

MODEL TEST PAPER 7
INTERMEDIATE COURSE: GROUP-I
PAPER – 3: TAXATION

Time Allowed – 3 Hours

Maximum Marks – 100

SECTION – A: INCOME TAX LAW (50 MARKS)

Working Notes should form part of the answer. Wherever necessary, suitable assumptions may be made by the candidates and disclosed by way of a note. However, in answers to Questions in Division A, working notes are not required.

The relevant assessment year is A.Y.2025-26.

Division A – Multiple Choice Questions

Write the most appropriate answer to each of the following multiple choice questions by choosing one of the four options given. All questions are compulsory.

1. Mr. Amit, an Indian citizen, aged 61 years, has set-up his business in France and is residing in France since 2010. He owns a house property in France, half of which is used by him for his residence and half is given on rent (converted into INR is ₹ 12,00,000 p.a.).

Mr. Amit visited India for 65 days during the previous year 2024-25. Before that he visited India in total for 366 days during the period 1.4.2020 to 31.3.2024.

He derived some other incomes during the F.Y. 2024-25 which are as follows:

- (i) Profit from business in France ₹ 2,75,000
- (ii) Interest on bonds of a Co. in France ₹ 6,20,000 out of which 50% was received in India.
- (iii) Income from Apple Orchid in Nepal given on contract and the yearly contract fee of ₹ 5,00,000 for F.Y. 2024-25, was received by Amit in Nepal.

Mr. Amit has sold 10,000 listed shares @ ₹ 480 per share of ABC Ltd., an Indian company, on 15.9.2024, which he acquired on 05-04-2021 @ ₹ 100 per share. STT was paid both at the time of acquisition as well as at the time of transfer of such shares.

On 31-01-2018, the shares of ABC Ltd. were traded on a recognized stock exchange as under:

Highest price - ₹ 300 per share

Average price - ₹ 290 per share

Lowest price - ₹ 280 per share

Based on the facts of the case scenario given above, choose the most appropriate answer to the following questions:-

- (i) What would be the residential status of Mr. Amit for the A.Y. 2025-26?
- (a) Resident and ordinarily resident in India
 - (b) Resident but not ordinarily resident in India
 - (c) Non-resident
 - (d) Deemed resident
- (ii) What amount of capital gain would arise in the hands of Mr. Amit on transfer of shares of ABC Ltd?
- (a) ₹ 18,00,000
 - (b) ₹ 19,00,000
 - (c) ₹ 20,00,000
 - (d) ₹ 38,00,000
- (iii) What would be the total income of Mr. Amit for the A.Y. 2025-26?
- (a) ₹ 41,10,000
 - (b) ₹ 38,00,000
 - (c) ₹ 21,10,000
 - (d) ₹ 49,50,000
- (3 x 2 = 6 Marks)**

2. Miss Himani transferred to his husband, Mr. Hemant, a residential property worth ₹ 45 lakhs located in Nagpur without any consideration. The expected rent of such property is ₹ 5 lakhs. Municipal tax of ₹ 5,000 paid by Miss Himani for this property during the previous year 2024-25. Miss Himani has three residential properties in Mumbai. The expected rent from the 3 properties situated in Mumbai is ₹ 10 lakhs, ₹ 11 lakhs and ₹ 12 lakhs respectively. She purchased the properties out of her own funds. Municipal taxes due are ₹ 15,000, ₹ 20,000 and ₹ 25,000. The same have, however, not been paid this year in respect of the three properties. The expected rent is lesser than the standard rent in case of all the aforementioned properties. Miss Himani does not have any income from any other source.

Miss Himani's father, aged 58 years had capital gains of ₹ 5 crores from sale of house property. He reinvested the proceeds from sale in another residential house of ₹ 4.98 crores and the remaining sale proceeds were deposited in his savings bank account. He has paid ₹ 1,50,000 towards LIC premium. He has no other source of income.

