SET A

MASTER OF COMMERCE
FOURTH SEMESTER
GOODS & SERVICES TAX AND CUSTOMS LAW
MCM – 402B
[USE OMR SHEET FOR OBJECTIVE PART]

Duration: 3 hrs. **Full Marks: 70**

Objective

Time: 30 mins. **Marks: 20**

Choose the correct answer from the following: ***1×20=20***

1. It is possible to shift the burden of taxation in the case of.....................
   1. Income Tax
   2. Wealth Tax
   3. Gift Tax
   4. GST
   5. Excise Duty
   6. Customs Duty

   a. 1 and 2 only
   b. 4 only
   c. 4, 5, and 6 only
   d. All of the above

2. Who is the chairperson of the GST Council?
   a. Prime Minister
   b. President
   c. Union Finance Minister
   d. State Revenue Minister

3. GST is a................... based tax on consumption of goods and services.
   1. Destination
   2. Consumption
   3. Sales
   4. Production
   5. Manufacturing

   a. 1,2 and 3 only
   b. 1 and 2 only
   c. 1,3,4,5 only
   d. All of the above

4. The idea of a nationwide GST in India was first proposed by which of the following?
   1. Basel Committee
   2. The Kelkar Task Force
   3. Rekhi Committee
   4. C. Rangarajan Committee

   Choose the correct options from below:
   a. Only 1 and 3
   b. Only 2
   c. Only 2 and 4
   d. Only 3 and 4

5. Which of the following taxes are levied on an Inter-State Supply and import of goods?
   a. CGST
   b. SGST
   c. Both CGST and SGST
   d. IGST

6. GST rates applicable on goods and services are:
   a. 0% 5% 12% 18% 26%
   b. 0% 6% 12% 18% 28%
   c. 0% 5% 12% 18% 28%
   d. 0% 5% 12% 16% 28%

7. Composite supply is taxable at which tax rate?
   a. Tax rate as applicable on principal supply
   b. Tax rate applicable on supply attracting the highest rate of tax
   c. Tax @ 28%
   d. Tax rate as applicable on respective supply

8. Which of the following is an example of mixed supply?
   a. Goods are packed and transported with insurance
   b. Supply of package comprising of shirt, trouser, tie and belt for a single price
   c. Goods transport agency arranging for loading and unloading facility
   d. None of the above

9. Who are the persons liable to pay tax under reverse charge mechanism?
   a. Registered Supplier
   b. Registered Recipient
   c. Unregistered Supplier
   d. Unregistered Recipient

10. What is the threshold limit of turnover in the preceding financial year for opting to pay tax under composition scheme for States other than special category States?
    a. Rs. 20 lacs
    b. Rs. 10 Lacs
    c. Rs. 50 Lacs
    d. Rs. 1.5 Crore

11. Mr. Dinesh is selling a product for Rs. 11800/- (inclusive of tax)and applicable rate of CGST and SGST is 9 % each. Determine the value of supply.
    a. Rs. 11800
    b. Rs. 10000
    c. Rs. 10826
    d. Rs. 13924

12. Which of the following is correct regarding GSTR-1?
    1. The due date for filing GSTR-1 for most taxpayers is the 11th of the next month.
    2. It is filed only by regular taxpayers.
    3. It includes all outward supplies (taxable, exempt, nil-rated, and exports).

    a. 1 and 2 only
    b. 2 only
    c. 1 and 3 only
    d. All of the above

13. GSTIN consists of how many digits?
    a. 10 Digits
    b. 15 Digits
    c. 7 Digits
    d. 12 Digits

14. Which return is required to be furnished for outward supplies made by the registered person?
    a. Form GSTR-1
    b. Form GSTR-2
    c. Form GSTR-4A
    d. Form GSTR-6

15. Which of the following sections of the CGST Act, 2017 deals with compulsory registration?
   1. Section 22
   2. Section 23
   3. Section 24

   a. 1 only
   b. 2 only
   c. 3 only
   d. Any of the above

16. Which of the following items are not allowed under the Indian Baggage Rules?
   1. Motor vehicles
   2. Liquor above 2 liters
   3. Commercial courier shipments
   4. Personal laptop
   5. Used clothing

   a. Only 1
   b. Only 2 and 3
   c. 1, 2, and 3 only
   d. All of the above

17. On the import of goods into India, the following taxes and duties are applicable:
   1. Basic Customs Duty
   2. Social Welfare Surcharge
   3. CGST
   4. SGST
   5. IGST

   a. 1 and 2 only
   b. 1, 2 and 5 only
   c. 1, 2, 4 and 5 only
   d. All of the above

