

TOPIC : FULL COURSE

Time allowed : 3 hours

SECTION – A : INCOME TAX LAW (50 MARKS)

(i) Working Notes should form part of the answers. However, in answers to Question in Division A, working notes are not required.

(ii) Wherever necessary, suitable assumptions may be made by the candidates, and disclosed by way of notes.

Division A - Multiple Choice Questions (MCQs)

Write the most appropriate answer to each of the following multiple – choice questions by choosing one of the four options given. All questions are compulsory.

1. CASE SCENARIO:

Mr. Narendra Sharma, aged 54 years, an Indian citizen, carrying on retail business in Dubai. He frequently visits India for business purpose. Details of his visits in India are as follows:

- 1) Came to India on 03.12.2018 and left India on 26.04.2019
- 2) Again came to India on 09.09.2021 and left India on 10.01.2022
- 3) Again came to India on 27.12.2022 and left India on 20.02.2023

Afterwards he decided to shift permanently in India and closed his business in Dubai. So, he came to India on 27.11.2023 and joined Indian Company “Cosmos Heritage India Limited” at registered office in Mumbai from 01.12.2023. From December 2023, he has taken a flat on rent for Rs. 60,000 per month from Mr. Sarthak, an Indian resident, and Mr. Sarthak has provided his PAN No. to Mr. Narendra Sharma.

Following details of his salary income earned in India:

- Basic Salary – Rs. 2,75,675 per month
- COLA (Cost of Living Allowance)/ Dearness Allowance (forms part of retirement benefits) – Rs. 1,20,200 per month
- HRA – Rs. 1,37,838 per month
- Other Allowances – Rs. 1,56,000 per month

For the period from April 2023 to November 2023, his business income arising in Dubai is Rs. 26,00,000 and his turnover for the P.Y. 2022-23 was Rs. 95,00,000. He is not liable to pay any tax in Dubai. Such business was controlled from Dubai.

In addition to the above, Mr. Subhash also purchased spare parts of Car accessories & Co. for Rs. 12,00,000 inclusive of GST@18% through CarParts.com on 31.12.2023. The

payment was made directly to Car accessories & Co. on 15.01.2024. PAN is duly furnished by Trader.

He is active in equity share trading after coming to India. Following are the details of his portfolio:

Sr No	Sale/Purchase	Company	Date of Purchase / Sale	Qty	Price Per Share (Rs.)	Brokerage
1.	Purchase	First Smile Ltd	10.12.2023	250	203	1.5%
2.	Purchase	Rainbow Ltd	10.12.2023	50	503	1.5%
3.	Purchase	Mega Service Ltd	12.12.2023	150	82	1.5%
4.	Sale	First Smile Ltd	18.12.2023	100	325	1.8%
5.	Purchase	Mega Service Ltd	15.12.2023	110	110	1.5%
6.	Sale	Mega Service Ltd	26.12.2023	150	100	1.8%
7.	Purchase	Rainbow Ltd	28.12.2023	200	385	1.5%
8.	Purchase	Rainbow Ltd	03.01.2024	100	465	1.5%
9.	Sale	First Smile Ltd	23.03.2024	150	250	1.8%
10.	Sale	Mega Service Ltd	26.03.2024	110	110	1.8%

Rainbow Limited declared an interim dividend of 200% on 28.02.2024 (face value of each share is Rs. 10). The record date was 31.1.2024.

He has opted out from the provisions as per section 115BAC(1A) to pay tax.

Based on the facts of the case scenario given above, choose the most appropriate answer to the following questions:

1. What is the residential status of Mr. Narendra for the previous year 2023-24?
 - (a) Resident
 - (b) Resident and ordinary resident
 - (c) Non-resident
 - (d) Deemed resident
2. Which of the following statements is correct, in respect of dividend paid by Rainbow Ltd. to Mr. Narendra?
 - (a) Dividend from Rainbow Ltd is exempt in the hands of Mr. Narendra. Hence, no tax is required to be deducted at source.
 - (b) Dividend from Rainbow Ltd is taxable in the hands of Mr. Narendra but, since the dividend is less than Rs. 10,000, no tax is required to be deducted at source.
 - (c) Dividend from Rainbow Ltd is taxable in the hands of Mr. Narendra. Tax of Rs. 525 is required to be deducted at source

