



SDV – 22

M.Com. (Semester – IV) Examination, April/May 2013
ACCOUNTING AND FINANCE
CO4A4 : Indirect Taxes

Duration : 2 Hours

Total Marks : 50

- Instructions :** 1) This paper consists of 5 questions carrying equal marks, all of which are compulsory.
2) Question 1 carries 10 marks and consists of 5 sub questions, all of which are compulsory.
3) Question 2, 3, 4 and 5 carry 10 marks each, with internal choice.

1. Answer the following short questions : (5×2=10)
- Explain 'Compounded Levy Scheme' under Central Excise Act.
 - What is due dates for payment of Service tax ?
 - How does GVAT reduces the cascading effect of tax ?
 - Explain 'Custom Waters' under Customs Act.
 - The maximum retail price of a product is Rs. 50 per unit. The sale price includes 12% Basic Excise Duty plus 2% Education cess and 1% SAH cess. Central Sale tax is also included at 2%. 1,00,000 units were removed from the factory for sale. Calculate the Total Excise duty liability assuming that 40% abatement is permissible u/s 4 A on the product.
2. A) What are the 'inclusions' and 'exclusions' in the value of taxable services under Service tax ? 10
- OR
- X) Explain the following : 10
- Dealer under GVAT
 - Registration of a dealer under GVAT.
3. A) Explain the various penalties imposed under Service tax. 10
- OR
- X) Explain the procedure for registration and payment of tax to be follow under the Central Excise Act. 10

P.T.O.



4. A) Write a note on the principle of "Unjust enrichment" under Central Excise law. 10

OR

X) Bharati Manufacture Ltd. having its factory at Delhi, furnishes the following information:

i) 300 units sold at factory gate

ii) 600 units sold to dealers in Nagpur. Actual transport expenses Rs. 30,000 charged.

iii) 100 units sold to a dealers in Lucknow, actual transport expenses Rs. 10,000, but charged to dealers at Rs. 12,000.

iv) Invoice price for the above is Rs. 10,000 per unit, excluding transport charges and all items below :

1) Sales tax shown separately Rs. 40,000

2) Octroi shown separately Rs. 18,000

3) Dharmada shown separately collected from the dealers Rs. 12,000.

The basic rate of duty is 12%. Determine the total excise duty payable by Bharati Manufacture Ltd. 10

5. A) Explain term 'Anti-dumping duty' under the Customs Act. 10

OR

X) M/s PQR International Ltd. has imported one machine from England. They have given the following particulars :

i) F.O.B. value of Machine - £ 8,000

ii) Air freight paid £ 2,500

iii) Design and development charges paid in England - £ 500

iv) Commission at 2% of F.O.B. value paid to local agent in Indian Currency.

v) Date of bill of entry is 24-10-2011 (Rate of Basic Custom duty is 10%. Exchange rate as notified by CBE&C is Rs. 68 per Sterling Pound)

vi) C.V.D. rate is 12% plus Education cess as applicable and rate of Special C.V.D. is 4%. compute the assessable value and determine the Custom duty payable by M/s PQR International Ltd. 10