

(3)

CEL

Marks

- (d) From the following particulars compute net VAT payable by M/s. TAB & Co. 5
for the period ending March 31, 2011.

Inputs procured :

₹

- | | | |
|-------|-------------------------|-----------|
| (i) | Raw material at Nil VAT | 10,00,000 |
| (ii) | Raw material at 4% VAT | 40,00,000 |
| (iii) | Raw material at 12% VAT | 20,00,000 |

Output

- | | | |
|-------|--|-----------|
| (i) | <u>Intra</u> state sale of finished goods at 4% VAT
(these goods were produced entirely from raw material at NIL VAT rate procured as inputs) | 15,00,000 |
| (ii) | Exempted sales (these goods were produced from raw material procured at 4% VAT to the extent of 50%) | 20,00,000 |
| (iii) | Sale of finished goods intrastate at 12% VAT | 20,00,000 |
| (iv) | Intrastate sale of raw material purchased at 4% | 10,00,000 |
| (v) | 50% of the raw material procured at 12% VAT has been utilized to produce capital goods for the manufacturing process in TAB & Co's factory
(Market Value) : | 15,00,000 |

Provide explanations where necessary.

- (e) Compute the assessable value of the machine imported by M/s. Exports India Pvt. Ltd., under the Customs Act, 1962. 5

US \$

- | | |
|-----------------------------------|-------------------|
| FOB price of the machine | 10,000 |
| Air freight paid | 2,500 |
| Insurance for transit of machine | Not Ascertainable |
| Cost of development work in India | ₹ 40,000 |
| Local agent's commission | ₹ 10,000 |
| Cost of local transport | ₹ 5,000 |

Exchange rate applicable US \$ 1 = ₹ 45

Provide explanation for your answer.

CEL

P.T.O.