

CHAPTER 1: GST In India - An Introduction

1. Which of the following taxes have been subsumed in GST?
 - (a) Central Sales Tax
 - (b) Central Excise Duty
 - (c) VAT
 - (d) All of the above

2. List-I of the Constitution contains matters in respect of which _____ has the exclusive right to make laws.
 - (a) Central Government
 - (b) State
 - (c) Both Centre and State Governments
 - (d) None of the above

3. GST is levied on supply of all goods and services except:
 - (a) Alcoholic liquor for human consumption
 - (b) Tobacco
 - (c) Health care services
 - (d) All of the above

4. On Petroleum Crude, High Speed Diesel, Motor Spirit (commonly known as Petrol), Natural Gas and Aviation Turbine Fuel:
 - (a) GST will not be levied at all
 - (b) GST will be levied from a date to be notified on the recommendations of the GST Council
 - (c) GST is levied, but exempt
 - (d) None of the above

5. The functions of Goods and Services Network (GSTN) include:
 - (a) facilitating registration
 - (b) forwarding the returns to Central and State authorities
 - (c) computation and settlement of IGST
 - (d) All of the above

6. Which article of the Constitution outlines the composition and functions of the GST Council?
 - (a) 270
 - (b) 279A
 - (c) 246A
 - (d) 269A

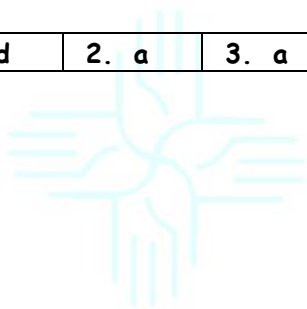
7. _____ of the Constitution provides that no tax shall be levied or collected except by authority of law?
 - (a) Article 254
 - (b) Article 245
 - (c) Article 265
 - (d) Article 256

<https://t.me/carameshsoni>

8. Tobacco products are subject to:
- (a) Excise duty
 - (b) Excise duty plus GST
 - (c) Only GST
 - (d) VAT
9. India has adopted its GST model from
- (a) US
 - (b) UK
 - (c) Europe
 - (d) Canada
10. Which is known as the GST common portal?
- (a) www.cbic.gov.in
 - (b) www.gstn.gov.in
 - (c) www.gst.gov.in
 - (d) all of the above

Answers

| | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|-------|
| 1. d | 2. a | 3. a | 4. b | 5. d | 6. b | 7. c | 8. b | 9. d | 10. c |
|------|------|------|------|------|------|------|------|------|-------|



CHAPTER 2: TAXABLE EVENT - SUPPLY

1. Which of the following is not a supply as per section 7 of the CGST Act?
 - (a) Management consultancy services not in course or furtherance of business
 - (b) Import of service for consideration not in course or furtherance of business
 - (c) Both (a) and (b)
 - (d) None of the above

2. _____ specifies the activities to be treated as supply even if made without consideration.
 - (a) Schedule I of CGST Act
 - (b) Schedule II of CGST Act
 - (c) Schedule III of CGST Act
 - (d) All of the above

3. Which of the following activity is outside the scope of supply and not taxable under GST?
 - (a) Services by an employee to the employer in the course of or in relation to his employment
 - (b) Services of funeral
 - (c) Actionable claims, other than lottery, betting and gambling.
 - (d) All of the above

4. Which of the following supplies are naturally bundled?
 - (a) Rent deed executed for renting of two different floors of a building-one for residential and another for commercial purpose to same person
 - (b) Pack of watch, tie and belt
 - (c) Package of canned food such as burger, chocolates, sweets, cake etc.
 - (d) None of the above

5. A _____ supply comprising of two or more supplies shall be treated as the supply of that particular supply that attracts highest rate of tax.
 - (a) Composite
 - (b) Mixed
 - (c) Both (a) and (b)
 - (d) None of the above

6. Which of the following activities is a supply of services?
 - (a) Transfer of right in goods/ undivided share in goods without transfer of title in goods
 - (b) Transfer of title in goods
 - (c) Transfer of title in goods under an agreement which stipulates that property shall pass at a future date.
 - (d) All of the above

7. Mr. A has received technical consultancy services from IT Star Consultants, USA. The import of technical consultancy will not be liable to GST if-
 - (i) Mr. A pays some consideration for the services received
 - (ii) Mr. A pays some consideration for the services received and if Mr. A uses the said service for business purposes

- (iii) Mr. A uses the said service for business purposes even though he does not pay any consideration for the same
- (iv) Mr. A uses the said service for personal purposes and does not pay any consideration for the same and is also a partner in IT Star Consultants
- (v) Mr. A uses the said service for business purposes and does not pay any consideration for the same and is also a partner in IT Star Consultants

- (a) (i), (ii), (v)
- (b) (ii), (iii) and (v)
- (c) (iii), (iv)
- (d) (iii), (iv) and (v)

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

- (a) An architect in India seeks legal advice from his son settled in London free of cost with regard to his family dispute.
- (b) A Resident Welfare Association provides the service of depositing the electricity bills of the 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) An electronic commerce operator in India seeks legal advice for its business from its head office in US free of cost.

9. In which of the following cases, import of services by an individual 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 a related person in course or furtherance of business.
- 4) Import of service without consideration from a related person not in course or furtherance of business.

- (a) (1) and (3)
- (b) (2) and (4)
- (c) (1), (2) and (3)
- (d) (4)

10. 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 a person import services without consideration for the purposes of his business from his son living outside India.
- (iii) Disposal of car without consideration and where the supplier has not claimed input tax credit on such car.
- (iv) When a principal makes supplies to his agent who is also registered and is situated within the same State.

- (a) (i) & (iii)
- (b) (i), (ii) & (iii)
- (c) (iii)
- (d) (iii) & (ii)

11. There is a difference in taxability of goods forming part of composite supply and mixed supply. Here are few examples from which you need to identify which is correct example of composite supply and mixed supply.

- (i) Mr. A buys a car and 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 and its utensils here are a mixed supply.
- (iv) Mrs. A buys chocolates, juices and biscuits from a shop. All items have different prices. Chocolates, juices and biscuits are a mixed supply.

The correct examples of composite and mixed supply are: -

- (a) i,iv
- (b) ii,iii
- (c) ii,iii,iv
- (d) None of the above

12. Mr. Manubhai and Mr. Anubhai are two brothers running a business of supplying lubricants located in the State of Gujarat in their company, M/s. Ambani Lubricants (P) Ltd. On death of their respected father, the two brothers have divided their business. However, they have signed an agreement that Mr. Anubhai will not enter into business of supplying lubricants similar to business done by M/s. Ambani Lubricants (P) Ltd. run by Mr. Manubhai, for which Mr. Manubhai will pay him Rs. 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 Mr. Manubhai.
- (b) Yes, supply of goods by Mr. Anubhai.
- (c) Yes, supply of services by Mr. Manubhai.
- (d) Yes, supply of services by Mr. Anubhai.

13. 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. Alla Rakha (a consumer)

| Product | Amount |
|--|-----------------|
| Refrigerator (500 litres) taxable @ 18% | 40000 |
| Stabilizer for refrigerator taxable @ 12% | 5000 |
| LED television (42 inches) taxable @ 12% | 30000 |
| Split air conditioner (2 Tons) taxable @ 28% | 35000 |
| Stabilizer for air conditioner taxable @12%. | 5000 |
| Total value | 1,15,000 |

M/s. Jolly Electronics (P) Ltd. has given a single invoice, indicating price of each item separately to Mr. Alla Rakha. Mr. Alla Rakha, has given a single cheque of Rs. 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 and mixed supply; Highest tax rate applicable to split air

conditioner i.e. 28%

(d) Supply other than composite and mixed supply: respective tax rate applicable to each item

14. M/s. Aircool Ltd., a supplier of air conditioners, is registered in the State of Maharashtra. It has a policy to gift an air conditioner to its employees [residing in Gujarat] at the end of financial year in terms of the employment contract. The company installs such air conditioners at the residence of the employees.

During the month of March, 20XX, the company installed 150 air conditioners at the residence of these employees. The total open market value of such air conditioners is Rs 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. Aircool Ltd., if any.

(a) Rs 7,35,000 - CGST, Rs 7,35,000- SGST

(b) Rs 14,70,000 - IGST

(c) Nil

(d) None of the above

15. 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 Rs 5.00 crore from its Bengaluru store to Mr. James Bond who sells such goods for Rs 5.00 crore by raising invoices using the GSTIN of M/s. Toto Shoes Ltd. Mr. James Bond receives a commission of Rs 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: Rs 5.6 crore

(b) M/s. Toto Shoes (P) Ltd.: Rs 5 crore and James Bond: Rs 5.6 crore

(c) M/s. Toto Shoes (P) Ltd.: Rs 5 crore and James Bond: Rs 60 lakh

(d) None of the above

16. M/s. Korelal Printon (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. Korelal Printon (P) Ltd., in PDF format. The publisher also sent paper worth Rs. 4.00 Lakh to the printer, free of cost for the purposes of printing its books on 10-Nov-2018. M/s. Korelal Printon (P) Ltd., raised an invoice of Rs. 1.50 Lakh against printing of books and returned the printed books through Challan to the publisher on 20-Feb-2019. The Proper Officer, intercepted the vehicle and claimed that M/s. Korelal Printon (P) Ltd., should have sent the invoice of Rs. 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) The value of supply of paper for job work is to be included in the invoice in terms of section 15 of the CGST Act.

(b) The goods sent for job work, i.e. paper sent for printing is a composite supply

(c) M/s. Korelal Printon (P) Ltd., has entered into an agreement of printing books. Therefore, he is liable to pay tax on the gross value of Rs. 5.50 Lakh.

(d) M/s. Korelal Printon (P) Ltd., has entered into an agreement of printing books. Therefore, he is

liable to pay tax on the net value of Rs. 1.50 Lakh.

17. Mr. Palliwal 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 firm. He has taken some professional consultancy services from another establishment of its firm in UK. 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. Palliwal Desai would have paid Rs. 4.00 Lakh, had he not received the said services from the UK establishment.

State the liability of Mr. Palliwal Desai, under CGST/ IGST Act, 2017, out of the following options-

- (a) Rs. 72,000/- as Integrated Tax
- (b) CGST Rs. 36,000/- & SGST Rs. 36,000/-, since POS is in India
- (c) Nil, since no foreign exchange was paid
- (d) Nil, since such services are exempt

18. Which of the following is not considered as a supply under the 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)

19. 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 Rs. 50,000/.
- (d) A machinery given free of cost to an employee on which input tax credit was availed by the employer.

20. M/s. Vishu Megamart, 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 Haldiram's Namkeen (200 gram each) taxable @ 12%, 1 packet of Roasted Smoked Almonds (100 gram) taxable @ 18%, 1 packet of Bournville Chocolate (50 mg) taxable @ 28% and 1 bottle of Real Fresh Juice (1 litre) taxable @ 18% in a single basket for a single price of Rs. 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. Namkeen @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. Namkeen @18%
- (d) Mixed supply; Highest tax rate out of all items, i.e. 28% applicable to chocolates

21. Mr. Rupesh Patel, is voluntarily registered under GST having turnover of Rs. 15,00,000/-. He is a practicing Company Secretary providing professional services from his partnership firm

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located in Chandigarh to its various clients. He has taken some interior decoration services from abroad for a residential home owned in the name of the firm which is under construction in Chandigarh. He has paid Rs. 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

22. What are the factors differentiating composite supply & mixed supply?

- (a) Nature of bundling i.e. artificial or natural
- (b) Existence of principal supply
- (c) Both of the above
- (d) None of the above

23. Booking of Air Tickets with meal on board during travel will be taxed as? And at the rate of?

- (a) Composite supply & principle supply
- (b) Mixed supply & principle supply
- (c) Composite supply & highest rate
- (d) Any of the above

24. M/s. XYZ, a banking company, appoints Mr. B (auctioneer) to auction certain goods. The auctioneer arranges for the auction and identifies the potential bidders. The highest bid is accepted and the goods are sold to the highest bidder by M/s. XYZ. The invoice for the supply of the goods is issued by M/s. XYZ to the successful bidder. Is Mr. B is an agent of M/s XYZ for the supply of goods in terms of Schedule I para 3?

- (a) Yes
- (b) No

25. Ram a stock broker charges some service charges or service fees or documentation fees or broking charges or such like fees or charges are charged in relation to transactions in securities, the same would be a consideration for provision of service. Will such brokerage/service fees be chargeable to GST?

- (a) Yes
- (b) No

26. Mr. A purchased goods from China and sold it to Mr. John in Canada without bringing the goods in India.

- (a) This transaction is supply of goods
- (b) This transaction is neither supply of goods nor supply of services.
- (c) This transaction is supply of services.
- (d) None of the above

27. Mr. X imported some goods in India, but kept the goods in custom bonded warehouse without clearing it for home consumption. In the meantime, Mr. X sold these goods to Mr. Y while they

were in warehouse.

- (a) This transaction is supply of goods
- (b) This transaction is neither supply of goods nor supply of services.
- (c) This transaction is supply of services.
- (d) None of the above

28. Mr. P of India imported some goods from Japan. While the goods were in high seas, Mr. P sold the goods to Mr. Q in India by way of endorsement of documents of title of goods.

- (a) This transaction is supply of goods
- (b) This transaction is supply of services.
- (c) This transaction is neither supply of goods nor supply of services.
- (d) None of the above

29. When will a del-credere agent falls under the ambit of agent under Para 3 of Schedule I of the CGST Act?

- (a) where the invoice for further supply of goods is issued by the DCA in his own name
- (b) where the invoice for further supply of goods is issued by the DCA in his name of principal
- (c) where the invoice for further supply of goods is issued by Principal
- (d) where the invoice for further supply of goods is not issued at all

30. Whether the temporary short-term transaction-based loan extended by the DCA to the recipient (buyer), for which interest is charged by the DCA, is to be included in the value of goods being supplied by the supplier (principal) where DCA is not an agent under Para 3 of Schedule I of the CGST Act?

- (a) interest being charged by the DCA would not be included in the value of supply of goods supplied (to the buyer) by the supplier (principal)
- (b) interest being charged by the DCA would be included in the value of supply of goods supplied (to the buyer) by the supplier (principal)

31. Whether DCA is an agent under Para 3 of Schedule I of the CGST Act and makes payment to the principal on behalf of the buyer and charges interest to the buyer for delayed payment along with the value of goods being supplied, whether the interest will form part of the value of supply of goods also or not?

