

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 : 16

Instructions :

1. Candidates should use blue/black ballpoint 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 Invigilator/Supervisory staff on duty and acknowledgement be obtained for doing so on the Admit Card before leaving the Examination Hall.
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4. This Question Paper Booklet contains 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.
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8. Darkening of more than one circle corresponding to any question or overwriting/cutting any answer(s) shall be taken as wrong answer for computation of result. Ticking/marking/writing of answer(s) in the Question Paper Booklet shall not be considered in any circumstance for award of marks. The Institute shall neither entertain any claim nor be liable to respond to any of the query in the aforesaid matter.
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Space for Rough Work

Note : All references to sections mentioned in Part-A of the question paper relate to the Income-tax Act, 1961 and relevant Assessment Year 2015 - 16 unless stated otherwise.

PART-A

1. A private limited company engaged in manufacturing activity had general reserve of ₹20 lakh. It granted a loan of ₹5 lakh to a director who held 13% shareholding *cum* voting rights in the company. The said loan was re-paid by him before the end of the year. The amount of deemed dividend arising out of the above transaction is —
 - (A) ₹2,60,000
 - (B) ₹2,40,000
 - (C) ₹5,00,000
 - (D) Nil.
2. A residential house is sold for ₹90 lakh and the long-term capital gains computed are ₹50 lakh. The assessee bought two residential houses for ₹30 lakh and ₹20 lakh respectively. The amount eligible for exemption under section 54 would be —
 - (A) ₹50 lakh
 - (B) ₹20 lakh
 - (C) ₹30 lakh
 - (D) Nil.
3. Kapil gets salary of ₹12,000 p.m. and is provided with rent-free unfurnished accommodation at Pune (population 20 lakh). House is owned by employer, fair rental value of which is ₹1,400 p.m. House was provided with effect from 1st July, 2014. Value of the perquisite of rent-free accommodation will be —
 - (A) ₹21,600
 - (B) ₹10,800
 - (C) ₹16,200
 - (D) ₹12,600.
4. Residential status of an Indian company is resident and ordinarily resident for the year —
 - (A) If the entire control and management is wholly in India
 - (B) If part of the control and management is in India
 - (C) Regardless of the place of control and management
 - (D) If it is listed on recognised stock exchange.
5. A new business was set-up on 1st July, 2014 and trading activity was commenced from 1st September, 2014, the previous year would be the period commencing from —
 - (A) 1st April, 2014 to 31st March, 2015
 - (B) 1st July, 2014 to 31st March, 2015
 - (C) 1st September, 2014 to 31st March, 2015
 - (D) 1st October, 2014 to 31st March, 2015.
6. HUF of Ashwin consisting of himself, his wife and 2 sons is assessed to income-tax. The residential status of HUF would be non-resident, when —
 - (A) The management and control of its affairs is wholly in India
 - (B) The management and control of its affairs is wholly outside India
 - (C) The status of *karta* is non-resident for that year
 - (D) When majority of the members are non-residents.

7. Ram who was born and brought up in India left for employment in Dubai on 20th August, 2014. His residential status in respect of the assessment year 2015-16 would be —
 (A) Resident and ordinarily resident
 (B) Non-resident
 (C) Not ordinarily resident
 (D) None of the above.
8. A charitable trust acquired two air-conditioners for ₹1,40,000 on 10th June, 2014. It claimed the acquisition as application of income. The amount it can claim by way of depreciation for the said air-conditioners for the assessment year 2015-16 is —
 (A) ₹21,000
 (B) ₹1,40,000
 (C) ₹35,000
 (D) Nil.
9. The voluntary contributions received by an electoral trust during the year is not included in its income —
 (A) When 85% of contribution is distributed in the year
 (B) When 95% of contribution is distributed in the year
 (C) To the extent of ₹10 lakh
 (D) To the extent of 50% of contribution or ₹100 lakh whichever is less.
10. Alternate minimum tax under section 115JC is not applicable to —
 (A) Company
 (B) Individual
 (C) Partnership firm
 (D) Association of persons.
11. Anil is employed in a company with annual salary of ₹8,60,000 (computed). The company paid income-tax of ₹37,000 on his non-monetary perquisites. He paid ₹1,20,000 to recognised provident fund during the year 2014-15. His total income would be —
 (A) ₹7,77,000
 (B) ₹7,40,000
 (C) ₹7,97,000
 (D) ₹7,60,000.
12. When a house property is let-out throughout the year for a monthly rent of ₹22,000 and municipal tax paid for current year is ₹24,000 and for the earlier year paid now is ₹16,000, the income from house property would be —
 (A) ₹1,68,000
 (B) ₹1,56,800
 (C) ₹1,84,800
 (D) ₹2,24,000.
13. When share of each co-owner in a house property is not definite, the income from such property shall be —
 (A) Taxed equally
 (B) Exempt from tax
 (C) Taxed as association of persons
 (D) Taxed as body of individuals.
14. Rohan retires from private service on 30th April, 2014 and his pension has been fixed at ₹1,500 p.m. He gets 1/2 of his pension commuted during January, 2015 and receives ₹75,000. He also gets ₹60,000 as gratuity. The total pension taxable including commuted value will be —
 (A) ₹16,500
 (B) ₹41,500
 (C) ₹39,250
 (D) ₹14,250.
15. X Marine Lines Inc., a Singapore company engaged in shipping business collected ₹150 lakh towards carrying goods from Chennai Port. Its presumptive income chargeable to tax in India would be —
 (A) ₹15 lakh
 (B) ₹11.25 lakh
 (C) ₹12 lakh
 (D) Nil.

