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Roll No.

Total No. of Questions – 8

Total No. of Printed Pages – 16

Maximum Marks – 70

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 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 MCQs in Part I are to be marked on the OMR answer sheet as given on the cover page of descriptive answer book of Section – A only. Answers to questions in Part II are to be written in their respective descriptive answer book. Answers to MCQs, if written inside the descriptive answer book or on Part-I questions paper, will not be evaluated.
6. OMR answer sheet given on the cover page of descriptive answer book 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 answer book.**
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 the descriptive answer books with OMR cover page 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 descriptive answer books A and B.
11. Candidate found copying or receiving or giving any help or defying instructions of the invigilators or having / using mobile phone or smart watch will be expelled from the examination and will also be liable for further punitive action.

PART – II

70 Marks

1. **Section – A** comprises questions 1-4. In Section – A, answer question No. 1 which is compulsory and any 2 questions from question Nos. 2-4. All questions in Section – A relate to assessment year 2024-25, unless otherwise stated. Significant notifications/circulars issued upto 30th June, 2024 shall be relevant.
Section – B comprises questions 5-8. In Section – B, answer question No. 5 which is compulsory and any 2 questions from question Nos. 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 Finance Act, 2023 and significant notifications/circulars issued upto 30th June, 2024.

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PART – II

SECTION – A

1. Mr. Rohit, a resident individual, aged 65 years, is a qualified medical practitioner. He runs his own clinic. Income & Expenditure A/c of Mr. Rohit for the year ending March 31st 2024 is as under : **15**

Expenditure	₹	Income	₹
To Salary to Staff	8,20,000	By Consultation Fees	22,00,000
To Administrative Expenses	5,90,000	By Salary received from Care Hospital Pvt. Ltd.	1,80,000
To Conveyance Expenses	24,000	By Rental Income from House Property	78,000
To Power & Fuel	24,000	By Dividend from Foreign Companies	10,000
To Interest on Housing Loan	1,00,000		
To Interest on Education Loan for son	26,000		
To Amount paid to scientific research association approved & notified U/s 35	25,000		
To Net Profit	8,59,000		
Total	24,68,000	Total	24,68,000

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Following is the further information relating to Financial Year 2023-2024 :

- (i) He is working part-time with Care Hospital Pvt. Ltd. His Salary details are as under :

Basic Pay	₹ 13,000 p.m.
Transport Allowance	₹ 2,000 p.m.
Total	₹ 15,000 p.m.

Further, during P.Y. 2023-24 his son had undergone a medical treatment in Care Hospital Pvt. Ltd. free of cost. The hospital would have charged a sum of ₹ 1,00,000 for a similar treatment to unrelated patients.

- (ii) He owns a residential house. The ground floor of the house (50% portion) is self-occupied by him while first floor of the house (50% portion) has been rented out since 01/10/2023. The reconstruction of the entire house was started on 01.04.2023 and was completed on 30.09.2023. The monthly rent is ₹ 10,000. The tenant also pays ₹ 3,000 p.m. as power back-up charges. He took a housing loan of ₹ 12 lakhs on 01.04.2023. Interest on housing loan for the period 01.04.2023 to 30.09.2023 was ₹ 60,000 and for the period 01.10.2023 to 31.03.2024 was ₹ 40,000. During the year, he also paid municipal taxes for the F.Y. 2022-23 ₹ 4,000 and F.Y. 2023-24 ₹ 6,000.

- (iii) Other Information:

- (a) Payment of salary of ₹ 25,000 per month to sister-in-law of Mr. Rohit, who was in-charge of the Accounts & Receivables department. However, in comparison to similar work profile, the reasonable salary at market rate is ₹ 20,000 per month.

