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PART - I

SECTION - A

Case Scenario - I :

Mrs. Anisha, an Indian citizen aged 50 years, left India on 29th September, 2024 for permanent settlement in the U.S.A. Prior to this she had never travelled outside India. She owns a self-occupied residential house property in New York (U.S.A.). The expected rent from the house, when converted into Indian Rupees, is ₹ 20 lakh in previous year 2024-25. She has earned interest income of ₹ 11,50,000 (gross) from USA Pension fund bond and received in her USA bank account.

In India, she owns two residential properties - House X and House Y. House X was self-occupied by her during the stay in India, and the annual value of a similar property in the vicinity is ₹ 8 lakh. House Y was let out for generating regular rental income.

House Y is situated near a famous temple and was rented out to Mr. Amit for the entire financial year 2024-25 at a monthly rent of ₹ 60,000. However, due to the upcoming annual temple festival attracting millions of devotees, the tenant found it difficult to reside in this area and wanted to shift to any other place. He refused to pay rent for two months, though the tenancy remained bona fide. To maintain goodwill, Mrs. Anisha offered him another semi-constructed residential property, which Mr. Amit accepted and shifted to that house.

Mrs. Anisha also entered into an agreement with Mr. Nagesh, a renowned parking contractor, to lease out her garage for parking space at ground floor of House Y for four months at rent of ₹ 55,000 per month during the financial year 2024-25. The business turnover of Mr. Nagesh during the financial year 2024-25 was ₹ 95 lakh and for financial year 2023-24 was ₹ 1.1 crore.

All the rent and parking charges were received in bank account maintained in India by the respective persons.

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House X and House Y was acquired in the financial year 2023-24 with a bank loan of ₹ 25 lakh and ₹ 30 lakh respectively. Mrs. Anisha paid interest of ₹ 2.5 lakh for House X but interest of ₹ 3 lakh accrued in house loan account could not be actually paid for House Y. (2L)

From the information given above, answer the multiple choice question No. 1-3 on the assumption that both Mrs. Anisha and Mr. Nagesh opted for default tax regime for previous year 2024-25 :

1. What would be residential status of Mrs. Anisha for the financial year 2024-25 ?
 - (A) Deemed resident, because she is an Indian citizen whose total income exceeds ₹ 15 lakh (excluding income from foreign sources)
 - (B) Resident but not ordinarily resident
 - (C) Resident and ordinarily resident.
 - (D) Non-resident
2. What would be the total Income under correct head of income of Mrs. Anisha for the previous year 2024-25 ?
 - (A) Total income ₹ 15,58,000 (₹ 4,08,000 under Income from house property and ₹ 11,50,000 under Income from other sources)
 - (B) Total income ₹ 16,24,000 (₹ 2,54,000 under Income from house property, ₹ 2,20,000 under Income from profit and gains from business or profession and ₹ 11,50,000 under Income from other sources)
 - (C) Total income ₹ 15,74,000 (₹ 2,04,000 under Income from house property, ₹ 2,20,000 under Income from profit and gains from business or profession and ₹ 11,50,000 under Income from other sources)
 - (D) Total income ₹ 15,08,000 (₹ 3,58,000 under Income from house property and ₹ 11,50,000 under Income from other sources)



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3. How much TDS is deductible on payment of parking charges by Mr. Nagesh for the previous year 2024-25 ? 2

- (A) ₹ 4,576
- (B) ₹ 2,200
- (C) ₹ 4,400
- (D) Nil

Case Scenario – II :

Mr. Parkash, a resident Indian aged 61 years, purchased a shop for ₹ 15 lakh in November, 2004. Registration and other expenses were 12% of the cost. He entered into an agreement for the sale of shop to Mrs. Mani in January 2014. The sale consideration was fixed at ₹ 20 lakh. Mr. Parkash received ₹ 5 lakh as advance on that date by executing an agreement. However in February 2014, due to failure on the part of Mrs. Mani, the said negotiation could not materialize and hence, the said amount of advance was forfeited by Mr. Parkash.

