

M.Com. (CBCS) DEGREE EXAMINATION,
APRIL 2023

Fourth Semester

Commerce – Core

INDIRECT TAXATION

(For those who joined in July 2021 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

- This duty imposed by the Government on the manufacture or production of some goods was called _____
 (a) customs duty
 (b) excise duty
 (c) VAT
 (d) sales tax

- Value addition = Sales price minus
 (a) cost price
 (b) total price
 (c) purchase price
 (d) prime cost
- Which is not a feature of GST?
 (a) Comprehensive
 (b) Destination based
 (c) Levied of every value addition
 (d) Levied only on manufacture
- What are the taxes levied on an inter-state supply?
 (a) CGST
 (b) SGST
 (c) CGST and SGST
 (d) IGST
- One of the following is exempt from GST which:
 (a) Any business exhibition
 (b) Any business exhibition in India
 (c) Any business exhibition outside India
 (d) None of the above

- Which of the followings as correct?
 (a) Whole of the income of a trust is exempt from GST
 (b) Whole of the income of registered trust is exempted from UST
 (c) Income of a trust from specified defined charitable activities.
 (d) Income of a registered trust from specified defined charitable activities is exempt from GST
- Which of the following require amendment in the registration certificate?
 (a) Change of name of the registered person
 (b) Change in constitution of the registered person
 (c) Switching over from composition scheme to normal scheme or vice versa
 (d) All of the above
- R has started business of supplying of toys in Delhi. He is required to obtain registration if his aggregate turnover during a financial year exceeds:
 (a) Rs.50 lakh (b) Rs.10 lakh
 (c) Rs.20 lakh (d) Rs.40 lakh

- _____ is the duty which is levied on the basis of valuation of goods.
 (a) Specific duty
 (b) AD valorem duty
 (c) Compound duty
 (d) Combined rates
- The term prohibited goods has been defined under Section ____
 (a) 3(22) (b) 2(33)
 (c) 3(32) (d) 2(32)

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

- (a) Justify the working mechanism of VAT and GST.

Or

- (b) Differentiate excise duty from sales tax.

- (a) "GST is destination based tax" — Analyse.

Or

- (b) Critically examine the GST and its rates in other countries with suitable examples.

13. (a) Differentiate the different types GST taxes.
Or
(b) Explain SGST and its features
14. (a) Give a brief introduction about the mode of payment of tax.
Or
(b) Describe the need for registration of GST.
15. (a) Mention any five documents of export.
Or
(b) A material was imported by air at CIF price of 5,000 US\$. Freight paid was 1,500 US\$ and insurance cost was 500 US\$. The banker realized the payment from importer at the exchange rate of Rs.61 per dollar. Central Board of Indirect Taxes and Customs notified the exchange rate as Rs.60 per US\$. Find the value of the material for the purpose of levying duty.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

16. (a) Particularly mention what types of taxes is levied earlier on goods and services in India.
Or
(b) Define the term direct and indirect taxes and explain its characteristics.

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17. (a) Explain the constitutional amendment needed for implementation of GST and historical background of GST in India.
Or
(b) Describe the special benefits of GST. How it is superior over earlier VAT regime?

18. (a) Give your opinion about SWOC analysis of GST in India.
Or
(b) Distinguish between CGST, SGST, IGST and UGST.

19. (a) Gupta Transport Company (Registered) furnished the following information for the month December 2021:

	Tax paid (Rs.)
(i) Computer used for office	27,800
(ii) Truck used for transportation of goods	1,08,000
(iii) Motorcar used for business purposes	35,400
(iv) Stores and Lubricants obtained from the unregistered supplier on which tax has been paid by Janta Transport on reverse charge basis	6,800

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- (v) Capital Goods purchased on which depreciation has been taken on full value including input tax thereon 85,000
- (vi) Spare parts purchased from supplier who opted composition scheme and the composite tax has not been charged

Total GST payable for December is Rs.2,50,000. Calculate allowable Input Tax credit and tax payable.

Or

- (b) Write a detailed discussion about the main GST returns with form number, filled by, details of filled and due date.
20. (a) From the particulars given below, find out the Assessable Value of the imported goods under the Customs Act, 1962:

US\$

- (i) Cost of the machine at the factory of the exporter 10,000
- (ii) Transport charges from the factory of exporter to the port for shipment 500
- (iii) Handling charges paid for loading the machine in the ship 50
- (iv) Buying commission paid by the importer 50

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- (v) Freight charges from exporting country to India 1,000
- (vi) Exchange rate to be considered 1\$ = Rs. 60
- (vii) Actual insurance charges paid are not ascertainable

Or

- (b) Discuss the importance and bad effects of customs duty in international trade.

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