- (a) Yes
- (b) No

32. Which is not considered as supply under GST Law?

- (a) Stock transferred from one establishment in Delhi to another establishment in Gurgaon, Haryana registered under same PAN.
- (b) CA Ram supplies accounting services to CA Radha in lieu of taxation services received from CA Radha.
- (c) A Health club supplies lunch to its members at its annual meeting against a nominal charge.
- (d) Mr. A sells a flat to Mr. B
 - (i) Date of completion certificate - 31/01/20XX
 - (ii) Date of agreement with buyer - 01/02/20XX
 - (iii) Consideration received - 05/02/20XX

33. Which of the following activity shall be treated neither as a supply of goods nor a supply of services?
- (i) Permanent transfer of business assets where input tax credit has been availed on such assets
 - (ii) temporary transfer of intellectual property right
 - (iii) transportation of deceased
 - (iv) services by an employee to the employer in the course of employment
- (a) (i) & (iii)
 - (b) (ii) & (iv)
 - (c) (i) & (ii)
 - (d) (iii) & (iv)

Answers:

| | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 1. a | 2. a | 3. d | 4. d | 5. b | 6. a | 7. c | 8. a | 9. a | 10. c |
| 11. b | 12. d | 13. d | 14. c | 15. c | 16. d | 17. a | 18. c | 19. c | 20. d |
| 21. a | 22. c | 23. a | 24. b | 25. a | 26. b | 27. b | 28. c | 29. a | 30. a |
| 31. a | 32. d | 33. d | | | | | | | |



CHAPTER 3: CHARGE OF GST

1. What is the maximum rate prescribed under CGST Act?
 - (a) 12%
 - (b) 28%
 - (c) 20%
 - (d) 18%

2. Which of the following taxes levied on an intra-State supply?
 - (a) CGST
 - (b) SGST/UTGST
 - (c) Both (a) & (b)
 - (d) IGST

3. What is the threshold limit of turnover in the preceding financial year to be eligible for composition levy in Delhi?
 - (a) Rs 50 lakh
 - (b) Rs 75 lakh
 - (c) Rs 80 lakh
 - (d) Rs 1.5 crore

4. Which of the following is not included in aggregate turnover?
 - (a) Exempt supplies of goods or services or both
 - (b) Export of goods or services or both
 - (c) Inter-State supply of goods or services or both
 - (d) Value of inward supplies on which tax is paid under reverse charge

5. IGST is levied on:
 - (a) Inter-State supplies
 - (b) Intra-State Supplies
 - (c) Both (a) and (b)
 - (d) None of the above

6. _____ is levied on the import of goods and/or services.
 - (a) IGST
 - (b) CGST and SGST
 - (c) CGST and UTGST
 - (d) None of the above

7. The maximum rate of IGST can be:
 - (a) 20%
 - (b) 30%
 - (c) 40%
 - (d) None of the above

8. On supply of which of the following items, GST shall be levied with effect from such date as may be notified by the Government on the recommendations of the Council:
- Petroleum crude
 - Alcoholic liquor for human consumption
 - Both (a) and (b)
 - None of the above
9. GST is payable by the recipient under reverse charge on:
- Sponsorship services
 - Transport of goods by rail
 - Transport of passengers by air
 - All of the above
10. State person liable to pay GST in the following independent cases provided recipient is located in the taxable territory:
- Services provided by an arbitral tribunal to any business entity.
 - Sponsorship services provided by a company to an individual.
 - Renting of immovable property service provided by the Central Government to a registered business entity.
11. Mr. Fardeen Khan, is the owner of a proprietorship firm (located in the State of Arunachal Pradesh), 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, 20XX to March, 20XX: Rs. 70,00,000/-
- He wants to opt for Composition Scheme. State the composition turnover limit for the State of Arunachal Pradesh and whether he is eligible to opt for Composition Scheme or not.
- Rs. 75,00,000/- : Yes
 - Rs. 75,00,000/- : No
 - Rs. 1,00,00,000/- : Yes
 - Rs. 80,00,000/- : Yes
12. Which of the following legal services does not fall under RCM provisions as contained under section 9(3) of the CGST Act-
- Representation services provided by an individual advocate
 - Representation services provided by a senior advocate
 - Representation services provided by a firm of advocates
 - Legal services provided by an advocate to an unregistered individual
13. Jhulelal Palkiwala & 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 Rs. 50,000 on 5-Sep-20XX to Burger Queen (P) Ltd., a registered business entity located in Mizoram. Burger Queen (P) Ltd. achieved the turnover of Rs. 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%.
- Exempt supply
 - 9,000 payable by Jhulelal Palkiwala & Co.

- (c) 9,000 payable by Burger Queen (P) Ltd.
- (d) Non-taxable supply

14. What happens if the turnover of a registered person paying taxes under composition scheme during the year 2018-19 crosses threshold limit?

- (a) He can continue under composition scheme till the end of the financial year
- (b) He will be liable to pay tax at normal rates of GST on the entire turnover for the financial year 2018-19
- (c) He will cease to remain under the composition scheme with immediate effect
- (d) He will cease to remain under the composition scheme from the quarter following the quarter in which the aggregate turnover exceeds threshold limit

15. Are services provided by a partnership firm of Direct Selling Agents (DSAs) to banks/ NBFCs under RCM:

- (a) Yes
- (b) No

16. whether tax will be paid under reverse charge is payable by composition dealer:

- (a) Yes
- (b) No

17. When can credit of tax paid under RCM be availed?

- (a) Next year
- (b) Current month
- (c) Next month
- (d) No credit can be taken



18. Are services provided by way of transfer of development rights to promotor under RCM:

- (a) Yes
- (b) No

19. Who is liable to pay tax on renting of Immovable property by Government to a registered person?

- (a) Registered person
- (b) Government

20. GTA services to a department of CG/SG/LA, which has taken registration as TDS deductor. Is RCM applicable?

- (a) Yes
- (b) No

21. What is the threshold limit of turnover in the preceding financial year to be eligible for composition levy in Uttarakhand?

- (a) Rs 50 lakh
- (b) Rs 75 lakh
- (c) Rs 80 lakh

(d) Rs 1.5 crore

22. What is the threshold limit of turnover in the preceding financial year to be eligible for composition levy in Assam?

- (a) Rs 50 lakh
- (b) Rs 75 lakh
- (c) Rs 80 lakh
- (d) Rs 1.5 crore

23. What is the threshold limit of turnover in the preceding financial year to be eligible for composition levy in Karnataka?

- (a) Rs 50 lakh
- (b) Rs 75 lakh
- (c) Rs 80 lakh
- (d) Rs 1.5 crore

24. Which are the three special category states allowed a limit of 1.5 cr under composition scheme?

- (a) Assam, Arunachal Pradesh, Sikkim
- (b) Assam, Arunachal Pradesh, J&K
- (c) Assam, Himachal Pradesh, J&K
- (d) Assam, Himachal Pradesh, Sikkim

25. What is the specified value of service [other than restaurant services] allowed to registered person opting for composition scheme.

- (a) 5 lacs
- (b) 10% of TO in state/UT in CFY
- (c) 10% of TO in state/UT in PFY
- (d) Higher of: 10% of TO in state/UT in PFY or 5 lakhs

26. Ram has opted for composition scheme in the financial year 2019-2020. His aggregate turnover in FY 2018-19 is Rs 60 lakh. Since his aggregate turnover in the preceding FY does not exceed Rs 1.5 crore, he is eligible for composition scheme. What is the maximum amount of service allowed to be provided by him?

- (a) Rs 10 lakhs
- (b) Rs 5 lakhs
- (c) Rs 6 lakhs
- (d) Nil

27. Miss. Raksha is engaged in providing private coaching services in Noida, Uttar Pradesh and is not registered under GST till 25-Sep-20XX. Her aggregate turnover is `19,00,000/- on 30-Sep-20XX. She got GST registration on 30-Sep-20XX. Which of the following options are available to her?

- (a) She can pay tax @ 18%, charge it from customer and avail full input tax credit on procurements made.
- (b) She can pay tax @ 6% under exemption scheme for service providers but she cannot charge GST

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from customer and also cannot avail input tax credit.

- (c) She is not liable for registration since her aggregate turnover is less than ` 40,00,000/-
- (d) Either (a) or (b)

28. Which of the following services are notified under section 9(3) of CGST Act, 2017 or section 5(3) of IGST Act, 2017 the tax on which shall be paid on reverse charge basis by the recipient of such supply:

- (i) Supply of security services provided by a person other than a body corporate to a composition taxpayer
- (ii) Services supplied by an insurance agent to insurance company located in taxable territory
- (iii) Supply of services by way of renting of hotel accommodation through e-commerce operator.
- (iv) Supply of notified categories of goods or services or both by a supplier, who is not registered, to specified class of registered persons.

Choose from the following options:

- (a) (i) & (ii)
- (b) Only (ii)
- (c) (i), (ii), (iii)
- (d) (i) & (iv)

29. Mr. Ajay has a registered repair centre where electronic goods are repaired/serviced. His repair centre is located in State of Rajasthan and he is not engaged in making any inter-State supply of services. His aggregate turnover in the preceding financial year (FY) is Rs 45 lakh. With reference to the provisions of the CGST Act, 2017, examine whether Mr. Ajay can opt for the composition scheme in the current financial year (FY)? Is he eligible to avail benefit of concessional payment of tax under Notification No. 2/2019 CT (R) dated 07.03.2019?

- (a) He is ineligible for composition but can avail the benefit of notification no 02/2019.
- (b) He is eligible for composition
- (c) He is eligible for composition and also can avail the benefit of notification no 02/2019.
- (d) Eligible for none.

30. Which of the following cases is input tax credit (ITC) under the CGST Act, 2017 available:-

- (i) AMT Co. Ltd. purchased a mini bus having seating capacity of 16 persons for transportation of its employees from their residence to office and back.
- (ii) Bangur Ceramics Ltd., a manufacturing company purchased two trucks for transportation of its finished goods from the factory to dealers located in various locations within the country.
- (iii) "Hans premium" dealing in luxury cars in Chankyapuri, Delhi purchased five Skoda VRS cars for sale to customers.
- (iv) Sun & Moon Packers Pvt. Ltd. availed outdoor catering service to run a canteen in its factory. The Factories Act, 1948 requires the company to set up a canteen in its factory.

Choose the correct option:

- (a) (i), (ii), (iii)
- (b) (i), (ii) & (iv)
- (c) (i), (iii) & (iv)
- (d) (i), (ii), (iii) & (iv)

31. Is RCM applicable on Security services (services provided by way of supply of security

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personnel) provided to a registered person by a body corporate.

- (a) Yes
- (b) No

32. Is RCM applicable on Security services (services provided by way of supply of security personnel) provided by any person (other than body corporate) to a registered composition dealer.

- (a) Yes
- (b) No

33. Is RCM applicable on Long term lease of land (30 years or more) by any person against consideration in the form of upfront amount (called as premium, salami, cost, price, development charges or by any other name) and/or periodic rent for construction of a project by a promoter.

- (a) Yes
- (b) No

Answer:-

| | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 1. a | 2. c | 3. d | 4. d | 5. a | 6. a | 7. c | 8. a | 9. a | 10. a |
| 11. a | 12. d | 13. c | 14. c | 15. b | 16. a | 17. b | 18. a | 19. a | 20. b |
| 21. b | 22. d | 23. d | 24. c | 25. d | 26. c | 27. d | 28. b | 29. a | 30. d |
| 31. b | 32. b | 33. a | | | | | | | |

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CHAPTER 4: EXEMPTIONS FROM GST

1. **Transportation of passengers by _____ are exempt from GST.**
 - (a) Railway in first class
 - (b) Railway in an air-conditioned coach
 - (c) Metro
 - (d) All of the above

2. **Transportation of _____ by a GTA in a goods carriage is exempt from GST.**
 - (a) Agricultural produce
 - (b) Organic manure
 - (c) Milk
 - (d) All of the above

3. **What of the following services provided to an educational institution - Debo Public School- are exempt from GST?**
 - (a) Transportation of staff of the school
 - (b) Cleaning of the school
 - (c) Services relating to conduct of higher secondary exams
 - (d) All of the above

4. **Transportation of passengers by _____ are exempt from GST.**
 - (a) air conditioned stage carriage
 - (b) radio taxi
 - (c) air, terminating in Nagaland airport
 - (d) All of the above

5. **Which of the following services provided by Department of Posts are exempt from GST?**
 - (a) Speed posts
 - (b) Life Insurance
 - (c) Express parcel posts
 - (d) None of the above

6. **Mr. A has received technical consultancy services from IT Star Consultants, USA. The import of technical consultancy will not be liable to GST if-**
 - (i) Mr. A pays some consideration for the services received
 - (ii) Mr. A pays some consideration for the services received and if Mr. A uses the said service for business purposes
 - (iii) Mr. A uses the said service for business purposes even though he does not pay any consideration for the same
 - (iv) Mr. A uses the said service for personal purposes and does not pay any consideration for the same and is also a partner in IT Star Consultants
 - (v) Mr. A uses the said service for business purposes and does not pay any consideration for the same and is also a partner in IT Star Consultants
 - (a) (i), (ii), (v)
 - (b) (ii), (iii) and (v)

- (c) (iii), (iv)
- (d) (iii), (iv) and (v)

7. Kesar Maharaj, a registered supplier, gave a classical dance performance in an auditorium. The consideration charged for the said performance is Rs 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 the services supplied by him to be intra-State supplies, which of the following statements are true?
- (a) GST liability of Kesar Maharaj is Nil as services provided by him are exempt.
 - (b) Kesar Maharaj is liable to pay CGST and SGST of Rs 14,400 and Rs 14,400 respectively.
 - (c) Kesar Maharaj is liable to pay CGST and SGST of Rs 900 and Rs 900 respectively.
 - (d) None of the above.
8. Which of the following services provided by Good Health Care Nursing home are not 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 Good Health Care Nursing home.
 - 4) Palliative care for terminally ill patients. On request, such care is also provided to patients at their homes. (Palliative care is given to improve the quality of life of patients who have a serious or life-threatening disease but the goal of such care is not to cure the disease).
 - 5) Alternative medical treatments by way of Ayurveda.
- (a) (1) and (3)
 - (b) (2) and (4)
 - (c) (1)
 - (d) (1), (4) and (5)
9. Open area in the precincts of a temple has been rented for a marriage for a day. In which of the following cases, such renting is exempt from GST?
- (a) Temple is owned by Sanatan Charitable Trust (registered under section 12AA of the Income-tax Act, 1961) and consideration charged is Rs 9,000.
 - (b) Temple is owned by Sanatan Charitable Trust (registered under section 12AA of the Income-tax Act, 1961) and consideration charged is Rs 11,000.
 - (c) Both (a) and (b).
 - (d) None of the above.
10. 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 where consideration charged is Rs. 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 Rs. 900

- (a) (i), (v), (vi)
- (b) (iii), (iv), (v)
- (c) (i), (iii), (iv)
- (d) (iv), (v)

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

- (a) Religious pilgrimage organised by Todarmal Charitable Trust.
- (b) Loading, packing and warehousing of jaggery and pulses.
- (c) Milling of paddy into rice.
- (d) None of the above.

12. Mr. Khiladi Kumar, is the Managing Director of Khiladi Equipments (P) Ltd. The Company has offices and factories in Mumbai and is registered under GST. Mr. Khiladi Kumar, has decided to send food grains and other relief materials worth Rs 50,00,000/- and Rs 20,00,000 respectively through railway and airways to the cyclone hit victims in Kerala in the month of November, 20XX. The Company has contacted Super Airlines and Indian Railways to transport the materials from Mumbai to Kerala and price for the same has been determined as Rs 10,00,000/- by air and Rs 50,000/- by railways, excluding taxes. Mr. Khiladi Kumar, seeks your help to determine what amount of GST is to be paid to Super Airlines and Indian Railways if applicable GST rate is 18%.

- (a) Super Airlines: Rs 1,80,000/-; Indian Railways: NIL
- (b) Super Airlines: Rs 1,80,000/-; Indian Railways: Rs 9,000
- (c) Super Airlines: Nil; Indian Railways: Rs 9,000/-
- (d) Super Airlines: Nil; Indian Railways: Nil

13. M/s. Dev Bhoomi Rice (P) Ltd., a registered person under GST, is providing services of processing of milling of paddy into rice, loading, unloading, packing, storage and warehousing of rice in the State of Chhattisgarh. The company has made following supplies during the tax period of April, 2018 to September, 2018:

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

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

- (a) Rs. 32,40,000/-
- (b) Rs. 9,00,000/-
- (c) Rs. 5,00,000/-
- (d) Rs. Nil/-

14. Bombay Municipal Corporation (BMC) 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. Akshay Kumar, Managing Director of Khiladi 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

15. Mr. Happy Singh is a resident of Chandigarh. The marriage of his daughter, Khushi Kaur, has been finalized with Mr. Lovely Singh, a NRI settled in Canada. The 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 the marriage. He has to send the invitation by speed post. He is not sure about the taxability of speed post services under GST regime. He seeks your help in determining the applicability of GST on speed post.

- (a) GST payable
- (b) Non Taxable
- (c) Exempt
- (d) None of the above

16. Mr. Bulbul Pandey, is an ambulance driver, who lives in the NCT of Delhi. He provides driving services to Preeti Heart and Lung Institute (PHLI-a super specialty hospital registered in GST in Delhi) for a consideration of Rs. 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 the ambulance from Delhi to Gurugram, and charged Rs. 500/- from them.

Being the GST expert, you are required to ascertain the 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

17. Which of the following are exempt from GST?

- (i) Services provided to recognized sports body as curator of national team.
- (ii) Services provided by way of transportation of passenger in Metered Cab.
- (iii) Services by way of public conveniences such as provision of facilities of washrooms.
- (iv) Services provided by a player to a franchisee which is not a recognized sports body.

- (a) (i), (ii), (iii) & (iv)
- (b) (ii), (iii)
- (c) (iii) & (iv)
- (d) (ii), (iii) & (iv)

18. Services supplied by Central/State Government/Union territory to their undertakings or Public Sector Undertakings (PSUs) by way of guaranteeing the loans taken by such undertakings or PSUs from the banking companies and financial institutions.

