

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

1. _____ prescribes the rules for determining residential status of different types of person.

a- Section 6	b- Section 7
c- Section 8	d- Section 9
2. Section 5 defines the scope of the total income of an assessee which includes _____.

a- the residential status of a person	b- place and time of accrual of such income.
c-None of the above	d-both of the above
3. In India GST structure is _____ in nature

a-single	b- dual
c-triple	d- a & b both
4. Salary includes:- _____

a- Any Gratuity;	b- Any Pension or Annuity
c- Any encashment of leave salary	d- all of the above
5. _____ is the deemed owner under section 27

a- When an individual transfers any property to his spouse or a minor child
b- The holder of an impartible estate
c- both of the above
d- None of the above
6. GST is levied on the basis of _____ principle

a- origin	b- destination
b- either a or b	d- both a and b
7. Depreciation allowed on _____.

a- Tangible assets;	b- Intangible assets
c- None of the above	d- All of the above
8. _____ petroleum products have been temporarily kept out of GST.

a- One	b- two	c- three	d- four
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9. GST was introduced in India in _____.

a- 01-04-17	b- 01-05-17	c- 01-06-17	d- 01-07-17
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10. "Income from Other Sources" doesn't include _____

- a- Dividends
- b- Any winnings not earned from lotteries, crossword puzzles, races including horse races, card games, etc.
- c- interest received on compensation or enhanced compensation referred to in sec. 145A (b).
- d- Income from sub-letting;

Q.1-b) Select whether the following statements are True or False: (10)

1. INCOME Under section 10(1), agricultural income is exempt from the Tax.
2. Stamp duty is included in GST
3. GST is not levied on goods & services
4. "I" stands for "Integrated" in IGST
5. HSN stands for harmonized system of the nation
6. GST is levied on immovable property
7. Salary involves 2 parties?
8. Definition of a person include a Firm and HUF?
9. The incidence of tax on a taxpayer depends on:- his residential status, and the place and time of accrual or receipt of income.
10. Standard deduction of salary amounts to be Rs 10000?

Q.2-A) P of Pune places an order to Reliance, Surat (Gujarat) for the purchase of mobile phone goods ex-factory. What is the place of supply and which GST will be applicable? (05)

Q.2-B) Raju of Mumbai places an order for a watch on Snapdeal (an e-commerce operator) manufactured by Foss Ltd., Bengaluru (registered with Snapdeal) to be delivered to Rakhi, his sister in Delhi. What is the place of supply and which GST will be applicable? (05)

Q.2-C) Mahesh comes to India, for the first time, on April 16, 2020. He stays in Chennai up to April 29, 2021, and thereafter shifts to Mumbai. He departs from Mumbai for his native country on October 5, 2022. Determine his residential status for the assessment year 2023-24 (10)

**Q.3-A) Gas supplied by a recipient. Supply is to be made for a period of 1 year. Monthly payments are to be made by the recipient as per contract. They are made as follows
July 5, August 5, and Sept 5 = Payment of 2lacs each month.
Determine the time of supply. (05)**

Q.3-B) Determine the Place of supply under each situation (05)

- i) A U.S. Architect makes designs and plans for Trump Tower in Pune.
- ii) A bridal makeup artist from Mumbai goes to provide service at weddings in Delhi.

**Q.3-C) R, a Chartered Accountant was appointed as Finance Manager with ABC Bank on 01/04/2018 in the Salary grade of Rs. 16000 pa.
He was entitled to Leave Travel Concession for proceeding on leave of Rs. 4000. His actual expenditure on this account amounted to Rs. 5000.
As the bank is situated at a place where home food is available, R was offered Tiffin Allowance Rs. 6000.
Reimbursement of medical expenses for the treatment of R and his family in a private clinic was Rs. 50,000. His actual expenses amounted to Rs.15,000.
The Bank has provided a free unfurnished flat in Mumbai (rent paid by Bank: Rs.80,000). However, the perquisite value of that Flat was Rs. 30000.
The employer provided two watchmen (salary Rs. 2000 per month each).
Free use of car for official use, car can be used for journeys between office and residence
Free refreshments are provided at the place of work (Rs. 100 per day for 200 days).**

Compute Salary Income for the assessment 2023-24

(10)

Q.4-A) From the given Trading and P & L A/c of Ram Ltd for the year ended 31st March 2023, compute the taxable income of the firm for the assessment year 2023-24

(10)

Particulars	Rs	Particulars	Rs
To Opening Stock	75,000	By Sales	20,00,000
To Purchases	15,00,000	By Closing Stock	85,000
To gross profit	5,10,000		
Total	20,85,000	Total	20,85,000
To salaries	2,50,000	By Gross Profit	5,10,000
To sales commission	40,000	By Bad Debts Recovery	25,000
To sales tax	35,000		
To general expenses	5,000		
To advance income tax	54,000		
To Interest on Loan	42,000		
To Interest on capital	18,000		
To Depreciation on Furniture & Fittings	4,000		
To advertisements	16,000		
To Free Distribution of Samples	3,000		
To Insurance premium on Life of Partners	8,500		
To Printing & Stationery	3,500		
To Net Profit	56,000		
Total	5,35,000		

Additional information:

- Salaries include Rs. 40,000/- paid to partners, as per partnership deed and well within the limits under section 40(b).
- General Expenses are incurred for the pleasure tour of partners with their family members to Goa.
- Income Tax includes Rs. 14,000 paid for the partners.
- Bad Debts recovered were earlier allowed as a deduction.
- Interest on Capital to partners is in excess of limits specified under section 40(b) by Rs. 1,500/- but as per the partnership deed.
- Cash expenses over Rs 35,000 for carriage of Rs. 40,000.

Q.4-B) Following is the summary of GST payable and ITC available to Ramesh

(05)

Tax	Output Tax Liability	ITC
IGST	15,000	54,000
CGST	36,000	12,000
SGST	36,000	12,000

Calculate net tax payable under GST.

Q.4-C) Explain the liability for Advance Tax Payment by Nilesh Ltd. whose income is estimated at Rs. 18,00,000 during the financial year 2022-23.

(05)

Q5) Write short notes on (any 4)

(20)

- Benefits of GST
- Income from other sources
- Conditions for residential status

- d) Cancellation of Registration under GST Act
- e) Person under Income Tax Act