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16. Rajiv (aged 28 years) received cash gift of ₹2 lakh on the occasion of his marriage. It includes gift from non-relative of ₹80,000. His income by way of lottery winnings is ₹3 lakh. His net income tax liability (ignoring TDS) would be —
 (A) ₹92,700
 (B) ₹22,660
 (C) ₹12,360
 (D) ₹25,750.
17. Pawan reports net income of ₹5 lakh from the activity of growing and manufacturing rubber. How much of such income is to be treated as non-agricultural income —
 (A) ₹1,75,000
 (B) ₹2,00,000
 (C) ₹1,25,000
 (D) Nil.
18. Govt. of India paid salary of ₹5 lakh and allowances/perquisites valued at ₹2.20 lakh to a person who is citizen of India for the services rendered by him outside India for 5 months during the previous year. His total income chargeable to tax would be —
 (A) ₹7,20,000
 (B) ₹5,00,000
 (C) ₹6,10,000
 (D) Nil.
19. Sunil acquired a building for ₹15 lakh in June, 2012 in addition to cost of land beneath the building of ₹3 lakh. It was used for personal purposes until he commenced business in June, 2014 and since then it was used for business purposes. The amount of depreciation eligible in his case for the assessment year 2015-16 would be —
 (A) ₹1,50,000
 (B) ₹75,000
 (C) ₹37,500
 (D) ₹1,21,500.
20. X Ltd. paid ₹10 lakh to an approved college to be used for scientific research unrelated to its business. The amount eligible for deduction under section 35(1)(ii) is —
 (A) ₹5 lakh
 (B) ₹10 lakh
 (C) ₹17.50 lakh
 (D) Nil.
21. Saraswath Ltd. made provision of ₹12 lakh for bonus payable for the year ended 31st March, 2015. It paid ₹7 lakh on 31st July, 2015; ₹3 lakh on 30th September, 2015; and ₹2 lakh on 15th December, 2015. The amount eligible for deduction under section 43B would be —
 (A) ₹10 lakh
 (B) ₹12 lakh
 (C) ₹7 lakh
 (D) ₹3 lakh.
22. Laxmi & Co. paid ₹6,10,000 as contract payments to Monu Ltd. during the financial year 2014-15. It did not deduct tax at source under section 194C. The amount liable for disallowance is —
 (A) ₹6,10,000
 (B) ₹3,05,000
 (C) ₹12,200
 (D) ₹1,83,000.
23. The maximum penalty leviable for failure to get accounts audited or to furnish report under section 44AB is —
 (A) ₹75,000
 (B) ₹1,00,000
 (C) ₹1,50,000
 (D) ₹3,00,000.

