CA FINAL INDIRECT TAXES

(OLD AND NEW SYLLABUS)

MCQ BOOK

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Chapter I: Basics of GST

1. Which types of duties levied by Government of India (GOI) and collected by States/Union Territory

(a) Stamp Duty and Duties of Excise on	(b) Excise Duty
medical and toilet preparation	
(c) Custom Duty	(d) All of the above

Answer (a)

2. Which types of duties subsumed into GST to be levied by Centre or States.

(a) Stamp Duty	(b) Duties of Excise on medical and toilet
	preparation
(c) Property Tax	(d) Basic Custom Duty

Answer (b)

3. Stamp Duty and Duties of Excise on medical and toilet preparation as mentioned in the union list shall be levied by GOI but collected by _____

Govt.

(a) Central Govt	(b) States Govt	
(c) Union Territory	(d) b and c	
(e) a, b and d		

Answer (d)

4. Article _____ was inserted by constitution (88th) Amendment act, 2003 to

usher in Service Tax.

(a) 268	(b) 268A
(c) 269A	(d) 270

Answer (b)

5. Which types of tax is applicable for Inter-State supply

(a) CGST	(b) SGST/UTGST
(c) IGST	(d) a and b

Answer (c)

6. Tax collected on Inter-States supply by GOI shall be apportioned to

UUVI./UT.		
	(a) States/UT	(b) Central
	(c) a and b	(d) either a aur b

Answer (c)

7. Which types of Tax attract under supply of goods or service or both in the course of import into the territory of india.

_	11101	y or maia.	
	(a)	CGST	(b) SGST/UTGST
	(c)	IGST	(d) a and b

Answer (c)

(a) States/UT	(b) Central
(c) a and b	(d) none of these
Answer (a)	
9. In case of import of goods or services or bo	oth attract IGST. IGST replace types of duties.
(a) Countervailing Duties	(b) Duties of Excise on medical and toilet preparation
(c) Custom Duty	(d) All of the above
10. Who formulates the principles regarding place occurs in inter-States trade or commerce. (a) Lok Sabha	ace of supply and when supply of goods, or services or both (b) Rajya Sabha
(c) Parliament	(d) All of the above
Answer (c)	(d) All of the above
11. The term 'agriculturist' includes the land: a) An individual	e following persons who undertake cultivation of b) A Hindu Undivided Family
land:	
land: a) An individual c) A co-operative society Answer- (d) Both (a) and (b)	b) A Hindu Undivided Family
land: a) An individual c) A co-operative society Answer- (d) Both (a) and (b) 12. The term 'casual taxable person' includes	b) A Hindu Undivided Family d) Both (a) and (b)
land: a) An individual c) A co-operative society Answer- (d) Both (a) and (b)	b) A Hindu Undivided Family d) Both (a) and (b) oods or b) A person occasionally supplying goods or services or both in a State or a Union territory
a) An individual c) A co-operative society Answer- (d) Both (a) and (b) 12. The term 'casual taxable person' includes a) A person occasionally supplying go services or both in a State or a territory where he has no fixed p	b) A Hindu Undivided Family d) Both (a) and (b) oods or b) A person occasionally supplying goods or services or both in a State or a Union territory

a)	Non-resident taxable person registration	b)	Casual taxable person registration
c)	Regular taxpayer registration	d)	No registration under GST required.

Answer - (b)

14. A person who occasionally undertakes transactions involving supply of goods or services or both, whether as principal or agent or in any other capacity, but who has no fixed place of business or residence in India is:______

a)	Non-resident taxable person	b) Composition dealer
c)	Registered person	d) Casual taxable person

Answer- (a)

15. Output tax in relation to a taxable person under the CGST Act, 2017 includes

a)	Tax chargeable on taxable supplies made by him	b)	Tax chargeable on taxable supplies made by his agent
c)	Tax payable by him under reverse charge	d)	Both (a) and (b)

Answer- (d)

16. The term "place of business" includes All the above

a)	Place from where business is ordinarily carried out	b)	Place	where	а	taxable	person
	including godown, warehouse, etc.	maintains his books of account					
c)	Place where taxable person is engaged in business	d)	All the	above			
	through an agent						

Answer- (c)

17. 'P' Ltd. has its registered office under the Companies Act, 2013 in the State of Maharashtra. It also has a corporate office in the State of Telangana. What will be the place of business of 'P' Ltd. under the CGST Act, 2017? Telangana

a) 1	Telangana	b)	Maharashtra
c) F	Both (a) and (b)	d)	None of the above

Answer- (c)

18. P Ltd. has a contract with X Ltd. to provide book keeping services to Q Ltd. Q Ltd. is a subsidiary of P Ltd. The liability to discharge consideration for such book keeping service is of P Ltd. As per the CGST Act, 2017, who will be the recipient of the above service?

a) P Ltd	b) Q Ltd
c) X Ltd	d) Both (a) and (b)

Answer- (a)

19. Which of the following is a non-taxable supply under the CGST Act, 2017:

a) Supply of goods not leviable to tax under	(b) Supply of services not leviable to tax under
the CGST Act, 2017	the CGST Act, 2017
(c) Supply which is neither a supply of good nor	(d) Both (a) and (b)
a supply of service	

Answer- (d)

20. An exempt supply includes-

a)	Supply of goods or services or both which attracts Nil rate of tax	b)	Non- taxable supply
c)	Supply of goods or services or both which are wholly exempt from	d)	All of the above
	tax under Section 11 of the CGST Act or under Section 6 of IGST		
	Act		

Ans. (d)

21. Distribution of electricity by a distribution utility is a:

a)	Non-taxable supply	b)	Exempt	Supply					
c)	Nil Rated Supply	d)	Neither	supply	of	goods	nor	supply	of
			services						

Answer- (b)

22. Aggregate turnover does not include-

a)	Inward supplies on which tax is payable	b)	Exempt supplies
	on reverse charge basis		
c)	Export of goods or services or both	d)	Inter-State supplies of persons having the
			same PAN number

Answer- (a)

23. ABC ltd. has provided following information for the month of Sep, 2018:

(a) Intra	-State outward supply	`8,00,000/-	` '	exempt	outward	supply	,
			5,00,000/-				
(c) Turn	over of exported goods	s ` 10,00,000/-	(d) Payment ma	de to GTA	`80,000/-		

Calculate the aggregate turnover of ABC Ltd.

(a) Rs. 8,00,000/-	(b) Rs. 23,80,000/-
(c) Rs. 23,00,000/-	(d) Rs. 18,00,000/-

Answer: (c)

24. The definition of goods under section 2(52) of the CGST Act does not include-

a)	Grass	b)	Money and securities
c)	Actionable Claims	d)	Growing crops

Answer- (b)

25. Capital Goods include

	a)	Goods,	the	value	of	which	is	b)	Goods which are used or intended to be used
capitalized in the books of accounts				f accoun	its		in the course or furtherance of business		
	c) Both (a) and (b)				d)	None of the above			

Answer- (c)

26. If Mr. A, having his registered office at Andhra Pradesh, and his operating office at Telangana which is also registered, but providing advisory services to his client who is placed at Karnataka. What would be the location of supplier of services in this case?

	•
a) a)Telangana	b) Andhra Pradesh
c) Karnataka	d) All of the above

Answer- (a)

27. As per the CGST Act, 2017, the term "works contract" includes:

á) Construction, fabrication, completion,	b)	Constructi	ion, f	fabric	ation,		completion,
	erection, installation, etc. of movable		erection,	installat	ion,	etc.	of	immovable
	property		property					
() Both (a) and (b)	d)	None of the	ne above)			

Answer- (b)

28. While repairing the factory shed, few goods were also supplied along with the labour service. Whether it is a :

a)	Composite Supply	b)	Mixed Supply
c)	Works Contract Service	d)	None of the above

Answer- (c)

29. Agent means:

a)	A person who carries on the	b)	A person who arranges or facilitates the
	business of supply or receipt of	-	supply of goods or services or both, but does
	goods or services or both on behalf		not include a person who supplies such
	of another		goods or services or both on his own account
c)	Both (a) or (b)	d)	None of the above

Answer- (a)

30. Officers under which Act shall be deemed to be the officers appointed under the provisions of CGST Act:

a)	Central Excise Act, 1944	b)	Central Sales Tax Act, 1956
c)	Delhi Value Added Tax Act, 2004	d)	Customs Act, 1962

Answer- (a)

31. The officers appointed under which of the following Acts are authorised to be the proper officers for the purposes of the CGST Act, 2017:

a)	State Goods and Services Tax Act	b) Union Territory Goods and Services Tax Act
c)	Both (a) and (b)	d) None of the above

Answer- (c)

32. The Commissioner may, subject to such conditions and limitations as may be specified in this behalf by him, delegate his powers to:

a)	Any other officer who is sub-ordinate to him	b)	Any other officer who is senior to him
c)	Both (a) and (b)	d)	None of the above

Answer- (a)

33. GST on petrol can be levied by government from the date-

(a) on which President recommends	(b) on which Finance Minister recommends
(c) on which constitutional amendment is	(d) on which GST council recommends
passed	

Answer- (d)

34. Which of the following is true with respect to recommendation of GST Council:

(a) taxes,cesses and surcharges levied by	(b) the threshold limit of turnover below which
union, states and local bodies which may	goods and services may be exempted from
be subsumed in the GST	GST
(c) the rates including floor rates with bands	(d) all of above
of GST	

Answer- (d)

35. Does the GST Council have the power to model the principles of apportionment of GST levied on inter state supply

(a) Yes	(b) No
(c) Varies from time to time	

Answer- (a)

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36. Who shall act as the chairperson of GST Council

(a) Revenue Secretary	(b) Finance minister of any State
(c) Union Finance minister	(d) Union Minister of State incharge for Finance

Answer- (c)

37. Who constitutes the GST Council

(a) President	(b) Prime Minister
(c) Director of CBEC	(d) Finance Minister

Answer- (a)

38. Who among the following cannot be a member of GST council

(a) Union Finance Minister	(b) President of India
(c) Union Minister of Stage incharge of	(d) Finance Minister of State or any other minister
Revenue or Finance	appointed by SG

Answer- (b)

39. Which article was inserted to the Constitution to form GST Council

(a) 269A	(b) 279A
(c) 289A	(d) 299A

Answer- (b)

Chapter 2: Concept of Supply

1. What are different types of supplies covered under the scope of supply?

a)	Supplies	made	with	b)	Supplies made without consideration
	consideration				
c)	c) Both of the above		d)	None of the above	

Answer- (c)

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

1	2)	Nature of bundling i.e. artificial	h)	Existence of principal supply
	a)	ivature or building i.e. artificial	D)	existence of principal supply
		or natural		
	c)	Both of the above	d)	None of the above

Answer- (c)

3. What would be the tax rate applicable in case of composite supply?

a)	a) Tax rate as applicable on principal supply		Tax	rate	as	applicable	on	ancillary
			supp	oly				
c)	Tax rate as applicable on respective supply	d)	Non	e of t	he a	bove		

Answer- a)

4. What would be the tax rate applicable in case of mixed supply?

a)	Tax rate as applicable on supply attracting the	b)	Tax	rate	as	applicable	on	supply
	lowest rate of tax		attra	cting t	the h	ighest rate c	of tax	
c)	Tax @ 28%	d)	Non	e of th	ie ab	ove		•

Answer- (b)

5. What are the taxes levied on an intra-State supply

a)	CGST	b) SGST
c)	CGST and SGST	d) IGST

Answer- (c)

6. What is the maximum rate prescribed under CGST Act?

a)	12%	b) 28%
c)	20%	d) 18%

Answer- (c)

7. Who will notify the rate of tax to be levied under CGST Act?

a) Central Government suo moto	b) State Government suo moto				
c) GST Council suo moto	d) Central Government as per the				
	recommendations of the GST Counc				

Answer- (d)

8. Which of the following taxes will be levied on imports?

a) CGST	b) SGST
c) IGST	d) CGST and SGST

Answer- (c)

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9. What is the maximum rate prescribed under UTGST Act?

a) 14%	b) 28%	
c) 20%	d) 30%	

Answer- (c)

10. If a supplier is under the composition scheme, does RCM still apply to the recipient

a) Yes	b) No	
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Ans. (b)

11. If all supplies made by a supplier are covered under RCM, should they still register under the CGST Act if the threshold exceeds the prescribed limit

a) Yes b) No - Notification No. 05/2017-Central Tax

Answer (b) No

12. When can credit be taken for tax paid under reverse charge be taken?

a)	Same month	b) Next month
c)	Any of the two months	d)

Answer (a)

13. If a supplier is under the composition scheme, then whether tax will be paid under reverse charge by the composition supplier:

Г			
	- ١	\ \/	la) NIa
	a) Yes	0) 180
	u ,	, 163	D) 110

Answer – (a)

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

a)) Person making any supply of			of	b)	Person making any inter-State outward
	goods which are not leviable					supplies of goods and services(except
	to tax under this Act			restaurant services);		
c)	Person	effecting	supply	of	d)	Person providing restaurant services
	goods	through	an	e-		
	comme	ce operate	or liable	to		
	collect tax at source					

Answer (d)

15. What is the threshold limit of turnover in the preceding financial year for opting to pay tax under composition scheme for States other than special category States?

a) `20 lacs	b) `10 lacs
c) `50 lacs	d) `1 crore

Answer (d)

16. What is the threshold limit of turnover in the preceding financial year for opting to pay tax under composition scheme for special category states?

_			
	a) `25 lacs	b) `50 lacs	
	c) `75 lacs	d) `1 crore	

Ans. (c)

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17. What is the rate applicable under CGST to a registered person being a manufacturer opting to pay taxes under composition scheme?

a)	2.5%	b)	1%
c)	0.5% (each - CGST / SGST)	d)	No composition for manufacturer

Ans. (c)

18. What is the rate applicable under CGST to a registered person being a hotelier (providing restaurant and accommodation services) opting to pay taxes under composition scheme?

a)	1%		b)	0.5%
c)	2.5%		d)	Not eligible for composition scheme
				thus liable to pay normal tax

Ans. (d)

19. Mr. Richard, a trader in Delhi has opted for composition scheme of taxation under GST. Determine the rate of total GST payable by him under composition scheme:

а) 0.5% CGST & 0.5% SGST	b) 2.5%	CGST & 2.5% UTGST
С) 5% IGST	d) 5% L	JTGST

Ans. (a)

20. Can a registered person opt for composition scheme only for one out of his 3 business verticals having same Permanent Account Number?

a)	Yes	b)	No
c)	Yes, subject to prior approval of	d)	Yes, subject to prior approval of the
the Central Government			concerned State Government

Ans. (b)

21. Can composition scheme be availed if the registered person effects inter-State supplies?

			J 1
a)	Yes	b)	No
c)	Yes, subject to prior approval	d)	Yes, subject to prior approval of the
	of the Central Government		concerned State Government

Answer: (b)

22. Can a registered person under composition scheme claim input tax credit?

a)	Yes	b)	No
c)	Input tax credit on inward	d)	Input tax credit on inward supply of
	supply of goods only can be		services only can be claimed
	claimed		

Ans. (b)

23. Can a registered person opting for composition scheme collect tax on his outward supplies?

a)	Yes	b)	No
c)	Yes, if the amount of tax is prominently indicated in	d)	Yes, only on such goods as may be
	the invoice issued by him		notified by the Central Government

Answer (b)

24. Which of the following will be excluded from the computation of 'aggregate turnover'?

	1 33 3
a) Value of taxable supplies	b) Value of exempt Supplies
c) Non-taxable supplies	d) Value of inward supplies on which tax
	is paid on reverse charge basis

Answer (d)

25. What will happen if the turnover of a registered person opting to pay taxes under composition scheme during the year 2017-18 crosses threshold limit?

(a)	He can continue under	b) He will be liable to pay tax at normal rates of GST on the
	composition scheme till the	entire turnover for the financial year 2017-18
	end of the financial year	
c)	He will cease to remain under	d) He will cease to remain under the composition scheme
	the composition scheme with	from the quarter following the quarter in which the
	immediate effect	aggregate turnover exceeds threshold limit

Ans. (c)

26. A dealer 'X' has two offices in Delhi. In order to determine whether 'X' is eligible to avail benefit of the composition scheme, turnover of both the offices would be taken into account and if the same does not exceed 100 lakh, X can opt to avail the composition levy scheme

a) True	b) False
c) May be	d) None

Answer- A

27. A dealer 'X' has two offices in Delhi. In order to determine whether 'X' is eligible to avail benefit of the composition scheme, turnover of both the offices would be taken into account and if the same does not exceed 100 lakh, X can opt to avail the composition levy scheme

a)	True	b)	False
c)	May be	d)	None

Answer- A

28. A dealer 'X' has two offices one in Maharashtra and other in Delhi. In order to determine whether 'X' is eligible to avail benefit of the composition scheme, turnover of office of each state would be taken separately into account and if the same does not exceed 100 lakh, X can opt to avail the composition levy scheme

	a) True	b) False
(c) May be	d) None

Answer- B

29. A dealer 'X' has two offices one in Arunachal Pradesh and other in Delhi. In order to determine whether 'X' is eligible to avail benefit of the composition scheme, turnover of office of each state would be taken separately into account and if the same does not exceed 75 lakh and 100 lakh respectively, X can opt to avail the composition levy scheme

a)	True	b) False
c)	May be	d) None

Answer- A

30. A dealer 'X' has two offices one in Arunachal Pradesh and other in Delhi. In order to determine whether 'X' is eligible to avail benefit of the composition scheme, turnover of office of each state would be taken separately into account and if the same does not exceed 75 lakh and 100 lakh respectively, X can opt to avail the composition levy scheme

e) True		f)	False
g) May	be	h)	None

Answer- A

31. A dealer 'X' has two offices in Delhi and is eligible for composition levy. If 'X' opts for the composition scheme, both the offices would pay taxes under composition scheme

á	n) True	b) False
(may be	d) None

Answer- A

32. Which of the following service is notified by Government for ECO

a)	services by way of transportation of passengers by a radio-taxi, motor cab, maxi cab and motor cycle	b)	services by way of providing accommodation in hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes, except where the person supplying such service through electronic commerce operator is liable for registration under section 22(1) of the CGST
c)	services by way of house-keeping, such as plumbing, carpentering etc., except where the person supplying such service through electronic commerce operator is liable for registration under subsection 22(1) of the CGST Act	d)	All of these

Answer- D

33. In which of the following cases ECO shall pay tax only when supplier is unregistered

a)	services by way of house-keeping, such as	b)	services by way of providing accommodation
	plumbing, carpentering etc.		in hotels, inns, guest houses, clubs, campsites
			or other commercial places meant for
			residential or lodging purposes
c)	Both	d)	None

Answer- C

34. A hotel owner provided accommodation in Haryana, through an electronic commerce operator – Cool Trips. The hotel owner is not liable to get registered as per the provisions of section 22(1) of the CGST Act. Who is the person liable to pay GST in this case?

a)	Hotel Owner	b) ECO
c)	Customer	d) Both by Hotel owner & ECO

Answer- B

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35. Continuing the above question, would your answer be different if the Electronic Commerce Operator Cool Trips does not have a physical presence in India?

а) Person representing on behalf of ECO	b) ECO shall appoint person to pay tax
	shall pay tax	
С) ECO can pay tax without obtaining	d) None
	registration	

Answer- A

36. If an electronic commerce operator does not have a physical presence in the taxable territory then

a)	Person representing on behalf of ECO	b) ECO shall appoint person to pay tax
	shall pay tax	
c)	ECO can pay tax without obtaining	d) None
	registration	

Answer- A

37. If an electronic commerce operator does not have a physical presence in the taxable territory and also he does not have a representative in the said territory then

a)	Person representing on behalf of ECO	b) ECO shall appoint person to pay tax
	shall pay tax	
c)	ECO can pay tax without obtaining	d) ECO cannot continue its business
	registration	

Answer- B

Chapter 3: Place of Supply

1. Which of the following is an inter-State supply?

a)	Supplier of goods located in Delhi and place	b)	Supplier of goods located in Delhi
of supply of goods is to an SEZ located in Delhi		and	place of supply of goods in Jaipur
c)	Supplier of goods located in Delhi and place	d)	All the above
of supply of goods is to an SEZ located in Chandigarh			

Ans. (d)

2. Which of the following is an intrastate supply?

a) Supplier of goods located in Delhi and place	b) Supplier of goods located in Delhi
of supply of goods SEZ located in Delhi	and place of supply of goods in Jaipur
c) Supplier of goods located in Delhi and place	d) All the above
of supply of goods in Delhi	

Ans. (c)

3. IGST on high sea sale (s) transactions of imported goods, whether one or multiple, shall be levied and collected

a)	only at the time of importation	b)	at every stage of sale
c)	Provisions is different from transaction to	d)	None
	transaction		

Answer- A

4. Where a supply is made from a place of business for which registration has been obtained, Location of supplier is

a)	Principal place of business entity	b) Such place of Business
c)	Any place of business of such entity	d) the location of such fixed establishment

Answer- B

5. Where a supply is made from a place other than the place of business for which registration has been obtained

a)	Principal place of business entity	b) Such place of Business
c)	Any place of business of such entity	d) the location of such fixed establishment

Answer- D

6. where a supply is made from more than one establishment, whether the place of business or fixed establishment

a) Place from where major services are	b) Place from where goods are delivered
performed	
c) the location of the establishment most	d) None
directly concerned with the provision of the	
supply	

Answer- C

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7.	What is the nature of supply, if the supplier of service is located in Mumbai and the recipient of service
	being an SEZ unit is in Nagpur?

a)	Intra State	b) Inter State
c)	Export	d) Import

Answer- B

8. State the taxability of satellite launch services provided to both international and domestic customers by ANTRIX Corporation Limited ("ANTRIX") which is a wholly owned Government of India Company under the administrative control of Department of Space (DOS).

a)	Taxable	b) Not taxable
c)	Exempt	d) None

Answer- A

9. Which of the following transaction is inter-state supply of goods involving movement of goods?

a) Location of supplier is in Bangalore and	b) Location of supplier and place of
location of recipient is in Mumbai and goods are	supply is Mumbai
shipped to Kolkata	
c) Location of supplier and place of supply is	d) None of the above
Bangalore	

Ans. (a)

10. Supply of goods in the course of import into the territory of India is

а	a)	Intrastate supply	b)	Inter-State supply
C	E)	Export	d)	Neither Export nor Import

Ans. (b)

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

a) Location of supplier in Kerala	b) Location of supplier in Karnataka and
and place of supply in Tamil Nadu	place of supply in Karnataka
c) Location of supplier in Kerala	d) None of the above
and place of supply on Andhra Pradesh	

Ans. (b)

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

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

Ans. (c)

13. Place of supply of food taken on board at Delhi for an aircraft departing from Delhi to Bangalore via Hyderabad is

٠.	<i>j</i>		
	a) Address of the aircraft carrier mentioned on the invoice	b)	Delhi
	of the supplier		
	c) Jaipur	d)	Hyderabad

Ans. (b)

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

a)	Custor	ns port v	where	the goo	ds ar	e cleared		b)	Location of the importer
c)	Place	where	the	goods	are	delivered	after	d)	Owner of the goods
clearance from customs port									

Ans. (b)

15. 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?

