

MODEL TEST PAPER 8
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. Ms. Perna is having a residential house property in Nagpur, of which $\frac{1}{3}$ rd is self-occupied and $\frac{2}{3}$ ^d is let out for commercial purposes at a monthly rent of ₹ 12,000. Fair rent (for let out portion only) was ₹ 30,000 p.m., Municipal value for the property was ₹ 2,40,000 and standard rent under the Rent Control Act was ₹ 3,00,000 for the entire property. Municipal taxes are 10% of municipal valuation and are paid by her on 30th July, 2024. She took a loan of ₹ 45,00,000 for the construction of this house from a scheduled bank on 1.4.2022. She repaid the entire loan along with interest on 30.6.2024. The interest rate for this loan was 10% p.a. The construction was completed on 30th June, 2023. She earns other income of ₹ 2,00,000 during the previous year 2024-25. She wishes to pay tax under default tax regime.

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

- (i) The Net Annual Value (NAV) of the house property for the A.Y. 2025-26 is:
- (a) ₹ 1,28,000
 - (b) ₹ 1,44,000
 - (c) ₹ 1,84,000
 - (d) ₹ 2,00,000
- (ii) Deduction in respect of interest on loan for the P.Y. 2024-25 shall be:
- (a) ₹ 2,02,500
 - (b) ₹ 1,35,000
 - (c) ₹ 5,62,500
 - (d) ₹ 1,12,500

(iii) Compute her total income for the assessment year 2025-26

- (a) ₹ 1,93,800
- (b) ₹ 2,00,000
- (c) Nil
- (d) ₹ 2,05,000

(3 x 2 = 6 Marks)

2. Mr. Desai (aged 52 years) is an Indian resident. He gives the following information to you relating to the P.Y. 2024-25:

- (i) Profit from the business carried out in Dubai controlled from Dubai ₹ 13,10,000 (received in a bank account in Dubai).
- (ii) Loss from a business in Delhi - ₹ 4,50,000
- (iii) During the F.Y. 2024-25, he also played some online games on a particular Indian website Game.com. Game.com is a manufacturer of men's shirts. During the year, Mr. Desai won 6 such shirts. The cost to manufacture such shirts by Game.com is ₹ 3,000 per piece and it sells these shirts at ₹ 10,000 per piece (excluding GST @18%). However, to play such games, Mr. Desai had to deposit a sum of ₹ 50,000 with the website as a refundable deposit.
- (iv) On 23rd May 2024, he gifted listed equity shares in an Indian company to his son's daughter, Ms. Shanaya. These shares were purchased by him on 1.4.2020 for ₹ 65,000. The market value as on the date of transfer was ₹ 1,00,000. Shanaya sold these shares for a consideration of ₹ 50,000 on 31.3.2025.
- (v) He had taken a loan of ₹ 25,00,000 for the purchase of an electric vehicle (for his personal purposes) on 1.4.2022 from a scheduled bank. He paid ₹ 5,00,000 as interest on such loan during the P.Y. 2024-25.
- (vi) He wants to pay tax under default tax regime.

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

- (i) What shall be the total income of Mr. Desai for the A.Y. 2025-26?
 - (a) ₹ 8,78,000
 - (b) ₹ 8,63,000
 - (c) ₹ 9,20,000
 - (d) ₹ 7,70,000
- (ii) Which of the following statement is correct in respect of deductions available to him under Chapter VI-A?
 - (a) He shall be eligible for a deduction of ₹ 1,50,000 in respect of interest on loan irrespective of the tax regime opted by him.
 - (b) He shall not be eligible for any deduction under Chapter VI-A irrespective of the tax regime opted by him.

- (c) He shall be eligible for a deduction of ₹ 1,50,000 in respect of interest on loan only if he opts out of the default tax regime.
 - (d) He shall be eligible for a deduction of ₹ 50,000 in respect of interest on loan only if he opts out of the default tax regime.
- (iii) What is the requirement of deduction of tax at source by Game.com in respect of such winning by Mr. Desai?
- (a) Game.com has to ensure, before releasing the winnings, that the tax amounting to ₹ 18,000 has been paid.
 - (b) Game.com has to ensure, before releasing the winnings, that the tax amounting to ₹ 5,400 has been paid.
 - (c) There is no requirement for deduction of tax at source. However, Mr. Desai need to collect tax at source from the security deposit.
 - (d) Game.com needs to deduct tax at source amounting to ₹ 18,000.