- (a) Taxable supply
- (b) Exempt supply
- (c) Not a supply
- (d) None of the above

19. Services provided by rehabilitation professionals recognized under the Rehabilitation Council of India Act, 1992 by way of rehabilitation, therapy or counselling and such other activity as covered by the said Act at medical establishments, educational institutions, rehabilitation centers established by Central/State Government/ Union territory or an entity registered under section 12AA of the Income Tax Act, 1961.
- (a) Taxable supply
(b) Exempt supply
(c) Not a supply
(d) None of the above
20. Services provided by a banking company to Basic Saving Bank Deposit (BSBD) account holders under Pradhan Mantri Jan Dhan Yojana (PMJDY)
- (a) Taxable supply
(b) Exempt supply
(c) Not a supply
(d) None of the above
21. Supply of TDR, FSI, long term lease (premium) of land by a landowner to a developer have been exempted subject to the condition that the constructed flats are sold before issuance of completion certificate and tax is paid on them. Is the statement correct?
- (a) Yes
(b) No
22. Services provided by a banking company to Basic current account holders
- (a) Taxable supply
(b) Exempt supply
(c) Not a supply
(d) None of the above
23. Supply of services having place of supply in Nepal or Bhutan, against payment in Indian Rupees will be:
- (a) Exempt services
(b) Export of services
(c) None of the above
(d) Not a service at all

Answer:-

| | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 1) c | 2) d | 3) d | 4) c | 5) d | 6) c | 7) b | 8) c | 9) a | 10) c |
| 11) d | 12) a | 13) c | 14) c | 15) a | 16) a | 17) b | 18) b | 19) b | 20) b |
| 21) a | 22) a | 23) b | | | | | | | |

CHAPTER 5: PLACE OF SUPPLY

1. **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. What will be place of supply in this case?**
 - (a) The place of supply shall be Delhi
 - (b) The place of supply shall be Jaipur
 - (c) The place of supply shall be Mumbai
 - (d) None of the above

2. **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

3. **M/s. Dhoom Furniture Mart, located and registered under GST in the State of Chhattisgarh, sells furniture from its showroom to M/s. Lucky Dhaba (located and registered under GST in the State of Jharkhand). M/s. Lucky Dhaba requested to deliver the furniture to Mr. Pyare Lal (his landlord at his new rented home at Patna, Bihar). M/s. Dhoom Furniture Mart sends the furniture with a proper E-way bill to Patna through a transporter, who made the delivery to Mr. Pyare Lal.**

Determine the place of supply of furniture sold by M/s. Dhoom Furniture Mart to M/s. Lucky Dhaba in the above case.

 - (a) Chhattisgarh
 - (b) Jharkhand
 - (c) Patna, Bihar
 - (d) None of the above

4. **M/s. Buildwell Engineering Consultants, located and registered in Gurugram, Haryana provided consultancy services to M/s. Taj India Ltd., (located and registered in Mumbai, Maharashtra) for its hotel to be constructed on land situated in Dubai.**

Determine the place of supply of consultancy services provided by M/s. Buildwell Engineering Consultants to M/s. Taj India Ltd.:

 - (a) Gurugram, Haryana
 - (b) Mumbai, Maharashtra
 - (c) Dubai
 - (d) None of the above

5. **Aflatoon Spares (P) Ltd., located and registered in Haryana, supplied spare parts (FOB basis) to Mr. Laxmi Khurana, an unregistered person, located in Rajasthan. Mr. Laxmi Khurana 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. Laxmi Khurana:

- (a) Haryana
- (b) Delhi
- (c) Rajasthan
- (d) Uttar Pradesh

6. Mr. Javed Miandad, an unregistered person residing in Lucknow, Uttar Pradesh, went to Delhi for seeking admission of his child, Mr. Inzamam in CA IPCC. Mr. Javed Miandad got the demand draft generated at ICICI Bank Ltd., registered in Delhi against cash, for depositing the registration fee to ICAI. Mr. Javed Miandad 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. Javed Miandad.

- (a) Delhi
- (b) Lucknow
- (c) Uttar Pradesh
- (d) None of the above

7. 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 the payment. Both Salman Khan and 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

8. Mr. Sunil Shetty, a resident of Mumbai, went to Vaishno Devi by train. Mr. Sunil Shetty, after visiting Vaishno Devi temple, purchased a JIO prepaid SIM from Tantan 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 Tantan Communications to Mr. Sunil Shetty:

- (a) Mumbai
- (b) Jammu
- (c) Delhi
- (d) Agra

9. A hotel chain X charges a consolidated sum of Rs.30,000/- for stay in its two establishments in Delhi and Agra, where the stay in Delhi is for 2 nights and the stay in Agra is for 1 night. The place of supply in this case is

- (a) Both in the Delhi & Uttar Pradesh & the service shall be deemed to have been provided in Delhi & Uttar Pradesh in the ratio 2:1 respectively. The value of services provided will thus be apportioned as Rs. 20,000/- in Delhi and Rs.10,000/- in UP.

- (b) In Delhi
- (c) In UP
- (d) None of the above

10. A company C provides the service of 24 hours accommodation in a houseboat, which is situated both in Kerala and Karnataka in as much as the guests board the house boat in Kerala and stay there for 22 hours but it also moves into Karnataka for 2 hours (as declared by the service provider). The place of supply of this service is

- (a) In Karnataka
- (b) In Kerala
- (c) In Karnataka and Kerala equally
- (d) In the States of Kerala and Karnataka. The service shall be deemed to have been provided in the ratio of 22:2 or 11:1 (simplified) in the states of Kerala and Karnataka, respectively.

11. There is a piece of land of area 20,000 square feet which is partly in State S1 say 12,000 square feet and partly in State S2, say 8000 square feet. Site preparation work has been entrusted to T. The ratio of land in the two states works out to 12:8 or 3:2 (simplified). The place of supply is

- (a) In S1
- (b) In S2
- (c) in both S1 and S2. The service shall be deemed to have been provided in the ratio of 12:8 or 3:2 (simplified) in the States S1 and S2 respectively.
- (d) None of the above

12. A company T installs a leased circuit between the Delhi and Mumbai offices of a company C. The starting point of this circuit is in Delhi and the end point of the circuit is in Mumbai. Hence, one point of this circuit is in Delhi and another in Maharashtra. The place of supply of this service is

- (a) Equally in both the states
- (b) Only in Delhi
- (c) Only in Mumbai
- (d) No place of supply

13. A company T installs a leased circuit between the Chennai, Bengaluru and Mysuru offices of a company C. The starting point of this circuit is in Chennai and the end point of the circuit is in Mysuru. The circuit also connects Bengaluru. Hence, one point of this circuit is in Tamil Nadu and two points in Karnataka. The place of supply of this service is

- (a) in the States of Tamil Nadu and Karnataka. The service shall be deemed to have been provided in the ratio of 1:2 in the States of Tamil Nadu and Karnataka, respectively.
- (b) In the state of Tamil Nadu only
- (c) In the state of Karnataka only
- (d) No place of supply

14. A company T installs a leased circuit between the Kolkata, Patna and Guwahati offices of a company C. There are 3 points in this circuit in Kolkata, Patna and Guwahati. One point each of

this circuit is, therefore, in West Bengal, Bihar and Assam. The place of supply of this service is

- (a) In the 3 states equally
- (b) in originating state Kolkata
- (c) in destination state Guwahati
- (d) None of the above

15. Mr. Ram of Pune, Maharashtra sells 10 refrigerators to Mr. Shyam of Nasik, Maharashtra for delivery at Mr. Shyam's place of business in Nasik. The place of supply is

- (a) Pune, MH
- (b) Nasik, MH

16. Mr. A (New Delhi) has leased his machine (cost Rs 8,00,000) to Mr. B (Noida, Uttar Pradesh) for production of goods on a monthly rent of Rs 40,000. After 14 months Mr. B requested Mr. A to sell the machine to him for Rs 4, 00,000, which is agreed to by Mr. A. In this case, there will be no movement of goods and the same will be sold on as is where is basis. Place of supply is

- (a) Noida
- (b) New delhi

17. Mr. X (New Delhi) boards the New Delhi-Kota train at New Delhi. He sells the goods taken on board by him (at New Delhi), at Jaipur during the journey. POS is

- (a) New Delhi
- (b) Jaipur

18. Mr. A (a Chartered Accountant registered in New Delhi) makes a supply of service to his client Mr. B of Noida, Uttar Pradesh (registered in Uttar Pradesh). In this case, the place of supply is

- (a) Noida
- (b) New Delhi

19. Mr. X, a consulting engineer based in Mumbai, Maharashtra renders professional services in respect of an immovable property of Mr. Y (Bangalore) located in Australia. the place of supply of service is

- (a) Australia
- (b) Mumbai
- (c) Bangalore

20. DEO Consultants (Kolkata) impart GST training to accounts and finance personnel of Sun Cements Ltd. (Guwahati, Assam) at the company's Kolkata office. the place of supply is

- (a) Guwahati
- (b) Kolkata

21. Which of the following supply involving movement of goods is an intra-State supply?

- (a) Location of supplier in Kerala and place of supply in Tamil Nadu
- (b) Location of supplier in Karnataka and place of supply in Karnataka

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- (c) Location of supplier in Kerala and place of supply on Andhra Pradesh
- (d) None of the above

22. Place of supply in case of installation of elevator is

- (a) Where the movement of elevator commences from the supplier's place
- (b) Where the delivery of elevator is taken
- (c) Where the installation of elevator is made
- (d) Where address of the recipient is mentioned in the invoice

23. Place of supply of food taken onboard at Delhi for an aircraft departing from Delhi to Bangalore via Hyderabad is

- (a) Address of the aircraft carrier mentioned on the invoice of the supplier
- (b) Delhi
- (c) Jaipur
- (d) Hyderabad

24. What is location of supply in case of importation of goods?

- (a) Customs port where the goods are cleared
- (b) Location of the importer
- (c) Place where the goods are delivered after clearance from customs port
- (d) Owner of the goods

25. Real estate agent in Delhi charges brokerage fee to Company A located in Chandigarh for assistance in getting a commercial property in Kolkata. Which is the place of supply in this case?

- (a) Delhi
- (b) Chandigarh
- (c) Kolkata
- (d) None of the above

26. Mr. X a resident from Pune conducts training for employees of P Ltd. being a registered person under GST based out in Chennai at a resort in Darjeeling. The place of supply in this case is

- (a) Chennai
- (b) Pune
- (c) Darjeeling

27. Place of supply of service for DTH by ABC Pvt. Ltd. located in Mumbai to customer in Patna is

- (a) Mumbai
- (b) Patna

28. The provider of AMC service outside India has entered into an agreement for an aircraft company PQR located in India AMC. The service provider provides repair service to the aircraft when it was in India. The place of service in this case is

- (a) Outside India
- (b) India

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29. If XYZ Ltd a company based out of Bangalore, awards online maintenance contract of its servers located in Mumbai office to Y INC, a company based out of USA, and as per the terms of the online maintenance X INC shall be required to perform regular maintenance from USA using Internet, then the place of supply is

- (a) Bangalore
- (b) Mumbai
- (c) USA

30. Mr. Y residing in Ahmedabad appoints an architect in Delhi to provide Indian traditional home design for his proposed construction at Los Angeles, the place of supply of service is

- (a) Los Angeles
- (b) Ahmedabad
- (c) Delhi

Answer:-

| | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 1) a | 2) c | 3) b | 4) b | 5) a | 6) a | 7) c | 8) b | 9) a | 10) d |
| 11) c | 12) a | 13) a | 14) a | 15) b | 16) a | 17) a | 18) a | 19) c | 20) a |
| 21) b | 22) c | 23) b | 24) b | 25) c | 26) a | 27) b | 28) b | 29) b | 30) a |



CHAPTER 6: TIME OF SUPPLY

1. **Date on which the supplier receives the payment as per section 12 of CGST Act is**
 - (a) Date entered in books of accounts
 - (b) Date of credit in bank account
 - (c) Date entered in books of accounts or date of credit in bank account, whichever is earlier
 - (d) Date on which receipt voucher is issued by supplier

2. **What is the time of supply of goods liable to tax under reverse charge mechanism?**
 - (a) Date of receipt of goods
 - (b) Date on which the payment is made
 - (c) Date immediately following 30 days from the date of issue of invoice by the supplier
 - (d) Earlier of (a) or (b) or (c)

3. **What is the time of supply of vouchers when the supply with respect to the voucher is identifiable?**
 - (a) Date of issue of voucher
 - (b) Date of redemption of voucher
 - (c) Date of entry in books of accounts
 - (d) Earlier of (a) or (b) or (c)

4. **What is the time of supply of vouchers when the supply with respect to the voucher is not identifiable?**
 - (a) Date of issue of voucher
 - (b) Date of redemption of voucher
 - (c) Date of entry in books of accounts
 - (d) Earlier of (a) or (b) or (c)

5. **What is the time of supply of service if the invoice is issued within 30 days from the date of provision of service?**
 - (a) Date of issue of invoice
 - (b) Date on which the supplier receives payment
 - (c) Date of provision of service
 - (d) Earlier of (a) & (b)

6. **What is the time of supply of service if the invoice is not issued within 30 days from the date of provision of service?**
 - (a) Date of issue of invoice
 - (b) Date on which the supplier receives payment
 - (c) Date of provision of service
 - (d) Earlier of (b) & (c)

7. **What is the time of supply of service in case of reverse charge mechanism?**
 - (a) Date on which payment is made to the supplier
 - (b) Date immediately following 60 days from the date of issue of invoice

- (c) Date of invoice
- (d) Earlier of (a) and (b)

8. What is the time of supply of service where services are received from an associated enterprise located outside India?

- (a) Date of entry of services in the books of account of recipient of service
- (b) Date of payment
- (c) Earlier of (a) & (b)
- (d) Date of entry of services in the books of the supplier of service

9. 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. The client makes payment by cheque for the services on 29.12.2017 and such payment is credited to the bank account of Mr. X on 06.01.2018. The payment is recorded in the books of account of the client and Mr. X on 30.12.2017 and 07.01.2018 respectively.

The time of supply of services is:

- (a) 29.12.2017
- (b) 30.12.2017
- (c) 06.01.2018
- (d) 05.01.2018

10. An online portal, Best Info, raises invoice for database access on 21st February, 2017 on Roy & Bansal Ltd. The payment is made by Roy & Bansal Ltd. by a demand draft sent on 25th February, 2017 which is received and entered in the accounts of Best Info on 28th February, 2017. Best Info encashes the demand draft and thereafter, gives access to the database to Roy & Bansal Ltd from 3rd March, 2017. In the meanwhile, the 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

11. M/s. Tanatan received testing services from Aquarian Solution (P) Ltd. on 10-May-2018. The payment was entered in the books of account of M/s. Tanatan on 16-May-2018 and was credited in the bank account of supplier on 19-May-2018. In the meantime, supplier issued invoice on 18-May-2018. What will be the time of supply in this case?

- (a) 10-May-2018
- (b) 18-May-2018
- (c) 16-May-2018
- (d) 19-May-2018

12. 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) The date of redemption of vouchers
- (d) None of the above

13. M/s. Radhika Travels (P) Ltd., purchased a bus chassis from M/s. Jyoti Motors Ltd., for a consideration of Rs. 80.00 Lakh on 1-Aug-2018. M/s. Radhika Travels (P) Ltd., sent the bus chassis for body building to M/s. Hanumant Fabricators, and paid in advance the total consideration of Rs. 25.00 Lakh on 10-Aug-2018. M/s. Hanumant Fabricators, after completing the bus body, informed M/s. Radhika Travels (P) Ltd., for inspection of the work done on 1-Sep-2018. M/s. Radhika Travels (P) Ltd., visited the work shop of M/s. Hanumant Fabricators, on 7-Sep-2018, and confirmed that the bus body was in accordance with the terms of the contract. M/s. Hanumant Fabricators, raised an invoice of Rs. 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 the time of supply in this case, out of the choices given below -

- (a) 10-Aug-2018
- (b) 7-Sep-2018
- (c) 15-Sep-2018
- (d) 16-Sep-2018

14. Banke Bihari (Pedewala), is a famous sweets manufacturer, located and registered in Mathura, Uttar Pradesh. He received an order for 200 Kg. of sweets on 2nd November, 2018 from M/s. Ghoomghoom Travels (P) Ltd., located and registered in same locality of Mathura for a total consideration of Rs. 1,00,000/- on occasion of Diwali festival. All 200 Kg. sweets were delivered to M/s. Ghoomghoom Travels (P) Ltd. on 5th November, 2018, but without invoice, as accountant of Mr. Banke Bihari was on leave on that day. However, the 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 the time of supply of goods in this case.

- (a) 2nd November, 2018
- (b) 5th November, 2018
- (c) 6th November, 2018
- (d) 7th November, 2018

15. Mahak Sons is a registered supplier of electronic items and pays GST under regular scheme. On 15th July 20XX, Mahak Sons received an order from Sunder Trader for supply of a consignment of electronic items. Mahak Sons gets the consignment ready by 20th July 20XX. The invoice for the consignment was issued the next day, 21st July 20XX. Sunder Trader could not collect the consignment immediately. Sunder Trader collects the consignment from the premises of Mahak Sons on 30th July 20XX and hands over the cheque towards payment on the same date. The said payment is entered in the books of accounts of Mahak Sons on 31st July, 20XX and amount is credited in their bank account on 1st August 20XX.

