

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

Instructions :

1. Candidates should use blue/black ball point pen ONLY to fill-in all the required information in OMR Answer Sheet and this Question Paper Booklet.
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Note : All questions in Part-A relate to the Income Tax Act, 1961 and Assessment Year 2020-21, unless stated otherwise.

PART—A

1. Judicial decisions are being pronounced by various appellate authorities, tribunals, courts and by High Courts on the disputed matters which are binding specifically whereas the decisions pronounced by the Supreme Court become judicial precedent and are binding on -----
 (A) All the Courts & Appellate Tribunals
 (B) Income Tax Authorities
 (C) An Assesse
 (D) All in (A), (B) & (C)
2. Taxes and duties referred to in the Union list except those referred to in Articles 268 and 269, surcharge on taxes and duties and any cess levied by the ----- for specific purpose are to be collected by the Government of India and are to be distributed between the Union and the States.
 (A) Parliament
 (B) Central Board of Direct Taxes
 (C) Finance Minister
 (D) Revenue Administration Authority
3. The incidence of tax on income under the Act is linked with residential status of an assessee. Ram, an individual brought into India during the previous year 2019-20 past untaxed profits of ₹ 2,00,000 of the business in UK. State in which case amount of ₹ 2,00,000 brought into India be put to tax in A.Y. 2020-21 when Ram is (a) Resident and Ordinary resident (R&OR); (b) Resident and not Ordinary resident (R&NOR) and (c) Non-Resident (NR).
 (A) Taxable in case of R&OR and R&NOR
 (B) Taxable in case of R&OR and Non-Resident
 (C) Not taxable in all R&OR; R&NOR and Non-Resident
 (D) Taxable in all R&OR; R&NOR and Non-Resident
4. Radhika during the previous year 01.04.2019 to 31.03.2020 received (1) Dividend from XYZ Ltd of UK, a Foreign Company of ₹ 12,00,000 (2) Agriculture income from land in Rajasthan of ₹ 50,000 (3) Short term capital gain on sale of shares of Indian company received in London of ₹ 60,000. Total Income of Radhika when she is a Resident and not Ordinarily Resident (R&NOR) for Assessment Year 2020-21 shall be :
 (A) ₹ 13,10,000
 (B) ₹ 60,000
 (C) ₹ 1,10,000
 (D) ₹ 12,00,000
5. Sita Raman born in U.K. is a foreign citizen. His father Radha Raman was born in Rajasthan in 1960 and mother Geeta was born in South Africa in 1965. His grandfather was also born in Rajasthan in 1935. Sita Raman for the first time to see historical places comes to India on 25th November, 2019 and remained till June, 2020 for 200 days. Residential status for assessment year 2020-21 of Sita Raman shall be :
 (A) Resident and Ordinarily Resident
 (B) Not Ordinarily Resident
 (C) Non-Resident
 (D) None of the above

6. Section 87A provides a rebate from the tax payable by an assessee, being an individual, whose total income does not exceed ₹ ----- for the assessment year 2020-21.
- (A) ₹ 2,50,000
(B) ₹ 3,00,000
(C) ₹ 3,50,000
(D) ₹ 5,00,000
7. The Income Tax Department is governed by the ----- and is a part of the ----- under the Ministry of Finance, Government of India.
- (A) Central Board of Direct Taxes(CBDT), Taxation Cell
(B) Central Board of Direct Taxes(CBDT), Department of Revenue
(C) Department of Revenue , Central Board of Direct Taxes(CBDT)
(D) Department of Revenue, Revenue Administration Authority
8. A resident assessee, who is of the age of 60 years or more but less than 80 years at any time during the previous year 2019-20 shall not be paying tax on income up to ₹ ----- but shall be paying surcharge at the rate of ----- of income tax where total income exceeds ₹ 1 crore.
- (A) ₹ 2,50,000, 10%
(B) ₹ 3,00,000, 10%
(C) ₹ 2,50,000, 15%
(D) ₹ 3,00,000, 15%
9. Any voluntary contributions received by an electoral trust not be included in the total income where such electoral trust distributes to any political parties ----- of the aggregate donations received by it during the previous year along with the surplus, if any, brought forward from any earlier previous year. A political party, for this purpose, means a political party registered under section ----- of the Representation of the People Act, 1951.
- (A) 85%, 29
(B) 95%, 29A
(C) 95%, 29B
(D) 85%, 29A
10. Kamal has established in the previous year 2018-19 two industrial undertakings, one in a SEZ and one in a normal DTA. The summarized results for both the Units for previous year 2019-20 are :
- | Item | Amount in Lakh (₹) | |
|-------------------------|--------------------|--------------|
| | SEZ | Normal (DTA) |
| Domestic turnover | 100 | 200 |
| Export turnover | 300 | 0 |
| Gross Profit | 75 | 25 |
| Expenses & Depreciation | 15 | 15 |
- Deduction available under section 10AA of the Act to Kamal in Asst. Year 2020-21 shall be of ₹ -----
- (A) 45
(B) 60
(C) 75
(D) 70

