



**CA FINAL**  
**SUBJECT- INDIRECT TAX**  
**Test Code – FNJ 7415**  
(Date :)

**(Marks - 100)**

**PART A : MULTIPLE CHOICE QUESTIONS (30 MARKS)**

**QUESTION 1                      MULTIPLE CHOICE QUESTIONS                      (1\*10 = 10 MARKS)**

1. Which of the following transactions does not qualify as supply under GST law?
  - (i) When the Head Office makes a supply of services to its own branch outside the State.
  - (ii) When a person import services without consideration for the purposes of his business from his son living outside India.
  - (iii) Disposal of car without consideration and where the supplier has not claimed input tax credit on such car.
  - (iv) When a principal makes supplies to his agent who is also registered and is situated within the same State. Agent supplying on behalf of principal.

(a) (i) & (iii)                      (b) (i), (ii) & (iii)                      (c) (iii)                      (d) (iii) & (ii)
  
2. What will be the rate of tax and nature of supply of a service, if the same is not determinable at the time of receipt of advance?
  - (a) 12%, Inter-State supply                      (b) 12%, Intra-State supply
  - (c) 18%, Inter-State supply                      (d) 18%, Intra-State supply
  
3. M/s. Tanatan received testing services from Aquarian Solution (P) Ltd. on 10-May-2018. The payment was entered in the books of account of M/s. Tanatan on 16-May-2018 and was credited in the bank account of supplier on 19-May-2018. In the meantime, supplier issued invoice on 18-May-2018. What will be the time of supply in this case?
  - (a) 10-May-2018                      (b) 18-May-2018
  - (c) 16-May-2018                      (d) 19-May-2018
  
4. Which one of the following cannot be a reason for cancellation of registration?
  - (a) There is a change in the constitution of business from partnership firm to proprietorship.
  - (b) The business has been discontinued.
  - (c) A composition taxpayer has not furnished returns for three consecutive tax periods.
  - (d) A registered person, other than composition taxpayer, has not furnished returns for three consecutive tax periods.
  
5. A special Audit under GST is conducted by :
  - (a) The CGST Officials
  - (b) The SGST Officials
  - (c) Chartered Accountant or Cost Accountant
  - (d) Any of the above

6. In which of the following cases, compounding of offence is not allowed under section 138 of CGST Act, 2017?
- (a) a person who has been allowed to compound once in respect of any of the offences specified in clauses (a) to (f) of section 132(1).
  - (b) a person who has been convicted for an offence under GST law by a Court.
  - (c) a person who has been accused of committing an offence under GST law which is also an offence under any other law for the time being in force.
  - (d) All of the above.
7. Mr. Happy Singh is a resident of Chandigarh. The marriage of his daughter, Khushi Kaur, has been finalized with Mr. Lovely Singh, a NRI settled in Canada. The marriage is scheduled on 14-Feb-2019 in Chandigarh. Mr. Happy Singh wants to send 5,000 marriage invitation cards to all his relatives and friends to attend the marriage. He has to send the invitation by speed post. He is not sure about the taxability of speed post services under GST regime. He seeks your help in determining the applicability of GST on speed post.
- (a) GST payable      (b) Non Taxable      (c) Exempt      (d) None of the above
8. Which of the following statement(s) is/are correct?
- (i) Special exemption under section 25 of the Customs Act is granted by issuing a notification;
  - (ii) General exemption under section 25 of the Customs Act is granted by issuing an order;
  - (iii) Special exemption is required to be published in official gazette;
  - (iv) General exemption is not required to be published in official gazette.
- (a) All of above      (b) None of above  
(c) Both (i) and (ii)      (d) (ii) and (iv)
9. Some banks in China are giving interest free loans to its domestic manufacturers for manufacture of solar panels. This interest free loan would qualify as subsidy for levying of countervailing duty under section 9 of the Customs Tariff Act, 1975 in India on import of such solar panels if:
- (a) Such interest free loans is given by public or Government banks;
  - (b) Such interest free loan is given by private banks on their own without any direction or instruction from the Government;
  - (c) None of above;
  - (d) Both (a) and (b)
10. Anti-Dumping duty is calculated as
- (a) Higher of margin of dumping or injury margin;
  - (b) Lower of margin of dumping or injury margin;
  - (c) Higher of export price or normal value;
  - (d) Lower of export price or normal value

