

Commencement of work: 12.06.16. Completion of work within 15.10.16. Material Content 67% including VAT. Service content excluded the service tax. Retention money 10%.

R limited realize the bill on 18.10.16 as per work order. The company has given part of its work on sub-contract to Z limited for Rs. 5,20000/- following the same condition as work order.

You are required to calculate the service tax payable by R limited.

3+7

- a) (i) An importer imported some goods for subsequent sales in India at \$12,000 on CIF basis. The relevant exchange rate declared by Govt . of India and RBI was Rs 45/- and Rs 45.50 respectively. The item imported attracts basic duty at 10%. If similar goods were manufactured in India. Excise duty payable as per tariff is 14%. You are required to compute the assessable value and the total duty payable thereon.

(ii) X limited provides the following data for an Article-

Normal value in exporting Rs.11

Export Price Rs.8

Landed cost Rs.9

Fair selling price in the domestic market Rs. 10

You are required to calculate –

Dumping margin, Injure Margin, Anti-dumping duty

7+3

(Internal Assessment :10 marks)

2017

M. Com.

4th Semester Examination

CORPORATE INDIRECT TAXES

PAPER – COM – 402

Full Marks : 50

Time : 2 Hours

The figures in the right-hand margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

UNIT – I

1. Answer any two questions of the following: 5 X 2

- (a) What are the basic conditions for levy of Central Excise Duty?
 (b) What is CENVAT credit? In which cases that credit can be utilized?
 (c) Determine the relevant date for determination duty and tariff valuation as per Central Excise Rules.
 (d) Reliance Electrical Limited manufacture of bulbs. The sales price is Rs. 45.84/- per unit. It includes 12% basic excise duty, as increase by education cess 2%, SAHE cess 1% and also 2% CST. 10,000 units were removed from the factory to sales department. Calculate the required Assessable value and excise duty liability. 3+2

2. Answer any one questions of the following: 10 X 1

- (a) (i) Mention any five periodic returns required to be filed by an assessee under Central Excise Rules.
 (ii) From the following Depot prices of a company calculate the transaction values in each case and also the relevant dates

Turn Over

(2)

| Place of removal | Price at Depot on 1.1.17 | Price at Depot on 31.1.17 | Actual sales price at Depot on 1.2.17 |
|------------------|--------------------------|---------------------------|---------------------------------------|
| X Depot | Rs 100 per unit | Rs 105 per unit | Rs 115 per unit |
| Y Depot | Rs 120 per unit | Rs 115 per unit | Rs 125 per unit |
| Z Depot | Rs 130 per unit | Rs 125 per unit | Rs 135 per unit |

Additional Information:

- (i) Quantity cleared to X Depot – 100 units
- (ii) Quantity cleared to Y Depot – 200 units
- (iii) Quantity cleared to Z Depot – 200 units
- (iv) The goods were cleared to respective Depots on 1.1.17 and actually sold on 1.2.17

5+5

.(b) (i) From the following information, determine the total amount of excise duty payable u/s 4 of the Central Excise Act, 1944.

Price of machinery excluding the taxes and duties Rs 5,50,000/- Installation and erection expenses Rs 21,000/- packing charges Rs 11,500/- Design and engineering charges Rs.2000/- Cost of material supplied by buyer free of charges Rs 8,500/- and free delivery inspection charges Rs 500/-.

Other information are cash discount 2% on price of machinery. Bought out accessories' supplied along with machinery valued at Rs 6,000/- and Central Excise Duty rate is 12% with applicable educational cess.

- (ii) Discuss the basic procedures for Central Excise? What is the doctrine of Unjust Enrichment?

5+3+2

Turn Over

(3)

UNIT – II

3. Answer any two questions of the following: 5 X 2

- a) 'Define the term Anti-Dumping. What do you mean by margin of dumping?' 2+3
- b) What do you mean by CVD? Excise duty payable on article is 12% as per CTA. However, as per notification, the excise duty payable is 6%. If such goods are imported, at what rate CVD will be payable as per CTA?
- c) Explain the concept of RCM of service taxes indicating few cases.
- d) From the following information, calculate the value of taxable service of Z limited

| Year | Turnover of Service Provider (Rs in lakh) |
|------|---|
| 1 | 8 |
| 2 | 10 |
| 3 | 15 |
| 4 | 22 |
| 5 | 6 |
| 6 | 9 |
| 7 | 12 |

Answer any one questions of the following: 10 X 1

- b) (i) Explain the provision of penalty in respect of delay in submission of return of service tax
- (ii) R Limited is engaged in a contract with WBSEDCL at Rs 14,52,000/- as per work order the following details are available –

Turn Over