

(GI-7, VI-VDI-SI-3)**DATE: 06.04.2022****MAXIMUM MARKS: 100****TIMING: 3¼ Hours****TAXATION****GENERAL INSTRUCTIONS TO CANDIDATES**

1. The question paper comprises two parts, Part I and Part II.
2. Part I comprises Multiple Choice Questions (MCQs).
3. Part II comprises questions which require descriptive type answers.
4. Ensure that you receive the question paper relating to both the parts. If you have not received both, bring it to the notice of the invigilator.
5. Answers to Questions in Part I are to be marked on the OMR answer sheet only. Answers to questions in Part II are to be written on the descriptive type answer book. Answers to MCQs, if written in the descriptive type answer book, will not be evaluated.
6. OMR answer sheet will be in English only for all candidates, including for Hindi medium candidates.
7. The bar coded sticker provided in the attendance register, is to be affixed only on the descriptive type answer book. No bar code sticker is to be affixed on the OMR answer sheet.
8. You will be allowed to leave the examination hall only after the conclusion of the exam. If you have completed the paper before time, remain in your seat till the conclusion of the exam.
9. Duration of the examination is 3 hours. You will be required to submit (a) Part I of the question paper containing MCQs, (b) OMR answer sheet thereon and (c) the answer book in respect of descriptive type answer book to the invigilator before leaving the exam hall, after the conclusion of the exam.
10. The invigilator will give you acknowledgement on Page 2 of the admit card, upon receipt of the above-mentioned items.
11. Candidate found copying or receiving or giving any help or defying instructions of the invigilators will be expelled from the examination and will also be liable for further punitive action.

PART – II

1. Section-A comprises questions 1-4. In Section-A, answer Question No. 1 which is compulsory and any 2 questions from question No. 2-4. All questions in Section-A relate to assessment year 2019-20, unless otherwise stated.
Section-B comprises questions 5-8. In Section-B, answer Question No. 5 which is compulsory and any 2 questions from question No. 6-8.
2. Working notes should form part of the answer.
3. Answers to the questions are to be given only in English except in the case of candidates who have opted for Hindi Medium. If a candidate has not opted for Hindi Medium, his/her answers in Hindi will not be evaluated.
4. All questions in Section B should be answered on the basis of position of GST law as amended by significant notifications / circulars issued upto 30th April, 2019.

SECTION – A**PART – I – MULTIPLE CHOICE QUESTIONS****TOTAL MARKS: 30 MARKS**

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. Abhishek Seth, aged 42 years, is working as a CEO of Soil Limited. He provides you the following information for preparation and filing of his income-tax return for the year ended 31st March 2022:

- Salary, allowances and perquisites from Soil Limited - Rs. 1,35,00,000
- Dividend from ABC Ltd. which was declared in February, 2021 and received in April, 2021 - Rs. 4,55,000
- Dividend from PRQ Ltd. declared and received in July, 2021 -Rs. 5,90,000 (Gross)
- Interest income on saving bank account in SBI – Rs. 24,530
- Long term capital gains on transfer of residential house in Mumbai on 15th December, 2021 - Rs. 1,73,540
- Short term capital gain on transfer of listed equity shares (STT paid both at the time of transfer and acquisition) of Ind Ltd. - Rs. 73,00,000

He also furnished the following details of investment/ payments made by him during the P.Y. 2021-22:

- (a) Three-year post office time deposit - Rs. 25,000
- (b) Contribution to PPF - Rs. 35,000
- (c) Tuition fees of three children in Bharti Sr. Sec. School in Delhi - Rs. 20,000 per annum per children
- (d) Subscription to NHAI redeemable bonds after 5 years on 16th March, 2022 - Rs. 2,00,000.

Further, his son Mr. Dhaval, aged 15 years, has also earned the following income:

- (a) Income from a quiz competition - Rs. 25,000
- (b) Interest on bank fixed deposit - Rs. 9,500

Assuming that the tax has been deducted on time, wherever applicable. Mr. Abhishek does not want to opt for the provision of section 115BAC.