11. Income derived from sale of coffee grown, cured, roasted and grounded in India as per Rule 7B (1A) of Income Tax Rules shall be treated both as agricultural income and business income in the ratio of ----- of such income.
- (A) 60% & 40%
 (B) 65% & 35%
 (C) 75% & 25%
 (D) 70% & 30%
12. Which out of the following is *not* the correct statement as to the definition/scheme of “Reverse Mortgage” ?
- (A) A person (generally a senior citizen) who owns a house property have the option to mortgage the property with a schedule bank or finance company to get a regular income in periodical installments.
 (B) Scheme is not applicable for a person (generally a senior citizen) who does not have regular income.
 (C) The lender will recover the amount paid i.e. principle and interest thereon by selling the property after the death of borrower.
 (D) The lender will have to give the option to the legal heirs to repay the loan amount along with interest for the release of property.
13. House property owned by Pankaj located at Ajmer having municipal valuation : ₹ 1,55,000, fair rent: ₹ 1,40,000, standard rent: ₹ 1,24,000 was let out for the period 1st April, 2019 to 15th November, 2019 on a rent of ₹ 8,000 per month and from 16th Nov. 2019 to 31st January 2020 on a rent of ₹ 13,000 per month. Pankaj transferred the property to Shyam on 1st February, 2020. The gross annual value (GAV) of the house property for assessment year 2020-21 shall be taken at -----
- (A) ₹ 1,03,333
 (B) ₹ 92,500
 (C) ₹ 1,24,000
 (D) ₹ 1,30,000
14. Chandra owns a house property constructed with the borrowed capital on 31.03.2008 and since then used by him for own residential purposes. Municipal value of the property is ₹ 1,00,000 whereas fair rent is ₹ 80,000 and standard rent is ₹ 90,000. Expenses incurred by Chandra during the previous year 2019-20 for Municipal tax : ₹ 15,000, insurance : ₹ 2,000, interest on capital borrowed to construct the property ₹ 70,000. Income/loss chargeable under the head house property for the assessment year 2020-21 shall be-----
- (A) (₹ 70,000)
 (B) (₹ 85,000)
 (C) (₹ 30,000)
 (D) (₹ 2,00,000)
15. The Gross Annual Value (GAV) as per section 23(1) of the Act of a house property owned by Suresh covered by Rent Control Act, remained let out during the previous year 2019-20 for which (i) Municipal Valuation is ₹ 3,00,000; (ii) Actual (de facto) Rent is ₹ 3,20,000; (iii) Fair rent is ₹ 3,60,000 and (iv) Standard rent is ₹ 4,00,000 shall be taken at -----
- (A) ₹ 3,60,000
 (B) ₹ 4,00,000
 (C) ₹ 3,20,000
 (D) ₹ 3,00,000

16. Car having cubic capacity of engine not exceeding 1.6 liters owned or hired by employer provided to the employee for use wholly for private purposes of which running and maintenance expenses are being borne/met by the employee than find out from the following as to value chargeable to tax in the hands of employee as a perquisite :
- (A) It is not a perquisite, hence not taxable
 (B) Value of perquisite shall be 10% of the actual cost of car or hire charges if car is taken on hire plus salary of chauffeur if any paid or payable by the employer.
 (C) Value of perquisite shall be taken at ₹ 600 p.m. and at ₹ 900 p.m. if chauffeur is provided.
 (D) Value of perquisite shall be the actual expenditure incurred by the employer plus normal wear and tear @ 10% of the cost of car or hire charges if car is taken on hire.
17. Nitesh, working in a factory at Kolkata received during the previous year 2019-20 ₹ 2,00,000 as basic salary and ₹ 50,000 as house rent allowance. Rent paid by him for residence in Kolkata was ₹ 50,000. Amount of house rent allowance taxable in assessment year 2020-21 is -----
- (A) ₹ 20,000
 (B) ₹ 30,000
 (C) ₹ 50,000
 (D) ₹ 25,000
18. Subodh Kumar, IAS, a Central Government employee received total salary of ₹ 18,00,000 and ₹ 10,000 as entertainment allowance during the previous year 2019-20. Actual expenditure incurred by him on entertainment for the official purposes was ₹ 9,500. The deduction available for entertainment allowance received or for actual amount spent on entertainment for the assessment year 2020-21 is -----
- (A) ₹ 4,750
 (B) ₹ 9,500
 (C) ₹ 10,000
 (D) ₹ 5,000
19. Rate at which depreciation shall be allowed in case of Ocean-going ships including dredgers, lugs, barges, survey launches and other similar ships used mainly for dredging purposes and fishing vessels with wooden hull as per Rule-5 under the Income Tax for Asst. Year 2020-21 is -----
- (A) 15%
 (B) 20%
 (C) 30%
 (D) 40%
20. ABC limited engaged in the business of growing and manufacturing tea in India deposited ₹ 80 lakh in the "Special Account" during the previous year 2018-19 and claimed the same as deduction under section 33AB (40% of business profits of 200 lakh). During the previous year 2019-20, company withdrawn ₹ 40 lakh from the "Special Account" which was utilized as (i) ₹ 30 lakh on 31st December, 2019 for the scheme framed by the Tea Board (ii) ₹ 4 lakh on 25th January, 2020 for other purposes and ₹ 6 lakh was not utilized till 31st March, 2020. The amount chargeable to tax in assessment year 2020-21 shall be-----
- (A) ₹ 6 lakh
 (B) ₹ 16 lakh (40% of ₹ 40 lakh)
 (C) ₹ 10 lakh
 (D) ₹ 40 lakh

