



INTERMEDIATE EXAMINATION
MODEL ANSWERS
PAPER – 7
DIRECT AND INDIRECT TAXATION

SET 2
TERM – DECEMBER 2025
SYLLABUS 2022

Time Allowed: 3 Hour

Full Marks:100

The figures in the margin on the right side indicate full marks.

SECTION – A (Compulsory)

I. Choose the correct option:

[15 x 2 = 30]

- (i) In case of an individual or HUF, agricultural income is:
- Exempted
 - Exempted but included in the total income for the rate purpose
 - Fully taxable provided it is earned from India
 - Taxable at flat rate of 10%
- (ii) Any payment received from an account opened under Sukanya Samriddhi Account Rules, 2014 is ____.
- Exempt
 - Taxable
 - Not Taxable
 - None of these
- (iii) Which of the following deductions is /are not allowed in case of a deemed to be let-out house?
- New construction allowance
 - Repairs
 - Vacancy allowance
 - All of the above
- (iv) Personal effect does not cover the followings:
- Immovable property
 - Drawings
 - Jewellery
 - All of the above
- (v) The preliminary expenses that can be amortized under the Income Tax Act, 1961 has to be restricted to _____ of the cost of project.
- 3%
 - 5%
 - 8%
 - 20%
- (vi) Maximum limit for deduction u/s 80TTA is:
- ₹50,000
 - ₹10,000
 - ₹40,000
 - ₹25,000



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- (vii) Cascading effect of tax means:
- a) Tax on Goods
 - b) Tax on services
 - c) Tax on Tax
 - d) None of the above
- (viii) Services by way of _____ to single residential unit is exempted-
- a) Pure Labour Contract
 - b) Works Contract
 - c) Both (a) & (b)
 - d) Either (a) or (b)
- (ix) The value of supply of goods and services shall be-
- a) Transaction Value
 - b) MRP
 - c) Market Value
 - d) None of the above
- (x) Date of receipt of the payment means:
- a) Date of entry in the books
 - b) Date of payment credited into bank account
 - c) Earlier of (a) or (b)
 - d) Date of filling of return
- (xi) To claim ITC on capital goods is it mandatory to capitalize the capital goods in the books of accounts-
- a) Yes
 - b) No
 - c) Optional
 - d) None of the above
- (xii) When can a voluntarily registration be cancelled?
- a) If the person does not start the business within six months from the date of registration
 - b) Business has been discontinued
 - c) Non-filing of return for the continuous period of six months
 - d) All of the above
- (xiii) All liabilities of taxable person under this Act shall be recorded and maintained in an _____
- a) Electronic Cash Register
 - b) Electronic Credit Register
 - c) Electronic Liability Register
 - d) Electronic Register



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- (xiv) The limit of exclusive economic zone of India is _____ from the nearest point of the baseline.
- 200 nautical miles
 - 12 nautical miles
 - 24 nautical miles
 - None of the above
- (xv) The Safeguard duty imposed shall be in force for a period of _____ from the date of its imposition and can be extended with the total period of levy not exceeding _____.
- 4 years, 10 years
 - 3 years, 5 years
 - 5 years, 5 years
 - None of the above

Answer:

i	ii	iii	iv	v	vi	vii	viii	ix	x	xi	xii	xiii	xiv	xv
b	a	d	d	b	b	c	a	a	c	b	d	c	a	a

Section – B

(Answer any five questions out of seven questions given. Each question carries 14 Marks)

[5 x 14 = 70]

2. (a) X came to India for first time on July 24, 2020. From July 24, 2020 to December 25, 2021, he was in India. Again, he came to India on August 5, 2024 for employment purpose & left India on November 25, 2024 permanently. Compute his residential status for the previous year 2024-25 assuming –
- He is a foreign citizen
 - He is an Indian citizen.
- (b) Miss Sonal, being a citizen of India and a Government employee has the following salary details:

(Amount in ₹)

Basic Salary	52,000 p.m.
Dearness Allowance	23,000 p.m.
Dearness Pay	1,000 p.m.
Fees	50,000 p.a.
House Rent Allowance	15,000 p.m. (Rent paid for Kolkata house ₹ 20,000 p.m.)
Children Education allowance	3,000 p.m. (She is having one adopted child)
Children allowance	1,000 p.m.
Hostel allowance	2,000 p.m.
Dress Allowance	5,000 p.m. (Actual expenditure ₹ 10,000 p.m.)
Uniform Allowance	2,000 p.m. (Actual expenditure ₹ 1,000 p.m.)
Tiffin Allowance	1,000 p.m.
Education Allowance for her own education	2,000 p.m. (Actual expenditure ₹ 1,500 p.m.)

