

EXECUTIVE PROGRAMME
TAX LAWS AND PRACTICE
PRACTICE TEST PAPER

(This test paper is for practice and self study only and not to be sent to the institute)

Time allowed: 3 hours

Maximum mark: 100

[Attempt all questions. Each question carries 1 mark. There is no negative mark for incorrect answers.]

PART A

1. A person includes:
 - a) Only Individual
 - b) Only Individual and HUF
 - c) Individuals, HUF, Firm, Company only
 - d) Individuals, HUF, Company, Firm, AOP or BOI, Local Authority, Every Artificial Juridical Person
2. Every assessee is a person, and
 - a) every person is also an assessee
 - b) every person need not be an assessee
 - c) an individual is always an assessee
 - d) A HUF is always an assessee
3. Describe the status of the following person (i.e. individual, HUF, Firm, Company etc.) X and Y are legal heirs of Z. Z died in 2014 and X and Y carry on his business without entering into a partnership.
 - a) Firm
 - b) Limited Liability Partnership
 - c) Company
 - d) Body of Individual
4. Assessment year can be a period of:
 - a) only more than 12 months
 - b) 12 months and less than 12 months
 - c) only 12 months
 - d) 12 months and more than 12 months
5. Year in which income is taxable is known as..... and year in which income is earned is known as.....
 - a) Previous year, Assessment year
 - b) Assessment year, Previous year
 - c) Assessment year, Assessment year
 - d) Previous year, Previous year

6. All assesseees are required to follow:
 - a) Uniform previous year which must be calendar year only
 - b) Uniform previous year which must be financial year only
 - c) Any period of 12 months
 - d) Period starting from 1st July to 30th June only
7. First previous year in case of a business/profession newly set up on 31.3.2015 would:
 - a) Start from 1st April, 2014 and end on 31st March, 2015
 - b) Start from 31st March, 2015 and will end on 31st March, 2015
 - c) Start from 1st January, 2015 and end on 31st December, 2015
 - d) Start from 1st January, 2015 and will end on 31st March, 2015
8. A person follows Calendar year for accounting. For taxation, he has to follow:
 - a) Calendar year only - 1st January to 31st December
 - b) Financial year only - 1st April to 31st March
 - c) Any of the Calendar or Financial year as per his choice
 - d) He will follow extended year from 1st January to next 31st March (a period of 15 months)
9. In which of the following cases, income of previous year is assessable in the previous year itself:
 - a) Assessment of persons leaving India
 - b) A person in employment in India
 - c) A person who is into illegal business
 - d) A person who is running a charitable institution
10. In which of the following cases, Assessing Officer has the discretion to assess the income of previous year in previous year itself or in the subsequent assessment year:
 - a) Shipping business of non-residents
 - b) Assessment of Association of Persons or Body of Individuals formed for a particular event or purpose
 - c) Assessment of persons likely to transfer property to avoid tax
 - d) Discontinued business
11. In case of a female individual, who is of 59 years of age, what is the maximum exemption limit for AY 2015-16:
 - a) Rs. 2,50,000
 - b) Rs. 2,00,000
 - c) Rs. 5,00,000
 - d) Nil
12. Calculate Income-tax payable by an Individual (aged 30 years) for AY 2014-15 if his total income is Rs. 1,01,70,000:
 - a) Rs. 30,38,500

- b) Rs. 32,47,180
 - c) Rs. 29,14,900
 - d) Rs. 29,50,000
13. Calculate the amount of rebate under section 87A in case of a resident individual having total income of Rs. 3,00,000.
- a) Rs. 30,000
 - b) Rs. 10,000
 - c) Rs. 2,000
 - d) Rs. 5,000
14. Out of the following, which of the capital receipt is not taxable:
- a) Capital gains of Rs. 10,00,000
 - b) Amount of Rs. 5,00,000 won by way of lottery, games, puzzles
 - c) Amount of Rs. 2,00,000 received by way of gift from relatives
 - d) Amount of Rs. 1,00,000 received by way of gift from a friend on marriage anniversary
15. Total income is to be rounded off to nearest multiple of..... and tax is to be rounded off to nearest multiple of
- a) Ten, Rupee
 - b) Hundred, Ten
 - c) Ten, Ten
 - d) Rupee, Rupee
16. Income accrued outside India and received outside India is taxable in case of:
- a) Resident and ordinary resident (ROR) only
 - b) Resident but not ordinary resident (RNOR) only
 - c) Non resident only
 - d) ROR, RNOR and Non-Resident
17. An Indian company would:
- a) be resident in India if its control and management is wholly situated in India
 - b) be resident in India if its control and management is wholly or partly situated in India
 - c) be resident in India if its control and management is wholly situated outside India
 - d) be always resident in India irrespective of control and management
18. Determine the residential status of a HUF if HUF's control and management is wholly situated in India and Karta of HUF is a Non-resident in India for that previous year.
- a) Resident and Ordinary Resident (ROR)
 - b) Resident but not ordinary resident (RNOR)
 - c) Non-Resident (NR)
 - d) ROR or RNOR

