

324

QUESTION PAPER BOOKLET CODE : **A**

Question Paper Booklet No.

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Roll No. :

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Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 100

Total number of printed pages : 20

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Note : All questions in Part-A relate to the Income Tax Act, 1961 and Assessment Year 2018-19, unless stated otherwise.

PART—A

1. An employee director of a company was paid ₹ 5 lakh as a lump sum consideration for resigning from the directorship by XYZ Ltd. The amount so paid shall be treated in the accounts of the company as
 (A) Deferred Revenue expenses
 (B) Revenue expenses
 (C) Capital expenses
 (D) Gift to employee director
2. The basic exemption limit in case of a non-resident individual being a senior citizen for assessment year 2018-19 is :
 (A) ₹ 5,00,000
 (B) ₹ 3,00,000
 (C) ₹ 2,50,000
 (D) ₹ 1,80,000
3. Contribution made or given other than by way of cash by an Indian company in the previous year to any political party or to an electoral trust shall be allowed as deduction while computing its total income under section 80 GGB of Income Tax Act, 1961 of an amount maximum or upto :
 (A) ₹ 50,000
 (B) ₹ 1,50,000
 (C) No monetary ceiling limit
 (D) None of the above
4. Total income-tax including education cess payable in case of a resident individual aged 58 years, whose computed total income is ₹ 3,40,000 for assessment year 2018-19 shall be :
 (A) ₹ 9,270
 (B) ₹ 2,060
 (C) ₹ 4,120
 (D) ₹ 4,635
5. Hari Krishna Vidhyut Company Ltd. engaged in the business of generation and distribution of power and electricity has opted WDV method for claiming depreciation on its assets. Opening balance of the block of Plant and Machinery depreciated @ 15% on 1st April, 2017 was ₹ 15,00,000. New machines of an amount of ₹ 25,00,000 were purchased on 15th Nov. 2017 but put to use from 1st December, 2017. Computers for ₹ 2,00,000 were purchased on 9th Sept. 2017 and put to use in business since that date. The depreciation including the additional depreciation available to the company on plant and machinery and on the computers shall be of an amount of for A.Y. 2018-19.
 (A) ₹ 4,92,500
 (B) ₹ 5,32,500
 (C) ₹ 7,82,500
 (D) ₹ 7,42,500

6. Radhey a trader having turnover of ₹ 90,00,000 from textile business inclusive of turnover of ₹ 20,00,000 carried through banking channel by way of drafts and online payments had opted to pay tax as per section 44AD of the Income Tax Act. The amount of income which shall be taken for the purpose of tax for Asst. Year 2018-19 under the head income from business and profession is
- (A) ₹ 9,00,000
(B) ₹ 6,80,000
(C) ₹ 7,20,000
(D) ₹ 5,40,000
7. Sardar Sukhdev Singh engaged in the business of plying, hiring or leasing of heavy goods carriages owned 6 vehicles during the period 1st April, 2017 to 31st March, 2018 which were given on lease for plying to GS Transport Company on a fixed rate of ₹ 5,000 p.m. per truck for whole year. He had opted to pay tax as per section 44AE of the Income Tax Act. The amount of income which shall be taken for all such trucks for the purpose of tax for Asst. Year 2018-19 is
- (A) ₹ 5,40,000
(B) ₹ 3,60,000
(C) ₹ 6,48,000
(D) ₹ 6,84,000
8. A capital asset purchased on 11th Sept., 2012 for ₹ 2,00,000 was sold for ₹ 3,00,000 on 18th Dec., 2017 by a Charitable Trust registered under section 12AA of the Income Tax Act. New capital assets after the sale was purchased on 1st January, 2018 for ₹ 2,60,000. The amount of capital gain arising from the sale of capital asset utilized in purchase of new asset for the A.Y. 2018-19 shall be and taxable amount shall be
- (A) ₹ 40,000 and ₹ 60,000
(B) ₹ 1,00,000 and ₹ 2,60,000
(C) ₹ 2,60,000 and ₹ 1,00,000
(D) ₹ 60,000 and ₹ 40,000
9. The base for determination of notional income arising from the operation of a ship, in case of Indian Shipping Company under section 115V to 115V2C of the Income Tax Act, 1961 is taken :
- (A) Aggregate turnover/receipt/sales of the ship
(B) Tonnage of the ship
(C) @ 8% of turnover/receipts/sales of the ship
(D) Gross profit rate of preceding year
10. Which out of the following criteria determines the Place of Effective Management (POEM) in order to treat a foreign company as resident in India (resident company) during the previous year as per guidelines issued by CBDT and the provisions contained under the Income Tax Act, 1961
- (A) General Meeting held in India
(B) Research and Development work is done in India
(C) Board Meetings are held in India
(D) None of the above

