

TOTAL MARKS:- 75.5 / 100

AREAS OF IMPROVEMENTS:-

1. YOU HAD GOOD COMMAND OVER MCQS BUT THERE IS ALWAYS A CHANCE OF IMPROVEMENTS. DO MORE PRACTICE OF MCQS. FOR THAT YOU CAN USE BOS PORTAL AND MODULE.
2. MAKE SUMMARY NOTES AND REVISE THEM REGULARLY. IT WILL HELP YOU TO RETAIN EASILY FOR LONGER PERIOD OF TIME.
3. FOR CASE BASED QUESTIONS ASKED IN EXAMS DO FOLLOW THIS PATTERN.
 - A. WRITE PROVISION APPLICABLE IN THE GIVEN CASE.
 - B. THEN WRITE FACT OF THE CASE.
 - C. IN THE END WRITE CONCLUSION BASED ON APPLICABLE PROVISION.
4. DO REVISE THE CONCEPT OF PGBP, CAPITAL GAIN, DEDUCTION, TDS, EXEMPTION, ITC ETC. ALSO DO PRACTICE OF THE QUES.
5. START NEW QUESTION ON NEW PAGE. DO NOT ALTER THE SUB PARTS OF THE QUESTIONS. FOLLOW THE SEQUENCE GIVEN BY THE ICAI.
6. DO GIVE MORE MOCK TEST TO IMPROVE SPEED, ACCURACY PRESENTATION SKILLS, AND CONCEPT CLARITY. IT WILL ALSO GIVE YOU UNDERSTANDING WHERE YOU ARE LACKING BEHIND.

**GOOD GOING !!!!!
KEEP IT UP !!!!!**

Test - 2

Ans to Q4(a)

Q4(A)- 4

Computation of Gross Total Income of Mr. Farhan
for the PY-23-24 & AY-24-25

Particulars	Amount	Amount (₹)
1 Income from Salary	418,000	✓
Less: Loss from House Property restricted to ₹ 2,00,000	(200,000)	218,000 ✓
Profit & Gain from Business & Profession		
1 Income from Trading business (280,000 - 100,000 - 12,000)		168,000 ✓
Gross Total Income		386,000
Losses to be carried forward		
1 Loss from House Property (2,20,000 - 2,00,000)		20,000 ✓
Loss from Speculative Business (25,000 - 18,000 - 12,000)		5,000 ✗
1 Loss from Specified Business		45,000 ✓
Loss from Capital G		
(205,000 - 85,000 - 110,000 - 85,000)		15,000 ✓

SHOW ITEM TO BE CARRY FORWARD IN DIFFERENT TABLE.
TAKE EFFECT OF CAPITAL GAIN AND LOSS IN COMPUTATION OF GROSS TOTAL INCOME.

Rough:

Salary	THP	PGBP	CG	IFOS
418,000	(2,00,000)	Spec (12,000)*	205,000*	
		25,000*	(85,000)*	
		(19,000)		
		Spec (45,000)*	(110,000)*	
			(85,000)	
(20-21) (18-19)				
21-22	19-20			
22-23	20-21			
23-24	21-22			
	22-23			
24-25	23-24			
	24-25			
		Tot = 280,000		
		(120,000)*		
		(100,000)*		

SPECULATIVE BUSINESS WILL ONLY BE ABLE TO SET OFF
RS 13,000 REMAINING WILL BE LAPSED AS 4 YRS HAS BEEN
COMPLETED.

Ans to Q4(b) **Q4(B)- 3**

Computation of Deduction u/c u/A for Mr. Jay
for the FY-23-24 & AY-24-25

Particulars	Amount (₹)
1. Deduction u/s 80EEA ✓ u/s 80EEA interest deduction upto ₹ 1,50,000 for housing loan taken from 01-04-2019 to 31-03-2023 subject to fulfilling of condition (i) Stamp duty value < 50,00,000 (ii) First and only owned house.	150,000 ✓
2. Deduction u/s 80C ✓ Deduction for principal repayment against the house loan taken subject to condition (i) Construction is completed.	125,000 ✓
3. Deduction u/s 80CEB ✓ Interest deduction upto ₹ 150,000 for loan taken for purchase of electric vehicle during FY-1-04-2019 to 31-03-2023	150,000 ✓
4. Deduction u/s 80G ✓ Deduction u/s 80G for amount given to political party in mode other than cash. As payment is made in cash no deduction allowed.	Nil ✓
Total deduction u/c u/A	425,000 ✓

ALSO SHOW DEDUCTION ALLOWABLE WHILE COMPUTING INCOME UNDER THE HEAD "INCOME FROM HOUSE PROPERTY".