19. Profits of Rs. 1,00,000 for the year 2013-14 of a business in Germany remitted to India during the previous year 2014-15 (not taxed earlier) would be:
- a) Taxable in India for ROR only
 - b) Not taxable in India for all (ROR, RNOR and NR)
 - c) Taxable in India for all (ROR, RNOR and NR)
 - d) Taxable only for RNOR and NR
20. Profits of Rs. 2,00,000 is earned from a business in USA which is controlled in India, half of the profits being received in India. How much amount is taxable in India for a Non-resident individual?
- a) Rs. 2,00,000
 - b) Nil
 - c) Rs. 1,00,000
 - d) Rs. 3,00,000
21. Dividend from British Co. of Rs. 2,00,000 received in London will be taxable in case of:
- a) Resident and ordinary resident (ROR) only
 - b) Not ordinary resident (NOR) only
 - c) Non resident (NR) only
 - d) ROR, NOR and NR all
22. Which out of the following income is exempt from tax?
- a) Sum received by a member from HUF
 - b) Dividend received from a foreign company
 - c) Agricultural income from Bangladesh
 - d) Salary Income from a Non Profitable Organisation
23. Which income out of the following is an exempt income for political party?
- a) Income from house property only
 - b) Income from other sources only
 - c) Income by way of voluntary contribution from any person only
 - d) Income from house property, income from other sources, income from capital gains and income by way of voluntary contribution
24. Dividend received by a shareholder from an Indian company is exempt. Interest or any other expenditure incurred for earning such dividend income shall:
- a) be allowed as deduction
 - b) not be allowed as deduction
 - c) be allowed as deduction subject to certain conditions
 - d) be allowed only if Assessing Officer is satisfied that it is only interest expenditure

25. Gross Total Income is arrived after:
- only adding Income under five heads of Income;
 - adding Income under five heads of Income excluding losses;
 - adding Income under five heads of Income, after applying clubbing provisions and making adjustment of set off and carry forward of losses
 - adding Income under five heads of Income, after applying clubbing provisions and making adjustment of set off and carry forward of losses and after allowing deduction under section 80C to 80U
26. Salary of S (Rs. 40,000 per month) becomes due on the last day of the month but is paid on 7th of next month. Also, salary of April, 2015 and May, 2015 is received in advance in March, 2015. What will be his gross income for Assessment Year 2015-16?
- Rs. 5,60,000
 - Rs. 4,80,000
 - Rs. 4,40,000
 - Rs. 5,20,000
27. Calculate the exempt HRA from the following details:
- X is entitled to a basic salary of Rs. 50,000 p.m. and dearness allowance of Rs. 10,000 p.m., 40% of which forms part of retirement benefits. He is also entitled to HRA of Rs. 20,000 p.m. He actually lives with his parents in Mumbai and does not pay any rent. Market rent of that house is Rs. 20,000 p.m. in Mumbai.
- Nil
 - Rs. 1,75,200
 - Rs. 64,800
 - Rs. 2,40,000
28. Y received children education allowance of Rs. 500 p.m. for 10 of his children. Calculate taxable amount of children education allowance for the assessment year 2015-16 if entire Rs. 500 is spent by Y.
- Nil
 - Rs. 4,800
 - Rs. 6,000
 - Rs. 3,600
29. A Ltd. has advanced an interest free loan of Rs. 5,00,000 to B for purchase of car on 1.5.2014. B has been repaying the loan in instalments of Rs. 20,000 p.m. on the 1st of next month. Compute the value of perquisite on account of interest assuming the interest charged by SBI is 10% p.a.
- Rs. 34,833
 - Rs. 36,667
 - Rs. 40,000
 - Rs. 50,000
30. Employer provides a car (below 1.6 Ltr. capacity) alongwith a driver to X partly for official and partly for personal purpose. The expenses incurred by the company are:

running and maintenance expenses - Rs. 32,000

driver's salary - Rs. 36,000

Taxable value of perquisite is:

- a) Rs. 21,600
- b) Rs. 10,800
- c) Rs. 32,400
- d) Rs. 39,600

31. X retired on 15.4.2014 from a company. He was entitled to a pension of Rs. 4,000 p.m. At the time of retirement, he got 75% of the pension commuted and received Rs. 1,20,000 as commuted pension. Compute the taxable portion of the commuted pension if he is entitled to gratuity.

