

CRD1

MCQ BOOKLET NO. 6122024

GENERAL INSTRUCTIONS TO CANDIDATES

1. The question paper comprises two parts, Part I and Part II.
2. Part I comprises Multiple Choice Questions (MCQs).
3. Part II comprises questions which require descriptive type answers.
4. Ensure that you receive the question paper relating to both the parts. If you have not received both, bring it to the notice of the invigilator.
5. Answers to Questions in Part I are to be marked on the OMR answer sheet given on the cover page of descriptive answer book of section A only. Answers to questions in Part II are to be written in their respective descriptive answer book. Answers to MCQs, if written inside the descriptive answer book or on Part-I Question paper will not be evaluated.
6. OMR answer sheet given on the cover page of descriptive answer book will be in English only for all candidates, including for Hindi medium candidates.
7. The bar coded sticker provided in the attendance register, is to be affixed only on the descriptive answer book.
8. You will be allowed to leave the examination hall only after the conclusion of the exam. If you have completed the paper before time, remain in your seat till the conclusion of the exam.
9. Duration of the examination is 3 hours. You will be required to submit the descriptive answer book with OMR cover page to the invigilator before leaving the exam hall, after the conclusion of the exam.
10. The invigilator will give you acknowledgement on Page 2 of the admit card, upon receipt of the above-mentioned items.
11. Candidate found copying or receiving or giving any help or defying instructions of the invigilators will be expelled from the examination and will also be liable for further punitive action.

PART – 1

30 Marks

1. Answer all questions.
2. Use HB pencil only to darken the circles for answers in the answer sheet.
3. After each question four alternative answers are given. Choose one of the answers and darken the appropriate circle against the question number in the OMR Answer Sheet, completely, as shown below, with HB pencil.
4. Any answer marked in the question booklet or inside the descriptive answer book will not be considered and no marks will be awarded.
5. If a candidate wants to change the answer already darkened, he should erase it completely, with good quality eraser and ensure that no mark is visible after erasing.
6. No mark will be awarded if no circle is darkened or more than one circle is darkened for a particular question. There is no negative marking for a wrong answer.
7. Rough work, if any, must be done on the pages, specified as SPACE FOR ROUGH WORK only and nowhere else in the question paper booklet or in the answer sheet.
8. Before commencement of the exam, please fill up the necessary information in the space provided below and also in the answer sheet.

Total No. of Printed Pages : 7

Maximum Marks : 30

Roll No.							
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Question Paper Booklet Code	C	R	D	1
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Name of the Candidate	
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Signature of Candidate

PART I
MULTIPLE CHOICE QUESTIONS

Ms. Chanchal, aged 45, provides the following data of her gross receipts for the financial year 2022-23 and 2023-24. She is engaged in agency business along with providing services as tarot card reader.

F.Y.	Receipts from business (₹)	Receipts from profession (₹)	Total Gross Receipts (₹)
2022-23	78,00,000	43,00,000	1,21,00,000
2023-24	85,00,000	47,00,000	1,32,00,000

During the F.Y. 2023-24, she paid an amount of ₹ 1,20,000 to a contractor for polishing her old furniture. She has taken services from renowned interior designers for her self-occupied residential house property for which she paid ₹ 2,50,000.

Further, on 28.05.2023 she sold one commercial property for ₹ 50,00,000. The value adopted for stamp duty was ₹ 52,00,000. It was purchased for ₹ 40,00,000 on 28.04.2019. (Cost Inflation Index for F.Y. 2023-24: 348, F.Y. 2019-20: 289).

The brought forward long-term capital loss from unlisted shares of F.Y. 2022-23 is ₹ 7,80,000.

During the year, Ms. Chanchal incurred a loss of ₹ 70,00,000 while trading in the agricultural commodity derivatives (no CTT paid).