Based on the facts of the case scenario given above, choose the most appropriate answer to the following questions:

- (i) What is the amount of income liable to be taxed in the hands of Miss Himani under the head "Income from House Property" for A.Y.2025-26?
- (a) ₹ 7,00,000
 - (b) ₹ 10,46,500

- (c) ₹ 10,50,000
 - (d) ₹ 13,76,500
- (ii) What would be tax liability of Miss Himanil for the A.Y. 2025-26? Compute in a manner so that her tax liability is minimum.
- (a) ₹ 66,300
 - (b) ₹ 59,250
 - (c) ₹ 69,650
 - (d) ₹ 1,31,510
- (iii) Is Himani's father required to furnish his return of income in India for the A.Y.2025-26?
- (a) No, he is not required, since his income does not exceed basic exemption limit
 - (b) Yes, he is required to furnish return of income on or before 31st July, 2025
 - (c) Yes, he is required to furnish return of income on or before 30th September, 2025
 - (d) Yes, he is required to furnish return of income on or before 31st October, 2025

(3 x 2 = 6 Marks)

3. During the P.Y.2024-25, Mr. Ranjit has short-term capital gains of ₹ 95 lakhs taxable under section 111A, long-term capital gains of ₹ 110 lakhs taxable under section 112A and business income of ₹ 90 lakhs. Which of the following statements is correct if Mr. Ranjit is paying tax under default tax regime?
- (a) Surcharge @15% is leviable on income-tax computed on total income of ₹ 2.95 crore.
 - (b) Surcharge @25% is leviable on income-tax computed on total income of ₹ 2.95 crore, since total income exceeds ₹ 2 crore.
 - (c) Surcharge @15% is leviable in respect of income-tax computed on capital gains of ₹ 2.05 crore; in respect of business income, surcharge is leviable @25% on income-tax, since total income exceeds ₹ 2 crore.
 - (d) Surcharge @15% is leviable in respect of income-tax computed on capital gains of ₹ 2.05 crore; surcharge @10% is leviable on income-tax computed on business income, since the same exceeds ₹ 50 lakhs but is less than ₹ 1 crore.
- (2 Marks)**
4. Mr. Raj incurred short-term capital loss of ₹ 10,000 on sale of shares through the National Stock Exchange. Such loss -
- (a) can be set-off only against short-term capital gains
 - (b) can be set-off against both short-term capital gains and long-term capital gains.

- (c) can be set-off against any head of income.
 (d) not allowed to be set-off.

(1 Mark)

Division B – Descriptive Questions

Question No. 1 is compulsory

*Attempt any **two** questions from the remaining **three** questions*

1. (a) Mr. Sahil, resident Indian aged 40 years, a Manufacturer at Chennai, gives the following Manufacturing, Trading and Profit & Loss Account for the year ended 31.03.2025.

Manufacturing, Trading and Profit & Loss Account for the year ended 31.03.2025

Particulars	₹	Particulars	₹
To Opening Stock	4,97,000	By Sales	3,04,50,000
To Purchase of Raw Materials	1,20,43,500	By Closing Stock	14,00,000
To Manufacturing Wages & Expenses	40,63,500		
To Gross Profit	1,52,46,000		
Total	3,18,50,000	Total	3,18,50,000
To Administrative Charges	20,30,000	By Gross Profit	1,52,46,000
To SGST Penalty Paid		By Dividend From Domestic Companies	1,05,000
(It is not compensatory nature)	49,000	By Winning from Lotteries (Net of TDS) (TDS 31,500)	73,500
To GST Paid	7,70,000	By Profit on Sale of Shares	3,15,000
To General Expenses	3,85,000		
To Miscellaneous Expenses	10,53,500		
To Loss on Sale of Shares	1,40,000		
To Interest to Bank for term loan	4,20,000		
To Depreciation	14,00,000		
To Net Profit	94,92,000		
Total	1,57,39,500	Total	1,57,39,500

Following are the further information relating to Financial Year 2024-2025:

