom duty payable in India.

53. Explain about GST council.

54. Determine the time of supply on each of the following independent cases according to sec12(3).

Sl No	Date of invoice	Date of receipt of goods	Date of payment of goods	Date when payment debited in bank account
1.	5/1/2019	10/1/2019	15/1/2019	17/2/2019
2.	5/1/2019	20/1/2019	15/1/2019	17/2/2019
3.	5/1/2019	20/1/2019	17/1/2019	15/1/2019
4.	5/1/2019	20/2/2019	23/2/2019	25/2/2019
5.	7/3/2019	10/3/2019	15/3/2019	17/3/2019
6.	7/3/2019	20/3/2019	15/3/2019	17/3/2019
7.	7/3/2019	20/3/2019	17/3/2019	15/3/2019
8.	7/3/2019	20/4/2019	25/4/2019	25/4/2019

55. Compute transaction value of goods under GST act from the following information and GST payable:

- Selling price of supplies excluding CGST and SGST Rs.6,00,000
- Adverting charges Rs. 50,000
- Publicity charges Rs. 25,000
- Selling expenses RS. 20,000
- Loading and handling charges Rs. 5,000
- Service charges Rs. 50,000
- Outward fright and insurance paid on buyer's request Rs. 30,000

Above expenses are separately shown in the invoice discount allowed at 10% on the price of goods and shown in the invoice.

Balance available in the electronic credit ledger CGST is Rs. 12,960 and SGST Rs. 14,340. Rate of GST is 18%.

56. Chaitanya company furnishes the following expenditure incurred by them for the month of June 2020. Find out transaction value for the purpose of paying GST.

Particulars	Amount(rs)
Direct material inclusive of IGST at 18%	2,360
Direct wages	500

Other direct expenses	200
Indirect materials	150
Factory overheads	250
Administration overheads(25% relating to production capacity)	200
Selling and distribution expenses	250
Quality control	100
Research and development	50
Sale of scrap realized	25
Actual profit margin	10%

57. A buyer purchased machinery from supplier and detail of the supply of the machine are as follows:

- a. Price of the machinery excluding tax and duties is Rs.5,50,000
- b. Installation charges Rs. 21,000
- c. Packing charges (primary and secondary) Rs. 11,500
- d. Designing and engineering charges Rs.2000
- e. Cost of material supplied by buyer free of charges RS.850
- f. Free delivery and inspection charges Rs.500

Other information:

- a. Cash discount @2% on price of the machinery was allowed as per terms of contract.
- b. Accessories supplied along with machinery costing Rs.6000.

Your required to calculate:

- a. The assessable value
- b. Compute GST @18%, assuming its intra state and interstate transaction.

58. Compute transaction value of goods under GST act from the following information and GST payable:

- a. Selling price of supplies excluding CGST and SGST Rs.42,00,000
- b. Adverting charges Rs.3,50,000
- c. Publicity charges Rs.1,75,000
- d. Selling expenses RS.1,40,000
- e. Loading and handling charges Rs. 35,000
- f. Service charges Rs.3,50,000

g. Outward freight and insurance paid on buyer's request Rs.2,10,000

Above expenses are separately shown in the invoice discount allowed at 10% on the price of goods and shown in the invoice.

Balance available in the electronic credit ledger CGST is Rs. 90,720 and SGST Rs.1,00,380. Rate of GST is 18%.

59. Sanjay limited has its head office at Bangalore and has four branches at Delhi, Maharashtra, Telangana and Orissa. It seeks the services of an ad agency placed at Bangalore to advertise its products. The ad agency raises the bill which includes GST amounting to Rs.18,00,000 in the head office. The turnover of head office and branches during the year ending are as follows:

- a. Bangalore head office Rs.34,80,000
- b. Delhi Rs.38,40,000
- c. Maharashtra Rs.21,60,000
- d. Telangana Rs.50,40,000
- e. Orissa Rs.18,00,000

Compute distribution of income tax including head office?

60. Godrej company limited becomes liable to pay GST on 1/4/2019 and has obtained registration on 20/4/2019. GST paid on goods lying in the company as on 31/3/2019 as follows:

- a. Raw materials Rs.1,00,000 + 12% GST
- b. Raw materials lying as work in progress Rs.3,00,000 +18% GST
- c. Raw materials lying as finished goods Rs.5,00,000+12% GST
- d. Capital goods Rs.10,00,000 +28% GST

All the above inputs were used within one year from the date of invoice.

