

Free of Cost

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SCANNER™ Appendix

ICWA Inter Gr. II (New Course)
December - 2009

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PAPER'S

Paper - 8 : Cost and Management Accounting

Chapter-1 : Cost Concept and Classification of Cost

2009 - Dec [5] (a) Distinguish between Cost control and Cost reduction.

(5 marks)

Chapter-2 : Material Accounting

2009 - Dec [2] (a) Distinguish between Scrap, Spoilage and Defectives in an engineering industry.

(5 marks)

2009 - Dec [8] Write short notes on the following :

(e) Perpetual Inventory System.

(5 marks)

Chapter-3 : Labour Accounting

2009 - Dec [2] (b) In a factory bonus system, bonus hours are credited to the employees in the proportion of time taken, which time saved bears to time allowed. Jobs are carried forward from one week to another. No overtime is worked and payment is made in full for all units worked on, including those subsequently rejected. From the following information you are required to calculate for each employee :

- (i) The bonus hours and amount of bonus earned;
- (ii) The total wage costs; and
- (iii) The wages cost of each good unit produced.

| <i>Particulars</i> | <i>Worker A</i> | <i>Worker B</i> | <i>Worker C</i> |
|----------------------------|--------------------|-----------------|-------------------|
| Basic rate per hour | Rs. 10 | Rs. 16 | Rs. 12 |
| Units produced 2600 | 2200 | 3600 | |
| Time allowed for 100 units | 2 hours 30 minutes | 3 hour | 1 hour 30 minutes |
| Time taken | 52 hours | 75 hours | 48 hours |
| Rejects | 100 units | 40 units | 400 units |

(5 marks)

2009 - Dec [3] (a) Briefly state the various causes of Labour Turnover.

(5 marks)

2009 - Dec [8] Write short notes on the following :

(d) Job Evaluation;

(5 marks)

Chapter-4 : Overhead

2009 - Dec [2] (c) The production department of a factory furnishes the following information for the month of March 2007 :

Materials used — Rs. 54,000

Direct wages — Rs. 45,000

Overheads — Rs. 36,000

Labour hours worked — 36,000

Hours of machine operation — 30,000

For an order executed by the department during a particular period, the relevant information was as under :

Materials used — Rs. 6,00,000

Direct wages — Rs. 3,20,000

Labour hours worked — 3,200

Machine hours worked — 2,400

Calculate the overhead charges chargeable to the job by the following methods:

- (i) Direct materials cost percentage rate;
- (ii) Labour hours rate; and
- (iii) Machine hour rate. (5 marks)

Chapter-7 : Process Costing, Joint Products and By-Products

2009 - Dec [3] (b) From the following particulars, prepare the following in the books of X Ltd. :

- (i) Statement of equivalent production.
- (ii) Statement of apportionment of cost.
 - Opening stock as on 1st August : 200 units @ Rs. 4 per unit
 - Degree of completion : Materials 100%, Labour and Overheads 40%
 - Units introduced during August : 1,050 units
 - Output transferred to the next process : 1,100 units

- Closing stock : 150 units
- Degree of completion : Materials 100%, Labour and Overheads 70%
- Other relevant information regarding the process :
Materials : Rs. 3,150, Labour : Rs. 4,500 and Overheads : Rs. 2,250
(10 marks)

2009 - Dec [4] (b) ABC Ltd. produces three joint products — X, Y and Z. The products are processed further. Pre-separation costs are apportioned on the basis of weight of output of each joint-product. The following data are provided for month just concluded :

Cost incurred upto separation point Rs. 10,000

| | <i>Product X</i> | <i>Product Y</i> | <i>Product Z</i> |
|--------------------------------------|------------------|------------------|------------------|
| Output (in Litre) | 100 | 70 | 80 |
| | Rs. | Rs. | Rs. |
| Cost incurred after separation point | 2,000 | 1,200 | 800 |
| Selling Price per Litre | | | |
| After further processing | 50 | 80 | 60 |
| At pre-separation point (estimated) | 25 | 70 | 45 |

You are required to :

- (i) Prepare a statement showing profit or loss made by each product using the present method of apportionment of pre-separation cost; and
- (ii) Advise the management whether, on purely financial consideration, the three products are to be processed further. (5 + 5 = 10 marks)

Chapter-8 : Cost Accounting in Service Sector

2009 - Dec [5] (b) A hotel has a capacity of 100 Single rooms and 20 Double rooms. The average occupancy of both single and double rooms is expected to be 80% throughout the year of 365 days. The rent for double room has been fixed at 125% of the rent of single room. The costs are as under :

Variable Costs : Single room Rs. 220 each per day, Double room Rs. 350 each per day.