Mr. Parkash, entered into another agreement in January 2024 for the sale of this shop to Mr. Madan at ₹ 25 lakh and received advance of ₹ 8 lakh but on 15th April, 2024 Mr. Madan denied to complete the agreement due to non-availability of sufficient funds and Mr. Parkash forfeited and retained the advance as per agreement on that date. Finally, Mr. Parkash sold this shop to Mr. Mohan on 23rd June, 2024 for ₹ 45 lakh.

Further he has deposited ₹ 5 lakh out of sale proceeds in fixed deposit for 5 years with post office and earned interest of ₹ 26,700 (gross) on such FDR during the previous year 2024-25. He has opted to shift out of default taxation regime under section 115 BAC(1A) of Income-tax Act, 1961 for assessment year 2025-26.

(Cost inflation index for F.Y. 2004-05 : 113, F.Y. 2013-14 : 220, F.Y. 2023-24 : 348 and F.Y. 2024-25 : 363)



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From the information given above, answer the multiple choice question No. 4-6 :-

4. What will be the amount of income taxable in the hands of Mr. Parkash under the head 'Income from capital gain' for the assessment year 2025-26 ?

- (A) Long Term Capital Gain ₹ 7,09,381
- (B) Long Term Capital Gain ₹ 35,00,000
- (C) Long Term Capital Loss ₹ 3,18,584
- (D) Long Term Capital Gain ₹ 30,00,000

5. What will be the amount of income taxable in the hands of Mr. Parkash under the head 'Income from other source' for the assessment year 2025-26 :

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- (A) ₹ 26,700
- (B) ₹ 8,26,700
- (C) ₹ 13,26,700
- (D) ₹ 5,26,700

6. What would be the tax liability of Mr. Parkash for the assessment year 2025-26 ?

- (A) ₹ 1,39,210
- (B) ₹ 1,41,880
- (C) ₹ 1,94,710
- (D) ₹ 1,89,150



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7. Pear Parking Plaza Ltd. has leased out one of its parking space to M/s Greater Park & Co., a partnership firm, for ₹ 50,000 per month on 01.05.2024 and received 6 months lease rent in advance on the same date and rest on monthly basis from November, 2024 to March, 2025. It has also given another larger parking space to DP Park Ltd., a public sector company, on lease of ₹ 1,00,000 per month from 01.06.2024 which debits lease rent in its accounts at the end of each month but payment is made at the year-end only i.e. on 31.03.2025. You are required to determine the amount of tax to be collected at source by Pear Parking Plaza Ltd. 2

- (A) ₹ 12,000 from M/s Greater Park & Co. & Nil from DP Park Ltd.
- (B) ₹ 11,000 from M/s Greater Park & Co. & ₹ 24,000 from DP Park Ltd.
- (C) ₹ 11,000 from M/s Greater Park & Co. & Nil from DP Park Ltd.
- (D) Nil from M/s Greater Park & Co. & ₹ 24,000 from DP Park Ltd.

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8. An amount of ₹ 50 lakh is given by M/s Thapar Ltd. to a trust for construction of hostel under the Corporate Social Responsibility (CSR) as a mandatory spending u/s 135 of the Companies Act, 2013. The amount was subsequently charged to profit and loss account for the year ended 31st March 2025. While computing the business income of M/s Thapar Ltd., the treatment of this expenditure should be : 1

- (A) No adjustment is required, while computing the business income, as it is an expenditure incurred under the law.
- (B) Disallowed such amount while computing the business income.
- (C) Disallowed such amount while computing the business income and capitalized in the books of account.
- (D) Disallowed such amount while computing the business income and claim deduction under section 80G.

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BDM1**SECTION – B****Case Scenario – III :**

Shivanand Steel Ltd is a leading manufacturer of stainless-steel bars in Bhopal, Madhya Pradesh. It was registered under Composition Scheme but on July 15, 2024 the turnover of M/s Shivanand Steel Ltd. crossed ₹ 1.50 Crores. Now Shivanand Steel Ltd is a registered person under regular scheme of GST w.e.f. July 15, 2024.

Details of Stock as on 14 July, 2024 is as follows :

| Particulars | Amount (₹) |
|--|------------|
| Raw Material purchases made as follows : | 40,00,000 |
| (i) Invoice dated 12 April, 2023 ₹ 10,15,000 | |
| (ii) Invoice dated 18 November, 2023 ₹ 14,50,000 from TS Traders registered in Bikaner, Jaipur | |
| (iii) Rest of Raw Material vide invoice dated 25 March, 2024 | → 1535000 |
| Input contained in Semi-Finished Goods | 35,55,000 |
| Input contained in Finished Goods | 55,75,000 |
| Capital Goods purchased vide Invoice dated 01 September, 2023 | 25,00,000 |

The Company is charging depreciation @ 10% on Straight Line Method.

