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PART – I

SECTION – A

Case Scenario – I

Sudipto, a resident individual aged 54 years, gifted shares of an Indian company listed on a recognised stock exchange in India, to his friend Shanu to help him financially on 01.04.2024. The gift deed states that the shares will be transferred back to Sudipto in the event of death of Shanu. The FMV of the shares on the date of transfer was ₹ 54,00,000. Shanu received a gross dividend of ₹ 4,50,000 on these shares during the FY 2024-25.

Sudipto is engaged in the business of retail trade as proprietor. During the FY 2021-22 he paid ₹ 25,000 p.m. to his wife, Swati as salary for acting as the marketing in-charge. Swati does not have any professional qualification or experience for the job. This income was clubbed in the hands of Sudipto as per clubbing provisions in the FY 2021-22. Swati started her MBA studies and did not get any salary from 01.04.2022 to 01.12.2024. She completed her MBA (Marketing) course on 01.12.2024 and again joined her husband's business and started getting ₹ 55,000 p.m. as salary which is as per the market norms.

During the FY 2024-25, Sudipto paid ₹ 54,000 as medical insurance premium by way of an account payee cheque for his senior citizen parents who are non-residents.

Based on the above facts, answer the following multiple choice questions 1 to 3 :

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1. Assume other incomes of Sudipto and Shanu is ₹ 55 lakhs and ₹ 11 lakhs respectively, which of the following statements is correct in this respect ? 2

- (A) Dividend income shall be taxable in the hands of Shanu as clubbing provisions will not apply in this case.
- (B) Dividend income shall be clubbed in the hands of Sudipto as this is a case of transfer of asset without adequate consideration.
- (C) Dividend income shall be taxable in the hands of Sudipto as his income other than dividend is higher than that of Shanu.
- (D) Dividend income is exempt from taxation.

2. Which of the following statements is correct as far as clubbing of salary of Swati for the FY 2024-25 is concerned ? 2

- (A) Salary of Swati will be taxed in her hands as now she has the required qualification for the job.
- (B) Salary of Swati will continue to be clubbed in the hands of Sudipto till the assessing officer is satisfied.
- (C) Salary of Swati will be taxed in the hands of Sudipto or Swati whose income before such salary is higher.
- (D) As a part of tax planning, Swati has the option to decide in whose hands the salary will be taxable to minimise the overall tax liability.

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3. What shall be the amount of deduction under section 80D in the hands of Sudipto assuming he has opted out of the default tax regime ?

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(A) ₹ 25,000

(B) ₹ 54,000

(C) NIL

(D) ₹ 50,000

Case Scenario – II

Reenu, a resident individual aged 48 years, owns 2 flats (A and B) in Hyderabad. She lives in flat A and gave flat B to her in-laws for their residential purposes. She does not charge any rent from them. In the month of April 2024, she entered into an agreement to buy flat C from a builder in the same area as her other flats are situated. In the month of September 2024, she took possession of flat C and started spending her weekends there, paying a token amount of ₹ 11,000 to the builder. However, flat C is still registered in her name. All the three flats are identical in size and other aspects.

She had one more flat D which was let out at a monthly rent of ₹ 45,000 to Mr. Shubh during the financial year 2021-22 (from 01.04.2021 to 31.03.2022).

Mr. Shubh did not pay rent for 3 months. Reenu sold the flat on 31.03.2024.

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She owned 5,000 shares of PQR Ltd. (listed on a recognised stock exchange in India), an Indian company which were acquired on 01.02.2022 for ₹ 180 per share. On 01.01.2025, the company bought 2,000 shares back from her and paid ₹ 420 per share to Reenu.

Based on the above facts, answer the following multiple choice questions 4 to 6 :

4. Which of the following statements is correct as far as the taxability of income from house property is concerned ?

- (A) One flat (of her choice) will be treated as self-occupied whereas the other two flats will be treated as deemed to be let out.
- (B) Any two flats (of her choice) will be treated as self-occupied whereas the third flat will be treated as deemed to be let out.
- (C) Flat A will be treated as self-occupied, flat B will be treated as deemed to be let out and flat C will not have any impact on her income as the flat is not yet registered in her name.
- (D) All three flats will be treated as self-occupied.

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5. Assume Shubh pays the arrear rent to Reenu on 28th June 2024, what shall be the treatment of such rent received if she had to spend ₹ 5,000 for such collection ?

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(A) Nothing shall be taxable in the hands of Reenu as she is not the owner of the flat anymore.