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

Ans. (c)

16. What is the place of supply of service where a restaurant provides catering service at the premise of the customer?

a)	Address of the restaurant from	b)	Customer premise where catering service
where	e the food is supplied	is	provided

Ans (b)

17. 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		

Ans. (a)

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

	J
a) Mumbai	b) Patna

Ans. (b)

19. Mr. X of Hyderabad not having bank account takes a demand draft in Kolkata from ABC Bank for his visa purpose. The place of supply is

			1 2			
a)	Hy	/derabad		b)	Kolkata	

Ans. (b)

20. 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:

`┌	`	0	١,		T 1'
í	a)	Outside India	l b)	India

Ans. (b)

21. 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 Y INC shall be required to perform regular maintenance from USA using Internet, then the place of supply is

a)	Bangalore	b)	Mumbai
c)	USA	d)	

Ans. (b)

22. The Tourist can claim refund of:

a)	CGST and SGST/UTGST on supply of Goods and	b)	IGST on supply of goods
	services		
c)	Tax paid on the supply of scotch to be taken out	d)	None of the above
	of India		

Ans. (b)

23. Tourist means a person:

a)	Not no	ormal	ly resident in	India		b)	Stays for not more than 6 months in India
c)	Stays	for	legitimate	and	Non-	d)	All the above
	Immigrant purpose						

Ans. (d)

24. Zero rated supply includes:

Export of goods and services	Supply of goods and services to a SEZ developer or SEZ
	Unit
Supply of goods and services	Both (a) and (b)
by a SEZ developer or SEZ Unit	

Ans. (d)

25. Is the SEZ developer or SEZ unit receiving zero rated supply eligible to claim refund of IGST paid by the registered taxable person on such supply?

Yes	No
Partially yes	

Ans. (b)

26. A registered taxable person is eligible to claim refund in respect of export of goods and services in the following cases:

a)	Under bond, without payment of IGST and	b)	On payment of IGST and claim refund of
۵.,	claim refund of unutilized input tax credit.	-	IGST paid on such goods and services
c)	None of the above		Both (a) and (b)

Ans. (d)

27. The supply of goods to SEZ unit is treated as _____ in the hands of the supplier:

a)	Exempt Supply – Reversal of credit	b)	Deemed Taxable Supply – No reversal of credit
c)	Zero Rated supply	d)	Non-Taxable Supply – Outside the Scope of GST

Ans. (c)

28. Out of IGST paid to the Central Government, which of the following must be apportioned based on tax rate equivalent to the CGST on similar intra-state supply?

a)	Interstate supply of goods and	b)	Interstate supply of goods and services to a taxable	
services to an unregistered person.			person paying tax under sec.10 of the CGST Act, 2017.	
c)	Interstate supply of good and	d)	All of the above	
services to taxable person not eligible				
for input tax credit.				

Ans. (d)

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29. Can IGST amount apportioned to a State, if subsequently found refundable to any person and refunded to such person, be reduced from the amount apportioned to such State?

a)	Yes	b)	No
c)	Partially	d)	None of the above

Ans. (a)

30. Out of the IGST paid to the Central Government in respect of import of goods or services, if the registered taxable person does not avail the said credit within the specified period and so remains in the IGST account, what is the treatment?

a)	Refund it back to the taxable person.	b) Can be claimed after the
		expiry of the specified period
c)	Apportion to the Central Government based on	d) None of the above.
rate	equivalent to CGST on similar intra-State supply and	
Appo	ortion to the state where such supply takes place.	

Ans. (c)

31. The provisions of apportionment of tax also apply to

(a) Apportionment of interest	(b) Apportionment of penalty
(c) Compounding amount realized in	(d) All of the above
connection with tax so apportioned	

Ans. (d)

32. The registered person has paid IGST by treating an intra-State supply as inter-State supply. The officer has levied CGST and SGST as the same is intra-State supply. What is the remedy?

(a) Pay CGST and SGST along with interest	(b) Pay CGST and SGST and Claim refund of IGST
(c) Forgo IGST paid	(d) None of the above

Ans. (b)

33. Any goods supplied by any person who is located in a non-taxable territory to any person other than non-taxable online recipient. Whether GST is applicable.

	V	1
(a)	Yes	b) No
c)	Further data is required	d) None

Answer- A

34. Any goods supplied by any person who is located in a non-taxable territory to any person other than non-taxable online recipient. Who is liable to pay GST under this transaction?

a)	Recipient	b) Supplier
c)	Both	d) None

Answer- A

35. On supply of OIDAR Services by a person located in taxable territory to a non-taxable online recipient. Who is liable to pay GST in this case?

a)	Recipient	b) Supplier
c)	Both	d) None

Answer- B

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36. When import of services will be treated as supply even if they are received for without consideration

a) Rel	ated person	b) Distinct person
c) Un	related person	d) (a) or (b)

Answer- D

37. Raman of Delhi has supplied services to John of USA. Whether it is export of service.

a) Yes	b) No
c) May be	d) None

Answer- C

38. If location of supplier in Territorial water, then what will considered as location of supplier

a) Actual location (territorial Water)	b) Principal Establishment of Supplier
c) Any establishment of supplier of his choice	d) coastal State or Union Territory where the
	nearest point of the appropriate baseline

Answer- D

39. If place of supply in Territorial water, then what will considered as Place of supply

a) <i>i</i>	Actual location (territorial Water)	b)	Principal Establishment of Supplier
c) /	Any establishment of supplier of his choice	d)	coastal State or Union Territory where the
			nearest point of the appropriate baseline

Answer – D

40. Integrated Tax will be collected on services imported into on the value as determined under the provisions of

a)	IGST Act	b) CGST / SGST Act
c)	Customs Act	d) Customs Tariff Act

Answer- B

Chapter 4: Registration

1. How the aggregate turnover of `20 Lakh is calculated?

- a) Aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, export of goods/services and interstate supplies of a person having same PAN computed on all India basis.
- b) Aggregate value of all taxable supplies(excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, export of goods/services and interstate supplies of a person computed for each state separately.
- c) Aggregate value of all taxable intrastate supplies, export of goods/services and exempt supplies of a person having same PAN computed for each state separately.
- d) Aggregate value of all taxable supplies(excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, export of goods/services and interstate supplies of a person having same PAN computed on all India basis and excluding taxes if any charged under CGST Act, SGST Act and IGST Act

Ans. (d)

2. Whether all persons are mandatorily required to obtain registration?

a) Yes	b) Not required if he is an agriculturist or person exclusively engaged in supplying exempt goods or services, if specified threshold limit does not exceed in a financial year.
c) Not required if he is an agriculturis or person exclusively engaged in supplying exempt goods or services.	d) No, only if specified threshold exceeds in a financial year then only need to obtain.

Ans. (c)

3. Which one of the following is true?

a)	A person can't collect tax unless he is	b)	Registered person not liable to collect tax till his
	registered.		aggregate turnover exceeds `20 lakhs/ `10 Lakhs
c)	A person can collect the tax during	d)	Both (a) and (b) are correct.
	the period of his provisional registration.		

Ans. (a)

4. Which of the following forms are used for registration?

a)	Form GSTR -1	b)	Form GSTAPL-01
c)	Form GST REG-01	d)	Form GST RFD -01

Ans. (c)

5. Within how many days a person should apply for registration?

a) Within 60 days from the date he	b) Within 30 days from the date he becomes liable
becomes liable for registration	for registration

Ans. (b)

6. A person having ___business verticals in a State ___obtain a separate registration for each business vertical.

a)	Single, shall	b)	Multiple, shall
c)	Multiple, may	d)	Single, May

Ans. (c)

7. Which one of following statements are correct?

a)	Voluntary registration is not possible under GST.	b)	Voluntarily registered person not liable to comply with all the provisions of the GST.
c)	A person may get himself registered voluntarily and shall comply with all		None of the above
	the provisions of GST.		

Ans. (c)

8. PAN issued under the Income Tax Act is mandatory for grant of registration

a)	It is one of the documents listed	b)	Yes, but non-resident taxable person may be granted registration on the basis of any other document.
c)	Yes, but persons required to deduct	d)	Both (b) and (c)
	tax at source u/s 51 may have TAN in		
	lieu of PAN.		

Ans. (d)

9. An E-commerce operator should get registered?

a)	Yes, irrespective of threshold limit	b)	No, required to register only if his aggregate
			turnover exceeds the threshold limit
c)	Yes, if he is located in North-western	d)	He is required to register if he is liable to collect
	states		tax at source and /or his aggregate turnover
			exceeds the threshold limit.

Ans. (a)

10. What is the validity of the registration certificate?

a) One year	b) No validity
c) Valid till it is cancelled.	d) Five years

Ans. (c)

11. What is the validity of the registration certificate issued to casual taxable person and non-resident taxable person?

a)	90 days from the effective date of	b)	Period specified in the application for registration
	registration		
c)	Earliest of (a) or (b) above	d)	180 days from the effective date of registration.

Ans. (c)

12. Which of the following requires amendment in the registration certificate?

	3 1		
a)	Change of name of the registered person	b)	Change in constitution of the
			registered person
c)	Addition, deletion or retirement of partners or	d)	All of the above
	directors, Karta, Managing Committee, Board of		
	Trustees, Chief Executive Officer or equivalent,		
	responsible for the day to day affairs of the business		

Ans. (d)

13. When can a registration be cancelled?

а	If the person does not start business within six months	b)	Business	has	been
	from the date of registration		discontinued	or transfe	erred for
			any reason		
С	Non-filing of returns for a continuous period of six	d)	All of the abo	ove	
	months or for three consecutive tax period in case of				
	composite dealer				

Ans. (d)

14. What are the consequences of obtaining registration by misrepresentation?

a)	Liable to cancellation of registration by proper	b)	Liable	to	a	fine	not	exceeding	`
	officer		1,000,0	00/-					
c)	Imprisonment for a period of 6 months to 3	d)	Both (b	o) an	d (d	E)			
	years.								

Ans. (a)

15. Does cancellation of registration under CGST affect the liability under SGST/IGST for period prior to cancellation of registration?

a)	Cancellation	of	registration	will	b)	Cancellation of registration will immune his
	immune his lia	ability	under CGST o	nly		liability under IGST only.
c)	Cancellation	of	registration	will	d)	Cancellation does not affect the liability of
	immune his I	iabilit	y under SGST	and		taxable person to pay tax and other dues under
	CGST but not	unde	r IGST.			CGST/SGST/IGST Act.

Ans. (d)

16. Within how many days an application for revocation of cancellation of registration can be made?

a)	Within 7 days from the date of	b) Within 15 days from the date of issue of	of the
	service of the cancellation order.	cancellation order.	
c)	Within 45 days from the date of	d) Within 30 days from the date of service	of the

Ans. (d)

- 17. Which of the following statements are correct?
 - i. Revocation of cancellation of registration under CGST/SGST Act shall be deemed to be a revocation of cancellation of registration under SGST/CGST Act.
 - ii. Cancellation of registration under CGST/SGST Act shall be deemed to be a cancellation of registration under SGST/CGST Act.
 - iii. Revocation of cancellation of registration under CGST/SGST Act shall not be deemed to be a revocation of cancellation of registration under SGST/CGST Act.

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iv. (iv) Cancellation of registration under CGST/SGST Act shall not be deemed to be a cancellation of registration under SGST/CGST Act.

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

Ans. (a)

18. Who can submit application for registration in Form GST REG-09?

a)	Non- Resident taxable person	b)	Input service distributor
c)	Person deducting tax at source	d)	Person collecting tax at source

Ans. (a)

19. Where the application for grant of registration has been approved, a certificate of registration in ____shall be made available to the applicant on the____

a) FORM GST REG-06, Common Portal	b) FORM GST CER-06, Common Portal
c) FORM GST CER-06, Jurisdictional office	d) FORM GST REG-10, Company portal

Ans. (a)

20. Which of the below statements are incorrect in finding out the effective date of registration?

a)	From the date on which a person becomes	b)	Date	of g	rant of	freg	istration, wh	iere
	liable to registration, where application is		applic	ation	is sub	mitte	d after 30 c	lays
	submitted within 30 days from such date.		from s	such (date.			
c)	From the date of grant of provisional	d)	Date	of	issue	of	certificate	of
	registration, in case of persons registered		registi	ration	١.			
	under earlier law.							

Ans. (d)

21. An Unique Identity Number will be allotted to the following persons upon submitting an application:

â	a)	All the taxable persons can apply	b)	Only unregistered persons can apply
(c)	Specialized agency of the UNO or any	d)	No such concept under CGST/SGST
		multilateral financial institution or consulate or		Act.
		embassy of foreign countries.		

Ans. (c)

22. Every registered taxable person shall display his certificate of registration in a prominent location at his principal and at every other place of business also GSTIN shall be displayed on the name board at the entry of such places.

a)	No, certificate of registration to be	b) Yes, above statement is correct.
	displayed only at a registered place of	
	business and GSTIN need not be displayed	
	on the name board	
c)	No, GSTIN to be displayed only on the	d) Above statement is correct subject to
	invoices.	certificate of registration to be displayed
		only at registered place of business.

Ans. (b)

23. Under what circumstances physical verification of business premises is mandatory?

a) Physical verification of business	b)	If additional information for registration asked by
	premises is a discretionary power of		the proper officer is not submitted within
	proper officer.		specified time.
C)) If certificate of registration is	d)	If photograph of the business premise is not
	obtained on misrepresentation of		uploaded in the common portal within specified
	facts		time

Ans. (a)

24. State which of the following statement is correct in respect of obtaining a separate registration for Business verticals:

a)	Person	can	obtain	centralized	b)	Person	may	obtain	а	separate	registration	for
	registrati	ion in	a State			each of	his ve	erticals.				
c)	He can l	have c	only two	registrations	d)	Either (a	a) or (b).				
	in a state	.										

Ans. (d)

25. Business which has centralized registration under erstwhile Act.

a)	Shall	obtain	a	centralized	b)	Shall obtain separate registration in each state
	registra	ation unde	r GST La	IW.		from where it is making taxable supplies
c)	Shall	obtain	registr	ation on	d)	No need to apply for registration under GST.
	tempor	ary basis.				

Ans. (b)

26. Does a Service Provider needs to get registered under GST, if his aggregate turnover (u/s 2 (6) is more than `20 Lakhs but has taxable supply of only an amount of `2.4 Lakh p.a.?

a) No b) Yes

Ans. (b)

27. Who will take registration on services in relation to transportation of goods (including used household for personal use) if, GTA avails ITC on supplies made by him

a)	GTA, forward charge	b)	GTA, RCM
c)	Service receiver, forward charge	d)	Service receiver, RCM

Ans. (a)

28. Will all establishments display a certificate from government (displaying his turnover category) and their GST Registration No. which should appear on all his cash memos/bills?

a) No b) Yes

Ans. (b)

29. If I already have a GSTIN, do I need to register separately as an Input Service Distributor?

a	1) (3)(1)	b)	Yes	

Ans. (b) Yes

Chapter 5: Tax Invoice, Debit and Credit Notes

1.	Tax	invoice	must	be	issued	by	/

a)	Every supplier	b) Eve	ry taxable person
c)	Registered persons not paying tax under composition	d) All t	the above
	scheme		

Ans. (c)

2. Law permits collection of tax on supplies effected prior to registration, but after applying for registration:

a)	Yes, but only on intra-State supplies,	b)	Yes, but only on intra-State supplies effected to
	if the revised invoice is raised within		unregistered persons, if the revised invoice is
	one month		raised within one month
c)	Yes, on all supplies, if the revised	d)	No, tax can be collected only on supplies effected
	invoice is raised within one month		after registration is granted.

Ans. (c)

3. A bill of supply can be issued in case of inter-State and intra-State:

a)	Exempted supplies	b) Supplies to unregistered persons
c)	Both of above	d) None of the above

Ans. (a)

4. An invoice must be issued:

a)	At the time of removal of goods	b)	On transfer of risks and rewards of the goods to the recipient
c)	On receipt of payment for the supply	d)	Earliest of the above dates

Ans. (a)

5. An acknowledgement must be given on receipt of advance payment in respect of supply of goods or services:

a)	Yes, in the form of a proforma	b)	Yes, as a receipt voucher
	invoice		
c)	Yes, the invoice must be raised to	d)	None of the above
	that extent		

Ans. (b)

6. A continuous supply of goods requires one of the following as a must:

a)	The goods must be notified by the	b)	The contract for supply lasts for a minimum
	Commissioner in this behalf		period of 3 months
c)	The supply is made by means of a wire,	d)	Supplier invoices the recipient on a regular or
	cable, pipeline or other conduit		periodic basis

Ans. (d)

7. The recipient must issue an invoice in the following cases

a)	The supplier fails to issue an invoice	The supplier is u	nregistered
c)	The goods or services received are		
	notified for tax on reverse charge basis		

Ans. (b) & (c)

8. A payment voucher need not be raised if the supplier is an unregistered person.

a)	True, as the recipient is required to	b)	True, if the unregistered person does not require it
	issue an invoice in that case		
c)	False, a payment voucher is the only	d)	False, payment voucher should be issued in
	document to evidence the supply		addition to raising an invoice for the inward supply

Ans. (d)

9. The time limit for issue of tax invoice in case of continuous supply of goods:

a)	At the time of issue of statement of	b)	At the time of receipt of payment, if payments are
	account where successive accounts		received prior to issue of accounts
	are involved		
c)	On a monthly basis	d)	As and when demanded by the recipient

Ans. (a)

10. In case of goods sent on sale on approval basis, invoice has to be issued:

a)	while sending the goods; another	b)	while sending the goods but the recipient can take
	Invoice has to be issued by the		credit only when the goods are accepted by him
	recipient while rejecting the goods		
c)	when the recipient accepts the	d)	when the recipient accepts the goods or three
	goods or six months from the date		months from the date of supply whichever is
	of removal whichever is earlier		earlier

Ans. (c)

11. If Supply of Services has ceased under a contract before the completion of supply:

a)	Invoice has to be issued within 30	b)	Invoice has to be issued at the time of cessation to
	days on the basis of 'Quantum		the extent of the supply effected
	Meruit' from the date of cessation		
c)	Invoice has to be issued for the full	d)	Invoice cannot be issued as the matter will be sub-
	value of the contract after		judice.
	deducting a percentage thereof as		
	prescribed		

Ans. (b)

12. The tax invoice should be issued _____the date of supply of service:

a) Within 30 days from	b) Within 1 month from
c) Within 15 days from	d) on

Ans. (a)

13. A person who has applied for registration can:

a)	Provisionally collect tax till his registration is approved, on	b)	Neither collect tax nor
	applying for registration, if he has applied for registration		claim input tax credit
	within prescribed time		
c)	Issue 'revised invoice' and collect tax within 1 month of date of	d)	All of the above
	issuance of certificate of registration, subject to conditions		

Ans. (c)

14. The name of the State of recipient along with State code is required on the invoice where:

a)	Supplies are made to unregistered	b)	Supplies are made to unregistered persons where
	persons		the value of supply is `50,000 or more
c)	Inter-state supplies are made to	d)	Supplies are made to registered persons
	unregistered persons where the		
	value of supply is `50,000 or more		

Ans. (b)

15. A credit note is issued by _____ and it is a document accepted for GST purposes:

a)	Supplier,	for	reducing	the	tax/	b)	Recipient, for reducing the tax/ taxable value
	taxable va	lue					
c)	Supplier,	for	increasing	the	tax/	d)	Recipient, for increasing the tax/ taxable value
	taxable va	lue					

Ans. (a)

16. For an increase in the tax/ taxable value, a debit note for GST purposes:

a) Should be issued by the supplier	b) Should be issued by the recipient
c) May be issued by the supplier	d) May be issued by the recipient

Ans. (a)

17. The last date for declaring the details of a Credit Note issued on 25-Jun-2018 for a supply made on 19-Sep-2017 is:

a)	31-Dec-2018 – Last date for filing	b)	20-Jul-2018 – Actual date for filing annual return
	annual return		
c)	20-Jan-2018 - Due Date of Filing	d)	20-Oct-2018 – Due Date of Filing of September
	of December Return		Return

Ans. (d)

18. The receipt voucher must contain:

a)	Details of goods or services	b) Invoice reference
c)	Full value of supply	d) None of the above

Ans. (a)

Chapter 6: Time of Supply

1. What is time of supply of goods, in case of forward charge?

a)	Date of issue of invoice	b)	Due date of issue of invoice
c)	Due date of issue of invoice	d)	Earlier of (a) & (b)

Ans. (d)

2. What is time of supply of goods, in case of supplier opting for composition levy under Section 10 of the CGST Act, 2017?

a) Date of issue of invoice	b) Date of receipt of consideration by the supplier
c) Latter of (a) & (b)	d) Earlier of (a) & (b)

Ans. (d)

3. What is 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	d)	Earlier of (a) or (b) or (c)
	days from the date of issue of		
	invoice by the supplier		

Ans. (d)

4. 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)	Earlier of (a) & (b)	d)	(a) & (b) whichever is later

Ans. (a)

5. What is the time of supply of vouchers when the supply with respect to the voucher is not identifiable?

	117	117
a)	Date of issue of voucher	b) Date of redemption of voucher
c)	Earlier of (a) & (b)	d) (a) & (b) whichever is later

Ans. (b)

6. What is date of receipt of payment?

	a)	Date of entry in the books	b)	Date	of	payment	credited	into	bank
				accou	ınt				
Ī	c)	Earlier of (a) and (b)	d)	Date	of fi	ling of retu	ırn		

Ans. (c)

7. Mr. A, who has opted for composition levy, supplies goods worth `24,300 to Mr. B and issues an invoice dated 25.09.2018 for `24,300. and Mr. B pays `25,000 on 1.10.2018 against such supply of goods. The excess `700 (being less than `1,000) is adjusted in the next invoice for supply of goods issued on 5.01.2018. Identify the time of supply and value of supply:

a)	` 25,000 – 1.10.2018	b)	For `24,300 – 25.09.2018 and for `700 – 1.10.2018
c)	For ` 24,300 – 25.09.2018 and for	d)	(b) or (c) at the option of supplier, who has opted
	` 700 – 5.10.2018.		for composition levy

Ans. (d)

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8. 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)

Ans. (d)

9. What is the time of supply of service for the supply of taxable services up to `1000 in excess of the amount indicated in the taxable invoice?

a)	At the option of the supplier –	b)	Date of issue of invoice
	Invoice date or Date of receipt		
	of consideration		
c)	Date of receipt of consideration.	d)	Date of entry in books of account

Ans. (a)

10. How is the date of receipt of consideration by the supplier determined?

a)	Date on which the receipt of payment is entered in the books of account	b)	Date on which the receipt of payment is credited in the bank account
c)	Earlier of (a) & (b)	d)	(a) & (b) whichever is later

Ans. (c)

11. What is the time of supply of service in case of reverse charge mechanism?

a)	Date of payment as entered in the	b)	Date immediately following 60 days from
	books of account of the recipient		the date of issue of invoice
c)	Date of invoice	d)	Earlier of (a) & (b)

Ans. (d)

12. What is the time of supply of service in case an associated enterprise receives services from the service provider located outside India?

a)	Date of entry in the books of account of	b) Date of payment	
	associated enterprise(recipient)		
c)	Earlier of (a) & (b)	d) Date of entry in the books of the	he
		supplier of service	

Ans. (c)

13. 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)	Earlier of (a) & (b)	d)	(a) & (b) whichever is later

Ans. (a)

14. What is the time of supply of vouchers when the supply with respect to the voucher is not identifiable?

	112	117
e	e) Date of issue of voucher	f) Date of redemption of voucher
C) Earlier of (a) & (b)	h) (a) & (b) whichever is later

Ans. (b)

15. Value of services rendered is Rs. 1,00,000/. Date of issue of invoice is 5th October 2018. Advance Received is Rs. 25,000/- on 20th September 2018. Balance amount received on 7th October 2018. What is the time of supply for Rs. 1,00,000/-

a) 5th October 2018 for Rs. 1,00,000/-	b) 20th September 2018 for Rs. 1,00,000/-
c) 20th September 2018- Rs. 25,000/- and 5	h d) 20th September 2018- Rs. 25,000/- and
October 2018 for Rs. 75,000/-	7th October 2018 for Rs. 75,000/-

Ans. (c)

16. There was increase in tax rate from 20% to 24% w.e.f.1.09.2018. Which of the following rate is applicable when services are provided after change in rate of tax in September 2018, but invoice issued and payment received, both in August, 2018:

a)	20% as it is lower of the two	b) 24% as it is higher of the two
c)	20% as invoice and payment were	d) 24% as the supply was completed
	received prior to rate change	after rate change

Ans. (c)

17. There was increase in tax rate from 20% to 24% w.e.f. 1.09.2018. Which of the following rate is applicable when services provided, and invoice raised after change in rate of tax in September,2018, but payment received in August 2018:

a)	20% as it is lower of the two	b)	24% as it is higher of the two		
c)	20% as payment (being one of the	d)	24% as invoice was issued in the period during		
	factors) was prior to rate change	which supply is completed			

Ans. (d)

18. There was increase in tax rate from 20% to 24% w.e.f. 1.9.2018. Which of the following rate is applicable if the supplier has opted for composition levy and invoice was issued after change in rate of tax in September, 2018 but payment received, and goods supplied in August, 2018:

a)	20% as it is lower of the two	b) 24% as it is higher of the two
c)	20% as payment was received in the period	d) 24% as invoice being one of the factors
	during which the supply was effected	was issued after rate change

Ans. (c)

19. There was increase in tax rate from 20% to 24% w.e.f.1.9.2018. Which of the following rate is applicable if the supplier has not opted for composition levy say Sita Manufacturers, Delhi supplies goods to Aakash Electronics, Dehradun. Further, Goods were removed from its factory in Delhi on 31.08.2018; invoice is issued on 31.08.2018 and payment is received on 4.09.2018.

a)	20% as it is lower of the two	b)	24% as it is higher of the two
c)	20% as date of invoice and dispatch of	d)	24% as both, payment and completion of
	goods from factory, has happened before		supply, has happened after change of rate
	change of rate		

Ans. (c)

20. There was decrease in tax rate from 24% to 20% w.e.f. 1.09.2018. Which of the following rate is applicable if the supplier has not opted for composition levy say Sita Manufacturers, Delhi supplies goods to Aakash Electronics, Dehradun. Further, Goods were removed from its factory in Delhi on 31.08.2018; delivered at Aakash Electronics, Dehradun on 2.02.2018; invoice is issued on 31.08.2018 and payment is received on 4.09.2018.

