



RPN – 10

M.Com. (Semester – III) Examination, November 2017
COO3A4 : INDIRECT TAXES (OA-18)

Duration : 3 Hours

Max. Marks : 60

- Instructions :** 1) This Paper consists of **Nine** questions carrying **Equal** marks.
2) Question No. 1 consists of **5 compulsory** questions of **2 marks each**.
3) Answer **any 5** questions from Question 2, 3, 4, 5, 6, 7, 8 and 9.
4) **Each** question carries **10** marks. Figures to the **right** indicate marks.

1. Answer the following questions in brief :

(5x2=10)

- What is Assessment of Escaped Turnover under Goa VAT ?
- State any 4 Negative list of services.
- Sushma Ltd. rendered taxable services to a client. A bill of Rs. 60,000 was raised. No service tax was separately charged in the bill. What is the value of taxable service and the service tax payable ?
- X Ltd. is engaged in manufacturing of Tan Soft drinks. Valuation of the soft drinks is done as per Sec. 4 A of Central Excise Act, 1944. In order to sustain the tough market competition, the company reduced its prices from Rs. 12 to Rs. 10. Hence on the existing soft drink bottle, MRP of Rs. 12 is scored out and MRP of Rs. 10 is printed. However the crossed out MRP of Rs. 12 is clearly visible. Which MRP shall be considered for valuation purposes ?
- Mr. and Mrs. Fernandes visited Spain and brought the following goods while returning to India : their personal effects amounting to Rs. 50,000. A personal computer bought for Rs. 50,000. A laptop was bought for Rs. 75,000. What is the amount of Customs duty payable ?

2. a) Which are the different types of Dealers under Goa VAT system ?

5

b) What is Composition of Tax under GVAT ?

5

3. Explain the concept of bundled services and highlight on the provisions related to bundled services.

10

P.T.O.



4. Explain the valuation of a package containing more than one product under CEA, 1944. 10
5. a) Explain the term baggage. What do you mean by Green and Red Channel ? 5
b) Explain the term 'Additional Customs Duty' with suitable example. 5
6. P Ltd. manufactures two products namely, 'A' and 'B' Product 'A' is a specified product under section 4A of CEA, 1944. The sale prices of product 'A' and 'B' are Rs. 50 per unit and Rs. 30 per unit respectively. The sale prices of both the products include 14% basic excise duty and education cesses as applicable. Central sales tax @ 2% is included in both the selling prices 1,00,000 units each of the two products were removed from the factory for sale. Calculate the total excise duty liability of P Ltd. on the both the products assuming that 40% abatement is permissible under Section 4A on product 'A'. 10
7. a) Determine the place of Provision of Services in the following cases : 5
- i) Mr. Nilesh, an Indian broker provides broking services to Ms. Sunita, a foreign resident and gets commission in foreign exchange.
 - ii) Ms. Nanda wants to participate in Travel Expo to be held in Portugal for which she makes payment to Mr. Nigel in foreign exchange. Mr. Nigel is the organizer of the Travel Expo.
 - iii) Joshi Builders gets contract for construction of a Recreational complex in Dhaka (Bangladesh) from Kyoto Company Pvt. Ltd. situated in Dhaka. Payment is made by Kyoto Company Pvt. Ltd. in Indian Rupees.
 - iv) Inflex, an Indian Company sends its engineer to Spain for training to be provided by Mr. Gomes in Spain. Payment made by Inflex Company to Mr. Gomes is in Indian Rupees.
 - v) Kyara, an Indian customer delivers goods to Gati Ltd., Indian Courier Company to carry goods to Dubai. Kyara is exporter and has foreign exchange reserves. Kyara makes payment to Gati Ltd. in foreign exchange.
- b) An SSI unit has cleared goods of the value of Rs. 80 lakhs during the financial year 2014-15. The effective rate of Central Excise duty on the goods manufactured by it is 12%. What is the correct amount of duty which the unit should have paid on the above clearances if the unit avails CENVAT Credit and if the does not avail CENVAT Credit ? 5



8. Mr. Karan cleared various final products from his factory in July 2016. The duty payable in the month was Rs. 3,00,000 (B.E.D.). During the month, he received various inputs.

The total duty paid by the suppliers on the inputs was,

Basic duty – Rs. 50,000, Education Cesses is as applicable.

Excise duty paid on capital goods receive during the month was,

Basic duty – Rs. 12,000, Education Cesses is as applicable.

Service tax paid on input services : Service Tax – Rs. 10,000, Education Cesses is as applicable.

How much duty Mr. Karan will be required to pay for the month of July 2016 ? **10**

9. The following information is furnished by Kaushik on 8th February 2016 in respect of articles of jewellery imported from USA :

FOB value \$ 20,000 Exchange Rate \$ 1 = Rs. 44,

Air Freight \$ 4,500 Insurance charges Not known

Landing charges Rs. 1,000 Basic customs duty 10%, Excise duty chargeable on similar goods in India as per tariff rate 16%. Additional duty u/s 3(5) of the CTA 1975 as applicable. Calculate the total customs duty payable by Kaushik. **10**