Ans to Q3(a) Q3(A)- 2.5

Computation of Income from Profits & Gain from Business and Profession for M. Chauhan for the PY- 23-24 and AY- 24-25

Particulars	(Rs) Amount	(Rs) Amount
Net Profit as per Profit & Loss	11,50,000 ✓	
(+) Disallowed items		
1 Donation to PM fund (not related to business)	1,00,000 ✓	
Provision for bad debts (not allowed under Income Tax Act 1961)	50,000 ✓	
Interest on bank loan (30% disallowed as TDS has not been deducted)	15,000 ✗	
1 Family planning on employees not allowed	20,000 ✓	
Depreciation as per books	30,000 ✓	
Income tax (not allowed as deduction)	1,00,000 ✓	
(-) Items not relating to Business		
0.5 (i) Items allowed		
Depreciation	(40,000) ✓	
(+) Other items		
• Expenditure paid on furniture & fittings fully disallowed as cash payment more than 10,000	35,000 ✗	
• Contribution to recognized fund not paid before return filing due date.	50,000 ✗	
Profit / Gain from Business	15,10,000 ✗	11,50,000
deduction u/c V/A		
deduction u/s 80C		(1,00,000)

EMPLOYEES CONTRI IN INCLUDED IN INCOME BUT NO DEDUCTION IS ALLOWED AS IT WAS DEPOSITED AFTER THE DUE DATE.

TDS PROV U/S 194A NOT ATTRACT FOR PMT OF INT ON BANK LOAN SO NO DISALLOWANCE IN THIS CASE.

Q3(B)- 4

Ans to Q 3(b)

Computation of Capital Gain for Mr. Jyanchand
on the FY 23-24 & AY-24-25

Particulars	(Rs) Amount	(Rs) Amount
1 Sale Consideration (1800 sh x Rs 2400) ✓		43,20,000 ✓
(-) Cost of Acquisition ✓ (2000 + 600) sh x (1200 x 2000 [WN-1]) ✓		(24,00,000) ✓
(-) Cost of Acquisition bonus share (600 x 2000 [WN-2]) ✓		(12,00,000) ✓
Income from Capital Gain		<u>720,000</u>

WN-1

As shares were purchased on 28.02.1979 ✓

The cost of the shares will be higher of ✓

a) Fair market value as on 01-04-2001 Rs 900 ✓

b) Cost of purchase Rs 130 ✓

Higher of a & b ✓

900 ✓

As the shares were bought before 31-01-2018 ✓
and sold after the given date. The revised ✓
price for the listed share will be higher of ✓

a) purchase price or b) New cost ✓

new cost will be lower of ✓

a) sale consideration or b) fair market value ✓
as on 31/01/2018 ✓

i.e. higher of (Rs 900 or 2000) ✓

∴ Revised cost = Rs 2000 ✓

New Cost is lower of ✓

a) 2400 or b) 2000 ✓

WN-2

Cost of Acquisition of Bonus share
to be higher of

1	Cost	0	✓
	New Cost (WN-1)	<u>2000</u>	✓
∴	Cost of Bonus shares	<u>2000</u>	✓

Rough:

24,000

PERFECTLY ANSWERED !!!!!

	LOP	SOP	IPUS
AR -	240,000	0	100,000
	<u>200,000</u>		25,000
	240,000	15,000	<u>(10,000)</u>
	(5000)		10,000
	<u>(40,000)</u>		18,000
	124,500		<u>40,000</u>

Computation of total Income and Tax Liability for Mr. Ashwin for the PY 24-25 & AY 24-25