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a)	20% as it is lower of the two	b) 24% as date of invoice and dispatch of goods from
		factory, has happened before change of rate
c)	20% as both, payment and	
	completion of supply, has happened	
	after change of rate	

Ans. (b) 24% as date of invoice and dispatch of goods from factory, has happened before change of rate

Chapter 7: Value of Supply

1. The value of supply of goods and services shall be the

a)	Transaction value	b) MRF	
c)	Market Value	d) Non	ne of above

Ans. (a)

2. The value of supply should include

a)	Any non-GST taxes, duties, cesses,	b)	Interest, late fee or penalty for delayed payment of
	fees charged by supplier separately		any consideration for any supply of goods or services
c)	Subsidies directly linked to the	d)	All of the above
	price except subsidies provided by		
	the Central and State Government		

Ans. (d)

3. When can the transaction value be rejected for computation of value of supply

a)	When the buyer and seller are related	b)	When the buyer and seller are related or price is
	and price is not the sole consideration		not the sole consideration
c)	It can never be rejected	d)	When the goods are sold at very low margins

Ans. (b)

4. What deductions are allowed from the transaction value

a)	Discounts offered to customers,	b)	Packing Charges, subject to conditions
	subject to conditions		
c)	Amount paid by customer on	d)	Freight charges incurred by the supplier for CIF terms of
	behalf of the supplier, subject to		supply, subject to conditions
	conditions		

Ans. (a)

5. If the goods are supplied to related persons then how should the taxable person ascertain the value of supplies?

a)	Seek the help of the GST officer	b)	Use the arm's length price as required
			under the Income Tax law
c)	Identify the prices at which goods	d)	As per Rule 28 of the CGST Rules
	are sold by the unrelated person to		
	his customer		

Ans. (d)

6. Rule 30 of the CGST Rules inter alia provides value of supply of goods or services or both based on cost shall be% of cost of production or manufacture or the cost of acquisition of such goods or the cost of provision of such services

	100	1) 40
a)	100	b) 10
c)	110	d) 120

Ans. (c) 110

7. As per Rule 31 of the CGST Rules, residual method for determination of value of supply of goods or services or both will apply when:

a)	Value of supply cannot be determined	b)	Value of supply determined is more than the
	under Rules 27 to 30		open market value of goods
c)	Value of supply determined is more than	d)	All of the above
	the Value of supply of like kind and		
	quality		

Ans. (a) Value of supply cannot be determined under Rules 27 to 30

8. In the case of supply of services, the supplier may opt for Rule 31 ignoring Rule 30 of the CGST Rules?

a)	True	b)	False
ω,		~,	. 4.50

Ans. (a) True

a)	Rs. 10,000/-	b) Arm's length price as required under the Income Tax law	000/- b)	
c)	Nil	d) As per the contract between the supplier and recipient	d)	

Ans. (c) NIL

10. Mr. Santa located in Nashik purchases 10,000 Hero ink pens worth Rs.4,00,000 from Lekhana Wholesalers located in Mumbai. Mr. Mohan's wife is an employee in Lekhana Wholesalers. The price of each Hero pen in the open market is Rs.52. The supplier additionally charges Rs.5,000 for delivering the goods to the recipient's place of business. The value of such supply will be:

a) Rs. 5,20,000	b) Rs. 5,25,000	
c) Rs. 4,00,000	d) Rs. 4,05,000	

Ans. (d) Rs. 4,05,000

11. What will be the value of supply if Giriyas supply Sony television set for Rs. 85000 along with the exchange of an old TV and if the price of the Sony television set without exchange is Rs. 1,00,000, the open market value of the Sony television set is:

	the state of the s	
a)	Rs. 85,000	b) Rs. 1,00,000
c)	Rs. 15,000	d) Rs. 1,15,000

Ans. (b) Rs. 1,00,000

12. The term 'consideration' in relation to supply of goods or services or both includes

a) payment in money or otherwise for supply by	b) monetary value of any act or forbearance for
recipient or any other person	the supply by recipient or any other person
c) subsidy given by the central/state govt	d) both a&b

Answer- d

13. The term 'consideration' in relation to supply of goods or services or both excludes

a) subsidy given by CG/SG	b) subsidy from person other than government
c) Taxes other than gst/compensation cess	d) commission paid

Answer- a

14. The value of supply shall not include any discount which is given

a) before or at the time of supply , if such	b) after the supply , if such discount is established
discount has been duly recorded in the invoice	in terms of an agreement entered into at or
issued in respect of such supply	before the time of such supply
c) after the supply , if credit note link to tx invoice	d) both a & c
is issued by supplier to recipient & recipient has	
reversed ITC relating to discount component	

Answer- d

15. Calculate value of taxable supply in the following case

A supply priced at rs.2000 is made, with a credit period of 1 month for payment. Thereafter interest @ 12% is charged, the payment is received after the lapse of two months, from the date of supply

a) 2000	b) 2020
c) 2240	d) 2040

Answer- b

16. As per rule 27 of the CGST rules, where the supply of goods or services is for a consideration not wholly in money, the value of the supply shall be

a) open market value of such supply	b) money + money equivalent of non – monetary
	consideration
c) supply of goods / services of like kind / quality	d) as per rule 30 or rule 31

Answer- a

17. As per rule 27 of CGST rules, where the supply of goods or services is for a consideration not wholly in money, the value of the supply shall be

a) 90% of price charged by recipient to un-related	b) supply of goods / services of like kind /
customer, only if, goods are supplied as such	quality
c) as per rule 30 of CGST rules	d) as per rule 31 of CGST rules

Answer- b

18. A principal supplies ground nut to his agent and the agent is supplying ground nuts of like kind and quality in subsequent supplies at a price rs.5000 per quintal on the day of the supply. Another independent supplier is supplying groundnuts of like kind and quality to the said agent at the price of rs. 4550 per quintal. Value of supply shall be

a) Rs. 4550 or Rs. 4500 at the option of supplier	b) 4500 only
c) 4550 only	d) 5000

Answer- a

19. As per rule 31 of the CGST rules, residual method for determination of value of supply of goods or services or both will apply, when

a) value of supply cannot be determined under	b) value of supply determined is more than the
rules 27 to 30	open market value of goods
c) value of supply determined is more than the	d) all of the above
value of supply of like kind and quality	

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20. Supply of like kind & quality means any other supply made under similar circumstances, which is closely resembles in respect of ______ to the supply

a) characteristics only	b) quality and quantity only
c) functionality and reputation only	d) all of the above

Answer- d

21. A company procures and modifies a machine and supplies it to its unrelated customer. Since, it is a customized machine, the open market value of the machine is not available, as also the value of any other machine of the like kind and quality is also not available. Compute the value of supply

a) seek the help of the GST officer	b) use the arm's length price as required under the income tax law
c) as per rule 30 of CGST rules	d) as per rule 31 of the CGST rules

Answer- c

22. On 10th may, Mr. Doshi converted USD\$ 100 into rs. 6400 @ rs. 64 per USD through eastern money changers. RBI reference rate on 10th may for USD\$ is rs.63 per US\$. Calculate value of supply

a) 250	b) 64
c) 100	d) none of the above

Answer- c

23. On 10th June, Mr. Joshi converted USD\$ 1000 into rs. 70000@ rs. 70 per USD through eastern money changers. RBI reference rate is not available. Calculate value of supply

a) 250	b) 700
c) 1000	d) 500

Answer- b

24. M/s. Union traders are an authorized money changer registered under FEMA, 1999. it has sold 50,000units of currency ABC. Selling rate 1 unit of currency ABC=Rs. 20. Buying rate 1 unit of currency ABC= rs 19.5. RBI reference rate for currency ABC is not available. Calculate value of supply

a) Rs. 5000	b) Rs. 5500
c) Rs. 9750	d) Rs. 10000

Answer- d

25. M/s. union traders are an authorized money changer registered under FEMA, 1999. It has purchased 48,000units of currency ABC. Selling rate 1 unit of currency ABC=rs 20. Buying rate 1 unit of currency ABC= rs 19.5. RBI reference rate for currency ABC is not available. Calculate value of supply

a) Rs. 4800)	b) Rs. 9600
c) Rs. 5180)	d) Rs. 9360

Answer- d

26. In valuation, for which of the following supplies, special valuation methods as per rule 32 of CGST rules will apply

a) value of redeemable vouchers/ stamps/	b) value of supply of second hand goods
coupons / tokens	
c) life insurance business	d) all of the above

Answer- d

27. In valuation, for which of the following supplies, special valuation methods as per rule 32 of CGST rules will not apply

a) booking of tickets for air travel by an air travel	b) purchase / sale of foreign currency including
agent	money changing
c) life insurance business	d) supply of goods by/ through an agent

Answer- d

28. Mr. V, an air travel agent, who discharges his tax liability at special rates. As per rule 32(3) of CGST rules, value of service of bookings of tickets for air travel by an air travel agent can be determined as follows

a) 5% of basic fare on both domestic &	b) 10% of basic fare on both domestic &
international air travel	international air travel
c) 10% of basic fare on domestic air travel &	d) 5% of basic fare on domestic air travel &
5% of basic fare on international air travel	10% of basic fare on international air travel

Answer- d

29. Arihant life insurance co., ltd (ALICL) has charged gross premium of Rs. 180 lakh from policy holders with respect to life insurance policies in the 2017-18; out of which Rs. 100 lakh have been allocated for investment on behalf of the policy holders. Compute the value of supply of life insurance services provided by ALICL If the amount allocated for investment has been intimated by ALICL to policy holders at the time of supply of service

a) 180,00,000	b) 80,00,000
c) 100,00,000	d) 45,00,000

Answer- b

30. Arihant life insurance co., ltd (ALICL) has charged gross premium of rs. 180 lakh from policy holders with respect to life insurance policies in the 2017-18; out of which rs. 100 lakh have been allocated for investment on behalf of the policy holders. Compute the value of supply of life insurance services provided by ALICL. If the amount allocated for investment has not been intimated by ALICL to policy holders at the time of providing of service Note: ALICL has not issued any single premium annuity policy.

a) 45,00,000	b) 22,50,000
c) 18,00,000	d) 10,00,000

Answer- a

31. The insurance company provides the following information

Premiums collected rs. 100 lakhs including Rs. 25 lakhs towards single premium policy (13% of the premiums charged under variable insurance policies are towards mortality, commission and expenses). The premium receipt issued to policy holder shows this break-up. Compute the taxable value of supply by the insurance co.,

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a) 10,00,000	b) 18,75,000
c) 13,00,000	d) 2,50,000

Answer- c

32. The insurance company provides the following information

Premiums collected rs. 200 lakhs (savings plan). The breakup of amount invested is not shown separately in the premium receipt

First year premium Rs. 40 lakhs

Subsequent year: rs. 160 lakhs

Compute the taxable value of supply by the insurance co.,

a) 1 st year – 20 lakhs, 2 nd year – 10 lakhs	b) 1 st year – 10 lakhs , 2 nd year – 20 lakhs
c) 1 st year – 4 lakhs , 2 nd year – 16 lakhs	d) 1 st year – 40 lakhs , 2 nd year – 160 lakhs

Answer – b

33. Where a taxable supply is provided by a person dealing in buying ans selling of second hand goods & where no input tax credit has been availed on the purchase of such goods. Determine the value of second hand goods

a) difference between selling price & purchase price	b) selling price
c)purchase price	d) none of the above

Answer- a

34. Determine the value of second hand goods in case of intra-state supplies of second hand goods by an unregistered supplier to registered second hand goods dealer

and a great and a plant and a great and a	
a)purchase price – 5% for every quarter or part thereof, between the	b) selling price
date of purchase and the date of disposal	
c)purchase price	d) exempt from CGST & SGST

Answer- d

35. A company X ltd, which deals in buying and selling of second hand cars , purchase a second hand maruti alto car of march , 2014 make (original price Rs . 5 lakh) for rs . 3 lakh from an unregistered person and sells the same after minor furbishing for rs. 3,50,000 and the transaction is intra-state supply

a) 3,50,000	b) 50,000
c)3,00,000	d) none of the above

Answer- b

36. Rs. 1500 worth of sodexo is supplied by the taxable person. What will be the value of supply under GST LAW?

a)1500	b)500
c) 1000	d) none of the above

Answer- a

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MCQ Book

37. When GST is payable, if voucher is for specific goods/ services (supply is identifiable)

a)at the time of issue of voucher	b)at the time of redemption of voucher
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Answer- a

38. When GST is payable, if voucher is for different goods/ services with multiple rates

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	a)at the time of issue of voucher	b)at the time of redemption of voucher

Answer- b

39. The expenditure (or) costs incurred by a supplier as a pure agent of the recipient of supply shall be______ from the value of supply

a) excluded	b) included
-------------	-------------

Answer- a

40. When can expenditure (or) costs incurred by a supplier as a pure agent of the recipient of supply shall be excluded from the value of supply

a) the supplier acts as a pure agent of the	b)the payment made by pure agent on behalf of the
recipient of the supply , when he makes the	
payment to the third party on authorization	the invoice issued by the pure agent to the recipient
by such recipient	of service
c) the supplies procured by the pure agent	d)all of the above
from the third party as a pure agent of the	
recipient of supply are in addition to the	
service , he supplies on his own account	

Answer- d

41. Port fees, port charges, custom duty, dock dues, transport charges etc. paid by customs broker on behalf of the owner of goods. Determine whether these costs are ______ in the value

a) excluded	b) included

Answer- a

42. X contracts with Y, a real estate agent to sell his house and thereupon Y gives an advertisement in television costing rs. 5 lakhs. Y billed rs. 15 lakhs to X including charges for television advertisement, showing them separately in invoice. Mr. Y says that value of supply in his case is rs. 10 lakhs only, as he acted as pure agent of Mr. X while taking advertisements. Calculate value of taxable supply

a) 10,00,000	b) 5,00,000
c) 15,00,000	d) 20,00,000

Answer – c

43. Corporate services firm A is engaged to handle the legal work pertaining to the incorporation of company B. other than its service fees , A also recovers from B , registration fee and approval fee for the name of the company paid to the registrar of companies

a) excluded	l b) included
a) excluded	D) Included

Answer- a

44. Determine the relevant rate of exchange for determining the value of taxable goods under section 14 of customs act, 1962

a) rate notified by CBIC	b) rate determined as per GAAP
c) rate notified by RBI	d) rate notified by FEMA

Answer- a

45. Determine the relevant rate of exchange for determining the value of taxable services

a) rate notified by CBIC	b) rate determined as per GAAP
c) rate notified by RBI	d) rate notified by FEMA

Answer- b

Chapter 8: Payment of tax

1. Which of these registers/ledgers are maintained online?

a)	Tax liability register	b) Credit ledger
c)	Cash ledger	d) All of them

Ans. (d) All of them

2. Payment made through challan will be credited to which registers/ledgers?

a)	Electronic Tax liability register	b) Electronic Credit ledger
c)	Electronic Cash ledger	d) All of them

Ans. (c) Electronic Cash ledger

3. What is deemed to be the date of deposit in the electronic cash ledger?

a)	Date on which amount gets debited in the account of the taxable person	b) Date on which payment is initiated and approved by the taxable person
c)	Date of credit to the account of	d) Earliest of the above three dates
	the appropriate Government	

Ans. (c) Date of credit to the account of the appropriate Government

4. Balance in electronic credit ledger can be utilized against which liability?

a)	Output tax payable	b) Interest
c)	Penalty	d) All of them

Ans. (d) Output tax payable

5. Balance in electronic credit ledger under IGST can be used against which liability?

a)	IGST Liability only	b)	IGST and CGST liability
c)	IGST, CGST and SGST liability	d)	None of then

Ans. (c) IGST, CGST and SGST liability

6. Balance in electronic credit ledger under CGST can be used against which liability?

a)	CGST Liability only	b)	CGST and IGST liability
c)	CGST, IGST and SGST liability	d)	None of them

Ans. (b) CGST and IGST liability

7. 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 then

Ans. (b) SGST and IGST liability

8. What should the taxable person do if he pay's the wrong tax i.e. IGST instead of CGST/SGST or vice versa?

a) Remit tax again and claim refund	b) It will be auto-adjusted
c) It will be adjusted on application/request	d) None of the above

Ans. (a) Remit tax again and claim refund

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9. What should the taxable person do if he pay's tax under wrong GSTIN?

a)	Pay again under right GSTIN and claim refund	b) Auto-adjustment	
c)	Adjustment on application/request	d) Raise ISD invoice and transfer	٢

Ans. (a) Pay again under right GSTIN and claim refund

10. Taxable person made an online payment of tax. Due to technical snag CIN was not generated but my bank account is debited. What should he do?

a)	Wait for 24 hours for re-credit	b) Approach bank
c)	File application with department	d) File return without challan

Ans. (c) File application with department (FORM GST PMT-07)

11. What is the due date for payment of tax?

	a)	Last day of the month to which payment relates	b)	Within 10 days of the subsequent month
c) Within 20 days of the subsequent month		d)	Within 15 days of the subsequent month	

Ans. (c) Within 20 days of the subsequent month

12. A Company has head office in Bangalore and 4 branches in different states, all registered under GST and one ISD registered unit in Delhi. How many electronic cash ledgers will the company have?

a) 1	b) 4
c) 5	d) 6

Ans. (c) 5

13. What is the validity of challan in FORM GST PMT-06?

a) 1 day	b) 5 days
c) 15 days	d) Perpetual validity

Ans. (c)

14. A taxable person failed to pay tax and/or file returns on time. He should pay interest on?

a) Gross tax payable	b) Gross tax payable & input credit claimed
c) Net tax payable	d) No interest payable, if reasonable cause
	is shown

Ans. (a)

15. From which date interest is liable in case of excess input tax credit claimed?

a)	From the late date of the month		From the due date for filing GSTR-02 of
	in which credit is claimed		the month in which credit is claimed
c)	From the due date for filing	d)	From the date of utilization of credit.
	GSTR-03 of the month in which		
	credit is claimed		

Ans. (c)

16. For payment of IGST input tax credit can be utilised in the following manner only:

a)	IGST, CGST. SGST/UTGST	b) IGST, SGST/UTGST, CGST
c)	CGST, SGST/UTGST, IGST	d) Any of the above manner

Ans:a)

17. What is the rate of TDS?

a) 1% CGST 1% SGST	b) 4%
c) 5%	d) 18%

Ans. (a)

18. On what value TDS needs to be deducted?

a)	Contract value	b)	Contract value excluding tax
c)	Invoice value including tax	d)	Invoice value excluding tax

Ans. (d)

19. What is the due date for payment of TDS?

a) Last day of the month to which				ı to v	vhich	b)	Within 10 days of the subsequent month
	payment	t relat	es				
c)	Within	20	days	of	the	d)	Within 15 days of the subsequent month
	subsequent month						

Ans. (b)

20. What is the due date for issue of TDS Certificate?

a)	The date of payment of TDS	b)	Within	10	days	from	the	date	of
			paymer	nt of	TDS				
c)	Within 20 days from the date	d)	Within	05	days	from	the	date	of
of payment of TDS			paymer	nt of	TDS				

Ans. (d)

21. Every registered person required to deduct tax at source under section 51 shall furnish return, in, for the month in which such deductions have been made within 10 days after the end of such month.

a) Form GSTR-5	b) Form GSTR-6
c) Form GSTR-7	d) Form GSTR-8

Ans. (c)

22. What is e-commerce?

a)	Supply of goods and/or services	b) Supply of goods and/or services on ar
	on an electronic platform for	electronic platform for commerce
	commerce other than the e-	including the e-commerce operator
	commerce operator himself	
c)	Supply of goods and/or services	d) Supply of goods or services or both
	on an electronic platform for	including digital products over digital o
	commerce	electronic network.

Ans. (d)

23. A person who ____ digital or electronic facility or platform for electronic commerce shall be considered as an e-commerce operator

a)	owns	b) Operates
c)	Manages	d) Any of the above

Ans. (d)

24. Is there any threshold limit for applying the provisions of Section 52 for collecting tax at source?

a)	TCS applie	s if net	value of	b)	TCS applies if net value of taxable
	taxable	supplies	exceeds		supplies exceeds Rs.15,00,000/-
	Rs.10,00,000)/-			
c)	TCS annlia	s if net	value of	d)	No such limit prescribed, tax should
٠,	ics applie	3 11 1100	value of	u)	No sacri mine presenbea, tax snoara
٠,	taxable				always be collected at source if the

Ans. (d)

25. When will Section 52 apply? Or when should the e-commerce operator be liable to collect tax at source?

a)	E-commerce operator shall collect tax at source in	b)	E-commerce operator should collect
	respect of all supplies made through it.		tax at source only if the supplier of
			the goods and is registered
c)	E-commerce operator shall collect tax at source on	d)	E-commerce operator shall collect
	the net taxable value of supplies made through it		tax at source only if the net value of
	by other supplier where the consideration with		taxable supplies exceeds the
	respect to such supply is to be collected by the E-		prescribed threshold limit
	commerce operator.		

