

Roll No.

Total No. of Printed Pages – 11

Total No. of Questions – 6

Maximum Marks – 70

GENERAL INSTRUCTIONS TO CANDIDATES

1. The question paper comprises two parts, Part I and Part II.
2. Part I comprises Multiple Choice Questions (MCQs).
3. Part II comprises questions which require descriptive type answers.
4. Ensure that you receive the question paper relating to both the parts. If you have not received both, bring it to the notice of the invigilator.
5. Answers to Questions in Part I are to be marked on the OMR answer sheet only. Answers to questions in Part II are to be written on the descriptive type answer book. Answers to MCQs, if written in the descriptive type answer book, will not be evaluated.
6. OMR answer sheet will be in English only for all candidates, including for Hindi medium candidates.
7. The bar coded sticker provided in the attendance register, is to be affixed only on the descriptive type answer book. No bar code sticker is to be affixed on the OMR answer sheet.
8. You will be allowed to leave the examination hall only after the conclusion of the exam. If you have completed the paper before time, remain in your seat till the conclusion of the exam.
9. Duration of the examination is 3 hours. You will be required to submit (a) Part I of the question paper containing MCQs, (b) OMR answer sheet thereon and (c) the answer book in respect of descriptive type answer book to the invigilator before leaving the exam hall, after the conclusion of the exam.
10. The invigilator will give you acknowledgement on Page 2 of the admit card, upon receipt of the above-mentioned items.
11. Candidate found copying or receiving or giving any help or defying instructions of the invigilators will be expelled from the examination and will also be liable for further punitive action.

PART – II**70 marks**

1. Question paper comprises 6 questions. Answer Question No. 1 which is compulsory and any 4 out of the remaining 5 questions.
2. Working notes should form part of the answer.
3. Answers to the questions are to be given only in English except in the case of candidates who have opted for Hindi Medium. If a candidate has not opted for Hindi Medium, his/her answers in Hindi will not be evaluated.
4. All the questions should be answered on the basis of position of (i) GST laws as amended by significant notifications/circulars issued till 31st October, 2018 and (ii) Custom law as amended by Finance Act 2018 and significant notifications/circulars issued till 31st October, 2018.

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1. (a) X is a manufacturer of roofing sheets and has total input tax credit of ₹ 1,60,000 as on 30-06-2018. He provides other information pertaining to June 2018 : 10

- (1) Input tax on for raw materials in June ₹ 40,000.
- (2) Input tax on account of Harvest caterers in connection with his Housewarming ₹ 10,000.
- (3) Input tax on inputs contained in exempt supplies of ₹ 2 lakhs in June is ₹ 20,000. *
- (4) GST paid on cosmetic and plastic surgery of CEO of the company ₹ 30,000.
- (5) Total turnover (interstate, taxable @18%) for the month of June 2018 is ₹ 60 lakhs.

Compute the ITC available and his output tax liability for the month of June 2018.

- (b) Determine taxable value of supply under GST law with respect to each of the following independent services provided by the registered persons : 4

- (1) Fees charged from office staff for in-house personality development course conducted by M.V. College ₹ 10,000.

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- (2) Bus fees collected from students by M.V. College ₹ 2,500 per month.
- (3) Housekeeping service provided by M/s. Clean well to Himavarsha Montessori school, a play school ₹ 25,000 per month.
- (4) Info link applied "Tracing Alphabets" an online educational journal to students of UKG class of Sydney Montessori School ₹ 2,000.

2. (a) Mr. George, a registered supplier of goods at Kerala, who pays GST under regular scheme has made the following transactions (exclusive of tax) during April 2018 :

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Source	Purchases	Sales	Tax Rate
New Delhi	5,00,000	10,00,000	18%
Trivandrum	2,50,000	8,00,000	9% each SGST & CGST
Total	7,50,000	18,00,000	

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He has complied all the conditions for availing the ITC and on

01-04-2018 has the following ITC credit :

Source	Taxes	Interest	Penalty
CGST	30,000	1500	500
SGST	30,000	1500	500
IGST	1,00,000	2000	500

Compute the net CGST, SGST and IGST payable by Mr. George during April 2018 in cash ?

(b) Determine the total duties (duty, tax and cess) payable under Customs

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Act if Mr. Rao imported Rubber from Malaysia at landed price of ₹ 25 lakhs. It has been notified by Central Govt. that share of imports of Rubber from the developing country against total imports to India exceeds 5% and safeguard duty is notified to this product @ 30% and rate of integrated tax u/s 3(7) is 12%, and rate of Basic customs duty was 10%.

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3. (a) Flowchem Palanpur (Gujarat) has made contract with R Refinery Abu Road (Rajasthan) on 1st July, 2018 to supply 10 valves on FOR basis for its project, with following terms and conditions :

- (1) List price per valve ₹ 1,00,000, exclusive of taxes.
- (2) The valves are of two stage third party inspection while  manufacturing as required by R Refinery, and cost of inspection, of ₹ 15,000 is directly paid by R Refinery to testing agency.
- (3) As per the terms the special packing is to be done as required by R Refinery, the cost of which is ₹ 10,000.
- (4) After making supply of valves, Flowchem has to arrange for erection and testing at site for commissioning. Cost of erection etc. is of ₹ 15,000.
- (5) The supply was dispatched with Tax invoice on 20th July, 2018, which has reached the destination Abu-Road on 21st July, 2018. The lorry-freight ₹ 5,000 has been paid by R Refinery directly to lorry driver.

