

(i) Printed Pages : 4

Roll No.

(ii) Questions : 14

Sub. Code :

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Bachelor of Business Administration 4th Semester

1046

INDIRECT TAX LAWS

Paper : BBA - 225

Time Allowed : Three Hours]

[Maximum Marks : 80

Note : (i) Attempt any **four** questions from Section A carrying 5 marks each.

(ii) Attempt any **two** questions each from Section B and C carrying 15 marks each.

SECTION-A

1. Define 'Place of Business' as per CST Act. 5
2. Define 'Manufacture as per Excise Act, 1944. 5
3. Maharaja Legacy Ltd. a Regd. Dealer (Kurukshetra) sold goods inter-state to a dealer of Amritsar for the value of goods Rs. 2,00,000 for the year April 2009 - March 2010. The local Sales Tax rate was 10%. Out of the goods sold goods of value of Rs. 76,000 were returned by the purchaser in May 2010. These were sold in December, 2009. Goods of value of Rs. 20,000 which were sold in November 2009 were rejected by buyer and returned back in June, 2010. Calculate the CST payable. 5
4. Calculate Net VAT payable by Manish who purchased goods from M/S Dhingra on payment of Rs. 4,16,000 (including VAT) and earned profit 20% on cost price. The VAT on sales and purchase 4%. 5

5. M/S Jagtar, a taxi operator furnished the detail receipts as follows :

Renting of Taxi for passengers : Rs.

| | |
|------------------------|-----------|
| Chandigarh to Karnal | 4,00,000 |
| Chandigarh to Sonapat | 3,00,000 |
| Chandigarh to Ludhiana | 2,00,000 |
| Chandigarh to Moga | 1,00,000 |
| Chandigarh to Delhi | 2,00,000 |
| | 12,00,000 |

Calculate Service Tax. 5

6. Determine the transaction value and excise duty payable from the following information :

(i) Total invoice price Rs. 18,000

(ii) Invoice price includes :

| | |
|--------------------------------------|---|
| (a) Sale Tax | Rs. 1,000 |
| (b) Surcharge on Sales Tax | Rs. 100 |
| (c) Octroi | Rs. 100 |
| (d) Insurance from Factory to Depot. | Rs. 100 |
| (e) Freight from Factory to Depot. | Rs. 700 |
| (f) Rate of Basic Excise Duty | 16% Ad-Valorem |
| (g) Rate of Special Excise Duty | 24% Ad-Valorem |
| (h) Education cess | 3% 5 |

SECTION-B

7. What is CST ? What are the essentials of an inter-state sale ? 15
8. What are the different kinds of duties leviable under Customs Act, 1962 ? 15
9. Ashi Ltd; Ludhiana a registered dealer reported the following information :
- | | |
|--|--------------|
| (i) Excise Duty | Rs. 3,00,000 |
| (ii) Deposit for returnable containers | Rs. 5,00,000 |

| | |
|--|--------------|
| (iii) Compulsory warranty charges | Rs. 50,000 |
| (iv) Installation expenses (shown separately) | Rs. 60,000 |
| (v) Installation expenses (not shown separately) | Rs. 45,000 |
| (vi) Trade Discount | Rs. 20,000 |
| (vii) Cash Discount | Rs. 50,000 |
| (viii) Goods returned within 6 months of sales | Rs. 1,50,000 |
| (ix) Buyer submitted form 'C'. | |

Calculate CST when :

- Sales turnover is Rs. 36,20,000 (including CST)
- Sales turnover is Rs. 36,20,000 (excluding CST).

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10. Mr A imported goods in 15/4/2015 by air. Its CIF value is \$ 5,000 It includes freight \$ 900, insurance charges \$ 100. Exchange rate is Rs. 40.45 per Dollar.

- Find out Assessable Value for customs.
- In case rate of custom duty is 10% and excise duty chargeable on similar goods in India is 16%, however due to exemption notification effective rate is 8%. Special CVD is payable at applicable rates. Find out the total customs duty payable.

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SECTION-C

- Is non-registration under Central Excise Act an offence ? What penalty has been provided for the same in this Act ? 15
- Discuss the provisions regarding collection and recovery of Service Tax. 15
- Samsung manufactured 10,000 TV sets during May, 2015. Details are as follows :
 - Ex-Factory price is Rs. 15,000 per TV excluding Excise Duty and Taxes.
 - Discount to dealers who purchase in wholesale is @ 20%.

- (iii) During the month 5,000 TV Sets were sold in wholesale and 2,000 TV Sets were sold in retail.
- (iv) Balance is in stock..
- (v) The closing stock of inputs purchased is 20 lakhs. The company purchased inputs for Rs. 80 lakhs including excise duty of Rs. 16 lakhs.

Determine the assessable value and calculate excise duty payable assuming rate is 10%.

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14. Chetan' a Chartered Accountant provides services to corporates and teaches students at home. He has calculated his service tax in the following manner. Ascertain are the calculations correct ?

| Details of Receipts | Rs. |
|--------------------------------------|-----------------|
| Verification of Declaration | 20,000 |
| Certification of Documents | 40,000 |
| Cost Accounting | 10,000 |
| Signing Annual Returns | 20,000 |
| Coaching fees of students | 50,000 |
| Personal Finance to clients | 10,000 |
| Preparation of coaching notes | 25,000 |
| | <u>1,75,000</u> |
| Service Tax | |
| Rate of Service Tax 12% of 1,75,000 | 21,000 |
| Add 3% of Education cess on 1,75,000 | 5,250 |
| | <u>26,250</u> |

If you find it incorrect. Give your version.

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