

Intermediate Course: Group – I

(Mock Test Paper : 1)

DATE: 27.07.2024

MAXIMUM MARKS: 100

TIMING: 3¼ Hours

**PAPER 3 : TAXATION****SECTION - A : INCOME TAX LAW (50 MARKS)**

**Working Notes should form part of the answer. Whenever 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. 2024-25**

**DIVISION A - MULTIPLE CHOICE QUESTIONS****TOTAL MARKS: 15 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.**

**Q. 1 to Q. 4 :****CASE SCENARIO**

“ROSE Enterprise” a proprietorship firm of Mr. Janifar Walkar, a resident individual, in Maharashtra engaged in business of printing and publishing. The following details pertain to the assets of the business:

Particulars	Date of purchase	Date of put to use	Amount
Office building superstructure constructed on leased land	30.09.2023	30.12.2023	1,85,00,000
BMW M4 convertible car	23.08.2021	25.08.2021	94,80,000
Machineries used in printing and publishing process	25.09.2023	15.10.2023	9,12,500

Notes:

- (1) Car is also used for personal purposes; disallowance for personal use may be taken at 20%.
- (2) Written down value of Plant & Machinery (Depreciable @15%) as on 1.4.2023 is Rs. 1,45,00,000.

Based on the facts of the case scenario given above, choose the most appropriate answer to the following questions, assuming all the aforementioned assets are purchased through account payee cheque:

1. What would be the amount of depreciation allowable on plant and machinery (@15%) for the previous year 2023-24?
  - (a) Rs. 24,25,938
  - (b) Rs. 23,34,688
  - (c) Rs. 24,94,375
  - (d) Rs. 24,03,125
2. What would be the WDV of plant and machinery (Depreciable@15%) as on 1.4.2024?
  - (a) Rs. 1,29,86,562
  - (b) Rs. 1,29,18,125
  - (c) Rs. 1,30,77,812
  - (d) Rs. 1,30,09,375

3. What would the WDV of Office building superstructure constructed on leased land as on 1.4.2024?
  - (a) Rs. 1,85,00,000
  - (b) Rs. 1,66,50,000
  - (c) Rs. 1,75,75,000
  - (d) Rs. 1,57,25,000
  
4. What would be the amount of depreciation allowable on BMW M4 convertible car for the previous year 2023-24?
  - (a) Rs. 22,75,200
  - (b) Rs. 11,37,600
  - (c) Rs. 8,80,957
  - (d) Rs. 13,14,156

**MCQ [4 MCQ of 2 Marks Each : Total 8 Marks]**

**Q. 5 to Q. 7 :**

**CASE SCENARIO**

Mr. Rachna celebrated his 26<sup>th</sup> birthday on 15<sup>th</sup> May 2023 and arranged a grand party at Radisson Roy hotel. On this occasion, he invited his friends, blood relatives and distant relatives to attend the party. The ceremony was very grand, the feast was also very spectacular. All the arrangements and decorations were absolutely wonderful. At the end of party, Mr. Rachna was awarded by gifts and flower's bouquet as infra:

Gifts received from	Type of Gift	Remarks
Mother	One 22K Gold Chain	She purchased on the same day for Rs. 37,822
Father	One 22K Gold Bracelet	He purchased on the same day for Rs. 56,075
Wife	4 Gold Rings	She purchased these rings on 15.5.2022 for Rs. 35,500 each. Fair market value on 15th May 2023 is Rs. 37,429 each.
Sister	Painting	This painting is made by her. Fair market value is Rs. 45,000.
Cousin brother (Father's brother's son)	One Gold chain	He purchased it on the same day for Rs. 18,200.
Closest cousins (mother's sister's sons/daughters)	I-20 Car	Value of Rs. 4,10,000
Friends and other distant relatives	Cash	Rs. 1,51,000

Mr. Rachna desires to set up a new manufacturing unit with his friend in partnership on 1.12.2023. For making investment in the firm, he sold following jewellery which he has received on his 26<sup>th</sup> birthday celebration as gifts:

- Mother's gifted Gold Chain for Rs. 42,150
- Father's gifted Gold Bracelet for Rs. 60,180
- Cousin brother's gifted Gold Chain for Rs. 20,600

His wife gave him Rs. 1 lakh as a gift so that he could invest sufficient money in the unit.

