

2021

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

Answer *any two* question.

1. When a return is considered to be defective? What is loss return? State the consequences of non-filing of loss return. 4+2+4
2. Mr. Goswami submitted his return on 25th July, 2021 for the assessment year 2021-22. The following particulars are furnished by him for the previous year 2020-21 :

| | ₹ |
|--------------------------------|----------|
| Tax payable on assessed income | 1,03,950 |
| Tax deducted at source | 36,450 |
| Advance taxes paid as under : | |
| 15th June, 2020 | Nil |
| 15th September, 2020 | 18,500 |
| 15th December, 2020 | 16,125 |
| 15th March, 2021 | 25,250 |

You are required to compute the interest, if any, payable by the assessee. 10

3. Write short notes on (*any two*) : 5×2
 - (a) TAN
 - (b) Summary Assessment
 - (c) Self Assessment
 - (d) TDS from interest on securities.

Please Turn Over

4. Mrs. Fatema (resident of India aged 64 years) furnishes the following particulars for the year ended March 31, 2021.

Total income excluding lottery income : ₹ 15,10,000

Lottery income received during April 2020 : ₹ 63,000 net of tax @30%

Tax deducted at source (including TDS on lottery income) during the year is ₹ 51,600

Compute the instalments along with the dates of advance tax payable.

10

Group - B

Answer *any one* question.

5. Mr. Soren is employed in a private limited company in Kolkata, a resident aged 42 years, furnishes the following particulars of his incomes and outgoings for the previous year 2020-21.

(i) Gross income from salary ₹ 34,20,200

(ii) Professional tax deducted by the employer from his salary per month ₹ 200.

(iii) Loss from self occupied house ₹ 1,20,000.

(iv) He earns the following incomes during the year :

- Savings bank interest ₹ 15,300

- Interest on fixed deposits with banks ₹ 1,52,000

- Dividend from domestic companies ₹ 1,10,000

(v) Long-term capital gain on sale of urban land ₹ 10,42,000

(vi) Short-term capital loss on sale of gold ₹ 37,000

(vii) He has invested ₹ 1,30,000 in PPF.

(viii) He has paid medical insurance premium as follows :

On his own health ₹ 13,200; On his wife's health ₹ 15,300

On his father's health (father's age 75 years) ₹ 35,000

(ix) He has made a donation of ₹ 20,000 to Prime Minister's National Relief Fund.

Compute his total income and tax liability. Ignore section 115BAC.

20

6. P and Q are partners of a firm sharing profits and losses in the ratio of 3 : 2. The profit and loss account of the firm for the year ended March 31, 2021 is as follows :

| Particulars | ₹ | Particulars | ₹ |
|----------------------------------|-----------------|--------------------------------------|-----------------|
| To Salaries to partners : | | By Gross Profit | 2,09,730 |
| P | 72,000 | By Interest from bank fixed deposits | 14,370 |
| Q | 21,000 | | |
| To Interest on Capital @20% p.a. | | | |
| P | 24,000 | | |
| Q | 13,200 | | |
| To Commission to Q | 15,000 | | |
| To Trade expenses | 27,000 | | |
| To Depreciation | 30,000 | | |
| To Net Profit | 21,900 | | |
| | 2,24,100 | | 2,24,100 |

Compute total income and tax liability of the firm considering the following :

- The firm satisfies the conditions of section 184 and 40(b);
- Depreciation as per I.T. Rules amounts to ₹ 48,000.
- Trade expenses include ₹ 5,250 being the amount paid as penalty for violation of custom's regulation.

16+4

Indirect Tax

(Marks : 40)

Group - C

Answer *any four* questions.

- Write short notes on (*any two*) : 5×2
 - Input tax
 - Output tax
 - Reverse charge
 - Registered person.
- What do you mean by Composite Supply and Mixed Supply? State the taxability of Composite Supply and Mixed Supply.
 - State the nature of supply and applicable GST Rate in case of the following supplies :
 - A mobile company supplies Mobile Phone [GST 18%] along with charger [GST 12%] and headphone [GST 24%].
 - A trader supplies Diwali gift box comprises dry fruits [GST 5%], cakes [GST 12%] and fruit juice [GST 18%]. (4+2)+4

Please Turn Over

9. (a) How the aggregate turnover in case of composition scheme is determined? State the GST rates applicable in case of composition scheme.
- (b) How the time of supply is determined in the following cases?
- (i) Supply of goods
- (ii) Advance from customer. (4+2)+(3+1)
10. (a) What do you mean by Tax Invoice and Bill of Supply?
- (b) Mention any two supplies which are not covered under GST Law.
- (c) State the differences between direct tax and indirect tax. 4+2+4
11. (a) From the following information, compute value of supply and GST payable by Mr. P, a registered dealer in West Bengal for the month of November, 2021 :
- Price of the goods supplied within West Bengal [Excluding ₹ 4,00,000 GST]
- Following items are not included in the above price :
- | | |
|--|----------|
| (i) Installation charges | ₹ 20,000 |
| (ii) Transport charges | ₹ 10,000 |
| (iii) Packing charges | ₹ 5,000 |
| (iv) Subsidy from Govt. of West Bengal | ₹ 15,000 |
| (v) Subsidy from a NGO | ₹ 12,000 |
- Applicable GST rate CGST - 6%, SGST - 6%.
- (b) From the following information, state the nature of GST applicable in case of the following supplies :
- (i) A of Kolkata supplied goods to B of Durgapur.
- (ii) C of Bihar supplied goods to D of Tamilnadu.
- (iii) F of Chandigarh supplied goods to G of Chandigarh. 7+3
12. Mr. R, a GST registered dealer supplied the following information for the month of December 2021:
- (i) Input Tax credit balance as on 01.12.2021 :
- | | |
|------|------------|
| IGST | ₹ 2,00,000 |
| CGST | ₹ 1,35,000 |
| SGST | ₹ 1,35,000 |
- (ii) Goods supplied (Excluding GST) during December, 2021 :
- | | |
|--------------------|-------------|
| Inter-state supply | ₹ 20,00,000 |
| Intra-state supply | ₹ 40,00,000 |

(iii) Goods purchased (Excluding GST) during December 2021 ;

Inter-state supply ₹ 6,00,000

Intra-state supply ₹ 20,00,000

GST rate applicable as follows [both on purchases and sales] :

IGST - 12%

CGST - 9%

SGST - 9%

Compute GST payable and ITC to be carried forward (if any) assuming Mr. R opted for utilisation of unadjusted IGST credit against CGST and SGST in the ratio of 1 : 1. 10

13. (a) What is the taxable event under the Customs Act?

(b) Define territorial water as per the Customs Act.

(c) Write a short note on Anti Dumping Duty.

2+3+5

14. From the following information, calculate assessable value and duty payable :

6+4

| | UK Pound |
|--|-----------------|
| FOB value of Goods | 23,000 |
| Air freight | 5,250 |
| Insurance | 400 |
| Landing charges | 550 |
| Transportation charges from airport to warehouse in Tamilnadu | 10,000 |
| Exchange rate notified by CBIC is ₹ 72 per UK Pound. | |
| BCD-10%, SWS-10%, IGST-12% | |