

324

QUESTION PAPER BOOKLET CODE : **A**

Question Paper Booklet No.

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Roll No. :

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Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 100

Total number of printed pages : 20

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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 2018-19, unless stated otherwise.

PART—A

1. Income chargeable to tax under the Income Tax Act, 1961 in the Assessment Year has been defined in section 2(24) to include :
 - (i) Voluntary contribution received by an electoral trust
 - (ii) Profits of insurance business
 - (iii) Amounts received under Keyman Insurance Policy [except where it is exempt u/s 10(10D)]
 - (iv) Gift from non-relative of an amount exceeding ₹ 50,000
 - (A) (ii) and (iv)
 - (B) (i) and (iv)
 - (C) (ii) and (iii)
 - (D) All the four above

2. Amount of ₹ 5,00,000 received by Ram & Co., as a compensation for premature termination of contract of agency in the month of April, 2017 is to be treated as :
 - (A) Income from other sources
 - (B) Taxable under section 28(ii)(c)
 - (C) Revenue receipt which is exempt
 - (D) Capital receipt which is not chargeable to tax

3. John is a foreign citizen born in USA. His father was born in Delhi in 1960 and his grand-father was born in Lahore in 1935 but his mother was born in UK in 1963. John came to India for the first time on 1st June, 2017 and stayed in India for 183 days and then left for USA. His residential status for the A.Y. 2018-19 shall be :
 - (A) Resident
 - (B) Resident but not ordinary resident
 - (C) Non-resident
 - (D) Foreign national

4. In the case of a co-operative society, surcharge is levied, where its total income exceeds ₹ crore.
 - (A) 1
 - (B) 5
 - (C) 10
 - (D) None of the above

5. The following income of Ms. Nargis who is a non-resident shall be included in her total income :
- Salary for 2 months received in Delhi ₹ 40,000.
 - Interest on Savings Bank Account in Mumbai ₹ 2,100.
 - Agricultural income in Bangladesh and Invested in shares in Bangladesh.
 - Amount brought into India out of past non-taxed profits earned in USA.
- (A) (i), (iii) and (iv)
 (B) (i) and (ii)
 (C) (i), (ii) and (iv)
 (D) All the four above
6. The income earned during the previous year is subject to tax under the Act on the basis of residential status of an assessee. However, the residential status of an assessee every year.
- (A) will not change
 (B) will certainly change
 (C) may change
 (D) None of the above
7. The income derived from growing, manufacturing and sale of Centrifuged latex or Cenex or Latex based cops as per Rule 7A of the Income-tax Rules, 1962 shall be taken as agricultural and non-agricultural income in the following ratio :
- (A) 75% and 25%
 (B) 60% and 40%
 (C) 65% and 35%
 (D) None of the above
8. The following incomes derived, received and earned during the previous year are not subject to tax being exempt under the Act :
- Money received by an individual as a member of HUF
 - Share of profit received by partner from LLP
 - Interest on Savings bank account
 - Income of SAARC Fund
- (A) (i) and (ii)
 (B) (i), (ii) and (iv)
 (C) None of the above
 (D) All of the above
9. Ram Kripa Charitable Trust owns a capital asset of ₹ 2,00,000 and half of the income from such asset is utilized for charitable purposes. The asset was sold for ₹ 3,50,000 and from the sale proceeds, the trust bought another asset for ₹ 2,90,000. The amount of capital gain deemed to have been applied for charitable purposes is :
- (A) ₹ 45,000
 (B) ₹ 30,000
 (C) ₹ 75,000
 (D) None of the above
10. The maximum amount of gratuity exempt and the maximum amount of leave encashment exempt under the Act respectively are :
- (A) ₹ 2,50,000 in each case
 (B) ₹ 10,00,000 and ₹ 3,00,000
 (C) ₹ 5,00,000 and ₹ 2,50,000
 (D) None of the above

