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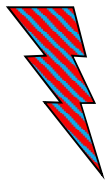
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“QUESTIONS”



1. M/s. A Ltd., a supplier of air conditioners, is registered in the State of Maharashtra. It has a policy to supply two air conditioners at 50% discount to its top employees [residing in Gujarat] in terms of employment contract. The company installs such ACs at residence of employees. During month of March, 20XX, company installed 150 air conditioners at residence of these employees. The total open market value of such air conditioners is 52.50 lakh (excluding GST). The tax rate on such air conditioners is 28% (14% CGST, 14% SGST and 28% IGST). Compute the GST liability of M/s. A Ltd., if any.

- A) 7,35,000 – CGST & 7,35,000- SGST
- B) 14,70,000 – IGST
- C) Nil
- D) None of above

Q2. Mr. James Bond is a registered person under GST in the State of Maharashtra who sells footwear to his customers locally within the same State. He has been appointed as an agent by M/s. Toto Shoes Ltd., a company registered under GST in the State of Karnataka. During a financial year, M/s. Toto Shoes Ltd., sends taxable goods worth 5.00 crore from its Bengaluru store to Mr. James Bond who sells such goods for 5.00 crore by raising invoices using the GSTIN of M/s. Toto Shoes Ltd. Mr. James Bond receives a commission of 60.00 lakh from M/s. Toto Shoes (P) Ltd., during the said financial year. Compute the value of supply of Toto Shoes (P) Ltd. and Mr. James Bond for the financial year.

- A) M/s. Toto Shoes (P) Ltd.: Nil and James Bond: - 5.6 crore
- B) M/s. Toto Shoes (P) Ltd.: - 5 crore and James Bond: - 5.6 crore
- C) M/s. Toto Shoes (P) Ltd.: - 5 crore and James Bond: - 60 lakh
- D) None of the above

Q3. M/s. Wanderlust Travels (P) Ltd. purchased bus Chassis from M/s. K Motors Ltd. for a consideration of 90.00 lakh on 01.10.20XX. M/s. Wanderlust Travels (P) Ltd. sent the bus chassis for body building to M/s. B Fabricators and paid in advance the total consideration of 25.00 lakh on 15.10.20XX. M/s. B Fabricators, after completing the bus body, informed M/s. Wanderlust Travels (P) Ltd. for carrying out the inspection of the work done on 05.11.20XX. M/s. Wanderlust Travels (P) Ltd. visited work shop of M/s. B Fabricators on 08.11.20XX and confirmed that the bus body was in accordance with the terms of contract. The last date for issuing the invoice by M/s. B Fabricators is: -

- A) 15.10.20XX
- B) 08.11.20XX
- C) 08.12.20XX
- D) 05.12.20XX

Q4. Which of the following statements are true with respect to accounts and records?

- 1 - All accounts and records are to be retained for 6 years.
- 2 - Stock record is to be maintained by all registered dealers except dealers registered under composition scheme.
- 3 - Stock record is to be maintained by all registered dealers including composition dealers.
- 4 - Monthly production records be maintained by all dealers except dealers who opt composition.
- 5 - Monthly production records to be maintained by all dealers including composition dealers.
- 6 - Records are to be maintained at principal place of business.

- A)** 1, 2, 5, 6
- B)** 1, 3, 5
- C)** 1, 3, 4
- D)** 1, 2, 4, 6

Q5. Which among the following cannot be a reason for cancellation of registration?

- A)** There is a change in the constitution of business from partnership firm to proprietorship.
- B)** Business has been discontinued.
- C)** A composition taxpayer has not furnished returns for three consecutive tax periods.
- D)** Registered person, other than composition taxpayer, not furnished returns for 3 consecutive tax periods

Q6. Which of the following persons can opt for the composition scheme?

- 1 -Registered person whose aggregate turnover in preceding financial year did not exceed 75 lakh.
- 2 -Registered person whose aggregate turnover in preceding financial year did not exceed 1 crore.
- 3 -A person engaged in business of pan masala, tobacco and manufactured tobacco substitutes.
- 4 -A person engaged in business of ice cream, other edible ice, whether or not containing cocoa.
- 5 -A person engaged exclusively in providing restaurant service.
- 6 -A person engaged exclusively in supply of medicines.

- A)** 1, 2, 3, 5
- B)** 1, 2, 5, 6
- C)** 2, 3, 4, 5
- D)** 3, 4, 5, 6

Q7. Mr. Top, unregistered person in Delhi, who has an aggregate turnover of 16 lakh sells mobile phones to Mr. G, a person registered under GST in Uttar Pradesh. Whether any penalty is levied on Mr. Top, for such supply and if yes, what is maximum penalty that can be levied on Mr. Top: -

- A)** No penalty since there is no default on part of Mr. Top as his turnover is below threshold limit.
- B)** Yes; an amount equivalent to the tax evaded or 10,000/-, whichever is lower.
- C)** Yes; an amount equivalent to the turnover or 10,000/-, whichever is higher.
- D)** Yes; an amount equivalent to the tax evaded or 10,000/-, whichever is higher.

Q8. Which of the following statements is/are correct for ‘similar goods’ for valuation purposes under the Customs Act, 1962?

- 1) Similar goods although not alike in all respects, have like characteristics and like component materials which enable them to perform same functions & to be commercially interchangeable with the goods being valued having regard to quality, reputation & existence of trade mark.
- 2) Similar goods are necessarily produced in country in which goods being valued were produced.
- 3) Similar goods are necessarily produced by same person who produced goods being valued.

- A)** (i) and (ii)
- B)** Only (i)
- C)** (i) and (iii)
- D)** All of above

Q9. Which of the following statements is/are correct for safeguard duty under section 8B of the Customs Tariff Act, 1975?

- 1 - Safeguard duty is imposed on articles which are imported in increased quantities.
- 2 - Such increased import is causing or threatening to cause serious injury to domestic market.
- 3 - Safeguard duty can be imposed for 4 years and the period of imposition can be extended. However, in no case the safeguard duty shall continue to be imposed beyond a period of 10 years from the date on which it was first imposed.
- 4 - Safeguard duty can be imposed provisionally also pending final determination of duty.

- A)** (i), (ii) and (iii)
- B)** Only (i) and (iv)
- C)** None of above
- D)** All of above

Q10. Which of the following statements is not correct for pilfered goods under section 13 of the Customs Act, 1962?

- A)** Importer is not required to pay duty on imported goods which are pilfered after unloading but before being cleared for home consumption.
- B)** Importer is not required to pay duty on warehoused goods pilfered before being cleared for home consumption.
- C)** The onus to prove the pilferage does not lie on the importer.
- D)** If pilfered goods are restored to the importer, he becomes liable to pay duty.

Q11. A taxable person has made following supplies in January, 2018: –

Sales within the State – 2,00,000. Exports out of India– 60,000.

Supplies to SEZ located within the State – 40,000. He does not intend to clear goods under LUT or bond. ITC available to him during January, 2018 – IGST – Nil. CGST – `10,000. SGST – `20,000.

There is no opening balance in his electronic cash ledger or electronic credit ledger. Tax rates are – SGST – 9%, CGST – 9%, IGST – 18%. How much amount is payable by him in cash?

- A)** CGST –8,000 SGST – Nil
- B)** CGST – 11,600 SGST – 1,600
- C)** CGST – 8,000, SGST – Nil, IGST – 5,200
- D)** CGST – 8,000 SGST – Nil, IGST –16,000

Q12. Mr. A received technical consultancy services from IT Star Consult, USA. Import of tech consultancy not liable to GST if-

- 1 -Mr. A pays some consideration for the services received**
- 2 -Mr. A pays some consideration for the services received and if Mr. A uses the said service for business purposes**
- 3 -Mr. A uses said service for business purposes even though he does not pay any consideration for the same**
- 4- Mr. A uses said service for personal purposes and not pay any consideration for same and is partner in IT Star Consultants**
- 5- Mr. A uses said service for business purposes and not pay any consideration for the same & is also partner in IT Star Consult**

- A)** (i), (ii), (v)
- B)** (ii), (iii) and (v)
- C)** (iii), (iv)
- D)** (iii), (iv) and (v)

Q13. XY, Bangalore, Karnataka furnishes info: - 10 MT of inputs stock transferred to branch in Chennai, Tamil Nadu on 10th April, 20XX. Transfer value of inputs shown in invoice is 10,000. 5 MT of inputs supplied to customer located in Chennai at 12,500 on 10th April, 20XX. Cost of production of 1 MT of input is 750. Chennai branch is eligible for full ITC. Value of inputs stock transferred to Chennai Branch is-

- A)** 10,000
- B)** 25,000
- C)** 8,250
- D)** 12,500

Q14. Which of the given activities does not amount to supply?

- A)** Architect in India seeks legal advice from his son settled in London free of cost with regard to his family dispute.
- B)** Resident Welfare Association provides service of depositing electricity bills of residents in lieu of some nominal charges.
- C)** A dealer of air-conditioners permanently transfers an air conditioner from his stock in trade, for personal use at his residence.
- D)** Electronic commerce operator in India seeks legal advice for its business from its head office in US free of cost.

Q15. Mr. X enters into a contract with a client for supply of certain services on 18.12.2017. GST is payable on such services under forward charge. Services are supplied on 25.12.2017 and invoiced on 05.01.2018. Client makes payment by CHEQUE for services on 29.12.2017 and such payment is credited to bank account of Mr. X on 06.01.2018. Payment is recorded in books of account of the client and Mr. X on 30.12.2017 and 07.01.2018 respectively. Time of supply of services is: -

- A)** 29.12.2017
- B)** 30.12.2017
- C)** 06.01.2018
- D)** 05.01.2018

Q16. K, a registered supplier, gave classical dance performance in an auditorium. Consideration charged for the said performance is 1,60,000. Such performance is not for promotion of any product/services. Rate of CGST and SGST on such services is 9% each. Assuming services supplied by him to be intra-State supplies, which of the following statements are true?

- A)** GST liability of K is Nil as services provided by him are exempt
- B)** K is liable to pay CGST and SGST of 14,400 and 14,400 respectively.
- C)** K is liable to pay CGST and SGST of 900 and 900 respectively.
- D)** None of the above.

Q17. AV Enterprises, Kanpur started trading in AYURVEDIC medicines from July 1, 20XX. Its turnover exceeded 20 Lac on October 3, 20XX. The firm applied for registration on October 31, 20XX and was issued registration certificate on November 5, 20XX.

Can any revised invoice be issued in the given scenario? If the answer to first question is in affirmative, determine the period for which the revised invoices can be issued as also the last date up to which the same can be issued.

- A)** Revised invoice cannot be issued in the given case.
- B)** Revised invoices can be issued for supplies made between October 3, 20XX and November 5, 20XX. Further, the revised invoices can be issued for the said period till December 5, 20XX.
- C)** Revised invoices can be issued for supplies made between October 31, 20XX and November 5, 20XX. Further, the revised invoices can be issued for the said period till December 31, 20XX.
- D)** Revised invoices can be issued for supplies made between July 1, 20XX and November 5, 20XX. Further, the revised invoices can be issued for the said period till December 31, 20XX.

Q18. Shag started supply of goods in Vasai, Maharashtra from 01.01.20XX. Her turnover exceeded 20 Lac on 25.01.20XX. However, she didn't apply for registration. Determine penalty that may be imposed on Shag under section 122(1) of the CGST Act, 2017 on 31.03.20XX, if tax evaded by her, as on said date, on account of failure to obtain registration is 1,26,000: -

- A)** 10,000
- B)** 1,26,000

- C)** 12,600
D) None of the above

Q19. K Refineries supplies LPG to XYZ Ltd. by a pipeline under a contract. Terms of contract:

- * Monthly payment of 2 lakh to be made by the recipient on fifth day of the month.
- * Quarterly statement of goods dispatched & payments made be issued by 7th day of month succeeding relevant quarter.

Aug 5, Sep 5, Oct 5	Payments of 2 lakh made in each month
October 7,	Statement of accounts issued by supplier for the quarter July – September
October 17,	Differential payment of 56,000 received by supplier for quarter July – September as per statement of a/c

Which of the following statements is true?

- A)** Invoice issued on Aug 5, Sep 5, Oct 5 and Oct 7.
B) Invoice will be issued on Aug 5, Sep 5 and Oct 5.
C) Invoice will be issued on Aug 5, Sep 5, Oct 5, Oct 7 and Oct 17
D) None of the above

Q20. CA issued following bill: – Professional fees – 1,00,000. Out of pocket expenses –10,000. MCA for e-filing of documents on MCA portal – 5,000. His value of service for tax purposes is: -

- A)** 1,15,000
B) 1,10,000
C) 1,05,000
D) 1,00,000

Q21. Krishna Motors is a car dealer selling cars of an international car company. It also provides maintenance and repair services of the cars sold by it as also of other cars. Determine the amount of input tax credit available with the help of below expenses incurred by it during business operations:

Particulars	GST paid
Cars purchased from the manufacturer for making further supply of such cars. [Two of such cars are destroyed in accidents while being used for test drive by potential customers. GST paid on their purchase is 1,00,000]	20,00,000
Works contract services availed for constructing a car shed in its premises.	50,000

- A)** 19,00,000
B) 21,10,000
C) 19,50,000
D) 20,50,000

Q22. In which of the following cases, import of services is taxable under GST?

- 1 - Import of service with consideration in course or furtherance of business.
- 2 - Import of service with consideration not in course or furtherance of business.
- 3 - Import of service without consideration from related person in course/ furtherance of business.
- 4 - Import of service without consideration from related person not in course or furtherance of business.

