

Taxation(Direct & Indirect)

[Time: 3.00 Hrs.]

[Marks: 80]

N.B. : (1) Q. no. 1 is **compulsory**.

(2) Attempt any **3** questions from question no. **2 to 5**, each carrying **20** marks.

(3) Figures to the right indicate full marks.

(4) Working notes should form the part of your answer.

(5) Use of **simple calculator** is **allowed**.

Q1 A. Multiple Choice Questions

(10 marks)

1. _____ Section Provides for Voluntary Registration in GST

a) Section 25 (1) b) Section 25 (2) c) Section 25 (10) d) Section 25 (3)

2. One State _____ Registration

a) Two b) Three c) One

3. Maximum deduction u/s 80 C of income tax act is _____

a) 1,50,000 b) 1,00,000 c) 2,00,000

4. NRTP means _____

a) Non Resident Taxable Person b) Non Residing Taxable People c) Not Required to Register Persons

5. One who is liable to pay Income tax in India _____

a) Indian Citizen b) Resident in India c) Any Person

6. Standard Deduction u/s 24 from Income from House Property is _____

a) 30 % of NAV b) 30 % of GAV c) 30 % of IFHP

7. What is the date on which fair market value of capital assets acquired is determined _____

a) 01.04.2001 b) 01.04.2011 c) 01.04.2021

8. _____ is the chairperson of GST council

a) Union finance Minister b) Union Minister of state in charge for revenue c) chief minister

9. Place of business includes _____

a) Warehouse b) Godown c) Any place where taxable person stores his goods d) all of the above

10. Employer's contribution to statutory provident fund is _____

a) Exempt upto 12% of salary b) Exempt upto 9.5% of salary c) Fully exempt

Q1B True or False

(10 Marks)

1. Gift in contemplation of death of the payer is taxable.
2. Input Tax Credit can be claimed on purchase of goods for personal use
3. The quantum of deduction allowed under section 80D shall be limited to 2,00,000.
4. Residential status is to be determined on the basis of no. of days stay in India during financial year.
5. A Casual Taxable Person needs registration
6. Expenditure which is personal in nature is allowed as business expenditure.
7. In case of short term capital asset indexation is applicable.
8. Collection of SGST will go to central government
9. Rebate upto Rs 5 lakh u/s 87A available in both regime
10. Pre construction interest is allowed as deduction in next 3 years.

Q2A

(10 marks)

Mr. X owns one residential house in Mumbai. The house is having two identical units. First unit of the house is self-occupied by Mr. X and another unit is rented for 8,000 p.m. The rented unit was vacant for 2 months during the year. The particulars of the house for the previous year 2021-22 are as under:

Standard rent	` 1,62,000 p.a.
Municipal valuation	` 1,90,000 p.a.
Fair rent	` 1,85,000 p. a
Municipal tax (Paid by Mr. X)	15% of municipal valuation
Light and water charges	` 500 p.m.
Interest on borrowed capital	` 1,500 p.m.
Lease money	1,200 p.a.
Insurance charges	` 3,000 p.a.
Repairs	` 12,000 p.a.

Compute income from house property of Mr. X for the A.Y. 2022-23.

Q2B

(10 marks)

Mr. Manthan a registered dealer in the state of Maharashtra provides you with the following details for the month of November 2021. All the amounts are inclusive of GST

Opening Balance in electronic credit ledger as on 1st November 2021.

IGST – Nil CGST – Rs. 25,000 SGST – Rs. 65,000

Transactions during the month	Amt (Rs.)
Sold goods @ 5 % GST to Shalini in Latur, Maharashtra	4,20,000
Sold goods @ 12 % GST to abhay in Mumbai	5,90,000
Purchased Goods @ 12% GST from Pune	1,20,000
Provided services @ 18% GST to Pooja in Delhi	7,35,000
Availed services @ 18% GST to Sweety in Nashik	3,54,000
Availed services / Inward supplies @ 5% GST from Surat	8,40,000
Sold Goods @ 12 % to Navi Mumbai	6,72,000

Calculate the Net GST Payable

Q3A. (10 Marks)

S. Count, an Australian cricket player visits India for 100 days in every financial year. This has been his practice for the past 10 financial years.