- (i) Administrative Charges include ₹ 46,000 paid as commission to brother of the assessee. The Commission amount at the market rate is ₹ 36,000.
- (ii) The assessee paid ₹ 33,000 in cash to a Transport Carrier on 26.12.2024. This amount is included in Manufacturing Expenses. (Assume that the provisions relating to TDS are not applicable on this payment.)
- (iii) Bank Term Loan Interest actually paid upto 31.03.2025 was ₹ 1,40,000 and the balance was paid in October 2025.
- (iv) Miscellaneous Expenses include ₹ 10,000 contributed to Prime Minister's Relief Fund by account payee cheque.
- (v) Loss on Sale of Shares represents shares sold within a period of 6 months from the date of purchase.
- (vi) Profit on Sale of Shares represents shares sold in December 2024 and held for 2 years & Securities Transaction Tax was paid on it.
- (vii) Housing Loan Principal repaid during the year was ₹ 50,000 and it relates to residential property occupied by him. Interest on Housing Loan was ₹ 2,60,000. Housing Loan was taken from Canara Bank. (Value of house property is ₹ 45 lakhs, loan value ₹ 25 lakhs and sanction date 31.03.2020). These amounts were not dealt with in the Profit and Loss Account given above.
- (ix) Depreciation allowable under the Act to be computed on the basis of following information:

Plant & Machinery (Depreciation Rate @15%)	₹
Opening WDV (as on 01.04.2024)	84,00,000
Additions During the year (Used for more than 180 Days)	14,00,000
Total Additions during the year	28,00,000
Note: Ignore Additional Depreciation u/s 32(1)(iia)	

Compute the total income and tax liability of Mr. Sahil for the A.Y. 2025-26 if he has exercised the option of shifting out of the default tax regime provided under section 115BAC(1A). **(15 Marks)**

2. (a) Mr. Tilak aged 35 years, furnishes the following information regarding his income for the assessment year 2025-26. Compute the total income if he is:
 - (1) Resident and Ordinarily Resident.
 - (2) Resident but Not Ordinarily Resident
 (Ignore the provisions of Section 115BAC).

- (i) FTS of ₹ 50,000 for service rendered in Malaysia to a non-resident for business in Malaysia, credited to his bank account in Malaysia and immediately remitted to his bank account in India.
 - (ii) Profits from a business in England controlled from Bombay ₹ 3,00,000 (out of which ₹ 25,000 is received in India).
 - (iii) Amount brought to India out of past untaxed profits earned in Singapore ₹ 1,00,000.
 - (iv) Capital gain on sale of land in India but received in Malaysia ₹ 2,00,000.
 - (v) Income from agriculture land at Nepal of ₹ 18,000, received there and then brought to India.
 - (vi) He paid ₹ 50,000 towards principal payment of loan taken for construction of his self-occupied house in India.
 - (vii) Interest on saving bank deposit in State Bank of India of ₹ 12,000. **(6 Marks)**
- (b) Examine the applicability of Tax Deduction at Sources (TDS) or Tax Collection at Source (TCS) as per the Income Act, 1961 for the assessment year 2025-26 in the following independent situations.
- (i) ABC Limited paid rent of ₹ 75,000+18% GST per month to Mr. Ram for the office premises from 01.04.2024 to 31.03.2025. Mr. Ram has furnished his PAN and also filed his return of income before due date regularly.
 - (ii) XYZ Pvt. Ltd sells two cars to Mrs. Anju costing ₹ 4,00,000 and ₹ 12,00,000 respectively on 01.05.2024 and 25.12.2024. Mrs. Anju has furnished her PAN and filed her return of income regularly before the due date. **(4 Marks)**
3. (a) (i) Mr. Ravi received an advance of ₹ 2,00,000 on 10.5.2024 from a closely held manufacturing company (private company in which the public are not substantially interested) in which he holds 22% shareholding. The company had an accumulated profit of ₹ 1,00,000 at the time of giving the advance. Compute the amount of income to be included in the hands of Mr. Ravi for the assessment year 2024-25 and also state the head under which it is to be included. **(2 Marks)**
- (ii) Mr. Rajo has commenced business on 1.4.2024. He furnished the following information regarding the payments made towards Scientific Research during the financial year 2024-25:
- (i) Revenue expenditure on Scientific Research incurred during the year ₹ 1,00,000.
 - (ii) Capital Expenditure for Scientific Research ₹ 3,00,000.
 - (iii) Contribution to Notified approved research association ₹ 1,50,000.