- A)** (1) and (3)
B) (2) and (4)
C) (1), (2) and (3)
D) (4)

Q23. Compute the value of 'exempted supply' for purpose of 17(2) of CGST Act, 2017 from: -

- * Value of alcoholic liquor for human consumption = 1,50,000
- * Value of architect services supplied = 2,00,000
- * Securities of face value of 1,00,000 sold for = 95,000

- A)** 1,50,000
B) 2,50,000
C) 2,45,000
D) 1,50,950

Q24. Grand Foods is engaged in supplying restaurant service in Delhi. In the preceding financial year, it has an aggregate turnover of 90 Lac from restaurant service and 10 Lac from supply of farm labor and has earned a bank interest of 10 Lac. Which of below are true in the given case?

- 1-Aggregate turnover of Grand Foods, for determining eligibility for composition scheme, in the preceding FY is 90 lakh.
- 2-Aggregate turnover of Grand Foods, for determining eligibility for composition scheme, in the preceding FY is 100 lakh.
- 3-Aggregate turnover of Grand Foods, for determining eligibility for composition scheme, in the preceding FY is 110 lakh.
- 4-Supply of farm labor & service of extending loans/deposit not make Grand Foods ineligible for composition scheme
- 5-Supply of services other than restaurant service - supply of farm labor and supply of service of extending loans/deposits - by Grand Foods makes it ineligible for composition scheme.

- A)** (1) and (4)
B) (2) and (4)
C) (1) and (5)
D) (3) and (5)

Q25. Which services provided by Good Health Care Nursing (GHCN) home aren't exempt?

- 1-Reiki healing treatment.
- 2-Plastic surgery conducted to repair cleft lip of a new born baby.
- 3-Air ambulance services to transport critically ill patients from distant locations to GHCN Home.

4-Palliative care for terminally ill patients. On request such care is also provided to patients at home. (Palliative care is given to improve quality of life of patients having serious or life-threatening disease but goal of such care is not to cure disease).

5-Alternative medical treatments by way of Ayurveda.

- A)** (1) and (3)
- B)** (2) and (4)
- C)** (1)
- D)** (1), (4) and (5)

Q26. Open area in precincts of Temple has been rented for a marriage for a day. In which of following cases, such renting is exempt from GST?

- A)** Temple is owned by S Charitable Trust (registered u/s 12AA of Income- tax Act) and consideration charged is 9,000.
- B)** Temple is owned by S Charitable Trust (registered u/s 12AA of Income- tax Act) and consideration charged is 11,000.
- C)** Both (a) & (b) **
- D)** None of the above.

Q27. BTW Pvt. Ltd. has following units: -

A: Factory in Noida, Uttar Pradesh; closed from 2017-18 onwards, no turnover.

B: Factory in Ghaziabad, Uttar Pradesh; turnover 54 crores in 17-18

C: Service Centre in Faridabad, Haryana; turnover 2 crore in 17-18

D: Service Centre in New Delhi; turnover 4 crores in 2017-18

The company's corporate office functions as an input service distributor. It has to distribute input tax credit of ` 18 lakh for April, 2018. Of this, an invoice involving tax of 6 lakh pertains to technical consultancy for Faridabad unit. Input tax credit will be distributed as: -

- A)** 300000 to Noida Factory, 900000 to Ghaziabad factory, 300000 to Faridabad service Centre & 300000 to New Delhi Centre.
- B)** 10,80,000 to Ghaziabad factory, 6,40,000 to Faridabad service Centre and 80,000 to New Delhi service Centre.
- C)** 10,80,000 to Ghaziabad factory, 40,000 to Faridabad service Centre and 80,000 to New Delhi service Centre.
- D)** 16,20,000 to Ghaziabad factory, 60,000 to Faridabad service Centre and 1,20,000 to New Delhi service Centre.

Q28. Input tax credit cannot be taken on: -

- (i) A software professional providing tech. consultancy buys motorcycle for use of his employee.**
- (ii) A motor driving school buys a car for being used in imparting motor driving training.**
- (iii) A flying school imports an aircraft for use in its training activity.**
- (iv) A manufacturer buys a small truck for purpose of transporting its inputs and finished goods.**

- A)** (i), (ii), (iii), (iv)
- B)** (i)
- C)** (i), (iii)
- D)** (iii)

Q29. K hires a works contractor for repairing his factory building on a lump sum payment of 11,80,000. He debits half of the expenditure in the profit and loss account and the remaining half in the building account. Assuming the rate of GST to be 18%, K can take input tax credit of: -

- A)** 90,000
- B)** 1,06,200
- C)** 2,12,400
- D)** Nil

Q30. Online portal, Best Info, raises invoice for database access on 21st February, 2017 on R Ltd. The payment is made by R Ltd. by demand draft sent on 25th February, 2017 which is received and entered in accounts of Best Info on 28th February, 2017. Best Info cashes draft and gives access to the database to R Ltd from 3rd March, 2017. Meanwhile, Rate of tax is changed from 1st March 2017. What is the time of supply of the service of database access by Best Info?

- A)** 25th February, 2017
- B)** 28th February, 2017
- C)** 21st February, 2017
- D)** 3rd March

Q31. Which of the following persons can opt for the composition scheme?

- 1) Registered person whose aggregate turnover in preceding financial year did not >75 Lac.
- 2) Registered person whose aggregate turnover in preceding financial year did not >1 Crore.
- 3) Person engaged in **manufacture of** Pan Masala, Tobacco & manufactured tobacco substitutes
- 4) Person engaged in **manufacture of** Ice Cream, edible ice whether or not containing Cocoa.
- 5) Person engaged exclusively in providing restaurant service.
- 6) Person engaged exclusively in supply of medicines.

- A)** 1,2,3,5
- B)** 1,2,5,6
- C)** 2,3,4,5
- D)** 3,4,5,6

Q32. Which of below is not correct for tax payer who opted for composition scheme?

- A)** A registered person supplying goods under the composition scheme shall issue a bill of supply.
- B)** Last date to pay liability towards tax, interest, penalty, fee or any other sum is 20th day of each month.

- C)** A composition dealer shall mention the words “Composition taxable person, not eligible to collect tax on supplies” at top of the bill of supply issued by him.
- D)** Last date for payment of liability towards tax, interest, penalty, fee or any other sum is 18th day of the month following each quarter.

Q33. M/s. T received testing services from A (P) Ltd. on 10-May-2018. Payment was entered in books of account of M/s. T on 16-May-2018 & was credited in bank account of supplier on 19-May-2018. In Meantime, supplier issued invoice on 18-May-2018. What will be Time of supply here:

- A)** 10-May-2018
- B)** 18-May-2018
- C)** 16-May-2018
- D)** 19-May-2018

Q 34. Which legal services not fall under RCM provisions u/s 9(3) of the CGST Act, 2017:

- A)** Representation services provided by an individual advocate
- B)** Representation services provided by a senior advocate
- C)** Representation services provided by a firm of advocates
- D)** Legal services provided by an advocate to an unregistered individual

Q35. Which of the following is an OIDAR service?

- (i)** Online course consisting of pre-recorded videos and downloadable PDFs
- (ii)** PDF document manually emailed by provider
- (iii)** Individually commissioned content sent in digital form e.g., photographs
- (iv)** Stock photographs available for automatic download
- (v)** PDF document automatically emailed by provider’s system.

- A)** (i), (iv)
- B)** (iv), (v), (ii)
- C)** (i), (iv), (v)
- D)** All of the above

Q36. Which of the following is included while computing the value of supply of goods under GST?

- A)** Price of the goods
- B)** Packing charges of the goods
- C)** Tax levied by Municipal Authority on sale of the goods
- D)** All of the above

Q37. Which documents are required to send goods from branch office in one State to head office in another State?

- A)** Tax invoice and e way bill

- B)** Receipt Voucher and e way bill
- C)** Payment Voucher and e way bill
- D)** All of the above.

Q38. Is e-way bill mandatory in case of transport of the handicraft goods from one State to another State by a person who has been exempted from the requirement of obtaining registration?

- A)** E-way Bill is not required as the supplier is exempt from the requirement of obtaining registration.
- B)** E-way Bill is mandatory only if the value of consignment is more than 50,000
- C)** E-way Bill is mandatory even if the value of consignment does not exceed 50,000
- D)** None of the above.

Q39. A registered person can claim refund any un-utilized input tax credit on zero rated supplies without payment of tax or the credit accumulated on account of inverted tax rate structure:

- A)** at the end of the tax period, but before the expiry of 2 years from the relevant date.
- B)** before the expiry of the tax period
- C)** before the expiry of 3 years from the relevant date.
- D)** before the expiry of 18 months from the relevant date.

Q40. A registered person, who is under investigation for an offence under Chapter XIX, needs to retain the books of accounts/other records pertaining to such investigation until the expiry of:

- A)** 72 months from due date of furnishing of annual return for yr. pertaining to such accounts & records.
- B)** 1 year after final disposal of such investigation.
- C)** (a) or (b), whichever is later
- D)** None of above

Q41. Which of the following is a correct method of serving notice?

- (i) By giving it to any adult member of the family residing with the taxable person
- (ii) By making it available on the common portal
- (iii) By sending a courier to a person regularly employed by him in connection with the business
- (iv) By registered post with acknowledgement due to his authorized representative
- (v) Affixing a copy on the notice board of the office of the concerned officer who issued such notice

- A)** (ii), (iv)
- B)** (i), (iii), (v)
- C)** (i), (ii), (iii), (iv)
- D)** (i), (ii), (iii), (iv) and (v)

Q42. Which of the following transactions does not qualify as supply under GST law?
(i) When the Head Office makes a supply of services to its own branch outside the State.

- (ii) When person import services without consideration for his business from his **son **** living outside India.
- (iii) Disposal of car without consideration & where supplier not claimed ITC on such car.
- (iv) When a principal makes supplies to his agent who is also registered & is situated in same State.

- A)** (i) & (iii)
- B)** (i), (ii) & (iii)
- C)** (iii)
- D)** (iii) & (ii)

Q43. ITC is available on all supplies which are used or intended to be used in the course or furtherance of business. Input tax credit will be available under which of the following situations?

- A)** GST paid on motor vehicle used in the course and furtherance of business.
- B)** GST paid on club membership fees.
- C)** GST paid on goods or services or both used for personnel consumption.
- D)** IGST @18% on inputs purchased from vendor in Bangalore where supplier is registered in Rajasthan.

Q 44. A registered person can claim refund of unutilized input tax credit on zero rated supplies without payment of tax or the credit accumulated on account of inverted tax rate structure: -

- A)** at the end of the tax period, but before the expiry of 2 years from the relevant date.
- B)** before the expiry of the tax period.
- C)** before the expiry of 3 years from the relevant date.
- D)** before the expiry of 18 months from the relevant date.

Q45. A special Audit under GST is conducted by: -

- A)** CGST Officials
- B)** SGST Officials
- C)** CA or Cost Accountant
- D)** Any of above

Q46. There is a difference in taxability of goods forming part of composite supply and mixed supply. Identify from below, which is correct example of composite supply and mixed supply: -

i) Mr. A buys a car & purchases warranty and maintenance of the car by paying nominal amount. Car, warranty and maintenance here are a mixed supply.

ii) Mr. A buys a car and purchases warranty and maintenance of the car by paying nominal amount. Car, warranty and maintenance here are a composite supply.

iii) Mrs. A buys a microwave oven and some utensils for use in microwave oven. Both microwave oven and utensils are sold at a single price. Microwave oven & its utensils here are mixed supply.

iv) Mrs. A buy chocolates juices and biscuits from a shop. All items have different prices. Chocolates, juices and biscuits are a mixed supply.

- A)** i, iv
- B)** ii, iii
- C)** ii, iii, iv
- D)** None of the above

Q47. Mr. A purchases redeemable vouchers worth INR 8000/- on 1st January. The vouchers are redeemable against purchase of any goods. The vouchers are valid till 30th June. What will be the time of supply in case of such vouchers?

- A)** 1st January
- B)** 30th June
- C)** Date of redemption of vouchers
- D)** None of the above

Q48. Mr. R, a resident of Delhi, holds an account in ICICI Bank in Delhi. Mr. R goes to Jaipur for work. During his visit to Jaipur he takes certain services relating to his account from ICICI bank in Jaipur in relation to some transaction to be carried out at Mumbai. POS here?

- A)** Place of supply shall be Delhi
- B)** Place of supply shall be Jaipur
- C)** Place of supply shall be Mumbai
- D)** None of the above

Q49. Mr. X becomes liable to pay tax on 1st August, 2018 and has obtained registration on 15th August, 2018. Such person is eligible for input tax credit on inputs held in stock as on: -

- A)** 1st August, 2018
- B)** 31st July, 2018
- C)** 15th August, 2018
- D)** He cannot take credit for the past period

Q50. Indigo Airlines sells various products like watches, artificial JEWELLERY, packaged foods etc. to its passengers on board during the flight. The flight originates from Jaipur, halts at Mumbai and finally lands in Chennai. What would be the place of supply of such products?

- A)** Jaipur
- B)** Chennai
- C)** Location where goods were taken on board
- D)** Location where passengers buying goods disembark

Q51. Mr. J Ram, an agriculturist, located in the State of Uttar Pradesh, is a re-seller of agricultural produce cultivated from land. The details of his turnover for Period July, 2017 to March, 2018 = 20,00,000/-. He has made occasional inter-State taxable supplies also of 10,00,000/-

of handicraft goods to the State of Jammu and Kashmir during the month of March, 2018. Compute the aggregate turnover of Mr. J Ram for the financial year 2017-18 under the CGST Act, 2017, and also state whether he is liable for registration under the Act or not.