Fixed Costs : Single room Rs. 120 each per day, Double room Rs. 250 each per day.

(calculated on the basis of current occupancy level)

Calculate the rent chargeable for single and double rooms per day in such a manner that the hotel earns a profit of 25% on cost at current occupancy level.

(5 marks)

Chapter-11 : Marginal Costing and Decision Making

2009 - Dec [5] (c) A company produces a single product. The selling price of the product is Rs. 69.50 per ton. The variable cost is Rs. 35.50 per ton, fixed cost for the period is Rs. 18.02 lakh.

- (i) Calculate the Break Even Volume; and
- (ii) If the Break Even Volume represents 40% of the capacity of the plant, what will be the profit at 80% capacity if there is a reduction in sale price by 10% for additional 20% production and reduction by 15% for the next additional 20% production ? (2 + 3 = 5 marks)

Chapter-12 : Activity Based Costing

2009 - Dec [4] (a) Briefly describe what is meant by Activity Based Management. (5 marks)

2009 - Dec [8] Write short notes on the following :

- (c) Cost Driver; (5 marks)

Chapter-13 : Budgetary Control

2009 - Dec [7] ABC Ltd. has prepared a flexible budget for the coming quarter.

The following information is provided from the same :

| Production Capacity | 40% | 60% | 80% | 100% |
|------------------------------------|--------------|--------------|--------------|--------------|
| Costs | Rs. | Rs. | Rs. | Rs. |
| Direct Labour | 16,000 | 24,000 | 32,000 | 40,000 |
| Direct Material | 12,000 | 18,000 | 24,000 | 30,000 |
| Production Overheads | 11,400 | 12,600 | 13,800 | 15,000 |
| Administrative Overheads | 5,800 | 6,200 | 6,600 | 7,000 |
| Selling and Distribution Overheads | <u>6,200</u> | <u>6,800</u> | <u>7,400</u> | <u>8,000</u> |
| | 51,400 | 67,600 | 83,800 | 1,00,000 |

However, due to recession the company will have to operate at 50% capacity in the coming quarter. Selling prices has to be lowered to an uneconomic level and expected sales revenue for the coming quarter will be Rs. 49,500/-. But it is projected that in the next quarter following the coming quarter, the concern will operate at 75% capacity and generate a sales revenue of Rs. 90,000.

The Management is considering a suggestion to keep the operation suspended in the coming quarter and restart operation from the quarter when it is expecting to operate at 75% capacity. If the operation is suspended in the next quarter it is estimated that :

- (a) The present fixed cost for the quarter would be reduced to Rs. 11,000.
- (b) There will be cost of Rs. 7,500 for closing down operations.
- (c) There would be additional maintenance cost of Rs. 1,000 for quarter.
- (d) There would be an one time cost of Rs. 4,000 in re-opening the plant.

You are required to advise whether the factory should be kept operational during the coming quarter and also what will be the profit at 75% capacity utilization level. (15 marks)

Chapter-14 : Standard Costing

2009 - Dec [6] (a) State the principle reasons which give rise to variances between actual and standard in standard costing. (5 marks)

(b) The following information are provided to you for a month in respect of a workshop :

- (i) Overhead cost variance — Rs. 1,400 adverse
- (ii) Overhead volume variance — Rs. 1,000 adverse
- (iii) Budgeted hours — 1,200 hrs.
- (iv) Budgeted overhead — Rs. 6,000
- (v) Actual rate of recovery of overheads — Rs. 8 per hour

You are required to compute :

- 1. Overhead expenditure variance
- 2. Actual overheads incurred
- 3. Actual hours for actual production
- 4. Overheads capacity variance
- 5. Overheads efficiency variance
- 6. Standard hours for actual production (10 marks)

Chapter-15 : Performance Measurement Systems

2009 - Dec [8] Write short notes on the following :

- (b) Performance Budgeting; (5 marks)

Chapter-16 : Recent Trend in Cost Accounting

2009 - Dec [8] Write short notes on the following :

- (a) Supply Chain Analysis; (5 marks)

Chapter-19 : Objective Questions

2009 - Dec [1] {C} (a) Match the statement in Column 1 with the most appropriate statement in Column 2 :

| Column 1 | Column 2 |
|--------------------|--|
| 1. Uniform Costing | A. Job evaluation |
| 2. Value Analysis | B. Technique to assist inter-firm comparison |
| 3. Residual Income | C. Promotes innovation and creativity |
| 4. Stepped Cost | D. Supervisor's salaries |
| 5. Point Rating | E. Measures divisional performance |