11. HSP, a LLP had taken Key Men insurance policy on the life of its Managing Partner. The policy got matured on 13th September, 2017 and amount of ₹ 75 lakh was paid by the insurers to the Managing Partner. The amount so received on maturity of the policy by the managing partner :
- (A) is exempt in full u/s 10(10D)
 (B) 50% of ₹ 75 lakh is exempt
 (C) ₹ 75 lakh is taxable
 (D) ₹ 25 lakh is exempt and balance is taxable
12. In a scheme of buy back of shares, XYZ Ltd., a listed company, paid ₹ 6 lakh to a shareholder X on 12-3-2018. The buy back was through recognized stock exchange. The sum of ₹ 6 lakh received by X who had bought these shares 2 years back will be :
- (A) Taxable in full
 (B) Fully exempt
 (C) Taxable @ 20%
 (D) Taxable at normal rate of tax
13. The loss derived from a house property can be set off during the year against :
- (A) the income of any other house property
 (B) the capital gain
 (C) the income under other sources
 (D) (A) and (C) above
14. The WDV of a block of asset depreciated @ 15% as on 1st April, 2017 was of ₹ 3,00,000. Out of this block, one machine was sold for ₹ 2,00,000 on 1st July, 2017 and a new machine of ₹ 6,00,000 added on 1st August, 2017 was put to use only from 1st Sept., 2017.
- The amount of depreciation to be claimed (in the manner most beneficial to the assessee) in the A.Y. 2018-19 shall be :
- (A) ₹ 1,20,000
 (B) ₹ 96,000
 (C) ₹ 1,05,000
 (D) ₹ 60,000
15. Zing Zang is an individual, manufacturing a product. He has turnover of ₹ 98,50,000 which is inclusive of amount of ₹ 25 lakh received through electronic clearing system. The accounts are not properly maintained and you have advised him to pay tax u/s 44AD of the Act. On how much income he will pay tax for A.Y. 2018-19 :
- (A) ₹ 7,88,000
 (B) ₹ 7,38,000
 (C) Manufacturers not allowed u/s 44AD
 (D) ₹ 5,91,000
16. XYZ Ltd., engaged in manufacture of a product, has incurred an expenditure of ₹ 3 lakh on notified skill development project u/s 35CCD. The deduction available for such expenditure is ₹ lakh.
- (A) 3
 (B) 3.75
 (C) 4.5
 (D) None of the above

17. Mr. Zen owns a flat in Mumbai which was let out by him in the previous year 2017-18 on a rent of ₹ 20,000 p.m. upto December, 2017 and for ₹ 30,000 p.m. thereafter. The annual municipal value is of ₹ 3,00,000, Fair Rent is ₹ 2,50,000 and Standard Rent is ₹ 2,90,000. The gross Annual Value of the flat shall be taken as :
- (A) ₹ 2,70,000
(B) ₹ 3,00,000
(C) ₹ 2,50,000
(D) ₹ 2,90,000
18. Santhnam purchased in October, 2017, a flat in Chennai, to be used for his own residential purposes with the financial assistance of housing loan taken from PNB Housing Finance Ltd. He has paid interest on such loan till March, 2018 of ₹ 1,78,780. The amount of interest paid on such loan allowed u/s 24 is :
- (A) ₹ 1,25,000
(B) ₹ 1,78,780
(C) ₹ 1,50,000
(D) None of the above
19. SH made three different cash payments of ₹ 10,000, ₹ 10,000 and of ₹ 11,500 to a supplier for purchase of goods and material on 11th Sept., 2017. The payments were made during different times in the day. Amount to be disallowed u/s 40A(3) is :
- (A) ₹ 11,500
(B) ₹ 31,500
(C) ₹ NIL
(D) None of the above
20. Radhey has sold his house on 11th August, 2017 for ₹ 80 lakh. The value applied by Stamp Valuation Authority is ₹ 100 lakh. He disputed this valuation and the departmental valuation cell made the valuation at ₹ 110 lakh. The value to be taken for calculation of capital gain as per section 50C is ₹ :
- (A) 80 lakh
(B) 110 lakh
(C) 100 lakh
(D) None of the above
21. Which out of the following elements you find are sufficient for bringing to tax as income from business or profession :
- (i) Ownership of the business is not necessary
(ii) Business must be legal
(iii) Income may be earned in cash or kind
(iv) Profit motive is the sole consideration
- (A) (i), (ii) and (iv)
(B) All the four
(C) (i) and (iii)
(D) (ii), (iii) and (iv)
22. Sakshita Pvt. Ltd., has spent a sum of ₹ 30 lakh towards meeting its Corporate Social Responsibility (CSR) obligation. The amount of deduction available while computing the business income is ₹ :
- (A) 30 lakh
(B) Nil
(C) 37.5 lakh
(D) 45 lakh