- (d) Dividend from Rainbow Ltd is taxable in the hands of Mr. Narendra. Tax of Rs. 700 is required to be deducted at source.
3. What shall be the TDS liability of Mr. Narendra for rent paid to Mr. Sarthak?
- (a) There is no TDS liability of Mr. Narendra, since he is a salaried individual.
- (b) Mr. Narendra is liable to deduct TDS u/s 194-I of Rs. 6,000 for each month.
- (c) Mr. Narendra is liable to deduct TDS u/s 194-IB of Rs. 3,000 for each month.
- (d) Mr. Narendra is liable to deduct TDS u/s 194-IB of Rs. 12,000 in the month of March 2023.
4. What would be income chargeable to tax under the head "Income from Salaries" in the hands of Mr. Narendra for the A.Y. 2024-25:
- (a) Rs. 26,27,202
- (b) Rs. 26,77,202
- (c) Rs. 27,08,852
- (d) Rs. 26,58,852
5. What is the amount of short-term capital gain chargeable to tax in the hands of Mr. Narendra on sale of shares for the P.Y. 2023-24:
- (a) Rs. 20,202.20
- (b) Rs. 21,950
- (c) Rs. 19,474.25
- (d) Rs. 19,074.95

(5 x 2 MARKS = 10 MARKS)

Independent Multiple Choice Questions

6. Compute the total tax liability of Mr. Mukesh (aged 45), having total income 52,00,000 for the Assessment Year 2024-25. Assume that his total income comprises of his salary income and income from house property. Assume that Mr. Mukesh has opted out from the provisions of Section 115BAC(1A). **(1 MARK)**
- (a) 14,84,340
- (b) 15,70,140
- (c) 13,72,500
- (d) 15,60,240
7. Mr. Deepak who retired on 1st October, 2023 is receiving Rs. 6000 per month as pension. On 1st February, 2024 he commuted 60% of his pension and received Rs.4,00,000 as Commuted Pension. You are required to compute his taxable pension assuming he is a Private Sector Employee and did not receive any gratuity at the time of retirement for the Assessment Year 2024-25. Assume that Mr. Deepak has opted out from the provisions of Section 115BAC(1A).

(1 MARK)

- (a) 28,800
- (b) 2,06,577
- (c) 95,467
- (d) 66,667

8. Compute the taxable value of the perquisite in respect of medical facilities by Mr. Piyush from his employer during the P.Y. 2023 – 24 assuming that Mr. Piyush has opted out from the provisions of Section 115BAC(1A).

(1 MARK)

Particulars	Amount
Treatment of Mrs. Piyush in a Government Hospital	5,000
Medical Premium paid for insuring health of Mr. Piyush	10,000
Treatment of Mr. Piyush's father (76 years old and dependent) Abroad	80,000
Expenses of staying Abroad of the patient	30,000
Limited specified by RBI	90,000

- (a) 20,000
- (b) 35,000
- (c) 30,000
- (d) 25,000

9. A firm has paid Rs. 8,00,000 as remuneration to its Partners for the P.Y. 2023-24, in accordance with its partnership deed, and it has a book profit of Rs. 9,00,000. What will be the disallowed amount as per Section 40(b)(v)?

(1 MARK)

- (a) 1,70,000
- (b) 6,30,000
- (c) 8,00,000
- (d) 1,00,000

10. Where a person carrying on any business or profession whose total sales, turnover or gross receipts are or is likely to exceed Rs. 5,00,000 in any Previous Year then what is the time limit for making such application to apply for PAN to the Assessing officer?

(1 MARK)

- (a) Before the end of that Financial Year.
- (b) On or before 31st May of the immediately following Financial Year.
- (c) On or before 30th June of the immediately following Financial Year.
- (d) Before the end of immediately following Financial Year.

Division B - Descriptive Questions

Question No. 1 is compulsory.

Attempt any **two questions** out of remaining **three** questions.

QUESTION : 1

Ram, aged 35 years, working as front office manager (Hotel Industry) units Blue Wings India Ltd., provides the following information for the year ended 31/03/2024.