From the details given above, choose the most appropriate option to the questions given below:

1. Is Ms. Chanchal liable to tax audit under the Income-tax Act, 1961 for the P.Y. 2023-24?

- (a) Yes, as the total gross receipts exceeds ₹ 1,00,00,000
(b) No, as the gross receipts from business or profession are below the specified threshold limits.
(c) Yes, as the gross receipts from business exceed ₹ 50,00,000
(d) Yes, as the gross receipts from profession exceed ₹ 25,00,000

2. What is the total amount of tax to be deducted by Ms. Chanchal for P.Y. 2023-24?

- (a) ₹ 1,200
(b) ₹ 26,200
(c) Nil
(d) ₹ 27,400

3. What is the amount and nature of Capital gain chargeable to tax in the hands of Ms. Chanchal?

- (a) ₹ 10,00,000 and Short-term capital gain.
(b) ₹ 12,00,000 and Short-term capital gain.
(c) ₹ 1,83,391 and Long-term capital gain.
(d) ₹ 9,50,000 and Long-term capital gain.

4. What is the amount of losses which can be carried forward to A.Y. 2025-26, assuming that business income is ₹ 45,00,000 and income from profession is ₹ 25,00,000 for the P.Y. 2023-24?

- (a) ₹ 7,80,000 under section 74
(b) ₹ 70,00,000 under section 73
(c) ₹ 5,96,609 under section 74
(d) ₹ 30,000 under section 74 and ₹ 70,00,000 under section 73

5. Mr. Ajay Sahu, proprietor of M/s Blue Bird Enterprises having turnover of ₹ 65 lakhs and Turnover is less than 100 lakhs during P.Y. 2022-23, has received two bills for payment. The first bill is for ₹ 42,00,000 from Vijay Associates, an advocate and property dealer firm, for his daughter's hearing and ₹ 21,00,000 from same Vijay Associates for brokerage service provided in relation to purchase of one property. Both bills were raised on 21-12-2023 but payment were made in instalments. 1st Instalment of ₹5,00,000 as advance was payment on 15-11-2023, 2nd Instalment of ₹45,00,000 on 25-03-2024 and balance amount ₹13,00,000 on 31-03-2024.

Determine the TDS liability for Mr. Ajay Sahu, if any, for A.Y. 2024-25?

- (a) ₹ 2,50,000
- (b) ₹ 3,15,000
- (c) ₹ 65,000
- (d) Nil

6. M/S Mohan & Sons (liable to audit) paid ₹35,000 to Mr. Goel on 01.05.2023 towards fee for legal advisory services without deduction of tax at source. Another payment of ₹47,000 was due to Mr. Goel on 31.07.2023 and TDS on entire amount (i.e. ₹35,000 plus ₹47,000) was deducted and then the net amount was paid. However, the total tax deducted was deposited on 15.11.2023. The interest chargeable under section 201 will be:

- (a) ₹650
- (b) ₹433
- (c) ₹486
- (d) ₹597

7. Ms. Rashmi who is not required to furnish return u/s 139(1) as her gross total income itself is less than basic exemption limit, has incurred expenditure of ₹3,00,000 for her daughter for travel to U.S.A. during P.Y. 2023-24. Is she required to file return for A.Y. 2024-25? If yes, what is the due date?

- (a) Yes; 31st July, 2024
- (b) Yes; 30th September, 2024
- (c) Yes; 31st August, 2024
- (d) No, she is not required to file return of income for A.Y. 2024-25

8. Mr. A, a salaried individual, pays rent of ₹51,000 per month to Mr. B from June,2023. Which of the statement is true?

- (a) No tax is deductible at source since Mr. A is not liable to tax audit u/s 44AB.
- (b) Tax is deductible at source every month @ 10% on rent paid to Mr. B.
- (c) Tax is deductible at source every month @ 5% on rent paid to Mr. B.
- (d) Tax is deductible at source @ 5% on annual rent from the rent paid for March 2024.