23. Expenses not specifically being allowed under any of sections 30 to 36 and incurred for the purpose of business or profession are allowable as per section 37(1) of the Act. The following expenses are allowable under this section :
- Expenditure on issue of share capital
 - Expenses for the installation of new telephone
 - Annual listing fees paid to stock exchange
 - Loss caused by robbery or dacoity incidental to business
- (i) and (iv)
 - (ii), (iii) and (iv)
 - (ii) and (iii)
 - All the four
24. John Miller & Co. of UK is maintaining and operating a branch in India for sale of its garment products. The adjusted total income of the branch for the year prior to charge of H.O. expenses of ₹ 20 lakh is of ₹ 100 lakh. Indian branch intends to know the maximum amount of H.O. expenses as allowable during the year under the Act. Specify the amount :
- ₹ 20 lakh
 - Nil as HO is non-resident
 - ₹ 5 lakh
 - 8% of adjusted total income
25. The additional depreciation on the factory building constructed during the P.Y. 2017-18 and put to use for manufacturing of garments on 1st Feb., 2018 having cost of ₹ 100 lakh shall be allowed in A.Y. 2018-19 at a rate of :
- 5%
 - 10%
 - 15%
 - Nil
26. Out of the following, which income is chargeable as capital gain :
- from transfer of self generated goodwill of profession
 - from transfer of personal jewellery
 - from transfer of paintings and art-work
 - from transfer of furniture utilised for personal use
- (i) and (ii)
 - (ii) and (iii)
 - (i), (ii) and (iii)
 - All the four
27. Land or building, or both, if transferred on or after 1st April, 2017 shall be treated as a long term capital asset, if it is being held immediately prior to the date of its transfer for more than :
- 36 months
 - 12 months
 - 24 months
 - None of the above

28. Base year for the purpose of calculation of indexed cost of acquisition or the cost of improvement in respect of long term capital asset acquired prior to 1st April, 2001 shall be taken as :
- (A) 1981-82
(B) 2001-02
(C) 1991-92
(D) 2011-12
29. X entered into an agreement for sale of his house located at Jaipur to Y on 1st April, 2016 for a total sale consideration of ₹ 90 lakh. Y paid an amount of ₹ 20 lakh by account payee cheque to X on the date of agreement and balance was to be paid at the time of registration of deed. However, the conveyance deed could not be executed till 1st Sept., 2017. The Stamp Valuation Authority determined the value of the property on the date of registration of conveyance deed at ₹ 120 lakh and the value determined by the Stamp Valuation Authority on the date of agreement was ₹ 100 lakh. The value for the purpose of capital gain u/s 50C shall be taken :
- (A) ₹ 90 lakh
(B) ₹ 120 lakh
(C) ₹ 20 lakh
(D) ₹ 100 lakh
30. The cost of improvement in relation to the capital asset being goodwill of the business shall be taken to be as :
- (A) Cost incurred by the previous owner
(B) Actual cost incurred by the assessee
(C) Incurred cost after indexation
(D) None of the above
31. In the hands of Mr. Sarath, a salaried employee, the following income shall be chargeable to tax as income under the head "Income from other sources" :
- (i) Dividend
(ii) Income from hiring of machinery
(iii) Winning from Lottery
(iv) Interest on securities
- (A) (i) and (iii)
(B) (iii) and (iv)
(C) All the four above
(D) (i), (iii) and (iv)
32. Babu Lal won a prize of ₹ 1,00,000 in Rajasthan State Lottery and Lottery Department paid him an amount of ₹ 70,000 after deduction of tax at source of ₹ 30,000. He had purchased lottery tickets for ₹ 8,000. The amount chargeable to tax in the hands of Babu Lal under other sources shall be :
- (A) ₹ 70,000
(B) ₹ 1,00,000
(C) ₹ 92,000
(D) None of the above
33. Mr. Pankaj, a salaried employee, has taken a house on rent of ₹ 12,000 p.m. which was sub-let by him for ₹ 15,000 p.m. He has incurred miscellaneous expenses in relation to sub-let of the house of ₹ 1,000. How much income from the sub-letting of house shall be taxable in the A.Y. 2018-19 where the house was taken on rent and also sub-let by him from 1st April, 2017 onwards :
- (A) ₹ 36,000
(B) ₹ 26,000
(C) ₹ 1,44,000
(D) None of the above

