

# 324N

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.
2. OMR Answer Sheet cannot be taken out from the Examination Hall by the examinees and the same is required to be properly handed over to the Invigillator Supervisory staff on duty and acknowledgement be obtained for doing so on the Admit Card before leaving the Examination Hall.
3. Candidates are required to correctly fill-in the Question Paper Booklet Code and the Question Paper Booklet No. (as mentioned on the top of this booklet) in the OMR Answer Sheet, as the same will be taken as final for result computation. Institute shall not undertake any responsibility for making correction(s) at later stage.
4. This Question Paper Booklet contain 100 questions. All questions are compulsory and carry ONE mark each. There will be negative marking for wrong answers in the ratio of 1:4, *i.e.*, deduction of 1 mark for every four wrong answers.
5. Seal of this Question Paper Booklet MUST NOT be opened before the specified time of examination.
6. Immediately on opening of Question Paper Booklet, candidates should ensure that it contains 100 questions in total and none of its page is missing/misprinted. In case of any discrepancy, the booklet shall be replaced at once.
7. Each question is followed by four alternative answers marked as A, B, C and D. For answering the questions including those requiring filling-in the blank spaces, candidates shall choose one most appropriate answer to each question and mark the same in the OMR Answer Sheet by darkening the appropriate circle only in the manner as prescribed in the OMR Answer Sheet.
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*Note* : All references to sections mentioned in Part-A of the question paper relate to the Income-Tax Act, 1961 and relevant to Assessment Year 2017-18 unless stated otherwise.

**PART—A**

1. Mr. Ram received cash gift of Rs. 51,000 from his friends on the occasion of his 50th birthday. None of the friends are relative. The amount liable to tax in the hands of Mr. Ram would be :
  - (A) Nil
  - (B) Rs. 1,000
  - (C) Rs. 51,000
  - (D) Rs. 46,000 after deducting causal income of Rs. 5,000
2. Agni (P) Ltd issued equity shares of Rs. 10 each at Rs. 40 per share. The fair market value of the share on the date of issue was ascertained as Rs. 25 per share. The company issued 1,00,000 equity shares. The amount liable to tax in the hands of the company would be :
  - (A) Rs. 15,00,000
  - (B) Rs. 30,00,000
  - (C) Nil
  - (D) Rs. 40,00,000
3. Mr. Robert aged 52 years received monthly pension of Rs. 30,000 during the financial year 2016-17. His agricultural income in India is Rs. 50,000. His net income-tax liability is :
  - (A) Rs. 14,420
  - (B) Rs. 9,270
  - (C) Rs. 4,120
  - (D) Rs. 11,330
4. Mr. Rajiv, born and brought up in India left for employment in Belgium on 15-10-2016. He has never gone out of India, previously. What is his residential status for the assessment year 2017-18 ?
  - (A) Non-resident
  - (B) Not ordinarily resident
  - (C) Resident
  - (D) Indian citizen
5. Mr. Ramji (age 55) is Karta of HUF doing textile business at Nagur. Mr. Ramji is residing in Dubai for the past 10 years and visited India for 20 days every year for filing the income tax return of HUF. His two major sons take care of the day to day affairs of the business in India. The residential status of HUF for the assessment year 2017-18 is :
  - (A) Non-resident
  - (B) Resident
  - (C) Not ordinarily resident
  - (D) None of the above

6. When a capital asset located in India is sold by a non-resident to another non-resident at a place outside India, the capital gain is taxable :
- (A) at the place of transferor  
 (B) at the place of transferee  
 (C) at the place of location of asset  
 (D) at the place of both transferor and transferee
7. Thomas Inc. of Australia borrowed money from various companies in Australia for doing business in India by name ANS Co. Ltd., Mumbai. Thomas Inc. paid interest of Rs. 500 lakhs (converted) to various lenders. The amount of interest paid :
- (A) has accrued in India  
 (B) is exempt from tax  
 (C) does not accrue in India  
 (D) is taxable in Australia
8. Mr. Vinayak derived income from sale of tea manufactured and grown in Coorg, Karnataka. His income for the previous year 2016-17 from the said activity is Rs. 20 lakhs. The amount exempt from tax by way of agricultural income is :
- (A) Rs. 8 lakhs (40%)  
 (B) Rs. 5 lakhs (25%)  
 (C) Rs. 12 lakhs (60%)  
 (D) Rs. 7 lakhs (35%)
9. Mr. Vijay is partner in Tools & Co., a partnership firm in Mumbai. He received Rs. 30,000 as share income from the firm for the year ended 31-3-2017. He also received interest at 12% per annum on the capital invested in the firm and the amount being Rs. 24,000. His income from the firm includible in individual assessment is :
- (A) Rs. 54,000  
 (B) Rs. 24,000  
 (C) Rs. 30,000  
 (D) Nil
10. Mr. Ashwin retired on 31-10-2016 after rendering 35 years of service in PLN & Co. Ltd. He received gratuity of Rs. 18 lakhs. He is governed by Payment of Gratuity Act, 1972. The monetary limit eligible for exemption is :
- (A) Rs. 10 lakhs  
 (B) Rs. 18 lakhs  
 (C) Rs. 3,50,000  
 (D) Nil
11. Mr. A is employed in ABS Transports as cabin driver. He is paid Rs. 15,000 every month in the whole of previous year 2016-17 as allowance for meeting his personal expenditure in the course of running the goods vehicle. Mr. A does not receive any other amount by way of daily allowance. The amount of allowance eligible for exemption is :
- (A) Rs. 1,80,000  
 (B) Rs. 1,20,000  
 (C) Rs. 1,26,000  
 (D) Nil

