

M.Com. Part- II Examination, 2020 (DDE)

Subject : Commerce

(Paper 16: Indirect Tax)

Time: 2 Hours

Full Marks: 40

The figures in the margin indicate full marks.
Candidates are required to give their answers in their own words
as far as practicable

Answer any four of the following questions

10X4=40

1. a) What are the four important canons of taxation?
b) State in brief the differences between Direct Tax and Indirect Taxes. (5+5=10)
2. a) Consider the following: Selling price - ₹ 1,90,000, cost of primary packing - ₹ 15,000, trade discount- ₹ 3,000, commission on sale - ₹ 7,000, landing charges in the factory- ₹ 2,000, design charges paid by buyer- ₹ 20,000, durable packing cost- ₹ 11,000. Determine the assessable value for excise duty purpose.
b) State the cases where MRP provisions are not applicable. (5+5=10)
3. a) Define Appropriate State and state the importance of Appropriate State under the CST Act.
b) Mr. Z, a registered dealer in West Bengal made the following inter-state trade during the quarter ended 31st March
 - i) Sale of ₹ 1,20,000 against Form H (Certificate of export)
 - ii) Sale of ₹3,00,000 against Form C (declaration by registered buyer dealer) being xerox copy given by the buyer dealer;
 - iii) Sale of ₹ 9,00,000 against Form C out of which the buyer dealer returned goods after 6 months amounting to ₹ 1,50,000 and also refunded rejected goods worth ₹70,000 after 10 months.
 - iv) Sale of ₹ 4,00,000 to a registered dealer who supplied a duplicate copy of Form C.Determine the amount of CST payable assuming the local rate of sales tax of 12 %.

(5+5=10)

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4. Discuss the advantages and disadvantages of VAT. (5+5=10)
5. Write brief notes on:
- a) Point of Taxation with respect to Service Tax.
 - b) Negative List with respect to Service Tax. (5+5=10)
6. Explain in brief the different types of customs duties. (10)