11. DAS Pvt. Ltd. fulfilling all the conditions as being specified in section 35AD of the Income Tax Act, 1961 has incurred capital expenditure of ₹ 30 lakh on purchase of land, ₹ 80 lakh (₹ 75 lakh by cheque and ₹ 5 lakh in cash) on construction of building and ₹ 10 lakh on the plant and machinery during the previous year 2017-18 for setting up and operating a warehouse for the storage of sugar. The warehouse became operational on 1st March, 2018. The amount of deduction which the company can claim for such capital expenditure as per section 35AD in A.Y. 2018-19 shall be
- (A) ₹ 120 lakh
(B) ₹ 180 lakh
(C) ₹ 85 lakh
(D) ₹ 90 lakh
12. Anand, a resident individual having computed for the previous year 1st April, 2017 to 31st March, 2018 his business loss at ₹ 60,000, short term capital gain on sale of gold of ₹ 40,000 long term capital gain on sale of house property of ₹ 3,60,000. The amount of total income to be declared in the return for the assessment year 2018-19 by Anand shall be
- (A) ₹ 4,00,000
(B) ₹ 3,40,000
(C) ₹ 4,00,000 and carry forward loss of ₹ 60,000
(D) None of the above
13. State which out of the following gifts received during the year by Girish from different persons shall be subject to tax in the assessment year 2018-19 :
- (i) Wrist watch of ₹ 75,000 given by a non-resident friend.
(ii) Cash of ₹ 51,000 given by elder brother.
(iii) Cash of ₹ 21,000 each given by 4 friends on his birthday.
(iv) Painting of ₹ 30,000 given by employer on his birthday.
- (A) (iii) and (iv)
(B) (i), (iii) and (iv)
(C) (ii) and (iii)
(D) All the four in (i), (ii), (iii) and (iv)
14. Kapoor gifted ₹ 10,00,000 to his wife Sunita Kapoor on 15th May, 2017. The amount of gift of ₹ 10,00,000 was invested by his wife in debentures of a company on 1st June, 2017 earning interest @ 12% p.a. The income of interest of from the debentures earned by Sunita Kapoor shall be with the income of Kapoor in A.Y. 2018-19.
- (A) ₹ 1,20,000, not clubbed
(B) ₹ 1,00,000, clubbed
(C) ₹ 1,00,000, not clubbed
(D) ₹ 1,20,000, clubbed
15. The assessee who has filed a return of income for A.Y. 2018-19 as per section 139(1) can file revise return any time :
- (A) before 1 year from the end of the relevant assessment year
(B) before the end of the relevant assessment year or before the completion of assessment whichever is earlier
(C) before the expiry of the relevant assessment year or before the completion of assessment whichever is later
(D) before the completion of the assessment year

16. The time limit for filing an appeal by person denying liability to deduct tax in respect of payments payable to non-resident or a foreign company as provided in section 249(2)(a) of the Income Tax Act 1961 is within :
- (A) 30 days from the date of payment of tax deducted at source to the credit of Central Government
- (B) 35 days from the date of payment of tax deducted at source to the credit of Central Government
- (C) 45 days from the date of payment of tax deducted at source to the credit of Central Government
- (D) 60 days from the date of payment of tax deducted at source to the credit of Central Government
17. The due date for e-filing of return of income by a Charitable Trust claiming exemption u/s 11 and 12 for assessment year 2018-19 is :
- (A) 31st March, 2018
- (B) 30th September, 2018
- (C) 31st August, 2018
- (D) Between any time specified in (B) and (C)
18. An application for stay of demand to be filed before the Income Tax Appellate Tribunal (ITAT) has to be accompanied by requisite fee of :
- (A) ₹ 1,000
- (B) ₹ 500
- (C) ₹ 1,500
- (D) ₹ 10,000
19. Which planning is based on the measures which circumvent the law ?
- (A) Long-range tax planning
- (B) Purposive tax planning
- (C) Short range planning
- (D) Permissive tax planning
20. R sold a machine to H (Associated Enterprise) and in turn H sold the same machinery to N (an independent party) at sale margin of 40% for ₹ 6,00,000 but H has incurred ₹ 8,000 in sending the machine to N. The "Arm Length Price" (ALP) in respect of the machine sold on the basis of Retail Price Method as per provisions of the Income Tax Act, 1961 shall be :
- (A) ₹ 6 lakh
- (B) ₹ 3.6 lakh
- (C) ₹ 3.52 lakh
- (D) ₹ 6.08 lakh
21. Income earned in the other contracting state from the operation of ships in international traffic as per Double Taxation Avoidance Agreements (DTAA), will be taxed in that contracting State where
- (A) PE (Permanent Establishment) is situated
- (B) the place of effective management (POEM) of enterprises is situated
- (C) the business of air and shipping originated
- (D) none of the above
22. General Anti Avoidance Rule (GAAR) though were announced in the Finance Act, 2012 but had been deferred and been made applicable in India from :
- (A) Assessment year 2017-18
- (B) Assessment year 2018-19
- (C) Assessment year 2019-20
- (D) None of the above