9. Mr. X has a total income of ₹ 8 lakhs for A.Y. 2024-25. He files his return of income for A.Y. 2024-25 on 13th December, 2024. He is liable to pay fee of–

- (a) ₹ 1,000 under section 234F
- (b) ₹ 5,000 under section 234F
- (c) ₹ 10,000 under section 234F
- (d) Not liable to pay any fee

10. If Anirudh has stayed in India in the P.Y. 2023-24 for 181 days, and he is non-resident in 9 out of 10 years immediately preceding the current previous year and he has stayed in India for 365 days in all in the 4 years immediately preceding the current previous year and 420 days in all in the 7 years immediately preceding the current previous year, his residential status for the A.Y.2024-25 would be–

- (a) Resident and ordinarily resident
- (b) Resident but not ordinarily resident
- (c) Non-resident
- (d) Cannot be ascertained with the given information

11. Mr. Aarav gifted a house property valued at ₹50 lakhs to his wife, Geetha, who in turn has gifted the same to her daughter-in-law Deepa. The house was let out at ₹25,000 per month throughout the P.Y.2023-24. Compute income from house property for A.Y.2024-25.

In whose hands is the income from house property chargeable to tax?

- (a) ₹3,00,000 in the hands of Mr. Aarav
- (b) ₹2,10,000 in the hands of Mr. Aarav

- (c) ₹2,10,000 in the hands of Geetha
 (d) ₹2,10,000 in the hands of Deepa

12. The deduction allowable in respect of family pension taxable under “Income from other sources” is

- (a) 33-1/3% of the pension
 (b) 30% of the pension or ₹15,000, whichever is less
 (c) 33-1/3% of the pension or ₹15,000, whichever is less
 (d) 30% of the pension

13. Jenny has invested in debt securities of Haryali Pvt. Ltd., a company deriving its main source of income from business of growing and processing organic vegetables and fruits. Thus, the company has 80% of income exempt as agricultural income and 20% is taxable as business income. During the P.Y. 2023-24, Jenny derived ₹ 5,000 as interest income from the above investments. Which of the following statements are correct on taxability:

- (a) Interest will be exempt from tax to the extent of 80%, since Hariyali Pvt. Ltd has 80% exempted income.
 (b) Interest will be exempt from tax to the extent of 20%, since Hariyali Pvt. Ltd has claimed 80% of income as exempt.
 (c) Interest will be fully taxable
 (d) Interest will be fully exempt

14. Ashok took possession of property on 31st August 2023 booked by him three years back at ₹25 lakhs, The Stamp Duty Value (SDV) of the property as on 31st August 2023 was ₹31 lakh and on date of booking it was ₹29 lakh. He had paid ₹2 lakh by A/c payee cheque as down payment on date of booking. Which of the following will be considered as income, if any, and in which previous year

- (a) ₹4 lakhs in P.Y. 2023-24
 (b) ₹4 lakhs in P.Y. 2020-21
 (c) ₹6 lakhs in P.Y. 2022-23
 (d) No income shall be taxable, since down payment was paid by A/c payee cheque while booking the property

15. Mr. Square, an Indian citizen, currently resides in Dubai. He came to India on a visit and his total stay in India during the F.Y.2023-24 was 135 days. He has no source of Income in India. Following is his details of stay in India in the preceding previous years:

Financial Year	Days of Stay in India
2022-23	125
2021-22	106
2020-21	83
2019-20	78
2018-19	37
2017-18	40
2016-17	35

You are his tax consultant. Advise him on his residential status for the P.Y. 2023-24.