34. Ram has gifted an amount of ₹ 10,00,000 to his wife Sita without consideration (but not to live apart), which was invested by his wife in interest bearing security. She earned interest of ₹ 1,00,000. The interest of ₹ 1,00,000 was further invested by her in the business from which she earned a profit of ₹ 15,000. The income which is to be included out of this gifted amount in the hands of Ram is :
- (A) ₹ 1,15,000
 (B) ₹ 15,000
 (C) ₹ 1,00,000
 (D) Nil, because gift is to relative
35. In which case a partnership firm is not entitled to carry forward and set off so much of the losses proportionate to the share of a retired or deceased person exceeding his/her share of profits, if any, in the firm in respect of the previous year :
- (A) When the public are not substantially interested in firm
 (B) When the business or profession is succeeding by another person
 (C) When a change occurred in constitution of the firm
 (D) None of the above
36. Deduction u/s 80C from the gross total income of an amount equal to the eligible investment made subject to a maximum amount of ₹ 1,50,000 is allowed to the assessee who is :
- (A) A Hindu Undivided Family
 (B) Any person
 (C) An individual
 (D) Both (A) and (C)
37. 50% deduction of the eligible amount is allowed u/s 80CCG, provided some of the conditions out of the following are to be fulfilled :
- (i) The assessee is a resident Individual
 (ii) The gross total income does not exceed ₹ 12 lakh
 (iii) He has acquired listed shares or listed units of an equity oriented funds in accordance with a notified scheme
 (iv) The investment is locked in for a period of 3 years from the date of acquisition in accordance with the equity oriented scheme
- (A) (i), (ii) and (iv)
 (B) All the four above
 (C) (i) and (iii)
 (D) (i), (ii) and (iii)

38. An assessee can avail the deduction in respect of rent paid u/s 80GG of the Act subject to a maximum amount of :
- (A) ₹ 5,000 p.m.
 (B) 25% of the adjusted total income
 (C) ₹ 3,000 p.m.
 (D) None of the above
39. The profits of a co-operative society engaged in (i) Carrying out the business of banking, (ii) A cottage industry and (iii) Collective disposal of labours of its member are eligible for deduction u/s 80P up-to
- (A) 75% of the profits
 (B) 100% of the profits
 (C) 50% of the profits
 (D) None of the above
40. Maximum amount of deduction (in terms of ₹) in the case of an individual who is resident in India, a patentee and in receipt of income by way of royalty in respect of a patent registered on or after first day of April, 2003 under the Patents Act, 1970 is allowed :
- (A) 100% of such income
 (B) 50% of such income
 (C) ₹ 3 lakh
 (D) No such deduction under the Act
41. Ram & Co., a partnership firm, worked out total book profits for the year ended 31st March, 2018 at ₹ 5,00,000. The firm has made payment of salary of ₹ 4,60,000 authorized by the deed to the working partners and wants to know that how much amount of salary paid to partners is allowable :
- (A) Actual salary paid of ₹ 4,60,000
 (B) ₹ 3,90,000
 (C) ₹ 2,70,000
 (D) ₹ 2,50,000
42. The provisions of AMT under Chapter XII-BA shall not apply to an individual, a HUF, etc., if the adjusted total income of such person does *not* exceed :
- (A) ₹ 10,00,000
 (B) ₹ 25,00,000
 (C) ₹ 5,00,000
 (D) ₹ 20,00,000
43. RS HUF consists of R Karta, Y and S coparceners, D, the daughter of a coparcener and W, the wife of Karta as members. The following can demand the partition of RS HUF :
- (A) D
 (B) R, Y and S
 (C) W
 (D) (A) and (B) above