Basic salary	Rs. 15,000 per month.
DA (50% of it is meant for retirement benefits)	Rs. 15,000 per month
Commission as a percentage of turnover of the company	0.5%
Turnover of the Company	Rs. 40, 00, 000
Bonus	Rs. 30,000
Gratuity	Rs. 30,000
Own contribution to R.P.F.	Rs. 30,000
Employer's contribution to R.P.F.	20% of basic salary
Interest credited in the R.P.F. account @15% P.A.	Rs. 15,000
Gold ring worth Rs. 4000 was given by an employer on his 25 th wedding anniversary.	
Three old light goods vehicles owned by him were leased to a transport company against the fixed charges of Rs. 5,500 p.m. Books of account are not maintained.	
Short term capital gain on sale of shares of Indian listed companies in respect of which STT was paid	Rs. 20,000
Received interest of Rs. 7,000 on Bank FDR's on 31/03/2024.	
Made payment by cheques of Rs. 15,000 towards premium on Life Insurance Policies and Rs. 22,500 for Mediclaim Insurance Policy for self and spouse.	
Invested in National Saving Certificate Rs. 30,000 and in FDR of SBI for 5 years Rs. 50,000.	
Donations of Rs. 11,000 to an institution approved u/s 80G entitled@50%	

Compute the total income and tax payable thereon for the A.Y. 2024-25. Assume Ram has opted out from the provisions of Section 115BAC(1A).

(15 MARKS)

QUESTION : 2(A)

State whether the following are capital or revenue receipts/ expenses and also give your reasons:

- (a) An employee director of a company was paid Rs. 4,00,000 as a lump sum consideration for not resigning from the directorship.

(b) Payment of Rs. 1,00,000 as compensation for cancellation of a contract for the purchase of machinery with a view to avoid unnecessary expenditure.

(2 MARKS)

QUESTION : 2(B)

Examine the applicability of tax deduction at source provision, the rate and amount of tax deduction in the following cases for the financial year 2023-24:

- (a) Payment made by a company to Mr. Piyush, sub-contractor, Rs. 3,50,000 with outstanding balance of Rs. 1,50,000 shown in the books as on 31st March 2024.
- (b) Fee paid on 1st January to Dr. Bhanawat by Ram (HUF) Rs. 40,000 for surgery performed on a member of the family.
- (c) Mr. Dhanpal wishes to purchase a residential house costing Rs. 60,00,000 from Ms. Priya. The house is situated at Mumbai. He also wants to purchase agricultural lands in rural area from Rs. 65,00,000. Both the buyers as well as the sellers are residents in India.
- (d) By virtue of an agreement with nationalized bank, a catering organization (Put Ltd. Co.) receives Rs. 50,000 per month towards supply of food, water, snacks, etc. during office hours to the employees of bank.

(8 MARKS)

QUESTION : 3(A)

Ms. Nisha, a resident individual provides following details of her income / losses (in Rs.) for the year ended 31.03.2023:

Long –term capital gain on sale of equity shares computed in accordance with section 112A	9,95,000
Interest on fixed deposit (gross)	73,000
Loss from textile business	8,50,000
Speculation profit	2,30,000
Lottery income	75,000
Loss incurred by the firm in which she is a partner	1,60,000
Salary received as a partner from partnership firm. The same was allowed to firm.	50,000
Brought forward short-term capital loss on sale of gold	2,75,000
Brought forward loss on sale of equity shares of the nature specified u/s 111A	25,000

Compute gross total income of Ms. Nisha for the A.Y. 2023-24 assuming that she opts out from the provisions u/s 115BAC and the amount of loss that can be carried forward.

(6 MARKS)

QUESTION : 3(B)

Mr. A (Following accrual system of accounting) has the following payment conditions and terms with supplier.

Determine whether purchase expense will be allowed? If yes then in which year?

Supplier Name	MSME Category	Invoice Date	Due Date	Payment Date	Purchase Amount	Allowed in which year?
Mr. Aagam	Small	01/03/24	15/03/24	17/03/24	10,00,000	
Mr. Gaurav	Micro	25/03/24	30/04/24	05/04/24	15,00,000	
Mr. RP	Medium	25/03/24	30/04/24	15/05/24	7,00,000	
Mr. Amit	Small	31/03/24	10/04/24	17/04/24	8,00,000	

(4 MARKS)

QUESTION : 4(A)

Ramesh is the owner of a house property; its municipal value is Rs. 80,000. It has been let out for Rs. 1,30,000 per annum for floor area usage as well as for all amenities mentioned below. The local taxes payable by the owner amount to Rs. 16,000, but as per agreement between the tenant and the landlord, the tenant has paid the amount directly to the municipality. The landlord, however, bears the following expenses on tenant's amenities. These amounts are included in the rent given above.