21. XYZ limited commenced production on 1st December 2019 of paper boards made payments (i) on 1st January 2020 of ₹ 1,00,000 to the Indian Agricultural Research Association, Jaipur being an approved research association under section 35(1)(ii) for the purpose of carrying out scientific research in natural science and (ii) on 15th January 2020 of ₹ 50,000 to the Indian Institute of Management, Ahmadabad being an approved institute under section 35(1)(iii) for the purpose of carrying out research in social or statistical science. The amount of deduction available to XYZ limited under section 35(1) for the assessment year 2020-21, if the scientific research not related to the business of the assessee-company is -----
- (A) ₹ 2,00,000
 (B) ₹ 2,25,000
 (C) ₹ 1,50,000
 (D) ₹ 1,62,500
22. Any expenditure incurred by an assessee on the activities relating to the corporate social responsibility (CSR) referred to in section 135 of the Companies Act, 2013 for the purpose of allowability as deduction under section 37(1) of the Income Tax Act, 1961 ----- for the purpose of the business.
- (A) shall be deemed to be an expenditure incurred
 (B) shall not be deemed to be an expenditure incurred
 (C) shall be capitalized
 (D) shall be amortized in five equal installments
23. XYZ Ltd paid an amount of ₹ 2,00,000 towards rent for the business premises to Ramavtar on 12.01.2020 and did not deduct tax at source. Ramavtar also had not paid the tax on such income. Treatment according to provision under the Income Tax Act, 1961 in the hands of XYZ Ltd in Assessment Year 2020-21 in respect of expenditure of rent be -----
- (A) disallowance of 10% of such expenditure
 (B) disallowance of 20% of such expenditure
 (C) disallowance of 30% of such expenditure
 (D) disallowance of 100% of such expenditure
24. Maintenance of such books of accounts and other documents is compulsory under section 44AA of the Income Tax Act, 1961 when every person who is carrying on business or profession and whose income from business and profession exceeds ----- or the total sales, turnover or gross receipts exceeds ----- in any one of the three years immediately preceding the previous year.
- (A) ₹ 2,50,000, ₹ 25,00,000
 (B) ₹ 2,50,000, ₹ 10,00,000
 (C) ₹ 5,00,000, ₹ 25,00,000
 (D) ₹ 1,20,000, ₹ 10,00,000

25. GG Goods Transporters engaged in the business of carriage of goods owns on 1st April, 2019 trucks consisting (i) 6 heavy goods vehicles having weight of each of 14 ton and (ii) 3 light goods vehicles having weight of each of 5 ton. On 4th May, 2019 one of the heavy goods vehicle was sold and 1 light goods vehicle was purchased on 15th May 2019. The newly purchased light goods vehicle was put to use only from 25th June 2019. The assessee wants to declare the income as per section 44AE of the Act; which for A.Y. 2020-21 is to be taken at -----
- (A) ₹ 12,20,500
 (B) ₹ 12,06,500
 (C) ₹ 12,13,000
 (D) ₹ 11,99,000
26. Monika enters into an agreement on 7th April, 2019 to transfer a piece of land for an agreed consideration of ₹ 66,00,000 by taking an advance payment of ₹ 10,00,000 by an account payee cheque. Sale deed of the piece of land was executed on 28th December 2019. Indexed cost of acquisition of the piece of land as per provision of the Act is computed at ₹ 34,00,000. Stamp valuation Authority determined the value of land on 07.04.2019 at ₹ 68,50,000 and on 28.12.2019 at ₹ 71,00,000. Find out the amount of long- term capital gain which shall be chargeable to tax in the assessment year 2020-21.
- (A) ₹ 32,00,000
 (B) ₹ 34,50,000
 (C) ₹ 35,00,000
 (D) ₹ 37,00,000
27. Rahim converted into stock in trade on 10th May 2007 his capital asset which was acquired by him on 15th June, 2002 for ₹ 70,000. Subsequently the stock in trade so converted was sold for ₹ 18,00,000 on 15th July 2019. Fair market value of the asset on 10th May 2007 was ₹ 4,80,000. By taking the CII for the years 2002-03 as 105, 2007-208 as 129 and of 2019-20 as 289; determine the amount of capital gain taxable in assessment year 2020-21.
- (A) ₹ 3,23,179
 (B) ₹ 13,20,000
 (C) ₹ 2,87,333
 (D) ₹ 4,10,000
28. Mark to market loss computed in accordance with income computation and disclosure standards (ICDS) is being allowable as deduction from the Income computed under the head -----
- (A) Profits and gains of business or profession
 (B) Income from other sources
 (C) Salaries
 (D) Capital Gains
29. Ratan Lal, aged 55 years, resident in India having during the previous year 2019-20 income of winnings from races : ₹ 20,000 (expenditure incurred : ₹ 200), Short Term Capital Gain : ₹ 1,75,000 (applicable STT paid) Interest on Bank Fixed Deposits : ₹ 2,31,000 and had made contribution in public provident fund: ₹ 1,14,000. Total income of Ratan Lal for assessment year 2020-21 shall be -----
- (A) ₹ 4,26,000
 (B) ₹ 3,12,000
 (C) ₹ 3,02,000
 (D) ₹ 2,62,000

