

**E 3704**



Reg. No.....

Name.....

**B.Com. DEGREE (C.B.C.S.S.) EXAMINATION, NOVEMBER 2022**

**Fourth Semester**

**VALUE ADDED TAX-CONCEPTS AND PRACTICES**

(For the Optional Stream Finance and Taxation of Model I and Model II and  
UGC Sponsored B.Com. Taxation)

[2013—2016 Admissions]

Time : Three Hours

Maximum Marks : 80

**Part A**

*Answer all questions.  
Each question carries 1 mark.*

1. What is meant by invoice method of computation of VAT ?
2. Mention any two advantages of VAT.
3. What do you mean by rectification in registration ?
4. What is input tax rebate ?
5. What is debit note ?
6. Write a short note on audit assessment.
7. Who is tax recovery authority ?
8. What is GR Number in transport ?
9. Mention any two powers of Deputy Commissioner.
10. What is e-filing ?

(10 × 1 = 10)

**Part B**

*Answer any eight questions.  
Each question carries 2 marks.*

11. What is deemed tax ?
12. Explain the features of VAT.
13. What is casual dealer ?
14. Write short note on exhibition of registration certificate.
15. What is best judgment assessment in VAT ?

**Turn over**





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16. What is appeal and revision in VAT ?
17. What is Appellate Tribunal ?
18. Write short note on Reversal of input tax credit.
19. How can a VAT registration be suspended ?
20. What is Zero rate sale ?
21. What is the penalty for the illegal collection of tax ?
22. What is protective assessment ?

(8 × 2 = 16)

### Part C

*Answer any six questions.  
Each question carries 4 marks.*

23. Explain the concepts of VAT in detail.
24. Define the term “dealer” under VAT Act. How does a dealer differ from a casual dealer ?
25. Define output tax. How does an output tax differ from input tax ?
26. Discuss the accounting treatment for VAT.
27. Mr. Sam buys an article for Rs. 10,000 and pays 7 % tax. He sells the same article for Rs. 13,000 and charges 9 % tax. Find the VAT paid by Sam.
28. AM & Sons is a registered dealers of the State, they have paid Rs. 3,00,000 as VAT against the goods bought from a registered dealer of the state during the quarter ending 30th June 2015. VAT payable by AM & Sons on various sales for the period, are as under :
  - (i) On taxable sales made in the State—Rs. 1,70,000.
  - (ii) CST on interstate sales to other registered dealers—Rs. 30,000.

Calculate net VAT liability of the firm for the period.

29. Discuss the rights and duties of Tax Officer under the State VAT Law.
30. State the provisions of State VAT Laws with regard to refund of taxes.
31. What is KVAT Act ? Explain.

(6 × 4 = 24)

### Part D

*Answer any two questions.  
Each question carries 15 marks.*

32. Discuss the provisions regarding furnishing of returns under VAT Laws.
33. Describe the difficulties in implementation of VAT.





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34. Sanal & Co. Ltd. a manufacturer, purchases raw materials at Rs. 10,00,000. The company then incurs conversion costs which are estimated at 40 % of material cost. The profit mark up is 20 % of total cost. The completed product is sold to Chand & Sons, wholesalers who then incur conversion costs of 50 % on cost. The wholesalers mark-up is 10 % on cost. The wholesaler sells the product to a retailer, who has no conversion costs but sells at a profit of 30 %. You are required to compute the total VAT payable. Assuming VAT is charged at 15 % on all products.
35. Write short notes on :
- (a) Self-assessment.
  - (b) Limitations on input tax credit.
  - (c) Voluntary registration.

(2 × 15 = 30)