**QUESTION 2****MULTIPLE CHOICE QUESTIONS****(2\*5 = 10 MARKS)**

1. Kutch Refineries supplies LPG to XYZ Ltd. by a pipeline under a contract. The terms of contract are:
- (i) Monthly payment of Rs.2 lakh to be made by the recipient on fifth day of the month.
  - (ii) A quarterly statement of the goods dispatched and payments made will be issued by seventh day of the month succeeding the relevant quarter.

August 5, September 5, October 5	Payments of Rs.2 lakh made in each month
October 7,	Statement of accounts issued by supplier for the quarter July – September
October 17,	Differential payment of Rs. 56,000 received by supplier for the quarter July – September as per statement of accounts

Which of the following statements is true?

- (a) Invoice will be issued on August 5, September 5, October 5 and October 7.
  - (b) Invoice will be issued on August 5, September 5 and October 5.
  - (c) Invoice will be issued on August 5, September 5, October 5, October 7 and October 17
  - (d) None of the above
2. Mrs Reena is a consultant. She has provided the following details relating to services provided and received by her:
- 1. Supply of management consultancy services for Rs.500,000/- p.a.
  - 2. Supply of accounting services for Rs.200,000/- p.a.
  - 3. Renting of immovable property for residential purposes for Rs.10,000/- p.m.
  - 4. Management consultancy services provided to a hospital for Rs.50,000/- one time
  - 5. Services provided to a client outside India for Rs.50,000/- p.m.
  - 6. Services received from a lawyer for Rs.100,000/-

Calculate her aggregate turnover for a year under GST.

- (a) Rs. 9,10,000      (b) Rs.15,70,000      (c) Rs. 14,70,000      (d) Rs. 8,20,000

3. Which of the following is an OIDAR service?
- (i) Online course consisting of pre-recorded videos and downloadable PDFs
  - (ii) PDF document manually emailed by provider
  - (iii) Individually commissioned content sent in digital form e.g., photographs
  - (iv) Stock photographs available for automatic download
  - (v) PDF document automatically emailed by provider's system.
- (a) (i), (iv)
  - (b) (iv), (v), (ii)
  - (c) (i), (iv), (v)
  - (d) All of the above

4. ABC Ltd. exported certain goods last year. The buyer has sent back those goods since the same were under warranty and required repairs. Which of the following condition(s) is/are to be satisfied by ABC Ltd. to avail exemption on goods re-imported for repairs under Notification No. 158/95- Cus dated 14.11.1995?

- (i) The re-import has to be for repairs only;
- (ii) Goods must be re-exported after repairs;
- (iii) Goods must be re-exported within 6 months or 1 year if time is extended;
- (iv) In case goods are not repaired, new goods have to be sent by ABC Ltd within 6 months.

(a) (i), (ii) and (iv);      (b) (i), (ii) and (iii);      (c) (ii) and (iii);      (d) All of above

5. M/s. Global Exports (P) Ltd. made following supplies as under:

- (i) Exports of taxable goods made on 01-Jun-2018 with payment of tax. GST returns were duly filed in time. However, GST RFD-01 has not been filed.
- (ii) Exports of exempted goods were made on 15-Jul-2018 under letter of undertaking. However, input tax credit in respect of manufacturing of such goods is Rs. 50,000/-. Refund application GST RFD-01 is filed on 30-Apr-2019 i.e. after end of financial year 2018-19.
- (iii) Goods supplied to export oriented unit on 29-Jul-2018 and return for the month of July, 2018 was filed on 20-Aug-2018. Input tax credit in respect of such supply is Rs. 26,000/- and an undertaking was received from the recipient that it will not claim input tax credit and supplier may seek refund. GST RFD-01 is filed on 01-Dec-2020.
- (iv) Supply of services outside India were made on 11-Aug-2018 and payment was received on 10- Oct-2018. Input tax credit in respect of such supply is Rs. 48,000/-. GST RFD-01 is filed on 30- Sep-2020.