30. Identify and find out which in the following is the false statement regarding applicability of ICDS.
- (A) ICDS provisions shall apply for computation of MAT
 (B) ICDS apply to tax payers following mercantile system of accounting
 (C) ICDS also apply to the person computing Income under the relevant presumptive taxation schemes
 (D) ICDS applies to all tax payers except individual and HUF who are not covered under the tax audit provision under section 44AB
31. Carried forward losses of normal business can be set off against any other income in subsequent assessment year except -----
- (A) income from speculation business
 (B) income under the head house property
 (C) income under the head other sources
 (D) income under the head salaries
32. Where the income of an individual includes any income of his minor child as per section 64(1A) of the Act; such individual shall be entitled to claim exemption of a certain amount (not exceeding the income clubbed) as per section 10(32). The amount of exemption available is -----
- (A) ₹ 1,500 in respect of each minor child
 (B) ₹ 1,500 in respect of each minor child but maximum of two children
 (C) ₹ 2,000 in respect of each minor child
 (D) ₹ 3,000 in respect of each minor child
33. Rajkamal has four minor children (2 daughters and 2 sons). The annual income of two daughters was ₹ 9,000 and ₹ 4,500 and of two sons was ₹ 6,000 and ₹ 4,000 for the financial year 2019-20. The income does not accrue or arise to any of the minor children on account of any manual work done by them or activity involving application of their skill, talent or specialized knowledge and experience. The daughter who has income of ₹ 4,500 was suffering from a disability specified under section 80U. The amount of income earned by all the minor children to be clubbed as per section 64(1A) of Act in the hands of Rajkamal for the assessment year 2020-21 is -----
- (A) ₹ 23,500
 (B) ₹ 14,500
 (C) ₹ 17,500
 (D) ₹ 19,000
34. Income of interest received by a minor child on a fixed deposit with a bank made out of/from the amount of scholarship received from the State Government is -----
- (A) exempt from tax
 (B) to be clubbed with the income of father
 (C) to be assessed in the hands of the minor child
 (D) to be clubbed with the income of that parent whose total income, before including minor's income is higher
35. Rama Farm Pvt Ltd is a producer company as specified under section 581A(i) of the Companies Act, 1956. In order to avail/ taking the benefit of deduction under section 80PA, the total turnover of the company is to be less than ----- in any previous year.
- (A) ₹ 100 crores
 (B) ₹ 200 crores
 (C) ₹ 300 crores
 (D) ₹ 500 crores

36. Zubin is intending/going to purchase agriculture lands in the rural area located in Gujrat for ₹ 70,00,000 in the previous year 2019-20. He wants to know whether there is any obligation on him to deduct tax at source from the payment to be made and if so at what rate ?
- (A) deduct tax @ 1%
 (B) deduct tax @ 2%
 (C) deduct tax @ 5%
 (D) not to deduct tax at source
37. The maximum amount which can be donated in cash for claiming benefit of deduction under section 80G of the Act is -----
- (A) ₹ 1,000
 (B) ₹ 2,000
 (C) ₹ 5,000
 (D) ₹ 10,000
38. An individual resident senior citizen tax payer can claim an amount of ₹ ----- as deduction in respect of specified income of interest on bank deposits, post office deposits and deposits held in a banking cooperative society.
- (A) ₹ 10,000
 (B) ₹ 30,000
 (C) ₹ 50,000
 (D) ₹ 75,000
39. A deduction of an amount of ₹ ----- under section 80EEA in respect to interest paid on home loan for acquisition of residential house under affordable housing is available to ----- in A.Y. 2020-21.
- (A) 50,000; Individual
 (B) 1,50,000; Individual & HUF
 (C) 2,00,000; Individual
 (D) 1,50,000; Individual
40. Sandeep during the previous year 2019-20 receives royalty on books of ₹ 1,00,000 at a rate of 17% and incurs ₹ 10,000 as expenditure for earning the amount of royalty. The books are covered under section 80QQB and the entire royalty was to be received from UK. ₹ 50,000, however shall be remitted to India till 30th September, 2020 out of the total amount of Royalty of ₹ 1,00,000. Deduction under section 80QQB for the assessment year 2020-21 available to Sandeep is-----
- (A) ₹ 90,000
 (B) ₹ 50,000
 (C) ₹ 40,000
 (D) ₹ 1,00,000
41. The rates of income tax excluding cess and surcharge if any applicable to a co-operative society for the assessment year 2020-21 where the total income exceeds ₹ 20,000 be -----
- (A) 10% of the total income
 (B) ₹ 2,000 plus 20% of the amount by which the total income exceeds ₹ 20,000
 (C) ₹ 3,000 plus 30% of the amount by which the total income exceeds ₹ 20,000
 (D) ₹ 3,000 plus 25% of the amount by which the total income exceeds ₹ 20,000
42. Credit for tax (tax credit) paid by a person on account of AMT under Chapter XII-BA shall be allowed which can be carried forward up to ----- immediately succeeding the assessment year in which such credit becomes allowable.
- (A) 20th assessment years
 (B) 15th assessment years
 (C) 10th assessment years
 (D) 5th assessment years

