

# CRD2

Roll No .....

**Total No. of Printed Pages: 6**

**Time allowed: 3 hours**

**Total No. of Questions – 6**

**Maximum Marks: 70**

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.

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## PART-II

**70 Marks**

1. **Section- A** comprises -questions **1-3**. In Section – A. All questions in Section- A relate to assessment year 2024-25, unless otherwise stated.  
**Section- B** comprises questions **4-6**.
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.

## Part II

### SECTION –A

### SUBJECTIVE TYPE QUESTIONS

#### Question 1

(15 Marks)

Mrs. Nisha, a resident individual aged 54 years, is carrying on business of manufacturing of textile fabrics, as a proprietor. The turnover in the previous year 2022-23 was ₹ 250 lakhs and in the current previous year 2023-24, it is ₹ 600 lakhs. The net profit as per the profit and loss account as on 31-03-2024 is ₹ 5,61,000. She provides the following additional information those were not considered while making the profit and loss account for the previous year 2023-24.

- (i) Depreciation has not been debited to profit and loss account. The details of the plant & machinery employed in the business are given as under:

Date	PARTICULARS	AMOUNT
01-04-2023	Opening written down value of machinery used for manufacturing purpose.	4,75,000
03-07-2023	New machinery purchased during the year, payment made by an account payee cheque.	7,25,000
10-03-2024	Sold one of the old machine	75,000

She does not have any other fixed assets employed in the business.

- (ii) Received subsidy of 20% on new machine purchased on 03-07-2023 during the previous year under technology upgradation fund Scheme from the central Government.
- (iii) She paid a job charges for the value addition on the fabrics ₹90,000 without deduction of tax to job worker by an account payee cheque.
- (iv) Commission paid to one agent allowed as deduction in earlier assessment year amounting ₹50,000, has now been received back during previous year 2023-2024, from the agent due to settlement with commission agent.
- (v) ₹25,000 paid to creditor for goods in cash.
- (vi) Incurred loss of ₹1,17,500 from an eligible transaction carried out in respect of trading in derivatives in a recognised stock exchange.
- (vii) Interest received amounting ₹2,00,000, duly authorised by partnership deed of M/s Ramji textiles, @ 15% p.a. on the capital employed. She is sleeping partner in the Ramji textiles.
- (viii) She Received ₹60,000 by pre-mature withdrawals from deposit including interest ₹5,000, in post office time deposit, eligible for deduction under Section 80C.

- (ix) She sold her gold bracelet (jewellery), used by her for personal purposes, on 01-05-2023 for ₹5,00,000, which was acquired for ₹40,000 on 01-03-2005. A diamond was embedded onto bracelet on 01-05-2007 of ₹50,000. (cost inflation index 2004-05:113, 2007-08:129 and 2023-24:348)
- (x) She received a gold coin (bullion) worth ₹55,000 (FMV) from her cousin (daughter of uncle) during the previous year 2023-24.
- (xi) She incurred long term loss from sale of share of the Indian company. (The STT is paid on the sale and purchase of the shares) ₹ 75,000.
- (xii) She deposited a sum of ₹50,000 with life insurance Corporation of India every year for the maintenance of her mother aged 70 years depended upon him and suffering from severe disability.
- (xiii) She purchased the new residential house during the previous year and paid stamp duty and registration fee ₹1,55,000 to get transfer the property in her name.

You are required to compute the total income and tax payable by Mrs. Nisha for the assessment year 2024-25. Give brief note wherever necessary.

**Question 2 (a).**

**(5 Marks)**

Rajesh was employed in Axis Ltd., Mumbai. He received a salary of ₹ 45,000 p.m. from 1.04.2023 to 20.09.2023. He resigned and left for Dubai for the first time on 28.09.2023 and got monthly salary of rupee equivalent of ₹ 90,000 from 1.10.2023 to 31.03.2024.

His salary for October to December was credited in his Mumbai bank account directly and the salary for January to March 2024 was credited in his Dubai bank account.

The cost of his air tickets to Dubai costing ₹ 1,50,000 was funded by her sister staying in London. The cost of his initial stay at Dubai costing ₹ 40,000 was funded by one of his friends staying in Delhi.

He further received interest of ₹ 10,500 on his fixed deposits and ₹ 7,500 on his savings a/c with his Mumbai bank. He also paid LIC Premiums of ₹ 15,000 for self, ₹ 10,000 for spouse and ₹ 25,000 for dependent mother aged 71 years.

Compute taxable income of Mr. Rajesh for the Assessment Year 2024-25.

**Question 2 (b).**

**(5 Marks)**

Following are the details of incomes/ losses of Mr. Rishi for the F.Y. 2023-24:

(Figures in brackets represents losses)	₹
Taxable salary income (computed)	3,60,000
Taxable income from house property (computed)	
- from rented house property X	1,20,000
- from rented house property Y	(3,40,000)
Taxable profit from business (computed)	
- business P	2,30,000
- business Q	(12,000)
- business R (speculative business)	15,000
- business T (speculative business)	(25,000)
Taxable Income from other sources:	

- from card games	16,000
- from owning & maintenance of race horses	(7,000)
- interest on securities	5,000

You are required to determine the Gross total income of Mr. Rishi for assessment year 2024-25.

**Question 3 (a).**

**(5 Marks)**

Mrs. X purchases 1,000 equity shares in X Ltd. at a cost of ₹ 15 per share (brokerage 1%) in January 1998. She gets 100 bonus shares in August 2000. She again gets 1100 bonus shares by virtue of her holding on February 2005. Fair market value of the shares of X Ltd. On April 1, 2001 is ₹ 25. In January 2024, she transfers all her shares @ ₹ 120 per share (brokerage 2%). (market value on 31-01-2018 is ₹70 per share) Compute the capital gains taxable in the hands of Mrs. X for the A.Y. 2024-25 assuming X Ltd. is a listed company and the shares are sold in a recognised stock exchange and securities transaction tax was paid at the time of sale.