24. When an LLP has book profit of ₹6 lakh, the maximum amount allowable towards the salary of working partners would be —
 (A) ₹4,50,000
 (B) ₹6,00,000
 (C) ₹3,00,000
 (D) Nil.
25. When a cash payment of ₹30,000 is made on 10th May, 2014 towards purchase of raw material effected in the earlier year, *i.e.*, on 5th June, 2012, the amount liable for disallowance under section 40A(3A) would be —
 (A) Nil
 (B) 100% of payment
 (C) 20% of such payment
 (D) 30% of such payment.
26. An order passed by the Commissioner (Appeals) should be communicated to —
 (A) Assessee
 (B) C.I.T. who has jurisdiction over the case
 (C) Both the assessee and C.I.T.
 (D) The assessee through C.I.T.
27. When a partnership firm has total sales of ₹90 lakh, the maximum amount deductible as salary of working partners on the basis of presumptive income determined under section 44AD is —
 (A) ₹4,92,000
 (B) ₹3,60,000
 (C) ₹3,30,000
 (D) ₹5,22,000.
28. When a person carries on the business of carrying goods for hire for the whole year with 5 self-owned and 3 leasehold heavy goods vehicles, the presumptive income chargeable to tax under section 44AE would be —
 (A) ₹4,80,000
 (B) ₹7,20,000
 (C) ₹3,96,000
 (D) ₹3,36,000.
29. The tax on the income of non-resident can be/may be recovered :
 (1) By deduction of tax at source
 (2) From his associates
 (3) From his agents
 Select the correct answer from the options given below —
 (A) (1) only
 (B) (1) & (2) only
 (C) (1), (2) & (3)
 (D) None of the above.
30. When shares of a listed company held for more than 36 months are transferred privately for ₹8 lakh, with original cost of acquisition of ₹1 lakh whose indexed cost of acquisition is ₹2 lakh, the income-tax payable would be —
 (A) ₹1,44,200
 (B) ₹72,100
 (C) ₹1,23,600
 (D) ₹61,800.
31. Aman entered into an agreement with Brij for sale of a building for ₹20 lakh in June, 2014. Aman received advance of ₹2 lakh. Subsequently, the agreement was cancelled and Aman forfeited the advance money. The advance money is —
 (A) To be reduced from the cost of acquisition
 (B) To be reduced from indexed cost of acquisition
 (C) Taxable as capital gains
 (D) Taxable as income under the head 'income from other sources'.

32. Ramesh received ₹7 lakh by way of enhanced compensation in March, 2015. A further sum of ₹2 lakh decreed by the court is due but not received till 31st March, 2015. The amount of income chargeable to tax for the assessment year 2015-16 would be —
- (A) ₹3,50,000
(B) ₹7,00,000
(C) ₹9,00,000
(D) ₹4,50,000
33. If a person is eligible to claim :
- (1) unabsorbed depreciation
(2) current scientific research expenditure
(3) current depreciation
(4) brought forward business loss
- The order of priority to set-off would be —
- (A) (4), (3), (2) & (1)
(B) (2), (3), (4) & (1)
(C) (3), (4), (1) & (2)
(D) (1), (2), (3) & (4).
34. A legal entity that exists in one jurisdiction but is owned or controlled primarily by taxpayers of different jurisdiction is called —
- (A) Collaborative foreign corporation
(B) Controlled foreign corporation
(C) Customised future company
(D) Co-operative control society.
35. Monetary limit for deduction in respect of royalty on patents received by a resident individual is —
- (A) ₹1,00,000
(B) ₹3,00,000
(C) ₹5,00,000
(D) Nil.
36. A partnership firm with 4 equal partners brought forward depreciation of ₹3 lakh and business loss of ₹3 lakh relating to assessment year 2014-15. On 1st April, 2014, two partners retired. The amount that assessee-firm can set-off against its income for the assessment year 2015-16 would be —
- (A) Unabsorbed depreciation of ₹3 lakh *plus* brought forward business loss of ₹3 lakh
(B) Unabsorbed depreciation 'nil' *plus* brought forward business loss ₹3 lakh
(C) Unabsorbed depreciation ₹3 lakh *plus* brought forward business loss 'nil'.
(D) Unabsorbed depreciation ₹3 lakh *plus* brought forward business loss of ₹1.50 lakh.
37. Double taxation relief for incomes taxed in the countries with which no agreement exists is governed by —
- (A) Section 91
(B) Section 89
(C) Section 93
(D) None of the above.
38. A limited company declared ₹20 lakh as dividend on its paid-up capital of ₹100 lakh. The dividend distribution tax payable by it would be —
- (A) ₹3 lakh
(B) ₹3.33 lakh
(C) ₹4.09 lakh
(D) ₹6.18 lakh.
39. Steam (P) Ltd. reports total income of ₹20 lakh for the year ended 31st March, 2015. The total tax liability payable before 15th September, 2014 by way of advance tax is —
- (A) ₹92,700
(B) ₹2,78,100
(C) ₹1,85,400
(D) ₹3,09,600.