Note: Payment is received in US Dollars (\$) for all transactions except transaction (i).

Determine in which of above mentioned transactions, refund is available to M/s. Global Exports (P) Ltd.?

(a) (ii), (iii) and (iv)      (b) (i), (ii) and (iv)      (c) (iii) and (iv)      (d) (i) and (ii)

### QUESTION 3

### CASE STUDY BASED MCQ'S

(2\*5 = 10 MARKS)

ABC Petroleum Limited is engaged in the business of refining and marketing of petroleum products. It has one refinery each in the States of Tamil Nadu, West Bengal & Maharashtra and numerous administrative and marketing offices spread across the country. The Company has separate marketing cum administrative offices for every major State and common administrative cum marketing offices for a group of small States e.g., all north-eastern States are covered under one marketing cum administrative office. The Company also blends lubricants in its blending plants located in the States of Maharashtra and Tamil Nadu.

As a policy, all the places of business of the Company in a State are registered under one registration.

Imported crude is used as input in the refinery and following major products are extracted after refining process:

Products chargeable to GST (Group A)	Products not chargeable to GST (Group B)
Base oil (An input for blending lubricants)	Petrol
Furnace oil	Diesel
Bitumen (Used for road construction)	Air turbine fuel
LPG (Domestic and Industrial)	

Base oils are further sent to blending plants where they are blended with additives to produce lubricants. The Company provides the following particulars for States of Tamil Nadu, Maharashtra and Kerala for the month of January 20XX:

Particulars	Tamil Nadu (Rs.)	Maharashtra (Rs.)	Kerala (Rs.)
Value of supply inclusive of all taxes/duties (Group B products)	1,650	3,400	1,575
Value of supply (Group A products) before all taxes/duties	100	200	20
Excise duty leviable on supply of Group B products	500	1,000	110
VAT on supply of Group B products	250	600	65
Tax paid on inputs and input services procured at the blending plant	5	6	0
Tax paid on spares procured at the refinery (Spares are booked in revenue account)	3	8	0
Tax paid on inputs and input services procured at the marketing cum administrative office	2	3	1
Tax paid capital asset procured at the blending plant	0	5	0
Tax paid capital asset procured at the refinery	12	0	0

Assume that all of the Group A products are chargeable to GST @ 18% (including both CGST and SGST or IGST, as the case may be)

The Finance department of ABC Petroleum Limited seeks your professional advice on following questions:

- (i) The value of company's supply in the Union Territory of Puducherry is Rs. 32,34,000 (Group A products) and in the State of Goa is Rs. 18,38,000 (Group A and Group B products) for the year ending March 20XX. GST registration is
  - (a) Not required for both Puducherry and Goa
  - (b) Not required for Goa but required for Puducherry
  - (c) Required for both Puducherry and Goa
  - (d) Not required for Puducherry but required for Goa
- (ii) The eligible ITC available at marketing cum administrative office located in the State of Maharashtra, for the month of January 20XX, is-
  - (a) Rs.3,000
  - (b) Rs.300
  - (c) Rs.166.67
  - (d) Rs.1,500

- (iii) The eligible ITC in respect of the capital asset procured in the State of Tamil Nadu, for the month of January 20XX:
- (a) Rs.12,000      (b) Rs.200      (c) Rs.11,811.11      (d) Rs.11,820
- (iv) Lubricant valued at Rs. 10,000 has been stock transferred from the blending plant located in the State of Tamil Nadu to the refinery located in the same State, in the month of January 20XX. The GST (CGST and SGST) payable on such transaction is?
- (a) Nil as the transaction is not a supply
- (b) Rs.90
- (c) Rs.1,800
- (d) Nil as such supply is exempted from GST
- (v) Due to sudden fire in the store room of the refinery located in Maharashtra on January 28<sup>th</sup> 20XX, the entire quantity of spares procured in the month of January 20XX gets destroyed. What action is required from ABC Petroleum Limited?
- (a) No action is required on the part of ABC Petroleum Limited under GST Law.
- (b) ABC Petroleum Limited should report to jurisdictional GST Department for verification of the loss of inputs on account of fire.
- (c) ABC Petroleum Limited should not avail ITC of tax paid on the spares.
- (d) ABC Petroleum Limited should avail ITC and reverse the same.

