



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

M.Com. DEGREE EXAMINATION – COMMERCE

THIRD SEMESTER – NOVEMBER 2017

16PCO3ES01 – INDIRECT TAX

Date: 10-11-2017
Time: 09:00-12:00

Dept. No.

Max. : 100 Marks

SECTION – A Answer ALL questions

(10 x 2 = 20)

- 1) In what way excisable goods vary from non-excisable goods?
- 2) What is the condition for movability under the Central Excise Act?
- 3) On what condition, the Ad-valorem duty is applied under Central Excise Duty?
- 4) What is the provision to be applied, when the goods are lost, destroyed or abandoned?
- 5) Under what circumstances, the Anti-Dumping Duty is levied?
- 6) What do you understand by Place of Provision of Service?
- 7) Mr. X, is in photography business and paid VAT for the materials consumed on photography services. Whether Department is correct on levy of Service Tax?
- 8) How do you justify the implementation of GST in India?
- 9) Determine the assessable value for Excise Duty under the Central Excise Act, in the following cases –
 - (a) An assessee sells his excisable goods for Rs. 120 per piece and does not charge any excise duty in his invoice. Subsequently, it was found that the goods were not exempted from excise duty but were liable at 20% advalorem.
 - (b) Certain excisable goods were sold for Rs. 120 per piece and 20% advalorem is the rate of excise duty. Subsequently, it was found that the price cum-duty was in fact Rs. 140 per piece, as the assessee had collected Rs. 20 per piece separately.
- 10) Y, a works contractor, raised a bill of Rs.2,28,000 (including ST) on his client, for services rendered by him in the month of July. A partial payment of Rs.1,68,540 was received by Y in December. Compute the ST amount payable to Y, and the date by which ST can be deposited.

SECTION – B Answer any four questions

(4 x 10 = 40)

- 11) What are the points to be followed while classifying the goods under Central Excise Act?
- 12) Mention the bonds used for Warehousing Purposes and explain the same.
- 13) How do you determine the value of a taxable service?
- 14) Under what situation, Rule 4 (The place of provision of service shall be the Place where the services are actually performed) is applicable? What are its exceptions?
- 15) What are the opportunities, the government foresees in the implementation of GST?
- 16) Determine the total amount of Excise Duty payable on a machine, using the details given below, if the rate of Excise Duty is 12.50%.

Sale price of the machine, excluding taxes and duties	Rs. 2,00,000
Sales Tax	Rs. 20,000
Cost of durable and returnable packing included in the sale price given at (i) above	Rs. 5,000
Design and development charges paid by buyer on behalf of seller to a third party	Rs. 20,000
Warranty charges charged separately by the seller	RS. 5,000

17) Determine the assessable value for the Customs Act, in respect of import of a machine from U.K.

FOB Value	£ 6,000
Air Freight	£ 1,500
Design and Development chargers paid in U.K.	£ 500
Design and Development charges paid in India	£ 10,000

Commission paid to Local Agents 1% of FOB Value. Exchange rate as per CBEC £1 = Rs. 65.
Insurance charges are not ascertainable.

SECTION – C

Answer any TWO questions

(2 x 20 = 40)

18) Enumerate the rules to be followed for the Central Excise Valuation.

19) Bring out the importance of 'Negative List' in the Service Tax Act, identifying the services provided by the government authorities, RBI, and governmental agencies, falling under negative list.

20) Highlight the salient features of the GST and identify its impact on the selected industries.

21) Give a brief account of the procedures involved in (i) Self-Assessment, (ii) Provisional Assessment, (iii) Best Judgment Assessment and (iv) Scrutiny Assessment under Central Excise Act.