(1 × 5 = 5 marks)

(b) State whether the following statements are *True* (T) or *False* (F) :

- (i) ABC analysis is made on the basis of unit prices of material.
- (ii) Cost of tube used for packing tooth paste is indirect material cost.
- (iii) Value analysis helps in cost control.
- (iv) In process costing no distinction is made between direct and indirect material.
- (v) Coal industry makes use of process costing. (1 × 5 = 5 marks)

- (c) In the following cases one out of four answers is correct. You are required to indicate the correct answer (1 mark) and give your reason for answer (1 mark) :
- (i) A television company manufactures several components in batches. The following data relates to one component :
Annual demand — 32,000 units; Set-up cost/batch — Rs. 120;
Annual rate of interest — 12%; Cost of production per unit — Rs. 16.
The Economic Batch Quantity (EBQ) is
(A) 2500 (B) 4000 (C) 3000 (D) 2000
- (ii) Sales of two consecutive months of a company are Rs. 3,80,000 and Rs. 4,20,000. The company's net profits for these months amounted to Rs. 24,000 and Rs. 40,000 respectively. There is no change in P/V ratio or fixed costs. The P/V ratio of the company is
(A) 33.33% (B) 40% (C) 25% (D) None of these
- (iii) The repairs and maintenance of machinery in factory is a semi-variable cost having some relationship with the no. of machine hours run. It was Rs. 17,500 during October 2009 for 7,500 machine hours worked and Rs. 15,400 for November 2009 when only 5,400 machine hours were worked. The budgeted cost of repairs and maintenance for December 2009 when 6,200 machine hours are expected to be worked will be
(A) 17,200 (B) 16,800 (C) 16,200 (D) None of these
- (iv) The budgeted annual sales of firm is Rs. 80 lakhs and 25% of the same is cash sales. If the average amount debtors of the firm is Rs. 5 lakhs, the average collection period of credit sales will be months
(A) (B) 1 (C) (D) None of these
- (v) The budgeted fixed overhead for a budgeted production of 10,000 units is Rs. 20,000. For a certain period, the actual production was 11,000 units and the actual expenditure came to Rs. 24,000. The volume variance would be
(A) Rs. 4,000 (Adv.) (B) Rs. 2,000 (Fav.) (C) Rs. 2,000 (Adv.) (D) None of these
(2 × 5 = 10 marks)
- (d) Fill in the blanks suitably :
- (i) Work study consists of _____ and _____ .
- (ii) Two methods used for calculation of equivalent production are _____ and _____ .
- (iii) Economic Batch Quantity depends on _____ and _____ costs.

- (iv) Normal idle time costs should be charged to _____ while that due to abnormal reasons should be charged to _____ .
- (v) A flexible budget recognizes the behaviour of _____ and _____ costs. (1 × 5 = 5 marks)

Paper - 9A : Operations Management

Chapter-1 : Production Process

2009 - Dec [2] (c) Write short notes on :

- (i) Case hardening,
- (ii) Centrifugal casting,
- (iii) Galvanising,
- (iv) Hobbing machine. (1 × 4 = 4 marks)

Chapter-2 : Plant Layout

2009 - Dec [3] (a) A company planning to start an assembly unit of television sets has to decide on the location of its plant at any of the three cities viz. Kolkata, Delhi or Mumbai. The extent of fixed and variable costs for each of these locations are estimated to be as under:

| Locations | Kolkata | Delhi | Mumbai |
|---------------------------------|---------|-------|--------|
| Fixed Costs per annum Rs. lakhs | 30 | 50 | 25 |
| Variable cost per unit Rs. | 300 | 200 | 350 |

The expected selling price is Rs. 700 per unit.

Calculate:

- (i) The range of annual production/sales volume for which each location is most suitable.
- (ii) Which one of the three locations is most suitable for a production/sales volume of 18000 units ?
- (iii) BEP for each loaction. (4 + 3 + 3 = 10 marks)
- (b) What are the principles for a plant layout? (4 marks)
- (c) What are the characteristics of a goods plant layout ? (4 marks)

Chapter-5 : Production Planning and Control

2009 - Dec [2] (a) From the following time series data of sales of refrigerators, project the sales for the year 2010:

| Year | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|------------------------|------|------|------|------|------|------|------|
| Sales (thousand units) | 90 | 100 | 102 | 93 | 104 | 109 | 102 |

(6 marks)

Chapter-7 : Process Planning Despatching Scheduling & Line Balancing Problem**2009 - Dec [2]** (b) Enumerate four differences between PERT and CPM.