**PART B : DESCRIPTIVE QUESTIONS (70 MARKS)**

**QUESTION 4 IS COMPULSORY. ANSWER ANY FOUR OUT OF REMAINING FIVE QUESTIONS.**

**QUESTION 4**

**(14 MARKS)**

Skylark Pvt. Ltd. Noida (Uttar Pradesh) is engaged in various kinds of commercial activities. It manufactures taxable goods as also provides certain services. The company has branch office in New Delhi. The Head office at Noida and the branch office in New Delhi are registered under GST. The branch office at New Delhi is eligible for full input tax credit.

The company has reported a total turnover of Rs. 256 crore (exclusive of GST) for the month of August 2020. The following information is provided by the company in relation to such turnover.

- (i) The turnover includes Rs. 45 crore from sale of securities which were purchased for Rs. 30 crore in the month of January last year.
- (ii) The company supplied goods worth Rs. 50 crore to ABC Ltd. in UK under a letter of undertaking (LUT). The total export proceeds are received in the month of August 2020 itself; Rs. 50 crore in foreign currency
- (iii) The company provided consulting services to Sherpa & Sons in Nepal for Rs. 30 crore under a LUT. The entire consideration is received in Indian rupees in the month of August 2020 itself. with the permission of RBI.

- (iv) The turnover includes supply of goods worth Rs. 10 crore to Shanghai Jianguo Trading Company Ltd., a company based in China. As per the sale contract, the goods were to be assembled at Shanghai Jianguo Trading Company Ltd.'s office in Gurugram, Haryana. The payment of the goods is received in convertible foreign exchange in the month of August 2020 itself.
- (v) Goods worth Rs. 20 crore are supplied under a LUT to DEF Pvt. Ltd. located in a SEZ in the State of Uttar Pradesh.
- (vi) Goods worth Rs. 40 lakh were being procured from a vendor in Japan. While the goods were in transit, the company secured an order for the said goods for Rs. 50 lakh from a buyer in Thailand. Thus, the goods were directly sent to Thailand without entering India.
- (vii) The company owns three immovable properties in Noida. The first building is let out for running a printing press at Rs. 10 lakh per month. The second building is let out for residential purpose at Rs. 5 lakh per month. The third building is let out to a Cold Storage operator at Rs. 5 lakh per month. The cold storage operator sub – lets the building as a warehouse to store potatoes.
- (viii) The remaining turnover comprised of taxable goods sold within the State and outside the State in the ratio of 3 : 2.

Total turnover of Rs. 256 crore includes the turnover referred to in points (i) to (vi) above.

In addition to above –

- (i) The company transferred its stock (taxable goods) from Noida to Delhi branch without any consideration ; the value declared in the invoice is Rs. 4.5 crore (exclusive of GST). The cost of production of such goods is Rs. 10 crore. Such stock is sold to independent buyers at Rs. 15 crore (exclusive of GST).
- (ii) the company had sent goods worth Rs. 12 crore (exclusive of GST) to M/s. Sharma Traders in Haryana on approval basis on 15<sup>th</sup> January, 2020, 15<sup>th</sup> February 2020 & 15<sup>th</sup> March 2020 (Rs. 4 crore each month). Goods sent during all the three months are approved in the month of September 2020.

Compute the GST liability [CGST & SGST or IGST, as the case may be] of Skylark Pvt. Ltd. Noida for the month of August 2020. Make suitable assumptions wherever required.