Ans. (c)

26. What is net value of taxable supplies?

	net value of taxable supplies.		
a)	Aggregate value of all the supplies of goods and/or services made during any month by all registered taxable persons through the e-commerce operator	b)	Aggregate value of taxable supplies of goods and/or services made during any month by all registered taxable persons through the ecommerce operator reduced by value of taxable supplies returned to the suppliers during the said month
(c)	Aggregate value of taxable supplies of goods and/or services, excluding the services notified u/s 9(5) made during any month by all registered persons through the e-commerce operator reduced by the aggregate value of taxable supplies returned to the suppliers during the said month.	d)	Aggregate value of all the supplies of goods and/or services, excluding the services notified u/s 9(5) made during any month by a registered taxable person

Ans (c)

27. When an e-commerce operator is required to register under GST?

a)	When he is required to collect tax at	b)	When his aggregate turnover exceeds the
source u/s 52			threshold limit
c)	It is mandatory to register	d)	Never
irrespective of the threshold limit			

Ans. (c)

28. Is every supplier on e-commerce platform covered under Section 52 required to charge GST from Re. 1?

a) Yes, since he is the registered taxable person b) No

Ans. (a)

29. When should the e-commerce operator collect tax at source?

a)	When he collects the consideration on behalf of	b) On the date when the other supplier
	the supplier in respect of such supply	makes supplies through operator
c)	Day on which the operator remits the	d) Option (a) or (b) whichever is earlier
	consideration to the supplier	

Ans. (a)

30. When should the e-commerce operator remit the amount of TCS to government and file the necessary returns with the government?

a)	Within 10 days after the end of the month in which such amount was collected	b)	Within 10 days after the end of the month in which such amount was collected, but no time limit for filing the return
c)	Within 10 days after the end of the month in which such amount was collected, but		No time limit for both
	no time limit for paying the money		

Ans. (a)

31. Can a supplier take credit of the TCS?

a)	Yes	b)	No
c)	Yes, on the basis of the valid	d)	Yes, on the basis of a valid return filed by the e-commerce
	return filed		operator and there is no discrepancy in the returns

Ans. (d)

32. Is there any matching to be done with the returns filed by supplier and operator?

a)	Yes, return of e-commerce operator should be matched with every return of supplier	b)	No, no such requirement mandated
c)			Yes, return of e-commerce operator should be matched with every return of supplier and if the returns do not match then the amount of discrepancy will be added to the outward tax liability of the concerned supplier, where the value of outward supplies furnished by the operator is more than the value of outward supplies furnished by the supplier, in his return for the month succeeding the month in which the discrepancy is communicated.

Ans. (d)

33. Every electronic commerce operator required to collect tax at source under section 52 shall furnish a statement in, containing details of supplies effected through such operator and the amount of tax collected as required under section 52(1) of the CGST Act.

a) Form GSTR-5	b) Form GSTR-7
c) Form GSTR-6	d) Form GSTR-8

Ans. (d)

Chapter 9: Returns

1. The details of outward supplies of goods or services shall be submitted by

ć	1) 10th of the succeeding month	b) 18th of the succeeding month
(:) 15th of the succeeding month	d) 20th of the succeeding month

Ans. (a)

2. Details of Outward supplies shall include

a)	Invoice				b)	Credit and Debit notes
c)	Revised	invoice	issued	in	d)	All the above
	relation to	o outward	supplies			

Ans. (d)

3. The details submitted by the outward supplier in Form GSTR 1 shall be furnished to the recipient regular dealer in form

a) GSTR 4A	b) GSTR 5A
c) GSTR 2A	d) GSTR 6A

Ans. (c)

4. The details submitted by the outward supplier in Form GSTR 1 shall be furnished to the recipient compounding dealer in form

a)	GSTR 4A	b) GSTR 5A
c)	GSTR 2A	d) GSTR 6A

Ans. (a)

5. The details submitted by the outward supplier in Form GSTR 1 shall be furnished to the input service distributor in form

a) GSTR 4A	b) GSTR 5A
c) GSTR 2A	d) GSTR 6A

Ans. (d)

6. Which of the following is true?

a) The Commissioner may extend the time	b)	The details of outward supplies shall include
	limit for furnishing the details of outward		details of debit notes, credit notes and revised
	supplies by notification for valid reasons		invoices issued in relation to outward supplies
С) The details of outward supplies shall be	d)	All the above
	submitted in Form GSTR-1 by all the		
	registered taxable person other than ISD,		
	non-resident tax payer and a person paying		
	tax under section 10, section 51 and section		
	52		

Ans. (d)

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7. The details submitted by the supplier in Form GSTR 1 are communicated to the registered taxable person in

a) Form GSTR 1A on 17th of the	b) Form GSTR 2A after the data entry in
succeeding month	Form GSTR 1
c) Form GSTR 2A after the due	d) Form GSTR 1A on 15th of the succeeding
date of filing Form GSTR 1	month

Ans. (c)

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8. Which of the following is a correct statement?

a)	Every registered taxable person other than	b)	The details of outward supplies
	ISD, non-resident tax payer & a person		communicated in Form GSTR 2A cannot
	paying tax under section 10, 51 or 52 shall		be modified or altered
	verify, validate, modify or delete the details		
	communicated in Form GSTR 2A		
c)	The registered taxable person should	d)	The registered taxable person other than
	accept the details communicated in Form		ISD, non-resident tax payer & a person
	GSTR 2A by 12th of the succeeding month		paying tax under section 10, 51 or 52 shall
			furnish the details of inward supplies of
			goods or services excluding tax payable
			on reverse charge basis.

Ans. (a)

9. Every tax payer paying tax under section 10 (Composition levy) shall file the return in

a) Form GSTR 3 by 18th of the	b) Form GSTR 4 by 18th of the month
month succeeding the quarter	succeeding the quarter
c) Form GSTR 4 by 18th of the	d) Form GSTR 4 by 20th of the month
succeeding month	succeeding the quarter

Ans. (b)

10. Which of the following is correct?

a)	Non-Resident taxable person shall file	b)	Input Service Distributor shall
	the return by 20th of succeeding		furnish the return by 13th of the
	month in Form GSTR 5		succeeding month in Form GSTR 6
c)	The person deducting tax at source	d)	All the above
	shall furnish the return by 10th of the		
	succeeding month in Form GSTR 7		

Ans. (d)

11. The certificate of details of tax deducted by the deductor shall be furnished to the deductee in Form

a)	GSTR 7	b) GSTR 7A
c)	GSTR 2A	d) GSTR 1A

Ans. (b)

12. The e-commerce operator collecting tax under section 52 shall file its monthly return in

	<u> </u>	
a)	Form GSTR 8 by 18th of the succeeding	b) Form GSTR 7 20th of the month
	month	succeeding the quarter
c)	Form GSTR 8 17th of the succeeding	d) Form GSTR 8 10th of the succeeding
	month	month

Ans (d)

13. State which is a true statement:

a)	The last date for payment of taxes to the	b)	Every person who is required to furnish return
	appropriate government is the last date		under 39(1) and 39(2) shall furnish return for
	on which the registered taxable person is		every tax period whether or not supplies have
	required to furnish the return		been effected during such period.
c)	Both (a) and (b)	d)	None of the above

Ans. (c)

14. What is the time limit for rectification of GSTR 1, GSTR 4 and GSTR 6?

a)	Return can be rectified within 6	b)	Return can be rectified within 90 days from the date of
	months from the date of filing		filing the return
	the return		
c)	Return have to be rectified	d)	Return can be rectified before the due date for filing
c)	Return have to be rectified before the due date for filling	-	Return can be rectified before the due date for filing the returns for month of September or second quarter,

Ans. (d)

15. The First return shall be filed by every registered taxable person for the period from

a)	The date on which he became liable for	b)	The date of registration to the last day of that
	registration till the date of grant of		month
	registration		
c)	The date on which he became liable for	d)	All of the above
	registration till the last day of that month		

Ans. (a)

16. The details of inward supply furnished by the registered taxable person shall be matched with the

a)	Corr	esponding	de	etails	of	b)	Additional duty of customs paid under
	outv	vard supply f	urnis	shed by	the		section 3(5) of the Customs Tariff Act,
	corr	esponding ta	xabl	e person			1975
c)	For	duplication	of	claims	of	d)	All of the above
	inpu	ıt tax credit					

Ans . (d)

17. Every registered taxable person shall be entitled to take credit of input tax in his return and such input tax credit shall be credited to

a)	Personal Ledger Account	b)	Refund account
c)	Electronic cash ledger	d)	Electronic Credit Ledger

Ans. (d)

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18. The details of every credit note relating to outward supplies furnished by the registered taxable person shall be matched

a)	With corresponding reduction in	b)	For duplication of claims for reduction in
	claim for input tax credit by the		the output tax liability
	corresponding taxable person in		
	his valid return for the same tax		
	period or any subsequent tax		
	period.		
c)	All of the above	d)	None of the above

Ans. (c)

19. Every registered taxable person who is required to get his accounts audited under section 35(5) shall furnish electronically

a)	Annual Return	b)	Audited copy of annual accounts
c)	Reconciliation statement	d)	All of the above
	reconciling the value of supplies		
	declared in the return and the		
	financial statement		

Ans. (d)

20. The annual return shall be filed by the registered taxable person (other than dealers paying tax under section 10) in form

a)	GSTR 7	b) GSTR 9
c)	GSTR 9A	d) GSTR 10

Ans. (b)

21. Find the correct match of annual returns to be filed

a)	Registered taxable person -	b)	Input service distributor – Form GSTR 9
	Form GSTR 8		
c)	Non Resident taxable person –	d)	Compounding taxable person – Form
	Form GSTR 9B		GSTR 9A

Ans. (d)

22. Notice to non-filers of return shall be sent in Form

a)	GSTR 5	b) GSTR 3
c)	GSTR 3A	d) GSTR 10

Ans. (c)

23. The final return shall be filed by the registered taxable person within

a) 3	3 months of the date of cancellation	b)	Date of order of cancellation
c) l	Later of the (a) or (b)	d)	Earlier of the (a) or (b)

Ans. (c)

24. Which of the following is correct?

	3		
a)	Failure to file annual return	b)	Failure to file annual return within due
	within due date attracts a late		date attracts late fee of 1% of his
	fee of Rs. 100 per day up to		turnover till the failure continues
	0.25% of his turnover		
c)	Failure to file annual returns	d)	On failure to file annual return within
	within due date attracts a late		due date the proper officer shall issue a
	fee of Rs. 100 per day up to 1%		notice of non-filing on such person
	of his turnover		

Ans. (a)

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

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

Ans. (d)

Chapter 10: Accounts, Records and E-way Bill

1. The books and other records u/s 35 are to be maintained at

a)	Place where the books and accounts				b)	Place	of	address	of	the	Proprietor/		
	are maintair	ned						Partne	r/Di	rector/Prir	ncipa	al Offi	cer
c)	Principal	pla	ce	of	busin	ess	d)	Any of	the	above			
	mentioned	in	the	Certi	ficate	of							
	Registration	1											

Ans. (c)

2. In case, more than one place of business situated within a state specified in the Registration Certificate, the books and Accounts shall be maintained at

a)	Each place of business pertaining to such	b)	Place where the books of accounts are
	place		maintained for all places situated within a state
c)	At principal place of business covered	d)	Any of the above
	mentioned in the Registration Certificate for		
	all places of business in each State		

Ans. (a)

3. Accounts are required to be maintained in

a)	Manual form	b) Electronic form
c)	Manual and electronic form	d) Manual or electronic form

Ans. (d)

4. Who among the following, even if not registered, is required to maintain records

a)	Owner or operator of warehouse	b) Owner or operator of godown
c)	Owner or operator of any other	d) Every transporter
	place used for storage of goods	·
e)	All the above	

Ans. (e)

5. If a turnover during a financial year exceeds the prescribed limit, then accounts get audited by

a)	Chartered Accountant	b) Cost Accountant
c)	Either (a) or (b)	d) Both (a) and (b)

Ans. (c)

6. What accounts and records are required to be maintained by every registered taxable person at his principal place of business

a)	account of production or	b)	inward or outward supply of goods
	manufacture of goods		and/or services
c)	stock of goods	d)	input tax credit availed
e)	output tax payable and paid	f)	All of the above

Ans. (f)

7. Can all the records be maintained in an electronic form?

a) Yes	b) No
c) Maybe	d) Yes, if authenticated by digital signature

Ans. (d)

8. The time period prescribed for maintenance of accounts and records, if the taxable person is a party to an appeal or revision shall be-

a)	Two year after final disposal of such appeal or revision or proceeding, or until the expiry of thirty-six months from the last date of filing of Annual Return for the year pertaining to such accounts and records, whichever is later		Two year after final disposal of such appeal or revision or proceeding, or until the expiry of sixty months from the last date of filing of Annual Return for the year pertaining to such accounts and records, whichever is later
c)	One year after final disposal of such appeal	d)	One year after final disposal of such appeal or
	or revision or proceeding, or until the expiry		revision or proceeding, or until the expiry of
	of seventy-two months from the last date of		forty months from the last date of filing of
	filing of Annual Return for the year		Annual Return for the year pertaining to such
	pertaining to such accounts and records,		accounts and records, whichever is later

Ans. (c)

whichever is later

9. Taxable person has to maintain his records for a period of:

a)	expiry of 72 months from the	b)	expiry of 40 months from the due date
	due date of filing of Annual		of filing of Annual Return for the year
	Return for the year		
c)	expiry of 30 months from the	d)	expiry of 90 months from the due date
	due date of filing of Annual		of filing of Annual Return for the year
	Return for the year		

Ans. (a)

10. In addition to the records mentioned in Section 35(1), every owner or operator of warehouse or godown or any other place used for storage of goods and every transporter, shall maintain records of _______as per Section 35(2).

	,
a) consigner, consignee and other relevant	b) Name, address and details of godowns etc., as
details of the goods, as may be prescribed	may be prescribed
c) Both a and b	d) None of the above

Answer- a

11. Identify whether the following statement is true or false

Records of the consigner, consignee and other relevant details of the goods are to be maintained by every owner or operator of warehouse or godown or any other place used for storage of goods and every transporter, by both registered and unregistered dealers.

a) Not mandatory for Unregistered dealers,	b) False
First part is true	
c) True	d) Not the details of consigner and consignee,
	Second part is true

Answer- c

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12. As per Rule 56(2) and (4), Which of the following details of goods need to be maintained by a supplier opting for composition levy:

a) Disposed goods by way of gift or free sample	b) Goods lost, stolen and destroyed
c) None of the above	d) All of the above

Answer- c

13. As per Rule 56(2) and (4), Which of the following details of taxes need to be maintained by a supplier opting for composition levy:

a)	details	of	tax	payable	(including	tax	b) Tax collected and paid
pay	/able un	der	rever	se charge)			
c) A	All of the	abo	ove				d) None of the above

Answer – d

14. Rule 56(11) enlists the accounts to be maintained by which of the following persons:

a) Wholesalers	b) Foreign Traders
c) Agents	d) Retailers

Answer – c

15. Details of Accounts furnished to -----shall be maintained by agent

a) Principal for whom supplies exceeded Rs.1	b) Principal for whom supplies exceeded Rs.50
crores	lakhs
c) Principal for whom supplies exceeded	d) Every principal
Rs.10 lakhs	

Answer – d

16. As per Rule 56(12), In which of the following periodicity accounts need to be maintained by a manufacturer:

a) Annual	b) Quarterly
c) Monthly	d) Differs based on turnover

Answer – c

17. As per Rule 56(12), ------ details of raw materials or services used in the manufacture shall be maintained.

a) Qualitative	b) Quantitative		
c) Both Qualitative and Quantitative	d) None of the above		

Answer – b

18. Accounts maintained by the registered person should be preserved till a period mentioned under Section 36, Choose the correct period mentioned under Section 36.

a) 96 months	b) 72 months
c) 60 months	d) 120 months

Answer - b

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19. Accounts maintained by the registered person should be preserved till a period mentioned under Section 36 in the related place of business mentioned in

a) certificate of incorporation	b) Annual return
c) certificate of commencement of business	d) certificate of registration

Answer – d

20. What is the turnover limit upon which Accounts should be Audited under Section 35(5):

a) Rs.2 crores	b) Rs.10 lakhs
c) Rs.1 crore	d) Rs.20 lakhs

Answer – a

21. What is the manner of submitting the Annual return:

a) Only manual submission is allowed						b) Electronic submission through common portal
c)	c) Both electronic filing and manual					d) Either Manual submission or Electronically
submission						

Answer – b

22. A registered person is required to furnish electronically through the common portal along with Annual Return a copy of which of the following:

a) Audited annual accounts	b) A Reconciliation Statement, duly certified				
c) Both a and b	d) None of the above				

Answer – c

23. Every registered person required to keep and maintain books of account or other records in accordance with the provisions of section 35(1) should retain them until the expiry of 72 months from:

	` '	1 7
a)	the due date of furnishing of annual	b) the end of relevant Financial year
ret	urn	
c) 1	the end of relevant Calendar year	d) None of the above

Answer - a

24. Every registered person who is a party to an appeal or revision should retain the books of account and other records pertaining to the subject matter of such appeal or revision or proceedings or investigation for a period of ------ after final disposal of such appeal or revision or proceedings or Investigation, or for the period specified above, whichever is later.

a) six months	b) two years
c) eight years	d) one year

Answer – d

a) 72 months	b) 24 months
c) 60 months	d) 12 months

Answer – a

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26. In case of inter-State movement of goods, every registered person who causes movement of goods of consignment value exceedingin relation to a supply or for reasons other than supply or due to inward supply from an unregistered person shall, before commencement of such movement, file FORM GST EWB-01.

a)	Rs. 50,000/-	b) Rs. 1,00,000/-
c)	Rs. 70,000/-	d) None of the above

Ans. (a)

27. When the movement of goods is caused by an unregistered person the e-way bill shall be generated by:

a)	Unregistered person himself	b) The Transporter
c)	Either of them	d) Neither of them

Ans. (c)

28. When an e-way bill is not required to be generated?

a)	Where the goods being transported are specified in Annexure to Rule 138 of the CGST Rules	-	Where the goods are being transported by a non-motorized conveyance
c)	Where the goods are being transported from the customs port, airport, air cargo complex and land customs station to an inland container depot or a container freight station for clearance by Customs		All of the above

Ans (d)

29. What is a valid tenure for an e-way bill for a distance upto 20 KMS?

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

Ans. (a)

30. Who can extend the validity of an e-way bill?

a)	Commissioner	b) Joint Commissioner
c)	Additional Commissioner	d) Any one of the above

Ans. (a)

31. What is a valid tenure for an e-way bill for a distance up to 100 km?

a)	One day in cases other	than	Over	b)	One	additional	day	in	case	of	Over
	Dimensional Cargo				Dimensional Cargo						
c)	One additional day in cases	other	than	d)	One o	day in case of	f Over	Dim	ension	al Ca	rgo
	Over Dimensional Cargo										

Ans. (a)

32. Which of the following conditions should be satisfied to enable the transporter/ makes it an obligation in the part of transporter to generate E-way bill:

a) E-way bill is not generated by the registered	b) Goods are handed over for transportation by
person	road
c) The information relating to the transporter	d) All of the above
should be furnished in Part B	

Answer - d

33. In which of the following situations generation of E-way bill is optional:

<u> </u>	
a) If the value of the consignment is less than Rs.50,000/-	b) Movement of goods is caused
	by an unregistered person either
	in his own conveyance or a hired
	one or through a transporter
c) Goods are transported for a distance of less than 10 km	d) All of the above
within the State or Union territory from the place of business of	
the consignor to the place of business of the transporter for	
further transportation	

Answer - d

34. Who among the following should generate the E-way bill if the goods are supplied by an unregistered supplier to a recipient who is registered and the recipient is known at the time of commencement of the movement of goods

a) Transporter	b) Consignor
c) Consignee	d) Recipient of supply

Answer - d

35. The information in Part A of the prescribed form is to be furnished by the consignor or the recipient of the supply as consignee if the goods are transported by which of the following means:

a) Railways, Roadways or vessel	b) Own transport agency
c) Railways, Air or vessel	d) Goods transport agent

Answer – c

36. Unique EBN – Expand EBN:

a) e-way bill number	b) Electrical bill number
c) encumbrance bill number	d) None of the above

Answer - a

37. Upon generation of the e-way bill on the common portal, a unique e-way bill number (EBN) will be made available to the:

a) Supplier and Recipient of Goods	b) Supplier, Transporter and Recipient of Goods
c) Supplier of Goods	d) GST Authorities

Answer - b

38. E-way bill can be cancelled within-----of generation of the e-way bill.

a) one day	b) 12 hours
-,	-,

a) If the goods transported are specified in	b) If goods are transported by a non-motorised
an Annexure(containing a list of items where	conveyance
E-way bill is not required to be generated)	
c) If goods are transported to an inland	d) All of the above
container depot or a container freight	
station for clearance by Customs	

Answer - d

44. The facility of generation and cancellation of e-way bill may also be made available through:

a) SMS	b) Electronic mail
c) GST Seva Kendhra	d) Registered post

Answer - a

45. As per Rule 138A, person in charge of a conveyance should carry which of the following:

a) the invoice or bill of supply or delivery	b) a copy of the e-way bill or the e-way bill
challan	number

c) Both a and b	d) None of the above
-----------------	----------------------

Answer – c

46. As per Rule 138A, person in charge of a conveyance should carry a copy of the e-way bill or the e-way bill number either physically or through-----device embedded on the conveyance on notification by the Commissioner.

a) Radio Frequency Identification	b) GPS device
c) Goods tracking software	d) Electronic sensor meter

Answer – a

47. On uploading the invoice in prescribed format, the registered person may obtain_ and produce the same for verification by the proper officer in lieu of the tax invoice

Ī	a) Unique Invoice Number	b) Invoice Reference Number
Ī	c) Goods Identification Number	d) Goods Reference Number

Answer – b

48. Invoice Reference Number is valid for a period of ------

a) 30 days from the date of uploading the	b)	30	days	from	the	date	of	generation	of
invoice.	phy	/sica	al invoi	ice					
c) 60 days from the date of supply of goods	d) 3	30 d	ays fro	om the	date	of su	pply	of goods	

Answer – a

49. If the registered person uploads the invoice under sub-rule (2), the information in Part A of the form prescribed for ------will auto-populated by the common portal on the basis of the information furnished in prescribed form.

a) GST Invoice	b) Invoice Reference Number
c) GST Monthly return	d) Electronic way bill

Answer - d

50. The Commissioner may, by notification require the person-in-charge of the conveyance to carry which of the following documents instead of the e-way bill:

a) Invoice Reference Number	b) tax invoice or bill of supply or Invoice
	Reference Number
c) tax invoice or bill of supply or a delivery	d) None of the above
challan	

Answer – c

51. A summary report of every inspection of goods in transit should be recorded within

a) 48 hours of inspection	b) 3 days of inspection
c) 24 hours of inspection	d) one week of inspection

Answer – c

52. The final report of every inspection of goods in transit should be recorded within

a) 48 hours of inspection b) 3 days of inspection

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c) 24 hours of inspection	d) one week of inspection
---------------------------	---------------------------

Answer - b

- 53. Find which of the following statement is correct with respect to generation of E-way bill:
 - a) The Commissioner or an officer empowered by him in this behalf may authorise the proper officer to intercept any conveyance to verify the e-way bill or the e-way bill number in physical form for all inter-State and intra State movement of goods
 - b) Any number of physical verification of the conveyance can be carried out in a single state or within the state.

a) Both are incorrect	b) Both are correct
c) Only b is correct	d) Only a is correct

Answer - d

54. Facility for uploading information regarding detention of vehicle is made available to the transporter, to upload the information regarding the vehicle in prescribed form on the common portal if a vehicle has been intercepted and detained for a period exceeding______

a) 1 hour	b) 30 minutes
c) 2 hours	d) 6 hours

Answer - b

Chapter II: Input Tax Credit (ITC)

1. Whether definition of Inputs includes capital goods

a)	Yes	b)) No
c)	Certain capital goods o	nly d) None of the above

Ans. (b)

2. Is it mandatory to capitalize the capital goods in books of Accounts?

a)	Yes	 b) No
c)	Optional	d) None of the above

Ans. (a)

3. Whether credit on capital goods can be taken immediately on receipt of the goods?

a)	Yes	b) No		
c)	After usage of such capital goods	d) After capitalizing in books of Accounts		

Ans. (a)

4. The term "used in the course or furtherance of business" means?

a)	It should be directly co-related to output	b) It is planned to use in the course of
	supply	business
c)	It is used or intended to be used in the	d) It is used in the course of business for
	course of business	making outward supply

Ans. (c)

5. Under section 16(2) of CGST Act how many conditions are to be fulfilled for the entitlement of credit?

a)	All four conditions	b) Any two conditions
c)	Conditions not specified	d) None of the above

Ans. (a)

6. Whether credit on inputs should be availed based on receipt of documents or receipt of goods

a)	Receipt of goods	b)	Receipt of Documents
c)	Both	d)	Either receipt of documents or Receipt of
			goods

Ans. (c)

7. In case supplier has deposited the taxes but the receiver has not received the documents, is receiver entitled to avail credit?

a)	Yes, it will be auto populated in	b) No as one of the conditions of 16(2) is
	recipient monthly returns	not fulfilled
c)	Yes, if the receiver can prove later that	d) None of the above
	documents are received subsequently	

Ans. (b)

8. Input tax credit on capital goods and Inputs can be availed in one instalment or in multiple instalments?

a)	In thirty-six installments	b) In twelve installments
c)	In one installment	d) In six installments

Ans. (c)

9. The tax paying documents in section 16(2) is

a)	_	b) Acknowledged copy of tax paid to
	supplies, etc.	department
c)	Supply invoice by the recipient	d) Any of the above

Ans. (a)

10. The time limit to pay the value of supply with taxes to avail the input tax credit?

a)	Three months	b)	Six months
c)	One hundred and eighty days	d)	Till the date of filing of Annual Return

Ans. (c)

11. What is the time limit for taking input tax credit by a registered taxable person?

a)	No time limit	b)	1 year from the date of invoice
c)	Due date of furnishing of the return under	d)	Due date of furnishing of the return under section 39
	section 39 for the month of September		for the month of September following the end of
	following the end of financial year to		financial year to which such invoice or invoice
	which such invoice or invoice relating to		relating to such debit note pertains or furnishing of
	such debit note pertains		the relevant annual return, whichever is earlier.

