

MITTAL COMMERCE CLASSES

Intermediate Course: Group – I
 DATE: 11.10.2024

(Mock Test Paper – Series : 2)

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. 3:

Case Scenario

Mr. Aarjav (aged 48 years) furnishes the following particulars for the previous year 2023-24 in respect of an industrial undertaking established in "Special Economic Zone" in March 2018. It began manufacturing in April 2018.

Particulars	(Rs.)
Total sales	85,00,000
Export sales [proceeds received in India by 30.9.2024]	45,00,000
Domestic sales	40,00,000
Profit from the above undertaking	20,00,000

Export Sales of F.Y. of 2023-24 include freight and insurance of Rs. 5 lakhs for delivery of goods outside India.

He received rent of Rs. 30,000 per month for a commercial property let out to Mr. Akash, a salaried individual. He earned interest on savings bank A/c of

Rs. 15,000 and interest on Post Office savings A/c of Rs. 7,000 during the P.Y. 2023-24.

Mr. Aarjav has shifted out of the default tax regime under section 115BAC.

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

- Compute the amount of export turnover and total turnover for purpose of computing deduction under section 10AA for A.Y. 2024-25.
 - Rs. 45,00,000 and Rs. 85,00,000, respectively
 - Rs. 40,00,000 and Rs. 80,00,000, respectively
 - Rs. 45,00,000 and Rs. 80,00,000, respectively
 - Rs. 40,00,000 and Rs. 85,00,000, respectively
- Compute the amount of deduction available to Mr. Aarjav under section 10AA for A.Y. 2024-25.
 - Rs. 10,00,000
 - Rs. 4,70,577
 - Rs. 5,62,500
 - Rs. 5,00,000

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3. Compute the total income of Mr. Aarjav for A.Y. 2024-25.
- Rs. 17,60,500
 - Rs. 12,60,500
 - Rs. 18,72,000
 - Rs. 17,64,000

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

Q. 4 to Q. 6:

Case Scenario

Mr. Anshul, aged 54 years, an Indian citizen, is working as Assistant Manager in ABC India Ltd. He is getting basic salary of Rs. 58,000 per month. He used to travel frequently out of India for his office work. He left India from Delhi Airport on 5th October, 2023 and returned to India on 2nd April, 2024.

For previous year 2023-24, following information are relevant;

- Dearness Allowance - 10% of Basic Pay (considered for retirement purposes)
- Bonus - Rs. 98,000
- Medical allowance paid during P.Y. 2023-24 amounting to Rs. 60,000
- He was also reimbursed medical bill of his mother amounting to Rs. 15,000.
- He was also reimbursed salary of house servant of Rs. 4,000 per month.
- Professional tax paid by employer amounting to Rs. 2,400.
- 400 equity shares allotted by ABC India Ltd. at the rate of Rs. 250 per share against fair market value of share of Rs. 350 on the date of exercise of option.
- Mr. Anshul has exercised the option to shift out of the default tax regime under section 115BAC.

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

4. What is Mr. Anshul's residential status for the A.Y. 2024-25?
- Resident but can't determine resident and ordinarily resident or resident but not ordinarily resident from the given information
 - Non-Resident
 - Resident but not ordinarily resident
 - Resident and ordinarily resident
5. What are his taxable perquisites for A.Y. 2024-25?
- Rs. 55,000
 - Rs. 90,400
 - Rs. 1,05,400
 - Rs. 1,03,000
6. What is the income chargeable under the head "Salaries" in the hands of Mr. Anshul for A.Y. 2024-25?
- Rs. 9,76,600
 - Rs. 9,86,600
 - Rs. 9,71,600
 - Rs. 9,61,600

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

7. Mr. Arpan (aged 35 years) submits the following particulars for the purpose of computing his total income:

Particulars	Rs.
Income from salary (computed)	4,00,000
Loss from let-out house property	(-) 2,20,000
Brought forward loss from let-out house property for the A.Y. 2023-24	(-) 2,30,000

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Business loss	(-) 1,00,000
Bank interest (FD)	80,000

Compute the total income of Mr. Arpan for the A.Y.2024-25 and the amount of loss that can be carried forward for the subsequent assessment year under normal provisions of the Act?