- (iv) Amount paid to H Limited an Indian company which has as its main object scientific research and approved by the prescribed authority ₹ 2,50,000.
- (v) Expenditure of ₹ 2,50,000 towards purchase of Land for scientific research.
- (vi) He also incurred revenue expenditure of ₹ 2,00,000 towards salary of research staff in the F.Y.2023-24 and certified by the prescribed authority.

Compute the deduction allowable u/s 35 for the assessment year 2025-26 assuming that he has opted out of default tax regime u/s 115BAC. **(4 Marks)**

- (b) Mr. Surinder furnishes the following particulars for the previous year ending 31.03.2025. He had a Residential House, inherited from his father in December 2009, the Fair Market Value of which on 01.04.2001 is ₹ 13 lakhs. In the year 2013-2014, further construction and improvements costing of ₹ 10 lakhs. The House was originally purchased by his father on 01.03.2000 for ₹ 10 Lakhs. On 10.05.2024, the House was sold for ₹ 85 Lakhs. Expenditure in connection with transfer is ₹ 50,000. On 20.12.2024, he purchased a Residential House for ₹ 12 lakhs and he does not own any other house.

Compute the taxable Capital Gain for the assessment year 2025-26.

(Cost Inflation Index: F.Y. 2013-14:220, F.Y.2024-25:363, F.Y. 2009-10:148 and F.Y. 2001-02:100) **(4 Marks)**

- 4. (a) Mr. Joshi, resident Indian, aged about 58 years, furnished the following details of his income for the previous year 2024-25:
 - (i) Income from House property (computed) ₹ 2,00,000.
 - (ii) Income from Proprietary Business ₹ 3,00,000.
 - (iii) Short Term Capital Gain on sale of Land ₹ 2,00,000.
 - (iv) Short Term Capital loss on sale of equity shares listed in recognized stock exchange (STT paid) ₹ 75,000.
 - (v) Interest on Bank fixed deposit ₹ 50,000 received by his son, aged 21 years, out of money gifted by Mr. Joshi in 2023.
 - (vi) Loss from Speculation Business ₹ 40,000.
 - (vii) Loss from Owning and Maintenance of Race Horses ₹ 50,000.

Following are the losses:

- (a) Brought forward House property loss of assessment year 2022-23 ₹ 2,50,000.
- (b) Business loss of Proprietary business from assessment year 2014-15 ₹ 50,000.
- (c) Unabsorbed Depreciation relating to assessment year 2015-16 ₹ 1,00,000.

- (d) Brought forward Long Term Capital Loss from assessment year 2019-20 ₹ 90,000.

Return of income for all the years were filed before the due date except for A.Y. 2019-20.

Compute the total income of Mr. Joshi for the assessment year 2025-26 and show the items eligible for carry forward, assuming that he exercises the option of shifting out of the default tax regime provided under Section 115BAC(1A). **(6 Marks)**

- (b) State with reason whether the following persons are required to file their return of income as per the provisions of the Income Tax Act, 1961 for the assessment year 2025-26:
- (i) Mr. Aneesh aged 31 years, who pays tax under default tax regime u/s 115BAC(1A) had a total income of ₹ 2,90,000 for the previous year 2024-25.
 - (ii) Smt. Patel, aged 65 years, has a TDS credit of ₹ 55,000 during the previous year 2024-25.
 - (iii) The gross receipts of Mr. Ajit, aged 45 years, an architect for the previous year 2024-25 was ₹ 12,00,000, but his profit from profession was only ₹ 2,25,000 and he has no other income.

