MODEL QUESTION PAPER

CA (IPC)- MAY 2018

PAPER 4 : TAXATION

SECTION B – INDIRECT TAXES (50 MARKS)

SKM

Question **No. 7** is Compulsory

Answer any **four** Questions from the rest.

Working notes and/or suitable assumptions should form part of your Answer

7) **(a)** Subansiri Lower Hydro Electric project of NHPC Ltd, Assam has availed Security services of XYZ Ltd,Siliguri a registered supplier of West Bengal to safeguard its construction materials lying at Railway sidings, Rangapani, West Bengal, for which XYZ Ltd raised bill on NHPC Ltd, Assam.

(6 Marks)

a) What is place of supply

b) What is the nature of Supply

c) Who will deposit GST

7 **(b)** As per the supply order placed by NTPC Ltd to M/s ACE Construction Equipment, the supplier is required to supply the machineries within 3 months from the date of placing supply order i.e from 1st Dec 2017. As per terms of contract, In the event of non-supply of said machinery within stipulated time, penalty @0.5% shall be levied per week or part thereof, on awarded value. The firm supplied the machineries on 5th January 2018 for which penalty was levied. **(4 Marks)**

a) Is the penalty liable to GST ?

b) If so, who will deposit GST & the rate of GST?

8) **(a)** Dr Vinod Mishra, an authorized medical practitioner has earn a total amount of Rs.43 lakhs during the F.Y 2017-18 which includes Rs.28 lakhs as visiting consultant charges received from Appollo Hospital, Bhubaneswar. **(4 Marks)**

a) Is he required to obtained registration under GST?

b) If so, compute taxable value of Supply

8 (b) Mr Ramesh of Gurgaon, an Original Equipment Manufacturer (OEM) of M/s Maruti Ltd. had a total turnover of Rs.62 lakhs during F.Y 2016-17. As he anticipates his turnover during the current F.Y 2017-18 will be in the range of 60- 80 lakhs has opted for Composition scheme under GST. During the Quarter Oct-Dec 2017, his aggregate turnover was Rs. 18 lakhs, out of which taxable supply was Rs.17 lakhs, During Quarter Jan-March 2018, his aggregate turnover was Rs.22 lakhs , out of which taxable supply was Rs.21 lakhs. **(6 Marks)**

a) Compute GST liability for the Quarter Oct- Dec 2017

b) Compute GST liability for the Quarter Jan- March 2018

c) What is the due date of deposit of GST in above cases?

Q9 Answer the following Questions with reference to CGST Act, 2017? (2 x5=10 Marks)

a) Mention the name of any four goods , supply of which are covered under Reverse Charge Mechanism (RCM) under GST?
b) State any four circumstance where GST is payable even though actual supply does not takes place ?
c) Mention any four Central taxes that has been subsumed in GST ?
d) What is Zero rated supply?
e) Name any four goods which are outside the scope of GST?

Q10. a) Mention, whether the following supply will attract GST & who is liable to deposit GST? (1x5=5 Marks)

a) Transportation services provided by registered GTA to an unregistered person
b) Construction of a Community hall by NHPC Ltd in a village near power station under CSR Activities
c) Renting of a building@ Rs.2 lakhs/per month for residential purpose
d) A company has donated a computer to a school under CSR scheme with a condition to put a sticker on the header of monitor reflecting donated by them.
e) Security services provided by Govt agencies such as CRPF, BSF to ONGC

Q10. **b)** ITC Limited, Kolkata had sold goods worth Rs.25 lakhs to one of its dealer at Siliguri in the month of January 2018. GST on the same was deposited by ITC Ltd on 18th February. On 25th of Feb 2018, the dealer rejected goods worth Rs.85000/- due to damaged/pilfered conditions and intimated the fact to ITC Ltd. How the same will dealt by ITC Ltd in their GST return & the time limit for the same. **(5 Marks)**

Q11. a) A supply order for Rs.30,000/- for Supply & installation of Samsung LED TV was given to M/s Galaxy Electronics, Bhubaneswar. The cost of TV is Rs.28,000/-, while installation charges is Rs.2000/-. While LED TV attract GST@28%, installation charges attract GST of 18%. Compute total GST payable on said supply. **(3 Marks)**

Q11. b) Answer following Questions **(1x2=2 Marks)**

i) What is the Maximum rate of GST prescribed under CGST Act,2017

ii) What is the time limit for issue of Debit Note ?

Q11. c) Classify the following supply as either supply of Goods or supply of services **(1x5= Marks)**

i) Finance lease of construction Equipments with transfer of title at the end of lease period

ii) Construction of a factory building

iii) Food supply in restaurants

iv) Sale of Land

v) Non refundable deposit given by a company for a new landline Telephone connection

Q12. a) Answer the following Questions in brief ? **(2x3=6 Marks)**

i) Name the categories of persons who are not liable for Registration under GST ?

ii) What is debit Note ? What is the time limit for issue of Debit Notes?

iii) What are the documents required for availing Input tax Credit ?

(4 Marks)

Q12. b) M/s Frankfort pharmacy of Kolkata had an aggregate turnover of Rs. 22 Crores during the month of January 2018. Input tax credit of Rs. 2 Crores was appearing in his Electronic Credit ledge as on 1st Jan 2018. His total GST implication for the month of January 2018 comes to Rs.1.5 Crores, which includes GST of Rs. 90,000/- payable under RCM in respect of legal services availed by them from an Advocate to defend a consumer case filed by a consumer for selling of expired medicines , for which fee of Rs. 5 lakhs was paid to the Advocate in January 2018. Compute total GST to be deposited by the firm for the month of January 2018 & the due date of deposit?

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