You are required to determine the time of supply of the electronic items for the purpose of payment of tax.

- (a) 31st July, 20XX
- (b) 21st July 20XX
- (c) 15th July 20XX
- (d) 1st August 20XX

16. (i) A promoter who receives development rights/FSI (including additional FSI) on or after 1st April, 2019 for construction of a project against consideration payable or paid by him, wholly or partly, in the form of construction service of commercial or residential apartments in the project or in any other form including in cash;

(ii) A promoter, who receives long term lease of land on or after 1st April, 2019 for construction of residential apartments in a project against consideration payable or paid by him, in the form of upfront amount,

For such persons, the liability to pay tax on, -

(a) the consideration paid by him in the form of construction service of commercial or residential apartments in the project, for supply of development rights or FSI (including additional FSI);

(b) the monetary consideration paid by him, for supply of development rights or FSI (including additional FSI) relating to construction of residential apartments in project;

(c) the upfront amount paid by him for long term lease of land relating to construction of residential apartments in the project; and

(d) the supply of construction service by him against consideration in the form of development rights or FSI (including additional FSI),

shall arise :

Choose the answer:

(a) on the date of issuance of completion certificate

(b) on the date of issuance of completion certificate/first occupation of the project, whichever is earlier.

(c) On first occupancy

(d) None of the above.

Answer:-

| | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|------|------|------|-------|
| 1. c | 2. d | 3. a | 4. b | 5. d | 6. d | 7. d | 8. c | 9. d | 10. c |
| 11. b | 12. c | 13. a | 14. b | 15. b | 16. b | | | | |

CHAPTER 7: VALUE OF SUPPLY

1. Value of supply under section 15(1) is :
 - (a) Wholesale price
 - (b) Market value
 - (c) Maximum retail price
 - (d) Transaction value

2. The value of supply should include:
 - (a) Any non-GST taxes, duties, cesses, fees charged separately by supplier
 - (b) Interest, late fee or penalty for delayed payment of any consideration for any supply
 - (c) Subsidies directly linked to the price except subsidies provided by the Central and State Governments
 - (d) All of the above

3. Which of the following shall not be included in value of supply?
 - (a) GST
 - (b) Interest
 - (c) Late fee
 - (d) Commission

4. When can the transaction value be rejected for computation of value of supply?
 - (a) When the buyer and seller are related and price is not the sole consideration
 - (b) When the buyer and seller are related or price is not the sole consideration
 - (c) It can never be rejected
 - (d) When the goods are sold at very low margins

5. Which of the following statement(s) is/are correct?
 - (a) Section 15 of CGST Act prescribes different provisions for valuation of goods and services
 - (b) CGST Act and IGST Act have different provisions for valuation of supply
 - (c) Section 15 of CGST Act prescribes same set of provisions for valuation of goods and services
 - (d) (a) and (b)

6. Discount given after the supply is deducted from the value of supply, if -
 - (a) such discount is given as per the agreement entered into at/or before the supply
 - (b) such discount is linked to the relevant invoices
 - (c) proportionate input tax credit is reversed by the recipient of supply
 - (d) all of the above

7. XY, Bangalore, Karnataka furnishes following information:
 - (i) 10 MT of inputs stock transferred to branch located in Chennai, Tamil Nadu on 10th April, 20XX. Transfer value of the inputs shown in the invoice is Rs 10,000.
 - (ii) 5 MT of inputs supplied to customer located in Chennai at Rs 12,500 on 10th April, 20XX.
 - (iii) Cost of production of 1 MT of input is Rs 750.
 - (iv) Chennai branch is eligible for full input tax credit.The value of the inputs stock transferred to Chennai Branch is-
 - (a) Rs 10,000

- (b) Rs 25,000
- (c) Rs 8,250
- (d) Rs 12,500

8. A Chartered Accountant issued following bill -

- (i) Professional fees - Rs 1,00,000
- (ii) Out of pocket expenses - Rs 10,000
- (iii) MCA for e-filing of documents on MCA portal - Rs 5,000.

His value of service for tax purposes is:

- (a) Rs 1,15,000
- (b) Rs 1,10,000
- (c) Rs 1,05,000
- (d) Rs 1,00,000

9. 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

10. 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:

| 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 Rs. 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. Assume applicable rate of tax is 18%.

- (a) Rs. 95,000/-
- (b) Rs. 1,08,000/-
- (c) Rs. 1,30,500/-
- (d) Exempt Supply, No GST

11. Mr. Allauddin, a stationery retailer, located and registered under GST in Allahabad, has received order for supply of goods worth Rs. 2,00,000/- on 12th November, 2018 from another local registered dealer, Mr. Jallauddin.

Goods were properly supplied with invoice of Rs. 2,00,000/- on 14th November, 2018.

Mr. Allauddin, incurred the following expenses before the goods were delivered to Mr. Jallauddin:

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

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Mr. Jallauddin, made full payment on delivery of the goods for which he was allowed cash discount of Rs. 2,000/-

The rate of tax on the goods supplied is IGST @ 18%, CGST @ 9% and SGST @ 9%.

Mr. Allauddin, paid CGST Rs. 18,000/- and SGST 18,000/-. As a tax consultant, what will be your advice relating to further tax liability of Mr. Allauddin-

- (a) CGST Rs. 630/- and SGST 630/-
- (b) CGST Rs. 450/- and SGST 450/-
- (c) CGST Rs. 18,630/- and SGST 18,630/-
- (d) CGST Rs. 18,450/- and SGST 18,450/-

12. With reference to the provisions relating to transaction value under section 15 of the CGST Act, 2017, which of the following is not correct?

- (a) Central excise duty will not be included in transaction value for supply of tobacco.
- (b) Municipal taxes paid by tenant will be included in transaction value for supply of renting service.
- (c) Entertainment tax included in movie ticket will form part of transaction value.
- (d) Customer makes payment of freight which is payable by the supplier, directly to the service provider. However, supplier does not include this amount in the invoice. Such amount will be included in transaction value of the supplier.

13. For the purpose of determination of value of supply under GST, Is tax collected at source (TCS) under the provisions of the Income Tax Act, Includible?

- (a) Yes TCS is includible in VOS
- (b) No TCS is not includible in VOS.

14. Who is liable to pay GST on service fees/charges collected by Bank in the BF model or the BC model operated by them (banking company) as per RBI guidelines.

Note: BF - Business facilitator, BC - business correspondent

- (a) Business facilitator/Business correspondent
- (b) Banking company

15. Principal supplies almonds to his agent & the agent is supplying almonds of like kind and quality in subsequent supplies at a price of Rs. 5,000 per quintal on the day of the supply. Another independent supplier is supplying almonds of like kind and quality to the said agent at the price of Rs. 4,550 per quintal. Find the value of taxable supply in the hands of principal as per Rule 29(a) of the CGST Rules, 2017.

- (a) 5000
- (b) 4500
- (c) 4550
- (d) None of the above

Answer:-

| | | | | | | | | | |
|-------|-------|-------|------------|-------|------|------|------|------|-------|
| 1) d | 2) d | 3) a | 4) (a)&(b) | 5) c | 6) d | 7) a | 8) b | 9) d | 10) a |
| 11) a | 12) a | 13) b | 14) b | 15) b | | | | | |

CHAPTER 8: INPUT TAX CREDIT

1. **In which of the following situations, taxpayer needs to reverse the credit already taken?**
 - (a) If payment is not made to the supplier within 45 days from the date of invoice
 - (b) If payment is not made to the supplier within 90 days from the date of invoice
 - (c) If payment is not made to the supplier within 180 days from the date of invoice
 - (d) None of the above

2. **What is the time limit for taking ITC on invoices pertaining to a financial year?**
 - (a) 180 days
 - (b) 1 year
 - (c) Due date of filing return for the month of September of the next financial year or the date of filing annual return, whichever is earlier
 - (d) No limit

3. **If the goods are received in lots/installment, _____**
 - (a) 50% ITC can be taken on receipt of 1st installment and balance 50% on receipt of last installment.
 - (b) ITC can be availed upon receipt of last installment.
 - (c) 100% ITC can be taken on receipt of 1st installment.
 - (d) Proportionate ITC can be availed on receipt of each lot/installment.

4. **For banking companies using inputs and input services partly for taxable supplies and partly for exempt supplies, which of the statement is true?**
 - (a) ITC shall be compulsorily restricted to credit attributable to taxable supplies including zero rated supplies
 - (b) 50% of eligible ITC on inputs, capital goods, and input service shall be mandatorily availed in a month and the rest shall lapse.
 - (c) Banking company can choose to exercise either option (a) or option (b)
 - (d) None of the above

5. **A supplier takes deduction of depreciation on the GST component of the cost of capital goods as per Income- tax Act, 1961. The supplier can-**
 - (a) avail only 50% of the said tax component as ITC
 - (b) not avail ITC on the said tax component
 - (c) avail 100% ITC of the said tax component
 - (d) avail only 25% of the said tax component as ITC

6. **Which of the following inward supplies are not eligible for ITC in case of a company manufacturing shoes?**
 - (a) Food and beverages
 - (b) Outdoor catering
 - (c) Health services
 - (d) All of the above

7. Which of the following statement is true for a composition tax payer?
- A composition tax payer can avail only 50% of ITC on capital goods.
 - A composition tax payer can avail 100% ITC on inputs.
 - ITC is not available on inward supplies made by a composition tax payer.
 - Composition tax will be available as ITC to the recipient only if the tax is mentioned separately in the invoice raised by the composition tax payer.
8. 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 the following information regarding expenses incurred by it during the course of its 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 Rs 1,00,000] | 20,00,000 |
| Works contract services availed for constructing a car shed in its premises. | 50,000 |

- Rs 19,00,000
- Rs 21,10,000
- Rs 19,50,000
- Rs 20,50,000

9. Compute the value of 'exempted supply' for purpose of section 17(2) of the CGST Act, 2017 from the following details:

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

- Rs 1,50,000
- Rs 2,50,000
- Rs 2,45,000
- Rs 1,50,950

10. 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 of Rs 54 crores in 2017-18;

C: Service centre in Faridabad, Haryana; turnover of Rs 2 crore in 2017-18;

D: Service centre in New Delhi; turnover of Rs 4 crores in 2017-18;

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

Input tax credit will be distributed as:

- Rs 3,00,000 to Noida Factory, Rs 9,00,000 to Ghaziabad factory, Rs 3,00,000 to Faridabad service centre and Rs 3,00,000 to New Delhi service centre.
- Rs 10,80,000 to Ghaziabad factory, Rs 6,40,000 to Faridabad service centre and Rs 80,000 to New Delhi service centre.

- (c) Rs 10,80,000 to Ghaziabad factory, Rs 40,000 to Faridabad service centre and Rs 80,000 to New Delhi service centre.
- (d) Rs 16,20,000 to Ghaziabad factory, Rs 60,000 to Faridabad service centre and Rs 1,20,000 to New Delhi service centre.

11.

- (i) A software professional providing technical consultancy buys a 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 the purpose of transporting its inputs and finished goods.

Input tax credit cannot be taken on:

- (a) (iii)
- (b) (i), (ii), (iii), (iv)
- (c) (i)
- (d) (i), (iii)

12. Kamlesh hires a works contractor for repairing his factory building on a lumpsum payment of Rs. 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%, Kamlesh can take input tax credit of:

- (a) Rs 90,000
- (b) Rs 1,06,200
- (c) Rs 2,12,400
- (d) Nil

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13. Input tax Credit 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 for transportation of persons with seating capacity ≤ 13 , 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% paid on inputs purchased from a vendor in Bangalore where the supplier is registered in Rajasthan.

14. 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

15. Mr. Rahul Roy, proprietor of M/s. Royal Shoe & Company is running a business of manufacturing shoes with the brand name of 'JUNOON'. The manufacturing unit is located in Delhi and registered under GST. However, due to low profitability in the business, he has decided to

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transfer his business to his friend Mr. Dilip Tijori. Mr. Dilip Tijori is already running the business of manufacturing shoes under a proprietorship firm named M/s Hawai Shoes & Company which is located in Mumbai and registered under GST.

Mr. Rahul Roy has approached you to help him with the issue of transfer of unutilized input tax credit in electronic credit ledger of M/s. Royal Shoe & Company to M/s Hawai Shoes & Company.

Advise Mr. Rahul Roy with the correct option in accordance with the provisions of the CGST Act, 2017:

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

16. Mr. Chamcham, 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:

| | Turnover inputs | Tax paid on |
|----------------|-----------------|-------------|
| Taxable goods | 90 lakhs | 9 lakhs |
| Exempt goods | 10 lakhs | 1 lakh |
| Exported goods | 15 lakhs | 2 lakhs |

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

- 12,00,000/-
 - 11,00,000/-
 - 10,00,000/-
 - 9,00,000/-
17. Mr. Arun, a registered supplier, is engaged in selling sweets. The sweets are sold in boxes and the cost of each sweet box is Rs 500/-. In order to increase his turnover, he purchased certain juice cans @ Rs. 20/- each and added juice can with every sweet box as a gift. A sweet box along with free juice can is sold at Rs 500/- each.
- Which of the statements is correct?
- He is liable to pay tax on Rs 520/- and eligible to claim input tax credit on purchase of juice cans
 - He is liable to pay tax on Rs 500/- and not eligible to claim input tax credit on purchase of juice cans
 - He is liable to pay tax on Rs 500/- and also eligible to claim input tax credit on purchase of juice cans
 - Either (a) or (b)
18. M/s. Comfortable (P) Ltd. is registered under GST in the State of Odisha. It is engaged in the business of manufacturing of iron and steel products. It has received IT engineering

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services from M/s. High-Fi Infotech (P) Ltd. for Rs 11,00,000/- (excluding GST @ 18%) on 28-Oct-20XX. Invoice for service rendered was issued on 5-Nov-XX. M/s Comfortable (P) Ltd. made part-payment of Rs 4,20,000/- on 30-Nov-XX. Being unhappy with service provided by M/s High-fi Infotech (P) Ltd., it did not make the balance payment. Deficiency in service rendered was made good by M/s High-Fi Infotech (P) Ltd. by 15-Feb-XY. M/s. Comfortable (P) Ltd. made payment of Rs 3,00,000/- on 15-Feb-XY and balance payment was made on 6-June-20XY, i.e. after 180 days of issue of invoice.

Input tax credit available in respect of IT engineering services received from M/s. High-Fi Infotech (P) Ltd. in financial year 20XX-XY:

- (a) Rs 1,98,000/-
- (b) Nil
- (c) Rs 64,068/-
- (d) Rs 1,09,831/-

19. Whether ITC allowed or Blocked in the independent cases?

- (i) ITC on cars purchased by a manufacturing company for official use of its employees.
 - (ii) ITC on cars purchased by a car dealer for sale to customers.
 - (iii) ITC on cars purchased by a company engaged in renting out cars for transportation of passengers.
 - (iv) ITC on cars purchased by a car driving school.
 - (v) ITC on buses purchased by a company for transportation of its employees from their residence to office and back.
 - (vi) ITC on trucks purchased by a company for transportation of its finished goods.
- (a) Blocked, Blocked, Blocked, allowed, allowed, allowed
 - (b) Blocked, allowed, allowed, allowed, Blocked, allowed
 - (c) Blocked, allowed, allowed, allowed, allowed, Blocked
 - (d) Blocked, allowed, allowed, allowed, allowed, allowed

20. Whether ITC allowed or Blocked in the independent cases?

- (i) ITC on general insurance taken on a car used by employees of a manufacturing company for official purposes.
- (ii) ITC on maintenance & repair services availed by a company for a truck used for transporting its finished goods

- (a) Blocked, Allowed
- (b) Allowed, Blocked

21. AB & Co., a caterer of Amritsar, has been awarded a contract for catering in a marriage to be held at Ludhiana. The firm has given the contract for supply of snacks, to be served in the marriage, to CD & Sons, a local caterer of Ludhiana. ITC on such outdoor catering services availed by AB & Co., is

- (a) Blocked
- (b) Allowed

22. ITC on outdoor catering services availed by a company, for a team development event organised

for its employees, is

- (a) Blocked
- (b) Allowed

23. ITC on outdoor catering service availed by a company to run a canteen in its factory. The Factories Act, 1948 requires the company to set up a canteen in its factory. ITC on such outdoor catering is

- (a) Blocked
- (b) Allowed

24. Which form is to be filed for Transfer of credit on obtaining separate registrations for multiple places of business within a State/Union territory.

- (a) Form GST ITC 02
- (b) Form GST ITC 02A

25. What do you mean by Value of assets for the purpose of apportionment of ITC in case of demerger?

- (a) "value of assets" means the value of the entire assets of the business, on which ITC has been availed thereon.
- (b) "value of assets" means the value of the entire assets of the business, whether or not ITC has been availed thereon.

