**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BENGALURU -27**

Registration Number:

Date & Session

**B.Com–6th SEMESTER**

**SEMESTER EXAMINATION: APRIL 2024**

**(Examination conducted in May /June 2024)**

**BC VOC-2: GST-LAW AND PRACTICE**

**(For current batch students only)**

**Time: 2 Hours Max Marks: 60**

**This paper contains three printed pages and four parts**

**Section A**

**I.** Answer ***any five*** of the following (**3 x 5 = 15 marks)**

1. What are the conditions for the Reverse Charge Mechanism?
2. What is First return under section 40?
3. Identify the place of supply in the following domestic and cross boarder transaction.
4. A boarded a train from Kota. The tickets were booked in Delhi.
5. A Bengaluru based company repairs the software related computer problem for its client in Kolkata online by sitting in Bengaluru itself.
6. Z provides interior decoration to the house of Mr. Y in Surat, Mr. Y lives in Delhi, while Z lives in Ahmedabad.
7. List any six taxes which were not subsumed under GST.
8. DP Ltd, registered in Delhi, has transferred some good to its branch, registered in West Bengal, so that the goods can be sold from the branch. The goods have been transferred without any consideration. The company believes that the transaction undertaken by it does not qualify as supply as no consideration is involved. Ascertain whether the transfer of goods by DP Ltd. To its branch office qualifies as supply.
9. XYZ Ltd. Is manufacturer of Cosmetic products supplying a package consisting of hair oil (GST Rate -18%), Sun screen cream (GST Rate - 28%), Shampoo (GST rate - 28%) and hair comb (GST Rate -12%). The Price per package is Rs. 500 (exclusive of taxes). 10,000 packages were supplied by the company to its dealers. Determine the nature of supply and its tax liability.

**Section B**

**II.** Answer ***any two*** of the following (**5 x 2 = 10 marks)**

1. Write a note on GST Administration.
2. Examine whether the following activities would amount to supply under Section 7 read with schedule I:
3. S manufacturers have a factory in Delhi and depot in Mumbai. Both these establishments are registered in respective states. Finished goods are sent from factory in Delhi to the Mumbai depot without consideration so that the same can be sold.
4. R is an architect in Chennai. His brother who is settled in London is a well -known lawyer. Raman has taken legal advice from him free of cost with regard to his family dispute.
5. Would your answer be different if in the above case, R has taken advice in respect of his business unit in Chennai?
6. P is a supplier of goods located in Chandigarh. In November 2019, he has imported ' Architecture Services' from a relative consultant located in Germany, without any consideration (monetary or non-monetary) for construction of his personal house.
7. Will the import of architecture services for personal use be treated as supply and liable to IGST?
8. What will be your answer if the above services have been imported by R in the course or furtherance of business?
9. Y Ltd. Is a Chemical manufacturing company, it gives the following information pertaining to December 2022-

|  |  |
| --- | --- |
|  | Rs. |
| GST on Outward Supply A (taxable value: Rs. 8,00,000, GST rate: 18%) | 1,44,000 |
| GST on Outward Supply B (taxable value: Rs. 28,00,000, GST rate: 12%) | 3,36,000 |
| GST on Outward Supply C (taxable value: Rs. 11,00,000, GST rate: 5%) | 55,000 |

Y Ltd. Supplies 80 units of a chemical to Z Ltd. On a nominal consideration of Rs. 100. Market value of this transaction is Rs. 3,00,000. GST rate is 12 %. X holds 27% equity share capital in Y Ltd. and 29% share capital in Z ltd.

Input tax credit balance in electronic ledger as on December 1,2022 is Rs. 8,000. During December 2022, Y Ltd. has purchased raw material from A Ltd. (taxable value of supply: Rs. 2,00,000, GST rate: 18%). However, goods purchased from A Ltd, are not utilized for the manufacturing purposes during December 2022.

Find out GST payable for December 2022. Assume that conditions for claiming Input tax credit are satisfied.

**Section C**

**III.** Answer ***any two*** of the following (**10 x 2 = 20 marks)**

1. Explain the different types of assessment under GST.
2. (a) Mention the conditions for Claiming ITC.

(b) Determine the amount of Input Tax Credit admissible to Sargam limited in respect of the following items procured in the month of July, 2023 with suitable reasons

|  |  |  |
| --- | --- | --- |
|  | **Inward Supply** | **GST (In Rs.)** |
| 1 | Electrical Transformers used in the factory | 4,32,000 |
| 2 | Moulds and dies used in the factory | 52,000 |
| 3 | Pollution control equipment used in the factory | 1,17,000 |
| 4 | Trucks used for Transportation of inputs in the factory | 4,48,000 |
| 5 | Bus purchased for communication of employees from their residence to factory and back (Capacity,45 persons, including drivers) | 2,24,000 |
| 6 | Health care services availed from Golden Gym for keep of the health of their employees. | 10,800 |
| 7 | Good given as gift not related to the business | 12,500 |
| 8 | Premium paid on the life insurance policies taken for specified employees as a part to fill a statutory obligation in this regard. | 18,000 |
|  | Total | **13,14,300** |

(4+6)

1. Write a detailed note on the structure, Mission and vision of GST Network.

**Section D**

**IV. Answer the following (15marks)**

1. (a) Mention the procedure of registration under GST.

(b) On August 20,2022, P Ltd. (of Chennai) supplies goods/services to Q Ltd. (of Vellore). Taxable turnover of supply is Rs. 26,80,000. On August 26,2022, X Ltd. supplies goods/services to R Ltd. (of Bengaluru). Taxable value of supply is Rs. 5,00,000. GST rate is 18%. P Ltd. has the following balance in the electronic credit ledger:

-IGST: Rs. 92,000

-CGST: Rs. 5,000

-SGST: Rs. 9,00,000

On August 21,2022, P Ltd Purchased Hyundai Verna (seating capacity as per RC:5 persons) from a dealer in Chennai for its officer/auditors. The car will be used by these persons only for performing official duties. GST paid for purchasing of the cars (which was not included in the above figures) is as follows- CGST Rs. 1,68,000, SGST Rs. 1,68,000. There is no other transaction for the month of August 2022.Find out GST on Supply of Goods to Q Ltd./ R Ltd. and prepare a statement for availment of input tax credit. (5+10)

\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*