(4 Marks)

OR

- (b) State the persons who are required to file their return of income in pursuance of the notification issued by the CBDT has vide Notification No. 37/2022 dated 21.04.2022. **(4 Marks)**

MODEL TEST PAPER 7
SECTION B – GOODS AND SERVICES TAX (50 MARKS)
QUESTIONS

- (i) *Working Notes should form part of the answers. However, in answers to Questions in Division A, working notes are not required.*
- (ii) *Wherever necessary, suitable assumptions may be made by the candidates, and disclosed by way of notes.*
- (iii) *All questions should be answered on the basis of the provisions of the CGST Act, 2017 and the IGST Act, 2017 as amended by the Finance (No. 2) Act, 2024 including significant notifications and circulars issued and other legislative amendments made, which have become effective up to 31.10.2024.*

Division A - Multiple Choice Questions (MCQs)

Write the most appropriate answer to each of the following multiple-choice questions by choosing one of the four options given. All questions are compulsory.

Total Marks: 15 Marks

Case Scenario 1

Poorva Logistics, a Goods Transport Agency, is registered under GST. It did not exercise the option to pay GST itself on the services supplied by it in the preceding financial year. It provided goods transport services to the following persons in February of preceding financial year-

- (a) Kunal Traders, an unregistered partnership firm
- (b) Mr. Amar, a casual taxable person, who is not registered under GST
- (c) Small Traders Co-Operative Society registered under Societies Registration Act

In a particular consignment in March of preceding financial year, Poorva Logistics transported the following-

- (a) Defence Equipments
- (b) Railway Equipments
- (c) Organic Manure

Poorva Logistics exercises the option to itself pay GST on services supplied by it @ 12% from April, of the current financial year. It provided goods transport services to Bama Steels Pvt. Ltd. on 1st April and issued an invoice dated 5th May. Payment was received on 6th May.

Based on the facts of the case scenario given above, choose the most appropriate answer to Q. Nos. 1 to 3 below:

1. Which of the following persons are liable to pay GST under reverse charge in respect of the GTA services provided by Poorva Logistics in February of the preceding financial year?

- (i) Kunal Traders
 - (ii) Mr. Amar
 - (iii) Small Traders Co-operative society
 - (a) i & ii
 - (b) ii & iii
 - (c) i & iii
 - (d) i, ii & iii
2. Transportation of _____ by Poorva Logistics is exempt from GST.
- (i) Defence Equipments
 - (ii) Railway Equipments
 - (iii) Organic Manure
 - (a) i
 - (b) i & ii
 - (c) i & iii
 - (d) i , ii & iii
3. What will be the time of supply in respect of the services provided by Poorva Logistics to Bama Steels Pvt. Ltd.?
- (a) 6th May
 - (b) 5th May
 - (c) 30th May
 - (d) 1st April
- (3 x 2 Marks = 6 Marks)**

Case Scenario 2

Ms. Chanchala, a doctor by profession, is a registered person under GST as a monthly return filer, having in-patient facility in her hospital wherein room charges are capped at ₹ 3000 per day.

Ms. Chanchala provided treatment of various diseases in her hospital and apart from that she also provided the following services in her hospital-

- (a) Plastic surgery to enhance the beauty of the face
- (b) Ambulance service for transportation of patients
- (c) Renting of space to run medical store in hospital premises

She is also a consultant in other hospitals and received ₹ 40,00,000 as consultancy fee from the other hospitals.

Further, she also provides canteen facility and received ₹ 55,000 from in-patients for supply of food as per advise of nutritionist, ₹ 35,000 from patients who are not admitted and ₹ 25,000 from visitors for the same facility.

She filed GSTR-3B for the month of June with some errors. She filed the Annual return for the said financial year on 31st October of the next financial year, whereas due date for the said Annual return was 31st December of the next financial year.