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Compute the amount of her gross salary for the assessment year 2025-26, assuming she has opted for old regime. [7]

Answer:

(a) During the previous year 2024-25, X was in India for 113 days as shown below:

Year	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
24-25	-	-	-	-	27	30	31	25	-	-	-	-	113

Further, he was in India for more than 365 days during 4 years immediately preceding the previous year as shown below:

Year	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
20-21	-	-	-	8	31	30	31	30	31	31	28	31	251
21-22	30	31	30	31	31	30	31	30	25	-	-	-	269
22-23	-	-	-	-	-	-	-	-	-	-	-	-	-
23-24	-	-	-	-	-	-	-	-	-	-	-	-	-

As he satisfies condition given in sec. 6(1)(c), he is a resident in India.

Further, he was resident during 2 out of 10 years immediately preceding the relevant previous year but he was in India only for 520 days in 7 years immediately preceding the relevant previous year. As he is not satisfying dual conditions of sec. 6(6), he is a resident but not ordinarily resident in India for the previous year 2024-25.

Note: His status shall remain same in both the cases as -

- (i) Foreign citizens are not covered by 'exceptions to sec. 6(1)(c)'.
- (ii) Coming in India for employment purpose is not covered by 'exceptions to sec. 6(1)(c)'.

(b) **Computation of gross taxable salary of Miss Sonal for the A.Y.2025-26:**

Particulars	Details (₹)	Amount (₹)	Amount (₹)
Basic Salary			6,24,000
Fees			50,000
Allowances			
Dearness Allowance		2,76,000	
Dearness Pay		12,000	
House Rent Allowance	1,80,000		
Less: Minimum of the following u/s 10(13A)			
a) Actual Amount Received ₹ 1,80,000			
b) 50% of Salary i.e. 50% of (6,24,000 + 2,76,000 + 12,000) = ₹4,56,000			
c) Rent Paid – 10% of Salary (2,40,000 – 91,200*) = ₹1,48,800	1,48,800	31,200	
Children Education Allowance	36,000		
Less: Exemption (₹ 100 × 1 × 12)	1,200	34,800	



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Children Allowance		12000	
Hostel Allowance	24,000		
Particulars	Details (₹)	Amount (₹)	Amount (₹)
Less: Exemption ($₹300 \times 1 \times 12$)	3,600	20,400	
Dress Allowance (fully taxable)		60,000	
Uniform Allowance	24,000		
Less: Exemption ($₹1,000 \times 12$)	12,000	12,000	
Tiffin Allowance		12,000	
Education allowance for own study	24,000		
Less: Exemption ($₹1,500 \times 12$)	18,000	6,000	4,76,400
Gross Taxable Salary			11,50,400

*Salary = 6,24,000 + 2,76,000 + 12,000 = ₹ 9,12,000

3. (a) Compute net annual value with the following details for the A.Y. 2025-26:

Particulars	H1	H2	H3	H4	H5	H6
Situated at	Patna	Anand	Hyderabad	Balurghat	Jodhpur	Etawa
Municipal Value	₹ 1,00,000	₹ 2,00,000	₹ 3,00,000	₹ 4,00,000	₹ 4,25,000	₹ 6,00,000
Gross Annual Value	₹ 1,00,000	₹ 2,50,000	₹ 1,80,000	₹ 5,00,000	₹ 8,00,000	₹ 5,00,000
Municipal tax for P.Y.	₹ 5,000	10%	5%	20%	12%	10%
Sewerage tax	-	5%	₹ 1,000	3%	₹ 3,750	₹ 1,000
Water Tax	-	3%	5%	2%	5%	-

Additional information:

- In case of H3, municipal tax paid for the financial year 2000-01 to 2023-24 is ₹2,00,000.
- In case of H4, municipal tax paid for the financial year 2025-26 is ₹3,000.
- In case of H6, all taxes charged by municipality are paid to the extent of 80% (50% by owner and 30% by tenant).