Output tax payable for the month CGST and SGST of Rs. 90,000 each.

Find out eligible ITC and net GST payable.

61. XYZ company limited provides the following information for the month of April 2020:

- a Purchased input for Rs.5,00,000 at 12% for further process to make a final product.
- b Purchased truck for Rs.20,00,000 at 28% for transfer of inputs to factory.
- c. Purchased shoes and gloves for Rs. 50,000 at 12% as mandatory for the employees to be used only in production area.

- d. Purchased gift hamper for Rs. 25,000 at 12% for employees in the vacation of Ugadi festival.
 - e. Audit services from CA Ramesh for 80,000 at 12%
 - f. Outdoor catering services for Mr. Diganth for Rs. 50,000 at 12%.
- Determine availability of ITC by XYZ Company.

62. Sony company limited becomes liable to pay GST on 1/4/2019 and has obtained registration on 10/4/19. GST paid on previous stock as follows:

- a. Raw materials Rs. 5,00,000 + 12% GST
- b. Raw materials lying as work in progress Rs. 8,00,000 + 18% GST
- c. Finished goods Rs. 10,00,000 + 12% GST
- d. Capital goods Rs. 20,00,000 + 28% GST

All the above inputs were used within one year from the date of invoice. Output tax payable for the month i.e. CGST and SGST of Rs. 1,00,000 each. Find out eligible ITC and net GST payable.

63. XYZ company limited provides the following information for the month of June 2019. Calculate ITC available:

- 1. Accounting and audit services by CA Jain and company Rs. 10,000 @ 12%
- 2. Health insurance services for employees benefit at Rs. 12,000 @ 10%
- 3. Routine maintenance of manufacturing machine Rs. 20,000 @ 5%
- 4. Repair services for input purchase 12,000/- @ 18%
- 5. Hotel accommodation and convenience facilities to employees on their personal vacation 25,000 @ 6%
- 6. Testing service availed for part of machine 8000 @ 2%
- 7. Sales promotion services to sale of machine 14,000 @ 5%
- 8. Health and fitness facilities provided to employees 12000/- @ 25%
- 9. Travel benefits extend to employees on vacation 10,000 @ 5%
- 10. Beauty treatment for female employees 8000 @ 10%
- 11. Market research service 7000/- @ 18%
- 12. Quality control service 10,000/- @ 10%

64. ABC company limited provides the following information for the month of May 2019:

- a. Purchase of input Rs. 10,00,000 at 18%
- b. Purchase of capital goods for Rs. 25,00,000 at 28%
- c. Audit service CA Aditya Jain group for Rs. 1,00,000 @ 12%
- d. Health insurance service for employees Rs. 1,20,000 at 12%
- e. Market research service provided by XYZ company limited for Rs. 50,000 at 12%.

Find out eligible ITC in the hands of ABC Company limited for the month of May 2019, if

- i. ABC company is registered company
- ii. ABC company is not registered company.

65. Avin enterprise has its head office based at Chennai and has five branch offices at Indore, Bangalore, Bhopal, Hyderabad and Delhi. It seeks the services of an ad agency placed at Chennai to advertise its products. The ad agency raises the bill which includes GST amounting to Rs.2,50,000 in the head office. The turnover of head office and branches during the year ending are as follows:

- i. Chennai head office Rs.2,30,000
- ii. Indore Rs.2,80,000
- iii. Bangalore Rs.1,80,000
- iv. Bhopal Rs.3,25,000
- v. Hyderabad Rs.1,50,000
- vi. Delhi Rs.1,25,000

Compute distribution of income tax including head office?

66. Intel company limited becomes liable to pay GST on 1/9/2019 and has obtained registration on 15/9/2019. Calculate eligible ITC in the hands of Intel company:

	Particulars	Date procured	Date of invoice	Value in Rs with gst %
1.	Raw materials	15/8/2019	18/8/2019	Rs.5,00,000 + 12% GST
2.	work in progress	5/8/2019	5/8/2019	Rs.8,00,000 +12% GST
3.	Finished goods	25/7/2019	28/7/2019	Rs.6,00,000+12% GST
4.	Raw materials as Finished goods	10/8/2018	10/8/2019	Rs.7,50,000 +18% GST
5.	Capital goods	1/1/2019	8/1/2019	Rs.20,00,000 +28% GST

Find out total ITC available for the month of Aug 2019.