43. Provisions of section 115JC under Chapter XII-BA shall not apply to an Individual or a HUF or an AOP or a body of Individual (whether incorporated or not) or any artificial judicial person, if the adjusted total income of such person does not exceed ₹ -----
- (A) 5 lakh
(B) 10 lakh
(C) 20 lakh
(D) 30 lakh
44. Hindu Undivided Families (HUFs) according to Hindu law are governed by two schools being Mitakshara and Dayabhaga. Mitakshara School applies to whole of India except the states of -----
- (A) West Bengal and Assam
(B) Jammu and Kashmir
(C) West Bengal
(D) Assam and Bihar
45. Amount of salary paid to a working partner by a partnership firm is taxable in the hands of partner in the assessment year as per provisions of Income tax Act, 1961 under -----
- (A) Salaries
(B) Profits & Gain of Business and Profession
(C) Income from other sources
(D) Personal Income
46. As per section 115BBD where the total income of an Indian company includes any income by way of dividends declared, distributed or paid by a specified foreign company, such income of divided shall be chargeable to tax at the rate of ----- with applicable surcharge and cess.
- (A) 5%
(B) 10%
(C) 15%
(D) 20%
47. Where the total income of an assessee includes any income by way of transfer of Carbon Credits, the tax payable thereon in Asst. Year 2020-21 shall be at the rate of ----- with applicable surcharge and cess.
- (A) 2%
(B) 5%
(C) 7%
(D) 10%
48. As per section 176 of Income Tax Act, 1961 where any business or profession is discontinued in any assessment year than as per section 176(3), person discontinuing their business or profession shall give to the A.O. a notice of such discontinuance within ----- thereof.
- (A) 5 days
(B) 10 days
(C) 15 days
(D) 30 days

49. As per section 234B, where the advance tax paid during the previous year 01.04.2019 to 31.03.2020 on or before March, 2020 is less than 90% of the assessed tax as reduced by the amount of tax deducted at source, the assessee shall be making payment of simple interest on the amount of shortfall per month at the rate of -----.
- (A) 1%
 (B) 1.25%
 (C) 1.50%
 (D) 1.75%
50. Person paying any sum on which tax is collectible at source as per provisions of section 206CC shall furnish his PAN to the person responsible for collecting such tax at source. A lower tax collection certificate under this section shall not be granted unless application in ----- made contains his -----.
- (A) Form no. 10, PAN
 (B) Form no. 10, TAN
 (C) Form no. 13, PAN
 (D) Form no. 13, TAN
51. Section 244A provides where the refund is out of any tax paid under section 140A, simple interest shall be calculated at the rate of ----- comprised in the period from the date of furnishing of return or payment of tax, whichever is later, to the date on which the refund is granted.
- (A) 1% for every month
 (B) 1% for every month or part of a month
 (C) 1½% for every month
 (D) 1½% for every month or part of a month
52. XYZ Ltd during the previous year 2019-20 has made payments for Professional Services of ₹ 15,000 and of ₹ 20,000 towards Royalty to Mahesh Kumar. TDS required to be deducted by XYZ Ltd for Assessment Year 2020-21 out of such payments shall be -----
- (A) NIL being not required
 (B) 10% of ₹ 35,000
 (C) 10% of ₹ 15,000
 (D) 10% of ₹ 20,000
53. A return of income where furnished after the due date than the period for which the interest is payable under section 234A commences from -----
- (A) first day of relevant Assessment Year to ending on the date of furnishing of the return
 (B) the date immediately following the due date for filing the return and ending on the date of furnishing of the return
 (C) first day of relevant Assessment Year to due date for filing the return
 (D) the date immediately following the date for filing the return and ending on the end of relevant Assessment Year
54. The payer as per section 194N of Income tax Act, 1961 is required to deduct tax at source at the rate of ----- on the cash payments, if aggregate of withdrawals during the financial year from any account maintained with a banking company or cooperative bank or post office exceeds -----.
- (A) 1%, ₹ 1 crore
 (B) 2%, ₹ 1 crore
 (C) 1%, ₹ 2 crore
 (D) 1%, ₹ 5 crore

55. Any person being an individual or a HUF (other than those who are not required to deduct tax under section 194C or 194H or 194J) paying any sum to any resident contractor or professional required to deduct tax at source under section 194M at the rate of -----, if aggregate payment during the year exceeds -----.
- (A) 10%, 20 lakh
 (B) 5%, 20 lakh
 (C) 5%, 50 lakh
 (D) 10%, 50 lakh
56. State and find out in which of the following transactions quoting of PAN is not compulsory/mandatory ?
- (A) Payment in cash in connection with travel to any foreign country of an amount exceeding ₹ 50,000 at any one time
 (B) Contract for sale/purchase of securities exceeding ₹ 1,00,000
 (C) Sale/Purchase of any immovable property valued at ₹10 lakhs or more and valued by the stamp valuation authority under section 50C at an amount exceeding ₹ 10 lakhs
 (D) Sale or purchase, by any person of goods or services of any nature other than those specified where amount exceeding ₹1,00,000 per transaction
57. Ram Nath a resident individual having income of salary and interest on deposits has computed his total income at ₹ 9,00,000 for assessment year 2020-21. He wants to furnish his return of income for assessment year 2020-21 after the due date as prescribed under section 139(1) likely on or by 30.01.2021. As per section 234F of Income Tax Act, 1961, he is liable to pay fee of -----
- (A) ₹ 1,000
 (B) ₹ 5,000
 (C) ₹ 10,000
 (D) ₹ 15,000
58. State which out of the following, statement relating to Dispute Resolution Panel (DRP) is a wrong or incorrect statement :
- (A) If the member of the Dispute Resolution Panel differs in opinion on any point, the point shall be decided according to the opinion of the majority of the members.
 (B) Every direction issued by the Dispute Resolution Panel shall be binding on the Assessing Officer.
 (C) No direction shall be issued unless an opportunity of being heard is given to the assessee and the Assessing Officer on such directions which are prejudicial to the interest of the assessee or the interest of the revenue.
 (D) No direction shall be issued after 12 months from the end of the month in which the draft order is forwarded to the eligible assessee.

