

Mock Test Paper - Series II: April, 2025

Date of Paper: 01st April, 2025

Time of Paper: 10 A.M. to 1 P.M.

INTERMEDIATE COURSE: GROUP-I

PAPER – 3: TAXATION

Time Allowed – 3 Hours

Maximum Marks – 100

SECTION – A: INCOME TAX LAW (50 MARKS)

Working Notes should form part of the answer. Wherever necessary, suitable assumptions may be made by the candidates and disclosed by way of a note. However, in answers to Questions in Division A, working notes are not required.

The relevant assessment year is A.Y.2025-26.

Division A – Multiple Choice Questions

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. Ms. Chandni, aged 45 years, provides the following data of her gross receipts for the financial year 2023-24 and 2024-25. She is engaged in agency business along with providing services as tarot card reader.

F.Y.	Receipts from business (₹)	Receipts from profession (₹)	Total Gross Receipts (₹)
2023-24	78,00,000	43,00,000	1,21,00,000
2024-25	85,00,000	47,00,000	1,32,00,000

During the F.Y. 2024-25, she paid an amount of ₹ 1,20,000 to a contractor for polishing her old furniture. She has taken services from renowned interior designers for her self-occupied residential house property for which she paid ₹ 2,50,000.

Further, on 28.05.2024 she sold one commercial property for ₹ 50,00,000. The value adopted for stamp duty was ₹ 52,00,000. It was purchased for ₹ 40,00,000 on 28.04.2017. (Cost Inflation Index for F.Y. 2024-25: 363, F.Y. 2017-18: 272).

The brought forward business loss of F.Y. 2020-21 is ₹ 5,00,000.

During the year, Ms. Chandni incurred a loss of ₹ 8,30,000 while trading in the agricultural commodity derivatives (no CTT paid).

Based on the above information, choose the most appropriate answer of the following Multiple Choice Questions (MCQs):-

- (i) What is the total amount of tax to be deducted by Ms. Chandni for F.Y. 2024-25?
- (a) ₹ 1,200
 - (b) ₹ 26,200
 - (c) Nil
 - (d) ₹ 3,700
- (ii) What is the amount and nature of Capital gain chargeable to tax in the hands of Ms. Chandni?
- (a) ₹ 10,00,000 and Short-term capital gain.
 - (b) ₹ 12,00,000 and Short-term capital gain.
 - (c) (₹ 3,38,235) and Long-term capital loss.
 - (d) ₹ 10,00,000 and Long-term capital gain.
- (iii) What is the amount of losses which can be carried forward to A.Y. 2026-27 if Ms. Chandni filed her return of income on 30.11.2025. Assuming there is a business loss of ₹ 10,00,000 and income from profession is ₹ 15,00,000?
- (a) ₹ 15,00,000 under section 72, ₹8,30,000 under section 73 and ₹ 3,38,235 under section 74
 - (b) Nil
 - (c) ₹ 8,30,000 under section 73 and ₹3,38,235 under section 74
 - (d) ₹ 8,30,000 under section 72 and ₹ 3,38,235 under section 74

(3 x 2 = 6 Marks)

2. Mr. Harsh (age 45 years) is appointed as senior executive officer in Ambition India Limited, Mumbai on 01.02.2024 in the scale of ₹ 35,000-3500-65,000. He is paid dearness allowance @40% of salary forming part of retirement benefits.

He is given rent free unfurnished accommodation on 01.5.2024 which he occupied only from 01.10.2024. The company pays lease rent of ₹ 5,000 p.m.

He has been provided a car of 2000 cc capacity which is used by him for private purposes only. The actual cost of the car is ₹ 8,00,000. The monthly expenditure of car is ₹ 5,000, which is fully met by the employer.

He pays lumpsum premium of ₹ 1,50,000 towards health insurance for self and his wife for 48 months on 01.10.2024 by account payee cheque. He also contributes ₹ 1,50,000 towards PPF.

