

Test Paper 6

National Test Series

Test Instructions:

1. Please write your solution in new sheets of paper. It is advisable to create a separate notebook for writing test.
2. You have to give the test between 2 PM to 5 PM .
3. Suppose, if you are not able to complete the test (or any part of the test) in prescribed time, then please draw line in the sheet whenever the prescribed time is getting over and clearly mention "Time Over". But keep writing the remaining part we will check that. We want to check your accuracy.
4. Include all rough work in your answer sheet only. Don't use separate pages for rough work.
5. Start different part of the test paper in new pages. Properly mention **page number** on your every answer sheet.
6. For instruction on how to submit the test please watch <http://bit.ly/CA Inter Test>
7. Send us your answer sheets by way of email on paper@konceptca.com.
8. Make sure pictures are sharp, also make sure that you send single email for the whole paper after converting them into PDF for instructions how to make PDF watch <https://youtu.be/q2hzXyLYe0o>
9. If your PDF size is greater than 25 MB, then please compress it using this link- <https://pdfcompressor.com/>
10. Email received after **15th May evening 7 PM** will not be assessed.
11. Do mention your KE-ID, name of the test series you are attempting for and name of the test in your answer sheet as well as in the subject of the mail while submitting your answer sheet.
12. Today Youtube live at 7:30 evening, result of National Test - 5 will be declared + Giveaway + Hacks for improving your Taxation score.

We will share your results and score only if you are able to send the answer sheets by **15th May evening 7 PM**

Youtube Live at 7:30 pm
Lets Discuss Todays exam Paper



Subject: - Taxation

Marks: 100 Marks

Duration: 3 Hrs.

PART - I

Multiple Choice Questions:

(30 × 1 Mark = 30 Marks)

Case Study Based MCQs

Case Study 1

Mr. Sarthak (age 37 years) a share broker, sold a building to his friend Anay, who is a dealer in automobile spare parts, for ₹ 120 lakh on 10.11.2019, when the stamp duty value was ₹ 150 lakh. The agreement was, however, entered into on 1.9.2019 when the stamp duty value was ₹ 140 lakh. Mr. Sarthak had received a down payment of ₹ 15 lakh by a crossed cheque from Anay on the date of agreement. Mr. Sarthak purchased the building for ₹ 95 lakh on 10.5.2017. Further, Mr. Sarthak also sold an agricultural land (situated in a village which has a population of 5,800) for ₹ 60 lakhs to Mr. Vivek on 01.03.2020, which he acquired on 15.06.2014 for ₹ 45 lakhs. Stamp duty value of agricultural land as on 1.3.2020 is ₹ 75 lakhs CII for F.Y. 2014-15: 240; F.Y. 2017-18: 272; F.Y. 2019-20: 289.

In the light of the above facts, you are required to answer the following:

1. Is there any requirement to deduct tax at source on consideration paid or payable on transfer of building and agricultural land?
 - (a) No; no tax is required to be deducted at source on transfer of any capital asset
 - (b) Yes; Mr. Anay is required to deduct tax at source under section 194-IA.
 - (c) Yes; Mr. Vivek is required to deduct tax at source under section 194-IA.
 - (d) Yes; Mr. Sarthak is required to deduct tax at source under section 194-IA.

2. In respect of transfer of building, capital gains chargeable to tax in the hands of Mr. Sarthak would be –
 - (a) long-term capital gains of ₹ 49,06,250
 - (b) long-term capital gains of ₹ 39,06,250
 - (c) short-term capital gains of ₹ 45,00,000
 - (d) short-term capital gains of ₹ 55,00,000

3. Assuming that Mr. Sarthak has other income exceeding basic exemption limit, the tax payable (excluding surcharge and health and education cess) on transfer of building and agricultural land, would be –
- (a) ₹ 7,81,250
 - (b) ₹ 13,97,500
 - (c) ₹ 9,81,250
 - (d) ₹ 10,97,500
4. In respect of purchase of building from Mr. Sarthak, income chargeable to tax in the hands of Mr. Anay would be –
- (a) ₹ 20 lakh
 - (b) ₹ 30 lakh
 - (c) ₹ 15 lakh
 - (d) Nil

Case Study 2

Mr. Hardik (age 45 years) is appointed as senior executive officer in Sky India Limited, Mumbai on 01.02.2019 in the scale of ₹ 35,000-3500-65,000. He is paid dearness allowance @40% of salary forming part of retirement benefits.