[7]

- (b) From the following particulars, compute admissible depreciation and capital gain/loss for the previous year relevant to the assessment year 2025-26:

Written down value of Building A & B as on 1-4-2024 (Depreciation rate 10%)	₹ 2,50,000
Cost of Building C purchased on November 15, 2024 (Depreciation rate 10%)	₹ 3,00,000

- If all the buildings (A, B & C) are sold for ₹6,00,000.
- If Buildings (A & B) are sold for ₹ 5,00,000
- If Building (A) is sold for ₹ 50,000.

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Answer:

(a) Computation of Net Annual Value for A.Y. 2025-26: (Amount in ₹)

Particulars	H1	H2	H3	H4	H5	H6
Gross Annual Value (a)	1,00,000	2,50,000	1,80,000	5,00,000	8,00,000	5,00,000
Less: (i) Municipal Tax	5,000	20,000	2,15,000	80,000	51,000	30,000
(ii) Sewerage tax	-	10,000	1,000	12,000	3,750	500
(iii) Water Tax	-	6,000	15,000	8,000	21,250	-
Total (b)	5,000	36,000	2,31,000	1,00,000	76,000	30,500
Net Annual Value [(a) – (b)]	95,000	2,14,000	(-), 51,000	4,00,000	7,24,000	4,69,500
Municipal tax is calculated on municipal value.						

Notes:

- Though municipal tax is allowed on cash basis (only if paid by owner) but advance municipal tax is not allowed.
- Municipal tax paid by tenant is not allowed as deduction.
- ₹2,00,000 (being municipal tax of past years paid during the year) + 5% of ₹3,00,000 (municipal tax of current year paid during the year).

(b) Computation of Depreciation allowed u/s 32 for the A.Y. 2025-26

Particulars	Amount (₹)
Case (i): Building @ 10%	
W.D.V. as on 1/4/2024	2,50,000
Add: Purchase during the year	3,00,000
	5,50,000
Less: Sold during the year	6,00,000
Short term capital gain	50,000
Case (ii): Building @ 10%	
W.D.V. as on 1/4/2024	2,50,000
Add: Purchase during the year	3,00,000
	5,50,000
Less: Sold during the year	5,00,000
	50,000
Depreciation @ 10% [₹ 50,000 x 10% * ½]	2,500
Case (iii) :Building @ 10%	
W.D.V. as on 1/4/2024	2,50,000
Add: Purchase during the year	3,00,000
	5,50,000
Less: Sold during the year	50,000
	5,00,000
Depreciation @ 10% [(₹ 3,00,000 × 10% × ½) + (₹ 2,00,000 × 10%)]	35,000

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4. (a) On 15th November, 2024, Ishita sold a flat for ₹58,50,000. She acquired the flat on 11-12-2012 for ₹36,00,000. Expenses on sale of flat amounted to ₹50,000. She purchased a residential house on 25.01.2025 for ₹20,00,000.

Compute the amount of taxable capital gain and tax thereon before surcharge and cess for the assessment year 2025-26 assuming her other income exceed basic exemption limit. [7]

- (b) The following details have been furnished by Mrs. Jaya, pertaining to the year ended 31-3-2025:

- (i) Cash gift of ₹51,000 received from her friend on the occasion of her 25th wedding anniversary.
- (ii) On the above occasion, a diamond necklace worth ₹2 lacs were presented by her sister living in Dubai.
- (iii) When she celebrated her daughter's wedding on 21-2-2025, her friend assigned in Mrs. Jaya's favour, a fixed deposit held by the said friend in a scheduled bank; the value of the fixed deposit and the accrued interest on the said date was ₹ 51,000.
- (iv) She acquired an immovable property through will of her deceased uncle. The value of said property is ₹ 35,00,000.

Compute her income from other sources. [7]

Answer:

- (a) Computation of Capital Gains of Ishita for the A.Y. 2025-26

Particulars	Amount (₹)
Flat	
Sale Proceeds	58,50,000
Less: Expenses on transfer	50,000
Net sale consideration	58,00,000
Less: Cost of acquisition	36,00,000
Long Term Capital Gain	22,00,000
Less: Deduction u/s 54 [for purchase of another residential house]	20,00,000
Taxable Long Term Capital Gain	2,00,000
Tax on above @ 12.5%	25,000

Option for tax on long term capital gain on transfer of flat

Particulars	Details (₹)	Amount (₹)
Sale consideration		58,50,000
Less: Expenses on transfer		50,000
Net sale consideration		58,00,000
Less: i) Indexed Cost of acquisition [₹ 36,00,000 x 363 / 200]	65,34,000	
ii) Indexed Cost of improvement	Nil	65,34,000
Long Term Capital Gain		(7,34,000)
Tax on above @ 20%		Nil

Capital gains shall be ₹2,00,000. However, tax on such capital gains shall be nil considering the second proviso to sec. 112. Note that loss of ₹7,34,000 shall be ignored.