(3 x 2 = 6 Marks)

3. Mr. Sundaram owns two residential house properties in Chennai, one of which is used by him and his family for their residential purposes. Both the houses are exactly identical and their expected rent/municipal value etc. are also the same. He let out the other house for a rent of ₹ 1,15,000 p.m. He took two similar loans for the purchase of these two houses on 1.4.2023. The stamp duty value of these houses is ₹ 30 lakhs each. During the F.Y. 2024-25, he paid ₹ 4,00,000 as interest for each of the houses. He does not have any other income or investments during the year. He did not file his return of income within the due date under section 139(1). What shall be his total income chargeable to tax?

- (a) ₹ 2,16,000
- (b) ₹ 3,66,000
- (c) ₹ 5,66,000
- (d) ₹ 1,66,000

(2 Marks)

4. During the year 2024-25, Mrs. Kalis (aged 65 years), received ₹ 10,50,000 a family pension. She had to spend ₹ 26,000 to get such income towards documentation and processing charges. She does not have any other income. Assuming she pays tax under default tax regime, what shall be her total income chargeable to tax?

- (a) ₹ 10,35,000
- (b) ₹ 10,24,000
- (c) ₹ 10,50,000
- (d) ₹ 10,25,000

(1 Mark)

Division B – Descriptive Questions

Question No. 1 is compulsory

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

1. Mr. Raman, a resident individual aged 62 years, is engaged in the business of manufacturing and sales of spare parts for motor bikes, as a proprietor. He prepares his accounts on mercantile basis. This business is carried out on the ground floor of a two storied commercial building owned by him, the written down value of which is ₹ 8 lakhs as on April 1, 2024. The Statement of Profit and Loss for the previous year ended on March 31, 2025 shows a net profit of ₹ 9.25 lakhs (before taxation and depreciation) after debiting/crediting the following items:
- (i) Administrative expenses include ₹ 9,525 paid towards interest on delay in deposit of GST.
 - (ii) General expenses include a sum of ₹ 3,88,000 paid to a non-resident as fee for technical services without deduction of tax at source.
 - (iii) Fire insurance premium of ₹ 66,000 for the entire building remained unpaid till 31st March, 2025.
 - (iv) Expenditure of ₹ 75,000, was paid to a scientific research association approved under section 35. Out of ₹ 75,000, ₹ 50,000 was utilised towards the purchase of land by the research association.
 - (v) He let out first floor of his commercial building to Mr. Aman on April 1, 2024 and received rent of ₹ 35,000 per month. Municipal taxes ₹ 20,000 relating to the building were paid equally by both Mr. Raman and Mr. Aman. Rent received was credited and municipal taxes of ₹ 10,000 (relating to ground floor) was debited to the statement of profit and loss.
 - (vi) He sold a piece of land for ₹ 44 lakhs on 12th April, 2024. He had acquired the land for 40 lakhs on 1st January, 2023. The gain of 4,00,000 is credited to the statement of profit and loss.

(CII for F.Y. 2021-22:317; F.Y. 2024-25:363)

Additional Information:

- (i) Mr. Raman purchased raw material from M/s. Paul Industries, a micro enterprise, for ₹ 49,000 on March 10, 2025. However, the payment to M/s. Paul Industries was made on April 5, 2025 by cheque. No written agreement for payment existed between M/s. Paul Industries and Mr. Raman. Another supplier M/s. Kal Industries, a small enterprise, with whom also no written agreement existed for payment, was paid ₹ 1,34,000 in cash on April 5, 2025 for purchase of raw material on March 31, 2025. Both M/s. Paul Industries and M/s. Kal Industries follow mercantile system of accounting.
- (ii) Mr. Raman acquired a registered trademark on July 15, 2024 for ₹ 2,00,000. Mr. Raman started using this trademark for his business from January 15, 2025. Mr. Raman omitted to enter any transaction relating to this trademark in his books of accounts.