Particulars	Rs.
Extension of water connection	3,000
Water charges	1,500
Lift maintenance	1,500
Salary of gardener	1,800
Lighting of stairs	1,200
Maintenance of swimming pool	750

The landlord claims the following deduction:

Repairs and collection charges – Rs.15,000

Land revenue – Rs. 10,000

Compute the taxable income of Ramesh from the house property for the A.Y. 2024-25, assuming he has opted out from the provisions of Section 115BAC(1A).

(6 MARKS)

QUESTION : 4(B)

1. Describe the cases where linking of Aadhaar number with PAN not required.
2. Mr. A (Resident,90 years) following 115BAC(1A) has total Income of Rs. 7,10,000. What is tax payable.

(1.5 + 2.5 = 4 MARKS)

SECTION – B : INDIRECT TAXES (50 MARKS)

(i) Working Notes should form part of the answers. However, in answers to Question in Division A, working notes are not required.

(ii) Wherever necessary, suitable assumptions may be made by the candidates, and disclosed by way of notes.

(iii) All questions should be answered on the basis of position of the GST law as amended by provisions of the CGST Act, 2017 and the IGST Act, 2017 as amended by the Finance Act, 2021, including significant notifications and circulars issued, up to 30th April 2023.

Division A - Multiple Choice Questions (MCQs)

Write the most appropriate answer to each of the following multiple – choice questions by choosing one of the four options given. All questions are compulsory.

1. Rajan, registered under GST in the State of Gujarat, is engaged in supplying a bouquet of taxable goods and services. He has undertaken following activities/transactions in the month of October in the current financial year:
 - (a) Donated some money to Ambaji Charitable Trust, Gujarat, in the memory of his late father. The Ambaji Charitable Trust constructed a room in the school run by it from such donation and wrote “Donated by Mr Rajan in the memory of his father” on the door of the room so constructed.
 - (b) Organized a seminar in Surat which was sponsored by Surat Sports Academy, an LLP. Rajan received a sponsorship fee of 1,80,000.
 - (c) New Age Public School intended to distribute gift packages consisting of fountain pen, calculator and tape dispenser to its students on the occasion of Children’s Day. Therefore, it entered into a contract with Rajan on 28th October for supply of 2,000 packages at a single price of 250. Rates of GST for fountain pen, calculator and tape dispenser are 5%, 12% and 18% respectively.
 - (d) Received following payments during the month of October:
 - earned 1,60,000 by performing at a western music concert in jamnagar
 - received 70,000 for supply of farm labour
 - (e) Supplied a machinery with a basic price of 45,000 (before TCS under Income Tax Act, 1961). Tax collected at source under Income-tax Act, 1961 on said machinery is 2,500. Further, a subsidy of 50,000 is received from Green Foundation Pvt. Ltd for usage of green energy and the subsidy was linked to energy saved during the month.
 - (f) He also paid 10,000 as freight to transport gift packages to New Age Public School. This is inclusive in contract and does not charge anything extra from school. The GST rate on freight is 5%.

All the amounts given above are exclusive of GST, wherever applicable.

Based on the facts of the case scenario given above, choose the most appropriate answer to Q. Nos. 1 to 3 below:-

- (1) Donation made by Rajan to Ambaji Charitable Trust is _____.
 - (a) exempted from GST by way of a notification
 - (b) not a supply at all
 - (c) liable to GST under forward charge
 - (d) liable to GST under reverse charge

(2) Determine the nature of supply and the applicable rate of GST for the packages supplied by Rajan to New Age Public School.

(a) composite supply & applicable rate of GST is 12%

(b) mixed supply & applicable rate of GST is 18%

(c) composite supply & applicable rate of GST is 18%

(d) mixed supply & applicable rate of GST is 12%

(3) Tax Liability under reverse charge mechanism for October month

(a) NIL

(b) 10,000 @ 5% for freight payment

(c) 10,000 @ 18% being mixed supply

(d) 10,000 @ 12% being composite supply

(3 * 2 MARKS = 6)

2. In case of construction of immovable property , when the repair of immovable property will be considered as Construction

(a) If Such repair is debited to Profit and Loss Account, hence ITC would be eligible

(b) If Such repair is capitalised, hence ITC would be blocked

(c) Repair will never be considered as construction, hence ITC would be eligible

(d) D. Repair will always be considered as construction, hence ITC would be blocked

(2 MARKS)

3. In case of intra-state supply of fly ash bricks / blocks, supplier is exempt from registration if aggregate turnover does not exceed Rs

(a) Rs 20 Lakhs

(b) Rs 40 Lakhs

(c) Rs 1.50 Cr

(d) Mandatory Registration

(2 MARKS)

4. Rule 86B restrict the amount available in Credit ledger which a registered person can use to discharge his output tax liability to 99% of such tax liability in case where the taxable supply does not exceed

(a) Rs 50 Lacs in a month excluding Exempt but including Zero Rated Supply

(b) Rs 50 lacs in a month excluding Exempt and Zero-Rated Supply

(c) Rs 50 lacs in a month including Exempt and Zero-Rated Supply

(d) No such restriction.