He is given rent free unfurnished accommodation on 01.5.2019 which he occupied only from 01.10.2019. The company pays lease rent of ₹ 5,000 p.m.

He has been provided a car of 2000 cc capacity which is used by him for private purposes only. The actual cost of the car is ₹ 8,00,000. The monthly expenditure of car is ₹ 5,000, which is fully met by the employer.

He pays lumpsum premium of ₹ 1,50,000 towards health insurance for self and his wife for 48 months on 01.10.2019 by account payee cheque. He also contributes ₹ 1,50,000 towards PPF.

In the light of above facts, you are required to answer the following:

5. Value of rent-free accommodation chargeable to tax in the hands of Mr. Hardik, would be –
- (a) ₹ 44,835
 - (b) ₹ 44,100
 - (c) ₹ 45,570
 - (d) ₹ 30,000
6. Mr. Hardik would be eligible for deduction in respect of health insurance premium paid during the previous year 2019-20, for –
- (a) ₹ 30,000
 - (b) ₹ 18,750
 - (c) ₹ 25,000
 - (d) ₹ 37,500

7. Perquisite value of car chargeable to tax in the hands of Mr. Hardik would be –

- (a) ₹ 28,800
- (b) ₹ 21,600
- (c) ₹ 60,000
- (d) ₹ 1,40,000

MCQs other than Case Study

8. For the assessment year 2020-21, a firm is subject to income-tax at a flat rate of:

- (a) 30%+ surcharge at 12% if the total income exceeds Rs 1 crore + health and education cess at 4%
- (b) 30% + 5% surcharge + health and education cess at 4%
- (c) 30%+10% surcharge if its total income exceeds Rs 1 crore + health and education cess at 4%
- (d) 30%+15% surcharge if its total income exceeds Rs 1 crore + health and education cess at 4%

9. R, a foreign national but a person of Indian origin visited India during previous year 2018-19 for 181 days. During 4 precedings previous years he was in India for 400 days. R shall be:

- (a) resident in India
- (b) non-resident in India
- (c) not ordinarily resident in India
- (d) resident and ordinarily resident in India

10. Cricket match organized by the Cricket Control Board of India for the benefit of Sunil Gavaskar where he received Rs 5 lakh, such receipt is:

- (a) Casual income
- (b) Exempt income
- (c) Fully taxable
- (d) Exempt upto Rs.2,00,000

11. Anirudh stays in New Delhi. His basic salary is Rs.10,000 p.m., D.A. (60% of which forms part of pay) is Rs.6,000 p.m., HRA is Rs.5,000 p.m. and he is entitled to a commission of 1% on the turnover achieved by him. Anirudh pays a rent of Rs.5,500 p.m. The turnover achieved by him during the current year is Rs.12 lakhs. The amount of HRA exempt under section 10(13A) is –

- (a) Rs.48,480
- (b) Rs.45,600
- (c) Rs.49,680
- (d) Rs.46,800

- 12.** Following assessee(s) can be considered a house property as self-occupied –
- (a) Individual & HUF
 - (b) All assessee
 - (c) All assessee other than company
 - (d) None of the above
- 13.** The preliminary expenses that can be amortized under the Income Tax Act, 1961 has to be restricted to _____ of the cost of project.
- (a) 3%
 - (b) 8%
 - (c) 5%
 - (d) 20%
- 14.** Amalgamation of company as per scheme of amalgamation shall not be regarded as transfer provided the amalgamated company is:
- (a) A domestic company
 - (b) A public ltd. company
 - (c) An Indian company
 - (d) Any company
- 15.** Alternate minimum tax is applicable in case of
- (a) individual or HUF
 - (b) firm and a company
 - (c) any person other than a company
 - (d) all the above
- 16.** Mr. X's minor daughter earned Rs. 50,000 from his special talent. This income will be clubbed with –
- (a) The income of Mr. X
 - (b) The income of Mrs. X
 - (c) Mr. X or Mrs. X, whoever's income is higher
 - (d) It will not be clubbed
- 17.** Accumulated losses of a firm which is converted into Limited Liability Partnership can be carried forward for –
- (a) 8 years
 - (b) 7 years
 - (c) 4 years
 - (d) Cannot be carried forward

18. Deduction u/s 80GG is related to –

- (a) Donation to Charitable Institutions
- (b) Payment made to Educational Institutions
- (c) Donation to Research Associations
- (d) Payment of House Rent

Case Study 3

Mr. Mandeep, a registered dealer, is doing building material business in the State of Assam. He availed architect services for his business from his friend in London free of cost. He also availed designing services from his brother in London for Rs. 5 Lakhs for his personal purposes.

