

2023

## TAXATION-II — HONOURS

Paper : CC-5.2CH

Full Marks : 80

*The figures in the margin indicate full marks.**Candidates are required to give their answers in their own words  
as far as practicable.*

[ Direct Tax ]

(Marks : 40)

Group - A

1. What is loss return? State the consequences of non-filing of loss return. 2+3
2. Tax payable on total income of Mr. Roy for the assessment year 2023-24 computed at ₹ 3,50,000. He paid advance tax of ₹ 45,000 during the previous year 2022-23. Tax of ₹ 15,000 has been deducted at source. Interest u/s 234A, 234B and 234C calculated as per provisions of the Income Tax Act amounted to ₹ 12,500, ₹ 16,800 and ₹ 9,800 respectively. Calculate self-assessment tax payable by Mr. Roy u/s 140A. 5

*Or,*

- (a) Name two cases where quoting of TAN is compulsory.
- (b) Mention the rate of deduction of tax at source in the following cases :
- (i) Interest on bank deposit
- (ii) Winnings from lottery. 2+3
3. (a) When can a revised return be submitted? State the time limit for the submission of such return.
- (b) Write a short note on scrutiny assessment. 1+1+3

*Or,*

- (a) Mention any two situations when assessment shall be made by the Assessing Officer to the best of his judgement u/s 144.
- (b) Mention any three circumstances when an assessee is liable to submit return of income even if the total income of the assessee does not exceed the maximum amount not chargeable to tax. 2+3

Group - B

4. Mrs. Dutta (Resident of India aged 65 years) furnishes the following particulars for the previous year 2022-23:
- (a) Total income excluding lottery income but including income from long-term capital gain on sale of land ₹ 18,20,000.

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- (b) Lottery income ₹ 1,26,000 (net of tax @ 30%).
- (c) Long-term capital gain on sale of land ₹ 1,50,000.
- (d) Deduction under chapter VIA ₹ 1,00,000.
- (e) Tax deducted of source during the previous year is ₹ 73,440.

Compute the instalments along with the dates of advance tax payable by Mrs. Dutta.  
Ignore section 115 BAC.

10

*Or,*

- (a) When interest under section 234B is levied under the Income Tax Act?
- (b) Tax liability of Md. Ayan Aslam (age 35 years) for the assessment year 2023-24 is ₹ 50,000. He has paid advance tax as given below :
  - ₹ 8,000 on 15th June, 2022
  - ₹ 11,000 on 10th September, 2022
  - ₹ 16,000 on 15th December, 2022
  - ₹ 10,475 on 15th March, 2023
  - ₹ 4,525 on 25th March, 2023.

The total income of Aslam does not include business profit. Is he liable to pay interest u/s 234C, if yes, then how much?

2+8

### Group - C

5. Mr. Dasgupta (age 50 years), a resident individual of India, furnishes the following details of his income during the previous year 2022-23. Compute his total income and tax liability for the assessment year 2023-24.
- (a) Gross salary ₹ 18,00,000 (Professional tax paid ₹ 2,400)
  - (b) Loss from let out house property ₹ 2,70,000
  - (c) Income from self occupied house property ₹ 75,000.
  - (d) Long-term capital gain on sale of jewellery ₹ 16,000
  - (e) Short-term capital loss on sale of gold ₹ 3,000
  - (f) Dividend received from Indian companies ₹ 50,000
  - (g) Received from lottery (Net after TDS @ 30%) ₹ 35,000
  - (h) During the previous year he made the following payments :
    - (i) Life insurance premium on own life ₹ 25,000
    - (ii) Medical insurance premium on own health ₹ 15,000 and on the health of spouse ₹ 10,000
    - (iii) Own contribution to RPF ₹ 50,000
    - (iv) Deposit in PPF ₹ 90,000

(v) Donated ₹ 10,000 to Prime Minister's National Relief Fund

(vi) Donated ₹ 3,000 to a recognised political party

Ignore section 115 BAC.