- (a) Resident but Not Ordinary Resident (RNOR)
 (b) Resident and Ordinary Resident
 (c) Non-Resident
 (d) Resident but information incomplete to know whether resident but not ordinarily resident or resident and ordinarily resident

16. C & Co., a registered supplier in Delhi, opted for composition levy under sub-sections (1) and (2) of section 10 of the CGST Act, 2017. It sold goods in the fourth quarter of a financial year for ₹ 15,00,000

(exclusive of GST). The applicable GST rate on these goods is 12%. C & Co. purchased goods from Ramesh & Co., registered in Delhi, for ₹ 9,55,000 on which Ramesh & Co. had charged CGST of ₹ 57,300 and SGST of ₹ 57,300. C & Co. had also purchased goods from E & Co., registered in Haryana, for ₹ 2,46,000 on which E & Co. had charged IGST of ₹ 29,520. GST liability of C & Co. for the fourth quarter of the financial year is-

- (a) CGST ₹ 7,500 & SGST ₹ 7,500
- (b) CGST ₹ 3,180 & SGST ₹ 32,700
- (c) CGST ₹ 32,700 & SGST ₹ 3,180
- (d) Nil

17. Kalim & Associates made an application for cancellation of GST registration in the month of March due to closure of its business. Its application for cancellation of GST registration was approved on 14th September. In the given case, Kalim & Associates is:

- (a) required to file Final Return on or before 13th December
- (b) not required to file Final Return
- (c) required to file Final Return on or before 30th September
- (d) required to file Final Return on or before 14th December

Question 18 to 21

MM Charitable Trust is registered under section 12AA or 12AB of the Income-tax Act, 1961.

The trust conducted a three day residential yoga camp among people on the occasion of International yoga day for the advancement of yoga and charged ₹ 7,500 per person inclusive of stay and food.

The trust also conducted programmes for the advancement of education of persons aged above 65 years in metro cities. A nominal fee was charged for the same.

The trust received following donations during the month of September:-

- i. Solid Steels Pvt. Ltd. donated a RO water plant to the trust costing ₹ 75,000 and displayed its company name in the RO system installed at the premises of the trust as “Donated by Solid Steels Private Limited-trusted by all”.
- ii. Mr. Prasanna, a lawyer donated chairs to the trust costing ₹ 25,000 and ‘Love all’ is printed on all chairs donated by him to the trust.

The following are the details of GST payment made by the firm-

- i. GST of ₹ 1,75,000 was paid for the purchase of motor vehicle for transportation of needy persons (Seating capacity including driver is 13).
- ii. GST of ₹ 2,45,000 was paid for works contract services availed from Super Builders for construction of Trust’s office building.

MM Charitable Trust also owns and manages a gurudwara. It rented the community hall located in the precincts of the gurudwara for a rent of ₹ 8,500 per day for a marriage function. It also rented the commercial shop located in the precincts of the gurudwara for a rent of ₹ 10,000 per month per shop.

You can assume that the Trust is registered under GST and all the transactions are intra-State only. Conditions for availing ITC are fulfilled subject to the above- mentioned information.

Based on the information given above, choose the most appropriate answer for the following questions

18. Which of the following activities conducted by trust is exempt from GST?

- (a) Advancement of Yoga
- (b) Advancement of education
- (c) Both (a) and (b)
- (d) Neither of the activities

19. Determine the value of taxable supply in respect of donations received by the Trust?

- (a) ₹ 25,000
- (b) ₹ 75,000
- (c) ₹ 1,00,000
- (d) Nil

20. Compute the amount of input tax credit that can be claimed by the Trust?

- (a) ₹ 1,75,000
- (b) ₹ 2,45,000
- (c) ₹ 4,20,000
- (d) Nil

21. Which of the following statements is/are correct under GST law in respect of gurudwara managed by MM Charitable Trust?

- (a) Renting of community hall is taxable while renting of commercial shop is exempt.
- (b) Renting of community hall is exempt while renting of commercial shop is taxable.
- (c) Both renting of community hall and renting of commercial shop are taxable.
- (d) Both renting of community hall and renting of commercial shop are exempt.

22. Kala Niketan School is an educational institution providing pre-school education and education up to higher secondary school. Which of the following services are exempt if provided to Kala Niketan School?