All the amounts given above are exclusive of taxes, wherever applicable. All the supplies referred above are intra-State unless specified otherwise.

Based on the facts of the case scenario given above, choose the most appropriate answer to Q. Nos. 4 to 6 below:

4. Compute the taxable value of supply of canteen service provided by Ms. Chanchala?
 - (a) ₹ 25,000
 - (b) ₹ 35,000
 - (c) ₹ 60,000
 - (d) ₹ 80,000
5. Maximum time permissible for rectification of error committed in monthly return of June is _____
 - (a) 30th November of the next year
 - (b) 31st October of the next year
 - (c) 20th October of the next year
 - (d) 31st December of the next year
6. Determine which of the following services provided by Ms. Chanchala and her hospital is exempt from GST?
 - (i) Plastic surgery to enhance the beauty of the face
 - (ii) Ambulance service for transportation of patients
 - (iii) Renting of space to run medical store in hospital premises
 - (iv) Consultancy service by Ms. Chanchala in other hospitals
 - (a) (i), (ii) & (iv)
 - (b) (i), (ii)
 - (c) (ii) & (iv)
 - (d) (i) & (iii)

(3 x 2 Marks = 6 Marks)

7. Leno Ltd., registered under GST has the balance of Rs. 90,000 in its electronic credit ledger. It has the balance of Rs. 85,000 in its electronic cash ledger. The liability under GST law at the end of tax period is-Penalty Rs. 20,000 and output tax-Rs. 55,000. Which of the following statement(s) is correct in relation to utilisation of e-ledger balance?
 - (i) Entire liability can be set off by using the balance of electronic credit ledger.
 - (ii) Entire liability can be set off by using the balance of electronic cash ledger.

- (iii) Electronic credit ledger balance can be used only for making payment of output tax.
 - (iv) Electronic cash ledger balance can be used only for making payment of penalty.
 - (a) (i) only
 - (b) (ii) only
 - (c) (ii) and (iii)
 - (d) (i) and (iv)
- (2 Marks)**

8. Mint Ltd, registered under GST is engaged in providing warehousing service of rice. During the month of May, Mr. Ghanshyam from Fazilka undertook the warehousing service from Mint Ltd. Mint Ltd. charged Rs. 15,000 as consideration for the said service but it did not issue any document to Mr. Ghanshyam. Which is the most appropriate answer in the given case?
- (a) Mint Ltd. is not required to issue any document.
 - (b) Mint Ltd. is required to issue tax invoice in the given case.
 - (c) Mint Ltd. is required to issue bill of supply in the given case.
 - (d) Mint Ltd. is required to issue payment voucher in the given case.

(1 Mark)

Division B - Descriptive Questions

Question No. 1 is compulsory.

Attempt any two questions out of remaining three questions.

1. (a) Evershine Pvt. Ltd., a GST registered supplier located in Jaipur, Rajasthan is engaged in taxable supply of packaging goods and consultancy services. It provides following details of various activities undertaken during the month of September, 2024:
- (A) Details of Outward Supplies:
- (1) Supply of goods of ₹ 18,00,000 to Vaidehi Enterprises, a registered person of Udaipur, Rajasthan. Further, received ₹ 50,000 from Vaidehi Enterprises towards freight charges (as agreed to deliver the goods at Vaidehi Enterprises' premises) which was not included in above value of supply.
 - (2) Supply of goods worth ₹ 35,00,000 to Calc. Exim, a registered person of Prayagraj, Uttar Pradesh. Further, the amount of ₹ 60,000 charged separately (not included above) from Calc. Exim on account of municipal taxes levied in relation to such outward supply.
 - (3) Supply of services to Sunshine Ltd., a registered person in Jodhpur, Rajasthan before discount worth ₹ 6,00,000. Further, discount of ₹ 30,000 which has been given at the time of

supply of service and duly recorded in the invoice.

