

1059

Bachelor of Business Administration
Fourth Semester
Paper: Indirect tax Laws (old)

Time allowed: 3 Hours

Max. Marks: 80

NOTE: Attempt four short answer type questions from Section-A. Attempt two questions each from Section B and C respectively.

x-x-x

Section A

Note: Attempt any 4 questions from the following. Each question carries 5 marks each.

1. Explain the provision relating to determination of rate of duty and tariff valuation in case of imported and exported goods.
2. What is Ad-valorem duty as per Central Excise Act?
3. Purchases made by A & Co. for the month of June 2014 are as follow;

Rs. 1, 00,000 @ 5.5% VAT

Rs. 5, 00,000 @ 13% VAT

Sales made by A & Co. for the same month are as follow;

Rs. 3, 00,000 @ 5.5% VAT

Rs. 4, 00,000 @ 13% VAT

The above rates are excluding surcharge 10%. Compute eligible ITC and VAT payable for the month.

4. From the following information compute the amount of tax payable by a dealer under the CST Act (Sales amount are given excluding tax)

Particulars	Rate of VAT	Amount (In Rs.)
Sale to Government	5%	1,00,000
Sale to a registered dealer on Form 'C'	On Form C	2,00,000
Sale of declared goods to an unregistered dealer	5%	1,00,000
Sale of undeclared goods to registered dealer, which is not covered by his certificate of registration	13%	50,000

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5. Calculate the Assessable Value and Excise Duty payable from the following information:

Cum Duty selling price (Inclusive of sales tax of 4%)	Rs. 50,000
Trade discount	Rs.2,500
Excise duty rate	12.36%

6. Mr. Raghav Sharma is a Practicing Chartered Accountant and information about his receipts from various professional services for the quarter ending on 30-9-2016 is given below:

Particulars	Amount
Received Accounting and Auditing Fees	5,20,000
Received for Secretarial Auditing	1,80,000
Received for signing of Annual Returns	2,30,000
Received for Management Consultancy Services	50,000
Received for certification of documents with ROC	15,000
Personal finance consultancy	70,000

Compute taxable value of services and amount of service tax payable. Above receipts are exclusive of service tax.

SECTION-B

Note: Attempt any two questions from the following. Each question carries 15 marks.

- Explain the procedure for assessment and collection of Custom Duty.
- Discuss various provisions regarding Input Tax Credit under VAT Act.
- The particulars of total sales of a registered dealer of U.P State are as under for the year ended 31st March, 2017:

(i) Shares and Securities	Rs. 22,00,000
(ii) Export to America	Rs. 35,00,000
(iii) Tobacco (Tax free in U.P.)	Rs. 4,00,000
(iv) Newspaper	Rs. 9,00,000
(v) Taxable Sales in U.P.	Rs. 8,00,000
(vi) Bidis and Cigarettes (Tax free in U.P.)	Rs. 4,00,000

(vii) Sugar (Tax Free in U.P.)	Rs. 3,00,000
(viii) Inter-state sale (The rate of tax on these goods is 10% and the customer returned goods worth Rs. 35,000 within six months of purchase)	Rs. 8,50,000
(ix) Inter- state sales (The rate of tax on these goods is 2% and the customers returned goods worth Rs. 3,000 after 8 months the date of purchase)	Rs. 2,42,000

Compute gross turnover, taxable turnover and tax payable under Central Sales Tax Act. Tax included in the selling price.

10. Compute assessable value and total custom duty payable from the following information;

Particulars	In Dollars
Cost of Goods	80,000
Packing charges	1,200
Sea freight charges	600
Insurance premium	250
Handling charges in India	300

Paid commission in India to the local broker who arranged the deal abroad Rs. 20,000.

Exchange rate:

Declared by the Board 1 Dollar = Rs. 52

Declared by RBI 1 Dollar = Rs.50.50

Basic Custom Duty is 10%. On Similar goods the rate of excise duty payable in India 12%. Education cess is 2% and secondary and higher education cess is 1%.

SECTION-C

Note: Attempt any two questions from the following. Each question carries 15 marks.

11. Explain the various methods of valuation of excisable goods for the purpose of excise duty.
12. Discuss various provisions for recovery and collection of service tax.
13. Compute the assessable value of excisable goods, for the levy of duty of excise. from following information;

Cum- duty whole sale price (including VAT Rs. 5,500)	Rs. 40,000
Normal Secondary Cost	Rs. 3,000
Cost of Special packing	Rs. 4,500
Cost of durable and returnable packing	Rs. 3,800
Freight	Rs. 1,600
Insurance on freight	Rs. 600
Trade Discount	Rs. 3,300
Rate of Central Excise Duty	12.5%

Assume that provisions of Sec 4 of Central Excise Act, 1944 is applicable.

14. Raghav coaching centre furnishes the following information and the amounts received by it for the half year ending March 31, 2017.

Particulars	Amount Rs.
Received coaching fees for civil services examinations	14,00,000
Received postal coaching fees	4,00,000
Received sports coaching fees from a local college	3,50,000
Received fees for management diploma of a foreign university (not recognised by law in force in India)	9,00,000
Received for coaching and training provided by sending staff to the residence of service receivers	7,60,688

Compute taxable value of services and the amount of service tax payable. Above receipts are inclusive of service tax.