67. From the following independent cases calculate availability of ITC:

- a. Mr. Alex a registered dealer from Gujarat purchased fly bus costing Rs.40,00,000 at 18% for transportation of passengers from Gujarat to Bangalore.
- b. Maruthi driving school Mysore purchased Alto car costing Rs.1,00,000 at 28% to provide services in the form of training and driving.
- c. ABC company limited purchased mini vehicle costing Rs. 50,000 at 10% for transportation of employees from resident to factory and factory to residence (free of cost).
- d. Mr. Rajesh a registered person purchased school bus for Rs.4,00,000 at 28%
- e. Apollo hospitals Bangalore purchased ambulance for Rs.10,00,000 at 28%
- f. XYZ company limited purchased truck for Rs.30,00,000 at 28% for transportation of inputs in the factory.
- g. Maruthi registered car dealer Bangalore purchased car for Rs.15,00,000 at 28% for further sales.
- h. Mr. David a registered dealer from Dharwad who initiated to conduct car race purchased vehicle costing Rs.60,00,000 at 28%.

68. Mahaveer company limited is not required to register under GST act but company wishes to obtain voluntary registration. So company went for registration on 21/9/2019. Registration process completed and certificate of registration granted on 25/9/2019, the details of stock are as follows:

	Input/Capital goods	Date of procure	Date of invoice	Value in Rs and GST %
1.	Raw materials	2/9/2019	2/9/2019	1,00,000 +12% GST
2.	Work in progress	20/8/2019	25/8/2019	3,00,000 +12% GST
3.	Finished goods	28/8/2019	30/8/2019	2,00,000 +18% GST
4.	Raw materials lying as finished goods	5/8/2018	7/8/2019	6,00,000 +12% GST
5.	Capital goods	10/2/2019	10/2/2019	10,00,000 +18% GST

Output supply for the month of September is Rs.20,00,000 at 18% tax. Find out available ITC and net GST payable.

69. Aditya group company limited provides the following information for the month of October. Calculate ITC available:

- a. Accounting and audit services by CA Prasad and company Rs. 50,000 @18%
- b. Health insurance services for employees benefit at Rs. 8,000 @10%
- c. Routine maintenance of manufacturing machine Rs. 18,000 @12%
- d. Repair services for input purchase 6,000/- @12%
- e. Hotel accommodation and convenience facilities to employees on their personal vacation 55,000 @25%
- f. Testing service availed for part of machine 2000 @2%
- g. Sales promotion services to sale of machine 18,000 @12%
- h. Health and fitness facilities provided to employees 12000/- @25%
- i. Travel benefits extend to employees on vacation 60,000@5%
- j. Beauty treatment for female employees 7000 @10%
- k. Market research service 23,000/- @18%
- l. Quality control service 40,000/- @10%

70. From the following independent cases calculate availability of ITC:

- a. XYZ company limited purchased truck for Rs.20,00,000 at 28% for transportation of inputs in the factory.
 - b. Hyundai registered car dealer from Mysore purchased a car at Rs.8,00,000 each at 28% for further sales.
 - c. ABC company limited purchased motor vehicle for Rs.18,00,000 at 28% for transportation of employees from residence to factory and factory to residence (free of cost).
 - d. PQR company a registered car dealer purchased a car for Rs.40,00,000 at 28% to conduct car race.
 - e. Jaideva hospital Mysore purchased ambulance for Rs.12,00,000 at 28%.
 - f. Mr. Ramachandra a registered person purchased a school van for RS.7,00,000 at 28%.
 - g. Raju driving school Bangalore purchased car for Rs.8,00,000 at 28% to provide taxable service in the form of training and driving.
 - h. Mr. Sharma a registered person purchased Volvo bus for Rs.60,00,000 at 28% provides taxable service as transportation of passengers.
- Find out eligible ITC for each independent cases.

71. Raj limited has its head office at Bangalore and has four branches at Kerala, Maharashtra, Andhra Pradesh and Delhi. It seeks the services of star advertising agencies placed at Bangalore to advertise its products. The ad agency raises the bill

which includes GST amounting to 6,00,000 in the head office. The turnover of head office and branches during the year ending are as follows:

- a. Bangalore head office Rs.11,60,000
- b. Kerala Rs.12,80,000
- c. Maharashtra Rs.7,20,000
- d. Andhra Pradesh Rs.16,80,000
- e. Delhi Rs.6,00,000

Compute distribution of income tax including head office?