- A)** Nil; Not liable for registration
- B)** 10,00,000/-; Not liable for registration
- C)** 35,00,000/-; Not liable for registration
- D)** 30,00,000/-; Liable for registration

Q52. Mr. Champak, located in the State of Himachal Pradesh, a job worker, is engaged in providing job work services relating to silverware articles to his Principal, Mr. Mote Lal, in the State of Rajasthan. Turnover for the period July, 2017 to March, 2018: 19,00,000/-. Mr. Champak, has earned continuous rental income of 15,000/- per month from his residential flat in Delhi for nine months from July, 2017 to March, 2018. He has also made wholly exempt supplies of handicraft items of 50,000/- during the period, December, 2017 to March, 2018. Compute the aggregate turnover of Mr. Champak for the financial year 2017-18 under the CGST Act, 2017, and also state whether he is liable for registration under the Act or not.

- A)** 20,85,000/-; Liable for registration.
- B)** 20,35,000/-; Liable for registration.
- C)** 19,00,000/-; Not liable for registration.
- D)** 19,50,000/-; Liable for registration.

Q53. Mr. F Khan, is the owner of a proprietorship firm (located in the State of Jammu and Kashmir), which is engaged in trading of ice-cream (not containing cocoa) and supplies the same locally within the same State itself. The turnover details of his firm are as under: -

- For the period April, 2016 to March, 2017 = 80,00,000/-
- For the period April, 2017 to June, 2017 = 25,00,000/-
- For the period July, 2017 to March, 2018 = 75,00,000/-

He wants to opt for Composition Scheme. State the composition turnover limit for the State of Jammu and Kashmir and whether he is eligible to opt for Composition Scheme or not.

- A)** 75,00,000/-: Yes
- B)** 75,00,000/-: No
- C)** 1,00,00,000/-: Yes
- D)** 80,00,000/-: Yes

Q54. M and A are two brothers running a business of supplying lubricants located in the State of Gujarat in their company, M/s. A Lubricants (P) Ltd. On death of their respected father, the two brothers have divided their business. However, they have signed an agreement that A will not enter into business of supplying lubricants similar to business done by M/s. A Lubricants (P) Ltd. run by Mr. M, for which Mr. M will pay him 2.5 crores as a lump sum payment. State whether transaction entered through the above agreement constitutes supply under CGST Act, 2017 or not.

- A)** Yes, supply of goods by M
- B)** Yes, supply of goods by A.
- C)** Yes, supply of services by M.
- D)** Yes, supply of services by A.

Q55. Which of the following statements is correct while issuing a tax invoice under GST Laws?

- A)** Place of supply in case of inter-State supply is not required to be mentioned.
- B)** The power of attorney holder can sign the tax invoice in case the taxpayer or his authorized representative has been travelling abroad.
- C)** Quantity not required to be mentioned in case of goods when goods are sold on “as is where is basis”.
- D)** HSN code for goods or services is required to be mentioned.

Q56. M/s. Sunlight Associates, is a management consultancy firm located in Delhi and has certain foreign clients to whom the firm provides business support services. In regard to one of the foreign client, certain services were rendered in the month of January, 2018 and the invoice was duly raised. The firm undertakes such export of services against Letter of Undertaking, i.e. without payment of integrated tax. It is likely that the payment against such invoice would not be received till March, 2019. Is M/s. Sunlight Associates, required to pay integrated tax on such transaction if the payment is not received till March, 2019? In case integrated tax is payable, is M/s. Sunlight Associates, entitled to claim refund on this account? Correct?

- A)** IGST is payable by M/s. Sunlight Associates, but refund of payment of such tax is not allowed
- B)** Integrated tax is payable by foreign client & M/s. Sunlight Associates can claim ITC of such payment
- C)** Integrated tax is payable by M/s. Sunlight Associates, and refund of payment of such tax is allowed
- D)** Integrated tax is not payable and refund of accumulated ITC is allowed

Q57. In which transactions, refund available to M/s. G Exports (P) Ltd. in making below supplies:-

- (i)** Exports of taxable goods made on 01-Jun-2018 with payment of tax. GST returns filed in time. However, GST RFD-01 has not been filed.
 - (ii)** Exports of exempted goods were made on 15-Jul-2018 under letter of undertaking. However, input tax credit in respect of manufacturing of such goods is 50,000/-. Refund application GST RFD- 01 is filed on 30-Apr-2019 i.e. after end of financial year 2018-19.
 - (iii)** Goods supplied to EOU on 29-Jul-2018 & return for month of July, 2018 was filed on 20-Aug-2018. ITC in respect of such supply is 26,000/- & undertaking was received from recipient that it will not claim input tax credit and supplier may seek refund. GST RFD-01 is filed on 01-Dec-2020.
 - (iv)** Supply of services outside India were made on 11-Aug-2018 and payment was received on 10-Oct-2018. Input tax credit on such supply is 48,000/-. GST RFD-01 is filed on 30- Sep-2020.
- Note: Payment is received in US Dollars (\$) for all transactions except transaction (i).**

- A)** (ii), (iii) and (iv)
- B)** (i), (ii) and (iv)
- C)** (iii) and (iv)

D) (i) and (ii)

Q58. M/s G Publishing House, registered under GST in Delhi is engaged in printing and selling of books as well as trading of stationery items. He has provided following information of a consignment which is to be supplied to Mumbai: -

(i) Taxable value of supplies indicated on tax invoice	= 35,000/-
(ii) Value of exempted supplies	= 8,000/-
(iii) Value of goods to be sent to job worker on delivery challan	= 15,000/-

Calculate the consignment value for the purpose of generating e-way bill for inter-State supply of goods. Assume rate of tax on taxable goods to be 18%.

- A)** Rs. 35,000/-
- B)** Rs. 50,000/-
- C)** Rs. 56,300/-
- D)** Rs. 64,300/-

Q59. Mr. M, a trader registered in Delhi, receives an order from Mr. C, registered in Noida, Uttar Pradesh, for supply of goods of 1,00,000/- taxable @18%. Mr. M, agrees to supply the goods ex-factory. Mr. M, supplied goods on 3-Nov-2018 and issued a tax invoice of 1,18,000/- (1,00,000/- + 18,000/- IGST) in the name of Mr. C. Mr. C, arranged his own vehicle for transportation of goods from Delhi to Noida. However, during transportation of goods, the vehicle of Mr. C, was stopped and checked by the Proper Officer. Proper officers found that there was no e-way bill along with the tax invoice. Owner of goods decided to pay the penalty and got the goods released himself. According to the provisions of section 129 of CGST Act, 2017, what is amount to be paid for release of goods and who shall make payment: -

- A)** Payment of applicable tax and penalty = 100% of tax payable by Mr. M, i.e. 18,000/- tax + 18,000/- penalty
- B)** Payment of applicable tax and penalty = 100% of tax payable by Mr. C i.e. 18,000/- tax + 18,000/- penalty
- C)** Payment of applicable tax and penalty = 100% of value of goods by Mr. M i.e. 18,000/- tax + 1,00,000/- penalty
- D)** Payment of applicable tax and penalty = 50% of the value of goods by Mr. C i.e. 18,000/- tax + 50,000/- penalty

Q60. Which of transactions below are in compliance with section 51 & section 52 of CGST Act?

- (I) Mr. A, provides architect services to Institute for Rural Development, a Govt. Agency for 2,80,000/- (inclusive of 30,000/- GST) under a contract in October, 2018. Mr. A, is registered under GST. Being a registered supplier, Institute for Rural Development deducted TDS of supplier.
- (II) M/s. M Apparels, is registered under GST in MP. It sells leather handbags across India through e-commerce operator POO. POO, is also registered with MP GST Authority as TCS collector and collected TCS @ 1% (0.5% CGST + 0.5% SGST) on supplies made through it. M/s. M Apparels made sales of 3,45,000/- & received sales returns of 67,700/- in October, 2018.

Sales are inclusive of tax. Leather handbags are taxable @ 18% GST. POO, collected TCS of 2,350/- from M/s M Apparels.

- A)** Only (i)
- B)** Only (ii)
- C)** Both (i) and (ii)
- D)** Neither (i) nor (ii)

Q61. State which of the following statement is incorrect:

- (i) Agent, supplying goods on behalf of principal where invoice is issued in the name of principal, is required to get compulsorily registered under GST.
- (ii) Persons who are required to deduct tax under section 51, whether or not separately registered under this Act are compulsory required to get registered under GST without any threshold.
- (iii) Every person supplying online information and database access or retrieval services from a place outside India to a registered person in India is compulsory required to get registered under GST without any threshold.
- (iv) Persons who supply services, other than supplies specified under sub-section (5) of section 9, through such electronic commerce operator who is required to collect tax at source under section 52 are compulsory required to get registered under GST without any threshold.

- A)** (i), (ii)
- B)** (iii), (iv)
- C)** (i), (iii), (iv)
- D)** None of the above

Q62. Mr. Natwarlal, a registered person under GST, was the proprietor of M/s. Spice Restaurant. He died and left behind his wife and son on 15-Aug-2018. His son wants to continue the business of the deceased father. The GST consultant of M/s. Spice Restaurant, gave the following advices to the son, how the son could continue the business of his deceased father. Which of the following option is correct in accordance with the provisions of GST law?

- A)** The son should get himself registered under name and style M/s. Spice Restaurant, under his own PAN and file ITC-02.
- B)** The son can get the authorized signatory changed by approaching to the Proper Officer and can continue same business.
- C)** The son should close the old firm and start new business under different name.
- D)** The son should do business as his mother as new proprietor of M/s. Spice Restaurant, and son should act as Manager.

Q63. M/s. Raman Plastics, is a manufacturer of plastic toys. It is registered person under GST in Shimla, Himachal Pradesh. It procures its raw materials from Punjab. During the month of April-2018, it purchased material of 35.00 Lakh and paid IGST thereon amounting to 6.30 Lakh. It supplied 30% of its production in the State of Jammu and Kashmir, whereas the 70% of its production was supplied taxable @ 0.1% to a merchant exporter during the month of Apr-2018.

The returns for the month of April, 2018 were duly filed in time. Last date up to which the taxpayer can claim refund of input tax credit on account of inverted duty structure is: -

- A)** 20-Apr-2020
- B)** 31-Mar-2021
- C)** 20-Apr-2021
- D)** 20-Apr-2019

Q64. M/s. Jolly Electronics (P) Ltd., is an authorized dealer of M/s. GG Micro Ltd., located and registered in Lucknow, Uttar Pradesh. It has sold following items to Mr. A (consumer): -

Product	Amount
Refrigerator (500 liters) taxable @ 18%	40,000/-
Stabilizer for refrigerator taxable @ 12%	5,000/-
LED television (42 inches) taxable @ 12%	30,000/-
Split air conditioner (2 Tons) taxable @ 28%	35,000/-
Stabilizer for air conditioner taxable @12%.	5,000/-
Total value	1,15,000/-

M/s. Jolly Electronics (P) Ltd. has given a single invoice, indicating price of each item separately to Mr. A. Mr. A, has given a single CHEQUE of 1,00,000/- for all the items as a composite discounted price. State the type of supply and the tax rate applicable on the same.

- A)** Composite supply; Highest tax rate applicable to split air conditioner, i.e. 28%
- B)** Mixed supply; Highest tax rate applicable to split air conditioner, i.e. 28%
- C)** Supply other than composite & mixed supply; Highest tax rate apply to split air conditioner i.e. 28%
- D)** Supply other than composite and mixed supply; respective tax rate applicable to each item

Q65. M/s. R Travels (P) Ltd., purchased a bus chassis from M/s. J Motors Ltd., for consideration of 80.00 Lakh on 1-Aug-2018. M/s. Radhika Travels (P) Ltd., sent the bus chassis for body building to M/s. H Fabricators, and paid in advance the total consideration of 25.00 Lakh on 10-Aug- 2018. M/s. H Fabricators, after completing the bus body, informed M/s. R Travels (P) Ltd., for inspection of the work done on 1-Sep-2018.

M/s. R Travels (P) Ltd., visited work shop of M/s. H Fabricators, on 7-Sep-2018, and confirmed that the bus body was in accordance with the terms of the contract. M/s. H Fabricators, raised an invoice of 25.00 Lakh on 15-Sep-2018, and supplied chassis along with the bus body so constructed, along with the invoice on 16-Sep-2018. State time of supply in this case: -

- A)** 10-Aug-2018
- B)** 7-Sep-2018
- C)** 15-Sep-2018
- D)** 16-Sep-2018

Q66. B Bihari, is a famous sweets manufacturer, located and registered in Mathura, UP. He received order for 200 Kg. of sweets on 2nd November, 2018 from M/s. K Travels (P) Ltd., located and registered in same locality of Mathura for a total consideration of 1,00,000/- on occasion of Diwali festival. All 200 Kg. sweets were delivered to M/s. K Travels (P) Ltd. on 5th November, 2018, but without invoice, as accountant of Mr. B Bihari was on leave on that day. Invoice was raised for the same on 6th November, 2018, when the accountant joined the office after leave. Payment in full was made on 7th November, 2018. Determine TOS of goods in this case.

- A) 2nd November, 2018**
- B) 5th November, 2018**
- C) 6th November, 2018**
- D) 7th November, 2018**

Q67. M/s. D Furniture Mart, located and registered under GST in the State of Chhattisgarh, sells furniture from its showroom to M/s. LOCK (located and registered under GST in the State of Jharkhand). M/s. LOCK requested to deliver the furniture to Mr. Lal (his landlord at his new rented home at Patna, Bihar). M/s. D Furniture Mart sends the furniture with a proper E-way bill to Patna through a transporter, who made the delivery to Mr. Lal. Determine the place of supply of furniture sold by M/s. D Furniture Mart to M/s. LOCK in the above case.

