

Time: 2:30 hours

Marks: 75

- Note: 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 A] Rewrite the sentences with correct option. (any 8)

(08)

- (i) VAT does not apply to
(a) Importer (b) Retailer (c) Works contractor (d) Consumer
- (ii) 'Dealer' as defined under MVAT Act, 2002, does not include
(a) Airlines (b) MSRTC (c) Auctioneer (d) Educational Institution
- (iii) Following is not the benefit of VAT
(a) Set off (b) Business friendly taxation system
(c) Leads to double taxation (d) Simplification of tax forms and procedures
- (iv) Taxable purchases for the purpose of registration include
(a) Local purchases taxable under MVAT (b) Purchases under Schedule A
(c) Imports from outside the country (d) Purchases from other states
- (v) An importer is liable to be registered under MVAT Act, 2002 if
(a) The sales turnover exceeds Rs.1, 00,000 (b) Taxable sales/purchases are at least Rs.10,000
(c) Both (a) and (b) (d) Either of (a) or (b)
- (vi) Tax at NIL rate
(a) Schedule A (b) Schedule B (c) Schedule C (d) Schedule E
- (vii) Following are sales or purchases not liable to tax under section 8
(a) Sale or purchase outside Maharashtra (b) Exports or Imports
(c) Inter-state trade (d) All of the above
- (viii) A person who voluntarily desires to get registered has to deposit an amount of
(a) Rs.5, 000 (b) Rs.50, 000
(c) Rs.25, 000 (d) Nil
- (ix) A dealer who becomes liable to pay tax under section 3 has to apply for registration within
(a) 15 days (b) 45 days
(c) 30 days (d) 60 days
- (x) Provisions regarding registration are laid down in the MVAT Act under
(a) Section 16 (b) Section 29
(c) Section 22 (d) Section 61

B] Match the columns (any Seven)

(07)

Column A	Column B
(i) Income tax	(a) 1.5% of turnover
(ii) VAT	(b) 1% of value in agreement or stamp duty
(iii) Set-off	(c) Exempted by State Government under section 8
(iv) Refund	(d) Returning excess tax paid by dealer
(v) Mandap Keepers	(e) Tax paid on purchases
(vi) Developer	(f) Karta or an adult member
(vii) HUF	(g) 12.5%
(viii) Schedule E	(h) 20%
(ix) Schedule D	(i) Direct Tax
(x) Fuel for foreign aircrafts	(j) Indirect Tax
	(k) Exempted by Central Government under section

Q.2

A] State whether following are "Dealer" as defined under MVAT Act, 2002 with reasons: (08)

a) Auctioneer
b) VRL Travels carrying passengers from Mumbai to Bangalore
c) Non-Resident dealer
d) Wilson College for Higher education
e) Sales of bus by BEST
f) Chartered Accountants
g) Hospitals
h) A broker

B] State whether following are "Goods" as defined under MVAT Act, 2002 with reasons: (07)

a) Chicken
b) Old NewsPaper
c) Mango trees
d) Residential flat used for sale and purchase of goods
e) Shares in ABC ltd.
f) Patents
g) Lottery tickets

OR

Q2P. M/s. Tara & Co. provides you the following information regarding sales/ purchases for the month November 2016. (15)

Sales:

• Schedule E Goods	Rs. 50,00,000
• Schedule C Goods	Rs. 10,00,000

Purchases:

• Raw Material Schedule C Goods	Rs. 12,00,000
• Labour Charges	Rs. 3,00,000
• Schedule E Goods- Components	Rs. 11,50,000
• Schedule E Goods- Stationary	Rs. 50,000
• Schedule E Goods- Machinery	Rs. 20,00,000

Sales Return:

• Schedule E Goods	Rs. 10,00,000
• Schedule C Goods	Rs. 2,00,000

Calculate MVAT Payable/ Refund for the month November 2016. Given that there is as set off c/f from earlier month of Rs. 100,000. Tax rates for goods, Schedule C: 5%, Schedule E: 12.5%.

Q.3 A] From the following information furnished to you by Mr.Samir, a new dealer regarding his purchase and sale transactions, find out from which month he will be liable to pay tax as per the provisions of MVAT Act, 2002. Give reasons for your answer. (15)

Month	Details of purchases (Inside State)		Imports		Details of sales	
	Tax Free	Taxable	Tax Free	Taxable	Tax Free	Taxable
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
April 2016	22000	4000	2000	1500	50000	4000
May 2016	30000	2000	6000	-	60000	2000
June 2016	60000	4000	12000	1000	8000	-
July 2016	106000	4600	2500	1200	80000	3000

OR