72.Y limited has its head office based at Ludhiana and four branch offices at Delhi, Bhopal, Panaji and Trivandrum. It seeks the services of Wiyo limited, an information technology company to update its software across all branches. No service was rendered at the head office. Wiyo limited raises a bill which includes GST amounting to Rs.3,50,000 on the head office.

The turnover of the head office and the branches during the quarter ending September 30th were as under:

- a. Ludhiana head office Rs.2,00,000
- b. Delhi Rs.6,50,000
- c. Bhopal Rs.3,80,000
- d. Panaji Rs.2,20,000
- e. Trivandrum Rs.2,50,000

Compute the distribution of input tax by the Ludhiana head office.

73.PQR company limited provides the following information for the month of December. Calculate ITC available:

- a. Accounting and audit services by CA Adarsh and company Rs. 10,000 @18%
- b. Health insurance services for employees benefit at Rs. 10,000 @12%
- c. Routine maintenance of manufacturing machine Rs. 20,000 @5%
- d. Repair services for input purchase 5,000/- 5%
- e. Hotel accommodation and convenience facilities to employees on their personal vacation 15,000 @6%
- f. Testing service availed for part of machine 10,000 @12%
- g. Sales promotion services to sale of machine 8,000 @5%
- h. Health and fitness facilities provided to employees 16,000/- @30%

- i. Travel benefits extend to employees on vacation 20,000@5%
- j. Beauty treatment for female employees 5000 @5%

74. Maharaja company limited is not required to register under GST act but company wishes to obtain voluntary registration. The details of stock are as follows:

	Input/Capital goods	Value in Rs and GST %
1.	Raw materials used for 30days	1,00,000 +12% GST
2.	Work in progress used for 30days	3,00,000 +12% GST
3.	Finished goods used for 30days	2,00,000 +18% GST
4.	Raw materials lying as finished goods, invoice obtained after one year from the date of procurement.	20,00,000 +12% GST
5.	Capital goods used for one year	10,00,000 +18% GST

Output supply is Rs.30,00,000 at 18% tax. Find out available ITC and net GST payable.

75. Distribution of input tax credit an input service distributor to its service is shown as under:

XYZ company limited having its head office at Delhi is registered as input service distributor it has three units namely Delhi, Jaipur and Gujarat which are operational in the current year.

XYZ limited furnishes the following information for the month of July 2019 and distributes the credit to various units:
CGST paid on services used only for Delhi unit –Rs.3,00,000

IGST, CGST, SGST paid on services used for all units Rs.12,00,000

Total turnover of the units for the financial year are as follows :
Delhi –Rs.5,00,000 , Jaipur – Rs.3,00,000, Gujarat – Rs.2,00,000

76. From the following details, calculate Assessable value of imported machine.

- a. Cost of machine (but it does not include the following) 10,000 \$
- b. Handling charges paid for loading the machine in the ship \$50
- c. Buying commission paid by the importer in the port 50\$
- d. Freight charges from exporting country to India \$1000(air)
- f. Exchange rate announced by board Rs.60
- g. Transportation charges from the factory of the exporter to the port for the shipment Rs.500
- h. Insurance charges paid but the details are not available.

77.

- a. CIF value of goods imported Rs. 5,000
- b. Air freight paid Rs.1200
- c. Rate of integrated tax 12%
- d. Basic custom duty 15%
- e. SWS as applicable
- f. Exchange rate announced by CBIC is Rs.70

Calculate:

- a) Free on board value
- b) Assessable value
- c) Custom duty payable

78. From the following details, calculate Assessable value of imported machine.

- a. Cost of machine (but it does not include the following) 3,000 \$
- b. Commission payable to local agent of exporter at 2% of the price of the machine in Indian rupees
- c. Transportation by air 2500\$
- d. Design and development charges \$500
- e. Insurance paid details are not available
- f. Exchange rate announced by board Rs.100
- g. BCD 20%
- h. IGST 12%

79. From the following information determine customs duty payable.

- a. Cost of the machine imported 40,000\$
- b. Packing charges \$500
- c. Design and development expenses incurred outside India 4000\$
- d. Commission paid to a broker at 5% on cost of the machine
- e. Technical fees paid \$5000
- f. Insurance charges \$3000