- (iii) Mr. Raman bought a car for personal use on 12th April, 2021 for ₹ 5,40,000. He started using this car for business purposes from 01.04.2024. As on that day, the market value of the car was ₹ 2,10,000. Assume the rate of depreciation to be 15%.
- (iv) He incurred ₹ 2,50,000 on the purchase of a new machinery to be used in the production of spare parts for motor bikes on May 15, 2024.
- (v) He has paid tuition fees of ₹ 25,000 for the education of his daughter to a college.
- (vi) During the year, Mr. Raman has incurred ₹ 9,500 in cash for preventive health check-up where ₹ 5,000 was for himself and ₹ 4,500 was for his parents who are super senior citizens.
- (vii) Donation paid to a registered political party by way of cheque ₹ 20,000.

Compute the total income and tax liability of assessment year 2025-26 of Mr. Raman under both the regimes. **(15 Marks)**

2. (a) Mr. Madan, a citizen of India and the Karta of an HUF, is employed in M/s. PCS Pvt. Ltd. He is drawing monthly salary of ₹ 65,500 in India. On June 1, 2024, he purchased one residential house property in Mumbai for ₹ 18,00,000 in his individual capacity. The market value of the property is ₹ 32,00,000 and value for the purpose of charging stamp duty is ₹ 23,00,000. On August 31st, 2024 he was transferred to the branch office of M/s. PCS Pvt. Ltd. in U.S.A. and he left India on September 1st, 2024. The overseas branch paid him a salary of \$ 2,500 per month in USA. He managed business of HUF from USA when he was not in India.

He had also gone out of India for 99 days and 201 days in previous years 2023-24 and 2022-23, respectively. He had never gone out of India prior to that.

He visited India from January 1, 2025 to January 15, 2025 for training on a project and received 15 days salary in India as per his Indian monthly salary before being transferred.

Mr. Rajeev, one of his friends, gifted him a sculpture in India on August 10, 2024. The market value is ₹ 45,100.

Determine the residential status of Mr. Madan and his HUF and compute gross total income of Mr. Madan for the assessment year 2025-26 assuming he opted out of the default tax regime. The value of one USD (\$) may be taken as ₹ 70. **(4 Marks)**

- (b) Answer the following:
- (i) M/s. PQR & Co., a proprietary firm of Mr. Yogesh, paid an amount of ₹ 30,500 to Mr. Amit, a resident individual aged 45 years, on June 1, 2024 towards fees for professional services. Subsequently, another payment of ₹ 60,000 was due to Mr. Amit on January 30, 2025. Tax was not deducted from both the transactions. Mr. Amit has filed his return of income for assessment year 2025-26 on May 2, 2025, taking into account professional fees from M/s. PQR & Co. and paid the taxes due on the income declared in the return of

income. Firm's turnover for the P.Y. 2023-24 is ₹ 5 crores.

What are the TDS and interest obligations in the hands of M/s. PQR & Co.?

- (ii) M/s. Fastest Ltd. is an Indian car manufacturer. During the F.Y. 2024-25, it sold cars for ₹ 150 lakhs to M/s. Race LLP, a distributor of cars where the sale price of each car was ₹ 7.5 lakhs. The turnover for the F.Y. 2023-24 of M/s. Fastest Ltd. was ₹ 15 crores and M/s. Race LLP was 8 crores. What shall be the TCS/TDS implications on M/s. Fastest Ltd. and M/s. Race LLP?

(6 Marks)

3. (a) The particulars given below are of Mr. Radhey's income (age 47 years) posted in a private company in Delhi, for the previous year 2024-25:
- (i) Basic Pay ₹ 35,000 per month till January 31, 2025, ₹ 40,000 p.m. from February 2025.
 - (ii) Dearness allowance 30% of basic salary (54% of DA forms part of retirement benefits)
 - (iii) His employer gave him a rent-free accommodation (fully furnished) in Delhi from 01.04.2024. This house is owned by his employer. The furniture and appliances provided with the house were bought by the employer at an aggregate cost of ₹ 1,50,000 on 01.04.2024. Electricity and water bills of ₹ 4,000 p.m. for the said house were paid by the employer.
 - (iv) The employer also spent ₹ 50,000 on a refresher course for upgrading Mr. Radhey's skills.
 - (v) During the previous year his wife had been admitted in a notified hospital for treatment of her kidney disease, the hospital bills amounting to ₹ 3,50,000 were paid by the employer.