12. Mr. Sankar received Rs. 50,000 as educational scholarship from Nehru Memorial Trust (a charitable trust). The scholarship is to assist Mr. Sankar for pursuing M.A. (History) at Jawaharlal Nehru University, New Delhi. The amount of scholarship liable to tax is :
- (A) Rs. 50,000  
(B) Rs. 10,000  
(C) Rs. 25,000  
(D) Nil
13. Mr. Ramesh engaged in the business of growing and manufacturing tea in India received Rs. 2 lakhs from Tea Board towards replacement of tea bushes destroyed by forest fire. The amount received from Tea Board by Mr. Ramesh is :
- (A) Liable to tax  
(B) Exempt from tax  
(C) 50% is exempt from tax  
(D) 25% is exempt from tax
14. Mr. Chandan (age 70) received Rs. 30,000 every month during the financial year 2016-17 on reverse mortgage of his property with State Bank of India. The amount of receipt liable to tax in the hands of Mr. Chandan is :
- (A) Rs. 3,60,000  
(B) Rs. 2,52,000  
(C) Rs. 40,000  
(D) Nil
15. Ray Charitable Trust (registered under section 12AA) has total income of Rs. 20 lakhs. It applied Rs. 10 lakhs towards its objects. How much is chargeable to tax in case the trust does not opt for accumulation of income under section 11(2) of the Act ?
- (A) Rs. 10 lakhs  
(B) Rs. 7 lakhs  
(C) Rs. 5 lakhs  
(D) Rs. 3 lakhs
16. Mr. Arjun employed in KL (P) Ltd. at Mumbai was provided rent-free accommodation by the employer who owned such accommodation. The salary income of Mr. Arjun for the purpose of computing the perquisite value is Rs. 8 lakhs. The perquisite value of rent-free accommodation in the hands of Mr. Arjun is :
- (A) 10% of salary i.e. Rs, 80,000  
(B) 7.5% of salary i.e. Rs, 60,000  
(C) Nil  
(D) 15% of salary i.e. Rs, 1,20,000

17. Mr. Gupta is given a motor car with chauffeur by the employer which is used for both official and personal purpose. The entire running expenses of the car amounting to Rs. 64,800 was met by the employer in the previous year 2016-17. The cubic capacity of the engine of the motor car exceeds 1.6 litres. The perquisite value of motor car taxable in the hands of Mr. Gupta is :
- (A) Rs. 19,200  
 (B) Rs. 39,600  
 (C) Rs. 28,800  
 (D) Rs. 64,800
18. Ashwin Co. Ltd contributed 15% of the salary of the employee Virat towards recognized provident fund. The amount liable to tax as perquisite in the hands of Virat would be ..... of contribution.
- (A) 5%  
 (B) 3%  
 (C) Nil  
 (D) any sum exceeding Rs. 1,50,000
19. During the previous year, the employee was reimbursed Rs. 24,000 as medical expenses incurred by him which includes Rs. 7,000 spent in Government hospital. The taxable perquisite in this case shall be :
- (A) Rs. 9,000  
 (B) Nil  
 (C) Rs. 2,000  
 (D) Rs. 24,000
20. The employee is provided with furniture costing Rs. 1,50,000 along with house w.e.f. 1-7-2016. The value of the furniture to be included in the valuation of unfurnished house shall be :
- (A) Rs. 11,250  
 (B) Rs. 15,000  
 (C) Rs. 22,500  
 (D) Rs. 16,875
21. Interest credited to statutory provident fund shall be :
- (A) Fully exempt  
 (B) Exempt upto 8.5% p.a.  
 (C) Fully taxable  
 (D) Exempt upto 9.5%