- g. Materials supplied by the importer Rs.1,50,000
- h. Sea freight charges 4000\$
- i. Transportation and insurance charges from port to factory premises Rs. 60,000
- j. BCD 12.5%
- k. IGST 12%
- l. Compensation cess 25%
- m. Safeguard duty 10%
- n. SWS @10%
- o. Exchange rate announced by board 1\$=65/-

PART
5 MARKS

C

- 80.What is need for determination of place of supply under GST?
- 81.What are the different situations covered u/s 12 to determine time of supply?
- 82.What is the provision relating to time of supply of goods under reverse charge?
- 83.Define the terms 'forward charge' and 'reverse charge' under GST.
- 84.What are the provisions in case of continuous supply of goods and service?
- 85.What are the provision supplies to unrelated persons?
- 86.Mention the activities to be treated as supply without made consideration.
- 87.What is the value of supply for levy of GST?
- 88.Write a note on input service distributor.
- 89.Write a note on job worker.
- 90.Explain design and implementation framework of GSP.
- 91.Write a note on inward supply.
- 92.Write a note on revocation of cancellation of registration u/s 30.
- 93.Write a note on credit note.
- 94.Write a note on debit note.
- 95.Write a note on outward supply.

96. Mention the importance of tax invoice under GST.
97. Write a note on electronic credit ledger.
98. Mention the purpose of GST forms 1 to 8.
99. Mention the persons who are not liable for registration under GST.
100. Prepare tax invoice under GST act.
101. Write a note on information technology in GST.
102. Show the flow chart of GST Suvidha provider.
103. Write a note on composition levy.
104. Write a note on levy of late fee under GST.
105. Mention the impact of GST on customs duty.
106. Mention the features of customs duty.
107. Write a note on Baggage goods.
108. State the difference between identical and similar goods.
109. Define aggregate turnover.
110. List out causes for prohibition of imports and exports.
111. Write a note on transaction value.
112. Birla cement company entered into a contract with Mr. Ravish a registered dealer under GST to supply cement throughout the year. Birla cement company issues monthly statement for the supply done to Mr. Ravish. Determine the time of supply of goods in the following cases:
 - a. Mr. Ravish made payment for the month of March on 31/3/ 2019 and Birla cement company issued statement for the month of march on April 5th 2019.
 - b. Birla cement company issued statement for the month of April on 10th May 2019, the payment of which is not received till 31st may 2019. Calculate time of supply.
113. Determine the time of supply on each of the following independent cases according to sec12(3).

Sl No	Date of invoice	Date of receipt of goods	Date of payment of goods	Date when payment debited in bank account
1.	7/3/2019	10/3/2019	15/3/2019	17/3/2019
2.	7/3/2019	20/3/2019	15/3/2019	17/3/2019
3.	7/3/2019	20/3/2019	17/3/2019	15/3/2019
4.	7/3/2019	20/4/2019	25/4/2019	25/4/2019

114. Determine the time of supply on each of the following cases assuming GST payable under forward charge.

Sl No	Date of removal	Date of invoice	Payment entered in the books	Payment credited in the account	Date of receipt
1.	7/9/2018	7/9/2018	7/9/2018	8/9/2018	7/9/2018
2.	10/9/2018	10/9/2018	20/9/2018	20/10/2018	10/9/2018
3.	15/9/2018	15/9/2018	17/9/2018	23/10/2018	25/9/2018
4.	17/9/2018	17/9/2018	15/9/2018	25/10/2018	17/9/2018
5.	21/9/2018	21/9/2018	22/9/2018	23/10/2018	21/9/2018

115. Determine the time of supply on each of the following independent cases according to sec12(2).

Sl No	Date of removal	Date of invoice	Receipt of goods	Date of receipt of payment
1.	5/1/2019	6/1/2019	7/1/2019	19/2/2019
2.	7/1/2019	5/1/2019	8/1/2019	28/2/2019
3.	8/2/2019	8/2/2019	10/2/2019	1/1/2019

116. Determine the time of supply on each of the following independent cases according to sec12(2).

Sl No	Date of removal	Date of invoice	Receipt of goods	Date of receipt of payment
1.	1/1/2019	10/1/2019	15/1/2019	20/1/2019