He availed services which are liable to tax under reverse charge for which date of invoice was 01.09.20XX, payment date as per his books of account and as per his bank account was 15.11.20XX and 18.11.20XX respectively.

His turnover for the current financial year is as follows:

Taxable supply of goods – Rs. 55 Lakhs

Exempt supply of goods – Rs. 16 Lakhs

Inward supply liable to tax under reverse charge – Rs. 8 Lakh

He intends to start providing services also from the next financial year and also to avail composition scheme. He also wishes to make supplies to the Government.

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

19. In respect of services imported by Mr. Mandeep, which of the following is a correct statement?

- i. Architect services for his business from his friend in London free of cost is considered as a supply
- ii. Designing services from his brother in London for Rs. 5 Lakh for his personal purposes is considered as a supply.
- iii. Architect services for his business from his friend in London free of cost is not considered as a supply
- iv. Designing services from his brother in London for Rs. 5 Lakh for his personal purposes is not considered as a supply.

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

20. The time of supply of services, received by him and taxable under reverse charge, is

- (a) 01.09.20XX
- (b) 01.11.20XX
- (c) 15.11.20XX
- (d) 18.11.20XX

21. Aggregate turnover of Mr. Mandeep for the given financial year will be,

- (a) Rs. 63 Lakhs
- (b) Rs. 79 Lakhs
- (c) Rs. 71 Lakhs
- (d) Rs. 47 Lakhs

22. Mr. Mandeep will be eligible for composition scheme in the next financial year, but he can supply services only upto:

- (a) Rs. 5.00 Lakhs
- (b) Rs. 6.3 Lakhs
- (c) Rs. 7.90 Lakhs
- (d) Rs. 7.10 Lakhs

23. In case he supplies services to State Government by way of any activity in relation to any function entrusted to a Municipality under Article 243W of the Constitution, in the next financial year, which of the following will be exempt?

- i. Pure Services
- ii. Composite supply of goods and services in which value of supply of goods constitutes not more than 25% of value of said composite supply
- iii. Composite supply of goods and services in which value of supply of service constitutes not more than 25% of value of said composite supply

- (a) i and iii
- (b) ii and iii
- (c) i, ii and iii
- (d) i and ii

MCQs other than Case Study

24. Tax liability for mixed supply of two or more items will be

- (a) same tax rate
- (b) lowest tax rate
- (c) individual tax rate
- (d) highest tax rate

25. GST is payable by the recipient under reverse charge on:

- (a) Sponsorship Services
- (b) Transport of goods by rail
- (c) Transport of passengers by air
- (d) All of the above

26. GST rate for the restaurant within hotel room tariff more than Rs. 7500/- is

- (a) 5%
- (b) 12%
- (c) 18%
- (d) 28%

27. Which of the following statement is true for a composition tax payer?

- (a) A composition tax payer can avail only 50% of ITC on capital goods
- (b) A composition tax payer can avail 100% ITC on capital goods
- (c) ITC is not available on inward supplies made by a composition tax payer
- (d) Composition tax will be available as ITC to the resident only if the tax is mentioned separately in the invoice raised by the composition tax payer

28. Which of the following is the special category State as per Section 22 of CGST Act 2017?

- (a) Telangana
- (b) Chhattisgarh
- (c) Manipur
- (d) Himachal Pradesh

29. The document (challan) generated for payment of tax, penalty, fees will be valid for

- (a) 7 days
- (b) 10 days
- (c) 12 days
- (d) 15 days

30. The amount utilized for payment from the balance in electronics credit or cash ledger will be shown in

- (a) GST PMT - 1
- (b) GST PMT - 2
- (c) GST PMT - 3
- (d) GST PMT - 4

USE CODE

AUG20

SINGLE SUBJECT
₹ 5,900

SINGLE GROUP
₹ 8,850

BOTH GROUPS
₹ 17,700

CONCEPT
EDUCATION

*EXCLUSIVE OFFER FOR CA INTERMEDIATE STUDENTS APPEARING IN AUGUST 2020. ON SINGLE GROUP AND BOTH GROUPS VIEWS ARE UNLIMITED BUT ON SINGLE SUBJECT VIEWS ARE LIMITED TO 1.5 TIMES

PART- II

SECTION - A

Question 1 is compulsory.