On 1<sup>st</sup> December 2023, he invested Rs. 6,00,000 (including the amount received on sale of above gifts and amount received from his wife) and his friend invested Rs. 4,00,000 in the firm.

## Mittal Commerce Classes

On 1<sup>st</sup> February 2024, his wife again gave him Rs. 1 lakh as a gift to invest such money in the firm and apart from that he invested Rs. 50,000 more from his individual savings. On this day, his friend also invested Rs. 1,00,000 in the firm.

Since the firm is a manufacturing unit and at initial stage, the firm requires sufficient fund so Mr. Rachna sold his wife's gifted Gold Rings for Rs. 40,250 each as on 31<sup>st</sup> March 2024 and he deployed the funds as partner's capital in the firm on 01<sup>st</sup> April, 2022.

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

5. What is the amount of capital gain taxable in the hand of Mr. Rachna for P.Y. 2023-24?
  - (a) Short term capital gains Rs. 10,833
  - (b) Short term capital gains Rs. 29,833
  - (c) Short term capital gains Rs. 22,117
  - (d) No, capital gains is taxable in his hands, since he received the capital assets as gift.
  
6. What is the gift amount not considered as income under section 56(2)(x) for P.Y. 2023-24?
  - (a) Rs. 8,98,613
  - (b) Rs. 3,06,813
  - (c) Rs. 9,16,813
  - (d) Rs. 7,16,813
  
7. What is the gift amount taxable in the hands of Mr. Rachna for P.Y. 2023-24?
  - (a) Rs. 1,51,000
  - (b) Rs. 1,69,200
  - (c) Rs. 5,79,200
  - (d) Rs. 5,61,000

**MCQ [3 MCQ of 2 Marks Each : Total 6 Marks]**

8. Mr. Abhay made a donation of Rs. 50,000 to PM Cares Fund and Rs. 20,000 to Rajiv Gandhi Foundation by cheque. He made a cash donation of Rs. 10,000 to a public charitable trust registered under section 80G. The deduction allowable to him under section 80G for A.Y. 2024-25 is –
  - (a) Rs. 80,000
  - (b) Rs. 70,000
  - (c) Rs. 60,000
  - (d) Rs. 35,000

**(1 Mark)**

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**DIVISION B - DESCRIPTIVE QUESTIONS**

**QUESTIONS NO. 1 IS COMPULSORY.**

**ATTEMPT ANY TWO QUESTIONS FROM THE REMAINING THREE QUESTIONS**

**TOTAL MARKS: 35 MARKS**

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**Question 1:**

You are required to compute the total income and tax liability of Mr. Rajesh, aged 58 years, a resident individual. Mr. Rajesh is an advocate and furnishes you the receipts and payments account for the financial year 2023-24.

**Receipts and Payments Account**

<b>Receipts</b>	<b>Rs.</b>	<b>Payments</b>	<b>Rs.</b>
Opening Balance (01.04.2023)		Staff salary and bonus to clerks	17,50,000
Cash & Bank	80,000	Other general and administrative expenses	22,00,000
Fee from legal services	49,60,000	Office rent	1,48,000
Motor car loan from SBI @ 12% p.a. interest	5,00,000	Life Insurance Premium (Sum Assured Rs. 5,00,000)	49,000
Sale receipts of 5,800 listed equity shares (sold on 31st March 2024)	5,95,000	Motor Car (Acquired in January 2024 by way of NEFT)	9,50,000
		Books bought by way of A/c payee cheque in the month of May, June and September 2023 (annual publications)	80,000
		Computer acquired on 01.11.2023 for professional use (payment made by A/c payee cheque)	52,000
		Domestic drawings	6,23,000
		Motor Car maintenance	72,000
		Public Provident Fund subscription	1,50,000
		Closing Balance (31.03.2024)	
		Cash & Bank	61,000
	61,35,000		61,35,000

