

**SHIVAJI COLLEGE, UNIVERSITY OF DELHI**

**INTERNAL TEST**

**SET-A**

Date: April 01, 2024

Name of the Paper : GST & Customs Law

Name of the Course : B.Com. (Hons.)

Semester : VI

Faculty: Ms. Harmanpreet Kaur

Duration: 60 min.

Maximum Marks: 30

1. (a) "The GST Council stands as the backbone of the whole GST Law." Elucidate the statement. 5
- (b) Examine the following cases and explain with reasons whether the supplier of goods is liable to get registered a GST:
- (i) X of Himachal Pradesh is exclusively engaged in intra-State taxable supply of readymade suits. His turnover in the current financial year from Himachal Pradesh showroom is ₹ 25 lakh. He has two more showrooms one in Manipur and another in Sikkim with a turnover of ₹ 15 lakh and ₹ 18 lakh respectively in the current financial year.
- (ii) Y of Telangana is exclusively engaged in intra-state taxable supply of footwears. His aggregate turnover in the current financial year is ₹ 25 lakh.
- (iii) Z of Uttar Pradesh is exclusively engaged in intra-state supply of pan masala. His aggregate turnover in the current financial year is ₹ 30 lakh. 5

**OR**

- (a) Mention the major defects in the structure of indirect taxes before the GST regime. 5
- (b) Mayank Ltd. is operating in the state of Gujarat. The details of the company's outward supplies for 2023 are as follows:

Particulars	Amount (₹)
Supply of Taxable goods	12,00,000
Supply of exempted goods	9,00,000
Export of goods	6,50,000
Supply of goods under reverse charge (inward)	4,00,000
Supply of goods from registered job worker premises	2,50,000

- (i) Calculate aggregate turnover for the year.
- (ii) Is the company liable to register under the section 22 of CGST Act? Answer with reason.
- (iii) Will it make a difference to the registration requirement if company deals in goods & services?
- (iv) What would be status of registration if the company is operating in Tripura? 5
2. (a) Citing exemption notification (entry number) discuss whether the following services are chargeable to GST:
- (i) Aneri travels from Delhi to Bhopal along with his servant Shamu. She purchases a 2<sup>nd</sup> class sleeper ticket for Shamu for Rs. 750 and herself travels in 2<sup>nd</sup> tier AC coach which cost her Rs. 3500. (ii) Prateek owns two houses in a residential colony which are rented to Mahesh, one for residential purposes on a monthly rent of Rs. 50,000 and the other for commercial purposes at a monthly rent of Rs. 1,00,000.

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(b) State with reasons whether the following supplies should be treated as supply of goods or supply of services as per Schedule II of CGST Act:

- (i) Samuel Enterprises gives its land on lease for 3 years to M/s Avaani on annual lease of ₹ 25 lakh.
- (ii) Yuvika is engaged in supply of certain goods and transferred goods worth ₹ 1,00,00 to her branch in Udaipur.
- (iii) Pritam steel manufacturers own a patent to manufacture steel of advance quality and shine. The patent is transferred on temporary basis to Snehal Ltd.
- (iv) X is in the business of selling electronic goods. He closes down his business on March 31, 2022. Value of unsold stock of electronic goods on that date is ₹ 90 lakh.
- (v) A Inc. an MNC gifts X, an employee watch worth ₹ 45,000.

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(c) Discuss whether the Composition Scheme is possible in the cases given below:

(i) Mr. Y is a registered tax payer under Composition Scheme. The aggregate turnover in financial year 2023-24 was Rs. 90,00,000. During 2024-25, he intends to supply services also, keeping in view the second proviso to section 10(1). What is the maximum amount up to which he can supply services, maintaining the status of composition dealer?

(ii) Y is in the business of manufacture of hand bags. His turnover is not more than ₹ 1.5 crore. He sells his entire stock through Amazon, an electronic commerce operator. He is registered under normal provisions of GST. His consultant advises him to opt for Composition Scheme. Can he do so with effect from November 1, 2023?

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3. In each of the following cases related to transaction of goods and services, what shall be the place of supply and type of GST chargeable:

(i) K Ltd. of Haryana gets a lift installed at office in Delhi from supplier Schindler Ltd. located in Faridabad.