- (a) Total income Rs. 2,00,000 and loss from house property of Rs. 2,50,000 and business loss of Rs. 20,000 to be carried forward to subsequent assessment year.
- (b) Total income Rs. 1,60,000 and loss from house property of Rs. 2,30,000 to be carried forward to subsequent assessment year.
- (c) Total income Rs. 4,00,000 and business loss of Rs. 20,000 to be carried forward to subsequent assessment year.
- (d) Total income is Nil and loss from house property of Rs. 70,000 to be carried forward to subsequent assessment year.

(2 Marks)

8. Mr. Raja, aged 64 years, was not able to provide satisfactory explanation to the Assessing Officer for the investments of Rs. 7 lakhs not recorded in the books of accounts. What shall be the tax payable by him on the value of such investments considered to be deemed income as per section 69?

- (a) Rs. 2,18,400
- (b) Rs. 55,000
- (c) Rs. 5,46,000
- (d) Rs. 54,600

(1 Mark)

DIVISION B - DESCRIPTIVE QUESTIONS

QUESTIONS NO. 1 IS COMPULSORY.

ATTEMPT ANY TWO QUESTIONS FROM THE REMAINING THREE QUESTIONS

TOTAL MARKS: 35 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, 2024 is as follows:

Profit & Loss Account for the year ending March 31st, 2024

Expenditure	Amount (₹)	Income	Amount (₹)
Staff Salary	18,25,000	Fees earned: Audit	23,00,000
Rent of the office premises	6,00,000	Taxation	14,50,000
Administrative expenses	5,75,000	Consultancy services relating to syndication of loan from financial institution	10,00,000
Stipend to Articled clerks	1,85,000	Gifts	1,00,000
Meeting, seminars and conferences	36,500	Dividends from Indian companies	12,00,000
		Interest on deposit Certificates issued under Gold Monetization Scheme, 2015	15,000
Depreciation	55,000		
Printing and Stationery	8,75,000		
Net Profit	19,13,500		
	60,65,000		60,65,000

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Other information:

- (1) Depreciation allowable under Income-Tax Act ₹ 1,25,000.
- (2) Administrative expenses include ₹ 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 ₹ 50,000 was paid without deduction of tax at source.
- (5) Mr. Pandey had taken a loan of ₹ 32,00,000 for the purchase of a house property valuing ₹ 45,00,000 from a recognized financial institution on 1st May, 2023. He repaid ₹ 1,50,000 on 31st March, 2024 out of which ₹ 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 2024.
- (6) Mr. Pandey paid medical insurance premium of his parents (senior citizens and not dependent on him) by cheque amounting to ₹ 27,000. He also paid ₹ 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 2024-25, assuming that Mr. Pandey does not want to opt for presumptive taxation scheme under Section 44ADA. (Opt out default tax regime U/s 115 BAC).

(15 Marks)

Question 2:

- (a) Mr. Mahadev, a noted bhajan singer of Rajasthan and his wife Mrs. Dariya furnish the following information relating to the Assessment Year 2024-25.

		₹
1	Income of Mr. Mahadev – professional bhajan singer (computed)	5,65,000
2	Salary income of Mrs. Dariya (computed)	3,80,000
3	Loan received by Mrs. Dariya from Ramu & Jay (Pvt) Ltd. (Mrs. Dariya holds 35% shares of the Co. The Co. has incurred losses since its inception 2 years back)	2,50,000
4	Income of their minor son Golu from winning singing reality show on T.V.	2,50,000
5	Cash gift received by Golu from friend of Mr. Mahadev on winning the show	21,000
6	Interest income received by minor married daughter Gudia from deposit with Ramu & Jay Pvt Ltd.	40,000

Compute total taxable income of Mr. Mahadev & Mrs. Dariya for the Assessment Year 2024-25.

(5 Marks)

- (b) Examine the TDS implications in the following cases along-with reasons thereof;
- (i) Mr. Deepak transferred a residential house property to Mr. Karan for ₹ 45 lacs. The stamp duty value of such property is ₹ 55 lacs.
 - (ii) XYZ Private Limited pays the following amounts to Mr. Narayan during previous year 2023-24:
 1. ₹ 22,000 towards fee for professional services
 2. ₹ 18,000 towards royalty
 - (iii) Payment of ₹ 1,75,000 made to Mr. Vaibhav for purchase of calendar according to specifications of M/s. ABC Limited. However, no material was supplied for such calendar by ABC Limited to Mr. Vaibhav.
 - (iv) Talent Private Limited pays ₹ 12,000 to Ms. Sudha, its director, towards sitting fee which is not taxable u/s 192.