Based on the above information, choose the most appropriate answer of the following Multiple Choice Questions (MCQs):-

- (i) Value of rent-free accommodation chargeable to tax in the hands of Mr. Harsh, would be -
 - (a) ₹ 21,700
 - (b) ₹ 30,380
 - (c) ₹ 45,570
 - (d) ₹ 30,000
- (ii) Mr. Harsh would be eligible for deduction in respect of health insurance premium paid during the previous year 2024-25, for –
 - (a) ₹ 30,000
 - (b) ₹ 18,750
 - (c) ₹ 25,000
 - (d) ₹ 37,500
- (iii) Perquisite value of car chargeable to tax in the hands of Mr. Harsh would be –
 - (a) ₹ 28,800
 - (b) ₹ 21,600
 - (c) ₹ 60,000
 - (d) ₹ 1,40,000

(3 x 2 = 6 Marks)

3. Ms. Ridhima (age 32 years), an interior decorator, has professional receipts of ₹ 25,60,000 for the previous year 2024-25. She also earned ₹ 1,25,000 as dividend and ₹ 4,65,000 as interest income on fixed deposits. She incurred expenses of ₹ 13,00,000 for her profession and ₹ 30,000 as interest on loan for making investment in shares on which she received dividend. What would be her total income for the A.Y. 2025-26, assuming that she wishes to make maximum tax savings without getting her books of account audited?
- (a) ₹ 18,45,000
 - (b) ₹ 18,70,000

(c) ₹ 18,40,000

(d) ₹ 18,25,000

(2 Marks)

4. Arun's gross total income of P.Y. 2024-25 is ₹ 2,45,000. He deposits ₹ 45,000 in PPF. He pays electricity bills aggregating to ₹ 1.20 lakhs in the P.Y.2024-25. Which of the statements is correct?

(a) Arun is not required to file his return of income u/s 139(1) for P.Y. 2024-25, since his total income before giving effect to deduction under section 80C does not exceed the basic exemption limit.

(b) Arun is not required to file his return of income u/s 139(1) for P.Y. 2024-25, since his electricity bills do not exceed ₹ 2,00,000 for the P.Y.2024-25.

(c) Arun is not required to file his return of income u/s 139(1) for P.Y. 2024-25, since neither his total income before giving effect to deduction under section 80C exceeds the basic exemption limit nor his electricity bills exceed ₹ 2 lakh for the P.Y.2024-25.

(d) Arun is required to file his return of income u/s 139(1) for P.Y. 2024-25, since his electricity bills exceed ₹ 1 lakh for the P.Y.2024-25.

(1 Mark)

Division B – Descriptive Questions

Question No. 1 is compulsory

Attempt any **two** questions from the remaining **three** questions

1. Mr. Vivek is an advocate and furnishes you the receipts and payments account for the financial year 2024-25.

Receipts and Payments Account

Receipts	₹	Payments	₹
Opening Balance (01.04.2024) Cash & Bank	80,000	Staff salary and bonus to clerks	17,50,000
Fee from legal services	49,60,000	Other general and administrative expenses	22,00,000
Motor car loan from HDFC @12% p.a. interest	5,00,000	Office rent	1,48,000
Sale receipts of 5,275 listed equity shares (sold on 31 st March 2025)	5,95,000	Life Insurance Premium (Sum Assured ₹ 5,00,000)	49,000
		Motor car (Acquired in January 2025 by way of NEFT)	9,50,000

	Books bought by way of A/c payee cheque in the month of May, June and September 2024 (annual publications)	80,000
	Computer acquired on 1.11.2024 for professional use (payment made by A/c payee cheque)	52,000
	Domestic drawings	6,23,000
	Motor car maintenance	72,000
	Public Provident Fund subscription	1,50,000
	Closing balances (31.03.2025)	
	Cash & Bank	61,000
	61,35,000	61,35,000

Other information:

- (i) Listed equity shares on which STT was paid were acquired in August 2016 for ₹ 1,21,800. The fair market value of such shares as on 31st January 2018 was ₹ 80 per share.
- (ii) Motor car was put to use for both official and personal purposes. 1/3rd of the motor car is for personal purpose. No interest on car loan was paid during the previous year 2024-25.
- (iii) Mr. Vivek purchased a flat in Jhansi for ₹ 35,00,000 in July 2016 cost of which was partly financed by a loan from Punjab National Housing Finance Limited of ₹ 25,00,000, his own-savings ₹ 1,00,000 and a deposit from Repco Bank for ₹ 9,00,000. The flat was given to Repco Bank on lease for 10 years @ ₹ 35,000 per month. Further, Mr. Vivek has paid the following expenses in respect to the flat during the P.Y. 2024-25:
 - (a) Municipal taxes ₹ 8,200 per annum
 - (b) House insurance ₹ 11,000

As per interest certificate issued by Punjab National Housing Finance Limited for the financial year 2024-25, he paid ₹ 1,80,000 towards principal and ₹ 2,01,500 as interest.
- (iv) He earned ₹ 1,20,000 in share speculation business and lost ₹ 1,80,000 in commodity speculation business.