Ans. (d)

12. Can the recipient avail the Input tax credit for the part payment of the amount to the supplier within one hundred and eighty days?

a)	Yes, on full tax amount and partly	b) No	o, he can't until full amount is paid to
	value amount	su	oplier
c)	Yes, but proportionately to the extent	d) No	ot applicable is eligible to claim refund
	of value and tax paid	in	respect of exports of goods le

Ans. (c)

13. Whether credit can be availed without actual receipt of goods where goods are transferred through transfer of document of title before or during the movement of goods?

a) Yes	b) No
c) Yes, in specific instances	d) Can be availed only after transfer of document of title
	after movement of goods

Ans. (c)

14. Whether depreciation on tax component of capital goods and Plant and Machinery and whether input tax credit is Permissible?

•		
a)	Yes	b) No
c)	Input tax credit is eligible if depreciation	d) None of the above
	on tax component is not availed	

Ans. (c)

15. What is the maximum time limit to claim the Input tax credit?

a)	Till the date of filing annual	b)	Due date of September month which is following the financial	
	return	L	year	
c)	Earliest of (a) or (b)	d)	Later of (a) or (b)	1

Ans. (c)

16. Proportionate credit for capital goods is allowed

a)	For business and non-business purpose	b) For business or non-business purpose
c)	Both of the above	d) None of the above

Ans. (a)

17. Exempt supplies under Section 17 (apportionment of credit) includes

a)	Only exempted supplies	b) Reverse charge supplies and sale of land
c)	Exempted supplies, reverse charge supplies,	d) None of the above
	Transaction in securities, sale of land, sale of	
	building	

Ans. (c)

18. Banking company or Financial Institution have an option of claiming

a)	Eligible Credit or 50% credit	b)	Only 50% Credit
c)	Only Eligible credit	d)	Eligible credit and 50% credit

Ans. (a)

19. Can Banking Company or Financial Institution withdraw the option of availing actual credit or 50% credit anytime in the financial year?

a)	Yes	b) No
c)	Yes, with permission of Authorized officer	d) Not Applicable

Ans. (b)

20. Where a supplier of goods or services pays tax under sections 74,129 and 130 (fraud, wilful misstatement etc.), then receiver of goods can avail its credit:

a)	Yes	b) No
c)	Yes, after receipt of goods or services	d) Yes, after receipt of invoice for goods or services

Ans. (b)

21. An assessee obtains new registration, voluntary registration, change of scheme from composition to regular scheme and from exempted goods/ services to taxable goods/services. It can avail credit on inputs lying in stock. What is the time limit for taking said credit?

a)	1 year from the date of invoice	b) 3 years from the date of invoice
c)	5 years from the date of invoice	d) None of the above

Ans. (a)

22. Credit on Input services or capital goods held in stock can be availed in case of new Registration/Voluntary Registration

a)	Yes	b) No
c)	Yes, on Input services only	d) Yes, on capital goods only

Ans. (b)

23. In case of Compulsory registration, input tax credit can be availed on

a) stocks held on the day immediately preceding the date from which he becomes liable to pay tax under the provisions of this Act, provided application for registration is filed within 30 days from the due date

b) stocks held on the day immediately preceding the date of grant of registration under the provisions of this Act.

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c)	stocks held on the day immediately preceding	d) None of the above
	the date of application of registration under the	
	provisions of this Act.	

Ans. (a)

24. In case of Voluntary registration input tax credit can be availed

a)	on stocks held on the day immediately preceding	b)	on stocks held on the day immediately
	the date from which he becomes liable to pay tax		preceding the date of grant of registration
	under the provisions of this Act		under the provisions of this Act.
c)	on stocks held on the day immediately preceding	d)	None of the above
	the date of application of registration under the		
	provisions of this Act.		

Ans. (b) .

25. Eligibility of credit on capital goods in case of change of scheme from Composition scheme to Regular scheme

a)	Eligible during application for Regular scheme	b)	Not eligible
c)	Yes, immediately before the date from which he becomes liable to pay	d)	None of the above
	tax under the Regular scheme		

Ans. (c)

26. Can the unutilized input tax credit be transferred in case of change in constitution of business?

a)	Not possible	b	b) No, it will be exhausted
c)	Yes, it will be transferr	red only if there d	d) It will be transferred only if it is shown in
	is provision for transfe	er of liabilities	books of Accounts of transferor

Ans. (c)

27. Is Input tax fully restricted in case of switchover from taxable to exempt supplies

a)	Yes	b) No
c)	Proportionately restricted	d) Not restricted

Ans. (a)

28. Is Input tax to be paid in case of switchover from taxable to exempt supplies

a)	Yes	s, equivalent t	o the credit in respect of inputs held in stock	b)	No)
	(ind	cluding semi-fi	nished and finished goods) and on capital goods			
	hel	d in stock				
c)	Yes	s, full credit		d)	No	, should be debited to
					ele	ctronic credit ledger

Ans. (a)

29. Is Input tax to be reversed in case of supply of capital goods

a)	Yes fully	b) No
c)	Yes, to extent of credit taken as reduced by	d) Yes, to the extent of transaction value of
	prescribed percentage or tax on transaction value	such goods
	whichever is higher	

Ans. (c)

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30. The time limit beyond which if goods are not returned, the inputs sent for job work shall be treated as supply

a)	One year	b) Five years
c)	Six months	d) Seven years

Ans. (a)

31. The time limit beyond which if goods are not returned, the capital goods sent for job work shall be treated as supply

a)	One year	b) Five years
c)	Three years	d) Seven years

Ans. (c)

32. Principal entitled for input tax credit on inputs sent for job work

a)	If goods sent are returned within one year	b) If goods sent are returned within three years	
c)	If goods sent are returned within 6 months	d) If goods sent are returned within nine months	1S

Ans. (a)

33. Principal entitled for input tax credit on capital goods sent for job work

a) If goods sent are returned within one year	b) If goods sent are returned within three years
c) If goods sent are returned within 6 months	d) If goods sent are returned within nine months

Ans. (b)

34. Is the principal entitled for credit of goods though he has not received the goods and has been sent to job worker directly by vendor?

a)	Yes	b)	No
c)	Yes, vendor should be located in same place	d)	None of the above

Ans. (a)

35. In case of ISD whether distributor and recipient should have same PAN

a)	Yes	b)	No
c)	Yes, if in same state and different in other state	d)	None of the above

Ans. (a) Yes

36. Can the credit distributed by an ISD exceed the amount available for distribution?

a)	Yes	b)	No
c)	May be	d)	None of the above

Ans. (b) No

37. If credit applicable to more than one recipient, then it shall be distributed

a)	Equally	b)	On Pro rata basis to the aggregate turnover of such recipients
c)	Proportionately	d)	As per Adhoc Ratio

Ans. (b)

38. The credit attributable to a particular recipient shall be distributed to

a)	Only to that recipient	b)	To all the	recipients
c)	To few recipients	d)	None of t	he recipients

Ans. (a)

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39. A person is entitled to take credit of input tax as self-assessed in the return and credited to Electronic credit ledger on

a)	Final basis	b) Provisional basis
c)	Partly Provisional and partly final basis	d) None of the above

Ans. (b)

40. Provisional Input tax credit can be utilized against

a) Any Tax liability	b) Self-Assessed Output Tax liability
c) Interest and Penalty	d) Fine

Ans. (b)

41. Matching of Input Tax credit on inward supply by recipient is undertaken with

a) N	Monthly return filed by the supplier	b)	Outward supply filed by the supplier
c) I	Invoices maintained by the supplier	d)	None of the above

Ans. (b)

42. Is it mandatory that the tax on the supply has to be paid by the supplier so that the recipient can claim credit?

a)	No	b) Yes
c)	Optional	d) Not Applicable

Ans. (b)

43. Input Tax credit as credited in Electronic Credit ledger can be utilized for

a)	Payment of Interest	b)	Payment of penalty
c)	Payment of Fine	d)	Payment of Taxes

Ans. d)

44. When the goods are sent from one job worker to another, the challan may be issued by: ¹

a) Only by the Principal	b) Only by Job worker sending goods to another job worker
c) By any one of the above two	d) None

Ans. (c) By any of the above two.

45. When the goods are sent from one job worker to another, the challan issued by the principal:

a)	may be endorsed by the job worker	b)	may be endorsed by the Job worker
	sending goods to another job worker		receiving the goods
c)	cannot be endorsed as such	d)	may be endorsed by the Principal

Ans. (a)

46. The details of challans in respect of goods dispatched to a job worker or received from a job worker or sent from one job worker to another during a quarter shall be included in FORM_____?

a) Form GST ITC-03	b) Form GST ITC-04
c) Form GSTR-2	d) None of Above

Ans. (a)

47. ITC can be taken on goods if goods not received by registered person but

a)	By his agent on his direction	b) By the job worker on his instruction
		d) Any of above

Ans. (d)

48. ITC can be availed on

a) Possession of prescribed invoice/ debit note	b) Receipt of goods/services
c) Tax on such supply has been paid to government and	d) Fulfilling all the above conditions
return being furnished by the supplier	

Ans. (d)

49. Maximum time limit for availing ITC is

a) The date of filing of annual return	b) Due date of filing return u/s 39 for the month of September
c) Earliest of above two	d) Later of above two.

Ans. (c)

50. ITC can be claimed by a registered person for

a)	Taxable supplies for business purpose	b)	Taxable supplies for non-business purpose
c)	Exempted supplies	d)	Non-taxable supplies
e)	All of above		

Ans. (a)

51. ITC on motor vehicle can be claimed by

a)	Any registered person	b)	Registered person engaged in same line
			of business
c)	Any registered person engaged in exempted supply	d)	Any of above

Ans. (b)

52. Person registered under composition scheme can avail ITC on

a)	Supply of taxable goods/services	b) Receipt of goods/services on specified time period
c)	Payment to suppliers	d) None of above

Ans. (d)

53. ITC can be claimed on goods/services for personal use if

a)	Payment to supplier has been made	b)	Return being filed
c)	All of above	d)	No ITC can be claimed

Ans. (d)

54. ITC on works contract service can be availed only if

a)	Engage	d in same	line	of business	b)	Service related to movable property
c)	Service	related	to	immovable	d)	All of above
	property	/				

Ans. (a)

55. An unregistered person can avail ITC on stock if he applies for registration within

a)	60 days of becoming liable to register	b)	Immediately after becoming liable to
	under GST		register under GST
c)	30 days of becoming liable to register	d)	Cannot avail ITC on stock
	under GST		

Ans. (c)

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56. On sale, demerger, transfer, amalgamation, transferee is allowed to utilize ITC which is

a)	Unavailed in transferor books	b)	Unutilized in e-ledger of transferor
c)	Total ITC available to transferor	d)	None of the above

Ans. (b)

57. The principal can avail ITC on goods sent to job-worker which relates to

a)	Inputs			_	b)	Capital goods
c)	Inputs/	capital goods dired	tly sent to	job-worker	d)	All of above

Ans. (d)

58. ITC cannot be availed by a person if

a)	ITC relates to tax paid on goods	b) ITC relates to tax paid in pursuance of any
	received by agent	demand
c)	ITC related to previous month inputs	d) None of the above

Ans. (b)

59. The details of inward supply furnished by the registered taxable person shall be matched with

a)	Corresponding details of outward supply	b)	Additional	duty	of	customs	paid	under
	furnished by the corresponding taxable		section 3(5)	of the	Cus	toms Tarif	f Act, 1	975
	person.							
c)	Tax payment made by Supplier	d)	All the abov	/e				

Ans. (a)

60. In case of supply of plant & machinery on which ITC is taken, tax to be paid on is

a)	Amount equal to ITC availed less 5% for every quarter or part thereof	b) Tax on transaction value
c)	Higher of above two	d) Lower of above two

Ans. (c)

61. Who is a principal as per Section 143?

(a) A person who sends inputs and/or capital	(b) A registered taxable person who sends inputs
goods for job-work	and/or capital goods for job-work
(c) A registered taxable person who supplies	(d) A registered person
inputs and/or capital goods for job-work	

Answer- (d)

62. When will the inputs and/or capital goods sent to job-work become a supply?

(a) When the inputs and/or capital goods	(b) When the inputs and/or capital goods sent to job-
sent to job-worker are not received within	worker are not supplied, with or without payment of tax,
1 year or 3 years respectively	from the job-workers place within 1 year or 3 years
	respectively
(c) Both under (a) or (b)	(d) None of the above

Answer- (c)

63. From when will the period of one or three years be calculated under Section 143?

(a) The day when such inputs and/or capital	The day when the job-worker receives the said
goods sent to job-worker	goods, in case the job-worker receives the goods
	directly
Both (a) and (b)	None of the above

Answer- (c)

64. Will a principal who sends moulds, dies, jigs, tools and fixtures to job worker's place liable to pay GST on such removal?

(a) No, it is not a supply	(b) Yes, if not received within time limit
(c) No, as capital goods as referred in section 143	(d) None of the above
excludes moulds, dies, jigs, tools and fixtures.	

Answer- (c)

65. GST is applicable on_

(a) Inpute and/or conital goods cont to ich	(b) The intervention observed additional masterial
, ,	(b) The job-worker charges and additional material
worker (Satisfying conditions u/s 143)	added by the job-worker on the inputs sent by
	the principal
(c) Both of the above	(d) None of the above

Answer- (b)

66. When should a job-worker take registration?

(a) Always	(b) Only if his aggregate turnover exceeds the threshold limits specified under Section 22 of the Act
(c) Never	(d) None of the above

Answer- (b)

67. Can a principal supply inputs and/or capital goods from the job-worker's premises?

(a) Yes, only when the job-worker is registered	(b) Yes, even if the job-worker is unregistered by
		declaring the job-worker's premises as his
		additional place of business
(c) Yes, irrespective of whether the job-worker	(d) All of the above
	is registered or not, principal is engaged in	
	the supply of goods which are notified by	
	the Commissioner on this behalf	

Answer- (d)

68. 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)?

(a) 06-05-2018	(b) 07-05-2017
(c) 03-11-2018	(d) Not Taxable

Answer- (b)

69. If the inputs are not received back within the prescribed limit by the principal then, who is responsible to pay the GST?

(a) Job worker	(b) Principal
(c) Job worker is responsible when sending such inputs and	(d) None of the above
Principal needs to reverse the ITC taken earlier.	

Answer- (b)

70. If the inputs or capital goods are considered as deemed supply in the hands of principal then, whether ITC of such output tax charged by the principal can be claimed by the Job worker, if registered?

(a) Yes (b) No

Answer- (a)

71. What is the time limit to receive back the tools and dies or jigs and fixtures sent to job-worker's place?

(a) 1 year	(b) 3 years
(c) 5 years	(d) No time limit specified under GST

Answer- (d)

72. Will the inputs and/or capital goods supplied from the job-worker's premises be considered for calculating the aggregate turnover of the job-worker?

(a) Yes (b) No

Answer- (b)

73. Which section specifies the conditions to be fulfilled for claiming ITC on inputs and/or capital goods sent to job-worker?

(a) 19	(b) 55
(c) 143	(d) 177

Answer- (a)

74. Can principal take input tax credit on the inputs and/or capital goods sent directly to job-worker?

(a) Yes	(b) No
(c) Yes subject to section	(d) ITC on capital goods sent directly to job-worker's premise is not
143	eligible unless the same is received in the premises of the principal

Answer- (c)

75. If the job-worker is eligible to claim ITC on the goods received from the principal, is there a time limit within which such ITC shall be availed/claimed by the job-worker?

(a) Within September 30 of following year	(b) Filing the annual return for the period
(c) Option (a) or (b), whichever is earlier	(d) No time limit prescribed to claim such ITC

Answer- (c)

76. How can the principal move goods to the job-worker?

(a) Job-work challan	(b) Tax invoice
(c) Delivery challan containing the details as	(d) Option (a) or (b)
specified in the Tax invoice, credit and	
debit note rules.	

Answer- (c)

77. If the inputs and/or capital goods are not received or returned within the prescribed time limit:

(a) It shall be deemed to be a supply on the	(b) No consequences
day such inputs and/or capital goods are	
sent to job-worker and the principal to	
discharge the GST along with interest.	
(c) The job-worker to discharge GST on expiry	(d) Principal to reverse the input tax credit taken on
of the prescribed time limit.	such inputs and or capital goods.

Answer- (a)

78. Who is responsible for accountability for any contravention under this Act?

(a) Principal	(b) Job-worker
(c) Manufacturer	(d) No-body

Answer- (a)

79. Who should discharge the liability of GST on the scrap generated during job-work?

(a) Job-worker, if registered	(b) Principal, if job-worker is not registered
(c) Always principal	(d) Option (a) or (b)

Answer- (d)

80. What is the periodicity of Form GST ITC-04?

(a) Daily	(b) Monthly
(c) Quarterly	(d) Yearly

Answer- (c)

81. Whether the details of goods supplied from job worker's premises need to be included in Form GST ITC-04?

(a) Required for unregistered job worker	(b) Required for registered job worker
(c) Not required	(d) Both (a) & (b)

Answer- (d)

Chapter 12: Exemptions

We have covered only few FAQs on this Chapter; please read the list of Exemptions from Regular Book no. 2

1. Which one of the following is true?

a)	Entire income of any trust is	b)	Entire income of a registered trust is
	exempted from GST		exempted from GST
c)	Incomes from specified/defined	d)	Incomes from specified/defined
	charitable activities of a trust		charitable activities of a registered trust
	are exempted from GST		(u/s 12AA of Income Tax Act)are
			exempted from GST

Ans. (d)

2. Select the correct statement?

a)	Transfer o	of a go	ing co	oncern	b)	Transfer of a going concern is partly
	wholly is n	ot exemp	ot fron	n GST		exempt from GST
c)	Transfer	partly	as	going	d)	Transfer of a going concern is exempt
concern is exempted from GST				n GST		from GST

Ans. (d)

3. Service by whom , by way of any activity in relation to any function entrusted to a municipality under Article 243 W of the Constitution, is exempted?