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- (b) Conveyance expenses include a sum of ₹ 12,000 incurred for conveyance from house to Care Hospital Pvt. Ltd. and vice-versa in relation to his employment.
- (c) Power and fuel expenses include a sum of ₹ 6,000 incurred for generator fuel for providing power back up to the tenant.
- (d) Administrative expenses include a sum of ₹ 10,000 paid as Municipal Taxes for his house.
- (e) Clinic Equipment details are :
Opening W.D.V. of Clinic Equipment as on 01.04.2023 was ₹ 1,00,000 and fresh purchase made on 28.08.2023 for ₹ 25,000 which was paid in cash.
- (f) He also paid tuition fees of ₹ 40,000 for his Grand Daughter, which is debited to his capital A/c.
- (g) He availed a loan of ₹ 8,00,000 from bank for higher education of his son. He repaid principal of ₹ 50,000 and interest of ₹ 26,000 during P.Y. 2023-2024.

You are required to compute his net taxable income and net tax liability for the A.Y. 2024-25 if he has exercised the option of shifting out of the default tax regime provided under Section 115BAC(1A).

2. (a) Mr. Paras has a proprietary business since PY 2015-16. He has transferred this business on 01.04.2023 by way of a slump sale for a total consideration of ₹ 40 Lakh. The fair market value of his capital assets as on 01.04.2023 is ₹ 35 Lakh. He has incurred expenses for this deal of ₹ 1,50,000. His Balance Sheet as on 31.03.2023 is given below :

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Liabilities	₹	Assets	₹
Own Capital	20,00,000	Building	18,00,000
Bank Loan	5,00,000	Debtors	5,00,000
Unsecured Loans	2,50,000	Machinery	5,00,000
Creditors	4,10,000	Other assets	3,60,000
	31,60,000		31,60,000

Other information :

- (1) Bank loan balance includes ₹ 2 lakh for personal purpose.
- (2) Machinery costing ₹ 50,000 has been allowed 100% as deduction u/s 35 AD.
- (3) Other assets include self generated goodwill of ₹ 60,000.
- (4) Unsecured loans include ₹ 1 lakh for amount payable for the purchase of the ornaments of his wife.

Compute the capital gain/loss for the AY 2024-25.

- (b) Mr. Ganesh whose Professional Receipts for the year ended 31.03.2023 were ₹ 1.25 crores has made payment to Mr. Rajesh (a Chartered Accountant) during P.Y. 2023-24 who has multi faced activities. Examine whether TDS Provisions are applicable for following payments made by Mr. Ganesh to CA Mr. Rajesh : 4

- (i) Professional Fee for consultation – ₹ 32,450 on 15.06.2023 including GST paid @ 18%.

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(ii) Royalty Payment for Use of Computer Software by various clients of Mr. Rajesh – ₹ 2,50,000 on 03.03.2024.

(iii) Fee for Technical services related to Business of Mr. Ganesh – ₹ 20,000 on 15.12.2023.

(iv) Fees for teaching accountancy to his Son – ₹ 40,000 on 31.10.2023.

3. (a) (A) What is the meaning of Micro and Small Enterprise u/s 43 B of Income Tax Act, 1961 ? 6

(B) Mr. Prem has following assets as on 01.04.2023 :

(i) A machinery costing ₹ 4 lakh, which was used for scientific research related to business and deduction u/s 35 was allowed ₹ 40,000.

(ii) A laptop received as a gift from his friend costing ₹ 60,000. It was purchased on 01.04.2022 by his friend.

(iii) A temporary wooden structure costing ₹ 70,000 erected in Dec. '23 which was used for business purposes.

Compute the depreciation allowed on these assets for F.Y. 2023-24.

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- (b) Mr. X, age 83 years, a resident individual, gives the following particulars of his receipts for AY 2024-25 : 4

1. Installment received from the bank under reverse mortgage arrangement	₹ 1,50,000
2. Interest on bank term deposits	₹ 2,00,000
3. Interest on bank saving a/c	₹ 45,000
4. Pension from Central Govt.	₹ 4,50,000
5. STCG on sale of dining table and chairs	₹ 1,00,000
6. Income from dairy farming on his rural agricultural land	₹ 50,000

Compute his total income and Income Tax thereon for A.Y. 2024-25 considering that assessee has opted out of Default tax regime.