- a) Rs. 66,667
- b) Rs. 53,333
- c) Rs. 1,20,000
- d) Rs. 78,667

32. Mr. A (65 years) submits the following information for the Assessment year 2015-16:

Gross salary - Rs. 8,80,000

Income from other sources - Rs. 60,000

Contribution to PPF- Rs. 70,000

Compute the tax liability of A.

- a) Rs. 99,000
- b) Rs. 97,000
- c) Rs. 98,468
- d) Rs. 99,970

33. Calculate the Gross Annual value from the following details:

Municipal Value - Rs. 45,000

Fair rental value - Rs. 50,000

Standard rent - Rs. 48,000

Actual Rent - Rs. 42,000

- a) Rs. 50,000
- b) Rs. 48,000
- c) Rs. 45,000
- d) Rs. 42,000

34. M took a loan of Rs. 6,00,000 on 1.4.2012 from a bank for construction of a house. The loan carries an interest @ 10% p.a. The construction is completed on 15.6.2014. The entire loan is still outstanding. Compute the interest allowable for the assessment year 2015-16.

- a) Rs. 60,000
 - b) Rs. 1,80,000
 - c) Rs. 84,000
 - d) Rs. 24,000
35. A had one self occupied house property in Mumbai for residence. Fair rent of that property is Rs. 56,000 per annum. Municipal valuation is Rs. 28,000. Municipal taxes paid are Rs. 5,000 including Rs. 1,000 for an earlier year. The house was constructed in December, 2005 with a loan of Rs. 12,00,000 from a bank taken in November, 2005. During the previous year 2014-15, the assessee refunded Rs. 2,30,000 which includes Rs. 1,68,000 as current year interest. Compute the income from house property for assessment year 2015-16?
- a) Loss of Rs. 30,000
 - b) Loss of Rs. 1,50,000
 - c) Nil
 - d) Loss of Rs. 1,68,000
36. Which out of the following is not a case of deemed ownership of house property?
- a) Transfer to a spouse for inadequate consideration
 - b) Transfer to a minor child for inadequate consideration
 - c) Holder of an impartible estate
 - d) Co-owner of a property
37. Which of the following income is not chargeable as income of business or profession?
- a) Profits and gains of business carried by an assessee during the previous year
 - b) Income derived by a trade, professional or similar association from specific services performed for its members
 - c) Income from the activity of owning and maintaining race horses
 - d) Salary received by a partner of a firm from the firm in which he is a partner
38. Income is chargeable as profits of the business, only if the business is carried on by the assessee at any time during the previous year. However, there are certain exceptions to the above rule. Which out of the following is not an exception:
- a) Recovery against bad debts
 - b) Sale of capital asset used for scientific research
 - c) Recovery against any loss, expenditure or trading liability earlier allowed as a deduction
 - d) Recovery against any loss, expenditure or trading liability earlier not allowed as a deduction
39. If a new machinery is purchased on 15.4.2014 and put to use for the purpose of the business on 28.12.2014, depreciation would be allowable at the rate of:
- a) 7.5%
 - b) 15%
 - c) 10%
 - d) 20%

40. Which of the following expenditure on scientific research is not allowed as deduction?
- a) Revenue expenses incurred during the previous year
 - b) Revenue expenses on payment of salary to employees engaged in scientific research and purchase of material used in scientific research incurred during three years immediately preceding the commencement of business
 - c) Capital expenditure incurred on scientific research during the year related to the business
 - d) Expenditure incurred on acquisition of land during the year for scientific research
41. Which out of the following is not a condition to be fulfilled for claiming expenditure under section 37(1)?
- a) Such expenditure should not be covered under the specific sections i.e. sections 30 to 36
 - b) Expenditure should be of capital nature
 - c) Expenditure should not be of a personal nature
 - d) Expenditure should have been incurred wholly or exclusively for the purpose of the business or profession.
42. Financial statement of A on 31.3.2015 reveals that the following expenses were due during year ended 31.3.2015 but have been paid after 31.3.2015:
- Employer's contribution to provident fund: Rs. 55,000 (Rs. 25,000 paid on 15.7.2015, Rs. 10,000 paid on 31.7.2015 and Rs. 20,000 paid on 15.1.2016)
- The due date of filing return is 31.7.2015. What would be the deduction for AY 2015-16?
- a) Rs. 55,000
 - b) Rs. 35,000
 - c) Rs. 10,000
 - d) Rs. 45,000
43. M owns the following commercial vehicles:
- (i) 2 light commercial vehicles: one for 9 months and two days and the other for 12 months
 - (ii) 2 heavy good vehicle - one for 6 months and 25 days and the other for 11 months and 12 days.
 - (iii) 2 medium goods vehicles - one for 6 months and the other for 8 months and 15 days
- Compute the income from business of M if he opts for the scheme under section 44AE.
- a) Rs. 99,000
 - b) Rs. 95,000
 - c) Rs. 67,500
 - d) Rs. 4,20,000
44. Cost of Acquisition in case of bonus shares allotted before 1.4.1981 will be:
- a) Nil
 - b) Fair Market Value as on 1.4.1981
 - c) Rs. 10,000
 - d) Cost of Original shares on the basis of which bonus shares are allotted.