- A) Chhattisgarh**
- B) Jharkhand**
- C) Patna, Bihar**
- D) None of the above**

Q68. M/s. B Consultants, located and registered in GURUGRAM, Haryana provided consultancy services to M/s. Taj Ltd., (located and registered in Mumbai, Maharashtra) for its hotel to be constructed on land situated in Dubai. POS of consultancy services by M/s. B Consultants here: -

- A) GURUGRAM, Haryana**
- B) Mumbai, Maharashtra**
- C) Dubai**
- D) None of the above**

Q69. A Spares (P) Ltd., located and registered in Haryana, supplied spare parts (FOB basis) to Mr. L, an unregistered person, located in Rajasthan. Mr. L booked the courier himself with Black Dart Courier (P) Ltd., registered in Delhi for delivery in Rajasthan. Black Dart Courier (P) Ltd. picked up the goods from Haryana and delivered the courier in Rajasthan while passing through the State of Uttar Pradesh. Determine the place of supply of service provided by Black Dart Courier (P) Ltd. to Mr. L: -

- A) Haryana**
- B) Delhi**
- C) Rajasthan**

D) Uttar Pradesh

Q70. Mr. JM, unregistered person residing in Lucknow, Uttar Pradesh, went to Delhi for seeking admission of his child, Mr. I in CA IPCC. Mr. JM got the demand draft generated at ICICI Bank Ltd., registered in Delhi against cash, for depositing the registration fee to ICAI. Mr. JM does not have a bank account in ICICI Bank Ltd. Determine the place of supply of service provided by ICICI Bank Ltd., Delhi to Mr. JM.

- A)** Delhi
- B)** Lucknow
- C)** Uttar Pradesh
- D)** None of the above

Q71. Which one of the following statement is correct while issuing a tax invoice?

- (i)** Place of supply in case of inter-State supply is not required to be mentioned
- (ii)** Attorney holder can sign invoice if taxpayer or his authorized representative travelling abroad
- (iii)** Quantity not required to be mentioned if goods when goods are sold on “as is where is basis”
- (iv)** Description of goods is not required to be given in case of mixed supply of goods

- A)** (ii), (iii)
- B)** (i), (ii), (iii)
- C)** None of the above
- D)** All of the above

Q72. What will be rate of tax and nature of supply of a service, if same is not determinable at the time of receipt of advance?

- A)** 12%, Inter-State supply
- B)** 12%, Intra-State supply
- C)** 18%, Inter-State supply
- D)** 18%, Intra-State supply

Q73. Which of the following activity is taxable under GST?

- (i)** Supply of food by a hospital to patients (not admitted) or their attendants or visitors.
- (ii)** Transportation of passengers by non-air-conditioned railways
- (iii)** Services by a brand ambassador by way of folk dance performance charged for 1,40,000.
- (iv)** Transportation of agriculture produce by air from one place to another place in India
- (v)** Services by way of loading, unloading, packing, storage or warehousing of rice
- (vi)** Service provided by GTA where consideration charged for transportation of goods for a single carriage is 900

- A)** (i), (v), (vi)
- B)** (iii), (iv), (v)

C) (i), (iii), (iv)

D) (iv), (v)

Q74. From following cases, compounding of offence is not allowed u/s 138 of CGST Act, 2017 to: -

A) Person allowed to compound once w.r.t. of any of offences specified in clauses (a) to (f) of 132(1).

B) Person who has been convicted for an offence under GST law by a Court

C) Person who has been accused of committing an offence under **GST ** law** which is also offence under any other law for the time being in force.

D) All of the above.

Q75. If a taxable person has done the following act, inspection can be ordered: -

A) Suppression of any transaction of supply of goods or services

B) Suppression of stock of goods in hand

C) Contravention of any provision of the GST law to evade tax

D) All of the above

Q76. The time-limit for issuance of order of Best Judgment assessment is: -

A) 5 yr. from date specified for furnishing of annual return for FY to which tax not paid relates.

B) 4 yr. from date specified for furnishing of annual return for FY to which tax not paid relates.

C) 3 yr. from date specified for furnishing of annual return for FY to which tax not paid relates.

D) None of the above

Q77. Where any agent supplies goods on behalf of his principal: -

A) Such agent shall be jointly and severally liable to pay the GST payable on such goods.

B) Principal shall be jointly and severally liable to pay the GST payable on such goods.

C) Both (a) and (b)

D) None of above.

Q78. Which of the following activities are exempt from GST?

A) Religious pilgrimage organized by T Charitable Trust.

B) Loading, packing and warehousing of JAGGERY and pulses.

C) Milling of paddy into rice.

D) None of the above.

Q79. Which of the following statements is true?

1. Services provided by Government ITIs to individual trainees are exempt from GST.

2. Services provided by SG and Private Service Providers by transport of patients in ambulance are exempt from GST

3. Services of renting of shops in a hospital are exempt from GST being health care services.

4. Services provided by Police to PSUs are taxable.

- A)** 1, 2 & 4
- B)** 2, 3 & 4
- C)** (c) 3 & 4
- D)** (d) All of the above.

Q 80. Registered person, under investigation for offence under Chapter XIX of CGST Act, 2017, needs to retain books of accounts/other records pertaining to such investigation until expiry of:

- A)** 72 months from due date of furnishing of annual return for yr. pertaining to such accounts & records.
- B)** 1 year after final disposal of such investigation.
- C)** (a) or (b), whichever is later
- D)** None of the above

Q81. Read the following and choose the correct option: -

- i. Indian customs waters extend up to 12 nautical miles**
- ii. ICW extend up to 24 nautical miles**
- iii. ICW extend up to exclusive economic zone of India**
- iv. ICW include territorial waters and extend up to 200 nautical miles.**

- A)** Only (ii)
- B)** (iii) and (iv)
- C)** (ii) and (iv)
- D)** Only (iv)

Q82. The taxable event under the Customs Act, 1962 is: -

- A)** Import of goods into India/ export of goods from India
- B)** Supply of goods into India/ Supply of goods from India to outside India
- C)** Sale of goods into India/ Sale of goods outside India
- D)** Manufacture of goods into India for supply outside India.

Q83. Date to determine rate of duty on warehoused goods before clear for home consumption: -

- A)** Date of presentation of in-bond bill of entry
- B)** Date of presentation of ex-bond bill of entry i.e. bill of entry for home consumption
- C)** Date of payment of duty
- D)** Date of import of goods into India

Q84. Which of the following is correct for destroyed goods under section 23?

- A)** It is only applicable in case of total loss of goods even if same can be recovered

- B)** Importer is not required to pay duty on such goods.
- C)** Provisions are also applicable even if goods are destroyed after warehousing.
- D)** Importer need not prove the loss to the proper officer.

Q85. In which cases, importer can claim pilferage & choose not to pay duty u/s 13 of Customs Act?

- i. Goods pilfered while on high seas
- ii. Goods pilfered before unloading
- iii. Goods pilfered after unloading but before order for home consumption given by proper officer;
- iv. Goods cleared for home consumption.

- A)** (i) and (ii)
- B)** (i) and (iii)
- C)** Only (ii)
- D)** Only (iii)

Q86. In which cases, can an importer claim abatement of duty under section 22 of Customs Act.

- i. Goods pilfered during unloading
- ii. Goods damaged by accident (due to negligence of the importer) after unloading but before examination for assessment by customs authorities
- iii. Goods destroyed by accident while in warehouse
- iv. Goods deteriorated by accident (not due to negligence of the importer) after unloading but before examination for assessment by customs authorities.

- A)** Only (iv)
- B)** Only (iii)
- C)** Both (i) and (iii)
- D)** All of above

Q87. Which of the following statement(s) is/are correct?

- (i) Special exemption under section 25 of the Customs Act is granted by issuing a notification
- (ii) General exemption under section 25 of the Customs Act is granted by issuing an order
- (iii) Special exemption is required to be published in official gazette
- (iv) General exemption is not required to be published in official gazette.

- A)** All of above
- B)** None of above
- C)** Both (i) and (ii)
- D)** (ii) and (iv)

Q88. ABC Ltd. exported certain goods last year. The buyer has sent back those goods since the same were under warranty and required repairs. Which of following condition(s) be satisfied by ABC Ltd. to avail exemption on goods re-imported for repairs under N No. 158/95- Cus dated 14.11.1995?

- (i) The re-import has to be for repairs only (ii) Goods must be re-exported after repairs
(iii) Goods must be re-exported within 6 months or 1 year if time is extended
(iv) In case goods are not repaired, new goods have to be sent by ABC Ltd within 6 months.

- A)** (i), (ii) and (iv)
B) (i), (ii) and (iii)
C) (ii) and (iii)
D) All of above

Q89. XYZ Ltd. sent certain goods abroad for repairs. XYZ Ltd. has been advised by their consultants that they will have to pay customs duty only on fair cost of repairs, freight and insurance charges, both ways, on re-import of exported goods under Notification No. 46/2017 dated 30.06.2017 provided they fulfill following conditions: -

- (i) The re-importation is done within 3 or, if time is extended, 5 years
(ii) The exported and re-imported goods are same
(iii) The ownership of goods should not have changed. Choose which one of above is correct.

- A)** All of above
B) (ii) and (iii)
C) (i) and (iii)
D) Only (ii)

Q90. The integrated tax levied on imported goods is levied-

- A)** as an additional duty of customs under section 3(7) of the Customs Tariff Act, 1975
B) as integrated tax under section 5 of the Integrated Goods and Services Tax Act, 2017
C) as a duty of customs under CTA, 1975 read with Integrated Goods and Services Tax Act, 2017
D) None of the above

Q91. Which of following levied as additional duties of customs u/s 3 of Customs Act, 1962?

- (i) Duty equal to excise duty levied on like product manufactured in India
(ii) Countervailing duty as special additional duty
(iii) Special additional duty to counterbalance sales tax
(iv) Anti-dumping duty to protect domestic industry

- A)** All of above
B) (i), (ii) and (iv)
C) (i), (iii) and (iv)
D) (i), (ii) and (iii)

Q92. Safeguard duty cannot be imposed if: -

- A)** The article on which is proposed to be imposed originates from a developed country provided its share of imports is not more than 3% of total imports of that article in India

- B)** The article on which is proposed to be imposed originates from a developing country provided its share of imports is not more than 5% of total imports of that article in India
- C)** The article on which is proposed to be imposed originates from more than one developing country and its aggregate share of imports from developing countries each with less than 3% share taken together does not exceed 9% of total imports of that article into India.
- D)** The article is imported by a person in special category State.

Q93. Some banks in China giving interest free loans to its domestic manufacturers for manufacture of solar panels. This interest free loan would qualify as subsidy to levy of countervailing duty u/s 9 of Customs Tariff Act, 1975 in India on import of such solar panels if: -

- A)** Such interest free loans is given by public or Government banks
- B)** Such interest free loan is given by Pvt. banks on their own without direction or instruction from Govt.
- C)** None of above
- D)** Both (a) and (b)

Q94. Countervailing duty u/s 9 of Customs Tariff Act not be levied unless it is determined that: -

- (i) Subsidy relates to export performance
- (ii) Subsidy relates to use of domestic goods over imported goods in export article
- (iii) Subsidy is conferred on all persons engaged in the manufacture of export article.

- A)** All of above
- B)** Only (iii)
- C)** (ii) and (iii)
- D)** (i) and (ii)

Q95. Anti-Dumping duty is calculated as: -

- A)** Higher of margin of dumping or injury margin
- B)** Lower of margin of dumping or injury margin
- C)** Higher of export price or normal value
- D)** Lower of export price or normal value

Q96. M/s. KP (P) Ltd., a registered person under GST in the State of Jammu & Kashmir, has been engaged in the business of offset printing and has been providing services to various book publishers. A publisher situated in the State of Himachal Pradesh, a registered person under GST sent content of the books to be printed by M/s. KP (P) Ltd., in PDF format. The publisher also sent paper worth 4 Lakh to the printer, free of cost for printing its books on 10-Nov-2018. M/s. KP (P) Ltd., raised an invoice of 1.50 Lakh against printing of books and returned the printed books through Challan to the publisher on 20-Feb-2019.

Proper Officer, intercepted the vehicle and claimed that M/s. KP (P) Ltd., should have sent the invoice of 5.50 Lakh, i.e. including the value of free of cost paper supplied by the publisher. You may suitably advice which one of the following is the correct option-

- A)** Value of supply of paper for job work to be included in invoice in terms of section 15 of CGST Act.
- B)** The goods sent for job work, i.e. paper sent for printing is a composite supply
- C)** M/s. KP (P) Ltd., has entered into an agreement of printing books. Therefore, he is liable to pay tax on the gross value of 5.50 Lakh.
- D)** M/s. KP (P) Ltd., has entered into an agreement of printing books. Therefore, he is liable to pay tax on the net value of 1.50 Lakh.