23. State the relevant Form No. for filing an application to Authority for Advance Ruling by a resident having transactions with a non-resident and the amount of fees to be paid for filing such application :
- (A) 34 EA & ₹ 5,000
 (B) 34 C & ₹ 2,500
 (C) 34 D & ₹ 10,000
 (D) 34 E & ₹ 5,000
24. Qualification prescribed for appointment as a Chairman of Authority for Advance Ruling (AAR) as specified under the Income Tax Act, 1961 in Section 245-O is
- (A) Judge of High Court
 (B) A law member from Indian Legal Service
 (C) Judge of the Supreme Court
 (D) A Revenue member from Indian Revenue Service
25. Depreciation whether to be allowed on the purchase and installation of a fire extinguisher by a practicing CS in his office, even when the same is not put to use or used during the year of acquisition as stipulated under section 32 of Income Tax, 1961 :
- (A) No, Failure to use for the profession or business
 (B) Yes, Safety measures and kept stand by, treated as passive use and eligible for depreciation
 (C) Yes, Allowable @ 10% of the cost
 (D) Yes, Allowable @ 50% of the cost
26. XYZ Pvt. Ltd. had distributed income of ₹ 9,00,000 to Rajesh for the reason of buyback of its shares from him on 1st March, 2018. These shares were purchased by him for ₹ 5,00,000 on 1st March, 2012. The income out of the amount received by Rajesh against the buyback of shares from the company XYZ Pvt. Ltd. shall be subject to tax in A.Y. 2018-19 shall be of
- (A) ₹ 4 lakh
 (B) ₹ 9 lakh
 (C) Nil being exempt u/s 10 (34A) of Act
 (D) None of the above
27. Radhey has sold his residential house on 11th Sept., 2017 for ₹ 75 lakh. Value applied by the Stamp Valuation Authority on the date of registration of the Conveyance Deed on 15th Sept., 2017 was of ₹ 115 lakh. Radhey disputed the valuation made by the Stamp Valuation Authority and asked the departmental valuation officer to determine the value of the house on the date of registration of deed. The departmental valuation officer determined the value of the house on the date of registration of the deed at ₹ 120 lacs. Sale value of the house to be taken for calculation of capital gain in A.Y. 2018-19 as per section shall be of
- (A) 50C, ₹ 115 lakh
 (B) 50C, ₹ 120 lakh
 (C) 48, ₹ 75 lakh
 (D) 45, Indexed cost of ₹ 75 lakh

28. DJPA, LLP, resident in India has received dividend of ₹ 15 lakh from R Ltd., an Indian company, on which the company R Ltd. had paid Dividend Distribution Tax (DDT) under section 115-O of the Income-Tax Act, 1961. The amount of tax payable by DJPA, LLP in respect of such dividend income for A.Y. 2018-19 shall be :
- (A) ₹ 5 lakh
(B) ₹ 10 lakh
(C) ₹ 51,500
(D) ₹ 77,250
29. Radha engaged in the trading business and had contributed a sum of ₹ 1 lakh to an approved university in July, 17 to be used for scientific research, which is not related to her business. The amount of deduction for which she is eligible under section 35 of Income-Tax Act, 1961 for assessment year 2018-19 would be :
- (A) ₹ 1 lakh
(B) ₹ 1.5 lakh
(C) ₹ 1.75 lakh
(D) ₹ 2 lakh
30. All income which arises or accrues to the minor child (not suffering from any disability as specified in section 80 U) shall be clubbed with the income of parent whose total income excluding the income to be included of the minor not derived from any activity involving application of his skill, talent or specialized knowledge :
- (A) in the hands of father only
(B) in the hands of mother only
(C) equally in the hands of both mother and father
(D) with the income of that parent whose total income is greater before clubbing of such income
31. The loss computed under the head “Income from house property” can be set-off by intra head adjustment during the same year from :
- (A) any other head of income upto maximum of ₹ 2,50,000
(B) any other head of income upto maximum of ₹ 3,00,000
(C) any other head of income upto maximum of ₹ 5,00,000
(D) any other head of income upto maximum of ₹ 2,00,000
32. An assessee is not eligible to claim any relief under section 89 of Income Tax Act, 1961, when he is in receipt of income as arrears or in advance during the previous year from his employer :
- (A) in respect of gratuity
(B) in respect of commutation of pension
(C) in respect of arrears of family pension
(D) in respect of amount received on voluntary retirement or termination of services
33. SJG Ltd., a manufacturer of leather goods in a factory located at Noida having an annual turnover of ₹ 50 crore. The company, during the year, employed 200 new regular workers in the factory, which was 20% of the existing work-force employed on the last day of the preceding year. It paid ₹ 30 lakh to the new workers during the year as additional wages. All workmen were employed from 1st May, 2017. The eligible amount of deduction which the company can claim under section 80 JJAA of Income-Tax Act, 1961 is :
- (A) ₹ 30 lakh
(B) ₹ 15 lakh
(C) ₹ 9 lakh
(D) ₹ 18 lakh