59. The Chief Commissioner or the Commissioner or an assessee aggrieved by any order passed by the Income Tax Appellate Tribunal (ITAT) may file an appeal before the high court and such appeal shall be filed within ----- of the date on which the order appealed against is received by the assessee or the chief commissioner.
- (A) 120 days
(B) 90 days
(C) 60 days
(D) 30 days
60. An assessee may at any stage of a case relating to him make an application in Form No. ----- to the Settlement Commission to settle the case. Such application other than the case of specified person can be made to the Settlement Commission only where the additional amount of income tax payable on the income disclosed in the application as per section 245C(1A) exceeds -----.
- (A) 34A; ₹ 5,00,000
(B) 34B; ₹ 10,00,000
(C) 34A; ₹ 25,00,000
(D) 34B; ₹ 50,00,000
61. In case of failure to file the income tax return, prosecution proceeding may be initiated against the assessee under section 276CC of the Act where the tax payable on the returned income exceeds -----.
- (A) ₹ 3,000
(B) ₹ 5,000
(C) ₹ 10,000
(D) ₹ 20,000
62. “-----” will be used to describe every attempt by legal means to prevent or reduce tax liability which would otherwise be incurred by taking advantage of some provision or lack of provision of law. It excludes fraud, concealment or other illegal measures.
- (A) Tax Evasion
(B) Tax Planning
(C) Tax Avoidance
(D) Tax Management
63. Tax planning is legitimate, honest and rightful approach to the attainment of maximum benefits of taxation laws within their framework having certain basic objectives. Find from the following which is not the basic objective of Tax Planning :
- (A) Reduction of tax liability
(B) Healthy growth of economy
(C) Minimization of litigation
(D) Non Productive Investment
64. Instructions issued by CBDT as per section 119 of the Act have statutory force and are equally binding on all concerned. State which out of the following is the *false* statement in this context :
- (A) The instructions of the board are binding on the department and assessee both
(B) The instructions have to be followed by the department officers.
(C) In the exercise of its power, the board cannot impose a burden or put the assessee in a worse position
(D) Instruction adverse to an assessee’s interest can be challenged by him

65. Tax Planning exercise ranges from devising a model for specific transaction as well as for systematic corporate planning. In this context find from the following which is not a type of tax planning :
- Short range and long range tax planning
 - Permissive tax planning
 - Presumptive tax panning
 - Purposive tax planning
66. Ram & Associates entered into an international transaction or specified domestic transaction failed to furnish information and documents in respect of such international transaction or specified domestic transaction. State the quantum of penalty to be imposed by Assessing Officer or Commissioner (appeals) for such failure on Ram & Associates.
- 1% of the value of each international transaction
 - 2% of the value of each international transaction
 - 3% of the value of each international transaction
 - 4% of the value of each international transaction
67. The Advance Pricing Agreement (APA) shall be valid for a period as specified in the Advance Pricing Agreement. However this period will not be more than -----.
- Six consecutive previous years
 - Five consecutive previous years
 - Four consecutive previous years
 - Three consecutive previous years
68. Chapter X-A of the Act contains General Anti-Avoidance Rule (GAAR) and section 102 in this chapter contains various definitions. Find and state the meaning assigned to “*Tax Treaty*” under this section :
- An agreement referred to in subsection (1) of section 90 or subsection (1) of section 90A
 - A measure or an action, particularly one of a series taken in order to deal with or achieve a particular thing or object
 - A reduction or avoidance or deferral of tax or other amount that would be payable under this Act as a result of a tax treaty
 - A reduction in total income or an increase in loss in the relevant previous year or any other previous year
69. The application for obtaining an advance ruling as per section 245Q (2) shall be made in ----- and it should be accompanied by a fee of ----- or such fees as may be prescribed stating the question on which the advance ruling is sought.
- Triplicate, ₹ 10,000
 - Triplicate, ₹ 20,000
 - Quadruplicate, ₹ 10,000
 - Quadruplicate, ₹ 20,000
70. State which amongst the following is *not* a power of Authority for Advance Ruling (AAR) under section 245U of Income Tax Act, 1961 :
- Compelling the production of books of account and other document specific Anti-Avoidance Rules
 - Power of arrest
 - Enforcing the attendance of any person, including any officer of a banking company and examining him on oath.
 - Issuing commissions