45. Indexation benefit on Cost of acquisition is available on the long term capital asset. However, in certain cases, indexation benefit is not available. In which of the following cases, indexation benefit is allowed?
- a) Debentures issued by a company
 - b) Self generated goodwill of a business
 - c) Bonus shares allotted on 1.4.2000
 - d) Jewellery
46. A owns a house property which was purchased by him on 1.5.1979 for Rs. 2,00,000. The said property was destroyed by fire on 3.4.2014 and A received a sum of Rs. 38,00,000 from the insurance company during the year. The market value of the above property as on 1.4.1981 was Rs. 3,00,000.
- Compute the capital gain for the assessment year 2015-16. (Cost Inflation Index for 1981-82 = 100 and 2014-15 = 1024)
- a) Rs. 7,28,000
 - b) Rs. 34,00,000
 - c) Rs. 35,00,000
 - d) Rs. 9,83,000
47. M owns two machineries eligible for depreciation at the rate of 15%. The WDV of these machines as on 1.4.2014 was Rs. 25,000 and Rs. 40,000 respectively. No other asset was acquired in this block during the year. One of these machines were sold during the previous year for Rs. 75,000. Compute the capital gain.
- a) Short term capital gain of Rs. 10,000
 - b) Short term capital loss of Rs. 10,000
 - c) Long term capital gain of Rs. 10,000
 - d) No capital gain as depreciation would be allowed on one of the machines left with M.
48. For availing exemption under section 54, which amount is eligible for availing exemption?
- a) Purchase/Construction of a residential house property upto due date of return of income only
 - b) Deposit in capital gain account scheme upto due date of return of income only
 - c) Purchase/Construction of a residential house property upto due date of return of income and deposit in capital gain account scheme upto due date of return of income
 - d) Purchase / construction after three years from the transfer date
49. Which of the following is not an income taxable as income from other sources?
- a) family pension
 - b) Casual income
 - c) director's sitting fee for attending board meetings
 - d) Rent received for house property including use of plant and machinery, where rent is separable between rent for house property and rent for use of plant and machinery.
50. ABC Private Limited gives a loan of Rs. 5,00,000 to X, who is not a shareholder. X gives the amount as loan to A who is shareholder in ABC Private Limited holding 15% shares. In this case, amount taxable as deemed dividends in the hands of X will be.....and that in hands of A will be.....

- a) Nil, Nil
 - b) Nil, Rs. 5,00,000
 - c) Rs. 5,00,000, Nil
 - d) Rs. 5,00,000, Rs. 5,00,000
51. M's property was compulsorily acquired. He received enhanced compensation on 15.11.2014 which includes Rs. 2,30,000 as interest on such enhanced compensation. Compute the taxable amount of interest.
- a) Rs. 2,30,000
 - b) Nil
 - c) Rs. 1,15,000
 - d) Rs. 2,00,000
52. Transfer of income without transfer of asset would be taxable in the hands of:
- a) Transferor only
 - b) Transferee only
 - c) Either transferor or transferee
 - d) Both transferor and transferee
53. Income from asset transferred to spouse will be taxable in the hands of transferor if:
- a) asset has been transferred in pursuance of an agreement to live apart;
 - b) asset was transferred for an adequate consideration;
 - c) asset was transferred before marriage;
 - d) asset was transferred for inadequate consideration
54. Long term capital loss can be set off from which of the following:
- a) Short term capital gain only
 - b) Long term capital gain only
 - c) Income from business or profession
 - d) Income from salary
55. Loss from house property can be carried forward and set off in the subsequent 8 Assessment years:
- a) Only if return of loss is filed within due date
 - b) Even if return of loss is filed after due date
 - c) It does not matter when return is filed
 - d) Carry forward of loss from house property is not allowed at all.
56. Business loss of an amalgamating company shall be:
- a) carried forward and set off in the hands of amalgamated company unconditionally
 - b) carried forward and set off in the hands of amalgamated company subject to certain conditions
 - c) not be carried forward