4. (a) Mr. Rakesh furnishes the following details for year ended 31.03.2024 : 6

Particulars	₹
Short Term Capital Gain	2,80,000
Loss from Speculative Business	1,20,000
Long Term Capital Gain on Sale of Land	60,000
Long Term Capital Loss on Sale of shares (STT not paid)	2,00,000
Income From Business of Textile (after allowing current year Depreciation)	1,00,000
Income From Salary (Computed)	2,00,000
Loss from Let - Out House Property	80,000
Share of Loss from Firm	1,60,000
Investment in PPF	21,000
Medical Insurance Premium for self paid by Cheque	24,000
Preventive Health Check-up fees for wife paid by Cheque	5,000

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Following are the Carry Forward Losses :

- Carry Forward Loss from Business of Textile ₹ 1,20,000 – this being the 8th year from the year of Loss.

Compute Total Income of Mr. Rakesh for the AY 2024-2025 if he has exercised the option of shifting out of default tax regime provided under Section 115BAC(1A). Also state the eligible Carry Forward losses.

(b) (i) Which are all persons required to mandatorily file the Return of Loss as per Section 80 of Income Tax Act, 1961. 4

(ii) Consequences of Non-filing of Return of Loss in time

OR

(b) (i) What is Belated Return u/s 139(4) of Income tax Act, 1961 and when it should be filed ? 4

(ii) Explain Non-Applicability of Updated Return u/s Sec 139(8A)

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SECTION – B

5. (a) Galaxy Cube Private Ltd., a registered person in Bharuch, Gujarat, engaged in various lines of business, provided the following details regarding its transactions made during the month of May 2024: 10

Outward / Inward Transactions:	Amount ₹
Supplied a latest technology laptop with touch screen option to Managing Director's friend (Open market value as well as sale to unknown customers was at ₹ 90,000)	60,000
Supplied printed letter cards to M K Industries, a registered person in Gandhinagar, Gujarat. Logo design was supplied by M K Industries. Out of ₹ 5,00,000, Materials cost was ₹ 4,00,000 and balance was Printing cost.	5,00,000
Provided services of transportation of passengers by an Omnibus through an Electronic Commerce Operator (ECO).	12,58,000
Provided catering services to Excel University of Patna, Bihar, which is recognised by UGC for granting recognised qualification	2,12,000
Made supply of goods in the territorial waters to Blue Waters Inc., registered in the State of Maharashtra. Such place of territorial water was at a distance of 5 nautical miles to the baseline of coastal State of Gujarat and 7 nautical miles to the baseline of coastal State of Maharashtra.	4,50,000
Purchased goods from D K & Co., a registered composition dealer.	3,35,000

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Additional Information :

- (i) During the course of filing invoices, accountant identified an invoice dated 31.03.2024, issued by Mr. Mahajan, whose residential house was taken on rent for MD of the company for his residential use. Invoice was for ₹ 50,000 (excluding tax). No payment has been made for this invoice.
- (ii) All the figures given above are exclusive of GST.
- (iii) All inward and outward supplies are intra-state except where details of place of recipient are given.
- (iv) Subject to the information given above, all the conditions necessary for availing the ITC have been fulfilled.
- (v) GST Rates are as follows:

Particulars	CGST	SGST	IGST
Supply of Goods	6%	6%	12%
Supply of Services	9%	9%	18%

Compute the net minimum GST payable in cash by Galaxy Cube Private Ltd. for the month of May 2024.

- (b) Gamma Multiplex registered in the State of Punjab, gives the following offers for booking movie tickets : 5

Sr. No.	Particulars	Price Charged (excluding GST)
1	Tickets only	₹ 200 per person
2	Combo offer	₹ 350 per person (which includes ₹ 200 for ticket and ₹ 150 for snacks)
3	Snacks only	₹ 250 per token (snacks quantity will be more when compared to combo offer)

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For the month of April 2024, Gamma Multiplex situated in Punjab made the following supplies :

- (i) 10,000 tickets under combo offer
- (ii) 2,500 tickets only
- (iii) 1,000 tokens of snacks only

GST rates applicable are:

Rate of GST	CGST	SGST	IGST
Supply of Snacks	2.5%	2.5%	5%
Supply of service of exhibition of cinema	9%	9%	18%

