



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

M.Com. DEGREE EXAMINATION - COMMERCE

THIRD SEMESTER – NOVEMBER 2013

CO 3951 - INDIRECT TAX

Date : 15/11/2013
Time : 9:00 - 12:00

Dept. No.

Max. : 100 Marks

SECTION – A

Answer ALL questions:

(10 x 2 = 20)

1. What are the indirect taxes collected by the state governments and central government?
2. What is VAT? Give an example. Who is liable to pay VAT to the government?
3. Is motor vehicle parking to general public subject to service tax? Give reason.
4. What is an activity as per the charging section of the service tax?
5. What are goods under the Central Excise? Give any four examples of goods.
6. Differentiate between non-excisable goods and non-dutiable goods.
7. What do you mean by territorial waters of India? What is the importance of it in Customs Act?
8. Compute the VAT amount payable by Mr. Ravi, who purchased goods from manufacturer on payment of Rs. 8,32,000 (including VAT) and earned 20% profit on purchase price. VAT rate on both purchase and sales is 4%.
9. When Mr. Tarn, transferred an unsecured debt to Mr. Velu, a third person for a consideration, would this activity be treated as service? Give reason.
10. What do you mean by 'Duty Drawback'?

SECTION – B

Answer any FOUR questions:

(4 x 10 = 40)

11. Explain the cannons of taxation.
12. What are the advantages and disadvantages of VAT for various stakeholders? Explain.
13. Explain the differences between VAT and Sales Tax.
14. Explain the provisions of the charging section of the service tax.
15. Describe the manner of determining the services which are bundled in the ordinary course of business.
16. Explain the different types of excisable goods.
17. Explain the provisions related to Demands and appeals in Customs Law.

SECTION – C

Answer any TWO questions:

(2 x 20 = 40)

18. What do you mean by 'Declared service' as per section 66E of the Finance Act, 1994? Explain the transactions which are included in the declared service.
19. Explain the various methods of excise valuation. Give examples.
20. Explain the different types of Customs Duty with examples.
21. Victor & Co., a manufacturer of Product 'X' sold its goods to a distributor at Rs. 45,000 inclusive of tax. The distributor sold the goods to wholesaler for Rs. 50,000. The wholesaler sold the goods to a retailer for Rs. 75,000. The retailer sold the goods to consumer at Rs. 85,000. All the sales were inclusive of VAT @ 12.5%. Compute the total VAT payable under various modes of calculating the quantum of VAT.