- d) allowed to be carried forward only by amalgamating company
57. Deduction under section 80C to 80U cannot exceed:
- a) Gross Total Income
 - b) Total Income
 - c) Income from business or profession
 - d) Income from house property
58. Aggregate amount of deduction under section 80C, 80CCC and 80CCD cannot exceed:
- a) Rs. 1,10,000
 - b) Rs. 2,00,000
 - c) Rs. 1,50,000
 - d) Nil
59. A pays (through any mode other than cash) during the previous year medical insurance premia as under:
- (i) Rs. 18,000 to keep in force an insurance policy on his health and on the health of his wife and dependent children;
 - (ii) Rs. 18,000 to keep in force an insurance policy on the health of his parents where his father is a senior citizen.
- Calculate deduction under section 80D.
- a) Rs. 36,000
 - b) Rs. 33,000
 - c) Rs. 30,000
 - d) Rs. 15,000
60. Deduction in respect of contribution to political party will:
- a) be allowed in respect of sum paid by way of cash
 - b) not be allowed if payment made in cash
 - c) This type of deduction is not allowed whether payment is in cash or not.
 - d) be allowed if payment made in cash, subject to certain conditions
61. Amount of deduction in case of a person with severe disability under section 80U will be:
- a) Rs. 50,000
 - b) Rs. 75,000
 - c) Rs. 1,00,000
 - d) Rs. 1,50,000
62. Gross Total Income of A aged 31 years as computed under Income-tax Act for the AY 2015-16 is Rs. 3,00,000. He deposits Rs. 20,000 in a PPF account. Compute the tax payable by A assuming that he has agricultural income of Rs. 3,50,000.
- a) Rs. 3,090

- b) Rs. 4,120
 - c) Nil
 - d) Rs. 1,030
63. Due date of furnishing return of income for a working partner of a firm whose accounts are required to be audited is:
- a) 31st July of the assessment year
 - b) 30th September of the assessment year
 - c) 30th November of the assessment year
 - d) 31st March of the assessment year
64. Advance tax shall be payable during a financial year, only when the amount of such advance tax payable by the assessee during that year is:
- a) Rs. 10,000 or more
 - b) More than 0
 - c) Rs. 1,00,000 or more
 - d) Rs. 10,00,000 or more
65. An individual needs to pay Rs. 1,00,000 as advance tax. By 15th of December, how much amount must be paid by the individual:
- a) Rs. 30,000
 - b) Rs. 60,000
 - c) Rs. 1,00,000
 - d) Nil
66. As per Section 45, Wealth tax is not payable by certain persons. Which of the following is not mentioned under Section 45:
- a) Any company registered under section 25 of the Companies Act, 1956* (non profit making companies);
 - b) Any Political party
 - c) Reserve Bank of India
 - d) A public limited company
67. As per Section 2(ea), which of the following is an asset in case of an individual:
- a) Cash in hand upto Rs. 50,000
 - b) Shares
 - c) Debentures or Bonds
 - d) Motor car used for official purposes
68. In case marriage of minor's parents subsists, minor's wealth will be included in the wealth of the parent:
- a) Whose wealth excluding minor's wealth is greater;

* Now Section 8 of the Companies Act, 2013

- b) Whose wealth excluding minor's wealth is lesser;
 - c) Assessing officer to decide the parent
 - d) Father only
69. Money and assets brought into India by citizen of India or persons of Indian origin is exempt for:
- a) only relevant assessment year
 - b) 5 successive assessment year
 - c) 6 successive assessment year
 - d) 7 successive assessment year
70. Net Wealth is to be rounded off to nearest multiple ofand wealth tax is to be rounded off to nearest multiple of.....
- a) Rs. 100, Rs. 100
 - b) Rs. 100, Rs. 10
 - c) Rs. 100, Rs. 1
 - d) Rs. 10, Rs. 10

PART B

71. Service tax was introduced in India in the year:
- a) 1994
 - b) 2000
 - c) 2010
 - d) 2015
72. Service is applicable to:
- a) Whole of India excluding Jammu & Kashmir, Union Territories of Dadra, Nagar Haveli, Daman and Diu
 - b) Whole of India excluding Jammu & Kashmir
 - c) Whole of India
 - d) Whole of World
73. The provisions relating to service tax are given in:
- a) Finance Act, 1994 - Chapter V and VA
 - b) Income-tax Act, 1961
 - c) The Central Excise Act
 - d) The Service Tax Act
74. On recommendation of which of the following committee, service tax was introduced in India:
- a) Naresh chandra committee
 - b) Kelkar committee
 - c) Dr. Raja J Chelliah Committee