22. Mr. Ahmed acquired a property in April, 2016 for self-residential use. The loan interest payable to State Bank of India for the financial year 2016-17 amounts to Rs. 2,10,000. The amount eligible for deduction under section 24 is :
- (A) Rs. 30,000  
 (B) Rs. 2,00,000  
 (C) Rs. 2,10,000  
 (D) Rs. 1,50,000
23. Mr. Shahu has loss from house property of Rs. 1,10,000 (computed) for the assessment year 2017-18. He can carry forward such loss for subsequent ..... assessment years.
- (A) 4  
 (B) Nil  
 (C) 8  
 (D) Indefinite
24. R has taken a house on rent and sublets the same to G. Income from such house property shall be taxable under the head :
- (A) income from house property  
 (B) income from other sources  
 (C) income from house property or income from other sources as decided by R  
 (D) none of the above
25. A borrowed Rs. 5,00,000 @ 12% p.a. on 1-4-2012 for construction of house property which was completed on 15-3-2016. The amount is still unpaid. The deduction of interest for previous year 2016-17 shall be :
- (A) Rs. 60,000  
 (B) Rs. 96,000  
 (C) Rs. 1,80,000  
 (D) Rs. 2,40,000
26. Dr. Sen has surgical equipments whose WDV as on 1-4-2016 was Rs. 4,10,000. He acquired some more equipments in December 2016 for Rs. 3,50,000. He sold equipment in March 2017 for Rs. 2,00,000 whose original cost was Rs. 1,70,000. The written down value of the block for the purpose of computing depreciation for the assessment year 2017-18 is :
- (A) Rs. 5,90,000  
 (B) Rs. 5,60,000  
 (C) Rs. 7,30,000  
 (D) Rs. 4,30,000
27. Rosy Ltd. engaged in manufacture of bio-medicines in August, 2016 converted one equipment which was used for scientific research purposes previously, for regular business use. The original cost of the plant is Rs. 15 lakhs which was acquired in April, 2015. The company had claimed deduction at 200% under section 35(2AB) in the assessment year 2016-17. The plant used for scientific research would be included in the block of assets now at a value of :
- (A) Nil  
 (B) Rs. 15,00,000  
 (C) Rs. 30,00,000  
 (D) Rs. 12,75,000

: 7 :

28. Which of the following is a 'specified business' eligible for deduction under section 35AD ?
- (A) Operating warehousing facility for storage of agriculture produce
- (B) Operating leather manufacturing unit
- (C) Operating unit for manufacture of tooth paste
- (D) Units operating in Jammu & Kashmir
29. Malick & Co. engaged in trading activity could not recover Rs. 5 lakhs from a customer. It claimed the entire amount as bad debt by writing off in the books of account. The aggregate sale made during the year to the party amounts to Rs. 30 lakhs. The amount eligible for deduction by way of bad debt is :
- (A) Nil
- (B) Rs. 3 lakhs
- (C) Rs. 5 lakhs
- (D) Rs. 60,000
30. Andhra Traders a partnership firm paid Rs. 80,000 as contract charges to AKP & Co. (firm). No tax was deducted at source for the above said payment. The amount liable for disallowance under section 40a(ia) for the assessemnt year 2017-18 is :
- (A) Nil
- (B) Rs. 80,000
- (C) Rs. 40,000
- (D) Rs. 24,000
31. Surabi Textiles (firm) incurred business loss of Rs. 4,40,000 for the assessment year 2017-18 before allowance of working partner salary. The firm paid working partner salary of Rs. 1,20,000 each to three partners. The business income of the firm for the assessment year 2017-18 after deduction of working partner salary is :
- (A) Loss Rs. 5,90,000
- (B) Loss Rs. 4,40,000
- (C) Loss Rs. 80,000
- (D) Loss Rs. 8,00,000
32. Ravi & Co. paid Rs. 40,000 by cash to Mr. Balu a supplier on 5-9-2016. The cash payment was made on the day on which the bank was on strike. The amount of expenditure liable for disallowance under section 40A(3) is :
- (A) Rs. 40,000
- (B) Rs. 12,000
- (C) Rs. 20,000
- (D) Nil