Answer any two from remaining three questions

Question 1.

R is a lawyer of Delhi High Court. He keeps his accounts on cash basis. His receipts and payments A/c for the year ending 31.3.2020 is given below:

	₹		₹
Balance B/d	7,500	Subscription and membership	6,000
Legal fees	1,80,000	Purchase of legal books	9,000
Special commission fees	7,000	Rent	51,000
Salary from Law College as part time lecturer	98,000	Car Expenses	17,000
Exam. Remuneration	2,500	Office Expenses	7,500
Interest on Saving Bank Deposit	6,000	Electricity Exps.	5,000
Sale proceeds of residential property	2,95,000	Income Tax	9,000
Dividend from Co-operative society	3,000	Gift to daughter	15,000
		Domestic Expenses	27,000
		Donation to Institutions approved u/s 80G	3,000
Dividend received from the units of U.T.I	6,000	Car purchased	2,30,000
		Life Insurance premium	7,000
		Balance C/fd	2,18,500
	6,05,000		6,05,000

Following information are available

1. The Rent and electric expenses are related to a house, of which half portion is used for self-residence and remaining half portion is used for office.
2. Car is used only for professional purposes.
3. Outstanding legal fees ₹25,000.
4. Rent has been paid for 10 months only.
5. Car was purchased on 25.9.2019. Law books being annual publications of ₹3,000 were purchased on 5.5.2019 and balance on 3.12.2019.
6. The house was purchased in January, 2003 for ₹80,000 and sold on 1.8.2019.
7. Rent of the property which has been sold was ₹6,000 p.m. The property was vacated by the tenant on 31.7.2019.

Compute his Total Income for the assessment year 2020-21 by assuming that:

- (a) He does not want to opt for presumptive income u/s 44ADA
- (b) He wants to opt for presumptive income u/s 44ADA

(14 Marks)

Question 2.

(A) Compute the taxable income in the following two situations.

	Situation I	Situation II
	₹	₹
Income/ loss from manufacturing business	1,50,000	(-) 3,60,000
Income/ loss from speculations business	(-) 80,000	(+) 3,50,000
Loss from a specified business referred to in section 35AD	(-) 40,000	(+) 40,000
Short-term capital gains/ loss	(-) 1,70,000	(-) 1,70,000
Agricultural income/ loss	(-) 40,000	(+) 60,000

(6 Marks)

(B)R owns three identical houses in Delhi, all of which were self-occupied. From the particulars given below, suggest which two houses should be treated as self-occupied.

Particulars	House - I	House - II	House - III
Standard Rent under Deli Rent Control Act	3,30,000	3,30,000	3,30,000
Municipal valuation	3,00,000	3,00,000	3,00,000
Fair rent	3,60,000	3,60,000	3,60,000
Municipal taxes (paid)	30,000	10,000	20,000
Insurance Premium (Paid)	20,000	Nil	10,000

Construction of all the three houses was completed in September 2016. R had borrowed.

- (i) ₹ 25,00,000 @ 9%p.a. for construction of House II (Date of borrowing 1/6/2015) Date of repayment of loan 30/6/2019.
- (ii) ₹ 30,00,000 @ 9% p.a. for construction of House III (Date of borrowing 1/6/2015) Date of repayment of loan 30/6/2019.

(8 Marks)

Question 3.

(A)From the following information, compute the tax payable by R for the assessment year 2020 – 21

- (1) Listed shares purchased on 31/8/2002 for ₹ 40,000 on 1/11/2019 through a recognized stock exchange FMV as on 31/1/2018 ₹ 2,70,000.
- (2) Gold ornaments purchased for ₹ 2,00,000 on 1/9/2001 sold for ₹ 5,70,000 on 1/12/2019.
- (3) His gross salary for the previous year ending 31/3/2020 was ₹ 5,10,000.