On 18th July, paid air fare of ₹ 20,000 for flight to Itanagar, Arunachal Pradesh in business class for manager who travelled for sales promotion of the firm.

On 23rd June, 2024 Shivanand Steel Ltd got order from M/s Sunil and Company located in the city of Kanpur (U.P.).

The goods were removed from the godown of Shivanand Steel Ltd on 26th June, 2024 and an e-way bill is generated at 00:30 hrs. on 26th June, 2024. Assume that the distance from the godown of Shivanand Steel Ltd to location of M/s Sunil and Company is 403 km.



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One of the old customer of Shivanand Steel Ltd – Mr. Devdaas of Bhopal approached the company and requested to arrange the transportation of another goods purchased by him from a local supplier other than M/s Shivanand Steel Ltd. Shivanand Steel Ltd arranged the transportation of said goods for Mr. Devdaas through a truck owned by it for local transport of goods. Shivanand Steel Ltd did not issue a consignment note to Mr. Devdaas

GST Rates under Regular Scheme of all goods and services (Including Capital Good) are :

| CGST | SGST | IGST |
|------|------|------|
| 9% | 9% | 18% |

All amounts are exclusive of GST. All inputs & Capital Goods are intra -state purchases except wherever separately mentioned.

Based on the information given above, choose the most appropriate answer for the following questions number 9 to 14 :

9. What will be the amount of ITC available to Shivanand Steel Ltd for goods held in stock other than capital goods ? 2

- (A) CGST ₹ 10,51,200, SGST ₹ 10,51,200, IGST ₹ 2,61,000
- (B) CGST ₹ 9,59,850, SGST ₹ 9,59,850, IGST Nil
- (C) CGST ₹ 9,59,850, SGST ₹ 9,59,850, IGST ₹ 2,61,000
- (D) CGST ₹ 14,06,700, SGST ₹ 14,06,700, IGST ₹ Nil

10. What will be the amount of ITC available to Shivanand Steel Ltd on capital goods held in stock ? 2

- (A) ₹ 1,35,000, CGST ₹ 67,500, SGST ₹ 67,500
- (B) ₹ 4,50,000, CGST ₹ 2,25,000, SGST ₹ 2,25,000
- (C) ₹ 3,15,000, CGST ₹ 157,500, SGST ₹ 157,500
- (D) ₹ 3,37,500, CGST ₹ 1,68,750, SGST ₹ 1,68,750

11. Shivanand Steel Ltd is required to file return in form CMP-08 for the period : 2
- (A) CMP-08 for April 01, 2024 to June 30, 2024 Quarter and separate CMP-08 for July 01, 2024 to July 14, 2024
- (B) Consolidated CMP-08 for April 01, 2024 to July 14, 2024
- (C) CMP-08 for April 01, 2024 to June 30, 2024 Quarter and from July 01, 2024 to July 31, 2024 GSTR 1 and GSTR 3B
- (D) No CMP-08, Only Annual Return in form GSTR 4
12. Shivanand Steel Ltd is eligible for total ITC for the month of July 2024 of : 2
- (A) CGST ₹ 1,27,700, SGST ₹ 1,27,700, IGST 2,30,500
- (B) CGST ₹ 11,30,400, SGST ₹ 11,30,400, IGST ₹ 2,61,000
- (C) CGST ₹ 11,28,600, SGST ₹ 11,28,600, IGST ₹ 2,61,000
- (D) CGST ₹ 11,48,400, SGST ₹ 11,48,400, IGST Nil
13. The Validity of E Way Bill generated will be : 2
- (A) 00:30 Hrs of 30th June – 1st July 2024
- (B) 12:00 midnight of 29th – 30th June, 2024
- (C) 12:00 midnight of 28th June – 29th June 2024
- (D) 00:30 Hrs of 29th – 30th June, 2024
14. GST on services of transportation of goods provided by Shivanand Steel Ltd to Mr. Devdaas _____ 2
- (A) is payable by Mr. Devdaas
- (B) is payable by Mr Devdass and Shivanand Steel Ltd equally
- (C) is not payable
- (D) is payable by Shivanand Steel Ltd