(ii) Mr. Ram is travelling from Mumbai to Mysore by train. He purchases snacks and beverages while on the train. The food items were loaded into the train at Mumbai by Shyam Bakers located in Mumbai.

(iii) G Ltd of Nagpur sells 30 laptops to Mr. S of Pune. The goods are delivered by G Ltd. to Mr. S at Pune.

(iv) Ms. Tanya of Haryana comes to Delhi to get her beauty treatment done. She avails the services at Lakme, CP (Delhi).

(v) Mrs. G of Rajasthan avails services of Overnite Express Ltd, for transporting goods from Rajasthan to Haryana.

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**SHIVAJI COLLEGE, UNIVERSITY OF DELHI**  
**INTERNAL TEST**

**SET- B**

Date: April 01, 2024

Name of the Paper : GST & Customs Law

Name of the Course : B.Com. (Hons.)

Semester : VI

Faculty: Ms. Harmanpreet Kaur

Duration: 60 min.

Maximum Marks: 30

1. (a) "The new GST regime is boon for all." Comment on the rationale of GST in the light of above statement.5

(b) Pawan Ltd. is operating in the state of Rajasthan only. The details of the company's outward supplies for 2023 are as follows:

Particulars	Amount (₹)
Supply of Taxable goods and services	2,00,000
Supply of exempted goods and services	9,00,000
Supply of goods as an agent	4,50,000
Supply of goods under reverse charge	2,00,000
Interstate supply of goods	2,00,000

- (i) Calculate aggregate turnover for the year.
- (ii) Is the company liable to register under the section 22 of CGST Act? Answer with reason.
- (iii) Will it make a difference to the registration requirement if company is in Manipur?
- (iv) Is company otherwise liable to register and Why? 5

**OR**

(a) Explain the provisions of Goods and Services Tax (Compensation to States) Act, 2017. 5

(b) Y is an agriculturist engaged in supply of produce out of cultivation of land. He utilizes services of Z who is a commission agent (as per the Agricultural Produce Marketing Committee Act). Turnover of Z is above the threshold limit prescribed. Z wants to know whether he is liable to get GST registration.

(ii) A deals in supply of taxable goods and services in the state of Gujarat. His turnover from intra-State supply of taxable goods is Rs. 16 lakh and inter-state supply of taxable services is Rs. 22 lakh. He is of the opinion that his aggregate turnover is within the limit, so he is not required to get registered. Advise him.5

2. (a) Discuss whether payment of GST under Composition Scheme is possible in the cases given below:

- (i) X is a painter. A Trade fair is organized by Maharashtra Government in Mumbai from December 20, 2023 to December 28, 2023. X wants to display and sell his paintings in the Mumbai Trade fair. He has not sold any of his paintings earlier. His turnover in Trade Fair is not likely to be more than ₹ 40 lakh. He wants to opt for Composition Scheme.
- (ii) Mr. Y is a registered tax payer under Composition Scheme. The aggregate turnover in financial year 2023-24 was Rs. 90,00,000. During 2024-25, he intends to supply services also, keeping in

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view the second proviso to section 10(1). What is the maximum amount up to which he can supply services, maintaining the status of composition dealer? 5

(b) Citing exemption notification (entry number) discuss whether the following services are chargeable to GST:

- (i) Ms. Gautami undergoes a surgery for removal of Kidney stones at Lilavati hospital. In the same visit, she undergoes plastic surgery to get her nose re-shaped. The hospital charges Rs. 1,00,000 for the kidney stones surgery and Rs. 3,00,000 for the plastic surgery.
- (ii) A Registered charitable trust has a community hall which is rented out for organizing marriage functions @ Rs. 8,000 per day. It also has ten rooms in the same complex which are rented out for Rs. 1100 per room per day. 5

(c) State whether GST is applicable in the following transactions (with reasons):