- (v) Mr. Vivek received a gift of ₹ 21,000 each from four of his family friends.
- (vi) He contributed ₹ 1,21,000 to PM Cares Fund by way of bank draft.
- (vii) He donated to a registered political party ₹ 3,50,000 by way of cheque.
- (viii) He follows cash system of accounting.
- (ix) Cost Inflation Index: F.Y. 2016-17–264; F.Y. 2017-18–272; F.Y. 2024-25–363

You are required to compute the total income and tax liability of Mr. Vivek for the A.Y. 2025-26 assuming he opts out of the default tax regime under section 115BAC.

(15 Marks)

2. (a) On 22.09.2024, Mr. Prabhjot, aged 55 years, an Indian citizen left India for the first time to work as a CFO of a company in Australia. He visits South Africa on vacation every year for a month to visit his brother's family. He earns the following income during the previous year 2024-25:

Sr. No.	Particulars	(₹)
1.	Salary (computed) from company in Australia [Received in bank account in Australia]	18,00,000
2.	Dividend from South African company received in South Africa	20,000
3.	Interest received from South Indian Bank, India	21,000
4.	Loss from business in South Africa (controlled from India)	45,000
5.	Agricultural income from a land situated in Gujarat	45,000

Compute the total income of Mr. Prabhjot for A.Y. 2025-26 if he has opted out of the default tax regime u/s 115BAC

(6 Marks)

- (b) Examine & explain the TDS implications in the following cases along with reasons thereof, assuming that the deductees are residents and having a PAN which they have duly furnished to the respective deductors.
- (i) Mr. Rohit and Mr. Raj are the joint owners of a house property. They sold the house property on 31.12.2024 for ₹ 60 lakhs, receiving ₹ 30 lakhs each as their respective shares. However, the stamp duty value (SDV) of the property on the date of transfer is ₹ 75 lakhs. The property was jointly purchased by Ms. Shashi and Ms. Sujata.
 - (ii) XYZ Ltd. provided a luxury car worth ₹ 15 lakh to its distributor, Mr. A, as an incentive for achieving high sales targets.

(4 Marks)

3. (a) Mr. Amit, the proprietor of Amit Enterprises, owns two business units. On 1st April 2024, he transferred Bawana unit by way of a slump sale for a total consideration of ₹ 75 lakhs. The fair market value of the capital assets of Bawana unit as on the date of transfer was ₹ 90 lakhs. Bawana unit was established in the financial year 2005-06. The expenses incurred for the transfer amounted to ₹ 28,000. His Balance Sheet as on 31.3.2024 is as under:

Liabilities	Total (₹)	Assets	Bawana unit (₹)	Mayapuri unit (₹)	Total (₹)
Own Capital	45,00,000	Land	36,00,000	6,00,000	42,00,000
Revaluation Reserve (for land of Bawana unit)	9,00,000	Building	9,00,000	3,00,000	12,00,000
Bank loan (70% for Bawana unit)	6,00,000	Machinery	3,00,000	1,20,000	4,20,000
Trade creditors (25% for Mayapuri unit)	4,50,000	Other assets	4,50,000	1,80,000	6,30,000
Total	64,50,000	Total	52,50,000	12,00,000	64,50,000

Other Information

- The transfer deed did not assign individual values to any specific assets.
- The value of the building and machinery was taken as per the written-down value as per the Income-tax Act, 1961.

Compute the Capital Gain for the assessment year 2025-26. **(5 Marks)**

- (b) Mrs. Anjali, a U.S. citizen, is a resident and ordinarily resident in India for the financial year 2024-25. She owns a house property in Chicago, U.S.A., which she uses as her residence. The annual value of this property is \$ 20,000, with the exchange rate assumed at ₹ 75 per USD. In addition, she took ownership and possession of a flat in Surat on 1st July 2024, which she used for self-occupation during her stay in India. The flat was occupied by her for seven months in the financial year. The municipal valuation of the property is ₹ 3,84,000 per annum, and the fair rent is ₹ 4,20,000 per annum. She has paid property tax of ₹ 16,200 and sewerage tax of ₹ 1,800 to the Corporation of Surat.

For the purchase of the Surat flat, she had taken a loan from Standard Chartered Bank in June 2022. The interest on the loan amounts to ₹ 49,200 for the period before 1st April 2024, ₹50,800 for the period from 1st April 2024 to 30th June 2024, and ₹ 1,31,300 for the period from 1st July 2024 to 31st March 2025. Additionally, she owned a house property in Ranchi, which was sold in March 2023. In respect of this property, she received arrears of rent amounting to ₹ 60,000 in March 2025, which had not been previously taxed.