	CGST	SGST	IGST
Goods	6%	6%	12%
Services	9%	9%	18%

**QUESTION 5(A)**

**(9 MARKS)**

M/s. XYZ a registered dealer engaged in supplying exempted goods to its customers. On 17.06.2020, exemption notification was rescinded and goods were liable for tax. M/s. XYZ has to make e – payment of tax on the due date i.e. on 20.07.2020. Determine the eligible credit for the month of June, 2020 if the following information is provided :

Particulars	Value (exclusive of CGST/ SGST/ IGST)	CGST @ 6%	SGST @ 6%	IGST @ 12%
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Value of Inputs lying in stock as on 16.06.2020. All inputs were procured after 01.03.2020	1,00,000	-	-	12,000
Value of inputs contained in semi – finished good lying in stock as on 16.06.2020 but only inputs worth Rs. 85,000 in semi – finished goods were procured after 16.06.2019	1,35,000	8,100	8,100	-
Inputs received on 31.01.2020 lying in finished goods in stock on 16.06.2020	1,55,000	9,300	9,300	-
Capital goods procured in 10.12.2019 which is exclusively used in supplying exempted goods.	8,00,000	-	-	96,000

**QUESTION 5(B)**

**(5 MARKS)**

Compute the assessable value and Custom duty payable from the following information :

- (i) FOB value of machine – 8,000 UK Pounds
- (ii) Freight paid (air) – 2,500 UK Pounds
- (iii) Design and development charges paid in UK – 500 UK Pounds
- (iv) Commission payable to local agent @ 2% of FOB in Indian Rs.
- (v) Date of bill of entry – 24.10.2020 (Rate BCD 10%, Exchange rate as notified by CBIC Rs. 100 per UK Pound)
- (vi) Date of arrival of aircraft – 20.10.2020 (Rate BCD 18%, Exchange rate as notified by CBIC Rs. 95 per UK Pound)
- (vii) Integrated tax leviable under Section 3(7) of CTA, 1975 - @ 12%.
- (viii) Insurance charges actually paid but details not available.

**QUESTION 6(A)**

**(9 MARKS)**

Sudama Industries Ltd., registered in the State of Jammu & Kashmir, manufactures plastic pipes for other suppliers on job-work basis.

On 10.01.20XX, Plasto Manufacturers (registered in the State of Himachal Pradesh) sent plastic worth Rs. 4 lakh and moulds worth Rs. 50,000, free of cost, to Sudama Industries Ltd. to make plastic pipes. Sudama Industries Ltd. also used its own material - a special type of lamination material for coating the pipes - worth Rs. 1 lakh in the manufacture of pipes. It raised an invoice of Rs. 2 lakh as job charges for making pipes and returned the manufactured pipes through challan to Plasto Manufacturers on 20.10.20XX.



The same quality and quantity of plastic pipes, as was made for Plasto Manufacturers, were made by Sudama Industries Ltd. from its own raw material and sold to Solid Pipes (registered in Jammu and Kashmir) for Rs. 7.5 lakh on 20.10.20XX.

**Examine the scenario and offer your views on the following issues with reference to the provisions relating to job work under the GST laws:**

- (i) Is there any difference between the manufacture of plastic pipes by Sudama Industries Ltd. for Plasto Manufacturers and for Solid Pipes? **(2 ½ MARKS)**
- (ii) Whether Sudama Industries Ltd. can use its own material even when it is manufacturing the plastic pipes on job-work basis? **(1 MARK)**
- (iii) Whether sending the plastic and moulds to Sudama Industries Ltd. by Plasto Manufacturers is a supply and a taxable invoice needs to be issued for the same? **(3 MARKS)**
- (iv) Whether Sudama Industries Ltd. should include the value of free of cost plastic supplied by Plasto Manufacturers in its job charges? **(2 ½ MARKS)**

**QUESTION 6(B)**

**(5 MARKS)**

M/s. Kalaji Manufacture & Exporters Pvt. Ltd. furnishes following information and requests you to compute the maximum refund eligible in respect of Zero – rated supplies for the relevant period :