You are required to compute the taxable salary income of Mr. Radhey for the Assessment Year 2025-26 under default tax regime under section 115BAC.

(6 Marks)

- (b) Mr. Raj a resident individual, aged 69 years sold an urban agricultural land for ₹ 75,00,000 to Mr. Vipul on December 15, 2024 when the stamp duty value of agricultural land was ₹ 95 lakhs. However, the "agreement to sell" the agricultural land was entered on July 15, 2024 and Mr. Vipul gave ₹ 4 lakhs as advance through IMPS. The stamp duty value at the time of agreement was ₹ 85 lakhs. Mr. Raj paid 1% of sale consideration as commission to a broker. The land was purchased by him on May 15, 2002 for ₹ 10.85 lakhs and it was being used for agricultural purposes by him since its purchase.

Mr. Raj purchased another rural land in rural area on January 1, 2025 for ₹ 40 lakhs and this land was sold by him on March 12, 2026 for ₹ 45 lakhs.

Compute capital gain for assessment year 2025-26 if Mr. Raj exercises the option of shifting out of the default tax regime provided under section 115BAC(1A).

Cost Inflation Index for: F.Y. 2002-03:105; F.Y. 2024-25:363.

(4 Marks)

4. (a) Mr. Suraj, (39 years), his wife Megha (35 years) and minor son Dev (12 years), provide the following details of their income/losses for the previous year 2024-25:

Mr. Suraj

- (i) Salary received as a partner from a partnership firm - ₹ 6,15,000
He is a working partner in the firm and the salary is as per the limits prescribed under section 40(b).
- (ii) Income (loss) from house property:
Brought forward loss from House -A (let out) - ₹ 96,000
Current year loss from House B (let out) - ₹ 2,30,000
- (iii) Interest received on enhanced compensation - ₹ 2,00,000
It relates to transfer of a piece of land in the financial year 2018-19.
Out of the above ₹ 35,000 relates to previous year 2024-25 and the balance relate to preceding previous year.
- (iv) Gift from grandfather's younger sister by cheque - ₹ 1,25,000
- (v) Dividend on listed equity shares of domestic companies (Gross) - ₹ 50,000
- (vi) On 1st December 2024, Mr. Suraj received ₹ 75 lakhs as maturity proceeds from his life insurance policy which was taken on 1st May 2013. He paid ₹ 6,00,000 as annual premium and the sum assured was ₹ 65 lakhs.

Mrs. Megha

- (i) Current year loss from business. (She carried on this business with funds which Mr. Suraj gifted to her) - ₹ 8,10,000.
- (ii) Mrs. Megha purchased a house property from her "Stridhan" and gifted the same to her minor son, Dev on 1st April, 2024 out of love and affection. The FMV of the house on the date of transfer was ₹ 51 lakhs.

Master Dev

Rent received from house property received from Mrs. Megha - ₹ 35,000 p.m.

Compute gross total income of Mr. Suraj, Mrs. Megha and Dev for the assessment year 2025-26 assuming Mr. Suraj has decided to pay tax

under default tax regime provided under section 115BAC, whereas Mrs. Megha and Dev have opted out of the default tax regime. Briefly explain the reasons for the treatment of each item. **(6 Marks)**

(b) Answer the following:

- (i) Vegetable Ltd. filed its return of income for the A.Y. 2024-25, on 15th December 2024. On 2nd January 2025, the accountant of Vegetable Ltd. realised that he had forgotten to claim a genuine business expenditure amounting to ₹ 15 lakhs. He wants to file revised return to claim such expenditure as the assessment is not yet completed. Whether the action of the accountant of Vegetable Ltd. is valid?
- (ii) Mahendra, a resident individual aged 45 years earned a salary income of ₹ 2 crores during the F.Y. 2024-25. He also earned dividend from unlisted shares amounting to ₹ 4 lakhs. He wants to file his return of income for the A.Y. 2025-26 through a Tax Return Preparer. Can he do so? **(4 Marks)**