Compute the income chargeable from house property of Mrs. Anjali for the A.Y. 2025-26 if she has exercised the option of shifting out of the default tax regime. **(5 Marks)**

4. (a) Mr. Mayank, aged 65 years, resides in Hyderabad, provides the following information relating to the financial year ended 31.3.2025.

Particulars	₹
Pension	6,60,000
Interest from bank on fixed deposits (Gross)	55,000
Income from speculation business	40,000
Long-term capital gains from sale of urban land	2,50,000
Long-term capital loss from sale of listed shares in recognized stock exchange (STT paid at the time of acquisition and sale of shares)	1,10,000
Loss from card games	32,000
Income from betting (Gross)	45,000

Other information

- Life insurance premium paid by cheque ₹ 22,500 for insurance of his life. The insurance policy was taken on 08-09-2015 and the sum assured is ₹ 2,00,000.
- Premium of ₹ 26,000 paid by cheque for health insurance of self and his wife.
- A sum of ₹ 15,000 donated in cash to an institution approved for the purpose of section 80G for promoting family planning.

You are required to compute the total income of Mr. Mayank for the A.Y. 2025-26 under normal provisions of the Act. **(6 Marks)**

(b) Who is authorized to verify return of income in case of the following assesseees:

- i. Local authority
- ii. Firm, having no managing partner
- iii. Foreign Company
- iv. HUF where the karta is absent from India **(4 Marks)**

OR

(b) Enumerate list of circumstances where an updated return u/s 139(8A) cannot be furnished? **(4 Marks)**

SECTION B – GOODS AND SERVICES TAX (50 MARKS)

QUESTIONS

- (i) *Working Notes should form part of the answers. However, in answers to Questions 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 in Section B should be answered on the basis of position of GST law as amended by Finance (No. 2) Act 2024, which became effective till 31.10.2024, and significant notifications and circulars issued upto 31.10.2024.*

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.

Total Marks: 15 Marks

CASE SCENERIO I

PMC Ltd. has its manufacturing unit in the State of Rajasthan. Further, it has ancillary units in the State of Madhya Pradesh and Gujarat and is registered in each of these States. Moreover, PMC Ltd. owns and operates a hotel in Udaipur, Rajasthan.

In addition to the aforesaid, PMC Ltd. owns a commercial space which is rented out to a registered person at the monthly rent of ₹ 50,000. The maintenance of the premises is the responsibility of PMC Ltd. In pursuance of the same, during the month of April, PMC Ltd. incurred certain expenses on the purchase of maintenance related materials. The said expenses are recoverable from the tenant alongwith the invoice issued for rent. The rate of tax applicable on the material used for maintenance was 5%.

During the year, PMC Ltd. agreed to provide the hotel to Mr. X for a business conference to be held at Udaipur. Mr. X is an unregistered person residing in Maharashtra.

In addition to the aforesaid transactions, PMC Ltd. spent an amount of ₹ 5 lakh on the procurement of certain goods which were distributed as part of the corporate social responsibility [CSR] expenditure required under the provisions of the Companies Act, 2013.

All amounts are exclusive of GST, wherever applicable. The rate of GST on all inward and outward supplies is 18%, unless otherwise mentioned.

Assume that there is no other outward or inward transaction apart from aforesaid transactions.

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

1. For the transaction related to renting of commercial space, what should be the rate of tax charged by PMC Ltd.?
 - (a) The rate of GST on rent and maintenance material related recovery shall be 18%.
 - (b) The rate of GST on rent shall be 18% and, on the material, shall be 5%.
 - (c) No GST shall be charged on the recovery related to material used in maintenance. Rate of GST on rent shall be 18%.
 - (d) The rate of GST on rent and maintenance material related recovery shall be 5%.
2. With respect to the hotel accommodation service provided to Mr. X, GST payable by PMC Ltd. is _____.
 - (a) nil, GST on accommodation service is payable by the recipient, Mr. X, under reverse charge
 - (b) nil, GST on accommodation services provided to an unregistered person is exempt from GST
 - (c) in the nature of CGST and SGST
 - (d) in the nature of IGST
3. Which of the following options is correct with regard to the availability of ITC to PMC Ltd. in respect of GST paid on the procurement of goods meant for the purpose of corporate social responsibility activity?
 - (a) The amount of ITC related to such procurement of goods is not available to PMC Ltd.
 - (b) The amount of ITC related to such procurement of goods is available to PMC Ltd.
 - (c) The amount of ITC only to the extent of 50% of amount of such procurement of goods is available to PMC Ltd.
 - (d) The amount of ITC shall be available to the registered person to whom such goods are distributed under CSR activity.