33. Where the payment of an expenditure claimed as deduction by any assessee carrying on business or profession other than who is in transport business exceeds Rs. 20,000, it should be paid by :
- (A) Crossed cheque/draft  
 (B) Account payee cheque/account payee draft  
 (C) Account payee cheque  
 (D) Any mode other than cash
34. Raju succeeded to the business of his father Ramu consequent to demise of Ramu on 1-2-2017. Raju recovered Rs. 30,000 due from a customer which was written off by late Ramu as bad debt and allowed in the assessment year 2013-14. The amount recovered is :
- (A) Exempt from tax  
 (B) Fully taxable as business income  
 (C) Rs. 15,000 being 50% taxable as business income  
 (D) To be set off against current year bad debts
35. Mr. Siraj engaged in retail trade reports a turnover of Rs. 43 lakhs for the previous year 2016-17. He deposited Rs. 30,000 in his PPF account held with SBI. His total income for the assessment year 2017-18 by applying section 44AD provision is :
- (A) Rs. 1,85,000  
 (B) Rs. 3,44,000  
 (C) Rs. 3,14,000  
 (D) Rs. 4,00,000
36. Mrs. Lakshmi purchased shares of ABB Ltd. for Rs. 5 lakhs on 3rd April, 2015. The shares were sold on 5th June, 2016 for Rs. 7 lakhs. She paid STT of Rs. 700 and brokerage of Rs. 500. The amount chargeable to tax is :
- (A) Rs. 2,00,000  
 (B) Nil  
 (C) Rs. 1,99,500  
 (D) Rs. 1,98,700
37. Ms. Netra acquired 1000 equity shares of MMC Ltd. for Rs. 4 lakhs in April, 1996. She received bonus shares on 1 : 1 basis in April, 2016 from the company. She sold all the shares in January, 2017 through a recognized stock exchange for Rs. 8 lakhs. The capital gain chargeable to tax in the hands of Ms. Netra for the assessment year 2017-18 is :
- (A) Rs. 4 lakhs  
 (B) Nil since the entire gain is exempt from tax  
 (C) Rs. 2 lakhs  
 (D) Rs. 80,000



38. Mr. Madan sold a vacant land for Rs. 120 lakhs on 10-10-2016. The indexed cost of acquisition amounts to Rs. 18 lakhs. He deposited Rs. 50 lakhs in REC bonds in January 2017 and another Rs. 50 lakhs in March, 2017. The amount of capital gain liable to tax after deduction under section 54EC is :
- (A) Rs. 2 lakhs  
 (B) Rs. 52 lakhs  
 (C) Rs. 102 lakhs  
 (D) Rs. 18 lakhs
39. Ms. Mala received family pension of Rs. 15,000 per month during the previous year 2016-17. Also, she was employed in a private firm where she got a monthly consolidated salary of Rs. 20,000 per month. Her total income chargeable to tax is :
- (A) Rs. 4,20,000  
 (B) Rs. 2,40,000  
 (C) Rs. 3,60,000  
 (D) Rs. 4,05,000
40. Libra P. Ltd. engaged in trading activity had accumulated profits of Rs. 15,00,000 as on 1-4-2016, Mr. Gautam having 30% of the equity shares and voting rights in the company received Rs. 5 lakhs as loan on 1-6-2016 from the company. The loan was repaid by him on 30-11-2016. The amount liable to tax in the hands of Mr. Gautam as deemed dividend is :
- (A) Rs. 4,50,000  
 (B) Rs. 15,00,000  
 (C) Rs. 5,00,000  
 (D) Rs. 1,50,000
41. Rakesh acquired a motor car for Rs. 3,00,000 from his friend (non-relative) when the fair market value of the motor car was Rs. 5,00,000. The amount liable to tax in the hands of Rakesh from the transaction is :
- (A) Rs. 3,00,000  
 (B) Rs. 2,00,000  
 (C) Rs. 1,50,000  
 (D) Nil
42. Where a firm or closely held company received from any person any property being shares of closely held company without consideration :
- (A) the whole of the fair market value of the shares shall be taxable  
 (B) the whole of the FMV shall be taxable if it exceeds Rs. 50,000  
 (C) the whole of FMV shall be exempt  
 (D) the whole of the cost of such shares shall be exempt