## Other information:

- (i) Listed equity shares on which STT was paid were acquired in August 2019 for Rs. 1,21,800. The fair market value of such shares as on 31st January 2018 and on 1st April 2018 was Rs. 75 per share and Rs. 85 per share, respectively.
  - (ii) Motor car was put to use for both official and personal purposes. 1/3rd of the motor car is for personal purpose. No interest on car loan was paid during the previous year 2023-24.
  - (iii) Mr. Rajesh purchased a flat in Kanpur for Rs. 35,00,000 in July 2013 cost of which was partly financed by a loan from Punjab National Housing Finance Limited of Rs. 25,00,000, his own-savings Rs. 1,00,000 and a deposit from Repco Bank for Rs. 9,00,000. The flat was given to Repco Bank on lease for 10 years @ Rs. 35,000 per month. The following particulars are relevant:
    - (a) Municipal taxes paid by Mr. Rajesh Rs. 8,200 per annum
    - (b) House insurance Rs. 11,000
 As per interest certificate issued by Punjab National Housing Finance Limited for the financial year 2023-24, he paid Rs. 1,80,000 towards principal and Rs. 2,01,500 as interest.
  - (iv) He earned Rs. 1,20,000 in share speculation business and lost Rs. 1,80,000 in commodity speculation business.
  - (v) Mr. Rajesh received a gift of Rs. 21,000 each from four of his family friends.
  - (vi) He contributed Rs. 1,21,000 to PM Cares Fund by way of bank draft.
  - (vii) He donated to a registered political party Rs. 3,50,000 by way of cheque.
  - (viii) He follows cash system of accounting.
  - (ix) Cost Inflation Index : F.Y. 2016-17 – 264; F.Y. 2018-19 – 280; F.Y. 2023-24 – 348
- Assume Mr. Rajesh is not willing to opt for the provisions of section 115BAC.

**(15 Marks)**

**Question 2:**

- (a) Mr. Aman is retired from XYZ Ltd. on 31.03.2024 after serving the employer for 30 years and 11 months and the employer has paid him leave salary of Rs. 5,00,000. At the time of retirement, he was getting basic pay Rs. 25,000 p.m. but it was Rs. 22,000 p.m. upto 31.07.2023. Further, the employee was getting dearness allowance Rs. 6,000 but it was Rs. 4,000 p.m. upto 31.07.2023 and 50% of the dearness allowance forms the part of salary for retirement benefits. The employee was entitled for 3 months leave for every year of service, but the employee has availed 7 months leave throughout the service and has encashed 4 months leave.

Compute employee's Tax Liability under optional tax regime for the Assessment Year 2024-25.

**(5 Marks)**

- (b) Mr. Shyam has 2 houses. First is self occupied with fair rent Rs. 20,000 p.a., municipal valuation is Rs. 55,000 p.a. Fair rent as per Rent Control Act is Rs. 50,000 p.a.. However the house remains vacant for 2 months Architect has issued completion certificate on 01.07.2021. Mr. Shyam has taken loan for addition to house Rs. 3,50,000 on 01.04.2023 @ 13% p.a. The loan was repaid on 01.03.2024 and assessee has submitted a certificate from the person from whom he has taken the loan certifying that the amount of interest claimed by Mr. Shyam is correct. In the earlier years, the house was let out and the assessee has recovered unrealised rent of Rs. 2,000 in the previous year 2023-24. The assessee has also incurred legal expenses of Rs. 350.

The second house is also self-occupied. However its similar building rent is Rs. 64,000 p.a. and rent determined by municipality for charging house tax is Rs. 66,000 p.a. Its standard rent is Rs. 6,000 p.m. municipal tax payable are Rs. 5,000. He has long term capital gains Rs. 20,00,000.