(3 X 2 Marks = 6 Marks)

CASE SCENERIO II

Aanya & Co., a partnership firm, is engaged in retail trade since 1st April. The firm became liable for registration on 1st October. However, it applied for registration on 10th October. It had inputs held in stock, semi-finished and finished goods. The firm was granted certificate of registration on 5th November.

Aanya & Co. needs to transport one consignment to the transporter and then to the consignee. The distance, within the same state, between godown of the firm and the transporter is 20 kms and from the place of transporter to consignee is 99 kms, respectively.

All the supplies referred above are intra-State unless specified otherwise. Conditions applicable for availment of ITC are fulfilled subject to the information given above.

Based on the facts of the case scenario given above, choose the most appropriate answer to Q. Nos. 4 to 6 below:-

4. Determine the effective date of registration of Aanya & Co.?
 - (a) 1st April
 - (b) 1st October
 - (c) 10th October
 - (d) 5th November
5. Aanya & Co. is eligible to claim ITC in respect of inputs held in stock as on-
 - (a) 30th September
 - (b) 1st October
 - (c) 10th October
 - (d) Not eligible to claim ITC
6. Which of the following statements is true in respect of furnishing of details of conveyance in Part B of e- way bill?
 - (a) Part B need not be filed in respect of transport of consignment from Godown of Aanya & Co. to transporter location.
 - (b) Part B need not be filed in respect of transport of consignment from transporter location to consignee's location.
 - (c) Information in Part-B is neither required in transport of consignment from Godown of Aanya & Co. to transporter location nor from transporter location to consignee's location.
 - (d) Information in Part-B is mandatory in transport of consignment from Godown of Aanya & Co. to transporter location and from transporter location to consignee's location.

(3 X 2 Marks = 6 Marks)
7. M/s. Sahni & Co., a partnership firm imported the following services during February, 2025:
 - (i) Architect services from Mr. Vipul, a partner of the firm, who resides in France for ₹ 1,00,000. The said service was paid but not used for the furtherance of the business.
 - (ii) Management consultancy services from Mr. Kishore, a renowned lawyer in Sydney, who was an ex-employee of the firm. The value of the said service was

₹ 3,00,000. Even though it was used in the furtherance of the business, no consideration was paid by the firm.

Compute the amount of import of services by Sahni & Co. that will be treated as supply.

- (a) Nil
 - (b) ₹1,00,000
 - (c) ₹3,00,000
 - (d) ₹4,00,000
- (2 Marks)**

8. Mr. Animesh, a sole proprietor generated E-Challan on 5th December for payment of taxes for the month of November. This E-Challan will be valid only upto:

- (a) 5th December
 - (b) 15th December
 - (c) 20th December
 - (d) 31st December
- (1 Mark)**

Division B - Descriptive Questions

Question No. 1 is compulsory.

Attempt any two questions out of remaining three questions.

Total Marks:35 Marks

1. (a) Amaze Ltd., Delhi, a registered supplier, manufacturing machineries has made a taxable supply of machinery during the month of March. It furnished the following details for each such machinery supplied: -

S. No.	Particulars	Amount (₹)
(i)	List price of machinery (exclusive of taxes)	10,00,000
(ii)	Subsidy received from the Central Government for supply of machinery to Government School (exclusively related to supply of machinery included at S. No. 1)	2,10,000
(iii)	Subsidy received from an NGO for supply of machinery to an old age home (exclusively related to supply of goods included at S. No. 1)	2,00,000
(iv)	Tax levied by Municipal Authority	2,50,000
(v)	Packing charges	1,25,000

Additional information:-

The list price of the machinery is after considering the two subsidies received. However, the other charges/taxes/fee are charged to the customers over and above the list price.