Answer: -

| | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 1) c | 2) c | 3) b | 4) c | 5) b | 6) d | 7) c | 8) a | 9) d | 10) b |
| 11) c | 12) a | 13) d | 14) b | 15) b | 16) b | 17) c | 18) a | 19) d | 20) a |
| 21) b | 22) a | 23) b | 24) b | 25) b | | | | | |

CHAPTER 9: REGISTRATION

1. Mr. A has started intra-State supply of goods from Delhi. He is required to obtain registration if his aggregate turnover exceeds _____ during a financial year.
 - (a) Rs 10 lakh
 - (b) Rs 20 lakh
 - (c) Rs 30 lakh
 - (d) Rs 40 lakh

2. Aggregate turnover includes:
 - (a) Taxable supplies
 - (b) Exempt supplies
 - (c) Exports
 - (d) All of the above

3. Which of the statements is correct?
 - (a) Person making any inter-State taxable supply of goods is required to obtain registration compulsorily.
 - (b) A person to whom a UIN has been granted cannot apply for cancellation of registration.
 - (c) The cancellation of registration under either SGST Act/UTGST Act shall be deemed to be a cancellation of registration under CGST Act
 - (d) All of the above

4. Which of the following persons are not liable for registration?
 - (a) Any person engaged exclusively in supplying services wholly exempt from tax.
 - (b) Persons making any inter-State taxable supply of goods
 - (c) Both (a) and (b)
 - (d) None of the above

5. Which of the following statements is not correct for a tax payer who has opted for composition scheme?
 - (a) A registered person supplying goods under the composition scheme shall issue a bill of supply.
 - (b) Last date for payment of 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 the 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.

6. Which one of 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) The business has been discontinued.
 - (c) A composition taxpayer has not furnished returns for three consecutive tax periods.
 - (d) A registered person, other than composition taxpayer, has not furnished returns for three consecutive tax periods.

7. 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. The details of his turnover are as under:
- a) For the period July, 2017 to March, 2018: Rs. 19,00,000/-.
- Mr. Champak, has earned continuous rental income of Rs. 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 Rs. 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) Rs. 20,85,000/-; Liable for registration.
 (b) Rs. 20,35,000/-; Liable for registration.
 (c) Rs. 19,00,000/-; Not liable for registration.
 (d) Rs. 19,50,000/-; Liable for registration.
8. State which of the following statement is incorrect:
- (i) An 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
9. Mr. Natwarlal, a registered person under GST, was the proprietor of M/s. Spiceton 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. Spiceton 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 the name and style M/s. Spiceton Restaurant, under his own PAN and file Form ITC-02.
 (b) The son can get the authorized signatory changed by approaching to the Proper Officer and can continue the same business.
 (c) The son should close the old firm and start new business under different name.
 (d) The son should do the business as his mother as the new proprietor of the M/s. Spiceton Restaurant, and son should act as a Manager.

10. Mrs Reena is a consultant. She has provided the following details relating to services provided and received by her:

- (i) Supply of management consultancy services for Rs.500,000/- p.a.
- (ii) Supply of accounting services for Rs.200,000/- p.a.
- (iii) Renting of immovable property for residential purposes for Rs.10,000/- p.m.
- (iv) Management consultancy services provided to a hospital for Rs.50,000/- one time
- (v) Services provided to a client outside India for Rs.50,000/- p.m.
- (vi) Services received from a lawyer for Rs.100,000/-

Calculate her aggregate turnover for a year under GST.

- (a) Rs. 9,10,000
- (b) Rs.15,70,000
- (c) Rs. 14,70,000
- (d) Rs. 8,20,000

11. M/s. Shahrukh Beedi 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 Rs. 90,00,000/-. The Excise duty paid on the cigarettes removed is Rs. 10,00,000/-. CGST and SGST paid on the cigarettes is Rs. 18,00,000/-.

The company also recovered actual freight of Rs. 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 Rs. 5,00,000/-.

Compute the aggregate turnover of M/s. Shahrukh Beedi Company (P) Ltd.,

- (a) Rs. 90,00,000/-
- (b) Rs. 1,00,00,000/-
- (c) Rs. 1,18,00,000/-
- (d) Rs. 1,05,00,000/-

12. State whether the following statements are true or false:

- (i) Zero rated supply means supply of any goods or services or both which attracts nil rate of tax.
 - (ii) 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.
 - (iii) Non-taxable supply means supply of goods or services or both which is not leviable to tax under CGST Act, 2017 but leviable to tax under the Integrated Goods and Services Tax Act, 2017.
 - (iv) 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

13. Mr. Dev Anand is engaged in providing services of facilitating sale and purchase of securities to various clients. He is also engaged in trading of securities. His turnover details are as follows:

Trading of securities Rs 40,00,000/-

Brokerage on account of facilitating transactions in securities Rs 30,00,000/-

You are required to ascertain aggregate turnover of Mr. Dev Anand under GST:

- (a) Rs 30,00,000/-
- (b) Rs 40,00,000/-
- (c) Rs 70,00,000/-
- (d) Rs NIL.

14. Mr. Pappu Singh, commenced his business in Feb-20XX. He has established following units:

- (i) Unit A (in SEZ) and Unit B (non-SEZ) in the State of Maharashtra
- (ii) Unit C in Delhi
- (iii) Unit D and E in the State of Goa

Mr. Pappu Singh has approached you to help him in determining the States and number of registrations he is required to take under GST (presuming the fact that he is making taxable supply from each State and his aggregate turnover exceeds the threshold limit):

- (a) Maharashtra-2: Delhi-1, Goa-Optional 1 or 2
- (b) Maharashtra-Optional 1 or 2: Delhi-1, Goa-Optional 1 or 2
- (c) Maharashtra-1: Delhi-1, Goa-1
- (d) Maharashtra-2: Delhi-1, Goa-2

15. A non-resident taxable person is required to apply for registration:

- (a) within 30 days from the date on which he becomes liable to registration
- (b) within 60 days from the date on which he becomes liable to registration
- (c) at least 5 days prior to the commencement of business
- (d) None of the above

16. Raghav of Assam is exclusively engaged in intra-State taxable supply of readymade garments. His turnover in the current financial year (FY) from Assam showroom is Rs 28 lakh. He has another showroom in Tripura with a turnover of Rs 11 lakh in the current FY. He is required registration in the state of

- (a) Assam
- (b) Tripura
- (c) Assam and Tripura both
- (d) No registration required

17. Pulkit of Panjim, Goa is exclusively engaged in intra-State taxable supply of shoes. His aggregate turnover in the current financial year is Rs 22 lakh. Is he liable for registration?

- (a) Yes
- (b) No

18. Harshit of Himachal Pradesh is exclusively engaged in intra-State supply of pan masala. His aggregate turnover in the current financial year is Rs 24 lakh. Is he liable for registration?

- (a) Yes
- (b) No

19. Ankit of Assam is exclusively engaged in intra-State supply of taxable services. His aggregate turnover in the current financial year is Rs 25 lakh. Is he liable for registration?

- (a) Yes

(b) No

20. Sanchit of Assam is engaged in intra-State supply of both taxable goods and services. His aggregate turnover in the current financial year is Rs 30 lakh. Is he liable for registration?

(a) Yes

(b) No

Answer: -

| | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 1) d | 2) d | 3) d | 4) a | 5) b | 6) d | 7) a | 8) c | 9) a | 10) c |
| 11) d | 12) a | 13) a | 14) a | 15) c | 16) c | 17) b | 18) a | 19) a | 20) a |



CHAPTER 10: TAX INVOICE, CREDIT AND DEBIT NOTE

1. In case of taxable supply of services, invoice shall be issued within a period of _____ from the date of supply of service.
 - (a) 30 days
 - (b) 45 days
 - (c) 60 days
 - (d) 90 days

2. In case of taxable supply of services by an insurer, invoice shall be issued within a period of _____ from the date of supply of service.
 - (a) 30 days
 - (b) 45 days
 - (c) 60 days
 - (d) 90 days

3. In case of continuous supply of services, where due date of payment is ascertainable from the contract, invoice shall be issued:
 - (a) before or at the time when the supplier of service receives the payment
 - (b) on or before the due date of payment
 - (c) Either (a) or (b)
 - (d) None of the above

4. In case of continuous supply of services, where due date of payment is not ascertainable from the contract, invoice shall be issued:
 - (a) before or at the time when the supplier of service receives the payment
 - (b) on or before the due date of payment
 - (c) Either (a) or (b)
 - (d) None of the above

5. Where the goods being sent or taken on approval for sale or return are removed before the supply takes place, the invoice shall be issued:
 - (a) before/at the time of supply
 - (b) 6 months from the date of removal
 - (c) Earlier of (a) or (b)
 - (d) None of the above

6. Avtaar Enterprises, Kanpur started trading in medicines from July 1, 20XX. Its turnover exceeded Rs 40 lakh 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 the first question is in affirmative, determine the period for which the revised invoices can be issued as also the last date upto 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.

7. Kutch Refineries supplies LPG to XYZ Ltd. by a pipeline under a contract. The terms of contract are:

- (i) Monthly payment of Rs 2 lakh to be made by the recipient on fifth day of the month.
- (ii) A quarterly statement of the goods dispatched and payments made will be issued by seventh day of the month succeeding the relevant quarter.

| | |
|----------------------------------|--|
| August 5, September 5, October 5 | Payments of Rs 2 lakh made in each month |
| October 7 | Statement of accounts issued by supplier for the quarter July - September |
| October 17 | Differential payment of Rs 56,000 received by supplier for the quarter July - September as per statement of accounts |

Which of the following statements is true?

- (a) Invoice will be issued on August 5, September 5, October 5 and October 7.
- (b) Invoice will be issued on August 5, September 5 and October 5.
- (c) Invoice will be issued on August 5, September 5, October 5, October 7 and October 17
- (d) None of the above

8. Which of the following statements is correct while issuing a tax invoice?

- (i) Place of supply in case of inter-State supply is not required to be mentioned
 - (ii) The power of attorney holder can sign the tax invoice in case the taxpayer or his authorised representative has been travelling abroad
 - (iii) Quantity is not required to be mentioned in case of 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

9. What will be the rate of tax and nature of supply of a service, if the 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

10. ASC, a registered person supplied goods amounting to Rs. 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 Rs. 2,36,000/- (inclusive of GST, taxable @ 18%). ASC, issued a credit note of Rs.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 the 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 the above 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.

11. Can a registered person issue one (consolidated) or more debit/Credit notes in respect of multiple invoices issued in a financial year without linking the same to individual invoices.
- (a) Yes
(b) No
12. Signature or digital signature of supplier/ authorised representative not required on following documents:
- (a) Electronic tax invoice/Bill of supply
(b) Electronic consolidated tax invoice in case of Insurance/Banking companies, financial institutions including NBFCs
(c) Electronic ticket issued for passenger transportation service
(d) All of the above
13. Bill of supply is issued in case of:
- (a) Exempted supplies
(b) Supplies by composition dealer
(c) Both of above
(d) None of the above.
14. The name of the State of recipient along with State code are required in invoice when:
- (a) Supplies are made to registered persons
(b) Supplies are made to unregistered persons where the value of supply is Rs. 50,000 or more
(c) Supplies are made to unregistered persons for any value.
(d) None of the above
15. When goods sent on sale on approval basis, invoice has to be issued:
- (a) while sending the goods;
(b) when the recipient accepts the goods or six months from date of removal, whichever is earlier
(c) when the recipient accepts the goods or one months from the date of removal, whichever is earlier
(d) None of the above

Answer:-

| | | | | | | | | | |
|-------|-------|-------|-------|-------|------|------|------|------|-------|
| 1) a | 2) b | 3) b | 4) a | 5) c | 6) b | 7) a | 8) c | 9) c | 10) a |
| 11) a | 12) d | 13) c | 14) b | 15) b | | | | | |

CHAPTER 11: ACCOUNTS AND RECORDS

1. 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 the due date of furnishing of annual return for the year pertaining to such accounts and records.
 - (b) 1 year after final disposal of such investigation.
 - (c) (a) or (b), whichever is later
 - (d) None of the above

2. Which of the following statements are true w.r.t. 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 the dealers registered under composition scheme.
 - 3) Stock record is to be maintained by all registered dealers including composition dealers.
 - 4) Monthly production records are to be maintained by all dealers except the dealers who have taken option for composition
 - 5) Monthly production records are to be maintained by all dealers including composition dealer
 - 6) Records are to be maintained at principal place of business.Which of the above are correct?
 - (a) 1,2,5,6
 - (b) 1,3,5
 - (c) 1,3,4
 - (d) 1,2,4,6

3. Books of accounts of Central/State Government or local authority which are subject to audit by CAG or any statutory auditor appointed for auditing the accounts of local authorities are not subject to audit by a Chartered Accountant/Cost Accountant.
 - (a) True
 - (b) False
 - (c) Partially true
 - (d) None

4. Who is required to maintain records u/s 35?
 - (a) Every registered person under GST
 - (b) Every owner or operator of warehouse/godown/any other place where goods are stored
 - (c) Every transporter of goods
 - (d) All of the above

5. IF registered person has, more than one place of business situated within a state specified in the RC, the books & Accounts shall be maintained at
 - (a) Each place of business pertaining to such place
 - (b) Any place of business
 - (c) At only principal place of business
 - (d) Any of the above



6. If a turnover during a financial year exceeds the prescribed limit of 2 cr, accounts to be audited by
- Chartered Accountant
 - Cost Accountant
 - Both (a) and (b)
 - Either (a) or (b)
7. Every registered person whose aggregate turnover during a financial year exceeds the prescribed limit of _____ shall get his accounts audited by a chartered accountant or a cost accountant.
- 2 Crore
 - 5 Crore
 - 1 Crore
 - Tax Audit
8. Who shall maintain proper accounts of job work-related inputs and capital goods:
- Principal
 - Job worker
 - Both job worker & principal
 - Either (A) or (b)
9. What are the consequences if taxable goods are found in a place other than those declared without valid documents?
- PO shall impose penalty
 - PO shall determine the amount of tax on such goods
 - No consequences
 - Any of the above
10. Can a transporter who is registered in more than one State/UT having the same Pan, apply for a unique common enrolment number in
- Yes
 - No
11. Which documents are required to send goods from branch office in one State to head office in another State?
- Tax invoice and e way bill
 - Receipt Voucher and e way bill
 - Payment Voucher and e way bill
 - All of the above.
12. 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?
- 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 Rs. 50,000
- (c) E-way Bill is mandatory even if the value of consignment does not exceed Rs. 50,000
- (d) None of the above.