OR

(b) Rani, an Indian resident aged 34 years did not file her return of income for the A.Y. 2022-23, 2023-24 and 2024-25. She gives the following information regarding each of the A.Y.-

A.Y. 2022-23

- (i) Tax liability on the total income of Rani - ₹ 14,50,000
- (ii) TDS deducted - ₹ 5,00,000

A.Y. 2023-24

- (i) Tax liability on the total income of Rani - ₹ 5,60,000
- (ii) TDS deducted - ₹ 10,00,000

A.Y. 2024-25

- (i) Tax liability on the total income of Rani - ₹ 6,30,000
- (ii) TDS deducted - ₹ 2,00,000
- (iii) Interest payable under section 234A, 234B and 234C - ₹ 90,000 (calculated till 31st May 2025)
- (iv) Self-assessment tax paid - ₹ 1,00,000

She approaches you to file updated return under section 139(8A) on 16.5.2025. You are required to advise her for which years she can file an updated return and also the amount of tax to be paid. **(4 Marks)**

MODEL TEST PAPER 8
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

M/s. Veena & Co. of Jabalpur was registered under GST under composition scheme. Outward Supply of the firm for the month of July 2024 was ₹ 10 lakh, out of which ₹ 2 lakh was supply of services. In the preceding financial year, the firm was doing trading of taxable goods only. Turnover of the concern for the previous financial year was ₹ 100 lakh.

The firm imported the following services during August, 2024:

- (a) Architect services from Mr. Vinod, a partner of the firm, who resides in France for ₹ 1,00,000. The said service was paid but not used for the furtherance of the business.
- (b) Management consultancy services from Mr. Lal, a renowned lawyer in Sweden, who was an ex-employee of the firm. The value of the said service was ₹ 3,00,000. Even though it was used in the furtherance of the business, no consideration was paid by the firm.

Aggregate Turnover of the firm crossed the limit of ₹ 150 lakh on 25.09.2024 from which date the firm was liable to pay tax under regular scheme.

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

From the information given above, choose the most appropriate answer for the 1-3 questions:

1. Tax liability of Veena & Co. for the month of July 2024 is ₹ _____ each under CGST and SGST.
 - (A) 5,000
 - (B) 9,000

- (C) 10,000
(D) 14,000 **(2 Marks)**
2. Import of services by Veena & Co. that will be treated as supply is ₹ _____.
(A) Nil
(B) ₹ 1,00,000
(C) ₹ 3,00,000
(D) ₹ 4,00,000 **(2 Marks)**
3. Veena & Co. will be eligible to claim ITC held on Stock and Capital goods as on _____.
(A) 01-09-2024
(B) 24-09-2024
(C) 25-09-2024
(D) 30-09-2024 **(2 Marks)**

Case Scenario 2

Pawan was engaged in providing various services within the State of Rajasthan since May 2024. His aggregate turnover crossed the threshold limit on 04.07.2024. He applied for registration under GST on 02.08.2024. He got his GST registration on 10.08.2024.

After taking registration, Pawan started a business across India including supply of goods also. He dispatched goods pan India based on orders he got for the goods dealt by him.

He received an order from Delhi for which he supplied taxable goods valuing ₹ 45,000. Applicable rate of IGST was 12%. He also supplied certain exempted goods valuing ₹ 4,000. He made one invoice for both taxable as well as exempted supply made to Delhi.

He asked his tax consultant for the requirement of generation of e-way bill for this order. Tax consultant informed him that the requirement of e-way bill is based on consignment value of goods supplied.

Even being a micro enterprise, Pawan did not receive timely payment from his customers as a result of which he ran into severe cash crunch and eventually could not make on-time payment to his suppliers. As a result, he decided to shut down his business and got placed in a software company as a senior programmer executive.