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

1. What is the quantum of income of Mr. Dhaval which is to be clubbed with the income of Mr. Abhishek, if any, assuming that income of Mr. Abhishek is greater than the income of his spouse?

- (a) Rs. 34,500
- (b) Rs. 8,000
- (c) Rs. 33,000
- (d) Rs. 9,500

(2 Marks)

2. What is the gross total income of Mr. Abhishek for A.Y. 2022-23?

- (a) Rs. 2,13,72,530
- (b) Rs. 2,14,22,530
- (c) Rs. 2,13,64,530
- (d) Rs. 2,15,46,070

(2 Marks)

3. What is the amount of deduction allowable under section 80C to Mr. Abhishek?
- (a) Rs. 1,00,000
 (b) Rs. 1,20,000
 (c) Rs. 95,000
 (d) Rs. 75,000

(2 Marks)

4. What shall be the tax liability of Mr. Abhishek for A.Y. 2022-23?
- (a) Rs. 62,67,350
 (b) Rs. 61,04,100
 (c) Rs. 59,60,050
 (d) Rs. 61,45,610

(2 Marks)

2. Mr. Uttam presents you the following data related to his tax liability for A.Y. 2022-23:

Particulars	Rs. in lakhs
Tax Liability as per regular provisions of Income-tax Act, 1961	15
Tax Liability as per section 115JC	12
AMT credit brought forward from A.Y. 2021-22	5

What shall be the tax liability of Mr. Uttam for A.Y. 2022-23?

- (a) Rs. 12 lakhs
 (b) Rs. 15 lakhs
 (c) Rs. 10 lakhs
 (d) Rs. 7 lakhs

(1 Mark)

3. Mr. Nekinsaan, aged 43 years, provides the following income details for P.Y. 2021-22 as follows:

Particulars	Rs. in lakhs
Capital Gains under section 112A	120
Capital Gains under section 111A	110
Other Income	520

What shall be the tax liability of Mr. Nekinsaan as per regular provisions of the Income-tax Act, 1961 for A.Y. 2022-23?

- (a) Rs. 260.06 lakhs
 (b) Rs. 253.68 lakhs
 (c) Rs. 256.52 lakhs
 (d) Rs. 253.56 lakhs

(1 Mark)

4. Continuing Q. 72, what shall be tax liability of Mr. Nekinsaan as per regular provisions of the Income-tax Act, 1961 for A.Y. 2022-23, if the Other Income is Rs. 480 lakhs?

- (a) Rs. 218.20 lakhs
 (b) Rs. 221.03 lakhs
 (c) Rs. 218.73 lakhs
 (d) Rs. 242.25 lakhs

(1 Mark)

5. Mr. Bandu, aged 37 years, provides the following details for P.Y. 2021- 22 as follows:

Particulars	Rs. in lakhs
Textile business income	22
Speculative business loss	(4)
Textile business loss b/f from P.Y. 2019-20	(5)
Business income of spouse included in the income of Mr. Bandu as per section 64(1)(iv)	2
Deductions available under Chapter VI-A	3
TDS	1
TCS	0.5
Advance tax paid	1.3

What shall be the net tax payable/(refundable) as per regular provisions of the Income-tax Act, 1961 for A.Y. 2022-23 for Mr. Bandu?

- (a) Rs. 24,200
 (b) (Rs. 1,00,600)
 (c) Rs. 2,11,400
 (d) Rs. 12,500

(1 Mark)

6. Mr. Raj, aged 32 years, presents you the following data for A.Y. 2022-23:

Particulars	Rs. in lakhs
Gross receipts from business conducted entirely through banking channels (opted for section 44AD)	70
Capital gains under section 112A	5
Capital gains under section 111A	3
Winnings from horse races	1

What would be the tax liability as per the regular provisions of the Income-tax Act, 1961 of Mr. Raj for the A.Y.2022-23?

