

Paper – 18: Indirect Tax Laws & Practice

Postal Test Paper_P18_Final_Syllabus 2016_Set 1

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Full Marks: 100

Time allowed: 3 hours

Answer Question No. 1 which is compulsory and any five from the rest

- 1.(a) Fill in the blanks:** **[5×1=5]**
- (i) The person opting for the composition scheme must neither be a casual taxable person nor a _____ taxable person.
 - (ii) Services by an artist by way of a performance in folk or classical art forms of music/ dance/ theatre are exempted from GST, if the consideration charged for such performance is not more than _____.
 - (iii) In customs, _____ means transfer from one conveyance to another with or without payment of duty.
 - (iv) As per the Customs Tariff Act, _____ (single/ double/ triple/ quadruple) dash signifies primary classification of article covered by the heading.
 - (v) Advance authorisation is remain valid for _____ months from the date of issue of such authorisation.
- (b) Choose the most appropriate alternative:** **[5×1=5]**
- (i) The place which is used for unloading of imported goods and loading of exported goods, is called:
 - (a) Inland Container Depot
 - (b) Land customs station
 - (c) Customs station
 - (d) Customs area
 - (ii) In case of transport of goods by rail within India, which of the following item is an exempted supply from GST?
 - (a) Transport of postal mails and postal bags;
 - (b) Transport of defence and military equipments;
 - (c) Transportation of household effects;
 - (d) Transport of alcoholic beverages.
 - (iii) Goods & Services Taxpayer Identification Number (GSTIN) is a state-wise PAN-based number of:
 - (a) 10 digit
 - (b) 13 digit
 - (c) 14 digit
 - (d) 15 digit
 - (iv) The frequency to file GSTR-2 is:
 - (a) Monthly
 - (b) Quarterly
 - (c) Semi-annually
 - (d) Yearly
 - (v) "Adjudicating authority" means any authority, appointed or authorised to pass any order or decision under CGST Act, but does not include:
 - (a) the Central Board of Excise and Customs
 - (b) the Revisional Authority
 - (c) the Authority for Advance Ruling
 - (d) All of the above.
- (c) State true or false with reasons:** **[5×2=10]**
- (i) Services by way of transportation of goods by inland waterways are exempted from GST.

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- (ii) The place of supply of online information and database access or retrieval services will be location of the provider of service.
- (iii) The due date to file GSTR-1 is 15th of the next month.
- (iv) A public warehouse is owned and managed by a Government body like Central Warehousing Corporation.
- (v) Importer Exporter Code Number (IEC Number) is a unique 15 digit code.
- 2.(a)** Best Cars Ltd sells a car worth ₹ 5,00,000 to Sundar Automobiles. Best Cars Ltd. incurred packing charges of ₹ 6,000 on the car. Best Cars Ltd. provided a discount of 1% on the car price, as part of Diwali scheme.
Best Cars Ltd agreed to provide a further discount of 0.5% if Sundar Automobiles makes payment by 31st of the month via net banking. Sundar Automobiles makes the payment by 31st of the month using net banking. Find the Net GST liability in the hands of Best Cars Ltd. Applicable rate of GST is 18%. **[10]**
- (b)** State the need of GST Compensation Cess. **[6]**
- 3.(a)** A Ltd., becomes the successful bidder. The spectrum is assigned to A Ltd., for a total consideration of ₹ 1000 crores in the month of June 2015.
Government permitted to pay as one time charge payable, in full upfront or in installments as the case may be.
A Ltd., chooses to make in installments over a period of 5 years. Installment due fallen on or after 1st July 2017 is leviable to GST?
Whether your answer is different if periodic payment required to be made by the assignee. **[7]**
- (b)** M/s Hind IT Co. imported laptops with Hard Disc Drives (HDD) preloaded with operating software like Windows XP, XP home etc. The department has claimed that the said laptop along with the operating software was classifiable and assessable as a single unit. It is the claim of the assessee that the software loaded HDD should be classified and assessed separately as an exemption is available as per notification issued under section 25(1) of the Customs Act, 1962. Decide with a brief note whether the action proposed by the department is correct in law. **[9]**
- 4.(a)** Mr. A, a registered person received goods from Mr. B, an unregistered dealer. Mr. B issues invoice on 1st July 2017.
Find the time of supply of goods in following independent cases:
(i) Mr. A received goods on 15th July 2017, payment of which is not made yet.
(ii) Mr. A received goods on 3rd August 2017 & made payment for the same on 4th August 2017.
(iii) Mr. A made payment on 8th July and received goods on the same date.
Mr. A received goods on 10th July 2017 & made payment for the same on 9th July 2017. **[12]**
- (b)** M/s X Ltd. is a manufacturer of textile products. Company received order from Government to supply goods to defense (exempted supply). The turnover of other taxable goods and exempted goods are ₹ 4 crores and ₹ 1 crore respectively. Common inputs on which GST paid is ₹ 20,000.
Calculate the eligible ITC on common inputs. **[4]**
- 5.(a)** What is Bill of Supply? State the contents of a Bill of Supply. **[12]**

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(b) Under what circumstances it may be beneficial to claim refund of un-utilized credit when exports of goods or services are made without payment of tax? [4]

6.(a) State the matters on which advance ruling can be sought as per CGST Act. [8]

(b) Compute the duty payable under the Customs Act, 1962 for an imported equipment based on the following information:

- (i) Assessable value of the imported equipment US \$10,100.
- (ii) Date of Bill of Entry 25.4.2018 basic customs duty on this date 12% and exchange rate notified by the Central Board of Excise and Customs US \$ 1 = ₹ 65.
- (iii) Date of Entry inwards 21.4.2018 Basic customs duty on this date 16% and exchange rate notified by the Central Board of Excise and Customs US \$ 1 = ₹ 60.
- (iv) IGST u/s 3(7) of the Customs Tariff Act, 1975: 12%.

Educational cess @ 2% in terms of the Finance Act (No. 2), 2004 and secondary and higher educational cess @ 1% in terms of the Finance Act, 2007.

Make suitable assumptions where required and show the relevant workings and round off your answer to the nearest Rupee. [8]

7.(a) Describe the duties & powers of Anti-profiteering Committee as per CGST Act. [8]

(b) Importer BOPP Ltd. imported two consignments of ethyl alcohol which were allowed to be cleared for home consumption on execution of a bond undertaking to produce license within a month. Since, appellant failed to fulfill the obligation, proceedings were initiated which culminated in confiscation of the goods under Section 111(d) of the Customs Act, 1962 and imposition of penalty on the importer under section 112(a) of the Customs Act, 1962. Examine the correctness of the decision in terms of statutory provisions. [8]

8. Write short note on

(a) Project import under customs. [8]

(b) Service Export from India scheme under FTP. [8]