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15. A Local authority in the state of Madhya Pradesh entered into a contract in June, 2025 for supply of stationery items with Mr. Shankar a registered person under GST in Puri, Orissa. The total contract consideration is ₹ 300000 (inclusive of GST). Out of total consideration, the Items worth ₹ 4000 are exempt. The Rate of IGST is 18%. The amount of TDS to be deducted by the Local authority :

2

- (A) ₹ 6,000
- (B) ₹ 5,920
- (C) ₹ NIL
- (D) ₹ 5,017

16. Where a registered person , who is party to an appeal of revision or any other proceedings before any Appellate Authority or Revisional Authority or Appellate Tribunal or Court, then the period of retention of records under CGST Act, 2017 is :

1

- (A) 72 months from the due date of furnishing of Annual return for the year pertaining to such accounts and records
- (B) 1 Year after final disposal of such appeal or revision or proceedings or investigation
- (C) Earlier of (A) or (B)
- (D) Later of (A) or (B)

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PART – II SECTION – A

1. Mr. Niraj, a resident individual aged 55 years, is an interior designer. He had also started a business of publishing of books on interior designing on 1st April, 2022 for providing in depth knowledge to the builders and home buyers. His total turnover and gross receipt from the business and profession was ₹ 16 crore during the financial year 2024-25. The net profit as per the statement of profit and loss account after debiting/crediting the following items was ₹ 1.27 crore : 15

- (i) He purchased an annual publication on interior design from the local market for ₹ 8,500 on 10th May, 2024 and paid whole of the amount in cash. He claimed depreciation @40% on the publication.
- (ii) Employee benefit expenses include a provision for gratuity of ₹ 8 lakh made as per the actuarial report, out of which ₹ 2 lakh has been paid on 30th December 2024, ₹ 3 lakh has been paid on 31st January, 2025 and ₹ 3 lakh has been paid on 30th April 2025 before the due date of filing return of income.
- (iii) Depreciation include ₹ 50,000 charged on installation of solar lighting system on 10th November, 2024 at the factory premises which is used in the publishing of books on interior designing. The cost of installation was ₹ 4 lakh. He also received subsidy of ₹ 1 lakh from the Government of India for the installation of solar lighting system.

Additional Information :

- (a) Mr. Niraj paid ₹ 20 lakh as tuition fees from his own sources, including ₹ 2 lakh as development fees, to a foreign university for his son's postgraduate course. He has also paid ₹ 4 lakh as interest on an education loan of ₹ 35 lakh taken during financial year 2024-25 from bank for MBA course pursued by her daughter.

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- (b) Mr. Niraj by oversight did not record depreciation of ₹ 1,500 on designer equipment in the books of account and, considering the amount as insignificant, decided not to claim it.
- (c) He had transferred ₹ 50,000 to his wife, Mrs. Sunita, in financial year 2022-23 without any consideration. This amount was given by Mrs. Sunita as a loan to Mr. Samrat. Mrs. Sunita earned ₹ 20,000 as interest during previous year 2023-24, which she also lent to Mr. Samrat. During the financial year 2024-25, Mrs. Sunita received interest at 20% p.a. on ₹ 70,000.
- (d) His 17-year old daughter received ₹ 5 lakh for acting in a mythological TV show. The total income of Mrs. Sunita is ₹ 25 lakh (computed).
- (e) He sold a large printing machine, the only asset in the block, which was originally acquired for ₹ 3 lakh on 2nd October 2022 and depreciated at 15% per annum. The machine was sold on 1st July 2024 for ₹ 2 lakh.
- (f) During the previous year he recruited 5 new regular employees on 1st June 2024, each receiving a monthly salary of ₹ 20,000 per month and 10 new regular employees joined on 1st July 2024, each receiving a monthly salary of ₹ 26,000 per month. All the salaries were paid to employees by an account payee cheque and they participate in recognised provident fund.
- (g) Royalty of ₹ 4.9 lakh was paid to Mr. Joy, a non-resident, on 30th June 2023 for the use of his brand 'Neo Home' without deduction of tax at source. The tax was subsequently deducted and paid in the financial year 2024-25.