34. The quantum of deduction available to offshore Banking Units under section 80LA of Income-Tax Act, 1961 located in Special Economic Zone (SEZ) and satisfying all conditions from the Gross Total Income is :
- (A) 100% of such income for five consecutive assessment years, relating to the previous year in which the permission was obtained
 (B) 50% of such income for next five consecutive years
 (C) 25% of such income for next ten years
 (D) both (A) and (B)
35. Ram & Co., a proprietorship firm has paid tax for the assessment year 2018-19 as per section 115JC of the Income Tax Act, 1961. Credit of such paid tax can be carried forward by the proprietor for a period of following number of assessment years immediately succeeding the assessment year 2018-19 :
- (A) 8 years
 (B) 5 years
 (C) 10 years
 (D) 15 years
36. Which out of the following income is not to be clubbed while computing income of the Hindu Undivided Family (HUF) for the assessment year 2018-19 ?
- (A) Fees or remuneration received by the member as a director or a partner in the company or firm if the funds of the HUF are invested in a company or firm
 (B) Income from 'stridhan' and personal income of the members
 (C) Income of minor sons out of the investments of the family funds
 (D) None of the above
37. The assessee opting to pay tax under the provisions of section 44ADA is not be required to maintain books of accounts as per section 44AA and gets the accounts audited under section 44AB of the Income Tax Act, 1961 where
- (A) It claims that the profit and gains from the profession is higher than the deemed profit and gains
 (B) Total gross receipts should not exceed ₹ 60 lakh
 (C) Its income does not exceed the maximum amount which is not chargeable to income tax
 (D) Both (A) and (C)
38. The lock in period under the scheme of presumptive taxation based on the tonnage of the ship, in case of Shipping Company, under the provisions of sections 115 to 115 V2C is :
- (A) 5 years
 (B) 7 years
 (C) 10 years
 (D) 3 years
39. Which of the undermentioned incomes of a Co-operative Society is not eligible for deduction under section 80 P of the Income Tax Act, 1961 when the gross total income of the society exceeds ₹ 20,000 ?
- (A) Agency business
 (B) Income from letting of godown
 (C) Income from house property
 (D) Dividend from other Co-operative Societies

40. Tax shall be charged on the total income of the AOP at the maximum marginal rate under the provisions of section 167B of Income Tax Act, 1961 :
- (A) where individual shares of the members of an association or body are indeterminable or unknown in relation to the whole of income
- (B) where members share equally
- (C) where the individual shares of the members of an associate or body are indeterminable or unknown relating to any part of income
- (D) Both (A) and (C)
41. Income tax on the income from the transfer of Carbon Credit under section 115BG of Income Tax, 1961 derived/earned during the previous year 2017-18 shall be taxable :
- (A) At normal rate of tax
- (B) At concessional rate of 10% only
- (C) At concessional rate of 10% (+SC+EC+SHEC)
- (D) At 20% of concessional rate
42. Income Tax Act, 1961 distinguished a closely held company from widely held company significantly from the viewpoint of :
- (A) tax levied at different rates
- (B) section 2(22)(e) where certain payments made to shareholders are treated as deemed dividend
- (C) allowed to carry forward its business losses only if the conditions specified in section 79 are satisfied
- (D) Both (B) and (C)
43. While calculating Book Profits under section 115 JB of Income Tax Act, 1961, which of the following is not to be added ?
- (A) The amount of dividend upto ₹ 10 lakh
- (B) Interest on Income tax including surcharge and cess
- (C) The amounts carried to any reserves
- (D) The amount by way of provision for losses of subsidiary companies
44. While calculating book profits under section 115 JB of Income Tax Act, 1961 which of the following is not to be deducted ?
- (A) The amount withdrawn from any reserve or provision if any such amount is credited to the Profit & Loss Account
- (B) The amount of income by way of royalty in respect of patent chargeable to tax under section 115BBF
- (C) Long term capital gain referred under section 10(38) of the Act
- (D) Brought forward loss/unabsorbed depreciation whichever is less
45. Income of a non-resident from airline business under section 44BBA of Income Tax Act, 1961 is calculated at the rate of percentage of the aggregate amounts specified, on presumptive basis.
- (A) 7.5%
- (B) 5%
- (C) 10%
- (D) 15%