Particulars	Rs.
(i) Input tax credit availed on inputs	2,50,000
(ii) Input tax credit availed on input services	50,000
(iii) Input tax credit availed on capital goods	2,00,000
(iv) Taxable value of goods 'X' exported without payment of tax (Value of like goods domestically supplied by the Kalaji Manufacturers included in point no. (vi) below – rs. 5,00,000	8,00,000
(v) Taxable value of goods 'Y' exported without payment of tax (Value of like goods domestically supplied by the Kalaji Manufacturers included in point no.(vi) below – Rs. 2,00,000	2,50,000
(vi) Taxable value of goods supplied within India	35,00,000
(vii) Payments received towards services supplied for exports includes Rs. 50,000 of advance towards services to be supplied/ exported after the current relevant period)	5,50,000
(viii) Taxable value of service supplied within India	5,00,000

**QUESTION 7(A)**

**(5 MARKS)**

Educators Ltd., providing educational services, furnishes you with the following information for the various services provided by it. It has collected an aggregate sum of Rs. 25 lakhs during the month ended 30.09.2020 as under –

- (1) Receipts of 'Gyan sagar' an industrial training institute (ITI) affiliated to the National Council for Vocational Training (NCVT) : Rs. 1.2 lakhs
- (2) Receipts of 'Edu care' a vocational education provider affiliated to Sector Skill Council formed under National Skill Development Corporation (NSDC) : Rs. 1.8 lakh

- (3) Receipts of 'Abhigyan Skill Centre' an industrial training centre (ITC) affiliated to the State Council for Vocational Training, Rajasthan : Rs. 2 lakhs.
- (4) Receipt of 'Mission', an institute, registered with Directorate General of Employment and Training (DGET), Union Ministry of Labour and Employment, running a Modular Employable Skill Course (MESOC) approved by the National Council of Vocational Training : Rs. 1 lakh
- (5) Receipts of 'Scinart' a Commercial coaching institute providing commercial coaching in the field of arts and science : Rs. 0.8 lakhs (no certificate was issued on completion of the training)
- (6) Receipts of 'Commerce concepts' a Commercial coaching institute providing coaching in the field of commerce : Rs. 1.2 lakhs (a certificate was awarded to each trainee after completion of the training)
- (7) Receipts of Gurukul School providing education upto higher secondary : Rs. 6 lakhs
- (8) Receipts of 'Play Kids' school providing education upto primary level : Rs. 11 lakhs (such receipts includes receipts from renting of premises to commercial coaching centre : Rs. 3 lakhs)

Compute the value of taxable supply and GST Payable thereon. All the amounts are exclusive of GST. Rate of GST – 18%.

**QUESTION 7(B)**

**(5 MARKS)**

What are the duties of National Anti-profiteering Authority enumerated in the CGST Act?

**QUESTION 7(C)**

**(4 MARKS)**

XYZ Ltd. imported goods through vessel which arrived at customs port on 01.05.2020. The company presented bill of entry for home consumption in Indian Customs Electronic Data Interchange Gateway on 06.05.2020. Determine charges if any for late presentation of bill of entry by XYZ Ltd.

**QUESTION 8(A)**

**(5 MARKS)**

Pursuant to audit conducted by the tax authorities under Section 66 of the CGST Act, 2017, a show cause notice was issued to Home Furnishers, Surat, a registered supplier, alleging that it had wrongly availed the input tax credit without actual receipt of goods for the month of July, 2020. In the absence of a satisfactory reply from Home Furnishers, Joint Commissioner of Central Tax passed an adjudication order dated 20.08.2020 (received by Home Furnishers on 22.08.2020) confirming a tax demand of Rs. 50,00,000 and imposing a penalty of equal amount under Section 122 of the CGST Act, 2017.

Home Furnishers does not agree with the order passed by the Joint Commissioner. It decides to file an appeal with the Appellate Authority against the said adjudication order. It has approached you for seeking advice on the following issues in this regard.

- (i) Can Home furnishers file an appeal to Appellate Authority against the adjudication order passed by the Joint Commissioner of Central Tax ? If Yes, till what date can the appeal be filed ?