You are required to determine the following, by explaining the relevant provisions :

- (i) Rate of GST to be applied when combo supply is made
- (ii) Rate of GST to be applied when snacks are sold in Multiplex
- (iii) Gross GST payable by Gamma Multiplex for the month of April

2024

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6. (a) Nootan Ltd., a registered person in Indore, Madhya Pradesh, provides details of the following transactions carried out during the month of June 2024 :

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Sr. No.	Particulars	Amount in ₹
1	Paid remuneration to Mr. Madan, for the services rendered by him in the capacity of Director. Company deducted TDS under section 192 (Salary) and 194J (Professional or Technical services) of Income-Tax Act, 1961. Gross payments made were ₹ 8,50,000 and ₹ 11,50,000 respectively for Salary and Professional services. (Intra-State supply)	20,00,000
2	Paid rent to Indian Railways, registered in Madhya Pradesh, for its property located in the same State, which was taken on lease by the company.	1,25,000
3	Paid to XYZ Security Private Limited, for providing security services to its warehouses across the State. Security agency is not registered under GST.	5,35,000
4	Paid fee to Local Municipal corporation for renewal of the company's factory License for the financial year 2024-2025.	4,800

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Additional Information :

- (i) All above figures are exclusive of taxes, wherever applicable.
- (ii) Assume the rate of GST as 18%, 9% and 9% for IGST, CGST/SGST respectively.
- (iii) Turnover of Nootan Limited for the preceding financial year was ₹ 67 Lakhs.

You are required to compute the GST payable by Nootan Limited under Reverse Charge basis for the month of June 2024. Reason for the treatment of each item should form part of the answers.

- (b) Determine the Place of Supply for the following independent cases, by 5
briefly stating the relevant provisions :

- (i) Marxy Pharmaceuticals, registered under GST at Jaipur, Rajasthan hires Sargam Events LLP, registered under GST at Sagar, Madhya Pradesh for its annual event to be held in Gandhinagar, Gujarat.
- (ii) PSL Ltd., a registered person in Chandigarh, Punjab orders from CMR Ltd., a registered person in Ranchi, Jharkhand for delivery of goods to MHT Ltd., a registered person in Ranchi, Jharkhand.

You are required to determine PoS for the both the above supplies made by CMR Ltd. as well as PSL Ltd.

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7. (a) Rameshwar Industries is engaged in the manufacturing semi-conductors in the State of Assam. It makes only intra-State outward supplies. 5

Following details have been made available by Rameshwar Industries:

Date of commencement of business	March 14, 2024
Date when turnover exceeded ₹ 10 Lakh	March 29, 2024
Date when turnover exceeded ₹ 20 Lakh	April 15, 2024
Date when turnover exceeded ₹ 40 Lakh	April 28, 2024
Date of application for registration as per the provisions of Section 22 of CGST Act, 2017	May 15, 2024
Date of issuance of certificate of registration	May 29, 2024

Based on the above information, You are required to determine the following by briefly stating the relevant Provision,

- (i) Effective date of registration of Rameshwar Industries
 - (ii) Period for which revised tax invoice can be issued
 - (iii) Timeline within which such revised tax invoice is to be issued
- (b) Write a short notes on : 5
- (i) Rectification of errors / omissions in respect of returns filed u/s 39 CGST Act, 2017.
 - (ii) Exception to the rectification
 - (iii) Time-limit for making such rectification.

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8. (a) CBIC has issued a recent clarification on Time of Supply in respect of supply of services of construction of road and maintenance thereof of National Highway Projects of National Highway Authority of India (NHAI) in Hybrid Annuity Mode (HAM) model. Briefly discuss the said clarification. 5

OR

- (a) Explain briefly about the exemption available under the CGST Act, 2017 in respect of services provided by an Old Age Home. 5
- (b) (i) Rule 138E of CGST Rules, 2017 prohibits certain persons to furnish the information in Part A of Form GST EWB-01 in respect of any outward movement of goods of a registered person. List the said persons. 2
- (ii) List any six State taxes that were subsumed in the GST regime. 3
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SPACE FOR ROUGH WORK

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