- (a) Rs. 1,28,440
 (b) Rs. 1,05,560
 (c) Rs. 1,38,840
 (d) Rs. 1,45,080

(1 Mark)

7. Mr. A, whose total sales is Rs. 201 lakhs, declares profit of Rs. 10 lakhs for the F.Y. 2021-22. He is liable to pay advance tax -

- (a) in one instalment
 (b) in two instalments
 (c) in three instalments
 (d) in four instalments

(1 Mark)

8. Mr. Raj (a non-resident and aged 65 years) is a retired person, earning rental income of Rs. 40,000 per month from a property located in Delhi. He is residing in Canada. Apart from rental income, he does not have any other source of income. Is he liable to pay advance tax in India?

- (a) Yes, he is liable to pay advance tax in India as he is a non- resident and his tax liability in India exceeds Rs. 10,000.
 (b) No, he is not liable to pay advance tax in India as his tax liability in India is less than Rs. 10,000.

- (c) No, he is not liable to pay advance tax in India as he has no income chargeable under the head "Profits and gains of business or profession" and he is of the age of 65 years.
- (d) Both (b) and (c)

(1 Mark)

9. Mr. X, a resident, is due to receive Rs. 4.50 lakhs on 31.3.2022, towards maturity proceeds of LIC policy taken on 1.4.2019, for which the sum assured is Rs. 4 lakhs and the annual premium is Rs. 1,25,000. Mr. Z, a resident, is due to receive Rs. 95,000 on 1.10.2021 towards maturity proceeds of LIC policy taken on 1.10.2013 for which the sum assured is Rs. 90,000 and the annual premium is Rs. 10,000.

- (a) Tax is required to be deducted on income comprised in maturity proceeds payable to Mr. X and Mr. Z
- (b) Tax is required to be deducted on income comprised in maturity proceeds payable to Mr. X
- (c) Tax is required to be deducted on income comprised in maturity proceeds payable to Mr. Z
- (d) No tax is required to be deducted on income comprised in maturity proceeds payable to either Mr. X or Mr. Z

(1 Mark)

10. An amount of Rs. 40,000 was paid to Mr. X on 1.7.2021 towards fees for professional services without deduction of tax at source. Subsequently, another payment of Rs. 50,000 was due to Mr. X on 28.02.2022, from which tax @10% (amounting to Rs. 9,000) on the entire amount of Rs. 90,000 was deducted and the net amount was paid on the same day to Mr. X. However, this tax of Rs. 9,000 was deposited only on 22.6.2022. The interest chargeable under section 201(1A) would be:

- (a) Rs. 320
- (b) Rs. 860
- (c) Rs. 1,620
- (d) Rs. 540

(1 Mark)

11. The benefit of payment of advance tax in one installment on or before 15th March is available to assessee computing profits on presumptive basis –

- (a) only under section 44AD
- (b) under section 44AD and 44ADA
- (c) under section 44AD and 44AE
- (d) under section 44AD, 44ADA and 44AE

(1 Mark)

12. Ms. Chanchala, is a doctor, registered person under GST, having in-patient facility in her hospital.

She availed interior decoration services from her spouse without any consideration being paid. She also availed IT related services from her sister-in-law without any consideration. Both services were for the purpose of her profession.

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 Rs. 40,00,000 as consultancy fee from the other hospitals.

Further, she also provides canteen facility and received Rs. 55,000 from in-patients, Rs. 35,000 from patients who are not admitted and Rs. 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 year, whereas due date for the said Annual return is 31st December of the next year.

Proper Officer of the department cancelled the registration certificate of Ms. Chanchala suo-motu on 31st July. Order of cancellation was served on 5th August. However, she applied for revocation of the same and got her registration restored back.