40. Interest for deferment in payment of advance tax under section 234C is calculated on the tax liability computed on —
(A) Assessed income
(B) Returned income
(C) Disputed income
(D) Appealed income.
41. The 'due date' specified under section 139(1) for filing the return of income in case of companies engaged in international transactions and who have to furnish a report under section 92E is —
(A) 31st July
(B) 31st August
(C) 30th September
(D) 30th November.
42. Authority for Advance Rulings shall not allow an application where the question raised —
(A) Is already pending before the Supreme Court
(B) Involves determination of fair market value of any property
(C) Relates to a transaction designed *prima facie* for the avoidance of income tax
(D) All of the above.
43. A return of income when notified as defective, has to be rectified within —
(A) 30 Days
(B) The financial year
(C) 15 Days
(D) 60 Days.
44. Penalty for failure to file return of income before the end of the relevant assessment year is —
(A) ₹1,000
(B) ₹10,000
(C) ₹5,000
(D) ₹2,000.
45. X, Manager of XYZ Ltd. since 2001 was terminated by the company on 1st August, 2014 by paying a compensation of ₹200 lakh. Such compensation is —
(A) Chargeable under the Wealth-tax Act, 1957
(B) Not chargeable under the Income-tax Act, 1961
(C) Chargeable under section 17(3)(i)
(D) Chargeable under section 28(ii)(a).
46. HSK, an LLP had taken keyman insurance policy on the life of its managing partner. The policy got matured on 13th September, 2014 and an 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 is —
(A) Fully exempt under section 10(10D)
(B) 50% of ₹75 lakh exempt
(C) ₹75 lakh taxable
(D) ₹25 lakh exempt and ₹50 lakh taxable.
47. Ramji Charitable Trust had sold a capital asset costing ₹70,000 on 13th June, 2014 for ₹1,50,000. It purchased new assets on 1st July, 2014 for ₹1,20,000. The amount taxable as capital gains for Ramji Charitable Trust in assessment year 2015-16 is —
(A) ₹80,000
(B) Nil, because of charitable trust
(C) ₹30,000
(D) ₹40,000.
48. Pankaj joins service on 1st April, 2010 in the grade of 15,000-(1,000)-18,000-(2,000)-26,000. He shall be paying tax for the year ended on 31st March, 2015 on the total salary of —
(A) ₹2,16,000
(B) ₹2,40,000
(C) ₹2,28,000
(D) ₹1,80,000.

49. Ramesh let-out his house on 1st April, 2014 on rent of ₹15,000 p.m. The fair rent and the municipal value of house are ₹13,500 p.m. and ₹16,000 p.m. respectively. Municipal taxes paid for the year were ₹12,000. Income from house property for the assessment year 2015-16 will be —
 (A) ₹1,26,000
 (B) ₹1,76,000
 (C) ₹1,05,000
 (D) None of the above.
50. Ms. Sitara is in receipt of family pension of ₹15,000 p.m. during 2014-15. Income chargeable to tax for assessment year 2015-16 of Ms. Sitara is —
 (A) ₹1,80,000
 (B) ₹1,20,000
 (C) ₹1,65,000
 (D) Nil.
51. Rohit (a Chartered Accountant) is working as Accounts Officer in Raj (P) Ltd. on a salary of ₹20,000 p.m. He got married to Ms. Pooja who holds 25% shares of this company. What will be the impact of salary paid to Rohit by the company in the hands of Ms. Pooja —
 (A) 100% salary to be clubbed
 (B) 50% salary to be clubbed
 (C) No amount be clubbed
 (D) 25% salary be clubbed.
52. An individual has made investments in the schemes approved under section 80C, and 80CCD of ₹2,50,000 and ₹1,00,000 respectively during the year ended 31st March, 2015. Amount that can be claimed by him as deduction out of income in assessment year 2015-16 is —
 (A) 50% of ₹3,50,000
 (B) ₹1,50,000 under section 80C and ₹1,00,000 under section 80CCD
 (C) ₹1,50,000
 (D) None of the above.
53. Raghu's father is dependent on him and suffering with 90% disability. Raghu has incurred an amount of ₹72,500 in maintaining and medical treatment of his father. The deduction he can claim in his income-tax return for assessment year 2015-16 is —
 (A) ₹72,500
 (B) ₹50,000
 (C) ₹1,00,000
 (D) None of the above.
54. From tax point of view, a limited liability partnership (LLP) is treated as —
 (A) Sole trader concern
 (B) General partnership firm
 (C) Private limited company
 (D) Public limited company.
55. Where a foreign institutional investor received income in respect of securities other than income by way of dividend referred to in section 115-O or received in respect of securities other than units referred to in section 115AB, such income is taxable @ —
 (A) 15%
 (B) 10%
 (C) 20%
 (D) 30%.
56. Income of non-resident when attributed from operations in India relating to the following is taxable in India :
 (1) Profits of business
 (2) Fee for technical services
 (3) Royalty
 (4) Income from house property in India
 Select the correct answer from the options given below —
 (A) (1) and (4)
 (B) (1), (3) and (4)
 (C) (1) and (3)
 (D) (1), (2), (3) and (4).