13. M/s Gyaan 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: Rs. 35,000/-
- (ii) Value of exempted supplies: Rs. 8,000/-
- (iii) Value of goods to be sent to job worker on delivery challan: Rs. 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/-

14. What is a valid tenure for an e-way bill for a distance upto 100 km?

- (a) One day in cases other than Over Dimensional Cargo
- (b) One additional day in case of Over Dimensional Cargo
- (c) One additional day in cases other than Over Dimensional Cargo
- (d) One day in case of Over Dimensional Cargo

15. The clearing & forwarding agent shall maintain true and correct records in respect of

- (a) Such goods handled by him on behalf of the registered person
- (b) Goods supplied by him
- (c) Goods procured by him
- (d) None of the above

Answer:-

| | | | | | | | | | |
|-------|-------|-------|-------|-------|------|------|------|------|-------|
| 1. c | 2. a | 3. a | 4. d | 5. a | 6. d | 7. a | 8. a | 9. b | 10. a |
| 11. a | 12. c | 13. c | 14. a | 15. a | | | | | |

CHAPTER 12: PAYMENT OF TAX

1. Which of these electronic ledgers/register are maintained online?
 - (a) Electronic liability register
 - (b) Electronic credit ledger
 - (c) Electronic cash ledger
 - (d) All of the above

2. Deposits towards tax, penalty, interest, fee or any other amount are credited into the _____ of a taxable person.
 - (a) Electronic liability register
 - (b) Electronic credit ledger
 - (c) Electronic cash ledger
 - (d) All of the above

3. Input tax credit as self-assessed in the return of the registered person shall be credited to which of the following ledger?
 - (a) Electronic liability register
 - (b) Electronic credit ledger
 - (c) Electronic cash ledger
 - (d) All of the above

4. Which of the following items are debited to electronic credit ledger?
 - (a) Output tax
 - (b) Interest
 - (c) Penalty
 - (d) All of the above

5. Balance in electronic credit ledger under SGST can be used against which liability?
 - (a) SGST Liability only
 - (b) SGST and IGST liability
 - (c) SGST, IGST and CGST liability
 - (d) None of the above

6. Which input tax credit cannot be claimed against which output tax liability?
 - (a) IGST, SGST
 - (b) CGST, IGST
 - (c) SGST, IGST
 - (d) CGST, SGST

7. Interest is payable on:-
 - (a) Belated payment of tax
 - (b) Undue/excess claim of input tax credit
 - (c) Undue/ excess reduction in output tax liability
 - (d) All of the above



8. Which of the following liability cannot be adjusted against input tax credit of CGST?
- IGST
 - SGST/UTGST
 - All of the above
 - None of the above
9. Which of the following shall be discharged first, while discharging liability of a taxable person?
- All dues related to previous tax period
 - All dues related to current tax period
 - Demand raised under section 73 and 74
 - No such condition is mandatory
10. Interest is calculated:-
- From the day following the day on which tax becomes due to be paid
 - From the last day such tax was due to be paid
 - No period is specified
 - None of the above
11. Which of the following statement is true:
- Which date is considered as date of deposit of the tax dues
- Date of presentation of cheque or
 - Date of payment or
 - Date of credit of amount in the account of Government
12. A taxable person has made following supplies in January, 2018 -
- Sales within the State - Rs 2,00,000.
 Exports out of India- Rs 60,000.
 Supplies to SEZ located within the State - Rs 40,000.
- He does not intend to clear goods under Letter of Undertaking (LUT) or bond. The input tax credit available to him during January, 2018 - IGST - Nil. CGST - Rs 10,000. SGST - Rs 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?
- CGST - Rs 8,000 SGST - Nil
 - CGST - Rs 11,600 SGST - Rs 1,600
 - CGST - Rs 8,000, SGST - Nil, IGST - Rs 5,200
 - CGST - Rs 8,000 SGST - Nil, IGST -Rs 16,000
13. Analyse the transactions mentioned below-
- Mr. Abhinay, provides architect services to Institute for Rural Development, a Government Agency for Rs. 2,80,000/- (inclusive of Rs. 30,000/- GST) under a contract in October, 2018. Mr. Abhinay, is registered under GST. Being a registered supplier, Institute for Rural Development deducted TDS of supplier.
 - M/s. Manmohak Apparels, is registered under GST in Madhya Pradesh. It sells leather handbags across India through e-commerce operator Pingpong. Pingpong, is also registered with Madhya Pradesh GST Authority as TCS collector and collected TCS @ 1% (0.5% CGST + 0.5% SGST) on supplies made through it. M/s. Manmohak Apparels made sales of Rs. 3,45,000/-

<https://t.me/carameshsoni>

and received sales returns of Rs. 67,700/- in the month of October, 2018. Sales are inclusive of tax. Leather handbags are taxable @ 18% GST. Pingpong, collected TCS of Rs. 2,350/- from M/s Manmohak Apparels.

Which of the transactions are in compliance with section 51 and section 52 of CGST Act?

- (a) Only (i)
- (b) Only (ii)
- (c) Both (i) and (ii)
- (d) Neither (i) nor (ii)

14. 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?

- (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'.

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)



15. Mr. X, a supplier of goods, pays GST under regular scheme. The amount of input tax credit (ITC) available and output tax liability under different tax heads is as under:-

| Head | Output tax liability | ITC |
|------------|----------------------|------|
| IGST | 2000 | 4000 |
| CGST | 800 | 2000 |
| SGST/UTGST | 2500 | 500 |

Compute the minimum GST payable in cash by Mr. X.

- (a) 2000
- (b) 500
- (c) Nil
- (d) 1200

Answer:-

| | | | | | | | | | |
|-------|-------|-------|-------|-------|------|------|------|------|-------|
| 1) d | 2) c | 3) b | 4) a | 5) b | 6) d | 7) d | 8) b | 9) a | 10) a |
| 11) c | 12) d | 13) b | 14) d | 15) c | | | | | |

CHAPTER 13: RETURNS

1. Who is required to furnish details of outward supplies in Form GSTR-1?
 - (a) Person paying tax under composition scheme
 - (b) Non-resident taxable person
 - (c) Both (a) & (b)
 - (d) None of the above

2. What does N stand for in HSN?
 - (a) Network
 - (b) Nationalization
 - (c) Nomenclature
 - (d) Nomination

3. Which form is furnished for submission of details of outward supplies u/s 37?
 - (a) GSTR-1
 - (b) GSTR-2
 - (c) GSTR-3
 - (d) GSTR-5

4. What is the due date for submission of monthly GSTR-1?
 - (a) on or before 10th day of the immediately succeeding month
 - (b) on or before 15th day of the immediately succeeding month
 - (c) on or before 17th day of the immediately succeeding month
 - (d) on or before 20th day of the immediately succeeding month

5. Composition tax payer is required to file return in Form no. _____.
 - (a) GSTR-2
 - (b) GSTR-3
 - (c) GSTR-4
 - (d) GSTR-5

6. Which of the following are not required to file the annual return?
 - (a) Input Service Distributor
 - (b) Casual Taxable Person
 - (c) Non-resident Taxpayer
 - (d) All of the above

7. The maximum amount of late fee payable under the CGST Act for delay in furnishing returns under section 39 is Rs _____.
 - (a) 1,000
 - (b) 5,000
 - (c) 20,000
 - (d) 25,000

8. The due date of filing final return is _____.
 - (a) 20th of the next month

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- (b) 18th of the month succeeding the quarter
 - (c) Within three months of the date of cancellation or date of order of cancellation, whichever is later
 - (d) 31st December of next financial year
9. What is the time period available to a sales tax practitioner/ tax return preparer enrolled as a GSTP to pass the examination conducted by NACIN.
- (a) 12 months
 - (b) 18 months
 - (c) 6 months
 - (d) 30 months
10. What are the functions of a GSTP.
- (a) furnish information for generation of e-way bill;
 - (b) file an application for amendment or cancellation of enrolment under rule 58
 - (c) file an intimation to pay tax under the composition scheme or withdraw from the said scheme
 - (d) All of the above.
11. Composition taxpayers and tax payers paying tax under Notification No. 2/2019 CT dated 01.03.2019 are required to
- (a) Furnish return in GSTR 4 and a statement containing details of payment of self-assessed tax in GST CMP 08
 - (b) Only Furnish return in GSTR 4 annually.
 - (c) Only furnish a statement containing details of payment of self-assessed tax in GST CMP 08
 - (d) None of the above
12. Which of the following is correct?
- (a) Non-Resident taxable person shall file the return by 20th of succeeding month in Form GSTR 5
 - (b) Input Service Distributor shall furnish the return by 13th of the succeeding month in Form GSTR 6
 - (c) The person deducting tax at source shall furnish the return by 10th of the succeeding month in Form GSTR 7
 - (d) All the above
13. The e-commerce operator collecting tax under section 52 shall file its monthly return in
- (a) Form GSTR 8 by 18th of the succeeding month
 - (b) Form GSTR 7 20th of the month succeeding the quarter
 - (c) Form GSTR 8 17th of the succeeding month
 - (d) Form GSTR 8 10th of the succeeding month
14. The First return shall be filed by every registered taxable person for the period from
- (a) The date on which he became liable for registration till the date of grant of registration
 - (b) The date of registration to the last day of that month
 - (c) The date on which he became liable for registration till the last day of that month
 - (d) All of the above

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15. A goods and service tax practitioner can undertake the following activities if authorized by the taxable person

- (a) Furnish details inward and outward supplies
- (b) Furnish monthly / quarterly return
- (c) Furnish Annual and Final return
- (d) All of the above

Answer:-

| | | | | | | | | | |
|-------|-------|-------|-------|-------|------|------|------|------|-------|
| 1) d | 2) c | 3) a | 4) a | 5) c | 6) d | 7) b | 8) c | 9) d | 10) d |
| 11) a | 12) d | 13) d | 14) a | 15) d | | | | | |



CHAPTER 14: IMPORT AND EXPORT UNDER GST

1. 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

2. Fury Ltd. has received an order for supply of services amounting to \$ 5,00,000/- from a US based client. Fury Ltd. is unable to supply the entire services from India and asks Neik Inc., Mexico (who is not an establishment of Fury Ltd.) to supply a part of the services, i.e. 40% of the total contract value to the 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 Neik Inc., Mexico which is approved by a special order of RBI. Fury Ltd. also paid IGST@ 18% on the services imported from Neik Inc. Mexico. Assuming all the conditions of section 2(6) of the IGST Act, 2017 are fulfilled, determine the value of export of services:
 - (a) \$ 3,00,000
 - (b) \$ 5,00,000
 - (c) \$ 3,90,000
 - (d) \$ 5,90,000

3. Export of goods means
 - (a) Taking of goods out of India to a place out of India
 - (b) Supply of service out of India to a place out of India
 - (c) Any of the above
 - (d) (a) & (b) both

4. The Tourist can claim refund of
 - (a) IGST on supply of goods and services.
 - (b) IGST on supply of goods only
 - (c) IGST on supply of Services only
 - (d) None of the above

5. Who is liable to pay tax on OIDAR Service provided from not taxable territory & received by NTOR?
 - (a) Supplier of service
 - (b) Supplier of goods
 - (c) Any of the above
 - (d) None of the above

6. What does OIDAR stand for?
- Other Information and Digitally Access Services
 - Online Information and Data Access Services
 - Online Information and Database Access or Retrieval Services
 - Online India Database access and Retrieval Service
7. Tourist means a person not normally resident in India, who enters India for a stay of not more than for legitimate non-immigrant purpose.
- 182 days
 - 90 days
 - 6 months
 - NA
8. Import of goods by SEZ units and developer for its authorised operations
- IGST is payable
 - Exempted from IGST
 - Nil rated supply
 - Zero rated supply
9. Any article being imported into India is liable to
- CGST & SGST
 - CGST & UTGST
 - IGST
 - Cess
10. Exporters registered under GST can export without payment of IGST on execution of LUT, except those who have been prosecuted under any law where tax evaded exceeds:
- Rs. 100 lakhs
 - Rs. 150 lakhs
 - Rs. 250 lakhs
 - Rs. 200 lakhs

Answers:

| | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|-------|
| 1. c | 2. b | 3. a | 4. b | 5. a | 6. c | 7. c | 8. b | 9. c | 10. c |
|------|------|------|------|------|------|------|------|------|-------|

CHAPTER 15: REFUNDS

1. A registered person can claim refund any unutilised input tax credit on zero rated supplies without payment of tax or the credit accumulated on account of inverted tax rate structure:
- at the end of the tax period, but before the expiry of 2 years from the relevant date.
 - before the expiry of the tax period.
 - before the expiry of 3 years from the relevant date.
 - before the expiry of 18 months from the relevant date.

2. 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. However, 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? State which of the following option is correct-

- Integrated tax is payable by M/s. Sunlight Associates, but refund of payment of such tax is not allowed
- Integrated tax is payable by the foreign client and M/s. Sunlight Associates can claim ITC of such payment made
- Integrated tax is payable by M/s. Sunlight Associates, and refund of payment of such tax is allowed
- Integrated tax is not payable and refund of accumulated ITC is allowed

3. Refunds will not be allowed in cases of:-

- Exports made on which export duty is levied
- Exports made without payment of tax
- Inverted duty structures where tax on inputs are higher than tax on outputs
- None of the above

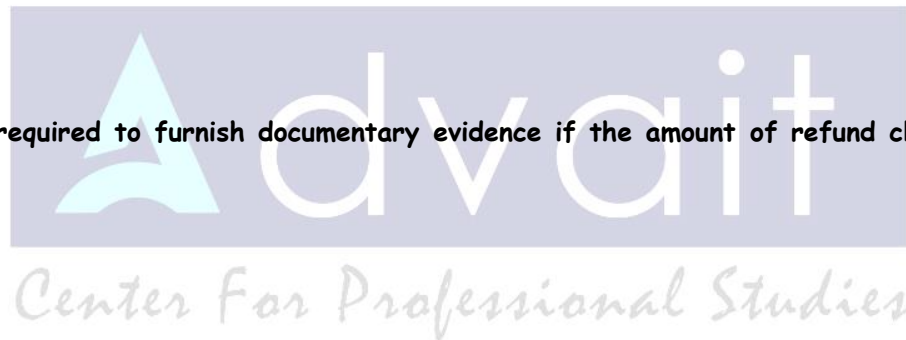
4. Refund application is to be filed before the expiry of _____ from the relevant date.

- Two years
- One year
- 180 days
- 260 days

5. A specialised agency of the UNO can claim refund of tax paid on...

- Intra-State supply of goods and/or services
- Inter-state supply of goods and/or services
- Inward supply of goods and/or services
- All of the above

6. A registered person claiming refund of balance in electronic cash ledger may make such a claim in: -
- Application for refund
 - Annual Return
 - Returns filed at the end of tax periods
 - None of the above
7. Refunds would be allowed on a provisional basis in case of refund claims on account of zero-rated supplies of goods and/or services made by registered persons. At what percentage, would such provisional refunds be granted?
- 70%
 - 65%
 - 80%
 - 90%
8. Order sanctioning the amount of refund due to the said applicant on a provisional basis shall be made within _____ from the date of the acknowledgement.
- 7 days
 - 15 days
 - 30 days
 - 2 months
9. The applicant is not required to furnish documentary evidence if the amount of refund claimed is less than:-
- 6 lacs
 - 2 lac
 - 10 lac
 - 20 lac
10. Refund shall not be paid to the applicant if the amount of refund is less than
- 1000
 - 5000
 - 7000
 - 10000
11. The sanctioned refund amount can be adjusted against the payments which the assessee is liable to pay but remains unpaid under the erstwhile law.
- Tax
 - Penalty
 - Interest and other amounts
 - All of the above
12. The time limit available to proper officer to pass final order after accepting the refund application is -
- Within sixty days from the date of receipt of application.
 - Within eighty days from the date of receipt of application.
 - Within ninety days from the date of receipt of application.



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(d) Within thirty days from the date of receipt of application.

13. Interest on refund amount is required to be paid after expiry of from the date of receipt of the application

- (a) 60 days
- (b) 90 days
- (c) 180 days
- (d) 240 days

14. What is the rate of interest to be payable in case of delay in sanctioning the refund claimed?

- (a) Not exceeding 6%
- (b) Not exceeding 8%
- (c) Not exceeding 10%
- (d) Not exceeding 12%

Answer:-

| | | | | | | | | | |
|-------|-------|-------|-------|------|------|------|------|------|-------|
| 1) a | 2) c | 3) a | 4) a | 5) c | 6) c | 7) d | 8) a | 9) b | 10) a |
| 11) d | 12) a | 13) a | 14) a | | | | | | |



CHAPTER 16: JOB WORK

1. 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 and 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 input tax credit on purchase of such items. The following transactions took place in this regard:

| Value of goods sent to job worker | Input tax paid on such goods | Date of purchase of goods 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. |
|-----------------------------------|------------------------------|---|--|---|
| Rs 50,000 | Rs 6,000 | 10-07-2017 | 15-07-2017 | 12-07-2018 |
| Rs 2,00,000 | Rs 24,000 | 25-09-2017 | 27-09-2017 | 13-10-2018 |
| Rs 8,00,000 | Rs 96,000 | 22-12-2017 | 25-12-2017 | 16-08-2019 |
| Rs 10,00,000 | Rs 1,20,000 | 21-01-2018 | 25-01-2018 | 23-01-2019 |
| Rs 3,50,000 | Rs 42,000 | 24-02-2018 | 26-02-2018 | 28-02-2019 |

Determine the total amount to be added to the output tax liability of M/s. Lex Corp. (P) Ltd. in case of violation of section 143 of the CGST Act, 2017. Ignore the different point of times when the amount is added to the output tax liability.

