

BOARD OF EXAMINERS, ODISHA
FIRST HALF YEARLY DEPARTMENTAL EXAMINATION
OF OFFICERS, 2022

LAW-II (WITH BOOKS)
[FOR OFFICERS OF ODISHA FINANCE SERVICE]

TIME----3 HOURS

FULL MARKS—150

PASS MARKS---90

(Answer all questions)

1. (i) In course of audit of a dealer engaged in business of trading of cashew nuts for FY 2015-16, the audit team noticed the following transactions. **[20]**
- (a) The dealer has purchased 10000 Quintals of cashew nuts valued Rs.80, 00,000/- from unregistered dealers within the state of Odisha.
- (b) The dealer has effected sales of 2500 quintals of cashew nuts valued Rs.22, 00,000/- within the State of Odisha.
- (c) The dealer has effected inter-State sales of 5000 quintals of cashew nuts valued Rs.22,00,000/- against which the dealer failed to submit C declaration forms to the audit officials.
- (d) The dealer has effected stock transfer of remaining

2500 quintals of cashew nuts to its branch registered in the State of Andhra Pradesh against which the dealer submitted F declaration forms valued Rs.40,00,000/- to the audit officials

Calculate the tax liability of the dealer under the VAT and CST Act for the year 2015-16 assuming the rate of VAT on cashew nuts is 5%.

- (ii)** During the month of April 2017, a registered dealer has effected purchase of betel nuts valued Rs.10000/- with input tax of Rs.500/- from registered dealer and Rs.5000/- from unregistered dealers respectively total valued Rs.10500/-. He effected sales of all the betel nuts and received monetary consideration of Rs.18000/- from the buyers during the same month. Calculate the net tax payable by the registered dealer under the OVAT Act and due date of payment of such tax. **[10]**

2. Answer all questions

[10x3=30]

- a) What is the specific condition that makes a contract an agreement to Sell?
- b) List the various types of goods as included in the Sale of Goods Act, 1930. Briefly explain about future goods.

- c) Distinguish between Inter-State Sale as defined u/s 3(a) of the CST Act and inter-state transfer of goods u/s 6 A of CST Act.

3. Answer all questions

[10x3=30]

- a) What are the circumstances under which a person can make a complaint to the State Information Commission under the RTI Act, 2005 ?
- b) What is the procedure of disclosure of third party information under RTI Act, 2005 ?
- c) What are the differences between exempted sales and Zero rated sales under the VAT Act ?

4. Answer all questions

[15x2=30]

- (a) Is there any provision for deduction of tax at source under Profession Tax Act? If yes, who are liable for such deduction and what are the rates of such deduction.
- (b) What is the taxable event under Entry Tax Act, 1999?
Calculate the Entry tax liability on the following transactions made during the FY 2015-16 by a trading dealer registered within the local area of Bhubaneswar.
- (i) Purchased Agarbati valued Rs.10, 00,000/- from registered dealers within the State of Odisha and incurred freight charges of Rs.20, 000/-.
- (ii) Purchased Agarbati valued Rs.5,00,000/- and

Rs.5,00,000/- from unregistered dealers located in Cuttack and Bhubaneswar municipality areas respectively.

(iii) Purchased Agarbati valued Rs.5,00,000/- from outside the State of Odisha and incurred freight charges of Rs.10,000/-.

(iv) Sold all the Agarbati at Rs.30,00,000/- to dealers located within the State of Odisha; but outside the local area of Bhubaneswar municipality.

(5) Answer all questions

[10x3=30]

(i) What is the principle for determining input tax credit when part of the goods purchased by a registered dealer was used in manufacturing goods which are exempted from payment of tax under the VAT Act? Explain with an example.

(ii) What are the objectives of Information Technology Act, 2000?

(iii) Specify the circumstances in which the provision of penalty in lieu of prosecution is invoked under the CST Act.