- d) Justice Verma Committee
75. Service tax is administered by:
- a) Excise Department
 - b) Income tax department
 - c) Custom department
 - d) Service tax department
76. Power to levy service tax is provided at present in the Constitution vide entry No.:
- a) 54 of the State List
 - b) 84 of the Union List
 - c) 92C of the Union List
 - d) 97 of the Union List
77. India follows which the approach for levying service tax at present:
- a) Selective approach
 - b) Comprehensive approach
 - c) Hybrid approach
 - d) As per the directions of Central Board of Excise & Customs (CBEC)
78. Service tax is not payable in the year of commencement of business if the aggregate value of invoices issued of taxable service does not exceed:
- a) Rs. 1,00,000
 - b) Rs. 4,00,000
 - c) Rs. 10,00,000
 - d) Rs. 9,00,000
79. Service tax (inclusive of cess) rate at present is:
- a) 12%
 - b) 12.36%
 - c) 12.24%
 - d) 10.3%
80. Service provider claiming exemption of Rs. 10,00,000 shall have to apply for registration where the aggregate value of service exceeds:
- a) Rs. 10,00,000
 - b) Rs. 9,00,000
 - c) Rs. 8,00,000
 - d) Rs. 12,00,000
81. Penalty for non-registration is higher of the following:
- a) Rs. 10,000 or Rs. 100 per day of default

- b) Rs. 10,000 or Rs. 200 per day of default
 - c) Rs. 1,00,000 or Rs. 2,000 per day of default
 - d) Rs. 10,00,000 or Rs. 2,000 per day of default
82. Who can cancel the Registration Certificate?
- a) Assistant Commissioner of Income tax
 - b) Deputy Commissioner of Income tax
 - c) Superintendent of Central Excise
 - d) Commissioner of Central Excise
83. If the gross amount charged in the execution of a works contract is Rs. 2,00,000 and the value of the property in goods transferred in the execution of such works contract is Rs. 1,30,000. The value of taxable service in the execution of the works contract shall be:
- a) Rs. 2,00,000
 - b) Rs. 1,30,000
 - c) Rs. 70,000
 - d) Nil
84. A Ltd. receives taxable service from B Ltd. of USA on 28.8.2014 for Rs. 6,00,000. B Ltd. raises the invoice on 5.9.2014. A Ltd. makes the payment on 6.1.2015. Determine the point of taxation.
- a) 6.1.2015
 - b) 28.8.2014
 - c) 5.9.2014
 - d) 28.3.2015
85. Due date for payment of service tax in the case of individual assessee is _____ immediately following the quarter of the financial year except in case of last quarter.
- a) 5th of the month
 - b) 10th of the month
 - c) 15th of the month
 - d) 11th of the month
86. VAT is levied by:
- a) Central Government
 - b) State Government
 - c) Both Central or State Government
 - d) Any of the Central or State Government
87. If goods are purchased by Mumbai dealer from Delhi for Rs. 1,02,000 which includes CST of Rs. 2,000, Delhi dealer will get input tax credit of:
- a) Nil
 - b) Rs. 2,000

- c) Rs. 1,02,000
 - d) Rs. 4,000
88. Power to levy VAT is drawn from Constitution vide Entry No:
- a) 97 of the Union list
 - b) 92C of the Union list
 - c) 54 of the State list
 - d) 53 of the State list
89. VAT has replaced the:
- a) Central Sales tax
 - b) Local Sales tax
 - c) Goods & service tax
 - d) Excise duty
90. On the recommendation of which Committee, VAT was levied in India:
- a) Kelkar Committee
 - b) Chelliah Committee
 - c) Naresh Chandra Committee
 - d) Justice Verma Committee
91. In case of zero rated goods, input tax credit isand in case of exempted goods, input tax credit is.....
- a) Allowed, Allowed
 - b) Allowed, Not allowed
 - c) Not allowed, Not allowed
 - d) Not allowed, Allowed
92. Input credit on stock transfer to other states:
- a) will not be allowed
 - b) will be allowed only to the extent of tax paid in excess of 2%
 - c) will be allowed to the extent of full Input VAT on purchases
 - d) will be allowed only to the extent of tax paid in excess of 4%
93. Which of the following is not a method of computation of VAT:
- a) Addition method
 - b) Invoice method
 - c) Substraction method
 - d) Gross product variant
94. Which out of the following cannot be a role of Company Secretary under VAT:
- a) Record keeping
 - b) Tax planning