44. Total income of XYZ Limited includes the income of dividend of ₹ 10 lakh paid by a U.K.-based foreign company in which XYZ Limited holds 30% of the equity share capital. ₹ 50,000 has been spent for earning such dividend. The dividend income so received by the company from the U.K.-based foreign company and the tax rate shall be :
- (A) Not taxable being exempt u/s 10(34)
 (B) Taxable @ 15% of ₹ 10 lakh
 (C) Taxable @ 15% of ₹ 9.5 lakh
 (D) Taxable @ 10% of ₹ 9.5 lakh
45. MAT credit can be carried forward for a period of following number of assessment years :
- (A) 5
 (B) 8
 (C) 10
 (D) No time limit
46. A non-resident (other than company) and a foreign company will pay tax on the income of interest received from an infrastructure debt fund referred to in section 10(47) at the rate of :
- (A) 20%
 (B) 5%
 (C) 10%
 (D) 7.5%
47. ABC Limited has paid amount of royalty of ₹ 30 lakh in September, 2017 to John Miller Company of USA in pursuance of an agreement approved by the Central Government in the previous year 2015-16. The royalty so received by the foreign company shall be subject to tax in A.Y. 2018-19 and the amount of tax payable by the foreign company shall be :
- (A) ₹ 9.27 lakh
 (B) ₹ 4.635 lakh
 (C) ₹ 3 lakh
 (D) None of the above
48. LM, a co-operative society, has paid interest of ₹ 1,05,000 to PQ, another co-operative society. The tax to be deducted at source u/s 194A is :
- (A) ₹ 10,500
 (B) ₹ 10,815
 (C) ₹ 5,250
 (D) Nil
49. Mr. Rajesh had a turnover of ₹ 3 crore during the year ended 31st March, 2017. During the F.Y. 2017-18, he paid a sum of ₹ 10 lakh to E, an Engineer for construction of his self-occupied residence and ₹ 25 lakh to E, for construction of office building. The amount of tax to be deducted at source from payments made to E is :
- (A) ₹ 3 lakh
 (B) ₹ 50,000
 (C) ₹ 2.5 lakh
 (D) None of the above

50. Where the advance tax paid on or before March, 2018 is less than 100% of the tax due on the total income declared in the return of income, as reduced by tax deducted at source, the assessee shall be making payment of interest on the amount of shortfall on the returned income so declared at the rate of per month for the period of delay.
- (A) 2%
(B) 1%
(C) Nil
(D) 1.5%
51. Finance Act, 2017 has inserted the provision for charging of fees for delay in furnishing the return of income and as per this section, be the amount of fee payable for the return declaring income of ₹ 25 lakh to be filed by 'X' on 28th January, 2019 instead of due date of filing of return u/s 139(1) for A.Y. 2018-19 :
- (A) ₹ 1,000
(B) ₹ 5,000
(C) ₹ 10,000
(D) ₹ 3,000
52. ABC Limited has filed its return of income for A.Y. 2018-19 as per section 139(1) but had failed to make the payment of tax on the returned income as per section 140A. The return so filed by ABC Limited shall be treated as :
- (A) A defective return u/s 139(9)
(B) A valid return
(C) A *non-est* return
(D) None of the above
53. The time limit prescribed u/s 153 for completion of the regular assessment u/s 143(3) and a best judgment assessment u/s 144 is of months from the end of the assessment year in which the income was first assessable.
- (A) 24
(B) 9
(C) 18
(D) 3
54. An appeal against the order passed by the Assessing Officer u/s 143(3) read with section 148 can be filed by an aggrieved assessee before the :
- (A) Addl. Commissioner of Income Tax
(B) Commissioner of Income Tax
(C) ITAT
(D) Commissioner of Income Tax (Appeals)
55. The Assessing Officer, while scrutinizing the return of an assessee, finds under-reporting of income for the reason of misreporting of facts of such income. He can levy penalty on such under-reported income resulting from misreporting of income upto of tax payable on such under-reported or misreported income.
- (A) 50%
(B) 100%
(C) 200%
(D) 300%

