



PG – 1322

7
IV Semester M.Com. Degree Examination, October/November 2024
(CBCS) (2021-22)

COMMERCE (Accounting and Taxation)

Paper – 4.5 : Customs Duty and GST

Time : 3 Hours

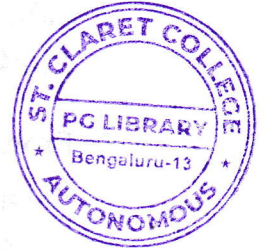
Max. Marks : 70

SECTION – A

1. Answer **any seven** questions out of ten. **Each** question carries **two** marks.

(7×2=14)

- a) List out the rates of GST applicable in India.
- b) Write the differences between mixed supply and composite supply.
- c) What do you mean by blocked credits ?
- d) State any four items excluded for the calculation of value of supply u/s 15(3).
- e) What are the benefits of e-way bill ?
- f) Who is required to file GSTR4 ?
- g) What do you mean by baggage ?
- h) List out the types of customs duty applicable in India.
- i) List any four goods which are exempted under GST.
- j) Bhim Rao Company Ltd. purchased 1,000 kgs of raw material at ₹ 100 per kg plus 12% GST. Out of 1,000 kgs of raw materials 900 kgs of raw materials used for business purpose and rest of 100 kgs for personal use. Find out eligible ITC.



SECTION – B

Answer **any four** questions out of six. **Each** question carries **five** marks.

(4×5=20)

2. Explain the provisions of GST Network.
3. What are the differences between forward charge and reverse charge ?

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4. Explain the circumstances in which input tax credit can be recovered.
5. Bring out the drawbacks of customs duty paid.
6. Guru Company Ltd. manufacturing concern in Bangalore, Karnataka, made total value of supplies (exclusive tax and the break up supplies) in financial year 2024-2025 are as follows.

Particulars	Amount in ₹
Intra-state supplies made under forward charge	50,00,000
Intra-state supplies made which are chargeable GST at Nil rate	25,00,000
Intra-state supplies which are wholly exempt under section 11 of CGST Act 2017	30,00,000
Value of inward supplies on which tax payable under RCM	3,00,000
Compute aggregate turnover of ABC Company Ltd. Briefly explain whether ABC Company Ltd, is eligible to opt for composition scheme in financial year 2024-2025.	

7. From the following independent cases, find out eligible ITC for each independent case.
 - a) ABC Company Ltd. purchased Truck for ₹ 10,00,000 + GST 28% for transportation of inputs within the factory.
 - b) Maruthi car dealer, a registered person in Mysuru purchased 10 cars at ₹ 15,00,000 each + GST 28% for further sales.
 - c) ABC company Ltd. Purchased motor vehicle for ₹ 22,00,000 + GST 28% for transportation of employees from residence to factory, factory to residence.
 - d) Raju Driving School, Bangalore, purchased car for ₹ 8,00,000 + GST 28%, to provide taxable service in the form of training and driving.
 - e) Mr. Sharma, a registered person purchased a Volvo Bus for ₹ 80,00,000 + GST 28% for provides taxable service as transportations of passengers.



SECTION – C

Answer **any two** Questions out of four. **Each** question carries **twelve** marks.

(2×12=24)

8. Explain the detailed procedure for handling transportation and warehousing of goods under the Customs Act, 1962.
9. Explain the following :
 - a) Eligibility and Conditions for claiming ITC.
 - b) supply without consideration.
10. An importer has imported a machine from Japan at FOB cost of 15,00,000 Yens. Other details are as follows :
 - a) Freight from Japan to Indian Port was 20,000 Yens.
 - b) Transit Insurance charges were 1% of FOB value.
 - c) Design and development charges of 1,00,000 yens were paid to a consultancy firm in Japan for design of a machinery.
 - d) Packing charges of 30,000 Yens were charges extra.
 - e) 25,000 was spent in design cost on machine in India.
 - f) An amount of ₹ 3,10,000 Yens was payable to Japanese manufacturer towards charges for installation and commissioning the machine in India.
 - g) Rate of exchange as announced by RBI was 1 Yen = ₹ 0.405.
 - h) Rate of exchange as announced by Central Government by notification under section 14(3)(1): 1 Yen = ₹ 0.400.
 - i) Customer's duty was 10%. GST on similar machinery in India would be 12%.

Find the customs duty payable.

11. CA Babu, a practicing chartered accountant (Bangalore) received money from various clients for the services rendered in the month of August 2024.
 - i) Accounting and auditing services of Rs. 1,25,000.
 - ii) Representation before various statutory authorities Rs.1,00,000.
 - iii) Cost accounting and cost auditing of Rs. 50,000.
 - iv) Secretarial auditing Rs. 35,000.



- v) Verification of declarations in prescribed forms of compliance for obtaining a certificate of commencement of business Rs. 40,000.
- vi) Certification of documents to be filed before registrar of companies Rs. 25,000.
- vii) Ledger maintenance, non-professional services and preparation of coaching material Rs. 20,000.
- viii) Fee for routine visits to income tax offices Rs. 55,000.
- ix) Remuneration for teaching CA and ICWA students Rs. 30,000.
- x) Fee from outsourcing work of a client such as billing and ledger posting Rs. 75,000.
- xi) Services rendered in Delhi Rs. 70,000.
- xii) Fees paid to the State Govt. Rs. 2,000.

You are required to calculate GST payable, on outwards supply. (IGST rate is 18%, CGST is 9% and SGST rate is 9%).

SECTION – D

Compulsory Skill based question on subject.

(1×12=12)

12. Madhushree Enterprises supplies 20,000 kits at ₹100 each amounting to ₹ 20,00,000 to Pranav Enterprises. Each kit consists of one toothbrush, tongue cleaner and tooth paste. The rate of tax applicable at 18% on toothbrush, 28% on tongue cleaner and 12% on tooth paste. Further, Madhushree Enterprises often provide toothbrush samples to their dealers and general stores etc. without charging any consideration and Madhushree Enterprises announce offers like 'Buy One Tooth Paste, Get One Tooth Paste free' for customers.

Questions :

- a) Discuss rate of tax applicable goods are supplied in kit and total GST Payable.
 - b) Discuss supply of goods in case of free sample.
 - c) Discuss supply of goods in case of 'buy one and get one free' offer.
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