Compute the total income of Mr. Niraj and determine his tax liability for the assessment year 2025-26 under both the default tax regime and the optional tax regime. Also, advise Mr. Niraj which regime is more beneficial to him.

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2. (a) Mr. Paul, an Indian citizen and karta of V P HUF, stays out of India 6 during the various previous years as follows :

| Previous year | Stay outside India |
|---------------|--------------------|
| 2019-20 | 112 days |
| 2020-21 | 221 days |
| 2024-25 | 90 days |

Apart from above he never went out of India in the past 15 years.

The V P HUF owns two agricultural lands in India, one in Mysore and the other in Saharanpur. The Mysore land is used for coffee cultivation. The cost of cultivation of coffee produce is ₹ 4 lakh and is sold directly in the Indian market for ₹ 15 lakh. The Saharanpur land is used for sugarcane cultivation which is further used for manufacturing of sugar in the factory owned by Mr. Paul. The sugar cane (worth ₹ 8 lakh) were processed into sugar with a job work cost of ₹ 3 lakh and is sold in the Indian market for ₹ 28 lakh. The cost of cultivation of sugarcane is ₹ 2 lakh.

Based on the above information, determine:

- Residential status of V P HUF for the assessment year 2025-26, and
 - Compute the total income under proper heads of income and net tax liability of V P HUF under the default tax regime.
- (b) Examine the applicability of tax deducted at source as per Income-tax 4 Act, 1961 for the assessment year 2025-26 in the following independent situations:

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- (i) Dr. Ram Narayan (aged 63 years), an orthopaedic surgeon, borrowed ₹ 25 lakh from a friend to expand his clinic to include physiotherapy services and paid ₹ 2.5 lakh as interest on borrowed funds. His professional receipts were ₹ 52 lakh and ₹ 48 lakh during the financial years 2023-24 and 2024-25 respectively.
- (ii) Mr. Mahesh intends to distribute cash to the people affected by a heavy flood in the state of Punjab. He maintains a bank account with a nationalised bank and has withdrawn ₹ 2 crore in cash in the months of August 2024 and September 2024. During the last four previous years, Mr. Mahesh has filed his return of income only for the previous year 2023-24, as his income in the remaining three years was below the maximum amount not chargeable to tax under the Income-tax Act, 1961.

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3. (a) Mr. Suresh, aged 55 years, is a resident individual employed in a 6 Government company. During the financial year 2024-25, he received a monthly basic salary of ₹ 1 lakh along with a dearness allowance (DA) of 25% of the basic pay. In addition, as per the company's policy, he was provided with the following allowances and perquisites during the year :
- (i) On account of a natural calamity caused by a cloudburst in Himachal Pradesh, he instructed his employer to directly deposit his basic pay and dearness allowance for the month of September 2024 into the PM CARES Fund.
- (ii) He received ₹ 62,500 as leave encashment during the year, equivalent to 15 days' basic pay and dearness allowance.

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- (iii) He received entertainment allowance of ₹ 95,000.
- (iv) His employer incurred ₹ 5 lakh towards medical treatment of his married daughter outside India, including ₹ 1 lakh for travel expenses of the patient and one attendant, as permitted under RBI guidelines.
- (v) Upon his appointment as Director (Finance) during the year, the company provided free education to his child in a school maintained by it. The cost of similar education in a comparable institution is ₹ 900 per month.

Calculate the total income of Mr. Suresh, if he opted for optional tax regime for the assessment year 2025-26.

- (b) Examine whether the following are chargeable to tax in the hands of Mrs. Nitu and the amount liable to tax for the assessment year 2025-26 : 4

- (i) On the day of her marriage, Mrs. Nitu received gifts totalling ₹ 5,40,000 out of which ₹ 60,000 was received from non-relatives.

- (ii) On 01.11.2024, Mrs. Nitu entered into an agreement to acquire a vacant land from her friend for ₹ 25 lakh. The applicable stamp duty value (SDV) fixed by the authority was ₹ 30 lakh. As per the terms of payment, 2% of the sale consideration was paid through an account payee cheque on the date of the agreement, and the remaining 98% was paid on registration. On 15.12.2024, the date of actual registration, the SDV was enhanced to ₹ 33 lakh by the authority.