Compute his income tax liability under optional tax regime for Assessment Year 2024-25.

**(5 Marks)**

**Question 3:**

- (a) Mr. Rahul furnishes you the following information:  
Raw material purchased Rs. 5,00,000. Manufacturing expenses (revenue nature) Rs. 2,00,000.  
Sale price Rs. 18,00,000. Plant & machinery acquired Rs. 2,60,000. Depreciation is allowed @ 15%. He has made the investments as given below:
- (i) Fixed deposit with State Bank for two years Rs. 5,000.
  - (ii) Investment in National Saving Certificates Rs. 5,000.
  - (iii) Deposit in Public Provident Fund Account in the name of major married independent son Rs. 5,000.
  - (iv) Deposit in Public Provident Fund Account in the name of minor son Rs. 5,000.
  - (v) Payment of premium for LIC policy in name of major married independent daughter on 15.09.2023 Rs. 5,000. (sum assured Rs. 1,00,000).
  - (vi) Payment of premium for LIC policy in name of major married independent son on 11.11.2023 Rs. 5,000. (sum assured Rs. 20,000)
  - (vii) Investment in Home Loan Account Scheme of National Housing Bank Rs. 5,000 (Investment was made out of past savings).
  - (viii) Investment in units of Mutual Funds notified under section 10(23D) Rs. 5,000. (Investment was made out of current income exempt from income tax).
  - (ix) Investment in Equity Shares of Infrastructure Companies Rs. 5,000.

- (x) Payment of Tuition fees of his son to a private coaching centre for coaching in taxation Rs. 5,000.

Compute his income and tax liability under optional tax regime for assessment year 2024-25.

**(4 Marks)**

- (b)** Determine the Gross total income of Shri Raj Kumar and Smt. Raj Kumar for the assessment year 2024 - 25 from the following:

- (i) Salary received by Shri Raj Kumar from a company Rs. 1,80,000 per annum and Smt. Raj Kumar also doing job in a company and getting salary of Rs. 2,40,000 per annum
- (ii) Shri Raj Kumar transferred a flat to his wife Smt. Raj Kumar on 1st September, 2023 for adequate consideration. The rent received from this let-out flat is Rs. 9,000 per month.
- (iii) Shri Raj Kumar and his wife Smt. Raj Kumar both are partners in a firm. Shri Raj Kumar received Rs. 36,000 and Smt. Raj Kumar received Rs. 64,000 as interest from the firm and also had a share of profit of Rs. 12,000 and Rs. 26,000 respectively.
- (iv) Smt. Raj Kumar transferred 10% debentures worth Rs. 3,00,000 to Shri Raj Kumar. The whole amount of Rs. 3,30,000 invested by Shri Raj Kumar in the similar investments and earned income of Rs. 39,000.
- (v) Mother of Shri Raj Kumar transferred a property to Master Kunsh (son of Shri Raj Kumar) in the year 2022. Master Kunsh (Aged 13 years) received of Rs. 15,000 as income from this property on 20th February, 2024.

**(6 Marks)**

**Question 4:**

- (a)** Mr. Sanjay furnishes you the following details for the year ended 31.03.2024:

	Rs.
Income (loss) from house property	
House - 1	36,000
House - 2 Self occupied	(20,000)
House - 3	60,000
Profits and gains from Business or Profession	
Textile Business	2,00,000
Automobile Business	(3,00,000)
Speculation Business	2,00,000
Capital Gains	
Long-term capital gain from sale of shares (STT paid)	1,50,000
Long-term capital gain from sale of vacant site	2,00,000
Short-term capital loss from sale of building	1,00,000

(Note: Assume that the figures given above are computed and arrived at after considering eligible deductions).

Other sources:

Gift from a Friend (non-relative) on 05.06.2023	60,000
Gift from Maternal Uncle on 25.02.2024	1,00,000
Gift from Grandfather's Younger Brother on 10.02.2024	1,00,000

Compute the total income of Mr. Sanjay for the Assessment Year 2024-25.