2.	1/2/2019	10/2/2019	15/2/2019	20/2/2019
3.	1/3/2019	10/3/2019	15/3/2019	20/3/2019

117. Determine the time of supply in case of continuous supply:

SI No	Invoice date	Removal of goods	Statement of account	Receipt of payment
1.	1/1/2019	2/1/2019 25/1/2019	11/1/2019	15/1/2019
2.	5/6/2019	15/6/2019 16/6/2019	20/6/2019	23/6/2019
3.	10/10/2019	15/10/2019 28/10/2019	25/10/2019	27/10/2019

118. Determine the time of supply on each of the following independent cases according to sec12(2).

SI No	Date of removal	Date of invoice	Receipt of goods	Date of receipt of payment
1.	4/1/2019	5/1/2019	6/1/19	18/2/19
2.	6/1/2019	4/1/19	17/1/19	28/2/19
3.	7/2/2019	7/2/19	9/2/19	1/1/19

119. Determine the time of supply in case of continuous supply:

SI No	Invoice date	Removal of goods	Statement of account	Receipt of payment
1.	1/3/2019	15/2/2019 20/2/2019	10/3/2019	4/3/2019
2.	25/4/2019	20/4/2019 30/4/2019	10/4/2019	15/4/2019
3.	10/5/2019	12/4/2019 25/4/2019	5/4/2019	1/4/2019

120. Mr. Chanakya purchased a gift voucher from shoppers stop (a departmental store) worth Rs.5000 on 31/3/2019. And gifted to his friend on occasion of his birthday as on 14/4/2019. His friend encashed the same on 1/5/2019 for purchase of hand bag. Determine time of supply.

121. Raymond's readymade garment manufacture issued the voucher on 18/3/2019 to their prospective customer for enabling them to buy readymade garments manufactured by them from their shop. Customer purchased readymade garments on 28/3/2019. Find the time to supply

122. Mall of Mysore a large retailer who sells various types of products like readymade garments, jewelry, cosmetics, fabrics, shoes etc. issued voucher on 12/1/2018 to their prospective customer for enabling them to buy a product from their shop. Customer purchased readymade garment on 14/2/2018. Find the time of supply.

123. Maruthi car limited sells car to Sharma automobiles Rs.800, Maruthi car limited incurred packing charges of Rs. 20,000 and transportation charges Rs. 30,000 Maruthi car limited provided discount of 2% on car price as a part of dasara festival scheme. Maruthi car limited agree to provide further discount of 2% to Sharma automobiles after the sale or before 31st through net banking. Sharma automobiles makes the payment on 31st using net banking. Find out invoice price, GST liability in the hands of maruthi car limited applicable GST.

124. Mr. Ashok being registered person in Bangalore sells 10TV's to its customer at Rs. 50,000 in the month of April 2019. Among he supplied one new TV for Rs. 45,000 along with the exchange of an old TV. Find out open market value of TV and GST payable at the rate of 28%.

125. Philips TV company sells 100TV to Sahana enterprise at Rs. 40,000 per TV. However, Sahana enterprise availed discount of Rs.2000 per TV in the month of April 2019. Find out value of taxable supply and tax liability at 18%.

126. Mahalakshmi sweets Mysore manufacturers purchased 5000kgs of input at Rs.100 per kg at 12% tax rate. Due to technical issue in manufacturing process they said inputs became absolute and their value written off in books of account is 4,00,000 (4000 kgs at Rs.100). Find out the value of Eligible ITC in hands of Mahalakshmi sweets Mysore.

127. ABC company paying tax under composition scheme becomes liable to pay tax as on July 1st 2019. Details of stock inputs and capital goods are as on June 30 2019 follows:

Sl no	Particulars	Value	%
1.	Inputs lying in stock invoice dated 20/6/19	1,20,000	12%

2.	Inputs lying in semi-finished goods invoice dated 10/3/19	2,00,000	18%
3.	Inputs lying in finished goods invoice dated 10/1/19	3,00,000	12%
4.	Capital goods processed on 5/12/17 (invoice dated on 10/12/18)	10,00,000	28%

Calculate eligible ITC in the hands of ABC company and ITC on capital goods. Quarter months of ITC to be considered at 5%.