46. Royalty of ₹ 105 lakh received by a foreign company from an Indian concern in pursuance of an agreement approved by the Central Government in the previous year 2017-18. The amount of tax payable on such royalty Income for Asst. Year 2018-19 is :
- (A) ₹ 10 lakh
 (B) ₹ 11.03 lakh
 (C) ₹ 20 lakh
 (D) ₹ 22.06 lakh
47. Nargis during the previous year 1st April, 2017 to 31st March, 2018 had donated the amount of ₹ 50,000 each in Africa Fund, National Children Fund, National Illness Assistance Fund and further amount of ₹ 30,000 in Rajiv Gandhi Foundation. The amount of deduction eligible to be claimed by her as per section in A.Y. 2018-19 shall be of
- (A) 80GG, ₹ 1,80,000
 (B) 80G, ₹ 1,65,000
 (C) 80GGB, ₹ 1,50,000
 (D) 80G, ₹ 90,000
48. Payment of ₹ 2,00,000 was made to Krishna Roadways Pvt. Ltd. owning nine heavy goods carriages and having PAN which was furnished by them to the payer of freight GG Carriers. The amount of tax to be deducted by the payer on such amount is as per section
- (A) ₹ 2,000, 194C
 (B) ₹ 10,000, 194C
 (C) ₹ 4,000, 194C
 (D) Nil because PAN furnished, 194C(6)
49. State whether tax is required to be collected at source (TCS) under the provision of section 206C of Income Act, 1961 by a person making
- (A) Payment of dividend
 (B) Winning from horse races
 (C) Sale of motor vehicle of the value exceeding ₹ 10 lakh by a dealer to the customer
 (D) Payment to non-resident
50. It is obligatory for an assessee to make payment of tax under section 208 of Income Tax Act, 1961
- (A) Where the advance tax payable is ₹ 10,000 or more
 (B) Where the advance tax payable is ₹ 2,500 or more
 (C) Where the advance tax payable is ₹ 5,000 or more
 (D) Where the advance tax payable is ₹ 1,000 or more
51. Interest is payable to an assessee on the amount of refund under the Income Tax Act, 1961 where the amount of refund is
- (A) more than ten percent of the tax as determined on regular assessment
 (B) more than five percent of the tax as determined on regular assessment
 (C) more than fifteen percent of the tax as determined on regular assessment
 (D) more than twenty percent of the tax as determined on regular assessment
52. Any person who has not filed the return within the time allowed under section 139(1) may file a belated return :
- (A) at any time before the end of the relevant previous year
 (B) at any time before the end of the relevant assessment year
 (C) before the completion of assessment
 (D) at any time before the end of the relevant assessment year or before the completion of the assessment whichever is earlier

53. The self-assessment tax computed u/s 140 A by an individual assessee is ₹ 1,50,000 which includes ₹ 15,000 as interest for late filing of return as per section 234A. The assessee has deposited ₹ 75,000 as self-assessment tax. In this case :
- (A) ₹ 75,000 so deposited shall be adjusted in the proportion of 9 : 1 towards tax and interest
- (B) ₹ 15,000 shall be adjusted towards interest due and balance of ₹ 60,000 shall be adjusted towards tax due
- (C) ₹ 75,000 so deposited shall be adjusted towards tax due
- (D) None of the above
54. The assessee can file an application for rectification of mistake as per section 154 of the Act when it is
- (i) a mistake of fact
- (ii) a mistake of law
- (iii) glaring obvious or apparent from the records
- (iv) a decision on debatable point of law
- (A) (i) and (iii)
- (B) (i), (ii) and (iv)
- (C) (i), (ii) and (iii)
- (D) all of the above
55. The time limit for completion of Assessment/ Re-assessment under section 143 and 144 of the Income Tax Act, 1961 is
- (A) 24 months from the end of relevant assessment year
- (B) 18 months from the end of relevant assessment year
- (C) 12 months from the end of relevant assessment year
- (D) 9 months from the end of relevant assessment year
56. What are the items taken into consideration by Assessing Officer (AO) while processing a return at Centralised Processing Centre (CPC) ?
- (A) the total income or loss after making adjustments for any arithmetical error in the return
- (B) an incorrect claim, if such incorrect claim is apparent from any information in the return
- (C) the fee payable under section 234F (fee for default in furnishing return of income) in computing the tax
- (D) All of the above
57. The maximum penalty leviable for under reporting of income which results from misreporting of income by the assessee is :
- (A) Two hundred percent of the tax payable
- (B) One hundred percent of the tax payable
- (C) Fifty percent of the tax payable
- (D) Three hundred percent of the tax payable
58. The rationale behind power of revision of orders prejudicial to the interest of revenue conferred on the Commissioner of Income Tax under section 263 of Income Tax, Act, 1961 is that :
- (A) the order passed is without inquiries or verification which should have been made
- (B) the order is passed allowing any relief without inquiring into the claim
- (C) the department has no right of appeal to the Commissioner (Appeals) against any order passed by the Assessing Officer
- (D) the order has not been made in accordance with any order, direction or instruction issued by the Board under section 119