- (iii) Mrs. Nitu gifted ₹ 4 lakh on 1st September, 2024 to her husband Mr. Aman, to invest in the business. Mr Aman started business with a capital of ₹ 12 lakh (including the amount gifted by his wife) and earned a profit of ₹ 5 lakh from this business for the financial year 2024-25.

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4. (a) Mr. Kunal, a resident individual, furnishes the following information of his income and losses for the assessment year 2025-26: - 6

| Particulars | Amount ₹ |
|---|-------------|
| Gross salary received from part time employment in a company | 12 lakh |
| Rent received from a let-out residential house property | 8 lakh |
| Interest payment on loan taken for purchase of above house | 2.5 lakh |
| Profit from a food delivery startup business | 5 lakh |
| Profit from the business of production of fertilizers established in August, 2024 in India | 6 lakh |
| On 01.04.2024, Kunal transferred ₹ 10 lakh to a charitable trust with a direction that trust will pay ₹ 2,40,000 to Mrs. Sunita (Kunal's wife) annually. Mr. Kunal can take back the full amount as per his wish. | |

Losses brought forward from the earlier years : -

- (i) Loss from self-occupied property ₹ 1.5 lakh for the previous year 2021-22.
- (ii) Business losses from specified business covered under section 35AD ₹ 10 lakh of financial year 2015-16.

You are required to compute the gross total income under proper heads of income of Mr. Kunal on the assumption that he has opted for default tax regime for the assessment year 2025-26 and the amount of losses to be carried forward and the period upto which they are carried forward.

- (b) Examine with reasons, whether the following statements are true or false, with regard to the provisions of the Income-tax Act, 1961: 4

- (i) Mr. Rajiv is a non-working partner in a partnership firm M/s RKT & Co., whose turnover for the previous year 2024-25 is ₹ 18 crore and the books of account of the firm are required to be audited under section 44AB of the Income-tax Act, for the financial year ended on 31st March, 2025. The due date of filing the return of income by Mr. Rajiv is 31st July 2025 for the assessment year 2025-26, if he is getting only interest on capital from the firm and does not have any other source of income.
- (ii) Mr. Kalra, a resident individual aged 55 years who has opted out of the default tax regime for the previous year 2024-25, is engaged in the business of trading of textile yarn. During the previous year 2024-25, the net profit from business carried on by him is ₹ 3.9 lakh. He has no other source of income. He has contributed ₹ 1.5 lakh to public provident fund. As his income does not exceed maximum amount not chargeable to tax, he is of the opinion that he is not required to file his return of income for the assessment year 2025-26.

OR

- (b) Mr. Solanki, aged 52 years has income from business and profession and income from other sources for the financial year 2024-25. He has filed his return of income for the assessment year 2025-26 before the due date of filing of return but due to some incorrect information provided in the return of income furnished under Section 139(1), the assessing officer considers it as defective under Section 139(9) of the Income-tax Act, 1961. Discuss the provisions of the Income-tax Act, 1961 in respect of defective return. 4

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BDM2**SECTION - B**

5. (a) TTY Pvt. Ltd, a registered supplier in Bengaluru has provided the 10 following information of supply received/made during the month of June, 2025 :

| S No | Outward Transactions | Amount (₹) |
|-----------------|---|-----------------------|
| (i) | Supply of taxable goods to Mr. Sudhir of Hubli (Karnataka) registered under Composition scheme in the state of Karnataka | 4,00,000 |
| (ii) | Hiring receipts for supply of Industrial heavy machines along with supply of machine operators. (out of ₹ 9,00,000 value of ₹ 2,25,000 belongs to supply of operators, but not separately charged). As per policy of the industry, these machines are always hired out along with operators, and operators are also supplied only when machines hired out with single price. | 9,00,000 |
| (iii) | Renting of dumpers including driver given for transport of minerals within the mining area in Jharkhand for a period of 18 Months to Vanshika Builders, registered in the state of Bihar. | 10,50,000 |
| (iv) | Stock transferred without consideration to its branch in Shimoga , Karnataka . Branch has same GSTIN. (Value of goods as per Valuation Rules under GST law is ₹ 2,50,000) | - |