**(6 Marks)**

- (b) Examine whether TDS provisions would be attracted in the following cases, and if so, under which section. Also specify rate of TDS applicable in each case. Assume that all payments are made to residents.

	Particulars of the payer	Nature of payment	Aggregate of payments made in the F.Y. 2023-24
1.	Mr. Ramesh, an individual carrying on retail business with turnover of ₹ 2.5 crores in the P.Y. 2022-23	Contract Payment for repair of residential house	₹ 5 lakhs
		Payment of commission to Mr. Kailash for business purposes	₹ 80,000
2.	Mr. Harish, a wholesale trader and turnover for P.Y. 2022-23 is 95 lakhs and for P.Y. 2023-24 105 lakhs	Contract payment for reconstruction of residential house (made during the period January-March, 2024)	₹ 20 lakhs in January, 2024, ₹15 lakhs in Feb 2024 and ₹20 lakhs in March 2024.
3.	Mr. Manish, a salaried individual	Payment of brokerage for buying a residential house in March, 2024	₹ 51 lakhs
4.	Mr. Veer, a pensioner	Contract payment made during October - November 2023 for reconstruction of residential house	₹ 48 lakhs

(4 Marks)

OR

- (b) Mr. Jitendra, a resident, has provided the following particulars of his income for the P.Y. 2023-24.

i.	Income under the head salary	Rs. 3,40,000
ii.	Income under the head house property	Rs. 3,00,000
iii.	Agricultural income from a land in Jaipur	Rs. 1,80,000
iv.	Expenses incurred for earning agricultural income	Rs. 1,20,000

Compute his tax liability under optional tax regime assuming his age is -

- (a) 45 years  
(b) 70 years

(4 Marks)

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**SECTION - B : GOODS AND SERVICES TAX (50 MARKS)**

- (i) Working Notes should form part of the answers. However, in answers to Questions in Division A, working notes are not required.
- (ii) Whenever necessary, suitable assumptions may be made by the candidates and disclosed by way of a notes.
- (iii) All questions should be answered on the basis of position of the GST law as amended by provisions of the CGST Act, 2017 and the IGST Act, 2017 as amended by the Finance Act, 2023, including significant notifications and circulars issued, up to 31st October, 2023.

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**DIVISION A - MULTIPLE CHOICE QUESTIONS**

**TOTAL MARKS: 15 MARKS**

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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.

**Q. 1 to Q. 5 :**

**CASE SCENARIO**

Mr. Raman started interior designing practice from the month of January. His turnover up to the month of March was Rs. 12,50,000. On 30th June, his turnover exceeded Rs. 20,00,000 & reached to Rs. 20,05,000. Mr. Raman applied for GST registration (as regular taxpayer) on 15th July and registration was granted to him on 25th July.

On 16th July, he entered into a contract for designing the flat of Mr. Shyam. The service was completed on 22nd July and Mr. Raman issued invoice on the same day for Rs. 6,00,000. On 5th July, Mr. Raman purchased capital goods amounting to Rs. 4,50,000 and from 25th July to 31st July, he availed input services amounting to Rs. 1,75,000 in relation to an output service to be provided in the month of August.

On 1st August, Mr. Raman got another contract for interior designing from Mr. Ram, which he accepted on 2nd August. The service was completed on 6th August and invoice was issued on 7th August for Rs. 5,00,000. Payment was received on 29th August.

All values are excluding taxes, unless specifically mentioned. Mr. Raman makes only intra-State outward supplies and all purchases are also intra-State. Rates of tax are CGST - 9% and SGST - 9%.