Q97. Mr. P Desai, a registered practicing Chartered Accountant, located in Jaipur, in the State of Rajasthan, is providing professional and consultancy services to its various clients from his proprietorship firm. He has taken some professional consultancy services for his client from abroad from a UK CPA firm in which his brother is a partner. He has not paid any consideration for the same. Such services would have been taxable @ 18% (9% under CGST + 9% under SGST and 18% under IGST), had they been received in India. Also, Mr. P Desai would have paid 4.00 Lakh, had his brother would not have been a partner in the UK firm.
State liability of Mr. P Desai, under CGST/ IGST Act, 2017, out of following options-

- A)** 72,000/- as Integrated Tax
- B)** CGST 36,000/- & SGST 36,000/-, since POS is in India
- C)** Nil, since no foreign exchange was paid
- D)** Nil, since such services are exempt

Q98. In which of the following supplies of goods and services made exclusively to Government departments, agencies etc. and persons notified under section 51 of the CGST Act, 2017, TDS is required to be deducted? Assume all other conditions for deduction of TDS are fulfilled.

- (i) Health Department executed a contract with a local supplier to supply “medical grade oxygen” of Rs.2.6 lakh (including GST) and is making full payment.
- (ii) Government school is making a payment of Rs.3.5 Lakh to a supplier for supply of cooked food as mid-day meal under a scheme sponsored by Central/State Government
- (iii) Municipal Corporation of Kolkata purchases a heavy generator from a supplier in Delhi. Now, it is making payment of Rs.5 lakh and IGST @18% on Rs.5 lakh for such purchase.
- (iv) Finance Department is making a payment of Rs.3 lakh (including GST) to a supplier of ‘printing & stationery’.

- A)** (i), (ii) and (iii)
- B)** (ii), (iii) and (iv)
- C)** Only (i) and (ii)
- D)** Only (iii) and (iv)

Q99. State whether following statements are true or false: -

- i. Any person aggrieved by any decision or order passed by an adjudicating authority under the Act, may appeal to such Appellate Authority as may be prescribed within 3 months from the date on which the said decision or order is communicated to him.
- ii. No appeal shall be filed to Appellate Authority unless the appellant has paid sum equal to twenty five percent of the remaining amount of tax in dispute arising from the said order, in

relation to which appeal is filed.

iii. Adjournment of appeal not be granted more than 3 times to a party during hearing of appeal.

iv. Appellate Authority shall have the power to refer back the case to adjudicating authority that passed the said decision or order.

- A)** True, True, True, False
- B)** False, True, True, False
- C)** True, False, True, False
- D)** False, False, False, True

Q100. Which of following is not considered as a supply under CGST Act, 2017?

- A)** Importation of architectural services for Rs.1,00,000/- for construction of residential property used for personal purposes from unrelated person.
- B)** Importation of architectural services free of cost for construction of office used for business purposes from related person
- C)** Importation of architectural services free of cost for construction of office used for business purposes from unrelated person.
- D)** Both (a) and (c)

Q101. Which of the following is not a supply under the CGST Act, 2017?

- A)** Food supplied free of cost by Mr. A (Owner of a Restaurant) to his agent for further supply to customer at Rs.500/.
- B)** Importation of accounting services free of cost from father residing in US.
- C)** A Rolex watch gifted to an employee for 50,000/.
- D)** Machinery given free of cost to employee on which input tax credit availed by employer.

Q102. Mrs. R is a consultant. She provided details relating to services provided & received by her:-

1. Supply of management consultancy services for Rs.500,000/- p.a.
2. Supply of accounting services for Rs.200,000/- p.a.
3. Renting of immovable property for residential purposes for 10,000/- p.m.
4. Management consultancy services provided to a hospital for Rs.50,000/- one time
5. Services provided to a client outside India for Rs.50,000/- p.m.
6. Services received from lawyer 100,000/- Calculate her aggregate turnover for yr. under GST.

- A)** 9,10,000
- B)** 15,70,000
- C)** 14,70,000
- D)** 8,20,000

Q103. Which of the following is valid?

- (i) Imposition of countervailing duty and anti-dumping duty on same article;

- (ii) Countervailing duty has been imposed on an article for the reason that same is exempt from duty borne by a like article when meant for consumption in country of origin;
(iii) Imposition of anti-dumping duty on articles imported from a member country of WTO on determination that import of such article materially retards establishment of any industry in India.

- A)** (a) All of above
B) (i) and (ii)
C) (i) and (iii)
D) Only (iii)

Q104. Social welfare surcharge is levied on: -

- (i) Basic Customs Duty (ii) IGST (iii) Anti-Dumping Duty (iv) GST Compensation CESS

- A)** Only (i)
B) (i) + (ii) + (iii)
C) (i) + (ii) + (iv)
D) (i) + (iii)

Q105. Electric shaving machine is classifiable under following: -

8510: Shavers and hair clippers with self-contained electric motors

8509: Electro mechanical domestic appliances with self-contained electric motor

As per rules of classification, electric shaving machine should be classifiable under: -

- A)** 8510
B) 8509
C) More information is needed
D) Can be classified under both

Q106. Which of the following is correct?

- (i) Cases which are specially designed or fitted to contain a specific article and given with the articles for which they are intended shall follow the classification of items which are packed;
(ii) Packing materials whether capable of repetitive use or not, cleared along with goods, are classifiable with goods.

- A)** (i)
B) (ii)
C) Both
D) None

Q107. Transaction value of imported goods is not accepted for valuation purposes when:

- (i) Use of the imported goods by the buyer is subject to the restrictions imposed by the seller which substantially affect the value of goods
(ii) Buyer and seller are not related
(iii) Price is not the sole consideration for sale.

- A)** (i) and (iii)
- B)** Only (i)
- C)** Only (iii)
- D)** All of above

Q108. The relevant date for determining the rate of exchange in case of imported goods is: -

- A)** Date when the vessel arrives in India
- B)** Date of presentation of bill of entry
- C)** Date of examination of goods by proper officer
- D)** Date of deposit of duty

Q109. Which of following is/are not correct for ‘identical’ goods’ for valuation under Customs Act.

- (i)** Identical goods are same in all respects, including physical characteristics, quality & reputation as goods being valued except for minor diff. in appearance that don’t affect value of goods
- (ii)** Identical goods can be produced in any country
- (iii)** Identical goods are produced by same person who produced the goods being valued, or where no such goods are available, goods produced by a different person.

- A)** All of above
- B)** (i) and (iii)
- C)** Only (ii)
- D)** Only (iii)

Q110. Which of the following values is not includible in the transaction value of goods under rule 10(1) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007: -

- A)** Buying Commissions
- B)** Royalties
- C)** License fees
- D)** Cost of packing

Q111. In which of the following supplies of goods and services made exclusively to Government departments, agencies etc., TDS is required to be deducted?

- (i)** Health Department executed a contract with a local supplier to supply “medical grade oxygen” of 2.6 lakh (including GST @ 18%) and is making full payment.
 - (ii)** Government school is making a payment of `3.5 Lakh to a supplier for supply of cooked food as mid-day meal under a scheme sponsored by Central/State Government
 - (iii)** Municipal Corporation of Kolkata purchases a heavy generator from a supplier in Delhi. Now, it is making payment of `5 lakh and IGST @18% on `5 lakh for such purchase.
 - (iv)** Finance Dpt. is making payment of 3 lakh (including GST @ 18%) to supplier of ‘stationery’.
- Assume all other conditions for deduction of TDS are fulfilled.

- A)** (i), (ii) and (iii)

- B)** (ii), (iii) and (iv)
C) Only (i) and (ii)
D) Only (iii) and (iv)

Q112. Rochester Private Limited has been issued a show cause notice (SCN) on 31.08.2021 under section 73(1) of the CGST Act, 2017 on account of short payment of tax during the period between 01.07.2017 and 31.12.2017. As per 73(1), in given case, SCN be issued latest by

- A)** 31.12.2021
B) 30.09.2021
C) 30.06.2021
D) 31.12.2020

Q113. P International Ltd. exported some goods to USA by air at an FOB price of US \$ 1,00,000. Other details are as follows: -

<u>Particulars</u>	<u>Date</u>	<u>Duty</u>	<u>Rate of exchange CBIC</u>	<u>Rate of exchange RBI</u>
Present shipping bill	16.04.20XX	12%	1 US \$ = 65	1 US \$ = 68
Let export order	18.05.20XX	10%	1 US \$ = 64	1 US \$ = 66

The export duty payable by P International Ltd. is: -

- A)** 6,50,000
B) 7,80,000
C) 7,68,000
D) 6,40,000

Q114. - GST compliance rating shall be assigned to: -

- A)** only a person who is liable to deduct TDS/ collect TCS
B) only a composition dealer
C) only an Input Service Distributor
D) every registered person

Q115. Where National Anti-Profiteering Authority determines that a registered person has not passed on benefit of ITC to recipient by commensurate reduction in price, Authority may order: -

- reduction in prices
- imposition of prescribed penalty
- cancellation of registration

Which of the options are correct?

- A)** i. and ii.
B) i., ii. and iii.
C) i. and iii.
D) i.

Q116. S, a registered supplier, failed to pay the GST amounting to 5,000 for month of January, 20XX. PO imposed a penalty on S for failure to pay tax. S believes that it is a minor breach and in accordance with provisions of section 126 of the CGST Act, 2017, no penalty is imposable for minor breaches of tax regulations. In this regard, which of the following statements is true?

- A)** Penalty is levied on S since the breach is considered as a ‘minor breach’ only if amount of tax involved is less than 5,000
- B)** Penalty is not levied on S since the breach is considered as a ‘minor breach’ if amount of tax involved is up to 5,000
- C)** Penalty is levied on S since the breach is considered as a ‘minor breach’ only if amount of tax involved is Nil.
- D)** None of the above.

Q117. Min and max limit for amount for compounding of offences u/s 138 of CGST Act, 2017 are:

- A)** Min: Higher of 50% of tax involved or 10,000; Maximum: Higher of 150% of tax involved or 30,000
- B)** Min: Lower of 50% of tax involved or 10,000; Max: Higher of 150% of tax involved or 30,000
- C)** Min: Higher of 50% of tax involved or 10,000; Max: Lower of 150% of tax involved or 30,000
- D)** Min: Lower of 50% of tax involved or 10,000; Max: Lower of 150% of tax involved or 30,000

Q118. Mr. A, a sole proprietor, has to appear before the Appellate Authority. He decides to appear by an authorized representative. Which of the following persons can be appointed as ‘authorized representative’ of Mr. A. under GST law?

- A)** S, his son, who has been dismissed from a Government service lately.
- B)** R, a Company Secretary, who has been adjudged insolvent.
- C)** M, a practicing High Court advocate.
- D)** All of the above.

Q119. R wishes to file an appeal to Appellate Tribunal. In which of the following cases, Appellate Tribunal cannot refuse to admit his appeal?

- i. Amount of tax/ ITC or difference in tax/ difference in ITC involved exceeds 50,000
- ii. Amount of fine, fee or penalty determined by the order exceeds 50,000
- iii. Amount of tax/ ITC or difference in tax/ difference in ITC involved is 50,000
- iv. Amount of fine, fee or penalty determined by the order is 50,000
- v. Amount of tax/ ITC or difference in tax/ difference in ITC involved is less than 50,000
- vi. Amount of fine, fee or penalty determined by the order is less than 50,000

- A)** i. and ii.
- B)** i. and iii.
- C)** ii. and iv.
- D)** v. and vi.

Q120. Which of the following statements are true in case of retirement of a partner from the firm?

- A)** Retiring partner and not the firm shall intimate the date of his retirement to the Commissioner. Retiring partner shall be liable to pay tax, interest or penalty due up to the date of such intimation.
- B)** The firm and not retiring partner shall intimate date of retirement of such partner to Commissioner. Retiring partner shall be liable to pay tax, interest or penalty due up to date of such intimation.
- C)** Either retiring partner or the firm, shall intimate the date of retirement of such partner to the Commissioner. Retiring partner shall be liable to pay tax, interest or penalty due up to the date of his retirement, whether determined or not, on that date.
- D)** Either retiring partner or firm, shall intimate date of retirement of such partner to Commissioner. Retiring partner shall be liable to pay tax, interest or penalty due up to date of such intimation.

Q121. Time-limit for issuance of show cause notice in case of non-payment of ITC is on account of reasons other than fraud, willful misstatement or suppression of facts, etc. is: -

- A)** 2 years and 9 months from due date of filing Annual Return for FY to which the demand pertains.
- B)** 3 years from the due date of filing Annual Return for the FY to which the demand pertains.
- C)** 4 years and 6 months from due date of filing Annual Return for the FY to which the demand pertains.
- D)** 5 years from the due date of filing Annual Return for the FY to which the demand pertains.

Q122. Rochester Private Limited has been issued a show cause notice (SCN) on 31.08.2021 under section 73(1) of the CGST Act, 2017 on account of short payment of tax during the period between 01.07.2017 and 31.12.2017. As per section 73(1), in the given case, SCN can be been issued latest b.

- A)** 31.12.2021
- B)** 30.09.2021
- C)** 30.06.2021
- D)** 31.12.2020

Q123. Time-limit for issue of SCN if any amount collected as tax but not paid to CG is: -

- A)** 2 years and 9 months from the due date of filing Annual Return for FY to which demand pertains.
- B)** 3 years from the due date of filing Annual Return for the FY to which the demand pertains.
- C)** 4 years and 6 months from the due date of filing Annual Return for FY to which the demand pertains.
- D)** None of the above

Q124. For valuation purposes under the Customs Act, 1962, which of the following transactions would be considered as having been made between related persons?

- (i) A foreign company A Ltd. having a joint venture with Indian company B Ltd. in the name of AB Ltd. The transactions between A Ltd. and AB Ltd.
- (ii) A foreign company A Ltd. having a joint venture with Indian company B Ltd. in the name of AB Ltd. The transactions between A Ltd. and B Ltd.
- (iii) A Inc., a company in USA, appoints Mr. X as its sole agent to sell its products in India. The transactions between A Inc. and Mr. X

(iv) A Inc., a company in USA, holding 30% of share capital of importer company B Ltd. The transactions between A Inc. and B Ltd.