56. Avinash Enterprises sold a machine to Bimlesh LLP (Associated Enterprises) at sale margin of 25% for ₹ 4,00,000 which was actually to be sold to Chetan Enterprises. Bimlesh LLP, after receipt of machine, has incurred amount of ₹ 10,000 in sending the same to Chetan Enterprises. The arm's length price of the transaction is :
- (A) ₹ 3,00,000
 (B) ₹ 4,10,000
 (C) ₹ 2,90,000
 (D) Insufficient information
57. ABC Pvt. Ltd. has a business loss of ₹ 10 lakh. There is unexplained share application money to the tune of ₹ 25 lakh. The total income of the company will be :
- (A) ₹ 15 lakh
 (B) ₹ 35 lakh
 (C) ₹ 25 lakh
 (D) None of the above
58. Provisions of Minimum Alternate Tax (MAT) are applicable to the companies which are :
- (i) Indian companies
 (ii) Foreign companies in certain situations
 (iii) LLP
- (A) (i) and (iii)
 (B) (i) and (ii)
 (C) All the three
 (D) None of the above
59. Mr. Solomon, a resident in India, aged 70 and has the following income for the previous year 2017-18. (All the incomes given below are the computed income) :
- (i) Pension from employer ₹ 2,30,000
 (ii) Rental Income under House Property ₹ 2,00,000
 (iii) Agricultural income from a land in Jaipur ₹ 60,000
- His total tax liability for A.Y. 2018-19 is :
- (A) ₹ 14,420
 (B) ₹ 3,240 after rebate u/s 87A
 (C) ₹ 8,240
 (D) Nil, because total income is less than ₹ 5,00,000
60. The Principal Commissioner of Income-tax is empowered to revise the assessment order of the Assessing Officer when the same is found to be erroneous and pre-judicial to the interest of Revenue. Such power is vested in the Principal Commissioner of Income-tax u/s :
- (A) 263
 (B) 246C
 (C) 264
 (D) Both 263 and 264

61. First appeal can be filed by :
- (A) Department only
 - (B) Assessee only
 - (C) (A) or (B)
 - (D) None of the above
62. The A.O. can complete the assessment u/s 144 of the Act even though there is no failure on the part of assessee u/s 139(1), 139(4), 139(5), 142(1), 142(2A) or 143(2) of the Act. Such powers by the A.O. may be exercised in the following situations :
- (A) Where the A.O. is not satisfied about the correctness or completeness of the accounts of the assessee.
 - (B) Where the method of accounting has not been regularly followed by the assessee.
 - (C) Where the income has not been computed in accordance with "ICDS" notified by the Central Government u/s 145(2).
 - (D) Any of above three or in all three above situations.
63. The respondent is having right to file Memorandum of Cross Objections before the ITAT after receipt of the Memorandum of Appeal filed by the appellant. Such Memorandum of Cross Objections is to be filed by the respondent within a period of :
- (A) 45 days
 - (B) 60 days
 - (C) 30 days
 - (D) 15 days
64. Income-tax Appellate Tribunal cannot grant stay either under the original order or any other subsequent order in aggregate beyond the period of :
- (A) 180 days
 - (B) 365 days
 - (C) 90 days
 - (D) 240 days
65. Rahim has shown an air-conditioner installed at his residence as having been installed at his factory, and claimed depreciation thereon. This is an act of :
- (A) Tax planning
 - (B) Tax management
 - (C) Tax evasion
 - (D) None of the above
66. An appeal from the order of ITAT lies before the High Court and the same is to be filed within the period of days from the date on which the order appealed against is received by the assessee or the CIT.
- (A) 60
 - (B) 90
 - (C) 120
 - (D) 180

67. Tax planning is honest and right approach to attain the maximum benefit of taxation laws within its framework only. Objectives of tax planning are :
- (i) Productive investment
 - (ii) Un-healthy growth of economy
 - (iii) Minimization of litigation
 - (iv) Increase in the tax liability
- (A) (i), (ii) and (iii)
 (B) (i) and (iii)
 (C) (i), (ii) and (iv)
 (D) All the four
68. The factor/factors to be considered in taking the decision or deciding whether a country is being tax haven or not is/are :
- (i) Nil rate of tax
 - (ii) Lack of transparency
 - (iii) Limited regulatory supervision
 - (iv) Lack of co-operation
- (A) (ii) and (iv)
 (B) (i), (ii) and (iv)
 (C) (i), (ii) and (iii)
 (D) (i), (ii), (iii) and (iv)
69. The provisions of transfer pricing are applicable relating to specified domestic transactions entered into by the assessee in the previous year when the aggregate amount of such transactions is ₹ :
- (A) 300 lakh
 (B) 500 lakh
 (C) 2,000 lakh
 (D) 1,000 lakh
70. The advance ruling pronounced by the Authority for Advance Ruling as per section 245 is binding :
- (i) in respect of transaction for which ruling has been sought
 - (ii) on Income-tax Authorities
 - (iii) on the Applicant
 - (iv) on all other persons having similar transactions
- (A) (i), (ii) and (iii)
 (B) (i) and (iii)
 (C) (ii) and (iii)
 (D) All the four