In relation to the above, answer the following questions:

- 1. The effective date of registration for Mr. Raman is-
  - (a) 30th June
  - (b) 15th July
  - (c) 25th July
  - (d) 16th July
  
- 2. Mr. Raman can issue a revised tax invoice till-
  - (a) 23rd October
  - (b) 8th September
  - (c) 25th September
  - (d) 25th August



## Mittal Commerce Classes

3. Eligible input tax credit available with Mr. Raman for the month of July is-
  - (a) CGST Rs. 40,500 & SGST Rs. 40,500
  - (b) CGST Rs. 15,750 & SGST Rs. 15,750
  - (c) CGST Rs. 56,250 & SGST Rs. 56,250
  - (d) CGST Rs. 36,000 & SGST Rs. 36,000
  
4. The time of supply of services provided by Mr. Raman to Mr. Ram is-
  - (a) 7th August
  - (b) 1st August
  - (c) 29th August
  - (d) 6th August
  
5. If instead of opting for regular scheme, Mr. Raman opts to pay tax under section 10(2A) of the CGST Act, 2017, the tax liability pertaining to July month, out of the total tax liability for the September quarter, will be-
  - (a) CGST Nil and SGST Nil
  - (b) CGST Rs. 54,000 & SGST Rs. 54,000
  - (c) CGST Rs. 18,000 & SGST Rs. 18,000
  - (d) CGST Rs. 78,150 & SGST Rs. 78,150

**MCQ [5 MCQ of 2 Marks Each : Total 10 Marks]**

6. Which of the following statements is/are incorrect under GST law:-
  - (i) If the supplier has erroneously declared a value which is more than the actual value of goods or services provided, then he can issue credit note for the same.
  - (ii) If the supplier declared some special discount which is offered after the supply is over, then he cannot issue credit note under GST law for the discount offer.
  - (iii) If quantity received by the recipient is more than what has been declared in the tax invoice, then supplier can issue debit note for the same.
  - (iv) There is no time limit to declare the details of debit note in the return.
  - (a) (i),(ii) and (iv)
  - (b) (i) and (iv)
  - (c) (iv)
  - (d) (i) and (iii)

**(2 Marks)**

7. Harish Trading Company situated in Haryana, is a dealer of seeds (exempt by exemption notification) & chemical fertilizers (taxable). He is about to cross the threshold limit of registration under GST and wants to opt for Composition Scheme under section 10(1) and 10(2) of the CGST Act. His entire supply is made exclusively within the State of Haryana. You being his Chartered Accountant, advise whether he can do so or not?
  - (a) Yes, since aggregate turnover is less than Rs. 1.5 crore.
  - (b) No, a person effecting supply exempted by way of exemption notification cannot opt for composition scheme under section 10(1) and 10(2) of the CGST Act.
  - (c) No, a trader cannot opt for composition scheme.
  - (d) No, a supplier of chemical fertilizer cannot opt for composition scheme.

**(2 Marks)**

8. Pankaj Traders, engaged in manufacturing of taxable as well as exempt goods, purchased a machinery worth Rs. 17,70,000 (Rs. 15,00,000 plus Rs. 2,70,000 GST). It capitalized full amount including taxes in the books of accounts and claimed depreciation on it as per provisions of the Income Tax Act, 1961. Compute the amount of ITC that can be claimed by Pankaj Traders?
- (a) Rs. 2,70,000  
(b) Zero  
(c) In proportion of taxable and exempt supply  
(d) By decreasing percentage points as prescribed

**(1 Marks)**


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### DIVISION B - DESCRIPTIVE QUESTIONS

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#### QUESTION NO. 1 IS COMPULSORY

**ATTEMPT ANY TWO QUESTIONS OUT OF REMAINING THREE QUESTIONS.**

**TOTAL MARKS: 35 MARKS**

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**Question 1:**

- (a) Chirag Limited is a manufacturing concern and the company has submitted the particulars as given below:-  
Purchased raw material, R1: ₹ 2,00,000 plus CGST @10% and SGST @10%  
Purchased raw material, R2: ₹ 3,00,000 plus IGST @ 20%  
The company purchased plant and machinery for ₹10 Lakhs and paid IGST @10%.  
Life of the plant and machinery is 5 years and depreciation is allowed @ 20% on SLM.  
The company has taken certain services in connection with manufacturing of goods and has paid ₹ 3,00,000 plus CGST @ 9% and SGST @ 9%  
Other processing expenditure incurred by the company is ₹ 5,00,000 and profit is ₹ 3,00,000.  
Final product was sold by the company and output CGST @10% and SGST @10%.  
Company is registered under GST and Compute Output tax / Net tax .