(1 × 4 = 4 marks)

Chapter-9 : Material Requirement Planning & Inventory Control System**2009 - Dec [2]** (d) A manufacturer requires 10,000 components for use during the next year which is assumed to consist of 250 working days. The cost of storing one component for one year is Rs. 40 and the cost of placing order is Rs. 320.

There must always be a safety stock of two working days usage and the lead time from the supplier will be 5 working days. Assume that usage takes place steadily throughout the working days, delivery takes place at the end of the day and the orders are placed at the end of the working day. Compute (i) EOQ and (ii) Re-order Point.

(2 + 2 = 4 marks)

Chapter-11 : Maintenance Management**2009 - Dec [4]** (b) Justify the necessity of keeping records of Maintenance Work Done. What should you ensure to get the full benefits of effective maintenance?

(2 + 3 = 5 marks)

2009 - Dec [4] (c) Super Electronics manufactures TV sets and carries out the picture tube testing for 2500 hours. A sample of 200 tubes was put through this quality test during which 4 tubes failed. If the average usage of TV by the customer is 5 hours/day and if 15000 TV sets were sold, then in one year how many tubes were expected to fail and what is the mean time between failures for these tubes?

(3 + 1 = 4 marks)

Chapter-14 : Transportation**2009 - Dec [4]** (a) A company has 3 factories and 3 customers. The following table gives the transportation cost per unit from the factories to the customers and also the quantities available and required. Determine the initial transportation solution using Vogel's method.

| Factory | A | B | C | Availability | |
|-------------|----|----|----|--------------|-----------|
| F1 | 10 | 11 | 20 | 10 | |
| F2 | 15 | 12 | 10 | 2 | |
| F3 | 17 | 9 | 16 | 8 | |
| Requirement | 8 | 5 | 7 | 20 | (6 marks) |

Chapter-16 : Change of Technology and its Implications**2009 - Dec [4]** (d) Expand the term CIM and write the implication of adopting CIM.

(1 + 2 = 3 marks)

Chapter-17 : Objective Questions

2009 - Dec [1] {C} (a) For each part below, choose the most appropriate answer out of the four options indicated below each part :

- (i) Variety reduction is generally known as
(a) Less varieties, (b) Simplification, (c) Reduced varieties, (d) None of the above.
- (ii) Line of best fit is another name given to
(a) Method of least squares, (b) Moving average method, (c) Semi-average method, (d) Trend line method.
- (iii) The card, which shows the number of rejected products from the total quantity produced, is
(a) Quality control card, (b) Inspection card, (c) Rejection card, (d) Job card.
- (iv) Route card and technological route card are
(a) Different type of documents, (b) Route card shows route and technological card shows the technology used, (c) Same type of documents, (d) One is prepared by Production Manager and the other by Dispatcher. (1 × 4 = 4 marks)

(b) Expand the terms in List 'A' and match them with the related functional areas of production management in List 'B':

List 'A'

SPT

ISO

CNC

MTM

WIP

List 'B'

Production control

Work measurement

Scheduling

Machine tool

Standardisation (1 × 5 = 5 marks)

(c) Put an appropriate word or phrase in blank position :

- (i) Statistical analysis is used to determine the optimum policy of _____ maintenance.
- (ii) _____ layout is used for mass production.
- (iii) Factor comparison is a method of _____.
- (iv) _____ cannot be delegated.
- (v) Ergonomics is another name for _____. (1 × 5 = 5 marks)

| |
|---|
| Paper - 9B : Information Systems |
|---|

Chapter-1 : Information System Analysis and Design

2009 - Dec [6] (b) Explain self-regulatory aspect of an Information System.