Ī	a) Central Government or State Government or				t or	b)	Governmental authority			
Union territory or Local authority										
Ī	c)	Municipality	under	Article	243	W	of	the	d)	All of above
		Constitution								

Ans. (d)

4. Which is a wrong statement?

a)	All services of Department of	b)	All services by State/Central Governments/local
Post are exempted			authorities in relation to an aircraft or a vessel in
			a Port or an Airport are exempted
c)	All services by State/Central	d)	All the above mentioned
	Governments/local authorities		
	in relation to transport of		
	passengers are exempted		

Ans. (d)

5. Services to a single residential unit is, exempted if:

a)	It is pure labour service only	b)	b) It is works contract only						
c)	It is a part of residential complex	d)	It	is	on	ground	floor	without	further
	only		super structure						

Ans. (a)

6. Which exemption option is right from the following?

a)	For letting out any im	nmovable b)	For letting out any residential dwelling
	property		for use as residence
c)	For letting out any re	esidential d)	For none of the above
	property irrespective of	its use	

Ans. (b)

7. Services by a hotel, inn, guest house, club or campsite are exempted for residential / lodging purposes –

а) If the actual tariff for a unit of accommodation	b)	If	the	actual	tariff	for	а	unit	of
	is below ` 10,000		ac	comn	nodation	is belo	w ` 1	,000)	
C) If the actual tariff for a unit of accommodation	d)	If	the	actual	tariff	for	а	unit	of
	is exactly `1,000		ac	comm	nodation	is abov	ve ` 1	,000)	

Ans. (b)

8. Transportation of passengers exempted if -

a) It is by air-conditioned stage carriage	b) It is by air-conditioned contract carriage
c) It is by non-air-conditioned stage carriage for	d) None of the above
tourism, charter or hire	

Ans. (d)

9. Transportation of passengers is exempted -

a)	In an air-conditi	oned railway	b)	In a vessel for public tourism purpose between places in
	coach			India
c)	In a metered cab/auto rickshaw /			In all the above mentioned
	e rickshaw			

Ans. (c)

10. Transportation of goods is not exempted if it is -

á	a) by a goods transport agency /	b) by inland waterways
	courier agency	
(c) by an aircraft from a place	d) by all the above mentioned
	outside India upto the customs	
	station of clearance in India	

Ans. (a)

11. Transportation of agricultural produces, milk, salt and food grain including flour, pulses and rice, 'relief materials meant for victims of natural or man-made disasters, calamities, accidents or mishap', newspaper or magazines registered with the Registrar of Newspapers - is exempted –

a)	If it is by a goods transport	b) If it is by a rail - within India
	agency	
c)	If it is by a vessel - within India	d) If it is by all of the above

Ans. (d)

12. Which of the following is exempted -

a)	Services by way of loading,	b)	Services	by	way	of	loading	and
	unloading, packing, storage or		unloading	g of ju	ute			
	warehousing of rice							

c)	Services by way of packing and	d)	None of the above
	storage or warehousing of		
	rubber		

Ans. (a)

13. Core services of which organization is not exempted –

a)	Services	provided	by the	b)	Services provided by the Securities and
	Insurance	Regulato	ory and		Exchange Board of India set up under
	Developm	ent Authori	ty of India	ı	the Securities and Exchange Board of
	to insurers	5			India Act, 1992 (15 of 1992) by way of
					protecting the interests of investors
c)	Services b	y Port Trust	S	d)	Services by the Reserve Bank of India

Ans. (c)

14. If the aggregate turnover of in last year of M/s ABCD Enterprises, Kanchipuram, Tamil Nadu, India was Rs 18 lakh, exemption is available for the following services rendered to ABCD Enterprises -

a)	Arbitral Tribunal services	b) Legal services by firm of advocates
c)	Legal services by senior advocate	d) All of the above

Ans. (d)

15. Which of the following is exempted?

a)	All kinds of long term (30 or	b)	Long term (30 or more years) leases of
	more years) leases of industrial		industrial plots or plots for development
	plots		of infrastructure for financial business by
			State Government Industrial
			Development Corporations or
			Undertakings to industrial units
c)	Short term (up to 30 years)	d)	All kinds of short term (up to 30 years)
	leases of industrial plots by		lease of industrial plots
	State Government Industrial		
	Development Corporations or		
	Undertakings to industrial units		

Ans. (b)

16. One of the following is exempted from GST -

a)	An	y business	exhibition		b)	A business exhibition in India
c)	Α	business	exhibition	outside	d)	None of the above
India						

Ans. (c)

17. Which of the following is not exempted -?

a)	Health care service to human	b) Health care services to Animals/Birds
	beings by authorized medical	
	practitioners / para medics	
c)	Slaughtering of animals	d) Rearing horses

Ans. (d)

18. Services by educational institution is exempted if the services are to -

a) Any common man	b) Its own students, faculty / staff
c) Both a & b	d) None of the above

Ans. (b)

19. Services by a Non-Profit entity (Registered or Unregistered) are exempted –

a)	If they are to its own members provided the contribution received is up to `7500 , per month from a member	b)	If they are to its own members, provided the contribution received is up to `7500 per month from a member towards sourcing goods/services from any third
	month from a member		person for common use of members
c)	If they are to its own members, provided the contribution is less than `7500 per month from a member towards sourcing goods/services from any third person for common use of members	d)	If they are to its own members, provided the contribution is up to `7500 per month per member for common use specified members

Ans. (b)

20. Which of the following are exempted services?

a)	Services by an artist by way of a performance in folk or classical	b)	Services by an artist by way of a performance in folk or classical art forms
	art forms of music/ dance /		of music/ dance with consideration
	theatre with consideration		therefor not exceeding `1.5 lakh
	therefor not exceeding `1 lakh		
c)	Services by an artist by way of a	d)	Services by an artist as a brand
	performance in folk or classical		ambassador by way of a performance in
	art forms of music/ dance /		folk or classical art forms of music/
	theatre with consideration		dance / theatre with consideration
	therefor not exceeding `1.5 lakh		therefor not exceeding `1.5 lakh

Ans. (c)

21. Whether Service by way of access to a road or a bridge on payment of annuity is exempt?

a) True b) False

Ans. (a)

Chapter 13: Customs Law Basics

1.	Entry 83 of Union List has given the power to Central Government to levy duties of Customs including	J
	export duties	

a)	82	b) 83
c)	84	d) 85

Answer- B

2.	Goods are deemed to have been imported if the vessel enters the imaginary line on the sea at the
	nautical mile i.e. if the vessel enters the territorial waters of India. Therefore, a vessel not bound
	to India should not enter these waters

a) 12	b) 10
c) 100	d) 200

Answer- A

3. ______ is the stage where the declaration of liability is made and the persons or the properties in respect of which the tax or duty is to be levied is identified and charged

a) Levy	b) Assessment
c) Collection of tax	d) All the above

Answer- A

4. ______ is the procedure of quantifying the amount of liability. The liability to tax or duty does not depend upon assessment

a) Levy	b) Assessment
c) Collection of tax	d) All the above

Answer- B

5. Section _____ makes it abundantly clear that importation or exportation of goods into or out of India is the taxable event for payment of the duty of customs

a) 10	b) 12
c) 13	d) 15

Answer- B

6. Export of goods is complete when the goods cross the territorial waters of India

a) True	b) False

Answer- A

7. Clearance for home consumption implies that, the customs duty on import of the goods has been discharged and the goods are therefore cleared for utilization or consumption

a) True	b) False

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8.	If goods are imported into India after exportation therefrom, such goods shall be liable to duty and be
	subject to all the conditions and restrictions, if any, to which goods of the like kind and value are liable
	or subject, on the importation thereof.

a) True	b) False

Answer- A

9. All goods, derelict, jetsam, flotsam and wreck brought or coming into India, shall be dealt with as if they were imported into India, unless it be shown to the satisfaction of the proper officer that they are entitled to be admitted duty-free under this Act

a) True	b) False

Answer- A

10. _____refers to any cargo, vessel, etc. abandoned in the sea with no hope of recovery

a) Derelict	b) Jetsam
c)Flotsam	d) Wreck

Answer- A

11. _____ refers to goods jettisoned from the vessel to save her from sinking

a) Derelict	b) Jetsam
C))Flotsam	d) Wreck

Answer- B

12. _____goods which continue floating in the sea are called

a) Derelict	b) Jetsam
c)Flotsam	d) Wreck

Answer- C

13. ______ refers to cargo or vessel or any property which are cast ashore by tides after ship

wreck

a) Derelict	b) Jetsam
c)Flotsam	d) Wreck

Answer- D

14. An importer who intends to avail the benefit of an exemption notification shall provide the information to the Deputy Commissioner of Customs or, as the case may be, Assistant Commissioner of Customs having jurisdiction over the premises where the imported goods shall be put to use for manufacture of goods or for rendering output service, the particulars, namely

3 -	
a) the name and address of the manufacturer	b) he goods produced at his manufacturing
	facility
c) the nature and description of imported goods	d) All the above
used in the manufacture of goods or providing	
an output service	

Answer- D

١5.	5. The importer who intends to avail the benefit of an exemption notification shall provide information			
	a) in duplicate, to the Deputy/ Assistant Commissioner of Customs having	b) in one	set, to	the
	jurisdiction over the premises where the imported goods shall be put to use	Deputy/	Assis	tant
	for manufacture of goods or for rendering output service, the estimated	Commissi	oner	of
	quantity and value of the goods to be imported, particulars of the exemption	Customs	at	the
	notification applicable on such import and the port of import in respect of a	Custom	Station	of
	particular consignment for a period not exceeding 1 year	importation	on	
	c) Either A or B	d) Both A	&B	

Answer- D

16. The importer who intends to avail the benefit of an exemption notification shall provide the information of the receipt of the imported goods in his premises where goods shall be put to use for manufacture, days (excluding holidays, if any) of such receipt to the jurisdictional Customs Officer within

a) 2	b) 10
c) 15	d) 30

Answer- A

17. The importer who has availed the benefit of an exemption notification shall submit a quarterly return, in the prescribed form, to the Deputy/ Assistant Commissioner of Customs having jurisdiction over the premises where the imported goods shall be put to use for manufacture of goods or for rendering output service, by the day of the following quarter

a) 5 th	b) 10 th
c) 15 th	d) 30 th

Answer- B

18. The importer who has availed benefit of an exemption notification, prescribing observance of these rules may re-export the unutilised or defective imported goods, within _____ months from the date of import, with the permission of the jurisdictional Deputy/ Assistant Commissioner of Customs having jurisdiction over the premises where the imported goods shall be put to use for manufacture of goods or for rendering output service

a) 3	b) 6
c) 7	d) 5

Answer- B

19. In case of goods entered for home consumption the rate of duty and tariff valuation shall be the rate on Date of presentation of bill of entry or

a) Arrival of the vehicle/aircraft	b) Date of entry inward of the vessel
c) Either A or B which is later	d) Either A or B which is earlier

Answer- C

20. Arrival manifest or import manifest in respect of vessel or aircraft is required to be filed prior to the arrival of a vessel or aircraft. Import report for vehicle is required to be submitted within _____ hours of arrival at the Customs Station

a) 10	b) 12
c) 15	d) 18

Answer- B

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21. Customs authorities check the do	ocuments, grant entry inwards to the vessel, assign an IGM number to
the manifest and permit the mast	ter of the vessel to land and unload the cargo:

the mannest and permit the master of the vesser to faile and amount the earge.	
a) True	b) False

Answer- A

22. The importer of the goods delivers the negotiable bill of lading received from the supplier of the goods to the master of the vessel and obtains the delivery order

a) True	b) False

Answer- A

23. If any imported goods are pilfered after the unloading thereof and before the proper officer has made an order for clearance for home consumption or deposit in a warehouse, the importer shall not be liable to pay the duty leviable on such goods.

a) True	b) False

Answer- A

24. Which are the following conditions to be satisfied under section 13 for exemption from duty?

_					<i>J</i>				<u> </u>
a	a) .	The	import	ed	goods	should	have	been	b) The pilferage should have occurred after the
þ	oilfere	ed							goods are unloaded, but before the proper
									officer makes the order of clearance for home
									consumption or for deposit into warehouse
C	:) Th	e pi	ilfered	goo	ds sho	uld not	have	been	d) All the above
r	estor	red b	ack to	the i	mporte	r			

Answer- D

25. In order to claim pilferage which of the following circumstances should exist?

a) there should be evidence of tampering with	b) there should be blank space for the missing
the packages	articles in the package
c) the missing articles should be unit articles	d) All the above

Answer- D

26. Provisions of section 13 would not apply if it can be shown that pilferage took place prior to the unloading of goods

a) True	b) False

Answer- A

27. Section 13 applies to the goods which are under the custody of the custodian under section 45

a) True	b) False

Answer- A

28. Without prejudice to the provisions of section 13, where it is shown to the satisfaction of the Assistant Commissioner of Customs or Deputy Commissioner of Customs that any imported goods have been lost

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(otherwise than as a result of pilferage) or destroyed, at any time before clearance for home consumption, the Assistant Commissioner of Customs or Deputy Commissioner of Customs shall remit the duty on such goods

a) True	b) False

Answer- A

29. The owner of any imported goods may, at any time before an order for clearance of goods for home consumption under section 47 or an order for permitting the deposit of goods in a warehouse under section 60 has been made, relinquish his title to the goods and thereupon he shall not be liable to pay the duty thereon

a) True	b) False

Answer- A

30. Where it is shown to the satisfaction of the Assistant Commissioner of Customs or Deputy Commissioner of Customs _____ such goods shall be chargeable to duty in accordance with the provisions of sub-section (2).

of sub-section (2).	
a) that any imported goods had been damaged or had deteriorated at any time before or during the unloading of the goods in India	b) that any imported goods, other than warehoused goods, had been damaged at any time after the unloading thereof in India but before their examination under section 17, on account of any accident not due to any wilful act, negligence or default of the importer, his employee or agent
c) that any warehoused goods had been damaged at any time before clearance for home consumption on account of any accident not due to any wilful act, negligence or default of the owner, his employee or agent	d) All the above

Answer- D

31. For the purposes of this section, the value of damaged or deteriorated goods may be ascertained by

· · · · · · · · · · · · · · · · · · ·	y
a) the value of such goods may be ascertained by	b) such goods may be sold by the proper officer
the proper officer,	by public auction or by tender, or with the
	consent of the owner in any other manner, and
	the gross sale proceeds shall be deemed to be
	the value of such goods
c) Either A or B	d) None of the above

Answer- C

32. Abatement is available if the goods are damaged/deteriorated which of the following circumstances.?

a) before or during unloading	b) by accident after unloading but before examination
	for assessment by the customs authorities
c) by accident in warehouse before the	d) All the above
actual clearance from such warehouse	

Answer- D

Μ	ICQ Book	CA Final Indirect Ta	axes (Regular Batch May/November 2019) by CA Kedar Junnarka			
33.	Sectionc	of the Customs Act, 1962 provid	des that an importer can request Central Governmen			
	to make rules for pe	ermitting to denature/mutilate	the imported goods, which are ordinarily used fo			
	more than one purpo	ose, so as to render them unfit f	for one or more of such purpose.			
	a) 20		b) 24			
	c) 25		d) 32			
	Answer- B					
34.	f any imported goods can be used for more than one purpose and duty is leviable on the basis of its					
	purpose of utilisation	ourpose of utilisation, than denaturing or mutilation of such goods is useful				
	a) True		b) False			
	Answer- A					
35.	If the Central Govern	nment is satisfied that it is no	ecessary in the public interest so to do, it may, by			
	notification in the Official Gazette, exempt generally either absolutely or subject to such conditions (to					
	be fulfilled before or after clearance) as may be specified in the notification, goods of any specified					
	description from the	whole or any part of duty of cu	ustoms leviable thereon.			
	a) True		b) False			
	Answer- A					
36.	Section of th	Section of the Act provides that the date of effect of the notification will be the date of its issue				
	a) 20		b) 24			
	c) 25		d) 32			
	Answer- C					
37.			er/exporter has to apply for drawback within			
	months seeking a brand rate from the Government giving all date and information about use of inputs					
	manufacture etc.		,			
	a) 2		b) 3			
	c) 4		d) 5			
	Answer- B					
38.	Where the Central Go	overnment is satisfied that it is	s necessary in the public interest so to do, it may, by			
	notification, exempt such of the goods which are imported for the purposes of repair, further processin					
	or manufacture, as may be specified therein, from the whole or any part of duty of customs leviabl					
	thereon, subject to the following conditions, namely.					
		e re-exported after such	b) the imported goods are identifiable in the			
	, ,	essing or manufacture, as the	export goods			
		a period of one year from the				
	1	order for clearance of the				
	imported goods is m					
		ions as may be specified in	d) All the above			

Answer- D

that notification

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39. Adjudicating Authority means any authority competent to pass any order or decision under this Act, but does not include

e) The board	f) Commissioner(Appeals)
g) Appellate Tribunal	h) All the above

Answer- D

40. Conveyance includes:

a) vessel	b) aircraft
c) vessel	d) All the above

Answer- D

41. Custom Station includes:

a) international courier terminal	b) foreign post office
c) land customs station	d) All the above

Answer- D

42. Foreign vessel means any vessel or aircraft for the time being engaged in the carriage of goods or passengers between any port or airport in India and any port or airport outside India, whether touching any intermediate port or airport in India or not

a) True	b) False
	d) 48

Answer- A

43. Foreign Vessel includes:

a) any naval vessel of any foreign Government	b) any vessel engaged in fishing or any other
taking part in any naval exercise	operations outside the territorial waters of India
c) any vessel or aircraft proceeding to a place	d) All the above
outside India for any purpose whatsoever	

Answer- D

44. Goods includes:

a) vessels, aircrafts and vehicles	b) Stores
c) Baggage	d) All the above

Answer- D

45. The territorial waters extend to _____ nautical miles into the sea from the appropriate base line.

a) 10	b) 12
c) 100	d) 200

Answer- B

46. Prohibited goods means any goods the import or export of which is subject to any prohibition under the Customs Act or any other law for the time being in force but does not include any such goods in respect of which the conditions subject to which the goods are permitted to be imported or exported have been complied with

a) True	b) False
---------	----------

equipment, whether or not for immediate fitting	
a) True	b) False
Answer- A	
48. Section 7 of the Customs Act, 1962 empowers the B	oard to appoint by notification in the Official Gazette
a) customs ports and customs airports	b) inland container depots or air freight stations, for the unloading of imported goods and the loading of export goods or any class of such goods
c) land customs stations for the clearance of goods imported or to be exported by land or	d) All the above
inland water or any class of such goods	
Answer- D	
49. Section 7 of the Customs Act, 1962 empowers the B	oard to appoint by notification in the Official Gazette
a) the routes by which alone goods or any class	b) the coastal ports for the carrying on of trade in
of goods specified in the notification may pass by	coastal goods or any class of such goods with all
land or inland water into or out of India, or to or	or any specified ports in India
from any land customs station from or to any	, , , , , , , , , , , , , , , , , , , ,
land frontier	
c) the foreign post offices for the clearance of	d) All the above
imported goods or export goods or any class of	
such goods	
Answer- D	
FO Continue O of the Continue Ant. 1002 amount the D	
50. Section 8 of the Customs Act, 1962 empowers the P	1 1
a) approve proper places in any customs port or customs airport or coastal port for the unloading	b) specify the limits of any customs area
and loading of goods or for any class of goods	
c) Both A&B	d) None of the above
Answer- C	d) Notice of the above
Allower	
51. This section provides that the person-in-charge of	a vessel or an aircraft entering India from any place
· · · · · · · · · · · · · · · · · · ·	aircraft to call or land at any place othe
than a customs port or a customs airport, as the cas	
a) for the first time after arrival in India	b) at any time while it is carrying passengers or
	cargo brought in that vessel or aircraft
c) Either A or B	d) None of the above
Answer- C	
52 is a detailed information to custo	•
- · · · · · · · · · · · · · · · · · · ·	t that particular port/international airport as also tha
which would be carried further for other ports/airpo	orts

Answer- D

a) Arrival manifest

c) import reports

b) import manifest

d) All the above

53. If the arrival manifest or import manifest or the import report or any part thereof, is not delivered to the proper officer within the specified time and if the proper officer is satisfied that there was no sufficient cause for such delay, the person-in-charge would be liable to a penalty up to RS

a) 10,000	b)) 25,000	•	
c) 50,000	d)			

Answer- C

54. Subsequent amendment of IGM relates back to the date of filing of IGM and is not a separate event

a) True	b) False

Answer- A

55. The cargo list is categorized in the manifest/report into which of the following?

a) cargo to be landed	b)) unaccompanied baggage
c) goods to be transshipped	d) All the above

Answer- D

56. In the cargo declaration, there should be separate mention about

a) arms	b) Ammunition
c) explosives	d) All the above

Answer- D

57. In the cargo declaration, there should be separate mention about

a) narcotics	b) dangerous drugs
c) gold	d) All the above

Answer- D

58. The person-in-charge of a conveyance that enters India from any place outside India or any other person as may be specified, shall deliver to the proper officer

portonia de may a e opromisar, eman a em es es ano	- - - - - - - - - -
a) the passenger and crew arrival manifest	b) the passenger name record information* of arriving
before arrival in the case of an aircraft or a	passengers, in such form, containing such particulars,
vessel and upon arrival in the case of a	in such manner and within such time, as may be
vehicle	prescribed
c) Either A or B	d) Both A&B

Answer- D

59. Where the passenger and crew arrival manifest or the passenger name record information or any part thereof is not delivered to the proper officer within the prescribed time and if the proper officer is satisfied that there was no sufficient cause for such delay, the person-in-charge or the other specified person shall be liable to such penalty, not exceeding Rs

a) 10,000	b) 25,000
c) 50,000	d) 1,00,000

Answer- C

60. Date of entry inward is the date on which the vessel found a berthing place for discharge of cargo

	a) True	b) False
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Answer- A	
1. Grant of Entry Inwards is an ackno	wledgement of the fact that Customs Department is ready to
, and the second	o, and is prepared to assess the goods to duty, as and when the
concerned importer comes forward to	
a) True	b) False
a) Trac	b) raise
Answer- A	
2. Without the permission of the proper	officer, the imported goods cannot be unloaded, unless they ar
mentioned in the Import General Man	ifest for being unloaded in that customs station.
a) True	b) False
Answer- A	
Allswell A	
•	ding and unloading of goods are to be undertaken only at place
approved under section 8(a) of the Cu	stoms Act, 1962.
a) 32	b) 33
c) 34	d) 35
Answer- B	
4 Section provides that loading and	unloading of goods should be done under the supervision of the
proper officer	amounting of goods should be done under the supervision of the
a) 32	b) 33
c) 34	d) 35
Answer- C	(u) 33
	n in the Official Gazette, give general permission and the prope
, , ,	give special permission for any goods or class of goods to b
unloaded or loaded without the super	vision of the proper officer
a) Board	b) Central Government
c) Supreme Court	d) Any of the above
Answer- A	
6 Section of the Customs Act	stipulates that no imported goods shall be water borne for being
loaded in any vessel, and no export goods which are not accompanied by a shipping bill, shall be water	
borne for being shipped unless the goods are accompanied by a boat note in the prescribed form	
a) 32 c) 34	b) 33 d) 35
Answer- D	(u) 33
-	
7. The Boat Note Regulations, 1976 spec	ify that the boat note in a special case issued by
a) the Principal Commissioner	b) Commissioner of Customs
c) Either A or B	d) Both A &B
Answer- C	

73. Bill of Entry is permitted to be filed in 'advance' but not later than _____ days prior to the date of grant of 'entry inwards' to the conveyance.

a) 5	b) 10
c) 15	d) 30

Answer- D

74. The importer who presents a bill of entry shall ensure the following, namely

a) the accuracy and completeness of the	b) the authenticity and validity of any document
information given therein	supporting it
c) compliance with the restriction or prohibition,	d) All the above
if any, relating to the goods under this Act or	
under any other law for the time being in force	

Answer- D

78. If there is default in payment of duty by due date more than once in three consecutive months, this facility of deferred payment will not be allowed unless the duty with interest has been paid in full

a) True	o) False	

Answer- A

79. The Central Government has notified the following classes of importers who have to pay customs duty electronically, namely.

a) Importers registered under Accredited Clients	b) Importers paying customs duty of Rs 10,000 or
Programme	more per bill of entry
c) Both A&B	d) None of the above

Answer- C

80. The importer need not produce any proof of payment for the clearance of goods in case of e-payment

a) True	b) False

Answer- A

81. CBIC has since developed the 'Integrated Declaration', under which all information required for import clearance by the concerned government agencies has been incorporated into the electronic format of the Bill of Entry.