	Particulars	Amount	Less Amount
	Income from Salary	-	-
1	Income from House Property		52500 ✓
	Assess of Rent received ✓	75000	
(-)	Deduction under section 25(a) @ 30% (22500) ✓	(22500)	
	Profit & Gains from Business & Profession		919500
	From ABC & Co.		
0.5	Interest on Capital (300,000 / 15% × 12%)	240,000 ✓	
0.5	Salary from firm	90,000 ✓	
	From Manufacturing business		
0.5	Net Profit	432000 ✓	
	Add: Items Disallowed		
0.5	1) Salary to Manager paid in cash	15000 ✓	
	Disallowed as payment more than Rs 10,000 in cash		
	• Car expenses		
	1/5th of 70,000 disallowed as used for personal purposes	14,000 X	
0.5	• Advance Tax (Income tax not allowed as deduction)	10,000 ✓	
0.5	• Depreciation as per books (300,000 ÷ 125000)	425000 ✓	
	Less: Other Items not included		
1	Interest on Bank FD	(49500) ✓	
	Agriculture Income (Exempt u/s 10C1)	(60,000) ✓	

0.5	Pension from LIC Jeevan Shram	(24,000)	✓	
	Depreciation as per Income Tax (WN)	(233,000)	✗	
	Income from capital gain	—		—
0.5	Income from other sources			79,000 ✓
0.5	Interest from Bank FD	55,000	✓	
	($49,500 / 90 \times 100$)			
0.5	Pension received	24,000		1,05,000
	Gross Total Income		✓	1,02,000
(-)	Deduction u/c V/A			
	u/s 80C			(21,400)
0.5	Life insurance premium ($24 \times 10\%$)	20,000	✓	
0.5	Contribution to PPF	70,000	✓	
	LIC pension	24,000	✗	
0.5	u/s 80D Medical Insurance Premium	50,000	✓	
0.5	u/s 80TTB Int on savings	50,000	✓	
	Total Income			83,7500

Computation of Tax Liability

0 - 3,00,000 - Nil

3,00,000 - 5,00,000 @ 10%

20,000 X

5,00,000 - 837,000 @ 20%

67400

Tax Payable

87400 X

~~Advance Tax paid~~

~~70,000~~

Tax Liability

~~17400~~

~~+ HEC @ 4%~~

Tax

87400 X

+ HEC @ 4%

3496

90896 X

Am: Advance Tax

70,000

Tax Liability

20896 X

WN-1

Computation of Depreciation

Depreciation on Car

$(300,000 @ 20\% \times 4/5)$

× 48,000

Depreciation on Machinery

i) $650,000 \times 7.5\%$

48750 ×

ii) Purchased by cash

Nil ×

0.5

iii) Purchased on 12/12 $(3,00,000 \times 7.5\%)$

22500 ✓

iv) Purchased on 30/04 $(125000 \times 15\%)$

18750 ×

Additional Depreciation

0.5

(i) $300,000 \times 10\%$

30,000 ✓

(ii) $650,000 \times 10\%$

×

65,000

185,000

YOU HAD GOOD COMMAND BUT DO PRACTICE THIS TYPE OF QUE MORE TO GAIN MORE CONFIDENCE.

×

253,000

Section - B

Q2(A)- 4

Ans to Q 2(a)

1.5

Mixed supply is supply of goods which are not naturally bundled and the amount charged is a single price. The GST rate on such mixed supply will be the highest rate of the item in the mixed supply.

1.5

Composite supply is supply of goods which are naturally bundled and the amount charged on such supply is a single price. The applicable GST rate on such supply is the GST rate of the primary supply.

1

As per the provision of the CGST Act, 2017 In the given case trader selling the package is neither a mixed supply nor a composite supply as he is not charging a single price and the invoice is showing value of each goods.

PERFECTLY ANSWERED !!!!!

Ans to Q 2(b)(a)

Q2(B)A- 3

3

E-Invoice is electronic invoice which is issued by the supplier. E-invoice eliminates duplication, fake bills and eases the process of availing credit as everything is online. The threshold to issue e-invoice is if the Aggregate Turnover is more than Rs 9 Cr. In the given case the advice given by the tax consultant is invalid and Eden Ltd. should compulsorily issue e-invoice as the Turnover is Rs 18 Cr in the FY.