(3 marks)

- (e) Indicate the points to be considered while designing Source Documents.
(4 marks)

Chapter-2 : Database Management System

2009 - Dec [6] (a) The following are the fields and its size in a purchase order record:

| Field Name | Maximum Field Size |
|-----------------------|--------------------|
| Purchase Order Number | 5 |
| Vendor Code | 2 |
| Order Quantity | 4 |
| Order Date | 6 |

The maximum number of estimated outstanding purchase order records will be 500. Expected increase in total records is 10%. The software also requires an overhead of 20% for minimizing collision and overflow conditions. Compute the total file space requirement after allowing for 10% contingency factor on the total size.
(4 marks)

2009 - Dec [6] (c) What are the advantages of Client-Server Technology.
(4 marks)

Chapter-3 : Management Information Systems : An Overview

2009 - Dec [7] (a) What is data mining? What are the various types of services available from the related software tools?
(3 + 3 = 6 marks)

Chapter-4 : Enterprise Resource Planning

2009 - Dec [7] (b) What are generally the sub-systems in the Manufacturing Module of an ERP Package?
(3 marks)

(c) How will you start the selection process of an ERP Package? What would be the criteria for the selection? What are costs to be included in the Budget for implementation of ERP?
(3 + 3 + 3 = 9 marks)

2009 - Dec [8] (c) A company engaged in steel manufacturing activities is considering the implementation of an ERP system. The company has a few computerized applications running in different areas of the organisation. All these will be discontinued after ERP system is implemented.

A software firm has given a quotation for the new system which states that the implementation will take a little more than a year and the capital cost will be Rs. 86 lakhs (payable as Rs. 55 lakhs in the first year and Rs. 31 lakhs in the second year). The management is wondering as to when the ERP system will recover all of its initial costs and start making a profit. What would be your answer based on the above data and the following information about operational costs (Rs. lakhs)?

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|------------|--------|--------|--------|--------|--------|
| Old system | 25 | 28 | 34 | 45 | 47 |
| New system | — | 7 | 14 | 15 | 16 |

(3 marks)

Chapter-5 : Objective Questions**2009 - Dec [5] {C}** (a) Put an appropriate word or phrase in blank position:

- (i) An _____ system is one which interacts with its environment and can change itself to accommodate the modifications.
- (ii) _____ are the procedure and rules for intercomputer communication.
- (iii) _____ Device is a reading device used to interpret printed, hand-written data directly from source documents.
- (iv) _____ is the logical steps of problem decision in which a problem is divided into distinct logical conditions and actions under each condition are framed.
- (v) File activity = _____ / Number of records in the file.
- (vi) _____ is an illegal action with the help of computer technology to make financial gain, to have unauthorized access to private information of others, to damage software/data etc. (1 × 6 = 6 marks)

(b) Which of the following features will apply for an Interpreter and which ones for a Compiler ?

- (i) Cost of software is high
- (ii) Translation takes place during execution
- (iii) Execution time is high
- (iv) Translates the whole program
- (v) Requires more memory
- (vi) Cost of software is less
- (vii) Translation happens in one go
- (viii) Execution is fast
- (ix) Requires less memory
- (x) Translates line by line (0.5 × 10 = 5 marks)

(c) Each statement below is either **True** or **False**. Indicate the same in your answers:

- (i) Transaction Files are basically intermediate files created during processing for an application area.
- (ii) In bus topology, a single network cable runs within a specified area and the terminals are connected to it.
- (iii) An Executive Information System (EIS) takes care of the requirement of information for senior managers only and hence is not a useful tool for people working in different managerial levels. (1 × 3 = 3 marks)

New Chapter :**2009 - Dec [6]** (d) Make a list of commonly used internet protocols.

(3 marks)

2009 - Dec [8] (a) What is computer fraud? What is the motive behind computer fraud? Name five common types of computer fraud.

(1 + 3 + 5 = 9 marks)

- (b) How do you distinguish between Internet and Intranet? What are the problems usually faced by users of Internet? (2 + 4 = 6 marks)

Paper - 10 : Applied Indirect Taxes

Chapter-2 : Central Excise Law

2009 - Dec [3] Write short notes on *any three* of the following:

- (a) Related person under the Central Excise Act.
- (b) Determination of value when goods are manufactured on job work basis.
- (c) Transaction value under the Central Excise Act.
- (d) Special Audit or Cenvat Credit Audit under section 14AA of the Central Excise Act. (3 × 5 = 15 marks)

2009 - Dec [4] (a) Explain the provisions of interest on delayed payment under Central Excise and Customs. (7 marks)

- (b) Explain the provisions of Central Excise Act, 1944 which empower the Central Government not to recover the duties of excise not levied or short levied as a result of general practice. If the duty has been paid despite such practice, is it refundable? (6 + 2 = 8 marks)

2009 - Dec [5] (b) Write notes on—

e-payment of excise duty and state whether it is compulsory or not.