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

From the information given above, choose the most appropriate answer for the following questions-

1. Which of the following is a correct statement as per the provisions of CGST Act, 2017?
 - (i) Service availed from her Spouse is a deemed supply
 - (ii) Service availed from her Sister-in-Law is a deemed supply
 - (iii) Service availed from her Spouse is not a deemed supply
 - (iv) Service availed from her Sister-in-Law is not a deemed supply
 - (a) (i) and (iv)
 - (b) (iii) and (iv)
 - (c) (ii) and (iii)
 - (d) (i) and (ii)

(2 Marks)

2. Compute the taxable value of supply of canteen service provided by Ms. Chanchala?
 - (a) Rs. 25,000
 - (b) Rs. 35,000
 - (c) Rs. 60,000
 - (d) Rs. 80,000

(2 Marks)

3. By which date Ms. Chanchala should have applied for revocation of cancellation of registration certificate, in case no extension is granted?
 - (a) 5th August
 - (b) 20th August
 - (c) 30th August
 - (d) 4th September

(2 Marks)

4. Maximum time permissible for rectification of error committed in monthly return of June is _____
 - (a) 20th July
 - (b) 20th October of the next year
 - (c) 31st October of the next year
 - (d) 31st December of the next year

(2 Marks)

5. Determine which of the following services provided by Ms. Chanchala and her hospital is exempt from GST?
- Plastic surgery to enhance the beauty of the face
 - Ambulance service for transportation of patients
 - Renting of space to run medical store in hospital premises
 - Consultancy service by Ms. Chanchala in other hospitals
- (i), (ii) & (iv)
 - (i), (ii)
 - (ii) & (iv)
 - (i) & (iii)
- (2 Marks)**
13. Mr Ram, a jeweller registered under GST in Mumbai, wants to sell his jewellery in a Trade Expo held in Delhi. Which of the following statements is false in his case?
- He needs to get registration in Delhi as casual taxable person.
 - He needs to pay advance tax on estimated tax liability.
 - He needs to mandatorily have a place of business in Delhi.
 - He needs to file GSTR-1/ IFF and GSTR-3B for Delhi GSTIN for the month or quarter, as the case may be, when he gets registered in Delhi.
- (1 Mark)**
14. Which of the following is treated as exempt supply under the CGST Act, 2017?
- Sale of liquor
 - Supply of health care services by a hospital
 - Transmission of electricity by an electricity transmission utility
- (i)
 - (ii)
 - (ii) and (iii)
 - (i), (ii) and (iii)
- (1 Mark)**

SECTION – A**PART – II - DESCRIPTIVE QUESTIONS****QUESTIONS NO. 1 IS COMPULSORY****ATTEMPT ANY TWO QUESTIONS THE REMAINING THREE QUESTIONS****TOTAL MARKS: 42 MARKS****Question 1:**

Mr. Pandey, a resident individual, aged 45 years, is a Chartered Accountant in practice. He maintains his accounts on cash basis. His Profit & Loss Account for the year ended 31st March, 2022 is as follows :

Profit & Loss Account for the year ending March 31, 2022

Expenditure	(Rs.)	Income	(Rs.)
Staff Salary	18,25,000	Fees earned	
Rent of the office premises	6,00,000	Audit	23,00,000
Administrative expenses	5,75,000	Taxation	14,50,000
Stipend to Articled clerks	1,85,000	Consultancy services relating to syndication of loan from financial institution	10,00,000

Meeting, seminars and Conferences	36,500		47,50,000
Depreciation	55,000	Gifts	1,00,000
Printing and Stationery	8,75,000	Dividends from Indian companies	12,00,000
Net Profit	19,13,500	Interest on deposit	15,000
	60,65,000		60,65,000

Other Information :