- (i) On July 25, 2023, Z transfers a plot of land situated in Madurai to B for consideration of ₹ 40 lakh.
- (ii) Deepak takes a housing loan of ₹ 1.5 crore from SBI bank. Rate of interest is 7.9%. Loan is repayable after 3 years. ₹ 10,000 being documentation charges, is payable by Deepak at the time of taking loan. Interest would be part of EMI which will be payable on 10<sup>th</sup> day of every month.
- (iii) X gives the vacant plot of land situated in a residential colony in Delhi to Y Ltd. (monthly rent ₹ 4,10,000). Y Ltd. is a car distributor and plot of land is used by it for parking unsold cars.
- (iv) Transfer of derivatives by Y for a consideration of ₹ 4,00,000. Y is a dealer in shares and securities.
- (v) X sells roses for decoration purposes for ₹ 1,50,000 to an interior decorator. 5

3. In each of the following cases related to transaction of goods and services, what shall be the place of supply and type of GST chargeable:

- (i) K Ltd. of Haryana gets a lift installed at office in Delhi from supplier Schindler Ltd. located in Faridabad.
- (ii) Mr. Ram is travelling from Mumbai to Mysore by train. He purchases snacks and beverages while on the train. The food items were loaded into the train at Mumbai by Shyam Bakers located in Mumbai.
- (iii) G Ltd of Nagpur sells 30 laptops to Mr. S of Pune. The goods are delivered by G Ltd. to Mr. S at Pune.
- (iv) Ms. Tanya of Haryana comes to Delhi to get her beauty treatment done. She avails the services at Lakme, CP (Delhi).
- (v) Mrs. G of Rajasthan avails services of Overnite Express Ltd, for transporting goods from Rajasthan to Haryana. 5

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### INTERNAL TEST

Date: May 08, 2024

SET- A

Name of the Paper : GST & Customs Law

Name of the Course : B.Com. (Hons.)

Semester : VI

Faculty: Ms. Harmanpreet Kaur

Duration: 60 min.

Maximum Marks: 20

#### ALL QUESTIONS ARE MANDATORY

1. X enterprises (Delhi), a registered taxpayer, makes a taxable supply to Y Ltd. (Delhi). The following information is available pertaining to this supply

Particulars	Amount (Rs.)
Price of goods (it does not include any tax or discounts)	1,00,000
Tax levied by the municipal authority	1,000
Subsidy received from Z Enterprises (P.) Ltd. (the price above is after consideration of such subsidy amounts)	10,000
Amount incurred by Y Ltd. for post-delivery inspection (charges incurred post receipt of goods by Y Ltd.)	500

In respect of above supply, X enterprises has procured raw material from A Ltd., for which it owed Rs. 2500. The said amount is directly paid by Y Ltd. to A Ltd. and is not included in the price of goods mentioned above. The payment of consideration for the said supply is delayed by Y Ltd. and hence an interest amount of Rs. 2000 is also charged. Find out value of supply.

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2. Mr. Gagan supplied goods to Mr. Shubham. The tax is to be paid by Mr. Shubham. the date of receipt of goods is May 24, 2023; Date when payment is debited in the bank account of Mr. Shubham; May 20, 2023; Date of payment and entry in books of account of Mr. Shubham: May 21, 2023 and date of issue of invoice: April 22, 2023. Determine time of supply.

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3. Examine eligibility of input tax credit with reasons in the following cases in accordance with GST laws-

- Repairs and maintenance of tempos used by X Ltd. for transportation of finished goods
- Supply of outdoor catering services at the annual general meeting of Y Ltd.
- Luxury motor vehicle (seating capacity of 5 persons) bought by X Ltd. (engaged in soap manufacturing business) for its directors.
- Motor vehicles used by courier agency for transportation of courier consignments.
- Company procuring health insurance services for benefit of its employees (mandatory under Factory Act, 1948)

4. X a registered supplier of chemicals pays GST under normal scheme. He gives the following information pertaining to October 2023:

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Particulars	Amount (Rs.)
<b>Outward Supply:</b>	
Intra-state supply of goods	25,00,000
Inter-state supply of goods	5,00,000
<b>Inward Supply:</b>	
Intra-state Purchase of goods	14,00,000
Inter-state Purchase of goods	3,00,000
<b>Balance of ITC at the beginning of October 2023:</b>	
CGST	95,000
SGST	60,000
IGST	50,000

Both inward and outward supplies above are exclusive of taxes. Rate of tax is 18%. Compute the net CGST, SGST and IGST payable in cash for the month of October 2023. Assume the conditions for claiming ITC are satisfied.

