

P.G.D.F.M.(Sem-II)

August-2023

Con. 285–22.

YZ–8582

(3 Hours)

[Total Marks : 80]

- N.B. :** (1) Question No. 1 is **compulsory**. Answer any **three** more questions from Question Nos. 2 to 5.
 (2) **Figures** to the **right** indicate full marks.
 (3) Working notes and **assumptions**, if any, should be part of your answer.
 (4) Unless otherwise stated, law in force on 01-04-2022 will be **applicable**.

1.(A) Select the appropriate answer from alternatives given below and rewrite the sentences : **10**

- (i) Deduction u/s 80CCC is allowed to the extent of
 (a) ₹ 2,00,000
 (b) ₹ 1,50,000
 (c) ₹ 4,00,000
 (d) ₹ 10,000
- (ii) Entertainment Allowance is deductible to the extent of ₹ 5,000 for a
 (a) Government Employee
 (b) Private Company Employee
 (c) Both the above
 (d) None of the above.
- (iii) Municipal tax paid is allowed as deduction for
 (a) SOP only
 (b) LOP only
 (c) LOP and DLOP
 (d) SOP, LOP and DLOP
- (iv) Which of the following is an allowable expenditure while computing income from business?
 (a) Wealth Tax
 (b) Income Tax
 (c) GST
 (d) All of the above.
- (v) In case of long term capital gains, the amount to be deducted from sale consideration shall be
 (a) Indexed Cost of Improvement
 (b) Indexed Cost of Acquisition
 (c) Brokerage
 (d) All of the above.

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- (vi) Sushant has taken a house on rent and sublets the same to Mahi. Income from such house property shall be taxable under the head
 - (a) Income from House Property
 - (b) Income from other sources
 - (c) Business Income
 - (d) Salary Income.
- (vii) GST is levied on supply of all goods and services except
 - (a) Alcoholic Liquor for Human Consumption
 - (b) Clothes and textiles
 - (c) Car and automobiles
 - (d) All of the above.
- (viii) Goods and Service Tax is a tax levied on goods and services at each point of
 - (a) Demand
 - (b) Supply
 - (c) Cash Sales
 - (d) Manufacturing.
- (ix) For services of cultural event, the place of supply is the location
 - (a) Of Recipient
 - (b) Where services are actually performed
 - (c) Of Supplier
 - (d) Of Registered Person.
- (x) Taxable minimum turnover limit in GST that is applicable in the state of Maharashtra is
 - (a) ₹ 10 lakhs
 - (b) ₹ 15 lakhs
 - (c) ₹ 20 lakhs
 - (d) ₹ 25 lakhs

(B) State whether the statement below are **True** or **False** :—

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- (i) Residential Status has nothing to do with citizenship.
- (ii) In case of ROR, global income is taxable.
- (iii) Interest repayment on housing loan qualifies for deduction u/s 80C.
- (iv) Salary received by a partner from the firm in which he is a partner is taxable under the head Income from Salaries.
- (v) Donation for Socio-Economic welfare is an allowable expenditure while computing income from business profession.
- (vi) Interest on Income Tax refund is an income from other sources
- (vii) GST leads to cascading effect of taxes.
- (viii) Sale of pre-packaged software is treated as supply and hence taxable.
- (ix) Government subsidy is to be added back while computing the value of supply.
- (x) Any excess balance in Input Tax Credit of CGST can be set off against SGST.

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2. (A) Mr. A, a young Indian, went abroad for the first time on 10th March 2019 for his higher studies. He returned to India on 28th March 2021 and started his own business in Mumbai. **10**
- He went to USA on 12th April 2021 for a negotiation of Foreign Collaboration and returned to India on 27th April 2021. His other visits to USA for business purpose were as under :

Date of departure from India	Date of return to India
02-05-2021	09-07-2021
26-08-2021	09-09-2021
03-01-2022	25-03-2022

Determine the residential status of Mr. A for the AY 2022-23 and give your reasons for the same.

- (B) From the following information determine the place of supply of goods as per Section 10(1) (b) of IGST Act, 2017, where the goods are delivered by the supplier to a recipient on the direction of a third person during the course of movement of goods. **10**

Supplier and his location	Location of the buyer (third person)	Recipient & his location	Place of delivery of the goods
Mr. Atul Indore	Mr. Alok, Indore	Mr. Ramesh, Surat	Surat
Mr. Atul Indore	Mr. Ramesh, Surat	Mr. Alok, Indore	Indore
Mr. Atul Indore	Mr. Manthan, Mumbai	Mr. Ramesh, Surat	Surat
Mr. Atul Indore	Mr. Ramesh, Surat	Mr. Subhash, Surat	Surat
Mr. Atul Indore	Mr. Saurabh, Bhimapur	Mr. Mahi, Ranchi	Ranchi

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3. (A) Mr. Niheet, physically challenged, provides the following profit and loss account for the year ended 31-03-2022. Compute total taxable income of Mr. Niheet for the AY 2022-23 and tax payable as per old regime. **10**

Profit & Loss Account for the year ended 31st March 2022

Particulars	₹	Particulars	₹
To Salaries	2,00,000	By gross profit b/d	18,08,000
To printing and stationery	10,000	By directors fees	10,000
To advertisement expenses	40,000	By winning from lotteries	20,000
To rent	50,000		
To motor car expenses	30,000		
To personal drawings	50,000		
To embezzlement by an employee	5,000		
To staff welfare expenses	25,000		
To donations	15,000		
To income tax	9,000		
To depreciation	30,000		
To sales tax paid	4,000		
To net profit	13,70,000		
Total	18,38,000	Total	18,38,000

Following further information has been provided :

- Depreciation as per Income Tax Rules is ₹ 35,000.
- 50% rent is paid for his residential house.
- Printing includes ₹ 2,000 paid for printing birthday cards for her daughter's birthday.
- Interest on deposits in savings accounts ₹ 12,000.

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(B) Determine the GST Payable for the month of August 2022 of M/s. Sant Enterprises : 10

Tax	Output Tax Liability	Input Tax Liability
IGST	1,30,000	3,04,000
CGST	2,76,000	2,00,000
SGST	2,76,000	2,00,000

4. (A) Mr. Tarun Shah is working as an accounts officer in a Government Department at Mumbai since 1997. During the year, he received ₹ 4,48,000 as salary, ₹ 1,000 as ex-gratia and ₹ 4,500 as entertainment allowance. He was provided with rent free accommodation perquisite value of which was ascertained at ₹ 18,500. Conveyance allowance of ₹ 4,000 was received and actual expenses incurred were ₹ 4,200. Profession Tax paid during the year was ₹ 2,200. 10

You are required to ascertain the income chargeable to tax under the head Income from Salaries of Mr. Tarun Shah for the assessment year 2022-23.

(B) State with reasons whether the Dealer is required to get registered under GST or not : 10

- Mr. Gada is situated in Nagaland and has a turnover of taxable services of ₹ 12 lakhs.
- A hospital provides tax free medical services of ₹ 15 lakhs and taxable services of ₹ 1 lakh.
- Shriniwas of Chennai, wholesaler in textiles, supplies goods worth ₹ 25,00,000.
- Vikas of Surat supplies taxable goods worth ₹ 22 lakhs on his account and ₹ 19 lakhs on behalf of his principal.
- Pawar, an agriculturist, sells agriculture produce with ₹ 41 lakhs cultivated by him on his own land.

5. (A) Write a note on deductions under section 80C of Income Tax Act, 1961. 10

(B) What are the advantages of GST ? Elaborate. 10