128. Ashirvad company limited purchased 50,000 kgs input at Rs.100 per kg and tax at 12% from, XYZ company limited. These goods received by ABC company are as follows:

Date of dispatch	Date of receipt	No of kgs dispatched	Goods stolen	Goods destroyed	Normal loss	No of kgs received
1/1/19	15/1/19	25,000	0	250	100	24,600
20/2/19	25/2/19	10,000	200	100	75	9,625
25/3/19	20/3/19	8000	0	80	20	7,900
5/4/19	10/4/19	7000	50	0	30	6,920
		50,000				49,045

Find out how much input tax is allowed in terms of normal loss and abnormal loss during transit?

129. From the following independent cases calculate availability of ITC:

a. ABC company limited purchased dress materials and shoes for their employees given as gift in the occasion of dasara festival.

b. XYZ company limited purchased hand gloves and shoes for workers as mandatory for safety purpose in the work place.

c. PQR company limited purchased 100kgs of inputs, out of which 50kgs as raw materials for further business and 50kgs for employees as gift hamper for personal use.

d. ABC company limited purchased 100pairs of dresses for an employee out of which 50pairs used a uniform at workplace and remaining 50 as a gift for festival.

e. XYZ company limited purchased 80 goggles out of which 50 to be used at work place as mandatory and remaining distributed for employees for personal use

130. Kanthi sweets Bangalore manufacturers purchased 2500kgs of burfi for Diwali festival at Rs.100per kg at tax rate 12%. Due to technical issue in manufacturing

process they said inputs became absolute and their value written off in books of account is 2,00,000(2000 x 100). Find out the value of Eligible ITC in hands of Kanthi sweets Bangalore.

131.Dell company limited becomes liable to pay GST on 1/8/2019 and has obtained registration on 15/8/2019.Calculate eligible ITC in the hands of Dell company:

Sl no	Particulars	Date procured	Date invoice	of	Value in Rs with gst %
1.	Raw materials	15/7/19	18/7/19		Rs.2,00,000 + 12% GST
2.	work in progress	5/7/19	5/7/19		Rs.5,00,000 +12% GST
3.	Finished goods	25/6/19	28/6/19		Rs.4,00,000+12% GST
4.	Raw materials as Finished goods	10/7/18	10/7/19		Rs.6,00,000 +18% GST
5.	Capital goods	1/12/18	8/12/19		Rs.15,00,000 +28% GST

132.ABC Company limited purchased 20,000kgs of input at Rs.150 per kg, at 18% tax from XYZ limited. These goods received by ABC company as follows:

Date of dispatch	Date of receipt	No of kgs dispatched	Goods stolen in transit(kgs)	Goods destroyed (kgs)	No of kgs received
10/5/2019	15/5/2019	10,000	100	50	9850
25/5/2019	2/6/2019	6000	80	20	5900
30/5/2019	10/6/2019	4000	NIL	50	3950
		20,000	300		19,700

133.XYZ company limited purchased a input 20,000 kgs at Rs.100 per kg and tax at 12%. Company purchased input for further business, during manufacturing process. Company incurred normal loss of 60kgs and abnormal loss of 40kgs.Calculate ITC in the hands of XYZ Company limited.

134.Aditya company paying tax under composition scheme becomes liable to pay tax. Details of stock inputs and capital goods are as on May 31st 2019 follows:

Sl no	Particulars	Value	%
1.	Inputs lying in stock	1,50,000	12%
2.	Inputs lying in semi-finished goods	2,50,000	18%
3.	Inputs lying in work in progress	5,00,000	12%
4.	Capital goods processed on 5/12/2018	10,00,000	28%

All the goods are used for one year. Calculate eligible ITC in the hands of company and ITC of capital goods. Quarter months ITC to be considered at 5%.

135.ABC company limited purchased a input 10,000 kgs at Rs.100 per kg and tax at 12%. Company purchased input for further business, during manufacturing process. Company incurred normal loss of 20kgs and abnormal loss of 30kgs.Calculate ITC in the hands of ABC Company limited.