- A)** All of above
- B)** None of above
- C)** (i), (ii) and (iii)
- D)** (ii), (iii) and (iv)

Q 125. Which of the following values is not includible in the transaction value of goods under rule 10(1) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007?

- A)** Buying Commissions
- B)** Royalties
- C)** License fees
- D)** Cost of packing

Q126. For determining the CIF price of the imported goods, certain additions have to be made to the value of imported goods under rule 10(2) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. If cost of insurance is not ascertainable from the documents submitted before customs authorities, then such sum is: -

- (i) 20% of free on board value of goods
- (ii) 1.125% of free on board value of goods
- (iii) Where free on board value is not ascertainable, but sum of free on board value and cost of transport, loading, unloading and handling charges up to place of importation are available; then 1.125% of such sum.
- (iv) Where free on board value is not ascertainable, but sum of free on board value and cost of transport, loading, unloading and handling charges up to place of importation are available; then 20% of such sum.

- A)** (i) or (iii)
- B)** (i) or (iv)
- C)** (ii) or (iii)
- D)** (ii) or (iv)

Q127. Certain goods were imported by air. Free on board value of goods is 100. The cost of transport, loading, unloading and handling charges up to place of importation is 25. The cost of insurance is 10. For the purposes of rule 10(2) of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, which of following shall be added to value of imported goods?

- A)** Cost of transport, loading, unloading and handling charges – 25 & Cost of insurance 10
- B)** Cost of transport, loading, unloading and handling charges – 25 & Cost of insurance 1.125
- C)** Cost of transport, loading, unloading and handling charges – 20 & Cost of insurance 1.125
- D)** Cost of transport, loading, unloading and handling charges – 20 & Cost of insurance 10

Q128. Which of the following statements is not correct in context of valuation of imported goods?

- A)** Buying commission is not includible in the value of imported goods.
- B)** Rate of exchange notified by CBIC on date of presentation of bill of entry is considered.
- C)** For imports by air, the cost of transport, loading, unloading and handling charges up to place of importation cannot exceed 20% of free on board value of goods;
- D)** Social welfare surcharge levied on basic customs duty, integrated tax & GST compensation CESS.

Q129. SCN was adjudicated by Commissioner of Customs. ASSESSEE wants to file an appeal against the adjudication order. The appeal would lie to:

- A)** Commissioner (Appeals)
- B)** CESTAT
- C)** High Court
- D)** Review to be filed before Commissioner only

Q130. Some decisions of Appellate Tribunal are directly appealable to Supreme Court depending upon nature of dispute involved. Which of following is not directly appealable to Supreme Court?

- A)** Classification of goods
- B)** Rate of duty
- C)** Value of goods
- D)** None of the above

Q131. Which is incorrect w.r.t. application before Settlement Commission u/s127B of Customs?

- A)** The case should not relate to classification of goods
- B)** The additional amount of duty accepted by the applicant exceeds 3,00,000
- C)** The applicant should have paid additional duty along with interest before filing application
- D)** The application can be withdrawn at any stage of settlement proceedings.

Q132. When refund u/s 27 of Customs Act, 1962 is credited to the consumer welfare fund?

- A)** If the importer proves that there is no unjust enrichment
- B)** Where goods are imported for non-personal use of an individual
- C)** If the amount of refund relates to drawback under sections 74 and 75 of Customs Act, 1962
- D)** If the amount relates to export duty paid on goods which have been returned to exporter as specified under section 26 of the Customs Act, 1962.

Q133. Which of the following goods are not mandatorily required to be deposited in a special warehouse under section 58A of the Customs Act, 1962?

- A)** Gold and silver articles

- B)** Supply as stores to vessels/aircraft
- C)** Supply to duty free shops in a customs area
- D)** Supply meant for Government use

Q134. M/s. X (P) Ltd., registered under GST, is providing services of processing of milling of paddy into rice, loading, unloading, packing, storage and warehousing of rice in State of Chhattisgarh. Company has made following supplies during April, 2018 to September, 2018: -

- (i) Loading & unloading of rice: 50,00,000/-**
- (ii) Packing & warehousing of rice: 30,00,000/-**
- (iii) Processing services of milling of paddy into rice: 1,00,00,000/-.**

Determine the amount of GST payable on the above supplies assuming rate of tax as 5%.

- A)** 32,40,000
- B)** 9,00,000
- C)** 5,00,000
- D)** Nil

Q135. Bombay Municipal Corporation has invited online bids for maintenance of bus stops for a period of one year from 1-Jan-2018 to 31-Dec-2018. The work involves composite supply of goods and services and supply of services being the principal supply in which the value of goods constitutes 25% of the total value of composite supply. Mr. A Kumar, Managing Director of K Contractors (P) Ltd., located and registered in GST in Gujarat, wants to bid for the same. He seeks your opinion to determine the taxability of the above to quote the best price.

- A)** Not Taxable
- B)** GST payable
- C)** Exempt
- D)** None of the above

Q136. Mr. Happy Singh is resident of Chandigarh. Marriage of his daughter, K Kaur, has been finalized with Mr. Lovely Singh, a NRI settled in Canada. Marriage is scheduled on 14-Feb-2019 in Chandigarh. Mr. Happy Singh wants to send 5,000 marriage invitation cards to all his relatives and friends to attend marriage. He has to send invitation by speed post. He is not sure about taxability of speed post services in GST regime. Determine applicability of GST on speed post.

- A)** GST payable
- B)** Non Taxable
- C)** Exempt
- D)** None of the above

Q137. Mr. K Kumar, is the Managing Director of K Equipment (P) Ltd. The Company is located and registered in GST with office and factories in Mumbai. Mr. K Kumar, has decided to send food grains and other relief materials worth 50,00,000/- and 20,00,000 respectively through railway and airways to the cyclone hit victims in Kerala in November, 2018.

The Company has contacted Super Airlines and Indian Railways to transport materials from Mumbai to Kerala and price for the same has been determined as 10,00,000/- by air and 50,000/- by railways excluding taxes. Mr. K Kumar, seeks your help to determine what amount of GST is to be paid to Go Air and Indian Railways if applicable GST rate is 18%.

- A)** Super Airlines: 1,80,000/-; Indian Railways: NIL
- B)** Super Airlines: 1,80,000/-; Indian Railways: 9,000
- C)** Super Airlines: Nil; Indian Railways: 9,000/-
- D)** Super Airlines: Nil; Indian Railways: Nil

Q138. Mr. M Singh Sidhu is a trader supplying goods from his firm M/s. Singh Traders. The office of the firm is located in Delhi whereas the GODOWN are located in the State of Uttar Pradesh, Punjab and Jammu & Kashmir (J & K). M/s. Singh Traders made intra-State supplies from different States during the period from 1-Jul-2017 to 31-March-2018 as follows: -

- (i) Delhi-Taxable supplies: 21,00,000/-.
- (ii) Punjab-Exempted supplies: 6,00,000/-.
- (iii) Uttar Pradesh-Taxable and exempted supplies: 3,00,000/- each respectively.
- (iv) J & K-Taxable and exempted supplies: 8,00,000/- and 3,00,000/- respectively.

Being a GST expert, Mr. M Singh Sidhu seeks advice to ascertain the States in which he is required to take registration under GST: -

- A)** Delhi, Punjab, Uttar Pradesh and J & K
- B)** Delhi, Uttar Pradesh and J & K
- C)** Delhi and Uttar Pradesh
- D)** Delhi

Q139. Mr. Bulbul Pandey, is an ambulance driver, who lives in the NCT of Delhi. He provides driving services to P Heart and Lung Institute (PHLI-a super specialty hospital registered in GST in Delhi) for a consideration of 25,000/- per month. Mr. Bulbul Pandey was instructed to pick up a patient in GURUGRAM to PHLI. While going from Delhi to GURUGRAM, he picked up 5 passengers for transportation in ambulance from Delhi to GURUGRAM, and charged 500/- from them. Being the GST expert, you are required to ascertain taxability of transport services provided by Mr. Bulbul Pandey in the ambulance from Delhi to GURUGRAM under GST Act, 2017:

- A)** Taxable supply
- B)** Exempt supply
- C)** Not a supply
- D)** None of the above

Q140. K Industries (P) Ltd. is unregistered person having Head Office in Delhi. It has started supplying goods through e-commerce operator all over India. The turnover achieved by its two business verticals during financial year 2018-19 is as follows: -

- * Turnover from first business vertical located in Delhi: 10,50,000.
- * Turnover from second business vertical located in Assam: 8,00,000.

As a GST consultant of K Industries (P) Ltd., you are required to guide Mr. K, Director of K Industries (P) Ltd. as to which business vertical is liable to be registered in GST?

- A)** Delhi
- B)** Assam
- C)** Both
- D)** Registration not required

Q141. Mr. Kala is a proprietor of M/s. Kala & Associates registered in GST which deals in sale/purchase of used or second hand cars. During financial year 2017-18, he effected following intra-State transactions: -

<u>Particulars</u>	<u>Purchase Price</u>	<u>Sale Price</u>
Car 1	5,00,000	7,50,000
Car 2	3,00,000	2,75,000
Car 3	6,00,000	6,50,000
Car 4	8,00,000	9,50,000

Mr. Kala purchased Car 4 from another registered person who charged GST of 1,30,000 and accordingly Mr. Kala has availed the input credit of the same. Mr. Kala is not familiar with GST provisions hence he has approached you for determining his GST liability. Tax is 18%.

- A)** 95,000/-
- B)** 1,08,000/-
- C)** 1,30,500/-
- D)** Exempt Supply, No GST

Q 142. JP & Co. is a firm of advocates registered in GST in the State of Punjab. It provides legal consultancy services to various clients. It has provided consultancy services of 50,000 on 5-Sep-20XX to Burger Queen (P) Ltd., a registered business entity located in Sikkim. Burger Queen (P) Ltd. achieved the turnover of 15,00,000/- in the preceding financial year. The law firm raised proper invoice on the Burger Queen (P) Ltd. on 25-Sep-20XX. Calculate the taxability of above transaction if applicable rate of tax is 18%.

- A)** Exempt supply
- B)** 9,000 payable, by JP & Co.
- C)** 9,000 payable, by Burger Queen (P) Ltd.
- D)** Non-taxable supply

Q143. M/s. V Mega mart, operating a store located and registered in Rajasthan, has come out with big discount offers at the time of Diwali on various gift items. In order to attract more customers, it has decided to supply a gift pack containing 5 packets of H snacks (200 gm each) taxable @ 12%, 1 packet of Roasted Smoked Almonds (100 gram) taxable @ 18%, 1 packet of BOO Chocolate (50 mg) taxable @ 28% and bottle of Real Fresh Juice (1 liter) taxable @ 18% in a single basket for a single price of 1,000/-. State the type of supply and the tax rate applicable on the same.

- A)** Composite supply; Tax rate of the principal item, i.e. snacks @18%

- B)** Composite supply; Highest tax rate out of all items, i.e. 28% applicable to chocolates
C) Mixed supply; Tax rate of principal item, i.e. snacks @18%
D) Mixed supply; Highest tax rate out of all items, i.e. 28% applicable to chocolates

Q144. State which of the following statement is correct: -

- (i) Services by artist by way of performance in folk or classical art forms of music, dance, or theatre as brand ambassador if consideration charged for it is not more than 150,000/- is exempt.
(ii) Services of life insurance business under Life micro-insurance product as approved by the IRDA, having minimum amount of cover of 2,00,000/- is exempt
(iii) Service by an acquiring bank, to any person in relation to settlement of amt. up to 2,500/- in a single transaction transacted through credit card, debit card, charge card or other payment card service is exempt.
(iv) Services provided by a goods transport agency by way of transport in a goods carriage of, goods, where gross amount charged for the transportation of goods on a consignment transported in a single carriage does not exceed 750/- is exempt.

- A)** (i)
B) (ii), (iii)
C) (ii), (iii), (iv)
D) None of the above

Q145. ASC, a registered person supplied goods amounting to 1,18,000/- (inclusive of GST, taxable @ 18%) to BSC, a registered person on 30-9-2018. BSC further sold such goods to CSC, a consumer who came to his shop on 30-10-2018 in cash for 2,36,000/- (inclusive of GST, taxable @ 18%). ASC, issued a credit note of 11,800/- (10000+1800/-GST) for rate difference on 2-11-2018 to BSC. BSC, then entered a credit note in its books for the same amount in name of CSC, without intimating CSC on 2-11-2018 and reduced its output tax liability accordingly. As per the provisions of GST law, which of mentioned suppliers are allowed to reduce their output tax liability?

- A)** ASC
B) BSC
C) Both ASC and BSC
D) None of the above, since incidence of tax has been passed on to other person.

