

# MKG

**Roll No .....432187.....**

**Total No. of Printed Pages: 4**

**Total No. of Questions – 6**

**Time allowed: 3 hours**

**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 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 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 Question 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 book 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 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.

# MOCK TEST-4

## JAN 25

### FULL SYLLABUS

ATTEMPT ALL QUESTIONS

MCQ BOOKLET NO. 4102024

PAPER CODE- MKG

Part II

70 Marks

SECTION –A

SUBJECTIVE TYPE QUESTIONS

**Question 1**

**(10 marks)**

XYZ are the partners in a firm with profit sharing ratio 5:3:2 and profit and loss account of the partnership firm is as given below:

Particulars	Amount ₹	Particulars	Amount ₹
Purchases	90,00,000	Sales	102,00,000
Salary and bonus to partners		Discount	10,000
X	3,00,000		
Y	2,50,000		
Z	1,50,000		
Municipal tax payable	30,000	Interest from Indian company	60,000
General expenses	1,00,000	Interest on drawings	10,000
Expenditure on technical know-how (purchased and put to use on 01.01.2024)	40,000	Income tax refund	5,000
Advance Income Tax	70,000		
Expenses on GST proceedings	10,000		
Expenses on income tax proceedings	8,000		
Advertisements	50,000		
Interest on capital to partners @ 13% p.a.			
X	65,000		
Y	39,000		
Z	26,000		
Rent of building owned by partnership firm	1,20,000		
Net Profit	27,000		
	<b>102,85,000</b>		<b>102,85,000</b>

**Additional information:**

1. Capital contributed by Mr. X is ₹5,00,000 and by Mr. Y ₹3,00,000 and by Mr. Z ₹2,00,000.
2. Salary paid to Mr. X is ₹3,00,000 and to Mr. Y ₹2,50,000 and to Mr. Z ₹1,50,000.
3. The partnership firm has brought forward business loss for assessment year 2021-22 amounting to ₹1,00,000.
4. Municipal tax was paid on 01.11.2024.

**Personal incomes of partners:**

- (i) Mr. X has income from house property ₹5,00,000 and amount invested in National Saving Certificate ₹80,000.
- (ii) Mr. Y has income from house property ₹2,00,000 and amount invested in National Saving Certificate ₹1,00,000.
- (iii) Mr. Z has loss from house property ₹2,00,000.

Compute Tax Liability of the partnership firm and also that of its partners for the Assessment Year 2024-25.

**Question 2.****(10 Marks)**

Mr. X, a resident individual, retires from C Ltd. Delhi w.e.f. 1<sup>st</sup> February, 2024 after 25 years of service. He joined T Ltd. on the same day i.e. 1<sup>st</sup> February, 2024.

The following information is provided by him about his incomes/outgoing during the Previous Year 2023-24:

(a) Salary/allowances/perquisites/other payment from 01.04.2023 to 31.01.2024 from C Ltd.	₹
(i) Basic salary	12,000 p.m.
(ii) Dearness allowance (One-half includible for superannuation benefits)	3,000 p.m.
(iii) Commission, 5% on turnover achieved by him	6,000
(iv) House accommodation, rent paid by company	5,000 p.m.
(v) Best suggestion award for total quality management scheme (in kind)	12,000
(vi) Lunch Facility (cost per meal is upto ₹50)	500 p.m.
(vii) Gratuity under Gratuity Act, 1972	3,35,000
(viii) Pension	3,000 p.m.
(ix) Commuted value of one-half pension w.e.f. 01.02.2024	2,25,000
(x) Refund of employer contribution from unrecognised provident fund (Including interest of ₹1,00,000)	2,50,000
(xi) Refund of employee contribution from unrecognised provident fund (Including interest of ₹1,00,000)	2,50,000
(b) Salary/allowances/perquisites etc. from 01.02.2024 to 31.03.2024 from T Ltd.	
(i) Salary	8,000 p.m.
(ii) House rent allowance	1,500 p.m.
(iii) Free use of motorcar (exceeding 1.6 litres engine capacity) (expenses met by employer)	
(iv) Rent paid by assessee	2,000 p.m.

You are required to compute his income under the head Salary and Tax Liability for the Assessment Year 2024-25.

**Question 3 (a).****(5 Marks)**

Write a note updated Return as per section 139(8A).

**Question 3 (b).****(5 Marks)**

A Ltd. which is engaged in manufacturing, furnishes the following particulars for the P.Y.2023-24. Compute the deduction allowable under section 35 for A.Y.2024-25, while computing its income under the head "Profits and gains of business or profession".

	Particulars	₹
1.	Amount paid to Indian Institute of Science, Bangalore, a notified research organisation for scientific research	1,00,000
2.	Amount paid to IIT, Delhi for an approved scientific research programme	2,50,000
3.	Amount paid to X Ltd., a company registered in India which has as its main object scientific research and development, as is approved by the prescribed authority	4,00,000
4.	Expenditure incurred on in-house research and development facility as approved by the prescribed authority	
(a)	Revenue expenditure on scientific research	3,00,000
(b)	Capital expenditure (including cost of acquisition of land ₹ 5,00,000) on scientific research	7,50,000

**Question 4.****(5 Marks)**

Write a note on exemption under section 54EC.