PART—B

71. Integrated Goods & Service Tax (IGST) Act, 2017 was passed by the Parliament under ----- of the Constitution and it provides that goods and services tax on ----- in the course of interstate trade or commerce shall be received and collected by the Government of India.
- (A) Article 246; turnover
 (B) Article 268; supplies
 (C) Article 269; sales
 (D) Article 269A; supplies
72. “-----” is based on Canada Model wherein taxes are being collected by the Centre. However, it also provides that two different rates of tax are to be levied by the Centre and the States.
- (A) Australian Model
 (B) Dual Tax Model
 (C) Kelkar - Shah Model
 (D) Bagchi - Poddar Model
73. State and find from the following which hierarchy of Administrative Mechanism is being in operation at the central level for GST :
- (A) Ministry of Finance → Revenue Department → CBIT → Regions → Zones → Commissionerates → Division
 (B) Ministry of Finance → Revenue Department → CBIT → Zones → Regions → Commissionerates → Division
 (C) Ministry of Finance → Revenue Department → CBIT → Division → Regions → Zones → Commissionerates
 (D) Revenue Department → Ministry of Finance → CBIT → Zones → Regions → Commissionerates → Division
74. The Constitution (One Hundred and First Amendment) Act, 2016 provides that the GST Council, in its discharge of various functions shall be guided by the need for a ----- structure of GST and that every decision of the GST Council shall be taken at meeting by a majority of not less than ----- of the weighted votes of the member present and voting.
- (A) harmonized; 3/4th
 (B) synchronized; 3/4th
 (C) simplified; 2/3rd
 (D) harmonized; 2/3rd
75. The Constitution (One Hundred and First Amendment) Act, 2016 provides for compensation to the states for loss of revenue arising on account of implementation of the Goods and Services Tax for a period of -----.
- (A) 3 Years
 (B) 5 Years
 (C) 7 Years
 (D) 10 Years
76. Goods and Services Tax Net Work (GSTN) is a Central Agency providing the whole Information Technology (IT) infrastructure to achieve the objects of tax administration under GST. In this context find which is a false statement regarding “*Functioning GSTN is the IT backbone of GST*” :
- (A) It puts in place the IT infrastructure for the new taxation system.
 (B) It enables the transition of tax payers from the multiple existing systems to a single one system.
 (C) It unifies a large number of taxation systems working at different levels of administration into multiple interfaces.
 (D) It establishes a uniform interface for the tax payer and a common and shared IT infrastructure between the Center and States.

77. According to Rule - 3 of CGST Rules, any registered person opts to pay tax under section 10 of the CGST Act, 2017 shall file an intimation in Form GST----- prior to commencement of financial year and shall also furnish the statement in Form GST ----- within 60 days from the commencement of relevant financial year.
- (A) CMP-01, ITC-1
 (B) CMP-02, ITC-3
 (C) CMP-03, ITC-3
 (D) CMP-02, ITC-2
78. Scope of supply has been given under section 7 of the CGST Act, 2017 and schedules-I, II and III list various activities to be treated as supply or otherwise. Find from the following activities which is not being covered in Schedule - II of the CGST Act, 2017 :
- (A) Permanent transfer or disposal of goods forming part of business assets by or under the direction of the person carrying on the business whether or not for consideration
 (B) Supply by unincorporated association to a member thereof for cash
 (C) Supply of goods between principal to his agent and vice versa
 (D) Development, design, programming, customization, up-gradation, enhancement, implementation of information technology software
79. Section 10(2) of the CGST Act, 2017 lays down various conditions and restrictions relating to eligibility for composition levy. Find from the following in this context, which of the statement is *not* correct :
- (A) The scheme is not available for service sector, except restaurants
 (B) Tax payer who is not a manufacturer of such goods as may be notified by the government on the recommendation of the council is also not eligible for composition scheme
 (C) Tax payer making supplies through e-commerce operators who are required to collect tax at source shall also be eligible for composition scheme.
 (D) Tax payers making interstate supplies are eligible for composition scheme which implies that there is no bar on interstate inward supplies
80. Under GST regime, a category by the name “*North Eastern and Special Category States*” has been defined which comprise of :
- (A) Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, Sikkim and Himachal Pradesh
 (B) Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Arunachal Pradesh
 (C) Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Himachal Pradesh
 (D) Assam, Manipur, Meghalaya, Nagaland, Tripura, Sikkim and Arunachal Pradesh

81. Under section 14 of the CGST Act, 2017 where the payment has been received before the change in rate of tax but the invoice for the same is issued after the change in rate of tax, the time of supply shall be the -----
- (A) date of issue of invoice
 (B) date of receipt of payment
 (C) (A) & (B) whichever is later
 (D) date of supply of goods or services
82. Section 7(2) of the CGST Act, 2017 provides that notwithstanding anything contained in section 7(1) of the CGST Act, 2017, activities which are neither of goods nor supply of services as specified in schedule-III include -----
- (A) Supply of goods by any unincorporated association or body of person to member for cash, deferred payment or other valuable consideration
 (B) Temporary transfer or permitting the use or enjoyment of any intellectual property right
 (C) Actionable claim, other than lottery, batting and gambling
 (D) Renting of immovable property
83. Main difference between Composite supply and Mixed supply is that :
- (A) Composite supply is naturally bundled i.e. goods or services are usually provided together in normal course of business whereas in Mixed supply, the goods or services can be sold separately.
 (B) Mixed supply, is naturally bundled i.e. goods or services are usually provided together in normal course of business whereas in Composite supply, the goods or services can be sold separately.
 (C) Mixed supply is naturally bundled but Composite supply is not naturally bundled.
 (D) There is no difference between Composite supply and Mixed supply.
84. Form GST CMP-07 is used for :
- (A) Issue show cause notice (SCN) to registered person by proper officer
 (B) Issue an order within 30 days of receipts of reply by proper officer
 (C) Intimation of withdrawal from the Composition scheme
 (D) Giving details of stocks on date of opting for Composition Levy
85. Under GST regime, when goods are sent from a taxable person to a job worker it shall be treated as supply and will be liable to GST, if the goods so sent are being not received back within ----- or ----- in case of inputs or capital goods as the case may be.
- (A) 6 months; 1 year
 (B) 1 year; 18 months
 (C) 1 year; 3 years
 (D) 1 year; 2 years
86. Input Service Distributor (ISD) is required to file monthly return by ----- of the following month in form -----.
- (A) 13th; GSTR-6
 (B) 18th; GSTR-5
 (C) 13th; GSTR-4
 (D) 18th; GSTR-3
87. A GST registered manufacturing company provides the information and particulars of GST paid for the month of December, 2019 on (a) goods and services where tax has been paid by supplier under section 10 of the CGST Act, 2017 of ₹ 20,000 (b) capital goods used for construction of building of ₹ 10,000 (c) laptops to be used within factory office of ₹ 35,000. You are required to work out the amount of available input tax credit (ITC).
- (A) ₹ 45,000
 (B) ₹ 55,000
 (C) ₹ 65,000
 (D) ₹ 35,000