While shutting down his business, he informed his tax consultant to cancel the GST registration. Tax consultant surrendered his registration online in GST Portal on 25.10.2024 and his application for cancellation was approved by the Proper Officer on 31.10.2024.

All the amounts given above are exclusive of taxes wherever applicable.

From the information given above, choose the most appropriate answer for the 4-6 questions:

4. Effective date of registration of Pawan is _____.
 (A) 04.07.2024
 (B) 02.08.2024
 (C) 03.08.2024
 (D) 10.08.2024 **(2 Marks)**
- 5.. Consignment value of goods supplied to Delhi by Pawan is ₹ _____.
 (A) 45,000
 (B) 49,000
 (C) 50,400
 (D) 54,400 **(2 Marks)**
6. Due date by which Pawan is supposed to file Final return under GST is _____.
 (A) 25.11.2024
 (B) 30.11.2024
 (C) 25.01.2025
 (D) 31.01.2025 **(2 Marks)**
7. Smita Limited made an outward supply of garments at an agreed price of ₹ 5,00,000. The company charged 'Go Green Cess' levied by Local municipal corporation amounting to ₹ 10,000 for this supply. As the customer made payment within 3 days from the date of delivery, Smita Limited provide a discount of ₹ 5,000 separately as a customer friendly measure, even though no prior agreement was made on discount. Value of Supply made by Smita Limited u/s 15 is ₹ _____.
 (A) 5,05,000
 (B) 5,10,000
 (C) 5,00,000
 (d) 5,15,000 **(2 Marks)**
8. 'Truth is God', a religious trust u/s 12AA of the Income-tax Act, 1961, provides service by way of renting of premises within the precincts of a religious place which is exempt upto ₹ _____.
 (A) ₹ 999 per day
 (B) ₹ 1,000 per day
 (C) ₹ 9,999 per day
 (D) ₹ 10,000 per day **(1 Mark)**

Division B - Descriptive Questions

Question No. 1 is compulsory.

Attempt any two questions out of remaining three questions.

Question 1

1. (a) DEF Pvt. Ltd., a registered supplier of goods and services in Pune, Maharashtra, has furnished the following details for the month of January, 2025. The turnover of DEF Pvt. Ltd. was ₹ 3.2 crores in last financial year.

Sr. No.	Particulars	Amount (₹)
1.	Intra State outward supply of taxable goods	5,00,000
2.	DEF Pvt. Ltd. had provided service of booking of flight tickets for employee of H Enterprise (registered in Delhi) in the economy class from Bagdogra (West Bengal) to Pune Maharashtra.	20,000 (service fee charged)
3.	DEF Pvt. had purchased goods worth ₹ 5,00,000 from R Ltd. (registered in Gujarat) on 15.03.2024. Now R Ltd. issued debit note on 15.01.2025 for post delivery service to DEF Pvt. Ltd. as per part of terms of sales.	25,000
4.	DEF Pvt. Ltd. had sold one of its unit in Pune as a going concern (with all goods and unexecuted orders) to H Ltd. (registered in New Delhi)	10,00,000
5.	DEF Pvt. Ltd. had provided service to Mr. Y (registered in Punjab) to organise business exhibition in Dubai.	5,00,000
6.	Inter-State outward supply of service	10,00,000
7.	Amount towards receipt of intra State services	6,00,000
8.	Purchase of confectionery items which are to be used to supply free of cost to customers in a customer meet organised by DEF Pvt. Ltd.	1,00,000

Opening balance of Input Tax credit at the beginning of Jan 2025.

CGST ₹ 25,000

SGST ₹ 25,000

IGST ₹ 30,000

Additional Information:

- (1) Rates of CGST, SGST and IGST are 9%, 9% and 18% respectively unless otherwise mentioned.
- (2) Both inward and outward supplies are exclusive of taxes, wherever applicable.
- (3) All the conditions necessary for availing the ITC have been fulfilled.