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- (v) Radha Limited is engaged for Shyam Limited only in the business of operation of call centre. On 18-03-2024, the total amount credited by Shyam Limited in the ledger account of Radha Limited is ₹ 70,000 regarding service charges of call centre. The amount is paid through cheque on 28/03/2024 by Shyam Limited.

(5 Marks)

Question 3:

- (a) Star Enterprises has transferred its unit R to A Ltd. by way of Slump Sale on January 23, 2024. The summarized Balance Sheet of Star Enterprises as on that date is given below:

Liabilities	Amount (₹ in Lacs)	Assets	Amount (₹ in Lacs)
Own Capital	1,750	Fixed Assets:	
Accumulated P & L balance	670	Unit P	200
Liabilities:		Unit Q	150
Unit P	90	Unit R	600
Unit Q	160	Other Assets:	
Unit R	140	Unit P	570
		Unit Q	850
		Unit R	440
Total	2,810	Total	2,810

Using the further information below, compute the Capital Gains arising from slump sale of Unit R for Assessment year 2024-25.

- (i) Slump sale consideration on transfer of Unit R was ₹ 930 lacs.
- (ii) Fixed Assets of Unit R includes land which was purchased at ₹ 110 lacs in the year 2010 and was revalued at ₹ 140 lacs.
- (iii) Other fixed assets are reflected at ₹ 460 lacs. (i.e. ₹ 600 lacs less value of land) which represents written down value of those assets as per books. The written down value of these asset is ₹ 430 lacs.
- (iv) Unit R was set up by Star Enterprises in Oct, 2009.

Note: Cost of Inflation Indices for the financial year 2010-11 and financial year 2023-24 are 167 and 348 respectively. (Opt out default tax regime U/s 115 BAC).

(6 Marks)

- (b) Singhanian & Co., a sole proprietorship owns six machines, put in use for business in March, 2022. The depreciation on these machines is charged @15%. The opening balance of these machines after providing depreciation for P.Y. 2022-23 was Rs. 8,50,000. Three of the old machines were sold on 10th June, 2023 for Rs. 11,00,000. A second hand plant was bought for Rs. 8,50,000 on 30th November, 2023.

You are required to:

- (i) determine the claim of depreciation for Assessment Year 2024-25.
- (ii) compute the capital gains liable to tax for Assessment Year 2024-25.
- (iii) If Singhanian & Co. had sold the three machines in June, 2023 for Rs. 21,00,000, will there be any difference in your above workings? Explain.

(4 Marks)

Question 4:

- (a) Mr. X retired from the services of M/s Y Ltd. on 31.01.2024, after completing service of 30 years and one month. He had joined the company on 1.1.1994 at the age of 30 years and received the following on his retirement:

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- (i) Gratuity ₹ 6,00,000. He was covered under the Payment of Gratuity Act, 1972.
- (ii) Leave encashment of ₹ 3,30,000 for 330 days leave balance in his account. He was credited 30 days leave for each completed year of service.
- (iii) As per the scheme of the company, he was offered a car which was purchased on 31.01.2021 by the company for ₹ 5,00,000. Company has recovered ₹ 2,00,000 from him for the car. Company depreciates the vehicles at the rate of 15% on Straight Line Method.
- (iv) An amount of ₹ 3,00,000 as commutation of pension for 2/3 of his pension commutation.
- (v) Company presented him a gift voucher worth ₹ 6,000 on his retirement.
- (vi) His colleagues also gifted him a Television (LCD) worth ₹ 50,000 from their own contribution.

Following are the other particulars:

- (i) He has drawn a basic salary of ₹ 20,000 and 50% dearness allowance per month for the period from 01.04.2023 to 31.01.2024.
- (ii) Received pension of ₹ 5,000 per month for the period 01.02.2023 to 31.03.2024 after commutation of pension.

Compute his gross total income from the above for Assessment Year 2024-25. Assuming he exercises the option of shifting out of the default tax regime provided.