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Assume the CGST and SGST rates to be 9% each and IGST rate to be 18%. There are opening ITC of CGST ₹ 20,000 and SGST ₹ 20,000. All given amounts are exclusive of GST, wherever applicable.

It has also done the following local transactions during the month of July, 2018 on which it has paid CGST and SGST as under :

Sr. No.	Particulars	Amt paid CGST ₹	Amt paid SGST ₹
1.	It has acquired services of works contractor to erect foundation for fixing the machinery to earth in the factory.	5,000	5,000
2.	It has laid pipe line upto the gate of its factory to bring the water to the factory for the purpose of production facility.	10,000	10,000
3.	For the smooth and convenient communication purpose in its factory, it has installed telecommunication tower of a mobile company (with due permission) which have been provided to staff for factory work.	5,000	5,000
4.	Company has entered into an agreement with travel company to provide travel facility to its employees for providing home travel facility when they are on leave.	2,500	2,500
5	It has entered into an agreement with fitness centre for providing its services for its employees for their wellness after office hours	2,000	2,000

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(7)

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Work out the GST liability [CGST, SGST or IGST, as the case may be] of Flowchem Palanpur (Gujarat), for July, 2018 after making suitable assumptions, if any.

(b) Determine the Assessable value under customs law of an imported machine based on the following information : 5

(1) Cost of machine

(Contract price = ₹ 1,00,000, Revised price = ₹ 2,00,000, Negotiated & Agreed price = ₹ 1,50,000)

(2) Freight from the factory of the exporter to the port = ₹ 20,000 for shipment

(3) Freight incurred from port of entry to inland container depot = ₹ 60,000

(4) Handling charges paid for loading the machine in the ship = ₹ 5,000

(5) Demurrage charge paid at port = ₹ 30,000

(6) Buying commission paid by importer = ₹ 5,000

(7) Commission paid to local agent appointed by exporter = ₹ 1,000

(8) Vendor inspection charges (not required under contract) = ₹ 8,000

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4. (a) Wye Ltd. provides the following details of September, 2018, for computation of refund claim under rule 89(4) of the CGST Rules, 2017. Compute the eligible claim under the said rule assuming that other conditions are fulfilled.

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Particulars	Amount ₹
Opening balance of ITC	5,00,000
ITC availed during the period which include the claim for refund made of ₹ 5,00,000 eligible under Rule 89(4A)/89(4B)	25,00,000
Zero rated supply of goods made during the period without payment of tax under bond/LUT, which include the supply of ₹ 1,00,00,000 made for which refund claim made under rule 89(4A)/89(4B)	6,00,00,000
Supply of goods made other than zero rated supply	3,00,00,000

- (b) XYZ carries goods from Vadodara to Pune valuing ₹ 80,000 which is chargeable to tax @ 18 % IGST and in transit proper officer intercepted under Section 68 of CGST Act, and found contravention. Calculate the penalty payable under section 129 of CGST Act, 2017 :

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- If XYZ comes forward for payment of tax and penalty..
- If XYZ does not come forward for payment of tax and penalty.

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- (c) Mahesh imported certain goods in May, 2018 and 'into-bond' bill of entry was presented on 14th May, 2018 and goods were cleared from the port for warehousing. Assessable value on that date was US \$ 1,00,000. The order permitting the deposit of goods in warehouse for 4 months was issued on 21st May, 2018. Mahesh deposited the goods in warehouse on the same day but did not clear the imported goods even after the warehousing period got over on 21st September, 2018. A notice was issued under Section 72 of the Custom Act, 1962, demanding duty and interest. Mahesh cleared the goods on 14th October, 2018. Custom Duty paid on removal thereon ₹ 7,17,000. You are required to compute interest payable on such removal, explaining the provisions of the Customs Act, 1962.

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5. (a) When is an e-way bill required to be generated ?

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- ✓ (b) Zindagi Life Insurance Company Limited (ZLICL) has collected premium from subscribers and it intimates the amount allocated for investment to subscribers at the time of collection of premium. During the month of September 2018, it has collected the following receipts. All amounts are exclusive of tax. You are required to compute the value of supply by M/s. Zindagi in accordance with GST laws.

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Sl. No.	Particulars	Amount
1.	Premium for only risk cover	25,00,000
2.	Premium from new subscribers	40,00,000
3.	Renewal Premium	80,00,000
4.	Single premium on annuity policy	1,00,00,000

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(10)

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(c) Z Ltd. a 100% export oriented unit cleared some goods to a unit in DOMESTIC TRAFFIC AREA and some irregularity was committed and therefore a show cause notice demanding custom duty was issued. Is the show cause notice defective in law? Express your views with reference to some decided case law if any.

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6. (a) The supplier opting for composition levy need not maintain certain records as per Rule 56(2) and 56(4) of CGST Rules, 2017. Explain the same.

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(b) Enumerate any four orders against which appeal cannot be filed under CGST Act 2017.

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(c) State exports categories/sectors which are ineligible for Duty Credit Scrip entitlement under Merchandise Exports from India Scheme (MEIS) of Foreign Trade Policy.

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OR

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Nirav Shah used some duty paid inputs for manufacture of the export products. However, for the rest of the inputs, he wants to apply for advance authorization. Can he do so ? Advise him with reference to foreign trade policy 2015-2020.

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