**(10 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 Rs. 5,000 (inclusive of boarding lodging and maintenance)]	10,00,000

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

**(5 Marks)**

**Question 2:**

(a) Mr. Suresh, a consignor is required to move goods from Ahmedabad (Gujarat) to Nadiad (Gujarat). He appoints Sharma Transporter for movement of goods. Sharma Transporter moves the goods from Ahmedabad (Gujarat) to Kheda (Gujarat). For completing the movement of goods from Kheda (Gujarat) to Nadiad (Gujarat), Sharma Transporter now hands over the goods to Mahesh Transporter. Explain the procedure regarding e-way bill to be followed by consignor and transporter as per provisions of GST law and rules made thereunder.

**(5 Marks)**

(b) Following services are provided by various service providers, state whether services are taxable or not?

1. Speed post service provided by post office to Delhi govt.
2. Express parcel post service provided by post office to Rajasthan Ltd.
3. Services provided to RBI
4. Service provided by Delhi Metro Rail Corporation for transport of passengers
5. Services provided by an Indian railway for the transport of passengers in first class AC.
6. Service provided in non taxable territory.

**(5 Marks)****Question 3:**

(a) Explain the registration requirements under GST law in the following independent cases

- (i) Mr. Mohammed of Jammu engaged in the business of supplying tobacco based Pan Masala with an aggregate turnover of ₹ 24 lacs.
- (ii) Mr. Carzil of Mizoram is engaged in the supply of papers with an aggregate turnover of ₹ 13 lacs.

Will your answer be different if Mr. Carzil is located in Meghalaya?

**(5 Marks)**

(b) Manohar & Co., a registered supplier under GST, provides the following information regarding various tax invoices issued by it during the month of March 2024:

- (i) Value of supply charged in an invoice was ₹ 2,50,000 against the actual taxable value of ₹ 2,30,000
- (ii) Tax Charged in an Invoice was ₹ 32,000 against the actual tax liability of ₹ 68,000 due to wrong HSN code being chosen while issuing invoice
- (iii) Value charged in an Invoice was ₹ 3,20,000 as against the actual value of ₹ 4,20,000 due to wrong quantity considered while billing.

Manohar & Co. asks you to answer the following:

- (1) Who shall issue a Debit/Credit Note under CGST Act, 2017?
- (2) Whether Debit Note or Credit Note has to be issued in each of the above circumstances and, if so, quantify the amount for which it is to be issued.
- (3) What is the maximum time-limit available for declaring the credit note in the GST Return?

**(5 Marks)****Question 4:**

(a) Explain the composite supply and mixed supply. If a trader launches a package sales for marriage contained double bed, refrigerator, washing machine, wooden wardrobe at a single rate. He is issuing of invoice showing value of each goods separately, whether this is case of mixed supply of composite supply. Explain.

**(5 Marks)**

**(b)** Mr. Gulab is a dealer registered in GST in Delhi and he has submitted information as given below:

- Purchased goods A on 10/07/2023 Rs. 4,00,000 plus CGST @ 10% and SGST @ 10% and goods were sold on 31/08/2023 Rs. 6,00,000 + CGST @ 10% and SGST @ 10% but invoice was issued on 01/09/2023 and payment was received on 01/10/2023.
- Purchased goods B on 10/09/2023 Rs. 5,00,000 plus CGST @ 10% and SGST @ 10% and goods were exported on 12/12/2023 and profit taken is 30% on cost.
- Purchased goods C on 10/09/2023 Rs. 7,00,000 plus CGST @ 10% and SGST @ 10% and goods were sold to our own branch in some other State on 31/12/2023 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.

**(5 Marks)**

**OR**

**(b)** Write a note on suspension of registration.

**(5 Marks)**

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