136.PQR Company limited purchased 30,000kgs of input at Rs.150 per kg, at 18% tax from STU limited.These goods received by PQR company as follows:

Date of dispatch	Date of receipt	No of kgs dispatched	Goods stolen in transit(kgs)	Goods destroyed (kgs)	No of kgs received
1/4/2019	10/4/2019	10,000	100	20	9,880
15/4/2019	20/4/2019	10,000	50	10	9,940
20/4/2019	29/4/2019	10,000	NIL	100	9,900
		30,000			29,720

137.XYZ company limited provides the following information for the month of March. Calculate ITC available:

- Audit services by CA Jain and company Rs. 30,000 @12%
- Routine maintenance of manufacturing machine Rs. 25,000 @18%
- Hotel accommodation and convenience facilities to employees on their personal purpose 30,000 @12%
- Sales promotion services to sale of machine 8,000 @5%
- Market research service 10,000/- @25%

138.From the following independent cases calculate availability of ITC:

- Anand brothers company limited purchased 250kgs of input out of which 200kgs as raw materials for further process and 50 kgs for employees as gift hamper.

- b. ABC company limited purchased dress materials and shoes for their employees given as gift in the occasion of deepavali festival.
- c. X and Y company limited purchased hand gloves and shoes for workers as mandatory for safety purpose in the work place.
- d. PQR company purchased 50 pairs of dress for employees out of which 30 pairs are uniform at the work place and remaining as a gift for festival.
- e. Amazon company limited purchased 100 safety goggles, out of which 80 for work place as mandatory remaining distributed for employees for personal use.

139. ABC company limited purchased 25,000 kgs input at Rs.200 per kg and tax at 18% from, XYZ company limited. These goods received by ABC company are as follows:

Date of dispatch	Date of receipt	No of kgs dispatched	Goods stolen	Goods destroyed	Normal loss	No of kgs received
15/6/2019	28/6/2019	10,000	0	200	100	9700
25/6/2019	6/7/2019	8000	150	100	80	7670
2/7/2019	15/7/2019	5000	0	50	60	4890
20/7/2019	30/7/2019	2000	50	0	20	1930
		25,000			260	24,190

140. PQR company limited imported machine from US costing Rs.8,35,200. Calculate customs duty payable if Basic Custom Duty is 10%, SWS 10% and IGST 12%.

141. ABC company limited imported machine from US costing \$ 2000. Exchange rate notified by board 60Rs=1\$. Calculate customs duty payable if Basic Custom Duty is 10%, counter vailing duty 12%. SWS 10% and IGST 28%.

142. Dell company import machine from UK and other information as follows:

- Cost of machine at the ex-factory of the exporting country \$1000
- Transportation charges incurred by the exporter from his factory to the port of shipment \$250
- Handling charges paid for loading the machine in the ship in exporter country \$100

- d. Buying commission paid by importer \$50
- e. Freight charges (Air) from exporting country to India \$50
- f. Exchange rate declared 1\$ = Rs.75

Calculate assessable value.

143. Assessable value of goods imported is Rs.500. Basic custom duty is 12.5%.
IGST rate is 18% and compensation cess is nil. Compute custom duty payable.

144. From the following information compute custom duty payable:

- a. CIF value of goods imported Rs.5,00,000
- b. Rate of basic custom duty 10%
- c. Integrated tax u/s 3(7) of customs tax act 12%
- d. Social welfare surcharge as applicable.

145. From the following information compute assessable value:

- a. CIF value of goods imported Rs. 50,000
- b. Air freight paid \$1500
- c. Insurance charges paid \$500
- d. Exchange rate announced by CBIC is Rs.60

146. Assessable value of tobacco products imported into India is Rs. 50,000. The rate of tax on such products are Basic custom duty 37.5%, IGST 28% and compensationcess at 60% Social welfare surcharge as applicable.

147. From the following details calculate customs duty payable:

- a. Assessable value of imported goods Rs.3,00,000
- b. BCD at 12.5%
- c. Anti-dumping duty at 10%
- d. IGST at 28%
- e. Compensationcess at 35%

148.HCL company limited has imported a machine through sea transportation from US. From the following details calculate assessable value:

Particulars	Amount in US \$
Cost of machine (ex-factory)	10,000
Carriage/freight/insurance/up to the port shipment in the exporters country	100
Charges for loading on to the ship at the shipping port	150
Buying commission	100
Freight charges up to the Indian port	1000
Insurance charges paid but details are not available	-----

149.Assessable value of goods imported is Rs.30,00,000. Basic custom duty is 12.5%. IGST rate is 18% and anti-dumping duty at 10%. Compute custom duty payable.

150.From the following information compute FOB value and assessable value.

- a. CIF value of goods imported \$15,000
- b. Air freight paid \$ 3000
- c. Insurance charges paid \$250
- d. Exchange rate announced by CBIC is Rs.70