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### INTERNAL TEST

Date: May 08, 2024

SET- B

Name of the Paper : GST & Customs Law

Name of the Course : B.Com. (Hons.)

Semester : VI

Faculty: Ms. Harmanpreet Kaur

Duration: 60 min.

Maximum Marks: 20

#### ALL QUESTIONS ARE MANDATORY

1. Using the information below, determine the value of taxable supply and amount of GST payable if the rate is 18% and it is an inter-state sale:

Particulars	Amount (Rs.)
Selling Price of 100 items sold to M/s Salim Enterprises (excluding GST)	2,00,000
Commission charges (included in above price)	6,000
Weight and loading charges (borne by buyer on behalf of supplier not included above)	5,500
Other charges incidental to sale (not included in price above)	15,000
Discount rate provided on selling price	3%

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- 2 P&Q Publishers, a registered dealer in India, pays advance of Rs. 50,000 to Z, an author, for the copyright covered under copyright Act, of his original literary work on September 5, 2023. It pays the balance of Rs. 1,50,000 December 12, 2023. Find out the time of supply if Z raises the invoice on- (i) October 6, 2023, or (ii) December 17, 2023.

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3. X (P.) Ltd., a GST registered supplier is engaged in manufacturing of taxable goods. The following information is provided by X (P.) Ltd. pertaining to GST paid on purchases made/input services availed by it during month of January 2024:

Particulars	Amount (Rs.)
Raw material (to be received in February 2024)	2,00,000
Capital goods (invoice missing for one out of 5 items and GST paid on the same is Rs 70,000)	5,00,000
GST paid on free samples distributed	6,000
Trucks used for transportation of raw materials	1,50,000
GST paid on health insurance policies (not notified)	80,000

It may be assumed that all the other necessary conditions for availing input tax credit have been complied. Determine the amount of input tax credit that can be availed by X (P.) Ltd., in the month of January 2024.

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4. X a registered supplier of chemicals pays GST under normal scheme. He gives the following information pertaining to December 2023:

Particulars	Amount (Rs.)
<b>Outward Supply:</b>	
Intra-state supply of goods	3,61,000
Inter-state supply of goods	1,00,000
<b>Inward Supply:</b>	
Intra-state Purchase of goods	50,000
Inter-state Purchase of goods	50,000
<b>Balance of ITC at the beginning of December 2023:</b>	
CGST	5,000
SGST	5,000
IGST	40,000

Both inward and outward supplies above are exclusive of taxes. Rate of tax is 18%. Compute the net CGST, SGST and IGST payable in cash for the month of December 2023. Assume the conditions for claiming ITC are satisfied.

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# SHIVAJI COLLEGE, UNIVERSITY OF DELHI

## INTERNAL TEST

SET-A

Date: April 09, 2024

Name of the Paper : FINANCIAL MANAGEMENT FOR BEGINNERS

Name of the Course : GE - COMMERCE

Semester : II

Faculty: Ms. Harmanpreet Kaur

Duration: 60 min.

Maximum Marks: 25

Q1. (a) What are the three major types of financial decisions that a business firm makes? How are they interrelated? 8

(b) A company wants to replace an existing machinery after 5 years. The machinery is likely to cost ₹ 5,20,000 at the end of 5 years. However, ₹ 20,000 can be realised by selling the existing machinery at that time. Find out the annual amount of money to be deposited at 10% rate of interest for next 5 years to get desired sum of money for replacement of this machinery. 7

Or

(a) Differentiate between Business risk and Financial Risk. 8

(b) A company is selling a debenture which will provide annual interest of ₹ 1200 in indefinite number of years. Should the debenture be purchased if it is quoted in the market for ₹10,500 and the required rate of return is 12%? What will be your answer if rate is 10%. 7

Q2. 10marks

Following information are available for Navya Ltd. along with various ratios relevant to the particular industry it belongs to. APPRAISE your comments on strength and weakness of Navya Ltd. comparing its ratios with the given industry norms.