- c) Negotiations with suppliers to reduce price
 - d) Carrying out departmental audit / assessment
95. In which of the following cases, VAT authorities cannot cancel the registration:
- a) The dealer has discontinued the business
 - b) The dealer has become insolvent
 - c) There is a change in the constitution of the business
 - d) Dealer has started selling one more product
96. Which of the following dealer is allowed to opt for composition scheme?
- a) Dealer selling goods within the State and not exceeding the specified limit of turnover
 - b) Dealer who makes inter-state purchases or sales
 - c) Dealer who wants to issue tax invoice
 - d) Dealer who exports goods outside India
97. X a dealer at Mumbai purchased goods from dealer Y of Mumbai for Rs. 13,50,000 including VAT @ 12.5%. X earns a profit @ 25% on the cost and sold the same goods to a retailer Z. Compute the amount of VAT payable by X.
- a) Rs. 37,500
 - b) Rs. 1,50,000
 - c) Rs. 1,87,500
 - d) Nil
98. VAT is a:
- a) First Stage tax
 - b) Last Stage tax
 - c) Multi stage tax
 - d) Single stage tax as per the option of the assessee
99. Which of the following is not an advantage of VAT?
- a) Easy to administer and transparent
 - b) Abolition of Statutory Forms
 - c) Deterrent against tax avoidance
 - d) No credit for tax paid on inter-state purchases
100. Which out of the following was first State to implement VAT in India:
- a) Delhi
 - b) Haryana
 - c) Uttar Pradesh
 - d) Maharashtra

ANSWERS

PART A

1. d
2. b
3. d
4. c
5. b
6. b
7. b
8. b
9. a
10. d
11. a
12. a
13. c
14. c
15. c
16. a
17. d
18. d
19. b
20. c
21. a
22. a
23. d
24. b
25. c
26. a
27. a
28. b
29. b
30. c
31. a
32. c
33. b
34. c

35. d
36. d
37. c
38. d
39. a
40. d
41. b
42. b
43. d
44. b
45. d
46. a
47. a
48. c
49. d
50. b
51. c
52. a
53. d
54. b
55. b
56. b
57. a
58. c
59. b
60. b
61. c
62. a
63. b
64. a
65. b
66. d
67. d
68. a
69. d
70. c

PART B

71. a
72. b
73. a
74. c
75. a
76. c
77. b
78. c
79. b
80. b
81. b
82. c
83. c
84. a
85. a
86. b
87. a
88. c
89. b
90. a
91. b
92. b
93. d
94. d
95. d
96. a
97. a
98. c
99. d
100. b

SPECIMEN OMR ANSWER SHEET

It is for practice and self use only, Not to be sent to the Institute

Examination Session : DDMMVVVV

Question Paper Booklet No.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
①	①	①	①	①	①
②	②	②	②	②	②
③	③	③	③	③	③
④	④	④	④	④	④
⑤	⑤	⑤	⑤	⑤	⑤
⑥	⑥	⑥	⑥	⑥	⑥
⑦	⑦	⑦	⑦	⑦	⑦
⑧	⑧	⑧	⑧	⑧	⑧
⑨	⑨	⑨	⑨	⑨	⑨
⑩	⑩	⑩	⑩	⑩	⑩

Use Blue/Black Ball Point Pen only

How to mark answers

CORRECT METHOD (A) ● (C) ● (D) ●

WRONG METHOD (X) (✓) (●) (○)

(A) (✓) (C) (D)

(X) (B) (C) (D)

Question Booklet Code

(A) (B) (C) (D)