43. Mr. Shiva gifted a let-out building which fetches rental income of Rs. 10,500 per month to his son's wife on 1-11-2016. The municipal tax of Rs. 6,000 on the property was paid on 10-1-2017. The total income from all other sources (computed) amounts to Rs. 2,60,000 except income from above said property. His total income chargeable to tax is :
- (A) Rs. 3,11,450  
 (B) Rs. 3,44,000  
 (C) Rs. 3,80,000  
 (D) Rs. 3,33,500
44. Mr. Hussey for the previous year has (i) business loss of Rs. 1,30,000; (ii) income from salary Rs. 2,40,000; and (iii) speculation gain of Rs. 1,10,000. His total income for income tax assessment is :
- (A) Rs. 3,50,000  
 (B) Rs. 2,20,000  
 (C) Rs. 2,40,000  
 (D) Rs. 1,10,000
45. Mathur Storage (P) Ltd. engaged in chain cold storage has brought forward business loss of Rs. 12 lakhs relating to assessment year 2016-17. During the previous year 2016-17, its income from the said business is Rs. 9 lakhs. It also has profit from trade in food grains of Rs. 6 lakhs. The total income of the company for the assessment year 2017-18 is :
- (A) Rs. 15 lakhs  
 (B) Rs. 6 lakhs  
 (C) Rs. 9 lakhs  
 (D) Rs. 3 lakhs
46. Raghunath repaid during previous year 2016-17 education loan of Rs. 60,000 and interest on education loan of Rs. 18,000 taken from Punjab National Bank for his son to pursue MS in Germany. The loan was taken in the financial year 2008-09 and the payment commenced from financial year 2009-10. The amount eligible for deduction under section 80 E for the assessment year 2017-18 is :
- (A) Rs. 60,000  
 (B) Rs. 78,000  
 (C) Rs. 18,000  
 (D) Nil
47. Shravan engaged in business paid monthly rent of Rs. 5,000 by cheque for his residence during the previous year 2016-17. His adjusted total income is Rs. 3,40,000. The amount eligible for deduction under section 80GG is :
- (A) Rs. 34,000  
 (B) Rs. 26,000  
 (C) Rs. 24,000  
 (D) Rs. 85,000

48. Deduction under section 80G on account of donation is allowed to :
- (A) a business assessee only  
 (B) any assessee  
 (C) individual or HUF only  
 (D) any resident assessee
49. The provisions of alternate minimum tax under section 115JC are applicable for limited liability partnership when the adjusted total income exceeds :
- (A) Rs. 10 lakhs  
 (B) Rs. 20 lakhs  
 (C) Rs. 100 lakhs  
 (D) Rs. 5 lakhs
50. Maruti & Co. is an AOP consisting of 4 members with equal share. None of the member has income exceeding the taxable limit. The total income of the AOP is Rs. 5 lakhs. The income-tax liability of the AOP would be :
- (A) Rs. 1,54,500  
 (B) Rs. 77,250  
 (C) Rs. 25,750  
 (D) Rs. 20,600
51. Radha Ltd. received dividend of Rs.100 lakhs from King P. Ltd. of Singapore in December 2016. The company declared interim dividend of Rs. 200 lakhs in January 2017. The dividend distribution tax payable by Radha Ltd. would be .....
- (A) on Rs. 200 lakhs  
 (B) on Rs. 100 lakhs  
 (C) Nil since dividend declared is more than dividend received  
 (D) None of the above
52. Mr. Nitin after serving Lion Ltd. for 4 years resigned his job to commence a business of his own. His provident fund account consisted of his own contribution Rs. 50,000; employer's contribution Rs. 50,000 and interest of Rs. 20,000 being attributable equally to the said contributions. How much would be the amount deductible at source under section 192A ?
- (A) Rs. 12,000 being 10% of total withdrawal  
 (B) Rs. 10,000 being 10% of total contributions  
 (C) Rs. 6,000 being 10% of employer's contribution and interest thereon  
 (D) Rs. 2,000 being 10% of interest on the contributions

53. Mr. Ravi solved a crossword puzzle and received Rs. 84,000 after deduction of tax at source. His income from crossword puzzle chargeable to tax would be :
- (A) Rs. 84,000  
(B) Nil  
(C) Rs. 72,000  
(D) Rs. 1,20,000
54. For computing the Book Profit under section 115 JB, which of the following is not added back to the profits ?
- (A) Income-Tax  
(B) Provision for Tax  
(C) Dividend Distribution Tax U/S 115-0  
(D) Securities Transaction Tax
55. Zeet & Co. is a partnership firm whose turnover for the previous year 2016-17 was Rs. 220 lakhs. The 'due date' for filing the return of income of the firm is :
- (A) 31st July, 2017  
(B) 30th September, 2017  
(C) 30th November, 2017  
(D) 31st March, 2018
56. Chatterjee filed his return of income for the assessment year 2017-18 on 10-6-2017. He is eligible to revise his return :
- (A) Upto the end of the assessment year  
(B) Before the end of 1 year from the end of the assessment year 2017-18  
(C) Before completion of assessment u/s 153  
(D) Before issue of notice u/s 148
57. A fixed deposit of Rs. 90,000 made by Mr. P on 5-11-2011 was detected on 7-9-2016. The time limit for issue of notice u/s 148 is :
- (A) 31-3-2017  
(B) 31-3-2019  
(C) 31-3-2021  
(D) 31-3-2023
58. An apparent error in the assessment order passed u/s 143(3) dated 15-11-2016 was noticed by the assessee in February, 2017. The time limit for seeking rectification of mistake is available up to :
- (A) 31-3-2021  
(B) 31-3-2020  
(C) 31-3-2017  
(D) 31-3-2018

