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Taxation - J
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Q.P. Code :06608

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[Time: 2 $\frac{1}{2}$ Hours]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:
1. All questions carry 15 marks each
 2. Q.1 is compulsory and Q.2 to Q.5 have internal choice
 3. Use of simple calculator is allowed
 4. Working note should form part of your answer

Q.1 Multiple choice questions (any 8)

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- 1 Sales price as defined under MVAT Act 2002 includes
 - 1) Cost of insurance in transit
 - 2) Cost of installation
 - 3) Deposit in connection with sales of goods
- 2 The term goods includes
 - 1) Immovable property
 - 2) Growing crops
 - 3) Equity shares
- 3 A tax invoice is issued by
 - 1) An exporter
 - 2) A service provider
 - 3) A registered dealer
- 4 Composition scheme under section 42 can be availed by
 - 1) Manufacturer
 - 2) Wholesaler
 - 3) Retailer
- 5 Taxable purchase for the purpose of registration includes
 - 1) Purchase under schedule A
 - 2) Local purchase
 - 3) News paper
- 6 Schedule C goods include
 - 1) Basic goods such as agricultural tools, vegetables, books
 - 2) All declared goods
 - 3) Gold, silver, precious metals
- 7 Audit of business u/s 22 is to be conducted by
 - 1) Chartered accountant
 - 2) Sales tax department
 - 3) Income tax department
- 8 Dealer who has _____ is liable for penalty u/s 29 (2A)
 - 1) Failed to apply for registrations
 - 2) Carried on business without being registered
 - 3) Either (1) or (2)
- 9 Tax at 5% is charged on
 - 1) schedule A goods
 - 2) schedule C goods
 - 3) schedule D goods

Q.P. Code :06608

10 VAT does not apply to

- 1) Retailer
- 2) Consumer
- 3) Work contractor

B State whether following statement is True or False (any 7)

- 1 VAT is single point Tax.
- 2 Livestock held as assets are "goods" as defined under MVAT 2002
- 3 Set off is an allowance of tax paid on purchase of goods and which can be adjusted against the tax payable on sales.
- 4 The rate for composition scheme dealer of second hand motor vehicle is 12.5%
- 5 Assembling cycle from various parts is called as manufacture u/s 2 (15)
- 6 A dealer fails to issue a tax invoice minimum penalty of Rs. 1000 is to paid
- 7 A non importer is liable for registration under MVAT 2002 as soon as his sales turnover exceeds Rs. 100000
- 8 Certificate of registration under MVAT 2002 is given in form 102
- 9 Dealer whose turnover of sales and purchased exceeds Rs. 40 lakhs in any year, is required to get his books audited u/s 61.
- 10 Penalty is discretionary.

Q.2 A A dealer purchased the following goods in Maharashtra during December 2016

Particular	Amount
<u>Sales</u>	
Schedule C	5,00,000
Schedule D	2,00,000
Schedule E	3,00,000
<u>Purchases</u>	
Schedule A	50,000
Schedule C	3,00,000
Schedule E	1,50,000

Additional information:

- 1 On 1st December 2016 there was a opening balance of Rs. 10000 in VAT receivable/set off account .
 - 2 The dealer has received a refund of Rs. 2500 during the month out of VAT credit receivable account .
- Prepare a statement of computation of tax to be paid under the payment of MVAT Act 2002

B Shri Shyam Pawar started business from 3rd January 2016 from the following particulars regarding purchase and sales transactions find out from which date he will be liable for registration and to pay tax as per the provision for MVAT act 2002

Jan 16	Purchase		Sales	
	Taxable	Tax free	Taxable	Tax free
3 rd	6,000	25,000	1,32,600	12,000
5 th	2,000	32,000	1,65,000	40,000
6 th	3,000	45,000	2,89,000	68,000
10 th	12,000	60,200	1,02,000	48,000
12 th	32,000	72,000	3,52,000	46,000
15 th	45,000	78,000	2,30,110	68,000
20 th	60,000	80,000	1,01,000	1,05,000

OR

Q2 C State with reason whether the following are "goods" as per the provisions of Maharashtra value added tax Act 2002: 08

- 1 Newspaper
- 2 Mango trees
- 3 Lottery tickets
- 4 Equity share of Infosys ltd
- 5 Trucks
- 6 Import license
- 7 Residential flat used for business
- 8 SIM cards in mobile phone

D Following are details of a registered dealer .Calculate the tax payables as per Maharashtra value added tax Act 2002. 07

Purchases:

Month	Schedule	Rate of tax	Rs.
May 2014	A	Nil	100000
June 2014	C	5%	200000
July 2014	E	12.5%	300000

Sales:

Month	Schedule	Rate of tax	Rs.
May 2014	A	Nil	200000
June 2014	C	5%	300000
July 2014	E	12.5%	400000

Q.3 A Mr Mahesh is a contractor who has opted for the composition scheme. The contract value received is Rs 500000. Other detail relating to job work are 08

Particular	Amount
Consultancy fees paid to technical expert	24,000
Labour charges	13,500
Office expenses	37,500
Purchase (sch E)	1,50,000
Purchase (sch C)	30,000
Purchases from Jaipur	7,500
Purchases of equipments (sch E)	30,000
Compute VAT payable	

B From the following information of M/s PQR and co. calculate the setoff and tax payable under MVAT act 2002 for the month June 2016 07

Particular	Amount
Local purchase (Schedule E)	25,00,000
Purchase from unregistered dealer(Schedule C)	5,00,000
Sale (schedule C)	40,00,000
Purchase(Schedule E)	3,00,000

Q.P. Code :06608

Additional information:

- 1 On 1st June 2016 there was a opening balance of Rs. 7500 in VAT receivable/set-off account
 - 2 The dealer has received a refund of Rs. 2500 during the month out of VAT credit receivable account .
- Prepare a statement of computation of tax to be paid under the payment of MVAT Act 2002

OR

- Q.3 Ambika and co a manufacturer and registered dealer provides you the following information for Feb 2015 15
you are required to calculate the tax liability under MVAT Act 2002

Particular	Amount
1)Sales (excluding tax)	
Schedule C goods	8,00,000
Schedule E goods	24,00,000
Export sales –schedule E goods	1,50,000
Labour charges received	3,00,000
2)Purchased (excluding tax)	
Schedule C goods	6,00,000
Schedule E goods	20,00,000
Purchases from unregister dealer-schedule C goods	1,00,000
Purchase of fuel (Net)@12.50%	2,00,000
Purchase of packing material –sch C goods	20,000
3)Opening balance (cr.bal) in VAT credit receivable account	3,000
4)Tax rate for goods under schedule A=Nil, schedule C =5% schedule E=12.50%	

- Q.4 Mr.Shyam registered dealer furnished you following information regarding purchase and sales of scheduled goods. Calculate MVAT payable for the year 2012-13 15

Particular	Sales within state			
	Schedule.A goods	Schedule B goods	Schedule C goods	Total sales goods
April 2012 to Dec 2012	Nil	Nil	Nil	Nil
January 2013	3,00,000	3,00,000	5,80,000	11,80,000
February 2013	2,00,000	58,00,000	25,00,000	85,00,000
March 2013	1,00,000	1,00,000	3,00,000	50,000
Particular	Purchase with in state			
	Schedule A goods	Schedule B goods	Schedule C goods	Total purchase
April 2012 to Dec 2012	Nil	Nil	Nil	Nil
January 2013	1,50,000	2,50,000	1,15,000	5,60,000
February 2013	1,00,000	4,00,000	15,00,000	4,50,000
March 2013	10,000	50,000	1,50,000	3,25,000

Tax rate on schedule A= Nil, schedule C=5% schedule B=1%

OR

Q.4 A Explain with reason whether the following activity is manufacture or not

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- 1 Polishing of gold ornament
- 2 Assembling of cycle from various parts
- 3 Extraction of oil
- 4 Cutting of steel sheets into smaller sheets

B From the particulars furnished by Ms. Arti you are required to compute tax liability as per provisions of MVAT act 2002 given that all amounts are excluding VAT.

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Sr.no	Particulars	Amount
1	Export sales :	
	Schedule A goods	90,000
	Schedule C goods	3,00,000
2	Sales outside Maharashtra –schedule C goods	60,000
3	Local purchased :	
	Schedule A goods	60,000
	Schedule C goods	4,00,000
4	Items debited to P&L A/c :	
	Service charges received	30,000
5	Tax rate for schedule A= Nil, schedule C = 5%	

Q.5 A Explain tax audit provision under MVAT act 2002.

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B Explain the provisions of Section 8 Sale and Purchases not liable to tax

07

OR

Q.5 Short notes any 3:-

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- 1 Define dealer under MVAT act 2002
- 2 Tax invoice
- 3 Define sales price under MVAT act 2002
- 4 Documents required for registration under MVAT
- 5 Submission of audit report