- (4) It delivered the goods worth ₹ 2,00,000 to Jeevan Solutions, a registered person located at Bikaner, Rajasthan on the direction of Raghu Enterprise, a registered person of Mumbai, Maharashtra and tax invoice was issued by Evershine Pvt. Ltd. to Raghu Enterprise of Mumbai, Maharashtra.

(B) Details of Inward Supplies:

- (1) Purchased raw material goods worth ₹ 20,00,000 from PQR Ltd; a GST registered dealer, located at Kanpur, Uttar Pradesh. Goods worth ₹ 1,00,000 out of total purchases were not received during the month.
- (2) Purchased machinery for manufacturing process worth ₹ 2,00,000 from MPQ Pvt. Ltd., a GST registered dealer, located at Bengaluru, Karnataka. Company has claimed depreciation under Income- tax Act 1961 on full value of the machine, including the GST component.
- (3) Purchased truck worth ₹ 15,00,000 from GST registered dealer, located at Ajmer, Rajasthan for transportation of its goods. GST rate on truck is: CGST 14%, SGST 14%, IGST 28%. No depreciation has been claimed on said truck under the Income-tax Act, 1961.
- (4) Purchased car (having seating capacity of 7 persons) costing to ₹ 10,00,000 excluding GST from Mihir Automobiles Pvt. Ltd., a GST registered dealer, located at Ajmer, Rajasthan for use of its director for official purpose. GST rate on car: CGST 14%, SGST 14%, IGST 28%
- (5) Purchased goods worth ₹ 5,00,000 from DEF Buildwell Pvt. Ltd., a registered person of Jaipur, Rajasthan for construction of an additional floor of factory building, of Evershine Pvt. Ltd. The amount has been capitalized in the books of Evershine Pvt. Ltd..

Opening balance of Input tax credit as on the beginning of September 2024-CGST ₹ 20,000, SGST ₹ 50,000 and IGST ₹ 75,000.

Rate of GST applicable on both inward and outward supply of goods & services: CGST 9%, SGST 9% and IGST @18%, except where otherwise provided.

Notes:

- (i) All the figures mentioned above are exclusive of taxes.
- (ii) Subject to the information given above, conditions necessary for claiming ITC were complied with.
- (iii) All inward supplies are used for taxable goods only.
- (iv) Brief and suitable notes should form part of your answer.

Calculate the amount of net minimum GST payable in cash by Evershine Pvt. Ltd. for the month of September, 2024 **(10 Marks)**

(b) Mr. Ravindra, a registered person in Bhopal, Madhya Pradesh has provided the following information regarding outward transactions made during the month of January:

- (1) He was appointed by recognized sports body as a chief selector of hockey team and received ₹ 5,00,000 as remuneration.
- (2) Services of pure labour contract was provided for construction of independent residential unit for ₹ 1,80,000.
- (3) Income received from warehousing of sugarcane ₹ 75,000.
- (4) Provided pure services to Municipal Corporation of Bhopal for slum improvement and upgradation for ₹ 6,50,000.
- (5) He has charged consideration of ₹ 1,25,000 against western music dance performance in an event.

You are required to compute the taxable value of supply on which GST is to be paid by Mr. Ravindra for the month of January. All the amount stated above are exclusive of GST, wherever applicable.

Suitable Notes should form part of answer. **(5 Marks)**

2. (a) As per the CGST Act 2017, Vishnu Limited was not mandatorily required to get registered, however it opted for voluntary registration and applied for registration on 12th February 2024. Registration certificate has been granted by the Department on 24th February 2024, Vishnu Limited is not engaged in making inter-State outward taxable supplies. The CGST and SGST liability for the month of February, 2024 is ₹ 31,000 each. Vishnu Limited provides the following information of goods held in stock on 23rd February 2024:

Sr. No.	Particulars	Amount (₹)
1.	Capital goods procured on 5 th February 2024, (Rate of CGST and SGST @ 6% each) being intra State supply.	2,00,000
2.	Inputs contained in finished goods stock held were procured on 13 th February 2023 (Rate of IGST @18%) being inter-State supply.	3,00,000
3.	Value of Inputs received on 10 th October, 2023 contained in semi-finished goods held in stock (Rate of CGST and SGST @ 6% each) being intra-State supply.	2,50,000
4.	Inputs procured on 1 st February 2024 lying in stock of semi -finished goods	1,50,000

	(Rate of CGST and SGST @ 7.5 % each) being intra-State supply.	
5.	Inputs procured on 8 th February 2024 lying in stock of finished goods. (Rate of IGST @ 18%) being inter-State supply.	60,000

The amounts mentioned above are exclusive of GST. You are required to determine the eligible ITC available and amount of net minimum GST to be paid in cash by Vishnu Limited for the month of February 2024. **(5 Marks)**

(b) Examine the following independent cases and determine the place of supply:

- (1) Mr. Joy, an unregistered person of Kolkata, West Bengal sends a courier through Kolkata, West Bengal based Mohan Courier Agency to his sister in Mumbai, Maharashtra.
- (2) Mr. Nitin, an unregistered person, resides at Rewa, Madhya Pradesh books a two way air journey ticket from Prayagraj, Uttar Pradesh to Jaipur, Rajasthan on 6 September and back. He leaves Prayagraj on 11 September in a morning flight and land in Jaipur the same day. He leaves Jaipur on 15 September in a late night flight and lands in Prayagraj the next day.
- (3) Rimjhim Pvt. Ltd, located at Lucknow, Uttar Pradesh, purchases a manufacturing machine from Manav Steel Industries Ltd., located at Jaipur, Rajasthan, for being installed in its factory located at Haridwar, Uttarakhand. **(5 Marks)**

3. (a) GSTR 3B for the month of January 2024 has been filed by M/s Avisha Limited, a registered person, within the due date prescribed by the CGST Act 2017 which is on February 20th, 2024. It came to the notice of the Co. that tax due for the month of January, 2024 has been paid short by ₹ 16,000. The short fall of ₹ 16,000 has been paid through cash ledger and credit ledger at the time of filing GSTR 3B for the month of February 2024 on March 20th, 2024 in the following manner:

Particulars	Cash Ledger	Credit Ledger
Shortfall	₹ 12,000	₹ 4,000

Assume that electronic cash ledger and credit ledger carry sufficient balance for the above short fall.

- (i) You are required to calculate the amount of interest payable if any under section 50 of the CGST Act 2017 and rule 88B of the CGST rules 2017.
- (ii) Give the effect if GSTR3B for the month of January 2024 had been filed belatedly on March 20, 2024 and all other conditions remaining same.

Calculation should be rounded off to nearest rupee. As 2024 is leap year, give effect of same. **(5 Marks)**

- (b) Who is liable to collect TCS (collection of tax at source) under Section 52 of the CGST Act, 2017. Briefly explain the provisions relating to registration, filing of return and deposit of TCS to Government as per the provisions of section 52 of the CGST Act, 2017 and rule 12 of the CGST Rules, 2017. **(5 Marks)**
4. (a) Describe the conditions to be satisfied for availing deduction of post supply discounts from the value of supply as per the provisions of section 15(3) of the CGST Act 2017. **(5 Marks)**

OR

- (a) Examine the existence of "consideration" for donation received by charitable institutions from individual donors, without quid pro quo an important feature as defined in section 2(31) of the CGST Act, 2017. **(5 Marks)**
- (b) Mohan Enterprise is a registered person having principal place of business in Gandhinagar, Gujarat. They received legal services of advocate -Sameer, a registered person from Ahmedabad, Gujarat. Shekhar, an unregistered person provided services of labour to Mohan Enterprise. Explain the provisions relating to issue of invoice by recipient Mohan Enterprise if he is liable to pay tax under reverse charge under Section 9(3) or 9(4) of the CGST Act, 2017. **(5 Marks)**