- (a) Rs 2,88,000/- + Interest @ 18%
 (b) Rs 2,88,000/- + Interest @ 24%
 (c) 1,62,000/- + Interest @ 24%
 (d) 1,62,000/- + Interest @ 18%
2. What is the amount payable by Principal if goods are not brought back within the time allowed for job work?
 (a) Tax
 (b) Tax, interest & penalty
 (c) Tax and interest
 (d) Any of the above
3. What is the periodicity of Form GST ITC-04?
 (a) Daily
 (b) Monthly
 (c) Quarterly
 (d) Yearly
4. Who can discharge GST liability on the scrap generated during job-work?
 (a) Registered Job-worker
 (b) Principal, if job-worker unregistered
 (c) Any third party
 (d) Either option (a) or (b)

5. Who is a principal as per Section 143?
- A person who sends inputs/CGs for job-work
 - A registered taxable person who sends inputs and/or CGs for job-work
 - A registered taxable person who supplies inputs and/or capital goods for job-work
 - A registered person
6. Who can extend the time limit for bringing goods back from Job worker?
- Commission
 - Proper officer
 - Job worker
 - Principal
7. A registered person (Principal) is allowed to send inputs or capital goods to a job worker for job work without payment of tax subject to the conditions, inter alia, that the inputs and capital goods are brought back within a period of 1 year and 3 years respectively. Can the time limit be extended, if yes by how much?
- Yes, by 1 year for Inputs and by 2 years for capital goods
 - No
 - Yes, by 1 year for Inputs and by 3 years for capital goods
 - Yes, by 2 year for Inputs and by 2 years for capital goods
8. Should the principal referred to in Section 143 be registered?
- Yes
 - No
9. Will a principal who sends moulds, dies, jigs, tools and fixtures to job worker's place liable to pay GST on such removal?
- No, it is not a supply
 - Yes, if not received within time limit
 - No, as capital goods as referred in section 143 excludes moulds, dies, jigs, tools and fixtures.
 - None of the above
10. GST is applicable on _____
- Inputs and/or capital goods sent to job-worker (Satisfying conditions u/s 143)
 - The job-worker charges and additional material added by the job-worker on the inputs sent by the principal
 - Both of the above
 - None of the above
11. When should a job-worker take registration?
- Always
 - Only if his aggregate turnover exceeds the threshold limits specified under Section 22 of the Act.
 - Never
 - None of the above

12. Can a principal supply inputs and/or capital goods from the job-worker's premises?
- Yes, only when the job-worker is registered
 - Yes, even if the job-worker is unregistered by declaring the job-worker's premises as his additional place of business
 - Yes, irrespective of whether the job-worker is registered or not, principal is engaged in the supply of goods which are notified by the Commissioner on this behalf
 - All of the above
13. Mr. X has sent his goods to Mr. Y on job-work on 07-05-2017. From when it will be considered as deemed supply if not received back within one year (further extended by one year)?
- 06-05-2018
 - 07-05-2017
 - 03-11-2018
 - Not Taxable
14. If the inputs are not received back within the prescribed limit by the principal then, who is responsible to pay the GST?
- Job worker
 - Principal
 - Job worker is responsible when sending such inputs and Principal needs to reverse the ITC taken earlier.
 - None of the above
15. What is the time limit to receive back the tools and dies or jigs and fixtures sent to job-worker's place?
- 1 year
 - 3 years
 - 5 years
 - No time limit specified under GST

Answer:

| | | | | | | | | | |
|-------|-------|-------|-------|-------|------|------|------|------|-------|
| 1. d | 2. c | 3. c | 4. d | 5. d | 6. a | 7. a | 8. a | 9. c | 10. b |
| 11. b | 12. d | 13. b | 14. b | 15. d | | | | | |

CHAPTER 17: ASSESSMENT AND AUDIT

1. **Special Audit under GST is conducted by :**
 - (a) The CGST Officers
 - (b) The SGST Officers
 - (c) Chartered Accountant/Cost Accountant
 - (d) Any of the above

2. **The time-limit for issuance of order of Best Judgment assessment is:**
 - (a) 5 years from the date specified for furnishing of the annual return for the financial year to which the tax not paid relates.
 - (b) 4 years from the date specified for furnishing of the annual return for the financial year to which the tax not paid relates.
 - (c) 3 years from the date specified for furnishing of the annual return for the financial year to which the tax not paid relates.
 - (d) None of the above

3. **Ms. Reena Banerji is engaged in retail business of selling mobile phones in the State of West Bengal. She has effected supplies to the customers in the State of Uttar Pradesh and Haryana. Her total turnover during the financial year ending 31st March, 20XX is Rs 18,00,000. Owing to low profit margins in the business, she has decided to shut down the business in April 20XX.**

The proper officer has collected evidences of the inter-State sale of mobile phones effected by Ms. Reena 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 the 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

4. **Audit by tax authorities can be conducted for a part of a year**
 - (a) True
 - (b) False

5. **The summary of assessment orders under section 62, 63 and 64 of the CGST Act is required to be uploaded electronically.**
 - (a) Yes
 - (b) No

6. **A taxable person may apply for provisional assessment:**
 - (a) when the taxable person is not able to determine the value of goods and/or services
 - (b) when the taxable person is not able to determine the rate of tax.
 - (c) (a) or (b)
 - (d) (a) and (b)

7. **The provisional assessment sought by a taxable person can be used by:**
- The taxable person who has sought the provisional assessment.
 - The friends and relatives of the taxable person who has sought the provisional assessment.
 - The holding/subsidiary company of the taxable person who has sought the provisional assessment.
 - None of the above.
8. **The payment of tax on provisional basis may be allowed, if the taxable person:**
- executes a bond in such form as may be prescribed in this behalf
 - with such surety or security as the proper officer may deem fit, binding the taxable person for differential tax if any.
 - (a) or (b)
 - (a) & (b)
9. **What is the time period within which the final assessment order should be passed?**
- Six months from the date of the provisional assessment.
 - Nine months from the date of the provisional assessment.
 - Three months from the date of the provisional assessment.
 - One months from the date of the provisional assessment.
10. **If final order is not passed within six months, time period specified in 60(1) may, on sufficient cause being shown and for reasons to be recorded in writing, be extended:**
- by the Joint/Additional Commissioner for a further period of 6 months and by the Commissioner for such further period not exceeding 4 years.
 - by the Commissioner for a further period of 6 months.
 - by the Joint/Additional Commissioner for a further period of 1 year.
 - by the Joint/Additional Commissioner for a further period of 1 year and by the Commissioner for a further period of 6 months.
11. **Whether any additional interest/penalty/prosecution will be leviable for non-payment of tax determined under provisional assessment?**
- Only interest specified under Section 50 will be liable.
 - Interest u/s 50 + Penalty of ` 10,000.
 - Only Penalty @ 50% of the default amount.
 - No Penalty, only Prosecution.
12. **What shall be interest payable to the taxable person if he is entitled to a refund consequent to the order for final assessment?**
- Interest shall be payable only after 6 months after the final Assessment.
 - Interest shall be payable only after 3 months after the final Assessment.
 - Interest shall be paid on such refund as provided in Section 56.
 - No interest shall be payable on the refund.
13. **Whether all the returns submitted under Section 39 will be scrutinised?**
- No, 50% of the returns submitted under Section 39 will be scrutinised.
 - Yes, all the returns submitted under Section 39 will be scrutinised.
 - No, Returns submitted under Section 39 will be self-assessed and proper officer may select any

return for scrutiny under this Section.

(d) No, 35% of the returns submitted under Section 39 will be scrutinised.

14. Is there any time limit specified to furnish the return after serving of assessment order?

- (a) Yes, Return has to be filed by registered person who has failed to submit return under Section 39 or Section 45 within 15 days from service the assessment order.
- (b) Yes, Return has to be filed by registered person who has failed to submit return under Section 39 or Section 45 within 30 days from service the assessment order.
- (c) Yes, Return has to be filed by registered person who has failed to submit return under Section 39 or Section 45 within 45 days from service the assessment order.
- (d) No time limit has been specified.

15. What are the consequences, where a registered person fails to furnish the return required under Section 39 or Section 45, even after the service of a notice under Section 46?

- (a) The proper officer may proceed to assess the tax liability of the said person to the best of his judgement.
- (b) issue an assessment order within a period of five years from the date specified under Section 44
- (c) (a) or (b)
- (d) (a) and (b)

16. If the registered person furnishes a valid return withinof the service of the assessment order u/s 62 (1), the said assessment order shall be deemed to have been withdrawn.

- (a) 30 days
- (b) 60 days
- (c) 1 month
- (d) 2 months.

17. What is the consequence, where a taxable person fails to obtain registration even though liable to do so?

- (a) Proper officer may assess the tax liability to the best of his judgement.
- (b) Issue a show cause notice and pass assessment order after providing opportunity of being heard.
- (c) (a) or (b)
- (d) (a) and (b)

18. Whether proper officer can proceed Suo-moto in assessing the tax liability of a taxable person on possession of relevant evidence?

- (a) No, the proper officer has to obtain prior permission of [Additional/Joint Commissioner] to proceed to assess the tax liability.
- (b) No, the proper officer has to obtain prior permission of Chief Commissioner to proceed to assess the tax liability.
- (c) No, the proper officer has to obtain prior permission of Principle Chief Commissioner to proceed to assess the tax liability.
- (d) Yes, the proper officer can proceed Suo-moto in assessing the tax liability of a taxable person on possession of relevant evidence.

19. The order u/s 64 may be withdrawn:

- (a) On an application made by taxable person,
- (b) If the Additional/Joint Commissioner considers that such order is erroneous.
- (c) (a) or (b)
- (d) The order passed u/s 64 cannot be withdrawn.

20. What are the pre requisites for proper officer to pass assessment order under Section 63?

- (a) Period selected for assessment has to be within 5 years from the end of due date for filing annual return of relevant period.
- (b) Show cause notice has to be issued before passing assessment order.
- (c) Opportunity of being heard has to be given before passing assessment order.
- (d) All of the above.

Answer: -

| | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 1) c | 2) a | 3) c | 4) a | 5) a | 6) c | 7) a | 8) d | 9) a | 10) a |
| 11) a | 12) c | 13) c | 14) b | 15) d | 16) a | 17) d | 18) a | 19) c | 20) d |



CHAPTER 18: INSPECTION, SEARCH SEIZURE AND ARREST

1. 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

2. Which are the places of business / premises which can be inspected by the proper officer under this section?
 - (a) Any places of business of a taxable person
 - (b) Any places of business of a taxable person engaged in the business of transporting goods
 - (c) Any places of business of an owner or an operator of a warehouse or godown or any other place.
 - (d) All of the above

3. Is it mandatory that 'reasons to believe' must exist before issuing authorization for Inspection or Search and Seizure by the proper officer?
 - (a) Yes
 - (b) No

4. Can the seized goods be released on provisional basis upon execution of a bond and furnishing of security or on payment of applicable tax, interest and penalty?
 - (a) Yes
 - (b) No
 - (c) At proper officer's discretion
 - (d) None of the above

5. All arrests should be made as per the provisions of
 - (a) Code of Criminal Procedure, 1973
 - (b) Civil Procedure Code
 - (c) Indian Penal Code
 - (d) Foreign Exchange Management Act

Answer: -

| | | | | | | | | | | | | | | | |
|----|---|----|---|----|---|----|---|----|---|--|--|--|--|--|--|
| 1) | d | 2) | d | 3) | a | 4) | a | 5) | a | | | | | | |
|----|---|----|---|----|---|----|---|----|---|--|--|--|--|--|--|

CHAPTER 19: DEMANDS AND RECOVERY

1. **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 the due date of filing Annual Return for the Financial Year to which the demand pertains.
 - (b) 3 years from the due date of filing Annual Return for the Financial Year to which the demand pertains.
 - (c) 4 years and 6 months from the due date of filing Annual Return for the Financial Year to which the demand pertains.
 - (d) 5 years from the due date of filing Annual Return for the Financial Year to which the demand pertains.

2. **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 issued latest by_____.**
 - (a) 31.12.2021
 - (b) 30.09.2021
 - (c) 30.06.2021
 - (d) 31.12.2020

3. **Time-limit for issuance of show cause notice in case of any amount collected as tax but not paid to the Central Government is:**
 - (a) 2 years and 9 months from the due date of filing Annual Return for the Financial Year to which the demand pertains.
 - (b) 3 years from the due date of filing Annual Return for the Financial Year to which the demand pertains.
 - (c) 4 years and 6 months from the due date of filing Annual Return for the Financial Year to which the demand pertains.
 - (d) None of the above

4. **What is the time limit for issue of order in case of fraud, misstatement or suppression?**
 - (a) 30 months
 - (b) 18 months
 - (c) 5 years
 - (d) 3 years

5. **What is the time limit for issue of order in case of other than fraud, misstatement or suppression?**
 - (a) 30 months
 - (b) 18 months
 - (c) 5 years
 - (d) 3 years

6. What is the maximum amount of demand for which the officer can issue an order under section 73 in case of other than fraud, misstatement or suppression?
- (a) Amount of tax + interest + penalty of 10% of tax
 - (b) Amount of tax + interest + penalty of 10% of tax or Rs 10,000/- whichever is higher
 - (c) Rs 10,000/-
 - (d) Amount of tax + interest + 25% penalty
7. What is the maximum amount of demand for which the officer can issue an order under section 74 in case fraud, misstatement or suppression?
- (a) Amount of tax + interest + penalty of 15% of tax
 - (b) Amount of tax + interest + penalty of 25% of tax
 - (c) Amount of tax + interest + penalty of 50% of tax
 - (d) Amount of tax + interest + penalty of 100% of tax
8. Where the service of Notice or issuance of order is stayed by a Court order, can the period of such stay be excluded in computing the period specified in sub-sections (2) and (10) of section 73 or in sub-sections (2) and (10) of section 74?
- (a) Yes
 - (b) No
 - (c) At proper officer's discretion
 - (d) None of the above
9. What is the maximum number of times a hearing can be adjourned?
- (a) 1
 - (b) 3
 - (c) 5
 - (d) None of the above
10. Whether the amount of tax, interest and penalty demanded in the order can exceed the amount specified in the Notice?
- (a) Yes
 - (b) No
 - (c) At proper officer's discretion
 - (d) None of the above
11. What happens if a taxable person has paid CGST & SGST or, as the case may be, CGST & UTGST (in SGST / UTGST Act) on a transaction considered by him to be an intra-state supply but which is subsequently held to be an inter-state supply?
- (a) Seek refund
 - (b) Adjust against future liability
 - (c) Take re-credit
 - (d) File a suit for recovery
12. What happens if a taxable person has paid IGST (in IGST Act) on a transaction considered by him to be an inter-state supply but which is subsequently held to be an intra-state supply?
- (a) Seek refund
 - (b) Adjust against future liability

- (c) Take re-credit
(d) File a suit for recovery
13. Whether a taxable person who has paid IGST on a transaction considered by him to be an inter-state supply, but which is subsequently held to be an intra-state supply is required to pay interest?
(a) Yes
(b) No
(c) At proper officer's discretion
(d) None of the above
14. The time limit for payment of tax demand isfrom the date of service of the order,
(a) 3 months
(b) 90 days
(c) 6 months
(d) 1 year
15. If it is expedient in the interest of the revenue, can the proper officer after recording reasons in writing, require a taxable person to make payment of tax demand within shorter period as may be specified by him?
(a) Yes
(b) No
(c) With prior permission of not below the rank of Joint Commissioner
(d) None of the above
16. Recovery of amount payable by a defaulter can be made from:
(a) Customer
(b) Bank
(c) Post Office
(d) All of the above
17. Maximum number of monthly installments permissible under section 80 is:
(a) 36
(b) 12
(c) 48
(d) 24
18. Which officer/s has the power to grant permission for payment of tax through installment?
(a) Commissioner
(b) Principal Commissioner
(c) Assistant Commissioner
(d) Both (a) and (b)
19. Which of the following acts by a person are treated as void when it is done after any amount has become due from him?
(a) Creates charge on property
(b) Parts with the property belonging to him

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- (c) Parts with the property in his possession
- (d) All of the above

20. What liabilities can be recovered on account of first charge on the property of such taxable person or such person as per section 82 of the CGST Act, 2017?

- (a) Tax
- (b) Interest
- (c) Penalty
- (d) All of the above

21. Till what period does the order passed for provisional attachment is valid?

- (a) Infinite period
- (b) Ten years
- (c) One year
- (d) Till the end of such proceedings

22. Provisional attachment can be done under section 83:

- (a) Before completion of proceedings
- (b) After completion of proceedings
- (c) After 3 attempts to recover dues
- (d) Only if there is risk of delinquency in payment of dues

Answer: -

| | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 1) a | 2) b | 3) d | 4) c | 5) d | 6) b | 7) d | 8) a | 9) b | 10) b |
| 11) a | 12) a | 13) b | 14) a | 15) a | 16) d | 17) d | 18) d | 19) d | 20) d |
| 21) c | 22) a | | | | | | | | |

CHAPTER 20: LIABILITY TO PAY IN CERTAIN CASES

1. **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) The principal shall be jointly and severally liable to pay the GST payable on such goods.
 - (c) Both (a) and (b)
 - (d) None of the above.

2. **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 the retiring partner 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 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 the firm, shall intimate the date of 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 such intimation.

3. **Who is liable to pay the tax in case of Principal and Agent?**
 - (a) Principal
 - (b) Agent
 - (c) Both jointly and severally
 - (d) Jointly

4. **When two or more companies are amalgamated, the liability to pay tax on supplies between the effective date of amalgamation order and date of amalgamation order would be on -**
 - (a) Transferee;
 - (b) Respective companies;
 - (c) Any one of the companies;
 - (d) None of the above.