Ans to Q 2(b)(b)

Q2(B)B- 1.5

1.5

- E-Invoice is not mandatory for government bodies ✓
 - Local Authorities ✓
 - Business in SEZ areas ✓
- Therefore e-invoice is not needed even though the turnover of the government department is more than the threshold limit of Rs. 5 crore. ✓

Ans to Q 4 (a)

Q4(A)A- 2

1

E-way bill is to be generated if the consignment value of goods is more than Rs 50,000. The person liable to generate E-way bill

- a) Supplier ✓
- b) Buyer ✓
- c) Transporter ✓

E-way bill has two parts namely

- i) Part A ✓
- ii) Part B ✓

Part A contains the details of the buyer and seller, whereas part B contains the details of the transporter. ✓

Part A cannot be modified whereas Part B can be modified. ✓

E-way bill is generated for inter state movement of goods or if the value is more than 50,000 or if the seller or buyer's will. ✓

WRITE CASE BASED QUESTION IN FOLLOWING MANNER.

1. PROVISION APPLICABLE
2. FACT OF THE GIVEN CASE
3. CONCLUSION BASED ON APPLICABLE PROVISION.

Ans to Q 4(b)

Q4(B)- 4.5

1.5 As per the provisions of the CGST Act 2017 ✓ the order of GST liability is as follows. ✓

- (i) Tax due for the previous period ✓
- (ii) Interest due for the previous period ✓
- (iii) Fine due for the previous period ✓
- (iv) Penalty due for the previous period. ✓
- (v) Liability out of demand. ✓

Followed by the same order for current period. ✓

2 Mr. Manik will clear his liability as follows:

	Amount (₹)
1. Tax due for month of May	25,000 ✓
2. Interest due for month of May	2,000 ✓
3. Penalty due for month of May	3,000 ✓
4. Tax due for month of June	35,000 ✓
5. Liability arising of Demand	48,000 ✓

1 Therefore Mr. Manik cannot clear his liability of demand 48,000 first and must follow the above order to discharge his liability.

WRITE PROPER KEYWORDS IN YOUR ANSWER.

INCLUDE THIRD PARTY INSPECTION CHARGE IN
VALUE OF SUPPLY AND DEDUCT DISCOUNT @2%
TO GET VALUE OF SUPPLY.

classmate
Date _____
Page _____

Q1(A)- 5

Ans to Q1(a)

Computation of Value of Supply u/s 15 of the CGST Act
2017 for M/s Flow Pro.

Particulars

(Rs)
Amount

Price of the machine

25,00,000

Third party Inspection

-

Freight charges for delivery

200,000

Subsidy received from government (deducted)

Nil

Discount @ 2% (already included)

Nil

Value of Supply

27,00,000

Computation of GST payable for M/s Flow
Pro

Particulars	IGST	CGST	SGST
I Tax Liability			
Supply of Machine (Intra state)		243000	243000
Total	0	243000	243000
II Input Tax Credit			
(i) Input A $(1,00,000 - 10,000) \times$	90,000		
(Credit not available if invoice is missing)			
(ii) Input B	Nil		
(When goods are received in lots Credit will be available only when the final lot is received)			
(iii) Capital goods	Nil		
Input Tax Credit not available			

0.5	(iv) Input services (225000 - 50000)	175000	✓		
	Input credit on 50,000 not available on the last date to take the credit was 15 th September (Annual return filing due date)				
	Total	265000	✓	-	-
1	Discharge of GST from IGST to CGST	(132500)	✓	(132500)	✓
	from IGST to SGST	(132500)			(132500) ✓
	Net GST payable in cash	0	✗	110500	✗ 110500

Ans to Q1(b)

Q1(B)- 2

As per the provisions of the IGST Act 2017 Sec 10(b), when the goods are billed to and shipped to different places there are two different place of supply.

The primary supply is the place where it is billed to.

The secondary supply is where it is shipped to. In the given case.

The primary place of supply is Jalandhar Punjab

The secondary place of supply is Patiala Punjab

READ AND UNDERSTAND THE QUESTION CAREFULLY. DO NOT HURRY TO WRITE THE ANSWER.

(b) The Supplier is in the state of Rajasthan and the buyer is in the state of Punjab. Therefore the given supply is a Inter State supply.

(c) As the supply is Inter state IGST would be applicable.

MCQ

Sec - A

1.1 c

1.2 a

1.3 a

1.4 d

1.5 d

1.6 b

2. c

3. a

MCQ

Sec - B

1. a c

2. a

3. d

4. b

5. a

6. c

7. b

8. c