\boldsymbol{j}	
\ \ _	
la) Irue	l h) False
d) Hae	5) 1 4150

Answer- A

82. The system has been modified to enable simultaneous processing of bill of entry by PGA and Customs..

a) True	b) False

goods.	
a) 20	b) 24
c) 30	d) 32
Answer- C	
<u> </u>	odstuffs and hazardous goods etc. the custodian with th
approval of the proper officer can sell the good	ds even before the expiry of the days limit.
a) 20	b) 24
c) 30	d) 32
Answer- C	
	petween their entry for export and the time when they ar
	r or any person holding himself out to be the exporter.
a) True	b) False
Answer- A	
6. The first and foremost duty cast on the maste	er of the vessel under section 40 is that export goods ar
not to be loaded unless duly passed by Proper	Officer.
a) True	b) False
Answer- A	
7. For loading of goods for export, which of the f	following requirements are to be fulfilled?
a) Entry outwards to be granted under section	
c) 'Let-export' order under section 51	d) All the above
Answer- D	a) All the above
8. In case of export goods other than baggage all duly passed by the proper offic	e and mail bags – the goods shall be accompanied b
a) Shipping Bill	b) Bill of Export
c) Bill of Transshipment	d) All the above
Answer- D	a) All the above
Q If the proper officer is satisfied that the depart	ture manifest or export manifest or the export report is i
	nt intention, he may permit such manifest or report to b
amended or supplemented	it intention, he may permit sach mannest of report to b
a) True	b) False
u) mac	b) Tuise
Answer- A	
0. The Export manifest shall contain	
a) Cargo report	b) Vessel's store list
	dar yuung youtuba sam/iyanarkarkadar 91/0109926 12-12

83. If there are any goods imported from a place outside India, which are not cleared within _____ days from the date of unloading, the custodian of the cargo is unnecessarily burdened with the custody of the

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92. The person-in-charge of a conveyance that departs from India to a place outside India or any other person as may be specified by the Central Government, shall deliver to the proper officer

a) the passenger and crew departur	b) the passenger name record information of departing
manifest	passengers, in such form, containing such particulars, in such
	manner and within such time, as may be prescribed
c) Either A or B	d) Both A&B

Answer-D

93. Where the passenger and crew departure manifest or the passenger name record information or any part thereof is not delivered to the proper officer within the prescribed time and if the proper officer is satisfied that there was no sufficient cause for such delay, the person-in-charge or the other specified person shall be liable to such penalty, not exceeding Rs

	<i>J</i> ·	
a) 10,000	b	b) 25,000
c) 50,000	C	d) 1,00,000

Answer-C

94. The exporter who presents a shipping bill or bill of export under this section shall ensure the following, namely

a) the accuracy and completeness of the	b) the authenticity and validity of any document
information given therein	supporting it
c) compliance with the restriction or prohibition,	d) All the above
if any, relating to the goods under this Act or	
under any other law for the time being in force	

Answer- D

95. ______- may permit certain class of exporters to make deferred payment of said duty or any charges in such manner as may be provided by rules

a) The board	b) Central Government
c) Supreme Court	d) Proper Officer

Answer- B

96. The rate of duty and tariff value, if any, applicable to any goods imported by post or courier shall be the rate and valuation in force on the date on which postal authorities or the authorized courier present to the proper officer a list containing the particulars of such goods for the purposes of assessing the duty thereon

a) True	b) False

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97. The ambit of the term "stores"	can be understood	if which of the f	following needs of	the vessel or
conveyance are taken into accou	nt?			

a) The food, drink and other needs of the passengers and crew and other human beings on board the vessel, aircraft or conveyance	b) Stock of the fuel necessary for running the vessel, aircraft, conveyance, for example diesel oil and furnace oil for ships, aviation, turbine fuel for the aircrafts, petrol or diesel or automobiles run on road, coal, diesel of locomotive etc
c) The conveyance has to carry with it certain essential spare parts for the maintenance and repair of the conveyance during the journey	d) All the above

Answer- D

98. Section ______ of the Customs Act provides that any imported stores on board a vessel or aircraft (other than stores to which section 90 applies) may, without payment of duty, be consumed during the period such vessel or aircraft is a foreign going vessel or aircraft

	5 5 5	
а	n) 86	87
C	5) 88	d) 89

Answer- B

99. Section _____ allows warehoused goods to be exported without payment of import duty

a) 67	b) 68
c) 69	d) 70

Answer- C

100. Section 89 states that goods produced or manufactured in India and required as stores on any foreign going vessel or aircraft may be exported free of duty in such quantities as the proper officer may determine having regard to the size of the vessel or aircraft, the number of passengers and the crew and the length of the voyage or journey on which the vessel or aircraft is about to depart

a) True		b) False	

Answer- A

101. The master of a vessel shall not permit the loading of any coastal goods on the vessel until a bill relating to such goods presented under section _____ has been passed by the proper officer and has been delivered to the master by the consignor.

a) 90	b) 91
c) 92	d) 93

Answer- C

102. Where any coastal goods are unloaded at any port, the proper officer shall permit clearance thereof if he is satisfied that they are entered in a bill of coastal goods delivered to him.

a) True	b) False

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103. The master of every vessel carrying coastal goods shall be supplied by the Customs authorities with a book to be called the ______.

a) Goods book	b) Entry book
c) advice book	d) customs book

Answer- C

104. No coastal goods shall be loaded on, or unloaded from, any vessel at any port other than a customs port or a coastal port appointed under section 7 for the loading or unloading of such goods.

a) True	b) False

Chapter 14: Customs Tariff Act

1.	The rates at which duties of customs shall be levied under the Customs Act 1962 are specified in the First and Second Schedules					
	a) True	b) False				
	Answer- A					
2.	The first schedule enlist the goods liable to					
	a) Import Duty	b) Export Duty				
	Answer- A					
3.	The second schedule enlist the goods liable to					
	a) Import Duty	b) Export Duty				
	Answer- B					
4.		The Government may by notification under section of the Customs Act prescribe preferential				
	rate of duty in respect of imports from certain prefe					
	a) 24	b) 25				
	c) 26	d) 27				
	Answer- B					
5.	The importer will have to fulfill the following conditions to make the imported goods eligible for preferential rate of duty					
	a) At the time of importation, he should make a	b) He should also claim that the goods are				
	specific claim for the preferential rate	produced or manufactured in such preferential				
		area				
	c) The area should be notified under section 4(3)	d)All the above				
	of the Customs Tariff Act to be a preferential area					
	Answer- D					
6.	Any article which is imported into India shall, in addition, be liable to integrated tax at such rate, not exceeding					
	section (8) or sub section 8(A)					
	a) 20	b) 30				
	c) 40	d) 50				
	Answer- C					
7.	GST compensation cess is a compensation cess levied under section 8 of the Goods and Services Tax (Compensation to State) Act, 2017. GST compensation cess is levied on intra-state supply of goods or services and inter-state supply of goods or services to provide compensation to the States for loss or revenue due to implementation of GST in India					
	a) True	b) Fasle				
	Answer- A					
	Aliswei * A					

8. Any article which is imported into India shall, in addition, be liable to the goods and services tax compensation cess at such rate, as is leviable under section 8 of the Goods and Services Tax (Compensation to States) Cess Act, 2017 on a like article on its supply in India, on the value of the imported article as determined under sub-section (10) or ub section 10(A)

a) True	b) Fasle

Answer- A

9. For the purposes of calculating the integrated tax on any imported article where such tax is leviable at any percentage of its value, the value of the imported article shall, notwithstanding anything contained in section 14 of the Customs Act, 1962, be the aggregate of

a) the value of the imported	b) any duty of customs chargeable on that article under section 12
article determined under sub-	of the Customs Act, 1962, and any sum chargeable on that article
section (1) of section 14 of the	under any law for the time being in force as an addition to, and in
Customs Act, 1962 or the tariff	the same manner as, a duty of customs, but does not include the
value of such article fixed	integrated tax referred to in section 3(7) of the Customs Tariff Act,
under sub-section (2) of that	1975 or the goods and services tax compensation cess referred to in
section, as the case may be	section 3(9) of the Customs Tariff Act, 1975
c)Both A&B	d) None of the above

Answer- C

10. Tariff value in relation to any goods, means the tariff value fixed in respect thereof under sub-section (2) of section 14

a) True	b) False	

Answer- A

11. Any article which is imported into India is also liable to a duty equal to the excise duty for the time being leviable on a like article if produced or manufactured in India. This duty is called as______

a) Additional duty	b) Countervailing Duty	
c) Special duty	d) None of the above	

Answer- A

12. Special additional duty under sub-section (3) is levied to counter balance the excise duty leviable on raw materials, components and ingredients of the same nature as, or similar to those, used in the production or manufacture of the imported article. This duty is called as

a) Additional duty	b) Countervailing Duty
c) Special duty	d) None of the above

Answer- B

13. The maximum rate of additional duty is @ ______%

a) 5	b) 4
c) 3	d)2

Answer- B

23. The total period of levy of safeguard duty is restricted to __ years.

a) 5			b) 10	
c) 6			d) 7	

Answer- B

24. Articles originating from developing country, so long as the share of imports of that article from that country does not exceed_______% of the total imports of that article into India

a) 2	ł	o) 3
c) 4		d) 5

Answer- B

25. Articles originating from more than one developing country, so long as the aggregate of imports from developing countries each with less than 3% import share taken together does not exceed ______% of the total imports of that article into India

a) 2	b) 3
c) 9	d) 5

Answer- C

26. Safeguard duty shall not apply to articles imported by a 100% EOU/unit in a SEZ unless.

a) specifically made	b) the article imported is either cleared as such into DTA or used in the
applicable	manufacture of any goods that are cleared into DTA and in such cases
	safeguard duty shall be levied on that portion of the article so cleared or so
	used as was leviable when it was imported into India
c)Either A or B	d) Both A&B

Answer- C

27. This provisional duty may be imposed on the basis of preliminary determination that increased imports have caused or threatened to cause serious injury to a domestic industry

a) True	b) False

Answer- A

28. The provisional duty shall be in force for a maximum period of _____ days from the date of its imposition

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a) FO	b) 100

a) 50	b) 100
c) 200	d) 300

Answer- C

29. The countervailing duty on subsidized articles is imposed if which of the following conditions are satisfied?

a) Any country or territory, directly or indirectly, pays	b) The importation may/may not directly be
or bestows subsidy upon the manufacture or	from the country of
production or exportation of any article. Such subsidy	manufacture/production
includes subsidy on transportation of such article	
c) The article, may be in the same condition as when	d) All the above
exported from the country of manufacture or	
production or may be changed in condition by	
manufacture, production or otherwise	

Answer- D

30. Countervailing duty shall not be levied unless it is determined that

a) The subsidy relates to export performance	b)The subsidy relates to the use of domestic
	goods over imported goods in the export article
c) The subsidy has been conferred on a limited	d) All the above
number of persons engaged in the manufacture,	
production or export of articles	

Answer- D

	a) 3	b) 4	
Ī	c) 5	d) 10	

Answer- C

32. If the review is not completed before the expiry of the period of imposition (5 years) then the duty may continue to remain in force pending the outcome of such review for a further period not exceeding

year	
a) 3	b) 1
c) 5	d) 10

Answer- B

33. The retrospective date from which the duty is payable shall not be beyond __ days from the date of notification

a) 15	b) 30
c) 90	d) 120

Answer- C

34. When the export price of a product imported into India is less than the Normal Value of 'like articles' sold in the domestic market of the exporter, it is known as dumping

a) True	b) False

	a) True	b) False
	Answer- A	
36 in relation to an article, it means the difference between its export price and n value		
	a) Margin of dumping	b) Injury margin
	Answer- A	
37.	7 margin is the margin adequate to remove the injury to the domestic industry	
	a) Margin of dumping	b) Injury margin

38. Where the Central Government, on such inquiry as it may consider necessary, is of the opinion that circumvention of anti-dumping duty has taken place, by which of the following ways?

a) by altering the description or name or	b) by import of such article in an unassembled or
composition of the article subject to such anti-	disassembled form
dumping duty	
c) by changing the country of its origin or export	d) All the above

Answer- D

Answer- B

39. Notwithstanding anything contained in sub-section (1) and sub-section (2), a notification issued under sub-section (1) or any anti-dumping duty imposed under sub-section (2), shall not apply to articles imported by a hundred per cent, export-oriented undertaking unless

a)	a) specifically made		made	b) the article imported is either cleared as such into the DTA or used
appli	cable	in	such	in the manufacture of any goods that are cleared into the DTA, and
notif	ications	or	such	in such cases anti-dumping duty shall be levied on that portion of
impositions, as the case may		se may	the article so cleared or so used as was leviable when it was	
be	be imported into India			
c) Eit	her A or B			d) Both A&B

Answer- C

40. The anti-dumping duty imposed under this section shall, unless revoked earlier, cease to have effect on the expiry of five years from the date of such imposition

a) True	b) False

Answer- A

41. The margin of dumping in relation to an article, exported by an exporter or producer, under inquiry under sub-section (6) shall be determined on the basis of records concerning normal value and export price maintained, and information provided, by such exporter or producer.

a) Truo	_	h) Falco	
a) Irue		b) False	

Answer- A

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42. Countervailing and anti-dumping duties shall not be levied just because such articles are exempt from duties or taxes borne by like articles when meant for consumption in the country of origin or exportation or by reasons of refund of such duties or taxes

a) True	b) False

Answer- A

43. The provisional countervailing and anti-dumping duties shall not be levied on any article imported from specified countries unless preliminary findings have been made of subsidy or dumping and consequent injury to domestic industry and a further determination has also been made that a duty is necessary to prevent injury being caused during the investigation

a) True	b) False

Answer- A

44. An appeal filed under section 9B shall be accompanied by a fee of _____ rupees:

a) 10,000	b) 15,000
c) 50,000	d) 25,000

Answer- B

45. The SWS on imported goods are in addition to any other duties of customs or tax or cess chargeable on such goods, under the Customs Act, 1962 or any other law for the time being in force

a) True	b) False

Chapter 15: Valuation under Customs

1. The manner in which duties of customs are charged on goods imported into India (import duty) or

	goods exported from India (export duty) is based on				
	a) A specific duty based on the quantity of the goods	b) Ad valorem, namely expressed as percentage of the value of the goods			
	c) Either a or b	d) Both a & b			
Ans	swer- c				
2.	is the price of the goods as comes out of the factory. It includes cost of production manufacturer's margin of profit.				
	a) Ex-Factory Price	b) F.A.S (Free Alongside)			
	c) F.O.B. (Free on Board)	d) C.I.F. (Cost Insurance Freight)			
Ans	swer- a				
3.	is the cost at which the export goods ar includes ex-factory +local freight + local taxes.	e delivered alongside the ship, ready for shipment. It			
	a) Ex-Factory Price	b) F.A.S (Free Alongside)			
	c) F.O.B. (Free on Board)	d) C.I.F. (Cost Insurance Freight)			
Ans	swer- b				
	a) Ex-Factory Price c) F.O.B. (Free on Board) swer- c	b) F.A.S (Free Alongside) d) C.I.F. (Cost Insurance Freight)			
5.	is the cost at which the goods are deliver	ed at the Indian port. It covers cost of goods.			
	a) Ex-Factory Price	b) F.A.S (Free Alongside)			
	c) F.O.B. (Free on Board)	d) C.I.F. (Cost Insurance Freight)			
	swer-d As per section 14 of customs act, 1962, transaction amount paid or payable for costs and services, include	value shall also include in addition to the price, any ding			
	a) commissions and brokerage	b) engineering			
	c) royalties and licence fees	d) all of the above			
Ans	swer- d				
7.	As per section 14 of customs act, 1962, transaction amount paid or payable for costs and services, inclu-	value shall also include in addition to the price, any ding			
	a) costs of transportation to the place of	b) insurance			

MCQ Book CA Final Indirect Taxes (Regular Batch May/November 2019) by CA Kedar Junnarkar importation c) design work d) all of the above Answer- d 8. As per section 14 of customs act, 1962, transaction value shall not include the following a) handling charges at exporter's port b) loading and unloading charges at exporter's port c) insurance d) buying agent's commission Answer-d 9. As per section 14 of customs act, 1962 transaction value will not apply in which of the following cases a) The price actually paid or payable for the b) Where the buyer and seller of the goods are related goods c) Price is the sole consideration for the sale d) none of the above Answer- b 10. For imported goods, the conversion in value shall be done with reference to the rate of exchange prevalent on the date of filing of _____ b) shipping bill (vessel or aircraft) under section 50. a) bill of entry under section 46 c) bill of export (vehicle) under section 50. d) either b or c Answer- a 11. For export goods, the conversion in value shall be done with reference to the rate of exchange prevalent on the date of filing a) bill of entry under section 46 b) shipping bill (vessel or aircraft) under section c) bill of export (vehicle) under section 50. d) either b or c Answer- d 12. For the purpose of customs valuation, "rate of exchange" means the rate of exchange notified by shall be taken into account a) the Foreign Exchange Dealers' Association of India b) CBIC c) the Reserve Bank of India d) none of the above Answer-b 13. The CBIC notifies the rates periodically, and there are separate rates for imported goods and export goods the rate for imported goods are a) buying rate b) selling rate d) none of the above c) average rate Answer-b 14. The CBIC notifies the rates periodically, and there are separate rates for imported goods and export goods .the rate for export goods are

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a) buying rate	b) selling rate
c) average rate	d) none of the above
Answer-a	
15. Sub-section (2) of section 14 provides that the Boar	d may fix for any class of imported goods
	ie of such or like goods by notification in the Officia
Gazette if it is satisfied that it is necessary to do so.	,
a) market value	b) MRP
c) transaction value	d) tariff value
Answer-d	
16. "Goods of the same class or kind", means imported	goods that are within a group or range of imported
goods produced by a particular industry or industria	al sector and includes
a) identical goods	b) similar goods
c) both a & b	d) either a or b
Answer-c	
17. "identical goods" means imported goods which are	same in all respects, including as the goods
being valued except for minor differences in appear	
being valued except for minor differences in appear	ance that do not uncer the value of the goods
a) physical characteristics	b) quality
c) reputation	d) all of the above
Answer- d	
18. "Identical goods" means imported goods	
a) which are same in all respects, including physical characteristics, quality and reputation as	b) produced in the country in which the goods being valued were produced
the goods being valued	β
c) produced by the same person who produced	d) all of the above
the goods	
Answer- d	
19. The term "produced" includes	
a) grown	b) manufactured
c) mined	d) all of the above
Answer- d	
20. The term "similar goods" means imported goods	
a) which although not alike in all respects, have	like b) produced in the country in which the
characteristics and like component materials w	·
enable them to perform the same functions	
c) produced by the same person who produced goods being valued	the d) all of the above
A	

Answer-d

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21. For the purpose of these customs valuation (determination of value of imported goods) rules, 2007, persons shall be deemed to be "related" only if –

a)they are officers or directors of one	b) they are legally recognized partners in
another's businesses	business
c) they are employer and employee	d) all of the above

Answer-d

22. For the purpose of these customs valuation (determination of value of imported goods) rules, 2007, persons shall be deemed to be "related" only if –

a) any person directly or indirectly owns, controls or holds five per	
cent or more of the outstanding voting stock or shares of both of them	of the same family
c) they are employer and employee	d) all of the above

Answer-d

23. For the purpose of these customs valuation (determination of value of imported goods) rules, 2007, persons shall be deemed to be "related" only if –

a) one of them directly or indirectly controls	b) both of them are directly or indirectly
the other	controlled by a third person
c) together they directly or indirectly control	d) all of the above
a third person	

Answer-d

24. Which among the following are not related persons as per customs valuation (determination of value of imported goods) rules, 2007?

a) one of them directly or indirectly controls	b)both of them are directly or indirectly controlled by
the other	a third person
c) together they directly or indirectly control	d) any person directly or indirectly owns, controls or
a third person	holds two per cent or more of the outstanding voting
	stock or shares of both of them

Answer- d

25. For the purpose of these customs valuation (determination of value of imported goods) rules, 2007, persons shall be deemed to be "related" only if –

control a third person	b) persons having business interest to each other, one of them are sole agent / sole distributor / sole concessionaire of other
c) such persons are employer and employee	

Answer-d

- 26. As per rule 3 customs valuation (determination of value of imported goods) rules, 2007, transaction value will be accepted for customs purpose, if_____ conditions are fulfilled.
 - i. there is no restriction to importer about use of goods

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- ii. Consideration is determinable
- iii. Subsequent resale proceeds do not accrue to seller
- iv. Buyer and seller are not related

a) only (i) is to be fulfilled	b) only (ii) is to be fulfilled
c) (i) (ii) (iii) is to be fulfilled	d) (i) (ii) (iii) (iv) is to be fulfilled

Answer- d

27. In applying rule 4, the transaction value of identical goods is the goods being valued shall be used to determine the value of imported goods is at the ______

a) same commercial level	b) same quantity
c) both a & b	d) either a or b

Answer-c

28. In applying rule 4, if more than one transaction value of identical goods is found, _____ shall be used to determine the value of imported goods

a) highest of such value	b) lowest of such value
c) average of such value	d) none of the above

Answer- b

29. As per rule 7, while determining unit price, which of the following deductions have to be made?

a) commission usually paid or agreed to be paid	b) the additions usually made for profits
c) general expenses in connection with sales in	d) all of the above
India	

Answer-d

30. As per rule 7, while determining unit price, which of the following deductions have to be made?

a) customs duties and other taxes payable in India	b) costs of transport and insurance
c) general expenses in connection with sales in India	d) all of the above

Answer- d

31. If neither the imported goods nor identical nor similar imported goods are sold at or about the same time of importation of the goods being valued, the value of imported goods shall, be based on the unit price at which the imported goods or identical or similar imported goods are sold in India, at the earliest date after importation but before the expiry of ______after such importation

a) 45 days	b) 60 days
c) 90 days	d) 120 days

Answer- c

32. If neither the imported goods nor identical nor similar imported goods are sold in India in the condition as imported, then, the value shall be based on the unit price at which the imported goods, _____ processing, are sold in the greatest aggregate quantity to persons who are not related to the seller in India

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a) no processing	b) before processing
c) during processing	d) after further processing

Answer- d

33. The value of imported goods shall be based on a computed value, which shall consist of the sum of

a) cost or value of materials	b) general expenses
c) amount for profit	d) all of the above

Answer- d

34. The value of imported goods shall be based on a computed value, which shall consist of the sum of

a) Expenses under sub-rule (2) of rule 10.	b) cost of fabrication
c) other processing employed in production	d) all of the above

Answer- d

35. Where the value of imported goods cannot be determined under the provisions of any of the rules, the value shall be determined as per _____

a) rule 7	b) rule 8
c) rule 9	d) none of the above

Answer- c

36. No value shall be determined under the provisions of rule 9 on the basis of

a) arbitrary or fictitious values	b) minimum customs values
c) the selling price in India of the goods produced in India	d) all of the above

Answer-d

37. No value shall be determined under the provisions of rule 9 on the basis of

a) the price of the goods on the domestic market of the	b) the price of the goods for the export
	to a country other than India
	,
c) a system which provides for the acceptance for customs	d) all of the above
purposes of the highest of the two alternative values	

Answer-d

38. As per rule 10 in determining the transaction value, there shall be added to the price actually paid or payable for the imported goods the following to the extent they are incurred by the buyer but are not included in the price actually paid or payable for the imported goods, namely ______

a) commissions and brokerage, except buying commissions	b) the cost of containers
c) the cost of packing	d) all of the above

Answer- d

39. State which of the following are to be added to transaction value as per rule 10(1) in the following case Where the value, apportioned of the following goods and services where supplied directly or indirectly by the buyer free of charge or at reduced cost for use in connection with the production and sale for export of imported goods (not been included in the price)

a) materials, components, parts and similar items	b) tools, dies, moulds and similar items
c) materials consumed in the production of the	d) all of the above
imported goods	

Answer- d

40. State which of the following are to be added to transaction value as per rule 10(1) in the following case Where the value, apportioned of the following goods and services where supplied directly or indirectly by the buyer free of charge or at reduced cost for use in connection with the production and sale for export of imported goods (not been included in the price)

a) Engineering, development, art work	, b) Design work, and plans and sketches
undertaken elsewhere than in India and	undertaken elsewhere than in India and
necessary for the production of the importer	necessary for the production of the imported
goods.	goods.
c) materials consumed in the production of th	d) all of the above
imported goods	