### Navya Ltd.

#### Balance Sheet as at 31.3.2023

Liabilities	(₹)	Assets	(₹)
Equity Share Capital	48,00,000	Fixed Assets	24,20,000
10% Debentures	9,20,000	Cash	8,80,000
Sundry Creditors	6,60,000	Sundry debtors	11,00,000
Bills Payable	8,80,000	Stock	33,00,000
Other current Liabilities	4,40,000		-
Total	77,00,000	Total	77,00,000

#### Statement of Profitability

#### For the year ending 31.3.2023

Particulars	(₹)	(₹)
Sales		1,10,00,000
Less: Cost of goods sold:		
Material	41,80,000	
Wages	26,40,000	
Factory Overhead	12,98,000	81,18,000
Gross Profit		28,82,000
Less: Selling and Distribution Cost	11,00,000	
Administrative Cost	12,28,000	23,28,000
Earnings before Interest and Taxes		5,54,000
Less: Interest Charges		92,000
Earning before Tax		4,62,000
Less: Taxes @ 50%		2,31,000
Net Profit (PAT)		2,31,000

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**Industry Norms**

<b>Ratios</b>	<b>Norm</b>
Current Ratio	2.5
Receivables Turnover Ratio	8.0
Inventory Turnover Ratio (based on Sales)	9.0
Total Assets Turnover Ratio	2.0
Net Profit Ratio	3.5%
Return on Total Assets (on EBIT)	7.0%
Return on Net worth (Based on Net profit)	10.5%
Total Debt/Total Assets	60.0%

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**SHIVAJI COLLEGE, UNIVERSITY OF DELHI**

**INTERNAL TEST**

Date: April 09, 2024

**SET-B**

Name of the Paper : **FINANCIAL MANAGEMENT FOR BEGINNERS**

Name of the Course : **GE - COMMERCE**

Semester : **II**

Faculty: Ms. Harmanpreet Kaur

Duration: 60 min.

Maximum Marks: 25

**Q1. (a)** How the goal of wealth maximisation is a better operative criterion than profit maximisation? Do you agree. Give reasons 8

**(b)** Mr. X has got huge amount of salary arrears. He wants to invest some of his arrears for the purpose of higher studies of his children. He requires ₹ 1,50,000 for his son and ₹ 1,70,000 for his daughter after 5 years and 7 years respectively. Find out the amount of deposit that will produce these cash flows if invested at 10%. 7

**Or**

**(a)** Differentiate between Systematic risk and Unsystematic Risk. 8

**(b)** Vijay borrows from Kings Bank an amount of ₹ 10 lakh @ 12% p.a. on 1-04-2023. As per agreement, repayment including interest is to be made in 5 equal instalments with first instalment falling due after 3 years i.e. 31-03-2026. What would be the amount of each instalment? 7

**Q2. 10marks**

Following information are available for Navya Ltd. along with various ratios relevant to the particular industry it belongs to. APPRAISE your comments on strength and weakness of Navya Ltd. comparing its ratios with the given industry norms.

**Navya Ltd.**

**Balance Sheet as at 31.3.2023**

Liabilities	(₹)	Assets	(₹)
Equity Share Capital	48,00,000	Fixed Assets	24,20,000
10% Debentures	9,20,000	Cash	8,80,000
Sundry Creditors	6,60,000	Sundry debtors	11,00,000
Bills Payable	8,80,000	Stock	33,00,000
Other current Liabilities	4,40,000		-
<b>Total</b>	<b>77,00,000</b>	<b>Total</b>	<b>77,00,000</b>

**Statement of Profitability**

**For the year ending 31.3.2023**

Particulars	(₹)	(₹)
Sales		1,10,00,000
Less: Cost of goods sold:		
Material	41,80,000	
Wages	26,40,000	
Factory Overhead	12,98,000	81,18,000
Gross Profit		28,82,000
Less: Selling and Distribution Cost	11,00,000	
Administrative Cost	12,28,000	23,28,000
Earnings before Interest and Taxes		5,54,000
Less: Interest Charges		92,000
Earning before Tax		4,62,000
Less: Taxes @ 50%		2,31,000
<b>Net Profit (PAT)</b>		<b>2,31,000</b>