57. The income of non-resident from the business of operation of aircraft in respect of carrying of cargo or passenger in India shall be taxable as per section 44BBA @ —
- 5% of the amount received/receivable
 - 10% of the amount received/receivable
 - 15% of the amount received/receivable
 - 7.5% of the amount received/receivable.
58. The person responsible for paying any income by way of winnings from lottery an amount exceeding ₹10,000, shall deduct —
- TDS @30%
 - TDS @30.9%
 - TDS @10%
 - No TDS.
59. An assessee is required to make payment of interest where he failed to make the payment of demand before the expiry of 30 days from the service of notice of demand @ —
- 1% for every month or part thereof till the date of payment
 - 2% p.m. till the date of payment
 - 1.5% p.m. till the date of payment
 - 1.25% for every month or part thereof till the date of payment.
60. The premises of an assessee within the jurisdiction of an Assessing Officer can be surveyed by such Income-tax Authority —
- After sun-set and before sunrise
 - After sunrise but before sun-set
 - Any time during 24 hours
 - After 11 AM.
61. The order passed by the Assessing Officer when challenged before the Commissioner (Appeals) under section 246A, memorandum of appeal should be filed in —
- Form No. 35
 - Form No. 36
 - Form No. 36A
 - Form No. 38.
62. Quoting of PAN is mandatory when a person is entering into following transactions :
- Sale of immovable property of ₹5 lakh or more
 - Deposit of ₹50,000 or more in Post Office Savings Bank
 - Deposit of cash aggregating ₹40,000 in one day in a bank
 - Contract of sale and purchase of securities exceeding ₹1 lakh
- Select the correct answer from the options given below —
- (1), (2) and (3)
 - (1), (2) and (4)
 - (1), (3) and (4)
 - (1), (2), (3) and (4).
63. XYZ Ltd. filed its return of income for the assessment year 2014-15 on 1st February, 2015. The return was selected for scrutiny assessment under section 143(3). The Assessing Officer is required to serve upon the assessee a notice under section 143(2) upto —
- 31st July, 2015
 - 30th September, 2015
 - 31st July, 2016
 - 30th September, 2016.