From the information given above, compute the output tax liability and input tax credit available to DEF Pvt. Ltd., for the month of January, 2025. Make suitable assumptions wherever required. **(10 Marks)**

- (b) ABC Infra, is a partnership firm registered under GST. It furnishes the following details about services provided during the month of February:

	Particulars	Amount (exclusive of GST)
(i)	Consideration received from neighbouring Housing Cooperative Society as ABC Infra agrees to install effluent plant for treatment of wastewater even though is no legal requirement to do so.	5,50,000
(ii)	Consideration received from distribution of passes for cricket match organized as firm's annual event. Total 500 passes have been distributed.	2,42,500
(iii)	Services given of booking air tickets in economy class for flight between Mumbai to Manipur.	1,20,000 (service fee charged)
(iv)	Services given for construction of buildings to State Government in relation to function entrusted to Municipality under article 243W of the Constitution. Construction material used of ₹ 2,79,375 is included in the given figure.	8,20,000

All supplies mentioned above are intra-State supplies. GST rates for CGST, SGST, IGST are 9%, 9%, 18% respectively. Compute the GST payable by the ABC Infra for the month of February. **(5 Marks)**

2. (a) M/s. T is a registered dealer of Andhra Pradesh trading in different types of machinery and its related different types of services. Their aggregate turnover for the preceding financial year 2023-24 for sale of machinery was ₹ 1.32 crores, it was first year so they had not started for providing service related to machinery. From FY 2024-25 they are planning to provide repair and maintenance service of ₹ 6.25 lakh for which they have to purchase some raw material of ₹ 5 lakh from the other State (till date they are purchasing within State only).

From the information given above, examine whether M/s. T can opt for composition scheme under Section 10(1), 10(2A) or 10(2) of the CGST Act, 2017 for FY 2024-25? **(5 Marks)**

- (b) (i) Garima having its permanent residence in Bhavnagar, Gujarat purchased car from Kiara Motors of Jaipur, Rajasthan to take the advantage of lower registration charges and road tax. Garima took the delivery of the car from Jaipur and returned with car to her residence in Bhavnagar, Gujarat. Address of Garima recorded in the invoice issued by Kiara Motors mentions only the name of the

State i.e. Gujarat.

Garima is an unregistered person whereas Kiara Motors is a registered person under GST. Determine the place of supply for supply made by Kiara Motors to Garima. **(2 Marks)**

- (ii) Aakar Advertisement Agency, a registered person in Nagpur, Maharashtra, wants to display the products of its client's at most prominent places in different States. It took on rights to use the space on hoardings mounted on fixed surface attached to earth, situated in Udaipur, Rajasthan and in Gwalior, Madhya Pradesh from G.N. Enterprise registered in State of Chhattisgarh. Aakar Advertisement Agency has an exclusive right to use the space and also to manage the advertisements on the hoardings.

What will be the place of supply of services provided by the G.N. Enterprise to the Aakar Advertisement Agency? **(3 Marks)**

3. (a) Mohan, a registered person in Salem, Tamil Nadu, makes intra-State supply of taxable goods amounting to ₹ 13,57,000 (inclusive of GST) to a Public Sector Undertaking (PSU). Consideration for same is received in 5 equal instalments from the PSU.

Tax rates applicable: CGST 9%, SGST 9%, IGST 18%

What will be your view with respect to applicability of TDS provisions as per section 51 of the CGST Act, 2017 regarding above transaction?

What is the period by which TDS is required to be deposited to the Government account? **(5 Marks)**

- (b) Every registered person executing works contract shall keep separate accounts for works contract under CGST Rules, 2017.

List the details to be maintained. **(5 Marks)**

4. (a) Describe the provisions relating to import of services by a registered person as contained in the section 7(1)(b), 7(1)(c) and Schedule 1 of the CGST Act, 2017. **(5 Marks)**

- (b) (i) List out category of persons who are exempted from the E-invoicing provisions. **(2 Marks)**

- (ii) No act or proceedings of the Goods and Services Tax Council shall be invalid merely by certain reasons. What are they? **(3 Marks)**

OR

- (b) Commissioner has notified some specified persons to maintain additional accounts or documents as mentioned in rule 56 of the CGST Rules 2017, Agent as defined under Section 2(5) of the CGST Act, 2017 is one of them.

List the additional accounts or documents to be kept by agent.

(5 Marks)