



WEST BENGAL STATE UNIVERSITY
B.Com. Honours 4th Semester Examination, 2021

FACACOR09T-B.Com. (CC9)

INDIRECT TAXATION

Time Allotted: 2 Hours

Full Marks: 50

*The figures in the margin indicate full marks.
Candidates should answer in their own words and adhere to the word limit as practicable.
All symbols are of usual significance.*

GROUP-A

Answer any two questions from the following

10×2 = 20

1. (a) What are the advantages of GST? 5
(b) What is GST Council? What are the functions of GST Council? 2+3
2. (a) What are the activities that will be considered as supply even if it is made without consideration? 5
(b) What is Supply? What are its characteristics? 2+3
3. Discuss whether GST is applicable in the following transactions- 2×5 = 10
 - (a) A transfers 2,000 debentures of A Ltd. to Y for a consideration of Rs. 4,75,000. Date of transaction is March 21, 2021.
 - (b) On March 26, 2021, R transfers a plot of land situated in Haldia to B for a consideration of Rs. 50 lakh. Consideration is, however, payable in installments.
 - (c) X, a registered person in GST, is a flower dealer in Mumbai. On March 28, 2021, he sells roses for decoration purpose for Rs. 1,25,000 to an interior decorator.
 - (d) Y deposits Rs. 90,000 in cash in his savings account with SBI, Kolkata.
 - (e) X is a registered person under GST. He deals in non-stick cookware. On March 6, 2021, he supplies 50 non-stick cookware for a consideration of Rs. 750 per piece to Z. ZY is not a registered person under GST.
4. (a) Write short notes on: 2½ × 2 = 5
 - (i) Debit Note (ii) Credit Note
(b) Equipment and instruments sent to manufacturers 'factory' for repairs and calibration within India on a returnable basis. Is it supply? 5

5. ABC Enterprises had made supplies of Rs. 5,50,000 to B.M. Authorities. B.M. Authorities on such supplies levied the tax of Rs. 55,000. CGST and SGST chargeable on the supply was of Rs. 66,000. Packing charges not included in the price of supply amounted to Rs. 15,000. Subsidy of Rs. 25,000 was received from an NGO on the sale of such goods and the price of Rs. 5,50,000 is after taking in to account the amount of subsidy so received. Discount offered is @ 1% which was mentioned on the invoice. 10
- Determine the value of supply from the above information.
6. The following are details of purchases and sales etc., effected in Smart Pvt. Ltd. a registered manufacturer under CGST Act, 2017; 10
- (a) Purchased fabric material from Local dealer Rs. 47,040 (including GST @ 12%)
 - (b) Purchased textile material from local dealer Rs. 94,500 (including GST @ 5%)
 - (c) Purchased machinery for manufacture of taxable goods Rs. 3,18,600 (including GST @ 18%) depreciation @ 15% is charged.
 - (d) Other direct and indirect expenses Rs. 44,570
 - (e) Profit margin on total cost @ 10%
 - (f) For the month March, 2021 only 80% production is sold within the state and applicable GST rate being 18%.
- Calculate the amount of CGST and SGST payable after utilizing input tax credit for the month of March, 2021 and no opening balance of input tax credit is available.

GROUP-B

Answer any two questions from the following

15×2 = 30

7. (a) Write down the differences between Tax Invoice and Bill of Supply. 5
- (b) M/s. P Ltd is in the business of Hotel. He purchase AC for business purpose and after 2 years, he transfer the AC to director without consideration. Will the transaction be a supply in terms of GST Act? 5
- (c) Salary paid to partners by partnership firm is liable to GST? 5
8. (a) Discuss the steps/procedure for GST registration. 10
- (b) What is reverse charge mechanism? 5
9. Define the term Assessment and explain the various types of assessment according to the provisions of the GST Act. 15
10. HALEX Industries is a manufacturing company registered under GST. It manufactures two taxable products 'X' and 'Y' and one exempt product 'Z'. The turnover of 'X', 'Y' and 'Z' in the month of April, 2021 was Rs. 2,00,000, Rs. 10,00,000 and Rs. 12,00,000. Oberoi Industries is in possession of certain machines and purchases more of them. Useful life of all the machines is considered as 5 years. 15

From the following particulars furnished by it, compute the amount to be credited to the electronic credit ledger of Halex Industries and amount of common credit attributable towards exempted supplies, if any, for the month of April, 2021.

Particulars	GST Amount Rs.
Machine 'A' purchased on 01.04.2021 for being exclusively used for non-business purposes	19,200
Machine 'B' purchased on 01.04.2021 for being exclusively used in manufacturing zero-rated supplies	38,400
Machine 'C' purchased on 01.04.2021 for being used in manufacturing all the three products – X, Y and Z	96,000
Machine 'D' purchased on April 1, 2 years before 01.04.2021 for being exclusively used in manufacturing product Z. From 01.04.2021, such machine will also be used for manufacturing products X and Y.	1,92,000
Machine 'E' purchased on April 1, 3 years before 01.04.2021 for being exclusively used in manufacturing products X and Y. From 01.04.2021, such machine will also be used for manufacturing product Z.	2,88,000

11. Write a short notes on:

5×3 =15

- (a) Reverse Charge
- (b) Input tax credit
- (c) Mixed supply.

12. M/s. Paul Ltd being a trader of laptops has two units in Chennai and in Mumbai.

15

Place	P.Y. Turnover Rs. in lakhs (Excluding taxes)
Chennai	52.00
Mumbai	12.00

You are required to answer the following:

- (a) Is M/s Paul Ltd eligible for composition levy in the current year?
- (b) If so, can M/s Paul Ltd opt composition scheme for Chennai location and normal scheme for Mumbai?
- (c) Need to give separate intimations for opting composition scheme in each state.

N.B. : Students have to complete submission of their Answer Scripts through E-mail / Whatsapp to their own respective colleges on the same day / date of examination within 1 hour after end of exam. University / College authorities will not be held responsible for wrong submission (at in proper address). Students are strongly advised not to submit multiple copies of the same answer script.

—x—