18. As per Customs Act, 1962, Conveyance includes:
   a. Vessel
   b. Aircraft
   c. Vehicle including railway vehicle
   d. All of the above

19. The Social Welfare Surcharge (SWS) is calculated at 10% on which of the following?
   1. Integrated Goods and Services Tax (IGST)
   2. GST Compensation Cess
   3. Basic Customs Duty (BCD)

   a. 1 only
   b. 2 only
   c. 3 only
   d. All of the above

20. What is the Duty-Free Allowance (DFA) for Indian residents or tourists arriving from countries other than Nepal, Bhutan, and Myanmar as per Indian Baggage Rules?
   a. ₹15,000 for adults and children
   b. ₹50,000 for adults and ₹15,000 for children below 10 years
   c. ₹25,000 for adults and ₹10,000 for children
   d. ₹50,000 for both adults and children

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Descriptive

Time : 2 Hr. 30 Mins. Marks : 50

[Answer question no.1 & any four (4) from the rest]

1. Define GST. Discuss the rationale and benefits of GST. 2+4+4=10

2. Discuss the composition and functions of GST Council. 4+6=10

3. What is Time of Supply? Discuss the provisions related to Section 12 of the CGST Act, 2017. 2+8=10

4. The following transactions were entered into by Star Clothing, a registered dealer located in Kolkata (West Bengal), for the month of December 2023. 10

Particulars	Amount (₹)	GST Rate
Purchased Cotton Fabric from Ludhiana (Punjab)	₹2,00,000	5%
Purchased Sewing Machines from Mumbai (Maharashtra)	₹1,80,000	12%
Purchased Dyes & Chemicals from Kolkata	₹2,50,000	18%
Purchased Packaging Material from Jaipur (Rajasthan)	₹1,00,000	12%
Supplied Handmade Sarees to Patna (Bihar)	₹4,00,000	5%
Supplied Designer Kurtis to Delhi (Delhi)	₹3,00,000	12%
Sold Printed T-Shirts within West Bengal	₹3,50,000	18%
Supplied Casual Shirts to Bangalore (Karnataka)	₹2,00,000	12%
Supplied shirts in Kolkata	₹4,50,000	12%

You are required to:

a) Compute the eligible Input Tax Credit (ITC) for the month of December 2023.

b) Compute the GST payable (if any) in cash after adjusting the available ITC balance.

Balance in the Electronic Credit Ledger for the month of November 2023: IGST= ₹16,000, CGST= ₹9,000 and SGST= ₹7,000

5. Define a Tax Invoice and explain its significance under GST. List any eight essential particulars that must be mentioned in a tax invoice. 2+4+4=10

6. What do you mean by the term "Registration"? Discuss the advantages of taking registration under GST. 3+7=10

7. From the below independent cases, considering the type of supply and place of supplier, you are required to provide the applicable threshold limit for registration. Also, indicate with "YES" or "NO" whether in each case the supplier is liable to obtain registration. 10

Supplier	Case	Engaged	Aggregate Turnover
Mr. A of Assam	1	Exclusively in supply of Toys	25 lakhs
	2	Exclusively in supply of Pan Masala	21 lakhs
	3	Exclusively in supply of taxable services	23 lakhs
	4	In supply of both taxable goods & services	22 lakhs
Mr. B of Delhi	1	Exclusively in supply of Shoes	25 lakhs
	2	Exclusively in supply of Ice Cream	7 lakhs
	3	Exclusively in supply of taxable services	19 lakhs
	4	In supply of both taxable goods & services	21 lakhs
Mr. C of Meghalaya	1	Exclusively supply of services	15 lakhs
	2	Supply of Electrical Appliances	21 lakhs

8. Explain the Baggage Rules and exemptions in case of Customs Laws. 6+4=10

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