(5 Marks)

(B)Examine the applicability of the provisions for tax deduction at source under section 194DA in the following cases –

- (i) Mr. X, a resident, is due to receive ₹ 4.50 lakhs on 31.3.2020, towards maturity proceeds of LIC policy taken on 1.4.2017, for which the sum assured is ₹ 4 lakhs and the annual premium is ₹ 1,25,000.
- (ii) Mr. Y, a resident, is due to receive ₹ 3.25 lakhs on 31.3.2020 on LIC policy taken on 31.3.2012, for which the sum assured is ₹ 3 lakhs and the annual premium is ₹ 35,000.
- (iii) Mr. Z, a resident, is due to receive ₹ 95,000 on 1.8.2019 towards maturity proceeds of LIC policy taken on 1.8.2013 for which the sum assured is ₹ 90,000 and the annual premium was ₹ 12,000.

(3 Marks)

(C) The following incomes are received by Mr. Mohan during financial year 2019 – 20.

Particulars	Amount (₹)
(i) Director's fees	2,000
(ii) Income from agricultural land in Pakistan	5,000
(iii) Ground rent for land in Lahore	10,000
(iv) Interest on Postal Savings Bank A/c	100
(v) Interest on deposits with Industrial Finance of India	500
(vi) Dividend from a foreign company	700
(vii) Rent from subletting a house	26,250
(viii) Rent payable by Mr. Mohan for the sub-let house	12,000
(ix) Other expenses on sub-let house	1,000
(x) Winnings from horse race (Gross)	12,300
(xi) Interest on securities (gross)	4,000

You are required calculate Income from Other Sources of Mr. Mohan for the assessment year 2020 – 21

(6 Marks)

Question 4.

(A) In the case of Mr. Hari, who turned 66 years on 28.3.2020, you are informed that the salary (computed) for the previous year 2019-20 is ₹ 10,20,000 and arrears of salary received is ₹ 3,45,000. Further, you are given the following details relating to the earlier years to which the arrears of salary received is attributable to:

Previous year	Taxable Salary (₹)	Arrears now received (₹)
2010-2011	7,10,000	1,03,000
2011-2012	8,25,000	1,17,000
2012-2013	9,50,000	1,25,000

Compute the relief available under section 89 and the tax payable for the A.Y. 2020-21.

Note: Rates of Taxes:

Assessment year	Slab rates of income-tax			
	For resident individuals of the age of 60 years or more at any time during the previous year		For other resident individuals	
	Slabs	Rate	Slabs	Rate
2011-12	Up to ₹ 2,40,000	Nil	Up to ₹ 1,60,000	Nil
	₹2,40,001 - ₹5,00,000	10%	₹ 1,60,001 - ₹5,00,000	10%
	₹ 5,00,001 - ₹ 8,00,000	20%	₹ 5,00,001 - ₹ 8,00,000	20%
	Above ₹ 8,00,000	30%	Above ₹ 8,00,000	30%
2012-13	Up to ₹ 2,50,000	Nil	Up to ₹ 1,80,000	Nil
	₹2,50,001 - ₹5,00,000	10%	₹1,80,001 - ₹5,00,000	10%
	₹ 5,00,001 - ₹ 8,00,000	20%	₹ 5,00,001 - ₹ 8,00,000	20%
	Above ₹ 8,00,000	30%	Above ₹ 8,00,000	30%
2013-14	Up to ₹ 2,50,000	Nil	Up to ₹ 2,00,000	Nil
	₹2,50,001 - ₹5,00,000	10%	₹2,40,001 - ₹5,00,000	10%
	₹ 5,00,001 - ₹ 10,00,000	20%	₹ 5,00,001 - ₹10,00,000	20%
	Above ₹ 10,00,000	30%	Above ₹ 10,00,000	30%

Note – Education cess@2% and secondary and higher education cess@1% was attracted on the income-tax for all above preceding years.

(8 Marks)

(B)Mr. Sudarshan, due to inadvertent reasons, failed to file his Income-tax return for the assessment year 2020-21 on or before the due date of filing such return of income.