(B) ₹ 1,30,000 shall be taxable in the hands of Reenu as income from other sources in the PY 2024-25 as she is not the owner of the flat anymore.

(C) ₹ 94,500 shall be taxable in the hands of Reenu as income from house property in the PY 2024-25, even if she is not the owner of the flat anymore.

(D) ₹ 89,500 shall be taxable in the hands of Reenu as income from house property in the PY 2024-25, even if she is not the owner of the flat anymore.

6. Which of the following statements is correct as far as the taxability of buy-back of shares by PQR Ltd. is concerned ? (Cost Inflation Index: FY 2021-22 - 317; FY 2024-25 - 363)

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(A) PQR Ltd. shall be liable to pay ₹ 1,95,686 as additional income-tax and the income arising in respect of such buy-back shall be exempt in the hands of Reenu.

(B) ₹ 8,40,000 will be treated as deemed dividend in the hands of Reenu.

(C) ₹ 4,80,000 will be treated as long-term capital gains in the hands of Reenu and it will be taxable at the rate of 12.5% after deducting ₹ 1,25,000 from the LTCG.

(D) ₹ 4,80,000 will be treated as deemed dividend in the hands of Reenu.

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7. A.P. & Sons HUF is controlled by Amarendra, the Karta of the HUF. Amarendra (an Indian citizen) stays in country T and regularly visits India. During the FY 2024-25, he visited India for 190 days and managed the affairs of the HUF.

During the immediately preceding 5 years, he visited India for 70 days each year and prior to that he was in India for 185 days in every year. Residential status of A.P. & Sons HUF for the assessment year 2025-26 is :

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- (A) Non-resident because Karta of the HUF is a non-resident.
- (B) Resident and ordinarily resident because Karta of the HUF is an resident and ordinarily resident.
- (C) Non-resident because control and management of its affairs is partly managed from outside India.
- (D) Resident because control and management of its affairs is partly managed from India and not ordinarily resident because the status of the Karta is resident but not ordinarily resident.

8. Ravi, an Indian resident, bought an overseas tour package from Kartik, also a resident Indian and a seller of overseas tour programmes, and paid ₹ 7 lakhs as cost. He also remitted ₹ 12 lakhs to USA under Liberalised Remittance Scheme of RBI for the purpose of investment in USA share market via Jones, a resident authorized dealer. What shall be the aggregate amount of tax to be collected at sources from the remittances/payments made by Ravi ?

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- (A) ₹ 1,35,000
- (B) ₹ 35,000
- (C) ₹ 95,000
- (D) ₹ 60,000



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SECTION – B

Case Scenario – III

Raghu Impex Limited, registered in the State of Uttar Pradesh was involved in supplying stationery items pan India basis. The company did not opt for registration under GST. The proper officer of GST based on enquiry finds that the company is liable for registration and he registers it on temporary basis on 21.01.2023.

The company made the following outward supplies of printing materials in the month of February, 2025 :

- (i) to Telangana State Agriculture Department for an invoice value of ₹ 2,60,400 inclusive of GST @ 5%, delivering at Hyderabad, Telangana State. 4960
- (ii) to UPGST, State GST Department for an invoice value of ₹ 2,80,000 inclusive of GST @ 12%, delivering at Noida, in the State of Uttar Pradesh. 500
- (iii) to Delhi Transport Corporation, Government owned transport corporation registered in the Union Territory of Delhi for supply to its Central Stores Located in Ghaziabad, in the State of Uttar Pradesh, for an invoice value of ₹ 2,97,360 inclusive of GST @ 18%. 5100

In the month of September, 2024 company found that while issuing invoice to a customer, the company erroneously charged higher value by ₹ 52,000. Such invoice was issued on 31.03.2024. Company issued the credit note on 01.10.2024. The company filed relevant annual return on 15.06.2025 and return for the month of September 2024 and October 2024 were filed on 31.10.2024 & 19.11.2024 respectively.

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Based on the facts of the case scenario given above, choose the most appropriate answer for the following question no. 9 to 11 :

9. On getting temporary registration, Raghu Impex Limited needs to apply for registration upto _____.

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(A) 22.03.2023

(B) 20.02.2023

(C) 21.04.2023

(D) 21.05.2023

10. In respect of printing materials supplied in the month of February 2025, the company shall be subjected to a total GST TDS of ₹ _____, ignoring bifurcation as CGST & SGST / IGST.