59. Mr. Balwant received assessment order passed under section 143(3) on 10-1-2017. He wants to prefer an appeal before CIT (Appeals) against the assessment order. The time limit for preferring appeal is ..... days from the date of receipt of assessment order.
- (A) 15  
(B) 30  
(C) 35  
(D) 60
60. An assessment order under section 143(3) dated 15-9-2016 was served on the assessee on 25-9-2016. The Commissioner wants to make a revision of the order passed under section 143(3) by invoking section 263. The time limit for passing revision order under section 263 is :
- (A) 31st March, 2017  
(B) 31st March, 2018  
(C) 31st March, 2019  
(D) 26th Sep., 2020
61. Mr. Rajan did not appear before the Assessing Officer in response to a notice issued under section 143(2). He repeatedly absented from appearing before the Assessing Officer. How much could be the quantum of penalty the Assessing Officer could levy on Mr. Rajan for the failure ?
- (A) Rs. 2,000  
(B) Rs. 5,000  
(C) Rs. 10,000  
(D) Rs. 20,000
62. A Co. Ltd. has business loss and unabsorbed depreciation of Rs. 10 crores. B Co. Ltd. is profit making company. B Co. Ltd. wanted to acquire A Co. Ltd. with the benefit of set off of brought forward loss and unabsorbed depreciation. The legally permissible method is :
- (A) Reverse merger  
(B) Outright purchase  
(C) Slump sale of A Co. Ltd.  
(D) Converting A Co. Ltd. into subsidiary of B. Co. Ltd.
63. Tax heaven does *not* have the following feature :
- (A) There is no income-tax  
(B) There is lack of transparency  
(C) It is an island owned by certain individual  
(D) There is no exchange of information
64. Mr. Anuj (Age 65) resident of India has total income in India of Rs. 6 lakhs. His income from a foreign country with which there is no DTAA between India and that country, was Rs. 2 lakhs (converted). He paid income-tax at 20% on the foreign income in that country. His net tax liability for the assessment year 2017-18 after relief under section 91 is :
- (A) Rs. 61,800  
(B) Rs. 41,200  
(C) Rs. 20,600  
(D) Rs. 82,400

65. Which of the following is *not* a requirement for amalgamation of two companies ?
- (A) All the assets are transferred from amalgamating company to amalgamated company
  - (B) More than 50% of the directors of the amalgamating company become directors of the amalgamated company
  - (C) All liabilities including contingent liabilities are transferred from amalgamating company to amalgamated company
  - (D) Shareholders having 3/4th in value of shares of the amalgamating company become shareholders of the amalgamated company
66. Which of the following powers is *not* vested with the Transfer Pricing Officer ?
- (A) Power of search and seizure under section 132
  - (B) Power of survey under section 133A
  - (C) Power of levy penalty under section 271G
  - (D) Power to call for information under section 133(6)
67. The monetary limit for international transaction for getting exemption from documentations prescribed in Section 92D is :
- (A) Rs. 500 lakhs
  - (B) Rs. 300 lakhs
  - (C) Rs. 2000 lakhs
  - (D) Rs. 100 lakhs
68. Penalty for failure to furnish report under Section 92E is :
- (A) Rs. 25,000
  - (B) 2% of the value of international transactions
  - (C) Rs. 1,00,000
  - (D) Rs. 1,50,000
69. Which of the following persons is *not* eligible to seek advance ruling ?
- (A) Non resident
  - (B) Resident having transaction with non-resident
  - (C) A resident in respect of impermissible avoidance agreement
  - (D) Resident having transaction with not ordinarily resident
70. General Anti Avoidance Rules (GAAR) is applicable from the assessment year :
- (A) 2015-16
  - (B) 2017-18
  - (C) 2020-21
  - (D) 2016-17