5. **In case of amalgamation between two companies, such companies shall be treated as two distinct companies till -**
 - (a) Till the date of the Court order
 - (b) Till the effective date of merger
 - (c) Till the date of cancellation of registration
 - (d) None of the above

6. **Intimation regarding appointment of liquidator should be given to the Commissioner within 30 days of**
 - (a) Liquidation
 - (b) Cancellation of registration
 - (c) Appointment of Liquidator

- (d) Order of Court
7. Commissioner will notify the amount of liability within how many days of intimation
- (a) 3 months
 - (b) 30 days
 - (c) 60 days
 - (d) 45 days
8. If the intimation is delayed to the Commissioner, then the retiring partner is liable to pay tax, interest or penalty till:
- (a) The intimation of the date of retirement of partner is received by the Commissioner
 - (b) Till the date of acceptance of intimation by the Department
 - (c) Till the date of retirement
 - (d) Till the date of show cause notice
9. In case of business carried on by minor or other incapacitated person through Guardian/ Agent who is liable to pay tax?
- (a) Guardian
 - (b) Friend
 - (c) Business Partner
 - (d) None
10. If the estate or any portion of the estate of a taxable person is under the control of the Court of Wards, Administrative General etc., and the tax due from such taxable person is liable to be paid by -
- (a) Court of Wards.
 - (b) Taxable Person
 - (c) Legal representative of taxable person
 - (d) None of the above

Answer: -

| | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|-------|
| 1) c | 2) c | 3) c | 4) d | 5) a | 6) c | 7) a | 8) a | 9) a | 10) a |
|------|------|------|------|------|------|------|------|------|-------|

CHAPTER 21: OFFENCES AND PENALTIES

1. Shagun started supply of goods in Vasai, Maharashtra from 01.01.20XX. Her turnover exceeded Rs 20 lakh on 25.01.20XX. However, she didn't apply for registration. Determine the amount of penalty, if any, that may be imposed on Shagun under section 122(1) of the CGST Act, 2017 on 31.03.20XX, if the tax evaded by her, as on said date, on account of failure to obtain registration is Rs 1,26,000:
 - (a) Rs 10,000
 - (b) Rs 1,26,000
 - (c) Rs 12,600
 - (d) None of the above

2. Mr. Motilal, a trader registered in Delhi, receives an order from Mr. Chotilal, registered in Noida, Uttar Pradesh, for supply of goods of Rs. 1,00,000/- taxable @18%. Mr. Motilal, agrees to supply the goods ex-factory. Mr. Motilal, supplied goods on 3-Nov-2018 and issued a tax invoice of Rs. 1,18,000/- (Rs. 1,00,000/- + 18,000/- IGST) in the name of Mr. Chotilal. Mr. Chotilal, arranged his own vehicle for transportation of goods from Delhi to Noida. However, during transportation of goods, the vehicle of Mr. Chotilal, was stopped and checked by the Proper Officer. The Proper officers found that there was no e-way bill along with the tax invoice. The owner of the goods decided to pay the penalty and got the goods released himself. According to the provisions of section 129 of the CGST Act, 2017, what is the amount to be paid for release of goods and who shall make the payment, -
 - (a) Payment of applicable tax and penalty equal to 100% of the tax payable by Mr. Motilal, i.e. Rs. 18,000/- tax + Rs. 18,000/- penalty
 - (b) Payment of applicable tax and penalty equal to 100% of the tax payable by Mr. Chotilal i.e. Rs. 18,000/- tax + Rs. 18,000/- penalty
 - (c) Payment of applicable tax and penalty equal to 100% of the value of goods by Mr. Motilal i.e. Rs. 18,000/- tax + Rs. 1,00,000/- penalty
 - (d) Payment of applicable tax and penalty equal to 50% of the value of goods by Mr. Chotilal i.e. Rs. 18,000/- tax + Rs. 50,000/- penalty

3. In which of the following cases, compounding of offence is not allowed under section 138 of CGST Act, 2017?
 - (a) a person who has been allowed to compound once in respect of any of the offences specified in clauses (a) to (f) of section 132(1).
 - (b) a person who has been convicted for an offence under GST law by a Court.
 - (c) a person who has been accused of committing an offence under GST law which is also an offence under any other law for the time being in force.
 - (d) All of the above.

4. Sukanya, a registered supplier, failed to pay the GST amounting to Rs 5,000 for the month of January, 20XX. The proper officer imposed a penalty on Sukanya for failure to pay tax. Sukanya believes that it is a minor breach and in accordance with the 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 leviable on Sukanya since the breach is considered as a 'minor breach' only if amount of tax involved is less than Rs. 5,000

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- (b) Penalty is not leviable on Sukanya since the breach is considered as a 'minor breach' if amount of tax involved is upto Rs. 5,000
- (c) Penalty is leviable on Sukanya since the breach is considered as a 'minor breach' only if amount of tax involved is Nil.
- (d) None of the above.

5. Minimum and maximum limit for amount for compounding of offences under section 138 of the CGST Act, 2017 are:

- (a) Minimum: Higher of 50% of tax involved, or Rs. 10,000; Maximum: Higher of 150% of tax involved, or Rs. 30,000
- (b) Minimum: Lower of 50% of tax involved, or Rs. 10,000; Maximum: Higher of 150% of tax involved, or Rs. 30,000
- (c) Minimum: Higher of 50% of tax involved, or Rs. 10,000; Maximum: Lower of 150% of tax involved, or Rs. 30,000
- (d) Minimum: Lower of 50% of tax involved, or Rs. 10,000; Maximum: Lower of 150% of tax involved, or Rs. 30,000

Answer:

| | | | | | | | | | | | | | | |
|----|---|----|---|----|---|----|---|----|---|--|--|--|--|--|
| 1. | b | 2. | b | 3. | d | 4. | a | 5. | a | | | | | |
|----|---|----|---|----|---|----|---|----|---|--|--|--|--|--|



CHAPTER 22: APPEALS AND REVISIONS

1. An appeal to the High Court can be filed under the CGST Act, 2017 in the following cases:
- (i) By a person aggrieved against the order passed by the State bench or Area bench of the Appellate Tribunal.
 - (ii) By a person aggrieved against the order passed by the National bench or Regional bench of the Appellate Tribunal.
 - (iii) For matter involving substantial question of law.
 - (iv) All of the above.

Choose the correct option from the following:

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

2. 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 shall not be granted more than three times to a party during hearing of the appeal.
- (iv) The 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

3. 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) Sohan, his son, who has been dismissed from a Government service lately.
- (b) Rohan, a Company Secretary, who has been adjudged insolvent.
- (c) Mukul, a practicing High Court advocate.
- (d) All of the above.

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

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

- (vi) Amount of fine, fee or penalty determined by the order is less than Rs. 50,000
- (a) i. and ii.
(b) i. and iii.
(c) ii. and iv.
(d) v. and vi.
5. The amount of pre-deposit for filing an appeal to Appellate Authority cannot exceed
- (a) 25 crore under CGST act and 25 crore SGST act
(b) Rs 50 crores under CGST act and Rs 50 crores under SGST
(c) Rs 100 crores under CGST act and Rs 100 crores under SGST
(d) No upper limit.
6. The amount of pre-deposit for filing an appeal to Appellate tribunal cannot exceed
- (a) 25 crore under CGST act and 25 crore SGST act
(b) Rs 50 crores under CGST act and Rs 50 crores under SGST act
(c) Rs 100 crores under CGST act and Rs 100 crores under SGST act
(d) No upper limit.
7. Time limit for filing an appeal to an Appellate Authority is _____.
- (a) 3 months from issue of order
(b) 6 months from issue of order
(c) 3 months from communication of order
(d) None of the above
8. Time limit for filing memorandum of cross objections before Tribunal is _____.
- (a) 15 days
(b) 45 days
(c) 90 days
(d) 60 days
9. Time limit provided to department to file appeal to Appellate Authority is _____.
- (a) 3 months
(b) 6 months
(c) 9 months
(d) 12 months
10. Appeal against order of National or Regional Benches of Appellate Tribunal lies with _____.
- (a) Supreme Court
(b) High Court
(c) District Court
(d) Any of the above

Answer:

| | | | | | | | | | | | | | | | | | | | |
|----|---|----|---|----|---|----|---|----|---|----|---|----|---|----|---|----|---|-----|---|
| 1. | b | 2. | c | 3. | c | 4. | a | 5. | a | 6. | b | 7. | c | 8. | b | 9. | b | 10. | a |
|----|---|----|---|----|---|----|---|----|---|----|---|----|---|----|---|----|---|-----|---|

CHAPTER 23: ADVANCE RULING

1. State whether following statements are 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 the Authority for Advance Ruling has passed the orders.
 - (iii) The Authority for Advance Ruling shall pronounce its ruling within 90 days from the date of receipt of application.
 - (iv) Authority for Advance Ruling 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) Authority for Advance Ruling 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.

Choose from following options:

- (a) False, False, True, False, True
- (b) False, True, True, False, True
- (c) True, True, False, False, True
- (d) False, False, False, False, True

2. What is the meaning of applicant?

- (a) Person registered under the Act.
- (b) Person desirous of obtaining registration under the Act.
- (c) Tourist as defined under section 15 of IGST Act, 2017.
- (d) (a) or (b)

3. Where shall the Advance Ruling Authority be located?

- (a) The Authority shall be located in each State / Union Territory.
- (b) The Authority shall be located in Centre.
- (c) The Authority shall be located in both Centre & State.
- (d) None of the above.

4. The AAR shall comprise of:

- (a) One member from amongst the officers of Central tax and one member from amongst the officers of State tax/Union Territory tax.
- (b) One sitting High Court Judge.
- (c) (a) & (b)
- (d) (a) and (b)

5. Who may make an application for Advance Ruling?

- (a) Applicant
- (b) Jurisdictional officer
- (c) Both Applicant and Jurisdictional officer
- (d) Concerned Officer

6. What procedure should be followed if, the members of the Authority differ on any question on which the Advance Ruling is sought?
- The members of the authority shall state the point or points on which they differ and make a reference to the Appellate Authority for hearing and decision on such question
 - The Authority will not take any decision and reject the application
 - The Authority will remand the case to jurisdictional officer
 - None of the above
7. Within how many days the Authority shall pronounce its decision on Advance Ruling from the date of receipt of application?
- 30 days
 - 60 days
 - 90 days
 - 120 days
8. Who can appeal to the AAAR?
- Jurisdictional CGST/SGST officer or the applicant
 - Any Taxable Person
 - Any citizen concerned about the ruling passed
 - All of the above
9. Appeal before AAAR can be filed within how many days?
- 30 days
 - 60 days
 - 90 days
 - 120 days
10. Under what circumstances, the members of the Appellate Authority deem that no advance ruling can be issued in respect of the questions covered under the appeal
- If the members of the AAAR differ on any point or points referred to in appeal
 - If the members of the AAR differ on any point or points referred to in appeal
 - Applicant wants to withdraw the application
 - Both (a) and (c)
11. Who can apply for rectification of error on record?
- Applicant
 - Concerned officer or Jurisdictional Officer
 - Advance Ruling Authority or the Appellate Authority on its own accord can rectify the error
 - All of the above
12. When should the opportunity of hearing be given to applicant or the appellant for rectification of advance ruling?
- If the rectification has the effect of enhancing the tax liability.
 - If the rectification has the effect of reducing the amount of admissible input tax credit.
 - (a) or (b)
 - None of the above



13. When can the Authority declare the advance ruling pronounced as void?

- (a) If ruling is obtained by suppression of material facts
- (b) If the applicant is in the business of supplies on which clarification has been sought
- (c) If the applicant does not engage in the business of supplies after 6 months of obtaining the ruling
- (d) If a Supreme Court judgment is pronounced on the same issue and the judgment is exactly the opposite of the clarification issued under the ruling

14. Who will get the copy of order of Advance Ruling pronounced by the AAAR?

- (a) Applicant Taxpayer.
- (b) Concerned Central / State Officer and Other Jurisdictional State / Central Officer.
- (c) Authority for Advance Ruling.
- (d) All of the above.

15. Advance Ruling cannot be sought in respect of:

- (a) admissibility of input tax credit
- (b) classification of goods and/or services
- (c) whether applicant is required to be registered
- (d) whether applicant is entitled to refund

16. Authority for Advance Ruling shall not admit an application if:

- (a) show cause notice has been issued
- (b) appeal has been filed to Appellate Tribunal against the adjudication order
- (c) appeal has been filed before the Hon'ble high Court
- (d) None of the above

17. An applicant may seek Advance Ruling in relation to supply of goods and/or services-

- (a) being undertaken by him
- (b) proposed to be undertaken by him
- (c) already undertaken by him
- (d) all of the above

18. The fee for filing an appeal before AAAR by the applicant is:

- (a) Rs. 25000/- under CGST Act
- (b) Rs. 25000/- under SGST Act
- (c) Rs. 10000/- each under CGST and SGST Act
- (d) Rs. 25000/- under any of the above Act

19. The fee for filing an appeal before AAAR by the Department is

- (a) Rs. 5000/- under CGST Act
- (b) Rs. 5000/- under SGST Act
- (c) Rs. 10000/- each under CGST and SGST Act
- (d) None of the above

20. An appeal against the ruling of AAR shall be filed?

- (a) before the Appellate Tribunal
- (b) before the Commissioner (Appeal)

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(c) in the jurisdictional office of the respective State AAAR

(d) in the jurisdictional office of the Central AAAR

Answer: -

| | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 1) a | 2) d | 3) a | 4) a | 5) a | 6) a | 7) c | 8) a | 9) a | 10) a |
| 11) d | 12) c | 13) a | 14) d | 15) d | 16) d | 17) d | 18) c | 19) d | 20) c |



CHAPTER 24: MISCELLANEOUS PROVISIONS

1. **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

2. **Where the National Anti-Profiteering Authority determines that a registered person has not passed on the benefit of input tax credit to the recipient by way of commensurate reduction in price, the Authority may order:**
 - (i) reduction in prices
 - (ii) imposition of prescribed penalty
 - (iii) cancellation of registration

Which of the above options are correct?

 - (a) i. and ii.
 - (b) i., ii. and iii.
 - (c) i. and iii.
 - (d) i.

3. **Document includes:**
 - (a) Written record
 - (b) Printed Record
 - (c) Electronic
 - (d) All of the above

4. **Transfer of business includes**
 - (a) Sale
 - (b) Lease
 - (c) License
 - (d) All the above

5. **Who is liable to pay the tax in case of transfer of business?**
 - (a) Transferor
 - (b) Transferee
 - (c) Both jointly and severally
 - (d) Jointly

6. **Deemed Export provisions is applicable to-**
 - (a) Deemed export provision is applicable only to goods
 - (b) Deemed export provision is applicable only to services
 - (c) Deemed export provision is applicable both to goods and services
 - (d) Deemed export provision is applicable when goods and services are supplied to SEZ units/ developers

7. **What are the conditions applicable before claiming deemed exports?**
 - (a) Goods must be manufactured in India



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- (b) Goods must not leave India
- (c) Goods must be notified by Central Government
- (d) All the above

8. What special procedures can be notified for certain class of persons u/s 148?

- (a) Registration
- (b) Furnishing of Return
- (c) Payment of Tax
- (d) Administration of such persons
- (e) All of the above

9. Who are the persons liable to furnish information return?

- (a) Taxable person
- (b) Income Tax Officer
- (c) Sub Registrar
- (d) Banking Company
- (e) GST Network
- (f) All the above

10. What is the consequence if information is not filed in the form and manner as required by the Central Government?

- (a) Return will be treated as defective
- (b) Defect has to be rectified within 30 days
- (c) Return treated as not filed
- (d) Re-file the return within 30 days
- (e) (a) and (b) above
- (f) (c) and (d) above

11. Is there any ban on disclosure and use of information collected in the form of information return?

- (a) No. Such information can be used for all GST purposes except publishing such information
- (b) Yes. Such information cannot be used by the department under any proceedings under GST Act.
- (c) Yes. Such information cannot be used by the department under any proceedings under GST Act except for the purpose of launching prosecution proceedings under the Act
- (d) No. Such information can be used to publish information
- (e) Yes. However such information can be used to publish information about a class of persons and class of transactions
- (f) (a) and (d) above
- (g) (c) and (e) above

Answer:-

| | | | | | | | | | | | | | | | | | | | |
|-----|---|----|---|----|---|----|---|----|---|----|---|----|---|----|---|----|---|-----|---|
| 1. | d | 2. | b | 3. | d | 4. | d | 5. | c | 6. | a | 7. | d | 8. | e | 9. | f | 10. | e |
| 11. | g | | | | | | | | | | | | | | | | | | |

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