59. The Patna High Court following the decision laid down by the Bombay High Court in the case of Mahindra Sintered Products Ltd. held that to claim special deduction u/s 80 J, the assessee has to establish the fact/facts relating to
- (A) investment of substantial fresh capital in the new industrial undertaking so set up
 (B) earning of profits clearly attributable to the said undertaking
 (C) manufacture or production of articles on the said undertaking
 (D) all of the above
60. The provisions of “deemed dividend” under section 2(22)(e) of the Income Tax Act, 1961, in respect of advances or loans to shareholders, or any payment on behalf of shareholders or any payment for the individual benefit of a shareholder are applicable to :
- (A) A Public Limited Listed Company
 (B) A Public Limited Unlisted Company
 (C) A Closely held Company
 (D) None of the above
61. The benefit of carry forward and set-off of losses under section 79 of Income Tax Act, 1961, by a closely held Indian company which is a subsidiary of a foreign company as a result of amalgamation or demerger, is subject to the condition that specified percentage of the shareholders of the amalgamating or demerged foreign company continue to be the shareholders of the amalgamated or the resulting foreign company which is :
- (A) 51%
 (B) 10%
 (C) 26%
 (D) 100%
62. A resident individual can avail the benefit of rebate of ₹ 2,500 or 100% of Income Tax whichever is less under section 87A of Income Tax Act, 1961 for the assessment year 2018-19 on fulfilling the condition that total income does not exceed :
- (A) ₹ 2,50,000
 (B) ₹ 3,50,000
 (C) ₹ 5,00,000
 (D) ₹ 3,00,000
63. Surcharge on the amount of tax is to be levied at specified percentage when an individual is having income exceeding specified limits :
- (A) @ 7% having income exceeding ₹ 1 crore and @ 12% if the income exceeds ₹ 10 crores
 (B) @ 2% having income exceeding ₹ 1 crore and @ 12% if the income exceeds ₹ 10 crores
 (C) @ 15% having income exceeding ₹ 1 crore and @ 10% if the income exceeds ₹ 50 lakh but does not exceed ₹ 1 crore
 (D) None of the above
64. D an individual resident of India, aged 62 years, received after TDS of professional fees of ₹ 2,50,000 on 1st July, 2017 and ₹ 3,00,000 on 1st March, 2018 for rendering services in Hong Kong on which TDS of ₹ 50,000 and ₹ 60,000 have been deducted respectively. He incurred ₹ 2,60,000 as expenditure for earning this fees. He deposited ₹ 1,00,000 in PPF account. His income from other sources is ₹ 1,50,000. Tax liability including cess of D for Asst. Year 2018-19 will be assuming that India do not have any tax treaty with Hong Kong :
- (A) ₹ 10,300
 (B) Nil
 (C) ₹ 7,725
 (D) None of the above

65. The equalization levy would be applicable from a non-resident having permanent establishment in India, on gross consideration payable for a “specified service” at a specified percentage. The applicable rate of equalization levy is
- (A) 10%
 (B) 5%
 (C) 2%
 (D) 6%
66. Engineering Instruments Ltd. is a 100% Indian subsidiary of a USA company. The parent company sells one of its products to the Indian subsidiary at a price of \$ 200 per unit. The same product is sold to unrelated buyers in India at a price of \$ 250 per unit. The Arm Length Price (ALP) of the product so sold to the Indian subsidiary by the parent company shall be taken in the case when there is no functional differences in both the prices at
- (A) \$ 50 per unit
 (B) \$ 250 per unit
 (C) \$ 200 per unit
 (D) \$ 450 per unit
67. How the relief of double taxation is allowed when a person resident in India, in any previous year, has paid tax in any country with which India has no bilateral agreement under section 90 ?
- (A) Lower of tax paid in India and tax paid in foreign country
 (B) Higher of tax paid in India and tax paid in foreign country
 (C) Lower of average Indian Income tax rate or the average Foreign tax rate
 (D) Higher of average Indian Income tax rate or the average Foreign tax rate
68. Which amongst the following is *not* a power of Authority for Advance Ruling (AAR) ?
- (A) Power to arrest
 (B) Compelling the production of books of accounts and other documents
 (C) Discovery and inspection
 (D) Enforcing the attendance of any person including any officer of a banking company and examining him on oath
69. Find out from the following, when shall an arrangement be deemed to be lacking in commercial substance so as to invoke provisions of General Anti Avoidance Rule (GAAR) under the Income Tax Act, 1961
- (i) not a round trip financing
 (ii) an accommodation party
 (iii) elements having effect of offsetting or cancelling each other
- (A) (i) and (ii)
 (B) (ii) and (iii)
 (C) (ii)
 (D) all the three above in (i), (ii) and (iii)
70. An application for Advance Pricing Agreement (APA) was filed on 28th Feb., 2015 covering a period from financial years 2015-16 to 2019-20. The applicant applies for roll back of such APA. The roll back years can cover the period from
- (A) F.Y. 2015-16 to 2018-19
 (B) F.Y. 2013-14 to 2016-17
 (C) F.Y. 2012-13 to 2015-16
 (D) F.Y. 2011-12 to 2014-15

PART—B

71. Find out from the following, who will be the member in GST Council on behalf of each of the State :
- (A) Chief Minister of the State
 (B) Home Minister of the State
 (C) The Minister in charge of Finance or Taxation or any other Minister nominated by the State Government
 (D) Chief Secretary of the State
72. The assessee is required mandatorily to mention the Harmonized System Nomenclature (HSN) or Service Accounting Code (SAC) on the tax invoice of the product or service supplied under GST :
- (A) having a turnover of ₹ 2 crore and above
 (B) having a turnover of ₹ 3 crore and above
 (C) having a turnover of ₹ 4 crore and above
 (D) having a turnover of ₹ 5 crore and above
73. GST Council is being constituted for making recommendation on various issues relating to policy making, formulation of principle and implementation of policies relating to CGST Act, 2017. It is thus
- (A) An administrative body
 (B) A Central level body
 (C) A Committee of Finance Ministers
 (D) An Apex Body
74. Exempt supply means supply of any goods or services or both which may be wholly exempt from tax under section 11 or under section 6 of the IGST Act and includes
- (i) Non-taxable supply
 (ii) Zero rated supply
 (iii) Supply having Nil rate of tax
 (iv) Composite supply
- (A) (i), (ii) and (iii)
 (B) (i) and (iv)
 (C) (i) and (iii)
 (D) All the four above
75. The exception to the general rule that “normally, the supplier of goods and services is liable to pay tax on supply, even if he does not collect from his customer i.e. recipient of supply of goods or services” shall be applicable where there are :
- (A) supply from an unregistered dealer to registered dealer
 (B) specified services through an e-commerce operator
 (C) both (A) and (B)
 (D) none of the above