- (1) Depreciation allowable under Income-tax Act Rs. 1,25,000.
- (2) Administrative expenses include Rs. 55,000 paid to a tax consultant in cash for assisting Mr. Pandey in one of the professional assignments.
- (3) Gifts represent fair market value of a LED TV which was given by one of the clients for successful presentation of case in the Income Tax Appellate Tribunal.
- (4) Last month's rent of Rs. 50,000 was paid without deduction of tax at source.
- (5) Mr. Pandey had taken a loan of Rs. 32,00,000 for the purchase of a house property stamp duty value Rs. 46,00,000 from a recognized financial institution on 1st May, 2021. He repaid Rs. 1,50,000 on 31st March, 2022 out of which Rs. 1,00,000 is towards principal payment and the balance is for interest on loan. The possession of the property will be handed over to him in October 2022.
- (6) Mr. Pandey paid medical insurance premium of his parents (senior citizens and not dependent on him) by cheque amounting to Rs. 27,000. He also paid Rs. 8,500 by cash towards preventive health checkup for himself and his spouse.

Compute the total income of Mr. Pandey and tax payable by him for Assessment Year 2022-23, assuming that Mr. Pandey does not want to opt for presumptive taxation scheme under section 44ADA.

(14 Marks)**Question 2:**

- (a) Mr. M is an area manager of M/s. N. Steels Co. Ltd. During the previous year 2021-22 he gets following emoluments from his employer :

Basic Salary : upto 31.08.2021	Rs. 20,000 p.m.
from 01.09.2021	Rs. 25,000 p.m.
Transport Allowance	Rs. 2,000 p.m.
Contribution to recognized provident fund	15% of basic salary and D.A.
Children education allowance	Rs. 500 p.m. for two children
City Compensatory Allowance	Rs. 300 p.m.
Hostel expenses allowance	Rs. 380 p.m. for two children
Tiffin allowance (actual expenses Rs. 3,700)	Rs. 5,000 p.a.
Tax paid on employment	Rs. 2,500

Compute taxable salary of Mr. M.

(7 Marks)

- (b) Balamurugan furnishes the following information for the year ended 31.03.2022 (all amounts in Rs.):

Income from business	(1,35,000)
Income from house property	(15,000)
Lottery winning (Gross)	3,00,000
Speculation business income	1,00,000
Income by way of salary (Computed)	2,60,000
Long term capital gain	70,000

Compute his total income, tax liability and advance tax obligations.

(7 Marks)

Question 3:

- (a) Mrs. X has received incomes as given below during the previous year 2021-22:
1. Interest on savings bank account with State Bank Rs.50,000 (gross).
 2. Interest from Government securities Rs.1,00,000 on 01.01.2022 (collection charge paid to the bank @ 1.5%).
 3. Interest from ABC Ltd on non listed debentures Rs.3,60,000 (after TDS) on 01.03.2022 (collection charge paid to the bank Rs.30).
 4. Interest credited to post office savings bank account during the year Rs. 10,000.
 5. Interest credited to public provident fund during the year Rs. 15,000.
 6. Interest received from XYZ Ltd on listed debentures Rs. 1,35,000 (Net). (Collection charge Rs.30) The amount was invested by taking a loan of Rs.15,00,000 @ 12% p.a.
 7. Mrs. X received rent of house property Rs. 72,000 per month after TDS.
 8. Winnings from a lottery Rs.70,000 (after TDS)
- Compute her tax liability and also tax payable for the assessment year 2022-23.

(8 Marks)

- (b) Mrs. Rohini Ravi, a citizen of the U.S.A., is a resident and ordinarily resident in India during the financial year 2020-21. She owns a house property at Los Angeles, U.S.A., which is used as her residence. The annual value of the house is \$20,000. The value of one USD (\$) may be taken as Rs. 65.

She took ownership and possession of a flat in Chennai on 1.7.2021, which is used for self-occupation, while she is in India. The flat was used by her for 7 months only during the year ended 31.3.2022. The municipal valuation is Rs.32,000 p.m. and the fair rent is Rs.4,20,000 p.a.