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- (b) Computation of Income from Other Sources of Mrs. Jaya for the A.Y. 2025-26

Particulars	Amount (₹)
Gift from friend	51,000
Gift of diamond necklace from sister (Being a relative)	-
Gift of fixed deposit (as gift is received by her and not by her daughter)	51,000
Acquisition of immovable property through will	-
Income from Other Sources	1,02,000

Note: It may be argued that fixed deposit is not covered u/s 56(2)(x) as it is neither covered under the purview of money nor under property.

5. (a) Compute Gross Total Income of Mrs. Shikha from following details for the A.Y. 2025-26.

Particulars	₹
Income from house property A	60,000
Income from house property B	(1,50,000)
Income from house property C	1,00,000
Income from other sources	1,00,000
Losses u/s 22 for the A.Y. 2024-25	(30,000)
Losses u/s 56 for the A.Y. 2024-25	(45,000)

[7]

- (b) Mrs. Ria (age 46 years), a professor in a college furnishes the following particulars of her income for the previous year 2024–25:

Particulars	₹
a. Income from salary	3,51,000
b. Income from House Property	
i. Rent Received	24,000
ii. Municipal Tax	2,000
c. Income from other sources	
iii. Bank interest on fixed deposit	12,000
iv. Dividend from Indian Company	10,000
v. Examiner's remuneration from Calcutta University	5,700
c. Deposited in P.P.F.	40,000
d. Own Contribution to R.P.F.	12,000
e. Paid premium on insurance on own health	16,000
f. Donated ₹10,000 to National Relief Fund and ₹15,000 to a trust registered u/s 80G (5)	

From the above information, Compute Total Income and tax liability (under the old tax regime) of Mrs. Ria for the assessment year 2025–26, if she has opted for old tax regime.

[7]



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Answer:

(a) Computation of gross total income of Mrs. Shikha for the A.Y. 2025-26

Particulars	Details	Amount (₹)	Amount (₹)
Income from house property :			
House property A	60,000		
House property B	(1,50,000)		
House property C	1,00,000	10,000	
Loss u/s 22 for the A.Y. 2024-25		(10,000)	Nil
Income from other sources:			1,00,000
Gross Total Income			1,00,000

Notes:

1. Remaining unabsorbed loss relevant to the A.Y. 2024-25 ₹20,000 (i.e. ₹ 30,000 – ₹ 10,000) shall be carried forward to subsequent assessment years (maximum up to A.Y. 2032-33).
2. Loss under the head 'Income from other sources' cannot be carried forward.
3. Sec. 71 shall apply only after application of sec. 70. Hence, current year loss of house property B cannot be set off against income from other sources.

(b) Computation of total income of Mrs. Ria for the A.Y. 2025-26

Particulars	Amount (₹)	Amount (₹)	Amount (₹)
Salaries			3,51,000
Income from house property:			
Gross Annual Value being Rent Received		24,000	
Less: Municipal Tax paid		2,000	
Net Annual Value (NAV)		22,000	
Less: Standard Deduction u/s 24(a) [30% of NAV]		6,600	15,400
Income from other sources:			
Bank Interest on fixed deposit		12,000	
Dividend from Indian companies		10,000	
Examiner's Remuneration		5,700	27,700
Gross Total Income			3,94,100
Less: Deductions			
- u/s 80C			
Own Contribution to RPF	12,000		
Deposit in PPF	40,000	52,000	
- u/s 80D (Mediclaime)		16,000	
- u/s 80G			
Donation to National Defence Fund		10,000	
Donation to Trust (50%#)		7,500	85,500

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Total Income			3,08,600
Tax on above $[(\text{₹ } 2,50,000 \times 0\%) + (58,600 \times 5\%)]$			2,930
Less: Rebate u/s 87A			2,930
Tax Payable			Nil

