



SRN – 26

M.Com. (Semester – III) Examination, April 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)
 - a) State the advantages and disadvantages of VAT system.
 - b) List out the general exemptions under Service Tax.
 - c) Who are First Stage and Second Stage Dealer under Central Excise Act, 1944 ?
 - d) If in the previous year the turnover of a manufacturer is equal to Rs. 4 Crore, then he can claim the exemption benefits available to SSI in the current year. Say Yes or No giving reasons.
 - e) After visiting USA, Mr. and Mrs. Pradhan brought to India a Laptop Computer valued at Rs. 80,000, personal effects valued at Rs. 90,000 and a personal computer for Rs. 52,000. What is the customs duty payable ?
2. Highlight the provisions of Payment of Tax and Filing of Returns under Goa VAT. 10
3. What are the procedural aspects of getting registered under Service Tax ? If a dealer is having many branches then how many registration certificates he need to apply for ? 10
4. Discuss about the types of customs duties available. 10
5. Explain the term "Manufacture" under Central Excise Act, 1944 with the support of examples. 10

P.T.O.



6. Compute the VAT liability of Mr. Ashwin for the month of January 2015 from the following particulars :

Purchase price of the inputs purchased from the local market (inclusive of VAT)
Rs. 52,000,

VAT rate on purchases 4%,

Storage cost incurred Rs. 2,000,

Transportation cost Rs. 8,000,

Goods sold at a profit margin of 5% on cost of such goods,

VAT rate on sales 12.5%.

10

7. The following information is furnished by Kanha on 8th February 2015 in respect of articles of jewellery imported from USA :

FOB value \$ 20,000

Exchange Rate \$1 = Rs. 44

Air Freight \$ 4500

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 Kanha.

10

8. a) Mr. X is a manufacturer of machineries. Selling price of the machinery is Rs. 1,50,000, which includes the following :

Packing charges Rs. 10,000

Transport from the manufacturer to the buyer's place Rs. 15,000

Excise duty 14%, education cess as applicable

Find the Assessable Value and the Excise Duty payable.

5

- b) The value of excisable goods that is Iron and Steel articles manufactured by M/s Gama Ltd. was Rs. 120 lakhs during the financial year 2015-16. The goods attract 16% ad-valorem duty plus education cess as applicable. Determine the Excise Duty Liability when the assessee does not opt for CENVAT under SSI exemption notification.

5



9. a) Explain eligibility of Cenvat Credit in each of the following transactions :
- i) Spare parts were received by the Assessee. The invoice indicated that the duty paid was Rs. 2,000. The invoice was marked "DUPLICATE FOR TRANSPORT".
 - ii) Some raw material was received. The invoice was in the name of the dealer from whom goods were purchased. Name of manufacturer was indicated as Consignee and excise duty paid was Rs. 10,000.
 - iii) 500 pieces of input were sent outside for job work. When the inputs were received, credit of duty of Rs. 20,000 was taken on those inputs.
 - iv) Cenvat credit of Rs. 10,000 was taken on some inputs. These became obsolete and were sold as scrap for Rs. 8,000. Excise duty payable on scrap is 10%.
 - v) Raw materials were purchased through a dealer. The dealer's invoice has certified that the duty paid by manufacturer was Rs. 13,000. The invoice was marked "ORIGINAL".
- b) A consignment is imported by air. CIF price is 2000 Euro. Air freight is 550 Euro and insurance cost is Euro 50. Exchange rate announced by CBE and C is 1 Euro = Rs. 54.15. Basic customs duty payable is 10%. Excise duty on similar goods produced in India is 16%. Education cess and special CVD as applicable. Find value for customs purpose.

5

5