She paid the following to Corporation of Chennai: Property Tax Rs.16,200 Sewerage Tax Rs.1,800

She had taken a loan from Standard Chartered Bank in June, 2019 for purchasing this flat. Interest on loan was as under:

Period prior to 1.4.2021	Rs.49,200
1.4.2021 to 30.6.2021	Rs.50,800
1.7.2021 to 31.3.2022	Rs.1,31,300

Certificate confirming the amount of Interest has been deposited.

She had a house property in Bangalore, which was sold in March, 2017. In respect of this house, she received arrears of rent of Rs.60,000 in March, 2022. This amount has not been charged to tax earlier.

Compute the income chargeable from house property of Mrs. Rohini Ravi for the assessment year 2022-23.

(6 Marks)

Question 4:

- (a) The following information is given by X and Y for the previous year 2021-22:

	X (Rs.)	Y (Rs.)
Sales consideration of a residential house property situated in Mumbai	2,30,00,000	9,40,00,000
Stamp duty value on the date of transfer	2,55,00,000	9,50,00,000
Cost of acquisition in 1996-97	8,00,000	1,60,00,000
Fair market value on 1 April, 2001	9,00,000	2,30,00,000
Cost of improvement incurred in 2002-03	40,000	50,00,000
Expenditure on transfer borne by transferor	40,000	50,000
Purchase of residential house property in Cochin on 1	60,70,000	20,10,000

December, 2020		
Purchase of another residential house property in Mumbai on 10 July, 2021	2,02,00,000	1,20,00,000

Determine taxable capital gains for Assessment Year 2022-23, 2001-02 : 100, 2002 03 : 105 and 2021 – 22 : 317.

(6 Marks)

- (b) Paras aged 55 years is resident of India. During the F.Y. 2021-22, interest of Rs. 2,88,000 was credited to his Non-resident (External) Account with SBI. Rs. 30,000, being interest on fixed deposit with SBI, was credited to his saving bank account during this period. He also earned Rs. 3,000 as interest on this saving account. Is Paras required to file return of income? What will your answer be, if he has incurred Rs. 3 lakhs as travel expenditure of self and spouse to US to stay with his married daughter for some time?

(5 Marks)

- (c) Mr. Sachin filed return on 30th September, 2022 related to Assessment Year 2022-23. In the month of October 2022, his tax consultant found that the interest on fixed deposit was omitted in the tax return.

(i) What is the time limit for filing a belated return?

(ii) Can Mr. Sachin file a revised return?

Justify the above with the relevant provisions under section 139.

Assume that the due date for furnishing return of income was 31st July, 2022 and the assessment was not completed till the month of October 2022.

(3 Marks)

SECTION – B - DESCRIPTIVE QUESTIONS

QUESTION NO. 5 IS COMPULSORY

ATTEMPT ANY TWO QUESTIONS OUT OF REMAINING THREE QUESTIONS.

TOTAL MARKS: 28 MARKS

Question 5:

Mr. X is a dealer registered in GST in Delhi and he has submitted information as given below:

- Purchased goods A on 10/07/2020 Rs.4,00,000 plus CGST @ 10% and SGST @ 10% and goods were sold on 31/08/2020 Rs. 6,00,000 + CGST @ 10% and SGST @ 10% but invoice was issued on 01/09/2020 and payment was received on 01/10/2020.
- Purchased goods B on 10/09/2020 Rs.5,00,000 plus CGST @ 10% and SGST @ 10% and goods were exported on 12/12/2020 and profit taken is 30% on cost.
- Purchased goods C on 10/09/2020 Rs.7,00,000 plus CGST @ 10% and SGST @ 10% and goods were sold to our own branch in some other State on 31/12/2020 for Rs.7,00,000 + IGST @ 20%. No Invoice has been issued and no payment has been received.

Determine TOS in each case and ITC and Net tax Payable for each month and ITC to be carried forward.