## PART—B

71. Which of the following is not a feature of service ?
- (A) Presence of consideration  
(B) Declared service  
(C) Transfer of goods  
(D) Currency changing activity
72. Which of the following is *not* a declared service ?
- (A) Execution of works contract  
(B) Construction of a complex  
(C) Use of any intellectual property right  
(D) Service rendered in Jammu & Kashmir
73. Which of the following is *not* in the negative list of services ?
- (A) Service of foreman conducting chit  
(B) Services by the Reserve Bank of India  
(C) Supply of farm labour  
(D) Leasing of agro machinery
74. Recognized sports body in the negative list of services does *not* include the following :
- (A) Indian Olympic Association  
(B) Sports Authority of India  
(C) Board of Control for Cricket in India  
(D) International Olympic Association
75. The monetary limit of declared tariff for a hotel to fall in the negative list of services is :
- (A) Rs. 500 per day  
(B) Rs. 1000 per day  
(C) Rs. 3000 per day  
(D) Rs. 5000 per day
76. ABC Transport gave its buses on hire. It is exempt from service tax where it is given on hire to :
- (A) State Transport Undertaking  
(B) Charitable Trust  
(C) Limited company for bringing staff  
(D) To carry construction materials
77. A resident welfare association received Rs. 12,40,000 towards electricity and water bill to be paid for the consumption of its members. It is not a small service provider. Assuming the service tax rate as 14.5%, how much has to be paid towards service tax ?
- (A) Rs. 1,55,000  
(B) Rs. 34,800  
(C) Nil since it is pure agent  
(D) Rs. 49,300

78. Which of the following intermediate production process is *not* covered in the negative list of service ?
- (A) Agricultural process
  - (B) Textile process
  - (C) Process of manufacturing alcoholic liquor for human consumption
  - (D) Printing process
79. Mr. Ashish an architect in Jammu rendered his service to Mr. Brijesh a resident of Kashmir for construction of a commercial complex in Delhi. Is the service liable for service tax ?
- (A) Not liable for service tax
  - (B) It is liable for service tax
  - (C) 50% of the service is chargeable to service tax
  - (D) None of the above
80. Vinod Contractors (Service Provider) agreed to provide service by way of works contract to Ahuja & Co. Ltd. (Service Receiver) for consideration of Rs. 60 lakhs. The service tax liability is to be paid by :
- (A) Fully by service provider
  - (B) Fully by service receiver
  - (C) Both equally
  - (D) None of the above
81. A service provided by Abdul & Co. became a taxable service consequent to its removal from the negative list of service. Within how many days from date of commencement of service tax levy, Abdul & Co. must apply for registration ?
- (A) 7 days
  - (B) 15 days
  - (C) 30 days
  - (D) 60 days
82. When the date of completion of service is 10th November and the date of invoice is 20th November and 50% of the payment is received on 30th November and the balance on 10th December, the point of taxation is :
- (A) 10th November
  - (B) 20th November
  - (C) 30th November
  - (D) 10th December on full payment of the bill
83. When there is change in rate of service tax and the invoice is issued before the change in rate and payment is also received before the change but the service is provided after the date of change of rate, the point of taxation is :
- (A) Date of receipt of payment
  - (B) Date of invoice
  - (C) Date of rendering service
  - (D) Date of payment or invoice whichever is earlier



84. India Mobiles Ltd. is engaged in telecommunication service. It raised the invoice on the 10th of every month for the service rendered for the previous month. For the month of December, 2016 because of software failure the invoice for the month of November was raised in the month of January i.e. after 30 days. The point of taxation would be :
- (A) 30th November being the date of completion of service
- (B) 30th December being the 30th day after completion of service
- (C) Date of receipt of payment from the customers
- (D) Date of raising invoice
85. A mega exemption notification which covered a service was removed and thus became taxable from 1-3-2016. One service provider rendered the service on 20-2-2016 and received the payment on 27-2-2016. The invoice however was raised on 18-03-2016. The value of service is Rs. 1,00,000 and the service tax rate is 14.5%. The service tax liability is :
- (A) Nil since service was rendered before it became taxable
- (B) Nil since service was rendered and invoice was raised before it became taxable
- (C) Taxable since invoice was raised after 14 days and the liability is Rs. 14,500
- (D) Not taxable since the amount was received before the service became taxable
86. Bhalla & Co. is not a small service provider who is engaged in providing a taxable service in the State of Rajasthan. It raised invoice for Rs. 15 lakhs showing separately service tax at 14.5%. It omitted to show service tax separately in certain invoices aggregating to Rs. 10 lakhs. What is the service tax component on the bills in which service tax is not separately charged ?
- (A) Rs. 1,45,000
- (B) Rs. 1,26,637
- (C) Rs. 3,62,500
- (D) Nil
87. Ghanshyamji engaged in providing taxable service from April 2015 wants to know the 'due date' for filing service tax return. The due date is :
- (A) 25th day of every succeeding month
- (B) 6th day of every succeeding month
- (C) 6th day of every quarter
- (D) 25th day of the month following half-year (i.e. 25th October and 25th April of every year for the preceding half-year)
88. Srinivas Catering Services delayed filing of service tax return by 27 days. The penalty for the delayed filing would be :
- (A) Rs. 100 per day i.e. Rs. 2,700
- (B) Rs. 500
- (C) Rs. 1,000
- (D) Rs. 10,000