Answers

1	(A) (B) (C) (D)	51	(A) (B) (C) (D)
2	(A) (B) (C) (D)	52	(A) (B) (C) (D)
3	(A) (B) (C) (D)	53	(A) (B) (C) (D)
4	(A) (B) (C) (D)	54	(A) (B) (C) (D)
5	(A) (B) (C) (D)	55	(A) (B) (C) (D)
6	(A) (B) (C) (D)	56	(A) (B) (C) (D)
7	(A) (B) (C) (D)	57	(A) (B) (C) (D)
8	(A) (B) (C) (D)	58	(A) (B) (C) (D)
9	(A) (B) (C) (D)	59	(A) (B) (C) (D)
10	(A) (B) (C) (D)	60	(A) (B) (C) (D)
11	(A) (B) (C) (D)	61	(A) (B) (C) (D)
12	(A) (B) (C) (D)	62	(A) (B) (C) (D)
13	(A) (B) (C) (D)	63	(A) (B) (C) (D)
14	(A) (B) (C) (D)	64	(A) (B) (C) (D)
15	(A) (B) (C) (D)	65	(A) (B) (C) (D)
16	(A) (B) (C) (D)	66	(A) (B) (C) (D)
17	(A) (B) (C) (D)	67	(A) (B) (C) (D)
18	(A) (B) (C) (D)	68	(A) (B) (C) (D)
19	(A) (B) (C) (D)	69	(A) (B) (C) (D)
20	(A) (B) (C) (D)	70	(A) (B) (C) (D)
21	(A) (B) (C) (D)	71	(A) (B) (C) (D)
22	(A) (B) (C) (D)	72	(A) (B) (C) (D)
23	(A) (B) (C) (D)	73	(A) (B) (C) (D)
24	(A) (B) (C) (D)	74	(A) (B) (C) (D)
25	(A) (B) (C) (D)	75	(A) (B) (C) (D)
26	(A) (B) (C) (D)	76	(A) (B) (C) (D)
27	(A) (B) (C) (D)	77	(A) (B) (C) (D)
28	(A) (B) (C) (D)	78	(A) (B) (C) (D)
29	(A) (B) (C) (D)	79	(A) (B) (C) (D)
30	(A) (B) (C) (D)	80	(A) (B) (C) (D)
31	(A) (B) (C) (D)	81	(A) (B) (C) (D)
32	(A) (B) (C) (D)	82	(A) (B) (C) (D)
33	(A) (B) (C) (D)	83	(A) (B) (C) (D)
34	(A) (B) (C) (D)	84	(A) (B) (C) (D)
35	(A) (B) (C) (D)	85	(A) (B) (C) (D)
36	(A) (B) (C) (D)	86	(A) (B) (C) (D)
37	(A) (B) (C) (D)	87	(A) (B) (C) (D)
38	(A) (B) (C) (D)	88	(A) (B) (C) (D)
39	(A) (B) (C) (D)	89	(A) (B) (C) (D)
40	(A) (B) (C) (D)	90	(A) (B) (C) (D)
41	(A) (B) (C) (D)	91	(A) (B) (C) (D)
42	(A) (B) (C) (D)	92	(A) (B) (C) (D)
43	(A) (B) (C) (D)	93	(A) (B) (C) (D)
44	(A) (B) (C) (D)	94	(A) (B) (C) (D)
45	(A) (B) (C) (D)	95	(A) (B) (C) (D)
46	(A) (B) (C) (D)	96	(A) (B) (C) (D)
47	(A) (B) (C) (D)	97	(A) (B) (C) (D)
48	(A) (B) (C) (D)	98	(A) (B) (C) (D)
49	(A) (B) (C) (D)	99	(A) (B) (C) (D)
50	(A) (B) (C) (D)	100	(A) (B) (C) (D)

Subject Code

Centre Code

Roll Number

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②	②	②	②	②	②	②	②	②	②	②	②
③	③	③	③	③	③	③	③	③	③	③	③
④	④	④	④	④	④	④	④	④	④	④	④
⑤	⑤	⑤	⑤	⑤	⑤	⑤	⑤	⑤	⑤	⑤	⑤
⑥	⑥	⑥	⑥	⑥	⑥	⑥	⑥	⑥	⑥	⑥	⑥
⑦	⑦	⑦	⑦	⑦	⑦	⑦	⑦	⑦	⑦	⑦	⑦
⑧	⑧	⑧	⑧	⑧	⑧	⑧	⑧	⑧	⑧	⑧	⑧
⑨	⑨	⑨	⑨	⑨	⑨	⑨	⑨	⑨	⑨	⑨	⑨
⑩	⑩	⑩	⑩	⑩	⑩	⑩	⑩	⑩	⑩	⑩	⑩

Instructions for Candidate

1. There is no negative marking.
2. Use Only Blue/Black Ball Point Pen to Darken the appropriate Circle.
3. Write and darken correct Question Booklet Code Viz. A or B or C or D which will be taken as final for evaluation. In case any candidate fills in this information wrongly, Institute will not take any responsibility for rectifying the mistake.
4. Mark your answer only in the appropriate space against the number corresponding to the question.
5. Please darken the complete circle.
6. Please do NOT make any stray marks on the answer sheet.
7. Rough work must NOT be done on the answer sheet.
8. Do NOT fold or damage the edges of the sheet.
9. Use of white fluid is prohibited.

Signature of Candidate with Pen

Name (As registered with ICSI)

Signature of Invigilator with Pen

OMR Sheet in the Examination may be different from this Specimen.