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(A) 5,000

(B) NIL

(C) 5,040

(D) 10,040



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11. What is the maximum time limit available for declaring the details of the such credit note in the GST return with respect of said transaction ?

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(A) 31.10.2024

(B) 30.11.2024

(C) 19.11.2024

(D) 15.06.2025

Case Scenario – IV

Mahadev Housing Society (MHS) is registered under GST in Lucknow, Uttar Pradesh. The society has in all 200 flats and 20 shops as under

Block	Type	Units (nos.)
A	3BHK Flats	50
B	4BHK Flats	50
C	3BHK Flats	50
D	4BHK Flats	50
E	Shops	10
F	Shops	10

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The society received/paid the following amounts in the month of January, 2025 :

S. No.	Particulars	Amount for each unit of a 3BHK flat (₹)	Amount for each unit of a 4BHK flat (₹)
1	Maintenance charges collected (including property tax ₹ 1,000 for a 3BHK flat and ₹ 1,500 for a 4BHK flat collected on behalf of the Municipal Corporation)	8,000.00	10,000.00

Additional information :

- (i) Maintenance charges collected from each shop is ₹ 7,000 during the month.
- (ii) Interest ₹ 75,000 received on fixed deposit with a nationalised bank.
- (iii) 4 generators each costing ₹ 1,00,000 were purchased from a registered supplier for power backup of the blocks, of which 2 are installed for 3BHK blocks and 2 for 4BHK blocks. The amount capitalised in the books but no depreciation charged.
- (iv) Pipes and other sanitary fittings costing ₹ 25,000 were purchased for Block A from a registered supplier and debited in the Profit and Loss account.
- (v) 3 members own 2 units (flats) each of the 3BHK type.
- (vi) All inward and outward supplies are Intra-State supplies.
- (vii) Ignore the effect of common credit, if any.

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Assume that all conditions necessary for claiming Input Tax Credit (ITC) were complied with and not claimed any depreciation on any assets.

All the figures given are exclusive of GST wherever applicable.

Assume rate of CGST @ 9%, SGST @ 9% and IGST @ 18% on all inward and outward supplies wherever applicable.

Based on the facts of the case scenario given above, choose the most appropriate answer for the following question no. 12 to 14 :

12. The total value of exempted outward supply of the society for the month of January, 2025 is

(A) ₹ 10,90,000

(B) ₹ 11,65,000

~~(C) ₹ 10,25,000~~

(D) ₹ 7,75,000

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13. The amount of Input Tax Credit (ITC) that the society can avail for the month of January, 2025 is

~~(A) ₹ 18,000 CGST and ₹ 18,000 SGST~~

(B) ₹ 2,250 CGST and ₹ 2,250 SGST

(C) ₹ 36,000 CGST and ₹ 36,000 SGST

(D) ₹ 38,250 CGST and ₹ 38,250 SGST

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14. The gross GST liability (before reduction of ITC) for the month of January, 2025 is

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- (A) ₹ 89,100 CGST and ₹ 89,100 SGST
(B) ₹ 76,500 CGST and ₹ 76,500 SGST
 (C) ₹ 1,02,600 CGST and ₹ 1,02,600 SGST
(D) ₹ 1,52,100 CGST and ₹ 1,52,100 SGST

15. Nilanchol Chamber of Commerce organised a business summit. Safal Private Limited, a registered manufacturer of readymade garments, sponsored the summit and paid a sponsorship fee of ₹ 1,50,000 to Nilanchol Chamber of Commerce. Mr. Godbole, an independent director of Safal Private Limited, provided the taxable services worth ₹ 40,000 to the Safal Private Limited in the capacity of director in this regards. The total value on which Safal Private Limited is liable to pay GST (as per provision applicable till 28th February 2025) is _____.

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- (A) ₹ 1,90,000
(B) ₹ 1,50,000
 (C) ₹ 40,000
(D) NIL



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16. Mr. Anant an unregistered person rented his commercial building to M/s ABC and Co., a registered partnership firm under GST in the state of Tamil Nadu. For the month of November, 2024 the firm paid rent (by NEFT) on 29th November, 2024 whereas the invoice was issued by Anant in advance on 25th November, 2024. The time of _____ for the purpose of payment of GST for the above transaction _____ if payment entered in the books of firm on 29th November, 2024.

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- (A) 25th January, 2025
- (B) 25th November, 2024
- (C) 26th December, 2024
- (D) 29th November, 2024

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