- (i) Can he file the above return after due date of filing return of income? If yes, which is the last date for filing the above return?
- (ii) What are the consequences of non-filing the return within the due date under section 139(1)?

(3 Marks)

(C) M submits the following information for previous year 2019-20 relevant to the assessment year 2020-21:

	Particulars	Amount (₹)
1.	Profit from Business A situated in Delhi	1,50,000
2.	Profit from Business B situated in Bombay	1,00,000
3.	Loss from Business C carried in New York (the business is controlled from India but profits are not received in India)	60,000
4.	Unabsorbed depreciation of business C	35,000
5.	Income from house property situated in India	10,000
6.	Income from house property situated in London (rent received in London)	20,000

Find out the Gross Total Income of M for the assessment year 2020-21 if he is (a) Resident in India (b) Not ordinarily resident in India and (c) Non-resident in India.

(3 Marks)

USE CODE

NOV20

SINGLE SUBJECT
₹ 5,900

SINGLE GROUP
₹ 11,800

BOTH GROUPS
₹ 21,240

 **CONCEPT**
EDUCATION

*EXCLUSIVE OFFER FOR CA INTERMEDIATE STUDENTS APPEARING IN NOVEMBER 2020. ON SINGLE GROUP AND BOTH GROUPS VIEWS ARE UNLIMITED BUT ON SINGLE SUBJECT VIEWS ARE LIMITED TO 1.5 TIMES

SECTION -B

Question 5 is compulsory.

Answer any two from remaining three questions.

Question 5.

M/s. Grey, a registered taxable person under regular scheme provides following information in respect of supplies made by it during the month of April, 2019:

	(All amount in rupees)
(i) Inter-state supply of goods	1,00,000
(ii) Intra-state supply of 500 packets of detergent @ Rs.400 each alongwith a plastic bucket worth Rs.100 each with each packet, being a mixed supply. (Rate of GST on detergent is 18% and on plastic bucket is 28%)	
(iii) Supply of online educational journals to M/s. Pinnacle, a private coaching centre providing tuitions to students of Class X-XII, being intra-state supply.	50,000

M/s. Grey has also received the following inward supplies:

(iv) Inter-state supply of goods (out of which invoice for goods worth Rs.20,000 is missing and no other tax paying document is available)	70,000
(v) Repairing of bus with seating capacity of 20 passengers used to transport its employees from their residence, being intra-state supply.	50,000

Details of opening balances of ITC as on 1-4-2019 are as follows:

CGST	5,000
SGST	5,000
IGST	40,000

Following additional information is provided :

(a) Rate of GST in respect of all inward and outward supplies except item (ii) above is 18%. i.e. CGST and SGST @ 9% and IGST @ 18%.

(b) All figures mentioned above are exclusive of taxes.

(c) All the conditions for availing the ITC have been fulfilled except specifically given and M/s. Grey is not eligible for any threshold exemption.

Compute the minimum net GST payable in cash by M/s. Grey for the month of April, 2019.

(8 Marks)

Question 6.

(A) Mrs. Lakshmi, intending to start a new business in January 2020, furnishes the following information pertaining to the period upto 31.03.2020

Estimated supplies	Rs.
Intra-State supplies of taxable goods	14,00,000
Intra-state supplies of exempt services	4,00,000
Export sales	3,20,000
Supplies made as agent of a principal	2,40,000

Ascertain the aggregate turnover. She wants to know whether she should get herself registered for GST purposes. You are required to help her. Further, what will be the GST payable by her, if the GST rate for taxable goods supplied is 18%?

(6 Marks)

(B) PVR Multiplex has 8 screens, as the value of supply was less than Rs.200, recipient were unregistered and did not require tax invoice. PVR was issuing a consolidated tax invoice at the close of each day.

- (i) Can PVR continue to do so? If not, then what other option does PVR has now for pertaining to issuance of tax invoice?
- (ii) What if PVR was not a multiplex but a single screen cinema theatre?

(4 Marks)

Question 7.

(A) Queen Hotel Ltd., provider of rooms, charged rent per day per room as follows:

Particulars	Rs.
Room rent	550
Furniture rent	400
Air-conditioner rent	150
Refrigerator rent	50
Less: Discount	(50)
Net amount charged	1,100

During the month of Oct 20XX, 20 rooms are let out throughout the month, and balance 35 rooms are let out only for 15 days.