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**Industry Norms**

<b>Ratios</b>	<b>Norm</b>
<b>Current Ratio</b>	<b>2.5</b>
<b>Receivables Turnover Ratio</b>	<b>8.0</b>
<b>Inventory Turnover Ratio (based on Sales)</b>	<b>9.0</b>
<b>Total Assets Turnover Ratio</b>	<b>2.0</b>
<b>Net Profit Ratio</b>	<b>3.5%</b>
<b>Return on Total Assets (on EBIT)</b>	<b>7.0%</b>
<b>Return on Net worth (Based on Net profit)</b>	<b>10.5%</b>
<b>Total Debt/Total Assets</b>	<b>60.0%</b>

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**SHIVAJI COLLEGE, UNIVERSITY OF DELHI**

**INTERNAL TEST**

Date: May 06, 2024

Name of the Paper : **FINANCIAL MANAGEMENT FOR BEGINNERS**

Name of the Course : **GE - COMMERCE**

Semester : **II**

Faculty: Ms. Harmanpreet Kaur

Duration: 40 min.

Maximum Marks: 12

**Q1. (a)** What are the three major types of financial decisions that a business firm makes? How are they interrelated? 6

**(b)** A firm has sales of ₹40 lakh, variable cost of ₹ 25 lakhs, fixed cost of ₹6 lakhs, 10% debentures of ₹30 lakhs. and equity capital of ₹45 lakhs. Calculate Operating, financial and combined leverage. 6

**OR**

**(a)** Differentiate between Business risk and Financial Risk. 6

**(b)** How the goal of wealth maximisation is a better operative criterion than profit maximisation? Do you agree. Give reasons 6

**OR**

Compute the weighted average cost of capital of a company using book value weights and market value weights. Company's present capital structure is:

Equity Share (₹ 10 per share)	₹ 10,00,000
12% Preference Share (₹ 100 per share)	₹ 4,00,000
8% Debenture (₹ 100 per debenture)	₹ 7,00,000
Total	₹ 21,00,000

Current Price of equity share is ₹15 each. Dividend ₹ 3 per share was paid last year and expected to rise at 10% p.a. the preference shares and debentures are being traded at 80% and 90% respectively. Tax rate 50%. 12

**OR**

**(a)** A company earned a net profit of ₹ 20 lakh, and it has 2lakh equity shares. Dividends paid are ₹4 lakh. Find market value of the share according to Walter's model when cost of capital  $k_e = 18\%$  and rate of return  $r = 14\%$ . What will be the optimum payout ratio with reason. 6

**(b)** Differentiate between financial leverage and operating leverage 6

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**SHIVAJI COLLEGE, UNIVERSITY OF DELHI**

**ASSIGNMENT**

Date: April 13, 2024

Name of the Paper : **FINANCIAL MANAGEMENT FOR BEGINNERS**

Name of the Course : **GE - COMMERCE**

Semester : **II**

Faculty: Ms. Harmanpreet Kaur

Maximum Marks: 12

QUES1: Choose a company with first alphabet of your name. For example, if the name is Harmanpreet Kaur, then choose the company with alphabet H say Hindustan Unilever Ltd.

From the financial statements for the financial year ending 31<sup>st</sup> March 2024, Calculate the following:

- |  |                                |
|--|--------------------------------|
| 1. Current ratio                               | 9. Creditors turnover ratio    |
| 2. Quick ratio                                 | 10. Average Payment Period     |
| 3. Absolute liquidity ratio                    | 11. Return on Capital employed |
| 4. Debt equity ratio                           | 12. Return on Equity           |
| 5. Interest-coverage ratio                     | 13. Earning per share          |
| 6. Inventory-turnover ratio                    | 14. Dividend per share         |
| 7. Debtors turnover ratio                      | 15. Price-earning ratio        |
| 8. Average Collection period                   |                                |
| 16. Operating, Financial and Combined leverage |                                |

Note: 1. Mention your Name, Course, and Roll number clearly.

2. Attach the printed copy of financial statements only

3. Submit the **handwritten assignment** mentioning all the components of formula and calculations clearly.

4. **Date of submission of assignment and viva 19<sup>th</sup> April 2024.**

5. **No student should choose the same company.**

*Harmanpreet Kaur*

**Ms. Harmanpreet Kaur**  
**Assistant Professor**  
**Department of Commerce**