Q146. Mr. A, a stationery retailer, located and registered under GST in Allahabad, has received order for supply of goods worth 2,00,000/- on 12th November, 2018 from another local registered dealer, Mr. J. Goods were properly supplied with invoice of 2,00,000/- on 14th Nov, 2018. Mr. A, incurred following expenses before goods were delivered to Mr. J:-

Packing charges 3,000/- Freight & Cartage 2,500/- Handling Charges 1,500/-

Mr. J, made full payment on delivery of goods for which he was allowed cash discount of 2,000/-. rate of tax on the goods supplied is IGST @ 18%, CGST @ 9% and SGST @ 9%. Mr. A, paid CGST 18,000/- and SGST 18,000/-. Advice relating to further tax liability of Mr. A-

- A)** CGST 630/- and SGST 630/-

- B)** CGST 450/- and SGST 450/-
- C)** CGST 18,630/- and SGST 18,630/-
- D)** CGST 18,450/- and SGST 18,450/-

Q147. Mr. R Patel, is voluntarily registered under GST having turnover of 15,00,000/-. He is a practicing Company Secretary providing professional services from his partnership firm located in Chandigarh to its various clients. He has taken some interior decoration services from abroad for a residential home owned in name of firm which is under construction in Chandigarh. He has paid 2,00,000/- for the same. In view of the above information, state the correct option-

- A)** GST is payable on the interior decoration services received from abroad.
- B)** Interior decoration services received from abroad are not taxable, since the same are not in the course or furtherance of business.
- C)** Interior decoration services received from abroad are exempt in terms of section 6 of IGST Act, 2017
- D)** Interior decoration services received from abroad are not taxable, since below threshold limit

Q148. M/s. Shah Company (P) Ltd., is a manufacturer of cigarettes. It has been registered under GST in the State of West Bengal. The turnover of the company from the period April, 2018 to March, 2019 is 90,00,000/-. The Excise duty paid on the cigarettes removed is 10,00,000/-. CGST and SGST paid on the cigarettes is 18,00,000/-. The company also recovered actual freight of 5,00,000/- on the supply of cigarettes so made during the financial year 2018-19, and also charged CGST/ SGST thereon. The company paid RCM @ 5% while availing the services of GTA of 5,00,000/-. Compute aggregate turnover of M/s. Shah Company (P) Ltd.,

- A)** 90,00,000/-
- B)** 1,00,00,000/-
- C)** 1,18,00,000/-
- D)** 1,05,00,000/-

Q 149. Mr. Salman Khan, a resident of Mumbai, has booked a Videocon D2H connection at his other home in Delhi. His friend Shah Rukh Khan, is resident of Kerala, paid the charges for Salman's D2H connection in Delhi at the time of actual installation. Mr. Shah Rukh Khan went to KOLKATTA after making payment. Both Salman Khan & Shah Rukh Khan are not registered in GST. Determine the place of supply of D2H service provided by Videocon to Mr. Salman Khan: -

- A)** Mumbai
- B)** Kerala
- C)** Delhi
- D)** KOLKATTA

Q150. Mr. Sunil Shetty, a resident of Mumbai, went to V Devi by train. Mr. Sunil Shetty, after visiting V Devi temple, purchased a JIO prepaid SIM from T Communications in Jammu by paying cash. Mr. Sunil Shetty took the JIO SIM and the same day boarded the train to Delhi.

He went to Agra thereafter, to visit Taj Mahal. Determine the place of supply of JIO SIM by T Communications to Mr. Sunil Shetty: -

- A)** Mumbai
- B)** Jammu
- C)** Delhi
- D)** Agra

Q151. Mr. C, registered under GST in Delhi, is a domestic trader as also an exporter of whole sale goods. His annual turnover and input tax details are as follows: -

	<u>Turnover</u>	<u>Inputs Tax paid on</u>
Taxable goods	90,00,000/-	9,00,000/-
Exempt goods	10,00,000/-	1,00,000/-
Exported goods	15,00,000/-	2,00,000/-

No GST is payable on exempt and exported goods. Mr. C seeks your expert help in calculating the amount of ITC, which he is eligible to claim: -

- A)** 12,00,000/-
- B)** 11,00,000/-
- C)** 10,00,000/-
- D)** 9,00,000/-

Q152. Mr. P Deva, registered under GST in Mumbai, is in the business of trading of marble handicraft items domestically as also exporting the same. His annual turnover and input tax details are as follows: -

	<u>Turnover</u>	<u>Input Tax paid on</u>
Taxable goods	1,25,00,000/-	12,50,000/-
Exported goods	75,00,000/-	5,50,000/-
Exempt goods	50,00,000/-	5,00,000/-

Mr. P Deva exported the goods under LUT without payment of IGST. Now, Mr. P Deva seeks your help in calculating the amount of refund of ITC, which he is eligible to claim.

- A)** 18,00,000/-
- B)** 6,75,000/-
- C)** 5,40,000/-
- D)** 6,90,000/-

Q153. State whether the following statements are true or false: -

1. Zero rated supply means supply of any goods or services or both which attracts nil rate of tax.
2. Exempt supply means export of goods or services or both, or supply of goods or services or both to a Special Economic Zone developer or a Special Economic Zone unit.
3. Non-taxable supply means supply of goods or services or both which is not levied to tax under CGST Act, 2017 but levied to tax under the Integrated Goods and Services Tax Act, 2017.
4. ITC may be availed for making zero rated supply of exempt goods.

- A)** False, False, False, True
- B)** True, False, False, False
- C)** True, True, False, False
- D)** False, False, False, False

Q154. Mr. Khan, engaged in trading of ice-cream (not containing cocoa) in Jammu & Kashmir within the same State itself. Turnover of his firm in preceding financial year is 80,00,000. State the composition turnover limit for the State of Jammu and Kashmir and whether he is eligible to opt for Composition Scheme or not, under GST.

- A)** 75,00,000/-: Yes
- B)** 75,00,000/-: No
- C)** 1,00,00,000/-: Yes
- D)** 80,00,000/-: Yes

Q155. Which of following persons are not liable to obtain registration compulsorily under GST?

- A)** Input Service Distributor.
- B)** Persons who are required to deduct tax under section 51 of the CGST Act, 2017.
- C)** Persons who make taxable supply of goods or services or both on behalf of other taxable persons whether as an agent or otherwise.
- D)** Person making inter-State supply of taxable services with aggregate turnover of 15 Lac in Delhi.

Q156. U/s 54 of CGST Act, 2017, any person claiming refund of any tax, interest paid on such tax or any other amount paid by him, may make application before expiry of __ from ‘relevant date’.

- A)** 2 years
- B)** 3 years
- C)** 4 years
- D)** 18 months

Q157. Which of following statements are true w.r.t. accounts and records under GST laws?

- A)** All accounts and records are to be retained for 5 years.
- B)** Stock record to be maintained by all registered dealers except those registered in composition scheme
- C)** Stock record is to be maintained by all registered dealers including composition dealers.
- D)** Monthly production records to be maintained by all dealers except who took option for composition

1	C	41.	D	81.	B	121.	A
2.	C	42.	C	82.	A	122.	B
3.	C	43.	D	83.	B	123.	D
4.	A	44.	A	84.	C	124.	C
5.	D	45.	C	85.	D	125.	A

6.	B	46.	B	86.	A	126.	C
7.	D	47.	C	87.	B	127.	D
8.	A	48.	A	88.	B	128.	D
9.	D	49.	B	89.	C	129.	B
10.	B	50.	C	90.	B	130.	A
11.	D	51.	D	91.	D	131.	D
12.	C	52.	A	92.	C	132.	B
13.	A	53.	C	93.	A	133.	D
14.	A	54.	D	94.	D	134.	C
15.	D	55.	D	95.	B	135.	C
16.	B	56.	C	96.	D	136.	A
17.	B	57.	B	97.	A	137.	A
18.	B	58.	C	98.	D	138.	B
19.	A	59.	B	99.	C	139.	A
20.	B	60.	B	100.	C	140.	C
21.	A	61.	C	101.	C	141.	A
22.	A	62.	A	102.	C	142.	C
23.	D	63.	B	103.	D	143.	D
24.	A	64.	D	104.	A	144.	D
25.	C	65.	A	105.	A	145.	A
26.	A	66.	B	106.	A	146.	A
27.	B	67.	B	107.	A	147.	A
28.	B	68.	B	108.	B	148.	D
29.	A	69.	A	109.	C	149.	C
30.	C	70.	A	110.	A	150.	B
31.	B	71.	C	111.	D	151.	B
32.	B	72.	C	112.	B	152.	B
33.	B	73.	C	113.	A	153.	A
34.	D	74.	D	114.	D	154.	C
35.	C	75.	D	115.	B	155.	D
36.	D	76.	A	116.	A	156.	A
37.	A	77.	C	117.	A	157.	B
38.	C	78.	D	118.	C		
39.	A	79.	A	119.	A		
40.	C	80.	C	120.	C		

Q158. Which of below is True or False w.r.t. provisions relating to Advance Ruling :-

- (i) Questions on which the advance ruling can be sought under this Act, include rate of tax applicable to a particular supply and place of supply.
- (ii) Rectification of advance ruling is not possible once AAR has passed orders.
- (iii) AAR shall pronounce its ruling within 90 days from the date of receipt of application.
- (iv) Authority for Advance Ruling (AAR) may accept application even if the question raised in

the application is already pending or decided in any proceedings under any of the provisions of the CGST Act, 2017 qua the applicant.

(v) AAR may, by order, declare such advance ruling void ab-initio if it finds out that such ruling is obtained by suppression of material facts, fraud or misrepresentation of facts.

- A)** False, False, True, False, True
B) False, True, True, False, True
C) True, True, False, False, True
D) False, False, False, False, True.

Q159. M/s. Lex Corp. (P) Ltd. is a registered manufacturer of fruit juices. It purchases plastic bottles and cardboard and sends the same for affixing stickers on plastic bottles & manufacturing boxes from cardboard to a registered job worker, M/s. Hammer Industries (P) Ltd. These raw materials are sent directly from the place of business of supplier to the premises of job worker. M/s. Lex Corp. (P) Ltd. booked ITC on purchase of such items. Transactions in this regard: -

Value of goods sent to job worker	Input tax paid on such goods	Date of purchase of good by M/s Lex Corp. (P) Ltd.	Date of Receipt of goods by M/s Hammer Industries (P) Ltd.	Date of goods received back from M/s Hammer Industries (P) Ltd.
50,000	6,000	10-07-2017	15-07-2017	12-07-2018
2,00,000	24,000	25-09-2017	27-09-2017	13-10-2018
8,00,000	96,000	22-12-2017	25-12-2017	16-08-2019
10,00,000	1,20,000	21-01-2018	25-01-2018	23-01-2019
3,50,000	42,000	24-02-2018	26-02-2018	28-02-2019

Determine Amount to be added to output tax liability of in case of violation of 143 of CGST Act, 2017. Ignore the different point of times when the amount is added to the output tax liability.

- A)** 2,88,000/- + Interest @ 18%
B) 2,88,000/- + Interest @ 24%
C) 1,62,000/- + Interest @ 24%
D) 1,62,000/- +Interest @ 18%.

Q160. Mr. Rahul Roy, proprietor of M/s. Royal Shoe & Company is running a business of manufacturing shoes with the brand name of 'JUNOON'. Manufacturing unit is located in Delhi and registered in GST. Due to low profitability in business, he decided to transfer his business to his friend Mr. D. Mr. D is already in manufacturing shoes under a proprietorship firm named M/s H Shoes & Company which is located in Mumbai and registered under GST.

Mr. Rahul Roy has approached you to help him with issue of transfer of unutilized input tax credit in electronic credit ledger of M/s. Royal Shoe & Company to M/s H Shoes & Company. Advise Mr. Rahul Roy with the correct option in accordance with the provisions of CGST Act, 2017?

- A)** M/s. Royal Shoe & Company cannot transfer unutilized input tax credit in its electronic credit ledger to M/s H Shoes & Company, as the proprietors are different.
- B)** M/s. Royal Shoe & Company can transfer unutilized ITC in its electronic credit ledger to M/s H Shoes & Company and it can further be utilized in setting off GST liability for succeeding period.
- C)** M/s. Royal Shoe & Company can transfer unutilized input tax credit in its electronic credit ledger to M/s H Shoes & Company and it can be further utilized in setting off GST liability for a period up to the month of September following year in which ITC was transferred.
- D)** M/s. Royal Shoe & Company cannot transfer unutilized ITC in its electronic credit ledger to M/s H Shoes & Company but can claim refund of such unutilized input tax credit.

Q161. Appeal to the High Court can be filed under which CGST Act, 2017 in following cases: -

- (i) By person aggrieved against order passed by State bench or Area bench of Appellate Tribunal.**
- (ii) By person aggrieved against order passed by National or Regional bench of AT.**
- (iii) For matter involving substantial question of law.**
- (iv) All of the above.**

- A)** (i) and (ii)
- B)** (i) and (iii)
- C)** (ii) and (iii)
- D)** (iv).

Q162. Ms. R Banerji is engaged in retail business of selling mobile phones in the State of West Bengal. She has effected supplies to customers in State of Uttar Pradesh and Haryana. Her total turnover during the financial year ending 31st March, 20XX is 18,00,000. Owing to low profit margins in business, she has decided to shut down business in April 20XX. The proper officer has collected evidences of the inter-State sale of mobile phones effected by Ms. R Banerjee during the FY ending 31st March 20XX. Now, the proper officer wants to make the assessment as she was liable for registration but did not get herself registered. You are required to assist proper officer by determining which assessment can be done in this case under the CGST Act, 2017?

- A)** Self-assessment
- B)** Provisional Assessment
- C)** Assessment of un-registered persons
- D)** Special assessment.

Q163. Fury Ltd. received order for supply of services amounting to \$ 5,00,000/- from US based client. Fury Ltd. is unable to supply entire services from India and asks N Inc., Mexico (who is not establishment of Fury Ltd.) to supply a part of services, i.e. 40% of total contract value to US client. Fury Ltd. raised the invoice for entire value of \$ 5,00,000 but the US client paid \$ 3,00,000 to Fury Ltd. and \$ 2,00,000 directly to N Inc., Mexico which is approved by special order of RBI.