(6 Marks)

- (b)** Mr. Krishna owns a residential house in Delhi. The house is having two identical units. First unit of the house is self-occupied by Mr. Krishna and another unit is rented for ₹ 12,000 p.m. The rented unit was vacant for three months during the year. The particulars of the house for the previous year 2023-24 are as under:

Standard Rent	₹ 2,20,000 p.a.
Municipal Valuation	₹ 2,44,000 p.a.
Fair Rent	₹ 2,35,000 p.a.
Municipal tax paid by Mr. Krishna	12% of the Municipal Valuation
Light and water charges	₹ 800 p.m.
Interest on borrowed capital	₹ 2,000 p.m.
Insurance charges	₹ 3,500 p.a.
Painting expenses	₹ 16,000 p.a.

Compute income from house property of Mr. Krishna for the assessment year 2024-25. (Opt out default tax regime U/s 115 BAC).

(4 Marks)

OR

- (b)** Mr. A employed with B Pvt. Ltd. residing in Chennai, filed his return of Income on 30th July. He has no other income other than salary. He however has failed to link his Aadhar with PAN as on return filing date.

- (i) What is the last date for linking Aadhar with PAN?
- (ii) What is the consequence for him if he has linked the Aadhar with PAN on 31st August, 2024?
- (iii) Are there any exceptions provided under section 139AA from quoting of Aadhar number?

(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.

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. 6

Case Scenario

M/s. Maahi & Co., a LLP registered dealer under GST, is engaged in various types of business activities.

It provided GTA services to Government Department, registered under GST for providing various services. Maahi & Co. did not exercise the option to pay GST.

The firm provided services of Direct Selling Agency (DSA Services) to a Banking Company located in Mumbai.

The firm provided free gift to each of its employees valuing Rs. 50,000 once in a financial year.

M/s Maahi & Co let out its warehouse to Mr. Shankar, who in turn let out to an agriculturist for warehousing of agricultural produce. The firm also undertakes catering service to "Vishwas" Anganwadi. The said Anganwadi has received fundings from Government.

The firm purchased following goods during the month of July:-

- (a) Capital goods amounting to Rs. 45,000 purchased on which depreciation has been taken on full value including GST paid thereon.
- (b) Raw materials purchased amounting to Rs. 55,000 for which invoice is missing but delivery challan is available.

Further, for the month of July, the GST liability of the firm was Rs. 20,000 IGST;

Rs. 10,000 CGST; Rs. 10,000 SGST. The following credits were available in the said month-

IGST: Rs. 8,000

CGST: Rs. 12,000

SGST: Rs. 5,000

All the amounts given above are exclusive of taxes, wherever applicable. All the supply referred above is intra-State unless specified otherwise. Conditions for availing ITC are fulfilled subject to the information given above.

Based on the information provided above, choose the most appropriate answer for the following questions-

1. Choose the correct statement(s).
 - (i) For GTA services, Government is liable to pay GST under reverse charge
 - (ii) For DSA services, Banking Company is liable to pay GST under reverse charge
 - (iii) For GTA services, Maahi & Co is liable to pay GST under forward charge
 - (iv) For DSA services, Maahi & Co is liable to pay GST under forward charge