- (ii) Does Home Furnishers need to approach both the central and State Appellate Authorities for exercising its right of appeal ?
- (iii) Home Furnishers is of the view that there is no requirement of paying pre – deposit of any kind before filing an appeal with the appellate Authority. Give our opinion on the issue.

**QUESTION 8(B)**

**(4 MARKS)**

Briefly explain the procedure to be followed by the Authority for Advance Ruling on receipt of the application for Advance Ruling under section 98 of CGST Act, 2017.

**QUESTION 8(C)**

**(5 MARKS)**

Mr. Ram, an Indian resident and an engineer by profession who was engaged in his profession in USA for 9 months, brought with him on 10.04.2020 the following used items on his return to India :

- (1) Used personal effects like clothes etc. of Rs. 1,00,000.
- (2) Digital Video Disc player of Rs. 5,000.
- (3) Music System of Rs. 55,000
- (4) Air – Conditioner of Rs. 45,000
- (5) Microwave Oven of Rs. 28,000
- (6) Fax Machine of Rs. 52,000
- (7) Domestic Refrigerator of capacity of 285 liters of Rs. 1,20,000
- (8) Jewellery (18 grams) of Rs. 75,000

Calculate the custom duty payable by him.

**QUESTION 9(A)**

**(5 MARKS)**

What would be the place of supply of services in the following independent cases ?

- (1) Tradeget of Jaipur are appointed as commission agents by a foreign company for sale of its goods to Indian customers. In lieu of their services, Tradeget receives a fixed percentage of commission from the concerned foreign company.
- (2) Kamal Repair Centre of Mumbai has temporarily imported certain goods from its customer located in China for repairs. The said goods have been re – exported to China after carrying out the necessary repairs without being put to any use in Mumbai.
- (3) SCI. a shipping company located in Mumbai, has hired vessels from a foreign shipping line of Japan for a period of 25 days.

**QUESTION 9(B)****(4 MARKS)**

Ms. X imported certain goods weighing 2,500 kgs. With CIF value US \$ 1,20,000. Exchange rate was 1 US \$ = Rs. 65 on the date of presentation of bill of entry. Basic customs duty is chargeable @ 10% and SWS as applicable. There is no Integrated tax and GST Compensation Cess payable on these goods, if supplied in India. As per Notification issued by the Government of India, anti – dumping duty has been imposed on these goods. The anti – dumping duty will be equal to difference between amount calculated @ US \$ 80 per kg. and 'landed value' of goods. You are required to compute custom duty and anti – dumping duty payable by Ms. X.

**OR****QUESTION 9(B)****(4 MARKS)**

M/s Gyaan Publishing House, registered under GST in Delhi, is engaged in printing and selling of books as well as trading of stationery items. He has provided following information of a consignment which is to be supplied to Mumbai : -

- (i) Taxable value of supplies indicated on tax invoice : Rs. 35,000/-
- (ii) Value of exempted supplies : Rs. 8,000/-
- (iii) Value of goods to be sent to job worker on delivery challan : Rs. 15,000/-

Calculate the consignment value for the purpose of generating e – way bill for inter – State supply of goods. Assume rate of tax on taxable goods to be 18%.

**QUESTION 9(C)****(5 MARKS)**

BMR Ltd., an eligible service exporter of specified service, requires you to compute its duty credit scrip entitlement under the Service Exports from India Scheme (SEIS). The company has provided / supplied specified service during the financial year as follows –

- (1) Supply from India to US : \$ 30,000
- (2) Supply from India to service consumer of US in India : \$ 12,000
- (3) Supply from India through commercial branch in a city of US : \$ 8,000
- (4) Supply from India through presence of employees in another city of US : \$ 6,500.

The total expenses / payments of BMR Ltd. relating to aforesaid supplies are:

- 5% of gross receipts in foreign exchange, and
- Another 10% of gross receipts in Indian rupees.

BMR Ltd. also informs that it has received-

- Loans of \$ 5,000 from US; and
- Another amount of \$ 2,500 (net of expenses) on behalf of a client, who is also an exporter of specified services.

Notified rate for service provided by BMR Ltd. is 7%.