

VPM's
Dr. VN BRIMS, Thane
Programme: MMS (2015-17)
Second Semester Examination April 2016

Subject	Taxation (Section -2)		
Roll No.		Marks	30 Marks
Total No. of Questions	5	Duration	2 Hours
Total No. of printed pages	2	Date	22.04.2016

Note: Q1 is compulsory and solve any TWO from the remaining FOUR questions.

Q1) 10 Marks (Compulsory)

Nimish Barve provides you the following information for the previous year 2014-15. Compute his Total Income for AY- 2015-16.

- a) He receives from his employer -- Basic salary Rs. 22000pm. Dearness allowance at 70% of basic salary. Children's education allowance Rs.250pm each for three children. Bonus Rs.50000. Transport Allowance Rs.1300pm.
- b) His employer provided him a flat for residence, the rent of which Rs.5000pm is paid fully by the employer.
- c) He paid profession tax Rs.4000 during the year.
- d) He received share in HUF profit Rs.150000, dividend from Godrej company Rs.12900 and interest on bank deposits Rs.34000.
- e) On 3rd June 2014 he sold his flat for Rs.54,00,000. He had purchased this flat for Rs.4,00,000 in the year 2000-01. While selling the flat he paid commission Rs.15000. Cost inflation index for 2000-01 is 406, for 2014-15 is 1024.
- f) He deposited Rs.80000 in PPF and purchased NSC of Rs.24000.
- g) Nimish paid mediclaim for self Rs.18000 and senior citizen father Rs.22000.

Attempt any TWO from the remaining FOUR Questions

Q2) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

a) State whether true or false.

- i) MVAT is an indirect tax charged by Maharashtra government.
- ii) A non importer dealer is liable for registration under MVAT Act 2002 if his sales turnover exceeds Rs. 500000.
- iii) 'Business' includes buying and selling of capital goods.
- iv) Hire purchase and Instalment sale is also covered by MVAT Act.
- v) Exports outside India are covered by MVAT Act 2002.

b) Define the terms 'Dealer' and 'Goods' as per MVAT Act 2002.

c) Answer in one or two sentences

- i) Define 'Importer' according to MVAT Act.
- ii) Why is hypothecation of goods under a bank loan agreement not considered as sale under MVAT Act?
- iii) When should 'Other Dealer' get himself registered ?
- iv) Give the items covered by Schedule 'A' of MVAT Act.
- v) Give four sales which are exempted.

Q3) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Enumerate any 5 entries in the Negative list related to service tax.
- b) Give the provisions relating to filing of Service Tax return.

c) Define Input Service.

Q4) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

a) Geetesh a registered dealer at Mumbai furnishes you the following information
Interstate sale of goods R.77,00,000.

This includes the following—

- Excise duty 32000
- Cash discount shown in invoice 25000
- Transportation 187000(of which 50000 is separately charged)
- Charges for alteration done prior to delivery 25000
- Installation charges separately levied 67000

The above sale includes transfer to branch in other state, 97000.

Calculate taxable turnover and CST payable at 2%.

b)State whether TRUE or FALSE—

- 1) CST Act applies even in Jammu & Kashmir.
- 2) CST is levied on sale from one state to another.
- 3) Refundable deposits will be excluded from Sale Price.
- 4) C.S.T. rate when sale to Registered Dealer against Form C will be 2% or VAT rate of tax of that state, whichever is less.
- 5) Only registered dealers can collect CST.

c) What do you mean by declared goods ?

Q5) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

a) Under which situations Transaction value does not apply for calculating central excise duty ?

b) Which are the different values to be considered for charging central excise duty?

c) Define 'Excisable goods'.