ITC available Rs.7,500.

The following GST rates are applicable for the hotel industry:

CGST 6% and SGST 6%.

Find the GST liability if any for the month of Oct 20XX.

(5 Marks)

(B) Would the following be considered as taxable supply of advertising/promoting or not?

- (i) "Good wishes from Mr. Rajesh" printed underneath a digital blackboard donated by Mr. Rajesh to a charitable Yoga institution.
- (ii) "Donated by Smt. Malati Devi in the memory of her father" written on the door or floor of a room or any part of a temple complex which was constructed from such donation.

(3 Marks)

(C) Jal Ltd., a manufacturer of aerated water, makes Intra-State supplies with an aggregate turnover of Rs.21 lakh (in the previous AY 2019-20)

- (i) The owner of Jal Ltd. has asked your opinion on whether they can opt for composition scheme in the AY 2020-21?
- (ii) Would your answer be different if Jal Ltd. manufactured Ice cream?

(2 Marks)

Question 8.

(A)

- (i) X sells a mobile phone to Y. The cost of mobile phone is Rs. 40,000/- . However, X gives Y an option to pay in installments, Rs. 11,000/- every month before 10th day of the following month, over next four months (Rs. 11,000/- \times 4 = Rs. 44,000/-). As per the contract, if there is any delay in payment by Y beyond the scheduled date, Y would be liable to pay additional/ penal interest amounting to Rs. 500/- per month for the delay. Will GST be applicable on additional /penal interest on the overdue loan?
- (ii) X sells a mobile phone to Y. The cost of mobile phone is Rs 40,000/- . Y has the option to avail a loan at interest of 2.5% per month for purchasing the mobile from M/s. ABC Ltd. The terms of the loan from M/s. ABC Ltd. allows Y a period of four months to repay the loan and an additional/ penal interest @ 1.25% per month for any delay in payment. Will GST be applicable on additional/penal interest on the overdue loan?

(5 Marks)

(B) Mr. Vijay, a registered supplier, receives 100 invoices (for inward supply of goods/ services) involving GST of Rs. 10 lakh, from various suppliers during the month of October 20XX.

Compute the ITC that can be claimed by Mr. Vijay in his GSTR-3B for the month of October 20XX to be filed by 20th November 20XX in the following independent cases assuming that GST of Rs. 10 lakh is otherwise eligible for ITC:

Case I

Out of 100 invoices, 80 invoices involving GST of Rs. 6 lakh have been uploaded by the suppliers in their respective GSTR-1s filed on the prescribed due date therefore.

Case II

Out of 100 invoices, 75 invoices involving GST of Rs. 8.5 lakh have been uploaded by the suppliers in their respective GSTR-1s filed on the prescribed due date therefore.

(5 Marks)

USE CODE

AUG20

SINGLE SUBJECT
₹ 5,900

SINGLE GROUP
₹ 8,850

BOTH GROUPS
₹ 17,700

*EXCLUSIVE OFFER FOR CA INTERMEDIATE STUDENTS APPEARING IN AUGUST 2020. ON SINGLE GROUP AND BOTH GROUPS VIEWS ARE UNLIMITED BUT ON SINGLE SUBJECT VIEWS ARE LIMITED TO 1.5 TIMES

NOV20

SINGLE SUBJECT
₹ 5,900

SINGLE GROUP
₹ 11,800

BOTH GROUPS
₹ 21,240

*EXCLUSIVE OFFER FOR CA INTERMEDIATE STUDENTS APPEARING IN NOVEMBER 2020. ON SINGLE GROUP AND BOTH GROUPS VIEWS ARE UNLIMITED BUT ON SINGLE SUBJECT VIEWS ARE LIMITED TO 1.5 TIMES


CONCEPT
EDUCATION

BOTH GROUPS ₹ 17,700

BOTH GROUPS ₹ 21,240

SINGLE GROUP ₹ 8,850

SINGLE GROUP ₹ 11,800

SINGLE SUBJECT ₹ 5,900

SINGLE SUBJECT ₹ 5,900

USE CODE

AUG20

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Youtube Live at 7:30 pm
Lets Discuss Todays exam Paper



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