**SECTION –B****Question 5.****(7 Marks)**

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

- Purchased goods A on 10/07/2023 ₹4,00,000 plus CGST @ 10% and SGST @ 10% and goods were sold on 31/08/2023 ₹ 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 ₹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 ₹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 ₹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.

**Question 6.****(7 Marks)**

Mr. Thiraj, a registered supplier of service in Bangalore (Karnataka State) has provided the following information for the month of February 2024:

Particulars	Amount in (₹)
(i) Intra-state taxable supply of service	5,20,000
(ii) Legal fee paid to a Lawyer located within the State	20,000
(iii) Rent paid to the State Govt. for his office building	30,000
(iv) Received for services towards conduct of exams to Loveall University, Pune (recognized by law), being an inter-state transaction.	16,000

Compute the net GST liability (CGST, SGST or IGST) of Mr. Thiraj for the month of February 2024.

Rate of CGST, SGST and IGST are 9%, 9% and 18% respectively.

All the amounts given above are exclusive of taxes.

**Question 7.****(5 Marks)**

M/s. Flow Pro, a registered supplier, sold a machine to BP Ltd. It provides the following information in this regard: -

S. No.	Particulars	Amount (₹)
(i)	Price of the machine [excluding taxes and other charges mentioned at S. Nos. (ii) and (iii)]	25,000
(ii)	Third party inspection charges [Such charges were payable by M/s Flow Pro but the same have been directly paid by BP Ltd. to the inspection agency. These charges were not recorded in the invoice issued by M/s Flo Pro.]	5,000
(iii)	Freight charges for delivery of the machine [M/s Flow Pro has agreed to deliver the goods at BP Ltd.'s premises]	2,000
(iv)	Subsidy received from the State Government on sale of machine under Skill Development Programme [Subsidy is directly linked to the price]	5,000
(v)	Discount of 2% is offered to BP Ltd. on the price mentioned at S. No. (i) above and recorded in the invoice	

Note: Price of the machine is net of the subsidy received.

Determine the value of taxable supply made by M/s Flow Pro to BP Ltd.

**Question 8. (4 Marks)**

M/s. Apna Bank Limited, a scheduled commercial bank, has furnished the following details for the month of August:

Particulars	Amount [₹ in crores] (excluding GST)
Extended housing loan to its customers	100
Processing fees collected from its customers on sanction of loan	20
Commission collected from its customers on bank guarantee	30
Interest income on credit card issued by the bank	40
Interest received on housing loan extended by the bank	25
Minimum balance charges collected from current account and saving account holder	01

Compute the value of taxable supply.

**Question 9. (4 Marks)**

Mr. Alok, a registered supplier of taxable goods, files GSTR 3B for the month of January 2024 on 15<sup>th</sup> April, 2024. The prescribed due date to file the said GSTR 3B was 20<sup>th</sup> February, 2024. The amount of net GST payable on supplies made by him for the said month worked out to ₹ 36,500 which was paid on the same date of filing the return.

Briefly explain the related provision and compute the amount of interest payable under the CGST Act, 2017 by Mr. Alok.

**Question 10. (4 Marks)**

Luv & Kush Pvt. Ltd. of Meghalaya engaged in the supply of gifts items and repair services, provides you the following details:-

S.No.	Particulars	Date
1.	Commencement of the business of supplying goods and services	01st August
2.	Turnover exceeds ₹ 10,00,000 on	15th August
3.	Turnover exceeds ₹ 20,00,000 on	05th September
4.	Application for registration made on	28th September
5.	Registration certificate granted on	06th October

The company seeks your advice as to how it should raise revised tax invoices for supplies made. Is there any specific provision for issuance of revised tax invoices to unregistered customers? Explain.

**Question 11.****(4 Marks)**

XYZ Ltd., is engaged in manufacture of taxable goods. Compute the ITC available with XYZ Ltd. for the month of October, 2023 from the following particulars:-

<b>S. No.</b>	<b>Inward supplies</b>	<b>GST (₹)</b>	<b>Remarks</b>
(i)	Inputs 'A'	1,00,000	One invoice on which GST payable was ₹ 10,000, is missing
(ii)	Inputs 'B'	50,000	Inputs are to be received in two instalments. First instalment has been received in October, 2023.
(iii)	Capital goods	1,20,000	XYZ Ltd. has capitalised the capital goods at full invoice value inclusive of GST as it will avail depreciation on the full invoice value.
(iv)	Input services	2,25,000	One invoice dated 20.01.2023 on which GST payable was ₹50,000 has been received in October, 2023.

**Note:**

- (i) All the conditions necessary for availing the ITC have been fulfilled.
- (ii) ABC Co. Ltd. is not eligible for any threshold exemption.
- (iii) The annual return for the financial year 2022-23 was filed on 15th September, 2023.