88. As per Section 11 of CGST Act, 2017 where Government is satisfied that it is necessary in the public interest so to do, it may, on the recommendations of the council, by special order in each case, under circumstances of an exceptional nature to be stated in such order, exempt from payment of tax any goods or services or both on which tax is leviable. However, if it considers necessary, the Government for clarifying the scope or applicability may insert an explanation in such order. State the time limit for insertion of an explanation by the Government in such order/notifications :
- (A) Within 6 months
 (B) Within 18 months
 (C) Within one year
 (D) Within two years
89. Ascertain the value of taxable supply under GST with respect to the given independent services provided by the registered persons
 (1) Fee charged for yoga camp conducted by a charitable trust registered under section 12AA of the Income Tax Act, 1961 of ₹ 2,00,000
 (2) Fee charged for services provided by commentator to a recognized sports body of ₹ 1,00,000
 (3) Amount charged for service provided by way of vehicle parking to general public in a shopping mall of ₹ 60,000.
- (A) ₹ 3,60,000
 (B) ₹ 1,60,000
 (C) ₹ 1,00,000
 (D) ₹ 60,000
90. As per section 36 of CGST Act, 2017 the time duration for retention of accounts and records under GST is until expiry of ---- from the due date of furnishing of ----- for the year pertaining to such accounts and records.
- (A) 36 Months; annual return
 (B) 72 Months; annual return
 (C) 36 Months; monthly return
 (D) 72 Months; monthly return
91. A specialized agency of the UNO and/or Embassy of foreign countries entitled to a refund of tax paid by it on inward supplies of goods or services or both, may make an application for such refund, in such form and manner as may be prescribed before the expiry of ----- in which such supply was received.
- (A) six months from the last day of the quarter
 (B) one year from the last day of the quarter
 (C) six months from the last day of the financial year
 (D) one year from the last day of the financial year
92. A return in Form GSTR-11 under GST giving details of inward supplies is required to be furnished by 28th of the month following the month for which statement is filed by -----.
- (A) Input Service Distributor
 (B) Person having UIN and claiming refund
 (C) E-commerce Operator/Tax Collector
 (D) Non Resident taxable person
93. Section 52 of CGST Act, 2017 specifies that electronic commerce operator to collect tax not exceeding----- of the net value and to deposit within ----- of the expiry of the month in which he collected the tax.
- (A) ½%; 10 days
 (B) ½%; 15 days
 (C) 1%; 15 days
 (D) 1%; 10 days

94. As per section 50 of CGST Act, 2017 interest not exceeding ----- calculated from the next day of the due date has to be paid for delay of payment. Interest on undue or excess claim of ITC or excess reduction in output tax liability shall be not exceeding -----.
- (A) 24%; 18%
 (B) 12%; 18%
 (C) 18%; 24%
 (D) 18%; 12%
95. A return under GST in form ----- is required to be filed by a Non-resident taxable person by -----.
- (A) GSTR-4; 18th of the next month
 (B) GSTR-5; 20th of the next month
 (C) GSTR-6; 13th of the next month
 (D) GSTR-7; 10th of the next month
96. A registered taxable supplier of services in case of continuous supply of services having unascertainable due date is required to raise the invoice as per section 31 of the CGST Act, 2017 within the timeline -----
- (A) on or before the date of completion of that event
 (B) on or before the due date of payment
 (C) before or at the time when the supplier of services receives the payment
 (D) at the time when the supply ceases and such invoice shall be issued to the extent of the supply made before such cessation
97. The ----- under Section 49(1) shall be maintained for each person, liable to pay tax, interest, penalty, late fee or any other amount, on the common portal for crediting the amount deposited and debiting the payment there from towards tax, interest, penalty, fee or any other amount.
- (A) Electronic Cash Ledger
 (B) Electronic Credit Ledger
 (C) Electronic Tax Ledger
 (D) Electronic Tax Liability Ledger
98. As per section 5 of the IGST Act, 2017 a maximum rate of tax of ----- can be imposed on interstate supply of goods and services.
- (A) 28%
 (B) 35%
 (C) 40%
 (D) 50%
99. The place of supply (POS) as per section 10 of the IGST Act, 2017 in case of where supply not involving movement of goods whether by the supplier or the recipient shall be -----.
- (A) location of such goods at the time at which the movement of goods terminates for delivery to the recipient
 (B) deemed that the third person has received such goods and principal place of business of such person shall be the place of supply
 (C) location at which such goods are taken on conveyance
 (D) location of such goods at the time of the delivery to the recipient
100. If the goods so seized are of perishable or hazardous nature, such goods can be released by an order under ----- only after taxable person pays an amount equivalent to the market price of such goods or things or the amount of tax, interest and penalty that is or may become payable by the taxable person, whichever is lower.
- (A) GST INS-05
 (B) GST INS-04
 (C) GST INS-03
 (D) GST INS-02

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Space for Rough Work