- Find out his residential status for the assessment year 2022-23.
- Would your answer change if the above facts relate to Srinath, an Indian citizen who resides in Australia and represents the Australian cricket team?
- What would be your answer if Srinath had visited India for 120 days instead of 100 days every year, including P.Y.2021-22?

Q3B. (10 marks)

From the following information determine the place of supply of goods as per the provisions of the GST act and also determine the nature of supply whether interstate or intra state supply?

Supplier and his location	Location of the buyer (Third Person)	Recipient & his location	Place of delivery of goods
Mr. Shlok, Mumbai	Mr. Alok, Mumbai	Mr. Ramesh, Junagadh	Junagadh
Mr. Shlok, Mumbai	Mr. Ramesh, Ahmedabad	Mr. Alok, Mumbai	Mumbai
Mr. Shlok, Mumbai	Mr. Manthan, Indore	Mr. Ramesh, Surat	Surat
Mr. Shlok, Mumbai	Mr. Ramesh, Baroda	Mr. Subhash, Baroda	Baroda

Mr. Shlok, Mumbai	Mr. Jaganath, Gandhinagar	Mr Joshi, Rajkot	Rajkot
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Q4A

(15 Marks)

Dr. Niranjana, a resident individual, aged 60 years is running a clinic in Surat. Her Income and Expenditure Account for the year ending March 31st, 2023 is as under:

Expenditure		Income	
To Medicine consumed	35,38,400	By Consultation and medical charges	58,85,850
To Staff salary	13,80,000	By Income-tax refund (principal 5,000, interest ₹ 450)	5,450
To Clinic consumables	1,10,000	By Dividend from units of UTI (Gross)	10,500
To Rent paid	90,000	By Winning from game show on T.V. (net of TDS of ₹ 15,000)	35,000
To Administrative expenses	2,55,000	By Rent	27,000
To Amount paid to scientific research association approved u/s 35	1,50,000		
To Net profit	4,40,400		
	59,63,800		59,63,800

(i) Rent paid includes ₹ 30,000 paid by cheque towards rent for her residential house in Surat.

(ii) Clinic equipments are:

1.4.2022 Opening W.D.V. - ₹ 5,00,000

7.12.2022 Acquired (cost) by cheque - ₹ 2,00,000

(iii) Rent received relates to residential house property situated at Surat. Gross Annual Value ₹ 27,000. The municipal tax of ₹ 2,000, paid in December, 2022, has been included in "administrative expenses".

(iv) She received salary of ₹ 7,500 p.m. from "Full Cure Hospital" which has not been included in the "consultation and medical charges".

- (v) Dr. Niranjana availed a loan of ₹ 5,50,000 from a bank for higher education of her daughter. She repaid principal of ₹ 1,00,000, and interest thereon ₹ 55,000 during the previous year 2022-23.
- (vi) She paid ₹ 1,00,000 as tuition fee (not in the nature of development fees/ donation) to the university for full time education of her daughter.
- (vii) An amount of ₹ 28,000 has also been paid by cheque on 27th March, 2023 for her medical insurance premium.

From the above, compute the total income of Dr. Smt. Niranjana for the A.Y. 2023-24 under the regular provisions of the Income-tax Act, 1961, assuming that she has **not opted** for to pay tax under section 115BAC (New Tax Regime).

Q4B

(5 Marks)

Soham in the state of Maharashtra started business in April 2021. From which month he will be liable for registration as per the provisions of the GST Act.

Month / Year	Purchases		Sales	
	Taxable	Tax Free	Taxable	Tax Free
2021				
April to June	350000	135000	250000	1400000
July	2500	24000	200000	260000
August	3500	52000	100000	650000
September	3000	25000	400000	280000
October	4500	72000	250000	750000
November	6000	225000	4500	326000
December	9000	75000	7000	84000

Q5 Answer the following short notes (Any 4 out of 5)

(20 Marks)

1. Features of GST
2. GST Network
3. What is the procedure for making application for registration
4. Explain How Short term and long term capital gains are calculated
5. Explain scope of total income in brief