76. Mr. S, a manufacturer of medicines, whose turnover for financial year 2017-18 was of ₹ 70 lakh opted to pay tax under GST as per composition scheme from 1st April, 2018. His turnover crosses ₹ 1 crore on 30 November, 2018. Will he be allowed to pay tax under composition scheme for the remainder of year i.e. from 1st December, 2018 to 31st March, 2019 ?
- (A) Yes, he can avail the benefit till 31st March, 2019
- (B) No, the option availed shall lapse from the day on which his aggregate turnover during the financial year 2018-19 exceeds ₹ 1 crore
- (C) Yes, the option can be availed upto completion of half financial year i.e. till 30th September, 2018
- (D) None of the above
77. A supply made by a taxable person to a recipient of goods being buyer consisting of two or more taxable supplies of goods or services or of both or any combination thereof which are only bundled and supplied in conjunction with each other in the ordinary course of business out of which one is a principal supply has been defined u/s 2(3) of CGST Act, 2017 as
- (A) Composite supply
- (B) Mixed supply
- (C) Higher rate tax supply
- (D) Bundled supply
78. Taxable person whose registration has been surrendered or cancelled is required to file the return within 3 months of the date of cancellation or date of cancellation order whichever is later in Form Number
- (A) GSTR-13
- (B) GSTR-10
- (C) GSTR-7
- (D) GSTR-9
79. The payment of tax by electronic operator who does not have physical presence in taxable territory in India be made by
- (A) e-commerce operator himself
- (B) his appointed representative in India
- (C) the person who receives supply
- (D) either (A) or (B)
80. The time of supply “where goods or services or both have been supplied in a situation where the invoice issued before the change in the rate of tax but payment received after the change in rate of tax” as per section 14 of the CGST Act, 2017 shall be :
- (A) Date of issue of invoice
- (B) Date of receipt of payment or the date of issue of invoice whichever is earlier
- (C) Date of receipt of payment
- (D) None of the above

81. State the “Base Year” and “Projected Growth Rate” for the purpose of calculating the compensation amount payable by the Centre on account of revenue loss to the States as specified under the Goods and Services Tax (Compensation to States) Act, 2017 :
- (A) Financial Year 2014-15, @ 14%
 (B) Financial Year 2015-16, @ 14%
 (C) Financial Year 2016-17, @ 14%
 (D) Financial Year 2017-18, @ 14%
82. The limit of nautical miles from base line of sea coast into the sea in order to determine the supply in territorial water as per section 9 of the IGST Act, 2017 is :
- (A) Upto 7 nautical miles
 (B) Upto 10 nautical miles
 (C) Upto 12 nautical miles
 (D) Upto 20 nautical miles
83. Which of the following called the Union territory as being covered under Union Territory Goods and Service Tax Act, (UTGST), 2017 ?
- (A) Andaman and Nicobar Island
 (B) Puducherry
 (C) Daman and Diu
 (D) None of the above
84. Subsidy given by the Central Government or a State Government while determining value of taxable supply under Goods and Service Tax (GST) as per section 15 of the CGST Act, 2017 :
- (A) included in the transaction value i.e. (value of taxable supply)
 (B) just ignored no treatment
 (C) shall not be included in transaction value i.e. (value of taxable supply)
 (D) deducted from the transaction value i.e. (value of taxable supply)
85. Patel of Surat, Gujarat supplied goods to Patil of Mumbai, Maharashtra for ₹ 1,20,000 (excluding GST) but after adding 30% profit margin (on cost). Patil is also a taxable person. IGST rate is 18%. The amount of input tax credit that can be availed and the maximum time limit for availing such input tax credit by Patil of Mumbai, Maharashtra as per CGST Act, 2017 is
- (A) ₹ 28,080 and within 6 months from the date of issue of tax invoice
 (B) ₹ 7,020 and within next quarter from the date of issue of tax invoice
 (C) ₹ 21,600 and within 1 year from the date of issue of tax invoice
 (D) None of the above