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- (a) i & ii
 (b) iii & iv
 (c) i & iv
 (d) ii & iii
2. Which of the following options is correct in respect of GTA services provided to Government Department?
 (a) GTA service is taxable @ 12% without restriction of availing input tax credit.
 (b) GTA service is taxable @ 12%, but input tax credit cannot be availed for the same.
 (c) GTA service is taxable @ 5% without restriction of availing input tax credit.
 (d) GTA service is taxable @ 5%, but input tax credit cannot be availed for the same.
3. Gift of Rs. 50,000 in value provided by Maahi & Co to each of its employee will be:
 (a) Supply of goods
 (b) Supply of services
 (c) Exempt supply
 (d) Not a supply
4. Which of the following statements is correct:-
 (i) Letting out of warehouse to Shankar is exempt
 (ii) Catering service to "Vishesh" Anganwadi is exempt
 (iii) Letting out of warehouse to Shankar is not exempt
 (iv) Catering service to "Vishesh" Anganwadi is not exempt
 (a) i & ii
 (b) iii & iv
 (c) i & iv
 (d) ii & iii
5. M/s Maahi & Co is eligible to claim input tax credit of _____
 (a) Rs. 45,000
 (b) Rs. 55,000
 (c) Rs. 1,00,000
 (d) Nil
6. Compute the GST liability of the firm for the month of July to be paid in cash, if rule 86B of the CGST Rules, 2017 is not applicable?
 (a) IGST: Rs. 10,000; CGST: Nil, SGST: Rs. 5000
 (b) IGST: Rs. 12,000; CGST: Nil; SGST: Rs. 5000
 (c) IGST: Nil; CGST: Rs. 10,000, SGST: Rs. 5000
 (d) IGST: 5,000; CGST: Nil, SGST: 10,000
- MCQ [6 MCQ of 2 Marks Each : Total 12 Marks]**
7. Suvidha Enterprises issued invoices pertaining to two independent outward supplies, where in one invoice value of supply was understated by Rs. 75,000 and in another invoice, value was overstated by Rs. 45,000. Which of the following is correct in respect of document to be issued by the firm for understatement and overstatement of invoice value?
 (i) Debit note is to be issued for Rs. 75,000.
 (ii) Credit note is to be issued for Rs. 75,000.
 (iii) Debit note is to be issued for Rs. 45,000.
 (iv) Credit note is to be issued for Rs. 45,000.

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- (a) (i) & (iii)
 (b) (ii) & (iii)
 (c) (i) & (iv)
 (d) (ii) & (iv)

(2 Marks)

8. Riya & Co., a partnership firm, is engaged in retail trade since 1st April. The firm became liable for registration on 1st October. However, it applied for registration on 10th October and was granted certificate of registration on 5th November. Determine the effective date of registration of Riya & Co.?

- (a) 1st April
 (b) 1st October
 (c) 10th October
 (d) 5th November

(1 Mark)

DIVISION B - DESCRIPTIVE QUESTIONS

QUESTION NO. 1 IS COMPULSORY

ATTEMPT ANY TWO QUESTIONS OUT OF REMAINING THREE QUESTIONS.

TOTAL MARKS: 35 MARKS

Question 1:

- (a) Mr. Himanshu, a registered supplier of chemicals, pays GST under regular scheme. He is not eligible for any threshold exemption. He has made the following outward taxable supplies for the month of September 2023:

Intra-State supply of goods	₹ 25,00,000
Inter-State supply of goods	₹ 5,00,000
He has also made the following inward supply:	
Intra-State purchase of goods from Registered Dealer	₹ 14,00,000
Intra-State purchase of goods from Unregistered Dealer	₹ 2,00,000
Inter-State purchase of goods from Registered Dealer	₹ 4,00,000

Balance of ITC at the beginning of September 2023:

CGST	₹ 95,000
SGST	₹ 60,000
IGST	₹ 50,000

Additional Information:

- He purchased a car (Intra-State supply) used for business purpose at a price of ₹ 6,72,000/- (including CGST of ₹ 36,000 & SGST of ₹ 36,000) on September 15, 2023. He capitalized the full value including GST in the books on the same date to claim depreciation.
- Out of Inter-State purchase from registered dealer, goods worth ₹ 1,00,000 were received on October 3, 2023 due to road traffic jams.

Note:

- (i) Rate of CGST, SGST and IGST to be 9%, 9% and 18% respectively.
- (ii) Both inward and outward supplies given above are exclusive of taxes, wherever applicable.
- (iii) All the conditions necessary for availing the ITC have been fulfilled except mentioned above.

Compute the net CGST, SGST and IGST payable in cash by Mr. Himanshu for the month of September 2023.

(8 Marks)

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- (b) Green Agro Services, a registered person provides the following information relating to its activities during the month of February 2024:

Gross Receipts from	(₹)
Services relating to rearing of sheeps	6,00,000
Services by way of artificial insemination of horses	4,00,000
Processing of Sugarcane into Jaggery	8,00,000
Milling of paddy into rice	7,50,000
Services by way of fumigation in a warehouse of Agricultural produce	1,80,000

All the above receipts are exclusive of GST.

Compute the value of taxable supplies under GST laws for the month of February, 2024.