PART—B

71. Goods and Service Tax (GST) noted to be a greatest tax reform in India and therefore was rolled-out with effect from 1st July, 2017. It transforms a system of taxation and administration into the digital world by adopting latest information technology. The GST model rolled out in India has been adopted from :
- (A) France
(B) Canada
(C) Argentina
(D) None of the above
72. Special purpose vehicle to cater the IT needs of GST is called :
- (A) HSN
(B) GSTN
(C) IGSTN
(D) SGSTN
73. GST in India is levied on the basis of :
- (A) Consumption principle
(B) Set-off against that payable principle
(C) Destination base principle
(D) Both consumption and destination base principle
74. The tax under GST legislation in India is being levied :
- (A) Exclusively by Union and State Laws
(B) Simultaneously by Union and State Laws
(C) Only by Union Laws
(D) Only by State Laws
75. Inter-State supply of service is primarily covered in section of the CGST Act, 2017.
- (A) 12
(B) 14
(C) 8
(D) 18
76. GST Council comprises of various persons from Union and States and is being headed by a Chair Person who is :
- (A) Finance Secretary to Government of India
(B) Union Finance Minister
(C) Any State Finance Minister
(D) Union Revenue Minister
77. XYZ Limited engaged in various activities, is having a garment show-room in Allahabad and a leather processing unit in Kanpur. Both these units of XYZ Limited under section 2 of the CGST Act, 2017 shall be treated as :
- (A) Business Partners
(B) Business units
(C) Show-room and Factory
(D) Business Verticals

78. Construction of a complex, building, civil structure or the part thereof including a complex or building intended for sale to a buyer, wholly or partly except where the entire consideration has been received after issuance of completion certificate, where required, by a competent authority or after its first occupation, whichever is earlier for the purpose of taxability under the CGST Act, 2017 shall be treated as supply of :
- (A) Goods
(B) Both goods and services
(C) Services
(D) Contract work
79. The following categories of registered persons are not being eligible for the Composition Scheme under the CGST Act, 2017 :
- (i) Supplier of the Restaurant Services
(ii) Manufacturer of notified goods
(iii) Non-resident taxable persons
(iv) Casual taxable person
- (A) (iii) and (iv)
(B) (ii), (iii) and (iv)
(C) (ii) and (iv)
(D) (i), (iii) and (iv)
80. Section 2(62) of the CGST Act, 2017 specifies input tax in relation to a registered person to mean Central Tax, State Tax, Integrated Tax or Union Territory Tax charged on any supply of goods or services or both and also include :
- (i) Integrated goods and service tax charged on import of goods
(ii) Tax under the provisions of section 9(3) and 9(4)
(iii) Tax paid under composition levy
(iv) Tax under Union Territory Goods and Service Tax Act
- (A) All the above four
(B) (i), (ii) and (iv)
(C) (i) and (ii)
(D) (ii), (iii) and (iv)
81. Mr. Pankaj of Delhi supplied goods to Mr. Krishna of Delhi for ₹ 1 lakh, on which total GST was charged @ 12%. Mr. Krishna, after purchase of goods, added 20% margin of profit (on cost) and sold the entire goods to Mr. Ravi of Delhi. The total amount of tax payable after claiming input tax on such transaction by Mr. Krishna is :
- (A) ₹ 12,000
(B) ₹ 14,400
(C) ₹ 2,400
(D) None of the above

82. Raj & Co., applied for voluntary registration under CGST Act, 2017 on 5th July, 2017 and the registration was granted on 15th July, 2017. Raj & Co., was having the stock available against the invoices for a period of 3 months old. Raj & Co., shall be eligible for input tax credit on such stock as held as on :
- (A) 30th June, 2017
 (B) 05th July, 2017
 (C) 15th July, 2017
 (D) 14th July, 2017
83. A registered person as per section 35 of the GST Act, 2017 is required to maintain proper accounts and records, and keep at his registered, principal place of business. Following are the records specified under this section are to be maintained by the registered person :
- (i) Production or manufacturing of goods
 (ii) Inward and Outward supply of goods or services or both
 (iii) Stock of goods
 (iv) Input credit availed
 (v) Output tax payable and paid
 (vi) Such other particulars as may be prescribed
- (A) (i), (iii) and (iv)
 (B) All the six as given in above
 (C) (i), (ii), (iii) and (v)
 (D) (i), (iii), (iv), (v) and (vi)
84. Time duration as per section 36 of the CGST Act, 2017 for retention of accounts and records under GST is until expiry of months from the due date of furnishing of annual return for the year pertaining to such accounts and record.
- (A) 72
 (B) 84
 (C) 60
 (D) None of the above
85. A casual taxable person or a non-resident taxable person shall be required to apply for registration at least days prior to the commencement of business.
- (A) 30
 (B) 5
 (C) 15
 (D) 7
86. Mr. Bala has made supply (within State) of taxable goods to the tune of ₹ 17 lakh, export supplies of ₹ 3 lakh and intra-state supply of exempt services of ₹ 4 lakh. His aggregate turnover as per section 2(6) of the CGST/SGST Act, 2017 is :
- (A) ₹ 17 lakh
 (B) ₹ 20 lakh
 (C) ₹ 24 lakh
 (D) None of the above
87. Non-resident taxable person is required to provide details in the return for non-resident foreign taxable person in the Return Form No. :
- (A) GSTR-3
 (B) GSTR-5
 (C) GSTR-8
 (D) None of the above