64. The Commissioner of Income-tax is empowered to revise the assessment order of the Assessing Officer when the same is erroneous and pre-judicial to the interest of revenue. Such power is vested in the Commissioner of Income-tax under —
 (A) Section 263
 (B) Section 246C
 (C) Section 264
 (D) Sections 263 and 264.
65. Tax planning is honest and right approach to attain the maximum benefit of taxation laws within its framework only. Objectives of tax planning are :
 (1) Productive investment
 (2) Un-healthy growth of economy
 (3) Minimisation of litigation
 (4) Increase in tax liability
 Select the correct answer from the options given below —
 (A) (1), (2) and (3)
 (B) (1) and (3)
 (C) (1), (2) and (4)
 (D) (1), (2), (3) and (4).
66. The provisions of transfer pricing are applicable with effect from 1st April, 2012 to specified domestic transactions entered into by the assessee in the previous year in aggregate of —
 (A) ₹300 lakh
 (B) ₹500 lakh
 (C) ₹2,000 lakh
 (D) ₹1,000 lakh.
67. A partnership firm having 9 trucks engaged in the business of plying these trucks on hire is to file its return of income for the assessment year 2015-16 on the basis of provisions of section 44AE. The partnership firm is required to file its return of income in —
 (A) Form ITR-4
 (B) Form ITR-3
 (C) Form ITR-2
 (D) Form ITR-4S.
68. XYZ has sold a machine to ABC (associate enterprise) for ₹3 lakh which was sold by ABC to PQR, an unrelated party, on the sale margin of 30% for ₹5,00,000 and has also incurred an amount of ₹10,000 in sending the machine to PQR. The arm's length price of this transaction will be —
 (A) ₹3,40,000
 (B) ₹3,50,000
 (C) ₹3,00,000
 (D) ₹5,00,000.
69. ABC Ltd. entered into international transactions with Allen Inc. of USA during the year ended on 31st March, 2015 totalling ₹1,000 lakh, but failed to keep and maintain the information and documents in respect of such international transactions. The Assessing Officer can levy a penalty on ABC Ltd. for this default under section 271AA upto —
 (A) ₹10,00,000
 (B) ₹20,00,000
 (C) ₹50,00,000
 (D) ₹1,50,000.
70. The advance ruling pronounced by the Authority for Advance Ruling as per section 245 is binding :
 (1) In respect of transaction for which ruling has been sought
 (2) On income-tax authorities
 (3) On the applicant
 (4) On all other persons having similar transaction.
 Select the correct answer from the options given below —
 (A) (1), (2) and (3)
 (B) (1) and (3)
 (C) (2) and (3)
 (D) (1), (2), (3) and (4).

PART-B

71. 'Service' means an activity which constitutes —
(A) A transaction in money
(B) A transfer of title in immovable property
(C) A provision of service by an employee to the employer
(D) None of the above.
72. As per service tax law, the activities in relation to delivery of goods on hire-purchase come under —
(A) Negative list
(B) Exempted service
(C) Declared service
(D) None of the above.
73. Raj let-out a building consisting of both residential and commercial units. He received rent ₹55,000 per month for residential units and ₹85,000 per month for commercial units. The let-out was for the whole year. The value of taxable service is —
(A) ₹6,60,000
(B) ₹16,80,000
(C) ₹10,20,000
(D) Nil.
74. On the basis of which of the following entry of the Union list, the service tax is levied —
(A) Entry 80
(B) Entry 97
(C) Entry 92C
(D) Entry 95.
75. The certificate of registration is to be issued from the date of filing of application for registration by the service provider within —
(A) 7 Days
(B) 10 Days
(C) 15 Days
(D) 30 Days.
76. Manish gave his 3 buses on hire to State transport undertaking for a monthly rent of ₹1 lakh. It was given on hire for full 2 months. The service tax liability would be —
(A) ₹24,720
(B) ₹1,32,360
(C) Nil
(D) ₹12,360.
77. Any amount payable or refundable under Service Tax Laws shall be rounded off to the nearest —
(A) One rupee
(B) Ten rupees
(C) One hundred rupees
(D) None of the above.
78. When service provider is located in a non-taxable territory and the service receiver is in a taxable territory, the service tax liability must be discharged by —
(A) Service provider
(B) None
(C) Service provider and receiver equally
(D) Service receiver.

79. The time-limit for filing application for registration under service tax in the case of a taxable service is —
- (A) 2 Months
(B) 60 Days
(C) 30 Days
(D) 15 Days.
80. When rendering of service was completed on 15th July, 2014; the invoice was raised on 25th August, 2014 and the payment was received on 31st August, 2014, the point of taxation will be —
- (A) 15th July, 2014
(B) 25th August, 2014
(C) 31st August, 2014
(D) 30th September, 2014.
81. The due date for e-payment of service tax for the quarter ended 30th September would be —
- (A) 30th September
(B) 6th October
(C) 31st October
(D) 10th October.
82. Sale price under the Central Sales Tax Act, 1956 does not include —
- (A) Excise duty
(B) Central sales tax
(C) Packing charges
(D) Trade discount.
83. In case where the location of service recipient is not available, the 'place of provision of service' would be —
- (A) Location where service is rendered
(B) Location of service provider
(C) Where the registration is recorded under service tax
(D) None of the above.
84. What would be the value of taxable service, if the gross amount charged by a service provider on 10th March, 2015 is ₹42,000 —
- (A) ₹42,000
(B) ₹37,800
(C) ₹37,380
(D) ₹36,960.
85. For delay in filing the service tax return by 28 days under Rule 7(c) of the Service Tax Rules, 1994, the penalty to be paid is —
- (A) ₹100 Per day
(B) ₹500 Per day
(C) ₹1,000 Per day
(D) ₹1,500 Per day.
86. Anil of Chennai made sale of goods to B Ltd. of Mumbai who bought the same to meet pre-existing export order. The sale by Anil to B Ltd. is —
- (A) Taxable as inter-State sale
(B) Exempt as deemed export
(C) Intra-State sale
(D) Exempted sale.