- (i) Transportation of students, faculty and staff
 - (ii) Catering services
 - (iii) Cleaning services performed in such educational institution
- (a) (i)
 - (b) (i) and (iii)
 - (c) (ii) and (iii)
 - (d) (i), (ii) and (iii)

Question 23 to 28

Ms. Adisha, a Doctor having in-patient facility in her hospital is a registered person under GST. She availed interior decoration services from her spouse without any consideration being paid. She also availed IT related services from her sister-in-law without any consideration. Both services were for the purpose of her profession.

Ms. Adisha provided treatment of various diseases in her hospital and apart from that she also provided the following services in her hospital-

- (a) Plastic surgery to enhance the beauty of the face
- (b) Ambulance service for transportation of patients
- (c) Renting of space to run medical store in hospital premises

She is also a consultant in other hospitals and received ₹ 40,00,000 as consultancy fee from the other hospitals. Further, she also provides canteen facility and received ₹ 55,000 from in-patients, ₹ 35,000 from patients who are not admitted and ₹ 25,000 from visitors for the same facility.

She filed GSTR-3B for the month of June with some errors. She filed the Annual return for the said financial year on 31st October of the next year, whereas due date for the said Annual return is 31st December of the next year.

Proper Officer of the department cancelled the registration certificate of Ms. Adisha suo-motu on 31st July. Order of cancellation was served on 5th August. However, she applied for revocation of the same and got her registration certificate revoked.

All the amounts given above are exclusive of taxes, wherever applicable. All the supply referred above is intra-State unless specified otherwise.

From the information given above, choose the most appropriate answer for the following questions -

23. Which of the following is a correct statement as per the provisions of CGST Act, 2017?

- (i) Service availed from her Spouse is a deemed supply
 - (ii) Service availed from her Sister-in-Law is a deemed supply
 - (i) Service availed from her Spouse is not a deemed supply
 - (iv) Service availed from her Sister-in-Law is not a deemed supply
- (a) (i) and (iv)

- (b) (iii) and (iv)
- (c) (ii) and (iii)
- (d) (i) and (ii)

24. Compute the taxable value of supply of canteen service provided by Ms. Adisha?

- (a) ₹ 25,000
- (b) ₹ 35,000
- (c) ₹ 60,000
- (d) ₹ 80,000

25. Ms. Adisha should have applied for revocation of cancellation of registration certificate by

- (a) 5th August
- (b) 20th August
- (c) 30th August
- (d) 4th September

26. Maximum time permissible for rectification of error committed in monthly return of June is _____

- (a) 20th July
- (b) 20th October of the next year
- (c) 30th November of the next year
- (d) 31st December of the next year

27. Determine which of the following services provided by Ms. Adisha and her hospital is exempt from GST?

- (i) Plastic surgery to enhance the beauty of the face
 - (ii) Ambulance service for transportation of patients
 - (iii) Renting of space to run medical store in hospital premises
 - (iv) Consultancy service by Ms. Adisha in other hospitals
- (a) (i), (ii) & (iv)
 - (b) (i), (ii)
 - (c) (ii) & (iv)
 - (d) (i) & (iii)

28. Which article of the Constitution outlines the composition and functions of the GST Council?

- (a) 270
- (b) 279A
- (c) 246A
- (d) 269A

29. What is the maximum rate of CGST prescribed under CGST Act?

- (a) 20%
- (b) 28%
- (c) 24%
- (d) 40%

30. Mr. X is a dealer registered in GST and has purchased goods from other State ₹5,00,000 and paid IGST @ 10% and sold the goods at a profit of ₹2,00,000 and charged output CGST @ 5% and Output SGST @ 5%. Tax Payable shall be

- (a) CGST – ₹35,000 & SGST - ₹35,000
- (b) CGST – ₹20,000 & SGST - ₹20,000
- (c) CGST – Nil & SGST - ₹20,000
- (d) CGST – Nil & SGST - Nil