88. Input Service Distributor shall file the return in GSTR-6 for the input service distributed by :
- (A) 10th of the next month
 - (B) 18th of the next month
 - (C) 13th of the next month
 - (D) 20th of the next month
89. A taxable person who makes an excess claim of input tax credit or excess reduction in output tax liability shall pay interest at such rate not exceeding :
- (A) 18%
 - (B) 24%
 - (C) 20%
 - (D) 21%
90. Section 56 of the CGST Act, 2017 specifies that if any tax ordered to be refunded after the order of an Appellate Authority is not refunded within 60 days from the date of application filed consequent to such order, interest as such rate not exceeding shall be payable in respect of such refund.
- (A) 90%
 - (B) 6%
 - (C) 12%
 - (D) 18%
91. A supply made by a taxable person to a recipient consisting of two or more taxable supply of goods or services of both or any combination thereof which are only bundled and supplied in conjunction with each other in the ordinarily course of business out of which one is a principal supply has been defined u/s 2(3) of CGST Act, 2017 to mean :
- (A) Mixed supply
 - (B) Composite supply
 - (C) Bundled supply
 - (D) Both (A) and (B)
92. Tax on inter-State supplies, import into India, supplies made outside India and supplies made in SEZ shall be charged to :
- (A) CGST and SGST
 - (B) CGST and UTGST
 - (C) CGST and IGST
 - (D) IGST
93. Provision for levy and collection of tax on intra-State supply of goods or services or both by the Union Territory and for matters connected therewith or incidental thereto are being enumerated in :
- (A) CGST Act, 2017
 - (B) IGST Act, 2017
 - (C) UTGST Act, 2017
 - (D) None of the above

94. The highest enabling limit of tax rate of IGST has been prescribed at :
- (A) 20%
- (B) 14%
- (C) 28%
- (D) None of the above
95. The base Financial Year for the purpose of calculating compensation amount payable to the State as per Goods and Service tax (Compensation to States) Act, 2017 shall be taken :
- (A) 2014-15
- (B) 2016-17
- (C) 2012-13
- (D) 2015-16
96. The proceeds of the cess and such other amounts as being recommended by the GST Council shall be credited to a non-lapsable fund known as :
- (A) Goods and Service Tax Compensation Fund
- (B) Goods and Service Tax Cess Fund
- (C) Goods and Service Tax Welfare Fund
- (D) None of the above
97. A proper Officer not below the rank of Joint Commissioner or an Officer authorized by such proper Officer can make an order of seizure in Form :
- (A) GST INS-01
- (B) GST INS-02
- (C) GST INS-03
- (D) None of the above
98. Goods seized by a proper Officer or an Authorized Officer can be released on a provisional basis upon execution of a bond for the value of goods and furnishing of security. The bond so executed will be in Form :
- (A) GST INS-06
- (B) GST INS Bond-03
- (C) GST INS-01
- (D) GST INS-4
99. Taxes that were replaced by GST legislation are :
- (A) Purchase tax
- (B) Luxury tax
- (C) Central Sales tax
- (D) Options (A) and (B) above
100. A registered supplier under composition levy can withdraw at any time and be required to file the Form for withdrawal from composition levy in :
- (A) GST CMP-3
- (B) GST CMP-4
- (C) GST MIS-1
- (D) GST PCT-2

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Space for Rough Work