15

*Or,*

Pritam, Mainak and Anik are partners in a firm sharing profits and losses in the ratio of 3 : 2 : 1. Profit & Loss Account of the firm for the year ended March 31, 2023 discloses a net profit of ₹ 68,100. The following items have been debited in the accounts :

- Salaries of Pritam, Mainak and Anik – ₹ 70,000, ₹ 60,000 and ₹ 50,000 respectively
- Commission paid to Pritam ₹ 5,000
- Interest on partners' capital @ 18% p.a. ₹ 9,000; ₹ 8,100 and ₹ 7,200 to Pritam, Mainak and Anik respectively
- Donation to National Defence Fund ₹ 10,000
- Penalty for violation of Custom's law ₹ 5,000
- Remuneration of ₹ 24,000 p.a. paid to software engineer Mrs. Sayani, wife of partner Pritam, for services rendered by her in the firm
- Depreciation ₹ 30,000 (Depreciation allowable under Income Tax Act ₹ 40,000).

Compute total income and tax liability of the firm for the assessment year 2023-24. Assume that the firm fulfils all the conditions of Section 184 and Section 40(b). 15

[ Indirect Tax ]

(Marks : 40)

**Group - D**

- Mention three important advantages of GST.
  - Name any two goods that are kept outside the purview of GST. 3+2

*Or,*

Define *any two* of the following as per GST Act : 2½×2

- Taxable person
  - Input Tax Credit
  - Compensation Cess.
- What is taxable event for charging GST?
    - With help of an example briefly explain the concept of : 2+(1½×2)
      - Intra-state supply;
      - Inter-state supply.
  - State the time of supply in case of :
    - Supply of goods under forward charge
    - Supply of goods under reverse charge. 3+2

Please Turn Over

9. (a) R Ltd. a manufacturer of cosmetic products supplied a package consisting of Body oil (GST 18%), Body lotion (GST 28%), Shampoo (GST 28%) and Soap (GST 12%). The price per package is ₹ 750 (exclusive of GST). 15,000 packages were supplied by the company to its dealers. Determine the nature of supply and its GST liability.
- (b) Determine whether the following supplies amount to composite supply or mixed supply :
- (i) A hotel provides 3 days and 2 nights package wherein the facility of breakfast and dinner is provided along with the room accommodation free of cost.
- (ii) A toothpaste company has offered a scheme of free toothbrush of ₹ 25 along with the purchase of toothpaste of ₹ 248. 3+2

*Or,*

Sunny, a GST registered dealer in West Bengal, supplies 1,000 bags of cement @ ₹ 400 per bag to Sahil of Orissa. Trade discount of 10% is allowed. Sunny charges ₹ 17,500 for packing and freight separately. Inspection charges of 2,000 is borne by Sahil, though Sunny is liable to pay such charges. Interest of ₹ 3,000 is charged by Sunny for delayed payment made by Sahil.

Calculate Value of supply and the amount of GST liability. IGST rate is 18%. 4+1

#### Group - E

10. (a) What is the maximum turnover for opting Composition Scheme?
- (b) What are the components of 'aggregate turnover' under Composition Scheme?
- (c) What are the specified GST rates under composition scheme? 2+5+3

*Or,*

Srnita, a GST registered dealer in West Bengal, furnishes the following particulars for the month of December, 2023. Compute the amount of GST payable for the month for December.

- (a) Input tax credit balance in electronic credit ledger on December 01, 2023 : 10

₹

|      |          |
|------|----------|
| IGST | 2,55,000 |
| CGST | 1,30,000 |
| SGST | 90,000   |

- (b) Details of outward supply in December 2023 :

|   |           |
|---|-----------|
| Inter-State (including IGST @ 18%)              | 29,50,000 |
| Intra-State (including CGST @ 9% and SGST @ 9%) | 41,30,000 |

- (c) Details of inward supply in December 2023 :

|   |           |
|---|-----------|
| Inter-State (excluding IGST @ 18%)              | 15,00,000 |
| Intra-State (excluding CGST @ 9% and SGST @ 9%) | 10,00,000 |
| Intra-State (including CGST @ 6% and SGST @ 6%) | 5,60,000  |

11. (a) Write a short note on Anti dumping duty.  
 (b) From the following information, calculate assessable value and customs duty payable in case of a machine imported from U.K. :

|   | <b>U.K. Pound</b>     |
|---|-----------------------|
| FOB value of goods  | 25,000                |
| Designing and development fees paid in U.K.                   | 1,000                 |
| Air freight   | 5,500                 |
| Insurance   | Details not available |
| Landing charges (₹)   | 650                   |
| Transportation charges from Mumbai airport to the factory (₹) | 15,000                |

Exchange rate notified by CBIC is ₹ 90 per UK pound.

Basic Customs Duty — 10%; Social Welfare Surcharge — 10%; IGST : 12%.

3+7