(7 Marks)

Question 2:

- (a) Mr. A has deposited a sum of Rs. 30,000 under minor head of "Interest" column for the major head "IGST". At the time of filing GSTR-3B for a particular tax period, he noticed that there is no sufficient amount under the minor head 'Tax' towards payment of Rs. 30,000. When approached with the consultant, Mr. A was guided to deposit the tax amount under proper head of account and claim a refund for the remittance of amount deposited under head "interest". Examine the relevant provisions of CGST Act, 2017 towards payment of tax and compliance with the law.

(5 Marks)

- (b) M/s Mansh & Vansh Trading Company, a registered supplier, is liable to pay GST under forward charge. Determine the time of supply from the following information furnished by it:

- (i) Goods were supplied on 03-10-2023
- (ii) Invoice was issued on 05-10-2023
- (iii) Payment received on 09-10-2023

(3 Marks)

- (c) The Sterling Group of hostels introduces a holiday package for 5 Days in Pondicherry and Mahabalipuram (Tamilnadu). The stay includes both staying and complementary breakfast. Where the stay in Pondicherry is for 3 Nights and the stay in Mahabalipuram for 2 Nights. For the above services The Sterling charges total of ₹ 15,000. Explain the place of supply in the above scenario.

(2 Marks)

Question 3:

- (a) P Ltd, a registered person provided following information for the month of October, 2023:

Particulars	Amount (₹)
Intrastate outward supply	8,00,000
Interstate exempt outward supply	4,00,000
Turnover of exported goods	20,00,000
Payment of IGST	1,20,000
Payment of CGST and SGST	45,000 each
Payment of custom duty on export	40,000
Payment made for availing GTA services	3,00,000

GST is payable on Reverse Charge for GTA services.

Explain the meaning of aggregate turnover u/s 2 (6) of CGST Act and compute the aggregate turnover of P Ltd. for the month of October, 2023. All amounts are exclusive of GST.

(4 Marks)

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- (b) Write short notes on the following:
List out any five cases where generation of E-Way Bill is not necessary. **(3 Marks)**

- (c) Shashikaran, a registered supplier of Delhi, has supplied 20,000 packages at Rs. 30 each to Sukhija Gift Shop in Punjab. Each package consists of 2 chocolates, 2 fruit juice bottles and a packet of toy balloons. Determine the rate(s) of GST applicable in the given case assuming the rates of GST to be as under:

Goods/services supplied	GST rate
Chocolates	18%
Fruit juice bottles	12%
Toy balloons	5%

(3 Marks)

Question 4:

- (a) M/s PQR Ltd. have filed their GSTR3B return for the month of August, 2023 within the due date i.e. 20.09.2023. It was noticed in October 2023 that tax dues for the month of August, 2023 have been short paid for by ₹ 10,000. The shortfall of ₹ 10,000 was paid through cash ledger and credit ledger amounting to ₹ 7,500 and ₹ 2,500 respectively while filing GSTR3B of October 2023 which was filed on 20.11.2023.
- (i) Examine and compute the Interest payable if any under the CGST Act, 2017.
(ii) What would be your answer if, GSTR-3B for the month of August 2023 had been filed belatedly on 20.11.2023 and the tax of ₹ 10,000/- has been paid on 20.11.2023 as above.

Note: Ignore the effect of the leap year. Electronic cash ledger and credit ledger carried sufficient balance for the above shortfall.

(6 Marks)

- (b) State with brief reason, whether following suppliers of taxable goods are required to register under the GST Law:
- (i) Mr. Raghav is engaged in wholesale cum retail trading of medicines in the State of Assam. His aggregate turnover during the financial year is ₹ 9,00,000 which consists of ₹ 8,00,000 as Intra-State supply and ₹ 1,00,000 as Inter-State supply.
- (ii) Mr. S.N Gupta of Rajasthan is engaged in trading of taxable goods on his own account and also acting as an agent of Mr. Rishi of Delhi. His turnover in the financial year 2022-23 is of ₹ 12 lakhs on his own account and ₹ 9 lakhs on behalf of principal. Both turnovers are Intra-State supply.

(4 Marks)

OR

- (b) "All taxpayers are required to file GSTR-1 only after the end of the current tax period."
Comment on the validity of the above statement with reference to GST law.

(4 Marks)

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