87. X purchased goods from a manufacturer on payment of ₹4,16,000 (including VAT) and earned a profit of 20% on purchase price. VAT rate on both purchase and sale is 4%. The net VAT payable on sale price is —
- (A) ₹16,000
(B) ₹6,400
(C) ₹3,200
(D) ₹19,200
88. X & Co. purchased goods during the month of January, 2015 :
- (i) ₹1,20,000 at 4% VAT
(ii) ₹2,50,000 at 12.5% VAT
- Sold goods during the month :
- (i) Sale of ₹3,50,000 at 4% VAT
(ii) Sale of ₹3,00,000 at 12.5% VAT
- The eligible input tax credit and VAT payable for the month is —
- (A) ₹36,050 and ₹31,250 respectively
(B) ₹36,050 and ₹15,450 respectively
(C) ₹31,050 and ₹18,800 respectively
(D) ₹36,050 and ₹14,000 respectively.
89. Under which method of computation of VAT, the tax rate is applied to the difference between the value of output and the cost of input —
- (A) Tax credit method
(B) Bonus method
(C) Addition method
(D) Subtraction method.
90. Services by way of training or coaching in recreational activities relating to arts, culture and sports is covered under —
- (A) Declared services
(B) Mega exemption notification
(C) Negative list
(D) None of the above.
91. The revenue neutral rate of VAT means the rate of —
- (A) 1%
(B) 4%
(C) 20%
(D) 12.5%.
92. For goods transferred between branches located in other State, the input tax credit for goods transferred is reduced by —
- (A) 3%
(B) 2%
(C) 5%
(D) Nil.
93. Which of the following service comes under the purview of 'continuous service' —
- (A) Supply of farm labour
(B) Any process amounting to manufacture
(C) Services by RBI
(D) Internet communication.
94. 'Zero rate' sale is advantageous than 'exempt sale' in VAT, since the zero rate sale is —
- (A) Exempt from VAT levy
(B) Eligible for refund of VAT on inputs used
(C) Export sale
(D) Unsaleable goods.

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95. Balaji bought raw material by paying VAT of ₹20,000. He produced a different commodity which is exempt from VAT. He is eligible for refund of VAT paid on raw material to the extent of —
- (A) ₹20,000
(B) Nil
(C) ₹10,000
(D) ₹5,000.
96. (i) Input tax credit availed during the month of April, 2015 is ₹20,500
(ii) Output tax payable for April, 2015 is ₹16,000
(iii) CST payable on inter-State sales for April, 2015 is ₹3,800
- From the above, amount of VAT credit that can be carried over to next month is —
- (A) ₹4,500
(B) Nil
(C) ₹700
(D) None of the above.
97. If Lakshman has collected any amount of service tax from Ramu which is not required to be collected, Lakshman shall pay the amount so collected to —
- (A) Ramu
(B) The Central Government
(C) Keep it with himself
(D) None of the above.
98. Under section 77 of the Finance Act, 1994, any person who issues invoice with incorrect or incomplete details or fails to account for an invoice in his books of account, shall be liable to a penalty which may be extended upto —
- (A) ₹20,000
(B) ₹10,000
(C) ₹5,000
(D) ₹50,000.
99. E-payment of service tax is compulsory in the case of assessee —
- (A) Who has paid service tax in the preceding financial year equal to at least ₹10 lakh
(B) Who has paid service tax in the preceding financial year equal to at least ₹40 lakh
(C) Who has paid service tax in the preceding financial year equal to at least ₹50 lakh
(D) All assessees.
100. Which method of VAT computation is generally adopted by the Indian States —
- (A) Tax credit method
(B) Addition method
(C) Subtraction method
(D) Bonus method.

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