**Question 3 (b).**

**(5 Marks)**

Examine the applicability and the amount of TDS to be deducted in the following cases for F.Y. 2023-24:

- S and Co. Ltd. paid ₹ 25,000 to one of its Directors as sitting fees on 02-02-2024.
- ₹ 2,20,000 paid to Mr. Mohan, a resident individual, on 29-02-2024 by the State of Haryana on compulsory acquisition of his urban land.
- Mr. Purushotham, a resident Indian, dealing in hardware goods has a turnover of ₹12 crores in the previous year 2022-23. He purchased goods from Mr. Agarwal a resident seller, regularly in the course of his business. The aggregate purchase made during the previous year 2023-24 on various dates is 80 lakhs which are as under:

10-06-2023	₹25,00,000
20-08-2023	₹27,00,000
12-10-2023	₹28,00,000

He credited Mr. Agarwal's account in the books of accounts on the same date and made the payment on 29.02.2024 ₹80 lakh. Mr. Agarwal's turnover for the financial year 2022-23 is ₹20 crores.

**SECTION –B**

**GST**

**SUBJECTIVE TYPE QUESTIONS (35 Marks)**

**Question 4 (a)**

**(7 Marks)**

Mr. Nimit, a supplier of goods, pays GST under regular scheme. He is not eligible for any threshold exemption. He has made the following outward taxable supplies in the month of August, 2023:-

Intra state supplies of goods ₹6,00,000

Inter state supplies of goods ₹2,00,000

He has also furnished following information in respect of purchases made by him from registered dealers during August, 2023:-

Intra state purchase of goods ₹4,00,000

Inter state purchase of goods ₹50,000

Balance of ITC available at the beginning of the August 2023:-

CGST ₹15,000

SGST ₹35,000

IGST ₹20,000

**Note:**

- (i) Rate of CGST, SGST and IGST to be 9%, 9% and 18% respectively, on both inward and outward supplies.
- (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.

Compute the net GST payable by Mr. Nimit for the month of August, 2023.

**Question 4 (b)**

**(5 Marks)**

Mr. Zafar of Assam, provides the following information for the preceding financial year 2022-23. You are required to find out the aggregate turnover for the purpose of eligibility of composition levy scheme and determine whether he is eligible for composition levy scheme or not, for the F.Y. 2023-24.

Particulars	Amount (₹ in lakhs)
Value of taxable outward supplies (out of this ₹10 lakhs was in course of inter-state transactions).	50.00
Value of exempt supplies (which include ₹ 30 lakhs was received as a interest on loans & advances).	70.00
Value of inward supplies on which he is liable to pay tax under reverse charge	5.00
Value of exports	5.00
All the amounts are exclusive of GST.	

**Question 4 (c)**

**(3 Marks)**

Determine the effective date of registration in following cases:

(a) The aggregate turnover of Dhampur Industries of Delhi engaged in taxable supply of goods has exceeded ₹40 lakh on 1st September. It submits the application for registration on 20<sup>th</sup> September. Registration certificate is granted to it on 25<sup>th</sup> September.

(b) Mehta Teleservices is an internet service provider in Lucknow. Its aggregate turnover exceeds ₹20 lakh on 25th October. It submits the application for registration on 27th November. Registration certificate is granted to it on 5th December.

**Question 5 (a)****(5 Marks)**

M/s XYZ & Co., a firm of Chartered Accountants, issued invoice for services rendered to Mr. A on 7<sup>th</sup> September, 2023. Determine the Time of Supply in the following independent cases:

- (1) The provision of service was completed on 1<sup>st</sup> August, 2023.
- (2) The provisions of service was completed on 14<sup>th</sup> August, 2023.
- (3) Mr. A made the payment on 3<sup>rd</sup> August, 2023 where provisions of service was remaining to be completed.
- (4) Mr. A made the payment on 15<sup>th</sup> September, 2023 where provision of service was remaining to be completed.

**Question 5 (b)****(5 Marks)**

Red Pepper Ltd., Delhi, a registered supplier, is manufacturing taxable goods. It provides the following details of taxable inter-State supply made by it during the month of March.

S. No.	Particulars	Amount (₹)
(i)	List price of taxable goods supplied inter-state (exclusive of taxes)	15,00,000
(ii)	Subsidy received from the Central Government for supply of taxable goods to Government School (exclusively related to supply of goods included at S. No. 1)	2,10,000
(iii)	Subsidy received from an NGO for supply of taxable goods to an old age home (exclusively related to supply of goods included at S. No. 1)	50,000
(iv)	Tax levied by Municipal Authority	20,000
(v)	Packing charges	15,000
(vi)	Late fee paid by the recipient of supply for delayed payment of consideration (Recipient has agreed to pay ₹ 6,000 in lump sum and no additional amount is payable by him)	6,000

The list price of the goods is net of the two subsidies received. However, the other charges/taxes/fee are charged to the customers over and above the list price.

Calculate the total value of taxable supplies made by Red Pepper Ltd. during the month of March. Rate of IGST is 18%.

**Question 6 (a)****(5 Marks)**

Explain Penalty for late filing of Annual Return and Final Return.

**Question 6 (b)****(5 Marks)**

Mr. Alok, a registered supplier of taxable goods, files GSTR 3B for the month of January 2023 on 15<sup>th</sup> April, 2023. The prescribed due date to file the said GSTR 3B was 20<sup>th</sup> February, 2023. 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.