89. Raghav Services Ltd. delayed the payment of service tax of Rs. 10 lakhs by 10 days. It has paid interest for the delayed payment. If it is liable for penalty, how much is payable by way of penalty ?
- (A) Rs. 100 per day  
 (B) Rs. 1000  
 (C) Rs. 3,226 @ 12% per annum for 10 days  
 (D) Rs. 6,452 @ 24% per annum for 10 days
90. Jai Hanuman Ltd. engaged in service of repair and maintenance of generators has service tax collections (output) of Rs. 2,00,000. During the period it paid excise duty on machineries acquired Rs. 50,000 and service tax (input) Rs. 20,000. The service tax liability payable is :
- (A) Rs. 2 lakhs  
 (B) Rs. 1,80,000  
 (C) Rs. 1,50,000  
 (D) Rs. 1,30,000
91. Dwivedi commenced business on 1-1-2016. He must obtain VAT registration :
- (A) within 30 days of commencement of business  
 (B) within 60 days after the turnover exceeds threshold limit  
 (C) within 30 days after the turnover exceeds the threshold limit  
 (D) within 60 days of commencement of business
92. Murali Medical Stores is a retail trader who opted for composition scheme of VAT payment. Its turnover was Rs. 40 lakhs and no VAT was collected. It purchased medicines for Rs. 30 lakhs and paid VAT (input) of Rs. 2,40,000. The VAT liability would be :
- (A) Nil since no collection was made  
 (B) 0.5% of Rs. 40 lakhs being Rs. 20,000  
 (C) Rs. 2,20,000 (VAT paid less composition tax) is input credit  
 (D) Input credit Rs. 20,000
93. By nature the Value Added Tax (VAT) is a :
- (A) Expenditure Tax  
 (B) Income Tax  
 (C) Consumption Tax  
 (D) Cascading Tax
94. Mr. Richard Mega Mall a dealer in electrical and electronic goods, gave gifts on the eve of new year sale. It gave 100 pieces of mixers which cost Rs. 1,000 each with VAT paid on purchases of Rs. 125 per piece. For the month of December its input tax credit (including gifts) on purchases amounts to Rs. 3 lakhs and output tax collected on sale amount to Rs. 4 lakhs. The net VAT liability of the dealer for the month is :
- (A) Rs. 1,00,000  
 (B) Rs. 1,12,500  
 (C) Rs. 87,500  
 (D) Rs., 3,00,000

95. Purohit Traders purchased raw materials from outside the State and paid CST of Rs. 40,000. Its output credit on VAT due to sales within state amounts to Rs. 2,40,000. Its input VAT credit on intra-state purchases amounts to Rs. 1,60,000. The net VAT liability is :
- (A) Rs. 40,000  
 (B) Rs. 80,000  
 (C) Rs. 1,60,000  
 (D) Rs. 2,40,000
96. SKT Exports purchased raw materials on which it paid VAT of Rs. 1,60,000. The entire goods were exported to a country in Africa. It has another unit where its output VAT credit is Rs. 3,45,000 and input credit of Rs. 1,80,000. The net VAT liability of the dealer is :
- (A) Rs. 1,65,000  
 (B) Rs. 5,000  
 (C) Rs. 1,85,000  
 (D) Rs. 3,45,000
97. The term 'sale' under the Central Sales Tax does *not* include :
- (A) sale of goods  
 (B) sale for price  
 (C) by a seller to a buyer  
 (D) sale without consideration
98. The term 'sale price' under the CST Act does *not* include :
- (A) Excise Duty  
 (B) Packing Charges  
 (C) Central Sales Tax  
 (D) Trade Discount
99. Laxman Traders paid Rs. 70,000 as VAT at 5% on raw materials purchased within the State. It manufactured finished goods and transferred 50% of the finished goods to its branch located outside the State. The balance goods were sold within the State with VAT collection of Rs. 50,000. The VAT liability after input credit would be :
- (A) Rs. 15,000  
 (B) Nil with input credit of Rs. 20,000  
 (C) Rs. 50,000  
 (D) Rs. 70,000
100. In which of the following States can a practicing company secretary conduct VAT audit ?
- (A) Tamil Nadu  
 (B) Karnataka  
 (C) Madhya Pradesh  
 (D) Telengana

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**Space for Rough Work**