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PONDA- GOA

M.COM (SEMESTER IV) EXAMINATION, NOVEMBER 2016
ACCOUNTING & FINANCE
CO4A4 INDIRECT TAXES (OB10A)

Duration: 2 hours

Total Marks: 50

Instructions: Answer all questions

- Q 1. Answer the following: (5x2=10)
- a) Explain the term excisable goods with reference to Central Excise Act, 1944.
 - b) Explain anti-dumping duty according to Customs Act, 1962.
 - c) Define Declared Goods according to Goa VAT Act, 2005.
 - d) Briefly explain the nature of excise duty liability.
 - e) A television set carries an abatement rate of 40% and they are specified under the first schedule of CETA 1985. Find out the amount of duty if the MRP of televisions is Rs.50000 and the rate of excise duty is 12.50%.
- Q 2. A. Explain the various inclusions and exclusions in valuation of taxable services under Service Tax. (10)
- OR
- B. Explain the utilization of CENVAT Credit. (10)
- Q 3. A. Explain the following terms: (10)
- i. Manufacturer under Goa VAT.
 - ii. Assessment under Goa VAT
- OR
- B. Explain the various types of Customs Duty. (10)
- Q 4. A. Explain the procedure for demand of duty in case of short payment under Central Excise. (10)
- OR
- B. Determine the assessable value and the duty payable from the following:
- i. Price of machinery excluding taxes and duties- Rs. 600000
 - ii. Installation and erection expenses- Rs.25000
 - iii. Packing charges- Rs.10000
 - iv. Design and engineering- Rs.5000
 - v. Dharmada- Rs.1000
- Other information is as follows:
- a. Cash discount @ 4% on price of machinery was allowed as per terms of contract since full payment was received before dispatch of machinery.
 - b. Bought out accessories valued at Rs.6000. The accessories are optional and provide ease of use of the machinery.
 - c. Central excise duty @ 12.50% and educational cess @ 3%
- Make suitable assumptions as required and provide brief reasons. (10)

Q 5. A. Explain the various exemptions for small scale industries. (10)

OR

B. Compute the assessable value of a machine imported from USA by Mehta Pvt. Ltd., under Customs Act, 1962:

- i. FOB value of machine- USD15000
- ii. Air freight paid- USD4000
- iii. Insurance for transit of machine- not ascertainable
- iv. Cost of design work of machine done in India- Rs.45000
- v. Indian local agent's commission- Rs.15000
- vi. Cost of transportation of goods from port to factory in India- Rs.5000
- vii. Exchange rate- 1USD=Rs.60

(10)