As payment is within the limit

6. (a) Discuss the difference between direct and indirect tax? [7]
- (b) Discuss a short note with an example on
- (i) Composite supply
- (ii) Mixed supply [7]

Answer:**(a)**

Basis	Direct Tax	Indirect Tax
Meaning	Direct tax is referred to as the tax levied on a person's income and wealth and is paid directly to the government.	Indirect tax is referred to as the tax levied on a person who consumes goods and services and is paid indirectly to the government.
Nature	Progressive in nature — higher tax is levied on a person earning higher income and vice versa.	Regressive in nature — all persons bear equal burden of tax on goods or services consumed by them, irrespective of their ability to pay.
Incidence and Impact	Falls on the same person. The assessee himself bears such taxes; thus, it pinches the taxpayer.	Falls on different persons. The tax is recovered from the assessee, who passes the burden to another person; hence, it does not pinch the taxpayer directly.
Example	Income Tax	GST, Customs Duty
Evasion	Tax evasion is possible.	Tax evasion is hardly possible because the tax is included in the price of goods and services.
Inflation	Direct tax helps in reducing inflation.	Indirect tax increases the cost of goods and services, thereby promoting inflation. However, it can be used as a tool for social welfare by discouraging consumption of harmful (sin) goods through higher tax rates.
Imposition and Collection	Imposed on and collected from the same person.	Imposed on and collected from consumers of goods and services but paid and deposited by the assessee (supplier).
Burden	Cannot be shifted.	Can be shifted.
Event	Taxable income of the assessee.	Supply of goods and services.



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(b) (i) Meaning of composite supply [Sec. 2(30)]

“Composite supply” means a supply made by a taxable person to a recipient consisting of two or more taxable supplies of goods or services or both, or any combination thereof, which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply.

“Principal supply” means the supply of goods or services which constitutes the predominant element of a composite supply and to which any other supply forming part of that composite supply is ancillary – Sec.2(90).

Example:

- Where goods are packed and transported with insurance, the supply of goods, packing materials, transport and insurance is a composite supply and supply of goods is a principal supply.
- When a consumer buys a laptop and he also gets warranty, pre-installed windows and Microsoft office applications, this supply is a composite supply. Here, supply of laptop is the principal supply and others are ancillary to it.
- Food supplied to the in-patients as advised by the doctor/ nutritionist is a part of composite supply of health care and not separately taxable”. Further supplies of food by hospital to patients (not admitted) or their attendants or visitors are taxable.
- In the case of printing of books, pamphlets, brochures, annual reports, and the like, where only content is supplied by the publisher or the person who owns the usage rights to the intangible inputs while the physical inputs including paper used for printing belong to the printer, supply of printing of the content supplied by the recipient of supply is the principal supply.

ii) Meaning of Mixed Supply [Sec. 2(74)]

“Mixed supply” means two or more individual supplies of goods or services, or any combination thereof, made in conjunction with each other by a taxable person for a single price where such supply does not constitute a composite supply.

Example:

A supply of a package consisting of canned foods, sweets, chocolates, cakes, dry fruits, aerated drinks and fruit juices when supplied for a single price is a mixed supply. Each of these items can be supplied separately and is not dependent on any other. It shall not be a mixed supply if these items are supplied separately.

In order to identify if the particular supply is a Mixed Supply, the first requisite is to rule out that the supply is a composite supply. A supply can be a mixed supply only if it is not a composite supply. As a corollary it can be said that if the transaction consists of supplies not naturally bundled in the ordinary course of business then it would be a Mixed Supply. Once the amenability of the transaction as a composite supply is ruled out, it would be a mixed supply, classified in terms of a supply of goods or services attracting highest rate of tax.



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7. (a) Arjya is running a consulting firm and also a fancy store in the State of Karnataka and registered under the same PAN number. Turnover of the fancy store is ₹65,00,000 and receipt of consultancy firm is ₹10,00,000 in the preceding financial year.