Fury Ltd. also paid IGST@ 18% on the services imported from N Inc. Mexico. Assuming all conditions of 2 (6) of IGST Act are fulfilled, determine value of export of services?

- A)** \$ 3,00,000
- B)** \$ 5,00,000
- C)** \$ 3,90,000
- D)** \$ 5,90,000

Q164. For Rule 7 (Deductive Value) of Customs (Determination of Value of Imported Goods) Rules, 2007, determine the unit price in greatest aggregate quantity: A Ltd. makes two sales. In first sale, 500 units are sold at price of 95. In second sale, 400 units are sold at a price of 100?

- A)** 95
- B)** 100
- C)** Average of 95 and 100 i.e. $(95+100)/2 = 97.5$
- D)** Insufficient data.

Q165. Correct combinations? Situation

1. Goods pilfered
2. Goods lost or destroyed
3. Goods damaged or deteriorated

Consequence

1. Abatement of duty
2. No liability pay customs duty
3. Remission of duty

- A)** 1 and 1, 2 and 2, 3 and 3
- B)** 1 and 3, 2 and 1, 3 and 2
- C)** 1 and 2, 2 and 3, 3 and 1
- D)** 1 and 2, 2 and 1, 3 and 3.

Q166. Which of following statements are incorrect w.r.t. drawback u/s 74 and 75 of Customs Act?

- (i) While drawback u/s 74 is payable when duty paid goods are re-exported, drawback under section 75 is payable when imported materials are used in the manufacture of export goods
- (ii) While Rates for DBK under 74 are fixed, a manufacturer may seek special rate for DBK in 75.
- (iii) If DBK not paid to applicant in 1 month of application, interest to be paid to applicant.
- (iv) DBK not allowed in cases where market price of goods < drawback claimed.

- A)** All of above
- B)** None of above
- C)** (ii) and (iv)
- D)** (ii) and (iii).

158	A	159	D	160	B	161	B	162	C
163	B	164	A	165	C	166	B		

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“MAY 2020 RTP – 16 MCQs”

INTEGRATED CASE SCENARIO 1: -

ABC Petroleum Limited is engaged in the business of refining and marketing of petroleum products. It has one refinery each in the States of Tamil Nadu, West Bengal & Maharashtra and numerous administrative and marketing offices spread across the country. The Company has separate marketing cum administrative offices for every major State and common administrative cum marketing offices for a group of small States e.g., all north-eastern States are covered under one marketing cum administrative office. The Company also blends lubricants in its blending plants located in the States of Maharashtra and Tamil Nadu. As a policy, all places of business of the Company in a State are registered under one registration.

Imported crude is used as input in the refinery and following major products are extracted after refining process: -

Products chargeable to GST (Group A)

Base oil (An input for blending lubricants)
Furnace oil
Bitumen (Used for road construction)
LPG (Domestic and Industrial) .

Products not chargeable to GST (Group B)

Petrol
Diesel
Air turbine fuel

Base oils are further sent to blending plants where they are blended with additives to produce lubricants. The Company provides the following particulars for States of Tamil Nadu, Maharashtra and Kerala for the month of January 20XX: -

<u>Particulars</u>	Tamil Nadu	Maharashtra	Kerala
Value of supply inclusive of all taxes/duties (Group B products)	1,650	3,400	1,575
Value of supply (Group A products) before all taxes/duties	100	200	20
Excise duty levied on supply of Group B products	500	1,000	110
VAT on supply of Group B products	250	600	65
Tax paid on inputs and input services procured at the blending plant	5	6	0
Tax paid on spares procured at the refinery (Spares are booked in revenue account)	3	8	0
Tax paid on inputs and input services procured at the marketing cum administrative office	2	3	1
Tax paid capital asset procured at the blending plant	0	5	0
Tax paid capital asset procured at the refinery	12	0	0

Assume that all of the Group A products are chargeable to GST @ 18% (including both CGST and SGST or IGST, as the case may be)

Finance department of ABC Petroleum Limited seeks your professional advice on following questions: -

Q 1. The value of company's supply in the Union Territory of Puducherry is 32,34,000 (Group A products) and in the State of Goa is 18,38,000 (Group A and Group B products) for the year ending March 20XX. GST registration is?

- A)** Not required for both Puducherry and Goa
- B)** Not required for Goa but required for Puducherry
- C)** Required for both Puducherry and Goa
- D)** Not required for Puducherry but required for Goa.

Q 2. The eligible ITC available at marketing cum administrative office located in the State of Maharashtra, for the month of January 20XX, is: -

- A)** 3,000
- B)** 300
- C)** 166.67
- D)** 1,500

Q 3. The eligible ITC in respect of the capital asset procured in the State of Tamil Nadu, for the month of January 20XX: -

- A)** 12,000
- B)** 200
- C)** 11,811.11
- D)** 11,820

Q 4. Lubricant valued at 10,000 has been stock transferred from the blending plant located in the State of Tamil Nadu to the refinery located in the same State, in the month of January 20XX. The GST (CGST and SGST) payable on such transaction is?

- A)** Nil as the transaction is not a supply
- B)** 900
- C)** 1,800
- D)** Nil as such supply is exempted from GST.

Q 5. Due to sudden fire in the store room of the refinery located in Maharashtra on January 28th 20XX, the entire quantity of spares procured in the month of January 20XX gets destroyed. What action is required from ABC Petroleum Limited?

- A)** No action is required on the part of ABC Petroleum Limited under GST Law.
- B)** ABC Petroleum Limited should report to jurisdictional GST Department for verification of the loss of inputs on account of fire.
- C)** ABC Petroleum Limited should not avail ITC of tax paid on the spares.
- D)** ABC Petroleum Limited should avail ITC and reverse the same.

INTEGRATED CASE SCENARIO 2: -

Dumdum Engineering Private Limited (DEPL), Surat (Gujarat), a supplier of heavy machinery, supplied a machine to Gulati Manufacturers from its godown located in Mumbai, Maharashtra, on 1st January at a price of 64,00,000 (excluding all taxes). Gulati Manufacturers has its corporate office in New Delhi. However, the machinery was installed at its manufacturing unit located in Gurugram (Haryana) for which installation and commissioning charges of 4,80,000 and handling and loading charges of 1,60,000, were charged by DEPL. For every machinery supplied, DEPL receives a grant of 3,20,000 from its holding company Dharam Ltd. Transportation of machinery to the customer's premises is arranged by DEPL through a third-party service provider [Goods Transport Agency (GTA)]. Gulati Manufacturers entered into a separate service contract with the GTA and paid the freight of 50,000 directly to it.

DEPL offered a cash discount of 2% on the price of the machinery at the time of supply since Gulati Manufacturers agreed to make the payment within 15 days of the receipt of the machinery at its premises. However, it was agreed that in case Gulati Manufacturers failed to make the payment within the stipulated time, DEPL would: -

- Recover the discount given
- Charge interest @ 1% per month or part of the month on the total amount due (including discount recovered) from Gulati Manufacturers (towards the machinery supplied) from the date of making the supply till the date of payment. However, no interest is to be charged on the tax dues.

Gulati Manufacturers paid the consideration for the machine on 31st March. Since the payment was made after the stipulated period of 15 days of the receipt of the machinery, discount given was recovered from it and interest was accordingly charged. However, Gulati Manufacturers refused to pay tax on interest and discount recovered.

Assume the rates of taxes to be as under: -

<u>S. N.</u>	<u>Supply</u>	<u>CGST</u>	<u>SGST</u>	<u>IGST</u>
1.	Machinery supplied	6%	6%	12%
2.	Service of transportation of goods	2.5%	2.5%	5%
3.	Other services involved in the above supply	9%	9%	18%

In view of the above information, you are required to answer the following questions: -

Q 6. Place of supply of the machinery supplied by DEPL is _____ and the nature of supply is _____?

- A)** Gujarat, intra-State supply
- B)** Haryana, inter-State supply
- C)** New Delhi, inter-State supply
- D)** Maharashtra, inter-State supply.

Q 7. The GST liability of DEPL for the month of January is _____ (approx.)

- A)** 9,46,660
- B)** 8,67,840
- C)** 9,06,153
- D)** 8,98,560.

Q 8. The GST liability of DEPL for the month of March is _____ (approx.)

- A)** 36,343
- B)** 36,504
- C)** 35,314
- D)** Nil.

Q 9. Supply of machinery and supply of installation and commissioning services is _____ supply. Time of supply of interest received by DEPL and cash discount recovered on account of delayed payment of consideration is _____?

- A)** composite, 31st March
- B)** composite, 1st January
- C)** mixed, 1st January
- D)** mixed, 31st March.

Q 10. If the grant of 3,20,000 received by DEPL had been received from Central Government instead of its holding company Dharam Ltd., with other facts remaining the same, the GST liability of DEPL for the month of January would have been _____ (approx.)

- A)** 9,46,660
- B)** 8,67,840
- C)** 9,06,153
- D)** 8,98,560

OTHER MCQs (not from Case Scenarios): -

Q 11. Shree Ram Seva Trust is a charitable institution registered under section 12AA of the Income-tax Act, 1961. It has organized a skill development program relating to persons over the age of 65 years residing in a well-planned city, in the month of April. It has received following amounts under the program: -

Subscription fees for the program	=	50,000
Sponsorship fees	=	1,00,000
Consideration for supply of goods	=	3,00,000

Besides, the trust has received the donations of 2,00,000 in April.

Hanuman, accountant of Shree Ram Seva Trust, is not able to determine the taxability of the above amounts received under GST law. He seeks your expertise in determining the same. Determine the value of taxable supply of Shree Ram Seva Trust, for the month of April?

- A)** Nil
- B)** 6,50,000
- C)** 6,00,000
- D)** 4,50,000

Q 12. Happy Singh is the lawful owner of a residential house situated in Chandigarh. The property has four floors constructed on it. Out of the four floors in his house, first and second floor are self-occupied and third and fourth floor have been let out for residential purposes. Ratanjot Singh, who is a tenant on third floor, has surrendered his tenancy rights to Parminder Singh for a tenancy premium of ₹ 5,00,000 on 1st June. Parminder Singh has paid the applicable stamp duty and registration charges on transfer of tenancy rights. Moreover, Parminder Singh will pay a monthly rent of ₹ 50,000 to Happy Singh from June.

Determine the value of taxable supply, in the given case, for the month of June.

- A)** Happy Singh: 5,50,000; Ratanjot Singh: Nil
- B)** Happy Singh: Nil; Ratanjot Singh: 5,00,000
- C)** Happy Singh: 50,000; Ratanjot Singh: Nil
- D)** Happy Singh: 50,000; Ratanjot Singh: 5,00,000

Q 13. Mr. Kala is a proprietor of M/s. Kala & Associates (registered under GST) which deals in sale/ purchase of second hand cars. During the current financial year, he effected following intra-State transactions: -

Particulars	Purchase Price	Sale Price
Car 1	5,00,000	7,50,000
Car 2	3,00,000	2,75,000
Car 3	6,00,000	6,50,000
Car 4	8,00,000	9,50,000

Mr. Kala purchased Car 4 from another registered person who charged GST of 1,30,000 and accordingly, Mr. Kala has availed the input credit of the same. Determine the GST liability of Mr. Kala assuming the applicable rate of tax as 18%

- A)** 95,000
- B)** 1,08,000
- C)** 1,30,500
- D)** Exempt Supply, No GST.

Q 14. Lucky Singh, a resident of Noida, U.P., went to Himachal Pradesh for a family vacation via Delhi-Chandigarh-Himachal Pradesh in his own car. After entering Chandigarh, his car broke down due to some technical issue. He called 'ONROADS' - an emergency roadside car assistance company (registered under GST in Delhi) to repair the car. The car was repaired by the staff of 'ONROADS'. The value of supply amounted to 50,000 (being labor charges 40,000 and spares 10,000). The bill was supposed to be generated online through the server, but due to some technical issue, it was not so generated. Determine the place of supply in the given case.

- A)** Delhi
- B)** Chandigarh
- C)** Noida, U.P
- D)** Himachal Pradesh.

Q 15. Outline the stepwise procedure of import of goods into India.

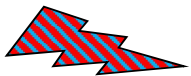
- I. Filing of Import General Manifest**
- II. Arrival of vessel**
- III. Grant of entry inwards to vessel**
- IV. Unloading of goods**
- V. Assessment of goods**
- VI. Filing of Bill of Entry**
- VII. Payment of duty**

- A)** (I), (II), (III), (IV), (V), (VI) AND (VII)
- B)** (II), (III), (I), (IV), (V), (VI) AND (VII)
- C)** (III), (II), (I), (VI), (V), (VII) AND (IV)
- D)** (II), (I), (III), (IV), (VI), (V) AND (VII).

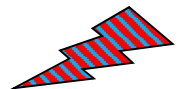
Q 16. Which of the following is not correct in relation to claim of duty drawback under section 75 of the Customs Act, 1962?

- I. The upper limit for drawback is one third of market price of export product.**
- II. Countervailing duties and safeguard duties are included in all industry rates of drawback.**
- III. Countervailing duties and safeguard duties are included while determining all industry rates of drawback and thus can be claimed in application for fixing brand rate.**
- IV. Provisions of section 75 are not applicable on goods exported by post.**

- A)** (I), (II) AND (IV)
- B)** (I), (III) AND (IV)
- C)** (II) AND (IV)
- D)** (III) AND (IV)



RTP MAY 2020 – Solutions



1	C	2	B	3	D	4	A
5	C	6	B	7	B	8	A
9	A	10	D	11	D	12	B
13	A	14	A	15	D	16	C

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