(2 MARKS)

5. Kalim & Associates made an application for cancellation of GST registration in the month of March due to closure of its business. Its application for cancellation of GST registration was approved w.e.f. 4th September by the proper officer by passing an order for the same on 14th September. In the given case, Kalim & Associates is:

- (a) required to file Final Return on or before 4th December
- (b) not required to file Final Return
- (c) required to file Final Return on or before 30th September
- (d) required to file Final Return on or before 14th December

(1 MARK)

6. Which of the following shall be discharged first, while discharging liability of a taxable person?

- (a) All dues related to previous tax period
- (b) All dues related to current tax period
- (c) Demand raised under section 73 and 74
- (d) No such condition is mandatory.

(1 MARK)

7. Balance in electronic credit ledger can be utilized against payment of _____.

- (a) output tax
- (b) interest
- (c) penalty
- (d) late fees

(1 MARK)

Division B - Descriptive Questions

Question No. 1 is compulsory.

Attempt any **two questions** out of remaining **three** questions.

QUESTION : 1(A)

KNK Ltd, a registered supplier of Mumbai is a manufacturer of heavy machines. Its outward supplies [exclusive of GST] for the month of January 2022 are as follows:

S. No	Particulars	Amount
1.	Inter State	8,50,000
2.	Intra State	1,50,000

Applicable rate of CGST, SGST and IGST on Outward supplies are 9, 9 and 18% respectively. Details of GST paid on inward supplies during the month of January 2022 are as follows:

S.No	Particulars	CGST	SGST
1.	Raw Material A [Of which 70% of the inputs procured were used and 30 % were	6000	6000

	in stock at the end of the January 2022]		
2.	Raw Material B [Of which 90% material received in factory and remaining material completely damaged due to a road accident on the way to factory. There was no negligence on the part of KNK Ltd]	5000	5000
3.	Construction of Pipelines laid outside the factory Premises	3000	3000
4.	Insurance charges paid for trucks used for transportation of goods	5500	5500

Additional Information :

1. There are no opening balance of any input tax credit and all the conditions for availing ITC have been fulfilled
2. Details of GST paid on inward supplies are available in GSTR 2B except for item [1] i.e. Raw material A, for which supplier has not filed its GSTR 1 for the month of January 2022, hence corresponding input tax credit is not reflecting in GSTR 2B of KNK Ltd in January 2022

Compute the following

- (i) Amount of eligible ITC available for the month of January 2022
- (ii) Net Minimum GST payable in cash, for the month of January 2022 after using the available ITC.

Working notes should form part of your answer.

(8 MARKS)

QUESTION : 1(B)

What will be the time of supply in the following independent cases:

1. Investigation shows that 150 cartons of ceramic capacitors were dispatched on 2nd August but no invoice was raised and the transaction (dispatch of cartons) were not entered in the accounts. There was no evidence of receipt of payment. What is the time of supply of 150 cartons for the purpose of payment of tax?
2. Mr. X supplied goods for Rs. 50,000 to its customer Miss Diyana on 1st January on the condition that payment for the same will be made within a week. However, Miss Diyana made payment for the said goods on 2nd February and thus, paid interest amounting to Rs. 2,000. What is the time of supply with regard to addition in the value by way of interest in lieu of delayed payment of consideration?

(4 MARKS)

QUESTION : 1(C)

The place of supply in relation to immovable property (situated in India) is the location of immovable property. Suppose a road is constructed from Delhi to Mumbai covering multiple states. What will be the place of supply of construction services?

(3 MARKS)

QUESTION : 2(A)

XYZ Ltd., is engaged in manufacture of taxable goods. Compute the ITC available with XYZ Ltd. for the month of October, 2022 from the following particulars:-

- (i) Inputs 'A' 1,00,000 One invoice on which GST payable was Rs. 10,000, is missing
- (ii) Inputs 'B' 50,000 Inputs are to be received in two installments. First installment has been received in October, 2022.
- (iii) Capital goods 1,20,000 XYZ Ltd. has capitalised the capital goods at full invoice value inclusive of GST as it will avail depreciation on the full invoice value.
- (iv) Input services 2,25,000 One invoice dated 20.01.2022 on which GST payable was Rs. 50,000 has been received in October, 2022.