(7 + 2 = 9 marks)

2009 - Dec [6](b) What will be the consequences in case the 'subject goods' are not used by the manufacturer for the purpose specified in the notification? When will the subject goods be deemed as not been used for intended purpose? (5 marks)

(c) Discuss the validity or otherwise of the following statements with reasons—

- (i) Input cleared as such to a job worker on 1.10.2008 was not returned in 180 days, assessable value being Rs. 20,000, Excise duty @ 16.48%, 50% of the inputs were received on 1.4.2009. In this situation no Cenvat will be allowed in the year ending on 31.3.2009.
- (ii) Purchased a plant for Rs. 1,16,480 cum-duty (excise duty rate 16.48%) on 12.12.2008 and received the plant into factory on 5.4.2009. Cenvat allowed will be only Rs. 8,240 for the year ended on 31.3.2009.

(2½ × 2 = 5 marks)

2009 - Dec [8] Describe, in brief, the procedure for export of goods under bond as per Rule 13 of C.E. Rules, 1944. (15 marks)

Chapter-3 : Custom Laws

2009 - Dec [2] (a) Briefly examine the significance of the levy of "auto Dumping duty" under the Customs Tariff Act.. (7 marks)

(b) Sakti has imported certain goods by AIR. FOB value of goods is \$ 2000. Freight \$ 500 and insurance \$ 50. Rate of Exchange is \$ 1 = Rs. 50. Landing charges is 1% of CIF value. Calculate the assessable value for Customs Duty. (8 marks)

Chapter-5 : Central Sales Tax and VAT

2009 - Dec [5] (a) State briefly whether sales tax will be levied on the following:

- (i) Shares and debentures
- (ii) Sale of newspapers (3 + 3 = 6 marks)

2009 - Dec [6] (a) State how the VAT system operates. (5 marks)

2009 - Dec [7] (a) A dealer effected following interstate sales during the quarter January–March'09

Invoice No. 1 dt. 01.01.09 Rs. 1,02,000 inclusive of tax
Invoice No. 2 dt. 31.01.09 Rs. 50,000 exclusive of tax CST Rs. 1,000
Total Rs. 51,000

Invoice No. 3 dt. 01.02.09 Rs. 40,800 inclusive of CST
Invoice No. 4 dt. 15.02.09 Rs. 25,500 inclusive of CST
Invoice No. 5 dt. 01.03.09 Rs. 2,00,000 exclusive of tax

Following further information is given

All registered dealers gave form 'C' except purchase of goods of invoice No. 5. 50% of goods pertaining to invoice No.1 are returned on 21.3.09. 10% of goods pertaining to invoice No. 2 is rejected.

CST is 2%, State Sales Tax is 8%.

Compute the taxable turnover and tax payable. (8 marks)

(b) CST is single point tax. Elucidate.

A sells goods worth Rs. 1,00,000 in Delhi to 'B' a registered dealer in Madras. B gives 'C' form and pays CST of Rs. 2,000/-. B sells it to 'D' for Rs. 1,10,000 a registered dealer by delivery of R/R and endorsing it on the back of R/R. Is there any CST liability to 'D'? (4 marks)

(c) What is deemed sale in CST? (2 marks)

(d) Why certificate in form 'H' is necessary to a penultimate exporter? (1 mark)

Chapter-6 : Objective Questions

2009 - Dec [1] {C} (a) State with reasons whether the following is true or false.

- (i) Parts used for repair or replacement during warranty period are excisable.
- (ii) The conveyances are not allowed to leave India without written permission from the customs authorities.
- (iii) Central excise authorities cannot raise demands contrary to the approved classification/price list retrospectively.
- (iv) There are common provisions in Customs/Central Excise/ST.

- (v) Delay in filing appeal can be condoned but condonation is not a matter of right. (3 × 5 = 15 marks)
- (b) Fill up the blanks:
- (i) Appeals under Central Excise and Customs must be filed within _____ days from the date of communication order. (1 mark)
- (ii) Exclusive economic zone extends to _____ nautical miles from the base line under the customs Act. (1 mark)
- (iii) Compressing and bottling gas _____ (is/is not) manufacture. (1 mark)
- (iv) Erection of civil structure _____ (is/is not) taxable services. (1 mark)
- (v) At present deduction _____ (is/is not) available on the basis of equalised freight and Central Excise. (1 mark)
- (vi) Laptop Computer (Note Book Computer) brought as baggage by person above 18 years of age _____ (is/is not) fully exempt from customs duty. (1 mark)
- (vii) Captive consumption is _____ to duty, value is determined on the basis of cost + _____%. (2 marks)
- (viii) Job work is not _____. (1 mark)
- (ix) Show cause notice issued by an officer beyond his power will be _____. (1 mark)

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