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|------|---|-------------------|
| (v) | Given on hire 26 motor vehicles (seating capacity of 14 persons excluding driver) to Karnataka State Road Transport Corporation (KSRTC) | 12,00,000 |
| | Inward Transactions | Amount (₹) |
| (i) | Purchased 4 electric scooters with engine capacity of 23 cc for use by its employees for commuting within the office premises and nearby client locations. Scooters were supplied in Bengaluru (Karnataka) by a GST-registered dealer located in Rajasthan | 4,80,000 |
| (ii) | Mr. Vijay (Managing Director) went to Surat, Gujarat for a business meeting in June 2025 and stayed for 3 days in "Royal Residency Hotel" registered in the state of Gujarat. Hotel accommodation charges paid of ₹ 18,000 (taxable value, excluding GST) for the stay. | 18,000 |

Additional Information :

- In the month of December, 2024, company had availed services in an inter-State transaction with a taxable value of ₹ 6,00,000; This transaction was liable to tax under reverse charge. Payment for the same to the supplier was not made till the current month (overdue for 181 days during June, 2025). However, tax due under the said transaction was paid to Government in December 2024 and input tax credit availed in the same month.

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- (ii) On 11th June 2025, received a debit note of ₹ 2,50,000 in respect of inward intra-State taxable supplies of service. The underlying invoice was issued in the month of October, 2023 in which it was found later that the supplier had erroneously declared a value which is less than the actual value of services provided.
- (iii) All the figures are exclusive of GST wherever applicable
- (iv) All the conditions necessary for availing the input tax credit have been fulfilled and also that details of GST paid on inward supplies are available in GSTR 2B. There was no Opening balance of Input tax Credit at the beginning of the month
- (v) Assume that all the inward supplies used only for outward taxable supply
- (vi) Wherever details for determination of Place of Supply are not given in the question, it shall be taken as Inter-State transaction
- (vii) Assume the applicable rates of GST as under:-
- Service of hiring of heavy machine IGST 12 %, CGST 6 % and SGST 6 %
 - Service of Supply of machine operator without heavy machines IGST 18 %, CGST 9% and SGST 9%
 - All other inward and outward supply, IGST 18 %, CGST 9 % and SGST 9 %

You are required to Compute the net minimum GST liability of TTY Pvt. Ltd to be paid in cash if any, for the Month of June, 2025 after utilising Input tax credit.

Note : Calculate Tax for each point separately and Legal explanations for each point should form part of your answer including Place of provision of supply.

- (b) M/s FRY Ltd. registered in the state of Rajasthan sold one Machine to M/s. BGC Ltd registered in the state of Rajasthan in the month of May, 2025, at contract price of ₹ 8,50,000. (Exclusive of taxes and discount). CGST and SGST (6% each) is chargeable on the machine
- The following amounts have been charged from M/s BCG Limited in addition to the Contract Price:-

| S.No. | Particulars | Amount (₹) |
|-------|--|------------|
| (i) | Outward freight Charges (Contract was to deliver machine at BGC Ltd.'s factory i.e. F.O.R. contract) | 42,000 |

Additional information:-

| | |
|------|--|
| (i) | M/s FRY Ltd offers trade discount of 3 % on the contract price of ₹ 8,50,000 which was duly recorded in invoice. |
| (ii) | M/s FRY Ltd normally gives an interest-free credit period of 15 days for payment from the date of issue of invoice failing which the interest @ 1.50 % Per month or part thereof shall be charged. The payment was made after 18 days from the date of issue of invoice . However , M/s FRY Ltd waived the interest payable for delay. |

(13)

BDM2

| | |
|-------|---|
| (iii) | <p>M/s FRY Ltd. received following subsidies directly linked to the price,</p> <p>(a) ₹ 60,000 from one non-government organization (NGO) on sale of such machine.</p> <p>(b) ₹ 80,000 from the State Government on sale of such machine.</p> <p>Both the subsidies were not deducted while arriving the contract price of ₹ 8,50,000</p> |
|-------|---|

Compute the Taxable Value of supply as per provision of GST laws considering that the price is the sole consideration for the supply and both parties are unrelated to each other

Note:- Correct legal provision for each item should form part of your answer.