You are required to discuss with the reason of following questions:

- (i) Is Arjya eligible for composition scheme under CGST Act?
- (ii) Whether it is possible for Arjya to opt composition scheme only for fancy store?
- (iii) If Arjya is running a restaurant with turnover of ₹65,00,000 instead of consultancy firm as well as a fancy store, would he be eligible for composition scheme? [7]

- (b) On the basis of following information, you are requested to compute value of taxable supply:

Particulars	₹
Advertisement through hoardings	1,00,000
Performances as folk-dance artist	80,000
Hotel room @ ₹ 2,500/- per room	1,50,000
Rent received for residential dwelling use as residence per month	20,000
Received from outdoor catering service	1,50,000
Received by a professional training centre	1,80,000
Received from service by way of transportation of passengers by inland waterways	50,000

[7]

Answer:

- (a) (i) As per section 10(2)(a) of CGST Act, 2017 if a taxable person is engaged in the supply of services (other than restaurant and outdoor catering service) is not eligible for Composition Scheme under CGST Act, 2017 except supply of services (other than restaurant and outdoor catering service), of value not exceeding 10% of turnover in a State or Union territory in the preceding financial year or ₹5,00,000, whichever is higher; 10% of ₹ 75,00,000/- is ₹7,50,000/- which is exceeded the permissible limit. Therefore, Arjya is not eligible for composition scheme.
- (ii) If a business is ineligible to opt for composition, then all other business registered under the same PAN shall automatically be ineligible for the composition scheme. So Arjya is not eligible for composition scheme only for fancy store.
- (iii) Restaurant services and fancy store are eligible for the composition scheme provided the aggregate turnover does not exceeds ₹1.50 crore.

Hence, Arjya is eligible for Composition Scheme. Since, his aggregate turnover is ₹65 lakhs (i.e. not more than ₹1.50 crore).



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- (b) Computation of value of taxable supply and tax liability:

Particulars	Amount (₹)
Advertisement through hoardings	1,00,000
Performances as folk-dance artist [Exempt as per entry 78]	Exempt
Hotel room @ ₹ 2,500/- per room	1,50,000
Rent received for residential dwelling use as residence per month	Exempt
Received from outdoor catering service [Exempt as per entry 12]	1,50,000
Received by a professional training centre	1,80,000
Received from service by way of transportation of passengers by inland waterways [Exempt as per entry 17]	Exempt
Value of taxable supply	5,80,000

8. (a) From the following information, compute the Net GST payable for the month of March, 2024:

	Output GST (₹)	Opening ITC as per credit ledger (₹)
CGST	2,000	Nil
SGST	15,000	1,000
IGST	24,000	37,000

[7]

- (b) Compute the Assessable Value of a machine imported from Germany by RLI Ltd., under Customs Act, 1962. Also calculate the duty liability of RLI Ltd.

Particulars	USDS
FOB Value	30,000
Air Freight Paid	7,250
Insurance Cost	Not Known
Designing Charges incurred in India	₹ 15,000
Indian Agent's Commission	₹ 20,000
Transport Charges from port to factory in India	₹ 15,000
Rate of duty	10%
IGST	18%
Rate of exchange notified by CBEC	₹ 85 per USD

[7]

Answer:

- (a) Computation of net GST liability:

Particulars	IGST (₹)	CGST (₹)	SGST (₹)
Opening balance of ITC	37,000	-	1,000
Less: Output GST Payable	24,000	2,000	15,000
Balance ITC / (Payable)	13,000	(2,000)	(14,000)
Adjustment of ITC of IGST	13,000	2,000	11,000



INTERMEDIATE EXAMINATION
MODEL ANSWERS
PAPER – 7
DIRECT AND INDIRECT TAXATION

SET 2
TERM – DECEMBER 2025
SYLLABUS 2022

Balance Payable	-	-	3,000
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It is to be noted that before adjusting ITC on account of CGST/SGST, ITC of IGST should be exhausted.

(b) Computation of assessable value and customs duty

Particulars	USD\$
FOB Value	\$ 30,000.00
Add: Insurance @ 1.125% of FOB Value	\$ 337.50
Add: Air Freight (restricted to 20% of FOB)	\$ 6,000.00
	\$ 36,337.50
Value in INR @ ₹ 85	₹ 30,88,688
Add: Local Agent's Commission	₹ 20,000
Assessable Value for Customs	₹ 31,08,688
	₹
Basic customs duty at 10% [A]	3,10,869
Add: Social Welfare Surcharge @ 10% of custom duty [B]	31,087
Value for the purpose of levying integrated tax	34,50,644
Add: Integrated tax @ 18% [C]	6,21,116
Total duty & tax payable [A + B + C]	9,63,072