86. The stipulated time limit within which inputs and capital goods sent to a job worker in a job work, shall be brought back and beyond that period it will be treated as supply and tax is payable by the principal as per CGST Act, 2017 is
- (A) 6 months and 1 year in case of inputs and capital goods respectively
 (B) 1 year and 2 years in case of inputs and capital goods respectively
 (C) 1 year and 3 years in case of inputs and capital goods respectively
 (D) None of the above
87. The credit of tax paid on input services used by more than one supplier be distributed as per provisions of the CGST Act, 2017
- (A) only to one supplier
 (B) equally among all the suppliers
 (C) among the suppliers who used such input service on pro rata basis of turnover in such state
 (D) cannot be distributed
88. The GST Council for ensuring single interface has distributed the administrative control of tax payers of certain percentage with Central Tax Administration :
- (A) 5% of tax payers having turnover below ₹ 1 crore
 (B) 10% of tax payers having turnover below ₹ 1.5 crores
 (C) 10% of tax payers having turnover below ₹ 1 crore
 (D) 20% of tax payers having turnover below ₹ 1.5 crores
89. The time duration for retention of accounts and records under Goods and Services Tax (GST) as per section 36 of the CGST Act, 2017 is :
- (A) Until expiry of 36 months from the due date of furnishing of annual return for the year pertaining to such accounts and records
 (B) Until expiry of 48 months from the due date of furnishing of annual return for the year pertaining to such accounts and records
 (C) Until expiry of 60 months from the due date of furnishing of annual return for the year pertaining to such accounts and records
 (D) Until expiry of 72 months from the due date of furnishing of annual return for the year pertaining to such accounts and records
90. Find out from the following, who are the persons not liable for registration under section 30 of the CGST Act, 2017 :
- (A) non-resident making taxable supply
 (B) person supplying exempted goods and services or goods or services which are not liable for tax under GST
 (C) an agriculturist, to the extent of supply of produce out of cultivation of land
 (D) both (B) and (C)

91. Maximum validity period of certificate of registration issued to a casual and non-resident taxable person as per section 27 of the CGST Act, 2017 is :
- (A) 90 days from the effective date of registration
 (B) 180 days from the effective date of registration
 (C) 365 days from the effective date of registration
 (D) none of the above
92. The quantum of punishment “where any person convicted of an offence under section 132(2) of the CGST Act, 2017 and again convicted of an offence under this section” is :
- (A) imprisonment for a term which may extend to five years and with fine
 (B) imprisonment for a term which may extend to four years and with fine
 (C) imprisonment for a term which may extend to three years and with fine
 (D) imprisonment for a term which may extend to two years and with fine
93. The validity period specified for an e-way bill or a consolidated e-way bill under E-way rules as specified in rule 138 for
- (A) distance upto 1 km—half day
 (B) distance upto 10 km—1 day
 (C) for every 100 km or part thereof thereafter—one additional day
 (D) both (B) and (C) above
94. Grounds which leads a commissioner to order for a special audit in case of a registered person by a communication in writing for getting his records including books of accounts examined and audited and by a person who
- (A) supplies any goods or service or both without issue of any invoice by Cost Accountant or Company Secretary
 (B) avail input tax credit with bogus invoice. by Company Secretary or Cost Accountant
 (C) has not correctly declared the value or the credit availed is not within the normal limits, by a Chartered Accountant or a Cost Accountant
 (D) none of the above
95. State the default committed on the part of a registered person which attracts an action by the proper officer to make best judgement assessment and also state the time limit within which such assessment is to be made :
- (A) furnish inaccurate data in return and within 2 years from the due date of annual return of the period to which the tax not paid relates
 (B) fails to file general return under section 39 and within 5 years from the due date of annual return of the period to which tax not paid relates
 (C) fails to file final return under section 45 even after notice under section 46 and within 5 years from the due date of annual return of the period to which tax not paid relates
 (D) both (B) and (C) above

96. Section 51 of the CGST Act, 2017 mandates deduction of tax at source (TDS) at a specified percentage by the Government or Local Authorities from the payments made or credited to the supplier where the value of supply under a contract exceeds specified limit. State the specified percentage of TDS and the threshold limit of taxable goods or services or both under the contract
- (A) 0.50% & ₹ 1,00,000
 (B) 0.75% & ₹ 1,50,000
 (C) 2% & ₹ 5,00,000
 (D) 1% & ₹ 2,50,000
97. Who is authorized under Integrated Goods and Service Tax (IGST) Act, to levy tax :
- (A) State
 (B) Centre
 (C) Union Territory
 (D) Both (A) and (B)
98. State which shall be taken as the effective date of registration as per CGST Act, 2017 where the aggregate turnover of Madhur Company engaged in supply of taxable services in the state of Rajasthan exceeded ₹ 20 lakh during the year on 25th September, 2017, the application for registration under GST was filed on 19th October, 2017 and the registration certificate was granted on 29th October, 2017 by the authority :
- (A) 25-9-2017
 (B) 19-10-2017
 (C) 24-10-2017
 (D) 29-10-2017
99. Consumer Welfare Fund has been constituted by the Government of India and as per section 57 of the CGST Act, 2017, the following amounts will be credited to this fund :
- (i) amount referred to in section 54(5)
 (ii) refund of tax in pursuance of section 77
 (iii) income from investment of the fund amount
 (iv) refund of unutilized input tax credit
- (A) (ii) and (iii)
 (B) (i) and (iii)
 (C) (i), (ii) and (iv)
 (D) All the four above
100. The available balance of input tax credit in the electronic ledger of the registered person on account of Union territory tax shall be utilized as per section 9 of UTGST Act, 2017
- (A) first towards payment of central tax
 (B) first towards payment of integrated tax
 (C) first towards payment of union territory tax and the amount remaining, if any towards payment of integrated tax
 (D) none of the above

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