Further, the company has provided the following information pertaining to GST paid on purchases made/services availed by it in respect of supply of said machinery during the month of March:

- (i) Raw material (to be received in the month of April) ₹ 8,50,000
- (ii) Membership of a club availed for employees working in the factory
(not obligatory to be provided under any law) ₹ 4,00,000
- (iii) Inputs to be received in 6 lots, out of which 1st lot was received
during the month ₹ 3,50,000
- (iv) Trucks used for transport of raw material ₹ 1,50,000
- (v) Capital goods (out of 3 items, invoice for 2 items is missing and
GST paid on those items is ₹ 2,82,000): ₹ 3,50,000

Note:

- (i) Rates of CGST, SGST and IGST are 9%, 9% and 18% respectively.
- (ii) All inward and outward supplies are exclusive of taxes, wherever applicable.
- (iii) All the conditions necessary for availing the ITC have been fulfilled, subject to the information given above.
- (iv) All inward and outward supplies are inter-State supplies.

Compute the net GST payable in cash, by Amaze Ltd. for the month of March.

- (b) Strap Ltd., a registered supplier, has supplied machinery to Defend Ltd. (a supplier registered in the same State). It provides following particulars regarding the same:

S. No.	Particulars	Amount (₹)
(i)	Price of machinery (exclusive of taxes and discounts)	5,50,000
(ii)	Part fitted in the machinery at the premises of Defend Ltd. [Amount has been paid by Defend Ltd. directly to the supplier. However, it was Strap Ltd.'s liability to pay the	20,000

	said amount. The said amount has not been recorded in the invoice issued by Strap Ltd.]	
(iii)	Installation and testing charges for machinery, not included in price	25,000
(iv)	Discount @ 2% on price of the machinery mentioned at S. No. (i) above (recorded in the invoice)	
(v)	Strap 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 Strap Ltd. to Defend Ltd.

(5 Marks)

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

(i) Miss Shanaya received interior decoration services for her residence located at Bandra, Mumbai from her brother, Mr. David residing in Sydney (Australia) [wholly dependent on Miss Shanaya]. Further, Miss Shanaya did not pay any consideration for the said service.

(ii) Will your answer change if in the above case, if Miss Shanaya has taken interior decoration services with regard to her business premises and not her residence?

(5 Marks)

- (b) Briefly examine the taxable value of supply in the following independent cases:

(i) Rangi Transporters, a registered Goods Transport Agency (GTA) provided service of transportation of goods to Taneja & Taneja Co.-a unregistered partnership firm. Taneja & Taneja Co. paid ₹ 8,000 to Rangi Transporters as consideration.

(ii) Ameyash Hospital provided services in Sky Natal Intensive Care for 2 days for which ₹ 12,000 are charged per day from Mr. Chaman for his new born son, Rohit.

(5 Marks)

3. (a) Determine the time of supply in the following cases:

(i) GPT & Co. carried out service of cleaning and repairs of tanks in an apartment complex, for which the Apartment Owners' Association showed a payment in cash on 4th April to them against work of this description. The dates of the work are not clear from the records of GPT & Co. GPT & Co. have not issued invoice or entered the payment in its books of account.

- (ii) Gas is supplied by a pipeline to the recipient. The supply is to be made for a period of one year. Monthly payments are to be made by the recipient as per the contract. The Payments of ₹ 2 lakh made in each month were made on July 5, August 5 and September 5 respectively. **(5 Marks)**
- (b) Examine whether the liability to register compulsorily under section 24 of the CGST Act, 2017 arises in each of the independent cases mentioned below:
 - (i) Sunena, a supplier in Maharashtra, is exclusively engaged in supply of potatoes produced out of cultivation of her own land, within Maharashtra and also outside Maharashtra.
 - (ii) Fenil is working as an agent, he is supplying taxable goods as an agent of Anthony (who is registered taxable person) and its aggregate turnover does not exceed the applicable threshold limit during the financial year. Invoices to customers are issued in name of Fenil. **(5 Marks)**
- 4. (a) M/s SME & Co. have defaulted in filing the return under Section 39 of the CGST Act, 2017 i.e. GSTR-3B for the month of March within the specified due date. Reason for such delay is attributable to delay in closure of books for March, which have been finalised during May. The GST Common portal prompted for payment of late fees payable under Section 47 of the CGST Act, 2017 for a sum of ₹ 2,000 under CGST and SGST each. Accountant, of M/s SME & Co., sought your confirmation for payment of such late fees through the balance available in Electronic Credit Ledger. Give your guidance in this regard. **(5 Marks)**

Or

- (a) Which accounts and records are required to be maintained by a registered person? **(5 Marks)**
- (b)
 - (i) List the details of outward supplies which can be furnished using Invoice Furnishing Facility (IFF). **(2 Marks)**
 - (ii) Which are the commodities which have been kept outside the purview of GST? Examine the status of taxation of such commodities after introduction of GST. **(3 Marks)**