(8 Marks)

Question 6:

- (a) Determine the amount of Input tax credit admissible to PQR Ltd. in respect of the following goods procured by it in the month of January :

	Inward supplies	GST (Rs.)
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(1)	Goods used in constructing an additional floor of office building	28,800
(2)	Packing Materials used in a factory	6,000
(3)	Goods destroyed due to natural calamities	12,500
(4)	Goods used for repairing the office building and cost of such repairs is debited to profit and loss account	12,000
(5)	Paper for photocopying machine used in Administrative Office	950
(6)	Goods given as gifts	25,000
(7)	Inputs used for tests or quality control check	15,600

Note:

- (i) All the conditions necessary for availing the ITC have been fulfilled.
- (ii) Registered Person is not eligible for any threshold exemption.

(6 Marks)

- (b) Explain the provisions relating to Utilisation of ITC and Order of Utilisation of ITC.

(4 Marks)

Question 7:

- (a) The aggregate turnover of Kamlesh Enterprises Ltd. exceeded Rs. 40 lakh on 10th October, 2021. It applied for registration on 27th October, 2021 and was granted the registration certificate on 1st November, 2021. You are required to advise Kamlesh Enterprises Ltd. as to what is the effective date of registration in its case. It has also sought your advice regarding period for issuance of Revised Tax Invoices.

(4 Marks)

- (b) MTCT, an entity registered under section 12AA of the Income-tax Act, 1961, has furnished you the following details with respect to the activities undertaken by it. You are required to compute its GST liability from the information given below :

Particulars	Rs.
Fees charged for yoga camp conducted by the trust	6,00,000
Amount received for advancement of educational programmes relating to abandoned, orphaned or homeless children	10,50,000
Amount received for renting of commercial property owned by the trust	35,00,000
Payment made for the services received from a service provider located in England, for the purposes of providing 'charitable activities'	10,00,000
Amount received for activities relating to preservation of forests and wildlife	12,35,000
Receipts of old age home meant for residents of 60 years or more [Consideration per month per member is ₹5,000 (inclusive of boarding lodging and maintenance)]	10,00,000

Note: GST have been charged separately wherever applicable. Rate of GST is 18%.

(6 Marks)

Question 8:

- (a) A Ltd. a manufacturing concern of Rajasthan having aggregate turnover of 120 lakhs in financial year 2020-21 has opted for composition scheme furnishes you with the following information for Financial Year 2021-22. It requires you to determine its composition tax liability and total tax liability. The break-up of supplies are as follows-

	Particulars	Rs.
(1)	Intra State Supplies of Goods X chargeable @ 5% GST	30,00,000
(2)	Intra State Supplies of goods which are chargeable to GST at Nil rate	18,00,000
(3)	Intra state supply of services chargeable with 5% GST	6,00,000
(4)	Interest earned on fixed deposits with banks	8,00,000
(5)	Intra state supplies which are wholly exempt under Section 11 of CGST Act,	2,40,000

	2017	
(6)	Value of inward supplies on which tax payable under RCM (GST Rate 5%)	5,00,000
(7)	Intra State Supplies of Goods Y chargeable @ 18% GST	30,00,000

Also determine composition tax liability if A Ltd. is a trader.

(6 Marks)

(b) Examine whether the following activities would amount to supply under section 7 of the CGST Act:

- (1) Hitkari Charitable Trust, a trust engaged in providing medical relief free of cost, donates books and stationery to children living in slum area.
- (2) Karishma Manufacturers have a factory in Jaipur and a depot in Delhi. Both these establishments are registered in respective States. Finished goods are sent from the factory to the depot without consideration so that the same can be sold.
- (3) Manan is an Electronic Commerce Operator in Delhi. His father who is settled in London is a well-known lawyer. Manan has taken legal consultancy from him free of cost with regard to his family dispute. Would your answer be different if in the above case, Manan has taken advice in respect of his business unit in Delhi?

(4 Marks)

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