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6. (a) M/s ABC & Co, an unregistered partnership firm having operations in 5 Kerala, made a payment of advance amounting to ₹ 1,50,000/- to M/s K Transport, a Goods Transport Agency on 05.08.2025. The balance payment of ₹ 2,50,000 was made on 10.11.2025. You are required to determine the time of supply, if the invoices for services are raised by the supplier of the services on

- (a) 05.09.2025
(b) 15.09.2025

The invoices are required to be issued by the Supplier. The supplier has not exercised the option to pay tax on the services of GTA in relation to transport of goods supplied by it under forward charge.

BDM2

P.T.O.

- (b) Shanti Wellness Centre, an entity registered under Section 12AB of Income Tax Act, 1961 has furnished you the following details with respect to the activities undertaken by it during the month of June 2025 : 5

| Particulars | Amount in ₹ (Excluding GST) |
|--|-----------------------------------|
| Amount received for camps conducted for advancement of religion and spirituality for the people old age people. | 1,00,000 |
| Provides skill development programme to abandoned, orphaned or homeless children (₹ 1,00,000) and persons over the age of 65 years in an urban area (₹ 2,00,000) | 3,00,000 |
| Rents out a small portion of its premises to a bookshop selling spiritual literature for the purpose of Business [ONE MONTH RENTAL] | 12,000 |
| Grants advertising rights to a person for publicity, on the premises of the charitable/religious trust | 5,500 |
| Organized a 'Basketball Training Camp' for coaching of teenagers. | 10,000 |

You are required to compute its taxable value from the information given above assuming the rate of GST is 18%. Brief reasons should form part of your answer

1. (a) Mr. A, a registered person of Haryana have filed his GSTR 3B return for the month of April 2025 on 10th June 2025. The due date of filing the GSTR 3B return was 20.05.2025. The following details were provided :

5

| Sl. No | Particulars |
|--------|--|
| (i) | Deposited ₹80,000 in his Electronic Cash Ledger on 18 th May 2025. |
| (ii) | Debited the electronic cash ledger on 10th June 2025. |
| (iii) | No proceedings under Section 73, 74 or 74A were initiated. |
| (iv) | Rate of interest notified u/s 50(1) is 18% p.a. |
| (v) | Tax payable for the month: ₹ 2,00,000 is paid by <ul style="list-style-type: none"> a. Utilisation of ITC of ₹ 1,20,000 b. ₹ 80,000 through Electronic Cash Ledger |

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You are required to calculate the interest payable with reference to Rule 88B (1).

Further, calculate the amount of Interest payable if the amount of ₹ 80,000 is deposited in Electronic Cash Ledger on 24.05.2025.

- (b) Explain in brief the provisions requiring the issuance of an e-invoice. 5
Also list out the entities which are exempt from issuing e-invoices.
Discuss the applicability of issuance of e-invoices by SEZ Developers.
8. (a) State in which Schedule of the CGST Act, the following supplies have 5
been covered. Also determine the category (i.e. Supply of
Goods/Services/deemed supply) in which they shall be classified :
(i) Services by any court or tribunal established under any law for the
time being in force

(16)

BDM2

- (ii) Any treatment or process which is applied to another person's goods
- (iii) Goods forming part of business assets are transferred or disposed off by or under directions of person carrying on the business so as no longer to form part of those assets
- (iv) Sale of land
- (v) Permanent transfer or disposal of business assets where input tax credit has been availed on such assets
- (b) (i) Explain the concept of "Seamless flow of credit" under GST Act. 2
- (ii) "With reference to registration if an Aadhaar number is not assigned to an existing registered person, such person shall be offered alternate and viable means of identification in the prescribed manner." 3
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Discuss Such means in brief as prescribed under rule 10B of CGST Rules, 2017

OR

- (b) Determine the situations which can require the issuance of a Credit Note. 5
What is the maximum time limit available for declaring the credit note in GST Return ? Can a credit note under GST be issued in the case of secondary discounts allowed by supplier ?

BDM2

MV ↑ 800000 ↑
FV ↑ 800000 ↑
Actual 720000 ↓
28 SV ↓
↓ 800000
Actual 720000
↑ = GAV

0-50-1
50-1
1-2
2-5
15
20
15
20