Note:

- a. All the conditions necessary for availing the ITC have been fulfilled.
- b. ABC Co. Ltd. is not eligible for any threshold exemption.
- c. The annual return for the financial year 2021-22 was filed on 15th September, 2022.

(6 MARKS)

QUESTION : 2(B)

List down any 4 activities/ transactions specified under Schedule III of the GST Act as non-supplies or 'Negative List'.

(4 MARKS)

QUESTION : 3(A)

M/s Zen Pvt Ltd is a dealer in goods having registered office at Noida, Uttar Pradesh and shops are located at Noida, Uttar Pradesh and Chennai, Tamil Nadu. A detail of various supplies both inward and outward undertaken by them during June 2020 quarter are given in the table below:

All the values given in the table are inclusive of applicable GST [CGST/SGST/UTGST/IGST], wherever applicable.

Applicable IGST Rate is 5% and CGST & SGST @ 2.5% each, on inward & RCM Supplies as well.

Particulars	Amount
Export of goods to China from Noida	20,00,000
Goods supplied to SEZ located in Delhi from Noida	15,00,000
Sales from Chennai shop [Inter State]	11,00,000
Local Sales at Noida [Intra State]	25,00,000
Services of transport availed from M/s ABC Transport [Inter State]	3,00,000
Commission paid to Mr Nagar, Sales Executive which is not part of the terms of employment [Intra State]	50,000

Calculate the aggregate turnover of M/s Zen Pvt Ltd for June 2020 quarter. Brief and suitable notes should form part of your answer.

(5 MARKS)

QUESTION : 3(B)

Examine whether the supplier of goods is liable to get registered in the following independent cases:

- (i) Rudra Builders of Rohini, Delhi is exclusively engaged in intra-State taxable supply of building bricks. It's aggregate turnover in the current financial year is 23 lakhs.
- (ii) Heera of Himachal Pradesh is exclusively engaged in intra-State taxable supply of footwear. His turnover in the current financial year (FY) from Himachal Pradesh showroom is 32 lakhs. He has another showroom in Nagaland with a turnover of 11 lakh in the current FY.

(3 MARKS)

QUESTION : 3(C)

Determine in which of the following independent cases, e-invoicing is applicable?

- (i) Rohan & Co., dealing in interior decoration products. The aggregate turnover of Rohan & Co. in the preceding financial year is 60 crores.
- (ii) Speed Ltd, a GTA, registered under GST has an aggregate turnover of 75 crore in the preceding financial year.

(2 MARKS)

QUESTION : 4(A)

Examine whether the activity of import of service in the following independent cases would amount to supply under section 7 of the CGST Act, 2017:

- (i) Miss Shriniti Kaushik received vastu consultancy services for her residence located at Bandra, Mumbai from Mr. Racheal of Sydney (Australia). The amount paid for the said service is 5,000 Australian dollar.
- (ii) Miss Shriniti Kaushik received vastu consultancy services for her residence located at Bandra, Mumbai from her brother, Mr. Varun residing in Sydney (Australia) [wholly dependent on Miss Shriniti]. Further, Miss Shriniti did not pay any consideration for the said service.
- (iii) Will your answer change if in the above case, if Miss Shriniti has taken vastu consultancy services with regard to her business premises and not her residence?

Note: Any specific exemption by way of notification needs to be ignored.

(6 MARKS)

QUESTION : 4(B)

Koli Ltd., a registered supplier, has supplied machinery to Ghisa Ltd. (a supplier registered in the same State). It provides following particulars regarding the same:

Particulars	Amount
Price of machinery (inclusive of taxes and discounts) GST rate 12%	5,60,000

Part fitted in the machinery at the premises of Ghisa Ltd. [Amount has been paid by Ghisa Ltd. directly to the supplier. However, it was Koli Ltd.'s liability to pay the said amount. The said amount has not been recorded in the invoice issued by Koli Ltd.)	20,000
Installation and testing charges for machinery, not included in price	25,000
Koli Ltd. provides additional discount @ 1% at year end, based on additional purchase of other machinery for which adjustment is made at the end of the financial year without any change in individual transactions.	

Determine the value of taxable supply made by Koli Ltd. to Ghisa Ltd.

(4 MARKS)