Answer- d

41. State which of the following are to be added to transaction value as per rule 10(1) to the extent they are incurred by the buyer but not included in the price

a) royalties and licence fees related to the imported	b) The value of any part of the proceeds of
goods that the buyer is required to pay, directly or	any subsequent resale, disposal or use of the
indirectly, as a condition of the sale of the goods	imported goods that accrues, directly or
being valued	indirectly, to the seller
c) all other payments actually made or to be made as	d) all of the above
a condition of sale of the imported goods, by the	
buyer to the seller, or by the buyer to a third party to	
satisfy an obligation of the seller	

Answer- d

- 42. State whether the following costs should be added to the transaction value
 - Dismantling charges for removing the second hand plant at the foreign supplier's place and shipping to the Indian importer
 - ii. Training charges paid to supplier, for imparting training to the indian company's personnel, on how to use the equipment

a) both i & ii are to be included	b) both i & ii are to be excluded
c) I – includible ii- excludible	d) I – excludible ii- includible

Answer- a

- 43. State whether the following costs should be added to the transaction value
 -) Fee charged by foreign supplier for supervision of erection and commissioning of imported plant in India
 - ii) Stevedoring charges or uploading charges

a) both i & ii are to be included	b) both i & ii are to be excluded
-----------------------------------	-----------------------------------

Answer- b

- 44. State whether the following costs should be added to the transaction value
 - i) Lump sum payment and annual royalty for transfer of technical know-how for manufacturing goods using imported plant
 - ii)) Lump sum payment and annual royalty for transfer of technical know-how for manufacturing goods using imported plant are incurred as a condition of sale

a) both i & ii are to be included	b) both i & ii are to be excluded
c) I – includible ii- excludible	d) I – excludible ii- includible

Answer- d

- 45. State whether the following costs should be added to the transaction value
 - i) Payment for tools, dies and moulds (imported along with the plant) for use in connection with the manufacture of excisable goods on successful commissioning of the imported plant
 - ii) Service charges paid to canalizing agent (he purchases goods from overseas seller and sells to India)

a) both i & ii are to be included	b) both i & ii are to be excluded
c) I – includible ii- excludible	d) I – excludible ii- includible

Answer- a

46. Where the cost of transport of the imported goods to the place of importation is not ascertainable, then such cost shall be _____

a) 20% of customs FOB value	b) 1.125% of customs FOB value
c) actual cost	d) actual cost (or) 20% of customs FOB
	value, whichever is lower

Answer-a

47. The loading, unloading and handling charges associated with the delivery of the imported goods at the place of importation shall be _____

a) 1% of customs FOB value	b) cost of transport
c) cost of insurance	d) 0

Answer- d

48. Where the cost of insurance is not ascertainable, then such cost shall be _____

a) 20% of customs FOB value	b) 1.125% of customs FOB value
c) actual cost	d) actual cost (or) 20% of customs FOB value, whichever is lower

Answer-b

49. In case of goods imported by air, where the cost of transport is ascertainable, then such cost shall be

a) 20% of customs FOB value	b) 1.125% of customs FOB value
c) actual cost	d) actual cost (or) 20% of customs FOB value, whichever is lower

Answer-d

CA Final Indirect Taxes (Regular Batch May/November 2019) by CA Kedar Junnarkar MCO Book 50. Where the free on board value of the goods is not ascertainable, the cost of transport of the imported goods to the place of importation, shall be _____ a) 20% of customs FOB value b) 1.125% of (customs FOB value + cost of freight) c) 20% of cost of insurance d) 20% of (customs FOB value + cost of insurance) Answer-d 51. Where the free on board value of the goods is not ascertainable, the cost of insurance, shall be _____ a) 1.125% of customs FOB value b) 1.125% of (customs FOB value + cost of freight) c) 1.125% of cost of insurance d) 20% of (customs FOB value + cost of insurance) Answer-b 52. The cost of transport of the imported goods includes a) ship demurrage charges b) lighterage/barge charges c) both a & b d) none of the above Answer- c 53. The value of export goods shall be the _____ a) transaction value b) market value d) none of the above c) MRP

Answer- a

54. The transaction value shall be accepted even where the buyer and seller are related, provided that the relationship has not influenced the price

a) yes	b) no

Answer-a

55. The value of the export goods shall be based on the transaction value of goods of _____

a)goods of like kind and quality	b) exported at or about the same time to
	other buyers
c) in the same destination country of	d) all of the above
importation	

Answer- d

56. In determining the value of export goods in the absence same destination country of importation, the proper officer shall make such adjustments as appear to him reasonable, taking into consideration the relevant factors including ______

a) difference in the dates of exportation and	b) difference in composition, quality and design
difference in commercial levels and quantity	between the goods to be assessed and the goods
levels	with which they are being compared
c) difference in domestic freight and insurance	d) all of the above
charges depending on the place of exportation	

Answer-d

57. Computed value, shall include	the following
-----------------------------------	---------------

a)	cost	of	production,	manufacture	or	b) charges, if any, for the design or brand
pro	cessin	g of	export goods	5		
c) an amount towards profit			t	d) all of the above		

Answer- d

58. Provisions for classification of sets of articles and accessories are specified in ______ of customs act, 1962

a) section 16	b) section 17
c) section 18	d) section 19

Answer-d

59. Where goods consist of a set of articles liable to duty with reference to quantity duty shall be chargeable to

a) duty as per quantity	b) duty at that rate
c) duty at highest of such rates	d) none of the above

Answer- a

60. Where goods consist of a set of Articles liable to duty with reference to value shall, if they are liable to duty at the same rate, be chargeable to ______

a) duty as per quantity	b) duty at that rate
c) duty at highest of such rates	d) none of the above

Answer-b

61. Where goods consist of a set of Articles liable to duty with reference to value shall, if they are liable to duty at the different rates, be chargeable to ______

a) duty as per quantity	b) duty at that rate
c) duty at highest of such rates	d) none of the above

Answer-c

62. Where goods consist of a set of Articles not liable to duty shall be chargeable to ______

a) duty as per quantity	b) duty at that rate
c) duty at highest of such rates	d) duty at the rate at which articles liable to
	duty with reference to value

Answer-d

63. If the importer produces evidence to the satisfaction of the proper officer or the evidence is available regarding the value of any of the articles liable to different rates of duty, then it shall be chargeable to

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a) duty as per quantity	b) duty at the highest rate
c) such article shall be chargeable to duty	d) duty at the rate at which articles liable to
separately at the rate applicable to each	duty with reference to value
article	·

Answer-c

64. Accessories of, and spare parts or maintenance and repairing implements for any article if such accessories are imported along with that article they are compulsorily supplied and no separate charge is made for such supply ,then it shall be chargeable at ______

a) duty as per quantity	b) duty on article is same as that of duty on
	the main product
c) such article shall be chargeable to duty	d) duty at the rate at which articles liable to
separately at the rate applicable to it	duty with reference to value

Answer-b

65. In case of optional accessories, then _____

a) classification shall be done independently	b) duty on article is same as that of duty on
	the main product
c) such article shall be chargeable to duty	d) duty at the rate at which articles liable to
separately at the rate applicable to it	duty with reference to value

Answer-a

Chapter 16: Warehousing

1.	Warehousing is r	esorted to in case	where the importer	does not want to clear th	e goods immediatel	y
----	------------------	--------------------	--------------------	---------------------------	--------------------	---

a) due to lack of storage facilities	b) in case of arrival of shipment much earlier than planned
c) in case of working capital issues	d) All the above

Answer- D

2. The consideration the importer is required to pay for the facility of warehouse was that

a) he should bind himself to pay to the	b) he should agree to pay duty on the goods
government a sum equal to thrice the amount of	cleared from such warehouse at the rate of duty
total duty determined, with such surety or	and valuation prevalent on the date on which a
security as may be required	bill of entry in respect of such goods is presented
c) Both A&B	d) Either A or B

Answer- C

3. An importer who intends to gets his goods warehoused files an Into-bond Bill of Entry [Bill of entry for Warehousing], which is assessed to customs duty at the port of import

a) True	b) False

Answer- A

4. Section 46(1) stipulates that the importer of any goods, other than goods intended for transit or transhipment, shall make entry thereof by presenting to the proper officer a bill of entry for home consumption or a bill of entry for warehousing in the prescribed form

a) True	b) False

Answer- A

5. Section 15(1) stipulates that the rate of duty and tariff valuation, if any, applicable to the imported goods shall be the rate and valuation in force in the case of goods entered for home consumption under section 46, on the date on which

a) a bill of entry in respect of such goods is	b) a bill of entry in respect of such goods is
presented under that section	presented for their removal from the warehouse

Answer- A

6. Section 15(1) stipulates that the rate of duty and tariff valuation, if any, applicable to the imported goods shall be the rate and valuation in force in the case of goods cleared from a warehouse under section 68, on the date on which

a) a bill of entry in respect of such goods is	b) a bill of entry in respect of such goods is
presented under that section	presented for their removal from the warehouse

Answer- B

warehouse shall be caused to be locked by the proper officer and no person shall enter the warehouse or remove any goods therefrom without the permission of the proper officer

a) True	b) False

Answer- A

13. License may be granted to an eligible applicant [citizen of India/entity incorporated in India; who submits undertaking to comply with prescribed terms & conditions and furnishes solvency certificate of ` crore from a Scheduled Bank Rs

a) 1	b) 2
c) 3	d) 4

Answer- B

14. Where after the inspection of premises, Principal Commissioner/ Commissioner of Customs, is satisfied that prescribed conditions/procedures have been fulfilled and required documents have been furnished, he may grant the license

a) True	b) False

16. License would be cancelled on written request of the licensee

a)	True	b) False

Answer- A

17. The licensee will be given a reasonable opportunity of being heard before such cancellation

a) True		b) False

Answer- A

18. Once the licence is cancelled, the warehoused goods will be removed from such warehouse within days from the date on which order of such cancellation is served on the licensee

a) 9	b) 85
c) 7	d) 10

Answer- C

19. The warehoused goods can be removed _____

<i>J</i>		
	a) to another warehouse	b) be cleared for home consumption
	c) be cleared for export	d) All the above

Answer- D

20. Section 59 requires the importer to submit bond for an amount equal to _____ times the duty amount involved.

	a) 5	b) 3
	c) 6	d) 7

Answer- B

21. When the importer executes a bond in a sum equal to thrice the amount of the duty assessed on such goods, he thereby bind himself

a) to comply with all the provisions of the Customs law in respect of such goods	b) to pay, on or before the date specified in the notice of demand, all duties and interest payable under section 61(2)
c) to pay all penalties and fines incurred for the contravention of the provisions of the customs law, in respect of such goods	d) All the above

Answer- D

22. The bond will continue to be in force notwithstanding the transfer of the goods to another warehouse.

	9 9
a) True	b) False

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•	ime of its affixation needs to be endorsed upon Into-Bon
Bill of Entry and transport document	
a) True	b) False
Answer- A	
24. When the goods are removed from the custo	oms station of import for warehousing, the proper office
affixes a one-time lock (OTL) on the container	or means of transport
a) True	b) False
Answer- A	
•	mmissioner of Customs may permit movement of good ure of goods or their manner of transport so warrant
a) True	b) False
Answer- A	
26. The period for which imported goods may h	be kept in a warehouse without payment of duty is calle
	to kept in a warehouse without payment of duty is calle
a) warehousing period	b) Storage period
c) Bond Period	d) None of the above
Answer- A	
27. Warehousing period is till the expiry of	year from the date of order under section 60(1).
a) 4	b) 3
c) 1	d) 2
Answer- C	u) 2
	ng period by not more than 1 year at a time
a) The Principal Commissioner	b) Commissioner
c) Either A or B	d) Both A&B
Answer- C	
29 Since in case of 100% FOLL the warehousing	g period for capital goods is till their ex-bonding and fo
-	ex-bonding/consumption, no interest is chargeable for th
period that the goods remain warehoused	ex boliding, consumption, no interest is enargeable for an
a) Yes	b) No
Answer- A	
30. Interest is charged on the duty deferred on wa	arehoused goods beyond a period of days
a) 30	b) 60
c) 90	d) 120
L .	<u> </u>

Answer- C

31.	Rate of interest	fixed b	v notification	under	section 47	' is	%	n.a
J 1.	rate of filterest	IIACG D	y mounication	ariaci	300011 17	13	_ ′ ∪	ρ . \circ

The second secon	
a) 7	b) 10
c) 15	d) 30

Answer- C

32. If no customs duty is payable at the time of clearance of goods from warehouse, no interest is payable

a) True	b) False

Answer- A

33. In the warehouse the owner of goods may _____

a) see and inspect the goods	b) ensure that the goods do not deteriorate or
	get damaged during storage in the warehouse
c) sort the goods	d) All the above

Answer- D

34. The only restriction on all these operations is that such operation should not cause any damage/deterioration to the goods

a) True	b) False

Answer- A

35. The owner has to make an application giving full details regarding the process to be carried out, imported and other goods used, plan and description of warehouse and volume of manufacture anticipated

a) True	b) False

Answer- A

36. The main conditions of section 66 are

a) imported materials are used in the	b) the import duty leviable on the imported
manufacture of any goods in accordance with the	materials exceeds the rate of duty leviable on the
provisions of section 65	finished products
c) the Central Government is satisfied that in the	d)All the above
interest of establishment or development of a	
domestic industry, it is necessary to give	
protection to the finished products	

Answer- D

37. Section 67 provides that the owner of any warehoused goods may, with the permission of the proper officer, remove them from one warehouse to another subject to such conditions as may be prescribed for the due arrival of the warehoused goods at the warehouse to which removal is permitted:

a) True	b) False

38. The essential ingredients of section 68 are

a) An ex-bond bill of entry should be presented	b) After assessment of the ex-bond bill of entry
to the proper officer	the duty determined should be paid
c) Along with the import duty, the penalty, if any,	d)All the above
imposed or levied on the warehoused goods	
should also be paid	

Answer- D

39. In case Government of India is of the opinion that goods of any specified description are likely to be smuggled back into India, it may.

9 9	
a) demand payment of import duty payable otherwise, on the warehoused goods	b) prescribe conditions to be fulfilled including execution of an Indemnity bond undertaking to produce proof of export or pay the import duty otherwise leviable 10
c) The Government of India, by notification prescribes the circumstances under which such conditions can be imposed	d) All the above

Answer- D

40. Where the warehoused goods are to be removed from one warehouse to another warehouse or from a warehouse to a customs station for export, the owner is required to make a request in prescribed Form for transfer of goods

a) True	b) False

Answer- A

41. The owner of the goods shall produce to the proper officer at customs station of import or the bond officer, within _____ month [or extended period allowed], an acknowledgement issued by the licensee or the bond officer of the warehouse to which the goods have been removed or the proper officer at the customs station of export, as the case may be, stating that the goods have arrived at that place

a) 1	b) 2
c) 3	d) 4

Answer- A

42. Which the following goods have been specified as goods to which the provisions of section 70 apply when they are deposited in a warehouse?

a) aviation fuel, motor spirit, mineral turpentine,	b) liquid helium gas kept in containers
acetone, methanol, raw naptha, vaporizing oil,	
kerosene, high speed diesel oil, batching oil,	
diesel oil, furnace oil and ethylene dichloride,	
kept in tanks	
c) wine, spirit and beer, kept in casks	d) All the above

Answer- D

43. Section 73A makes the warehouse keeper as a custodian of the warehoused goods and prescribes the provisions for custody and removal of warehoused goods

a) True	b) False

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	Answer- A		
	Allswei A		
14.	All warehoused goods will remain	in the custody of	f the person who has been granted a licence unde
	section 57/58/58A until they are	cleared for home	e consumption/ transferred to another warehouse
	exported/ removed as otherwise pi	rovided under this	Act.
	a) True		b) False
	Answer- A		
	Computerisation of records is a warehousing procedures has been	•	t based upon which liberalization in respect o
	a) True		False
	Answer- A		
1 6.	A shall appoint a w customs procedures, for discharge	•	having experience in warehousing operations as behalf.
	a) Commissioner		b) Principal Commissioner
	a) Commissioner c) Licensee		b) Principal Commissioner d) None of the above
			•
	c) Licensee		•
17.	c) Licensee Answer- C On receipt of goods from a custon	-	d) None of the above
17.	c) Licensee Answer- C On receipt of goods from a custon the one-time lock on the containe	er/means of transp	d) None of the above
17.	c) Licensee Answer- C On receipt of goods from a custon	er/means of transp	•
17.	c) Licensee Answer- C On receipt of goods from a custon the one-time lock on the containe	er/means of transp	d) None of the above
17.	c) Licensee Answer- C On receipt of goods from a custon the one-time lock on the containe station or licensee of the warehous	er/means of transp	d) None of the above ort or from another warehouse, a licensee shall checoort as affixed by the proper officer at the custom
17.	c) Licensee Answer- C On receipt of goods from a custon the one-time lock on the containe station or licensee of the warehous	er/means of transp	d) None of the above ort or from another warehouse, a licensee shall checoort as affixed by the proper officer at the custom
17.	c) Licensee Answer- C On receipt of goods from a custon the one-time lock on the containe station or licensee of the warehous a)True Answer- A	er/means of trans se of dispatch.	d) None of the above ort or from another warehouse, a licensee shall checoort as affixed by the proper officer at the custom b) False
17. 18.	c) Licensee Answer- C On receipt of goods from a custom the one-time lock on the containe station or licensee of the warehous a)True Answer- A The records and accounts are req	er/means of trans se of dispatch.	d) None of the above ort or from another warehouse, a licensee shall checoport as affixed by the proper officer at the custom b) False erved for a minimum period of year
17. 18.	c) Licensee Answer- C On receipt of goods from a custom the one-time lock on the containe station or licensee of the warehous a)True Answer- A The records and accounts are req from the date of removal of goods	er/means of trans se of dispatch. uired to be prese from the warehou	d) None of the above ort or from another warehouse, a licensee shall checorate as affixed by the proper officer at the custom b) False erved for a minimum period of year use, and shall be made available at the warehouse as
17. 18.	c) Licensee Answer- C On receipt of goods from a custom the one-time lock on the containerstation or licensee of the warehous a)True Answer- A The records and accounts are required from the date of removal of goods all times and accessible to the Bondard.	er/means of trans se of dispatch. uired to be prese from the warehou	d) None of the above ort or from another warehouse, a licensee shall checoport as affixed by the proper officer at the custom b) False erved for a minimum period of year use, and shall be made available at the warehouse at the rauthorised officer for verification.
17. 18.	c) Licensee Answer- C On receipt of goods from a custom the one-time lock on the container station or licensee of the warehous a)True Answer- A The records and accounts are required from the date of removal of goods all times and accessible to the Bonda) 3	er/means of trans se of dispatch. uired to be prese from the warehou	d) None of the above ort or from another warehouse, a licensee shall checorate as affixed by the proper officer at the custom b) False erved for a minimum period of year use, and shall be made available at the warehouse at the authorised officer for verification. b) 4
17. 18.	c) Licensee Answer- C On receipt of goods from a custom the one-time lock on the containerstation or licensee of the warehous a)True Answer- A The records and accounts are required from the date of removal of goods all times and accessible to the Bondard.	er/means of trans se of dispatch. uired to be prese from the warehou	d) None of the above ort or from another warehouse, a licensee shall checoport as affixed by the proper officer at the custom b) False erved for a minimum period of year use, and shall be made available at the warehouse at the rauthorised officer for verification.
17. 18.	c) Licensee Answer- C On receipt of goods from a custom the one-time lock on the container station or licensee of the warehous a)True Answer- A The records and accounts are required from the date of removal of goods all times and accessible to the Bondal 3 c) 5 Answer- C	er/means of trans se of dispatch. uired to be prese from the warehood d Officer or any of	d) None of the above ort or from another warehouse, a licensee shall checoport as affixed by the proper officer at the custom b) False erved for a minimum period of year use, and shall be made available at the warehouse at the authorised officer for verification. b) 4 d) 6
17. 18.	c) Licensee Answer- C On receipt of goods from a custom the one-time lock on the container station or licensee of the warehous a)True Answer- A The records and accounts are required from the date of removal of goods all times and accessible to the Bondal 3 c) 5 Answer- C A licensee shall file with the Bondal	er/means of transplants of dispatch. uired to be presented of the warehold officer or any officer a monthle	d) None of the above ort or from another warehouse, a licensee shall checoport as affixed by the proper officer at the custom b) False erved for a minimum period of year use, and shall be made available at the warehouse at the authorised officer for verification. b) 4 d) 6 y return in prescribed form, of the receipt, storage
17. 18.	c) Licensee Answer- C On receipt of goods from a custom the one-time lock on the container station or licensee of the warehous a)True Answer- A The records and accounts are required from the date of removal of goods all times and accessible to the Bondal 3 c) 5 Answer- C A licensee shall file with the Bond operations and removal of the goods.	er/means of transparent of transparent of dispatch. uired to be present from the warehold Officer or any of the cods in the warehold odds in the warehold odds in the warehold odds.	d) None of the above ort or from another warehouse, a licensee shall checoport as affixed by the proper officer at the custom b) False erved for a minimum period of year use, and shall be made available at the warehouse at the authorised officer for verification. b) 4 d) 6 y return in prescribed form, of the receipt, storage
17. 18.	c) Licensee Answer- C On receipt of goods from a custom the one-time lock on the container station or licensee of the warehous a)True Answer- A The records and accounts are required from the date of removal of goods all times and accessible to the Bond a) 3 c) 5 Answer- C A licensee shall file with the Bond operations and removal of the gomeonth to which such return relates	er/means of transparent of transparent of dispatch. uired to be present from the warehold Officer or any of the cods in the warehold odds in the warehold odds in the warehold odds.	d) None of the above ort or from another warehouse, a licensee shall checeport as affixed by the proper officer at the custom b) False erved for a minimum period of year use, and shall be made available at the warehouse at the authorised officer for verification. b) 4 d) 6 y return in prescribed form, of the receipt, storagenouse, within days after the close of the
17. 18.	c) Licensee Answer- C On receipt of goods from a custom the one-time lock on the container station or licensee of the warehous a)True Answer- A The records and accounts are required from the date of removal of goods all times and accessible to the Bondal 3 c) 5 Answer- C A licensee shall file with the Bond operations and removal of the goods.	er/means of transparent of transparent of dispatch. uired to be present from the warehold Officer or any of the cods in the warehold odds in the warehold odds in the warehold odds.	d) None of the above ort or from another warehouse, a licensee shall checorate as affixed by the proper officer at the custom b) False erved for a minimum period of year use, and shall be made available at the warehouse at the authorised officer for verification. b) 4

Chapter 17: Baggage

1. Section ______ allows the owner of the baggage has to make a declaration of its contents to the proper officer of customs, for the purpose of clearing it. This is known as Baggage Declaration Form

proper emeer or easterns, restaine parpose or esearms	g
a) 77	b) 78
c) 69	d) 70

Answer- A

2. Section 78 of the Customs Act stipulates that the rate of the duty and tariff valuation, if any applicable to baggage shall be the rate of and valuation in force on the date on which a declaration is made in respect of such baggage under section 77

a) True	b) False

Answer- A

3. Rate of duty on baggage is _____ ad valorem

a) 30	b) 33
c) 35	d) 70

Answer- C

4. Rate of duty on baggage is not applicable to

a) fire arm	5	b) cartridges of fire arms exceeding 50
c) cigarette	es	d) All the above

Answer- D

5. If the class of passenger is a Indian resident or foreigner residing in India or tourist of Indian origin excluding an infant and the origin country from which the passenger is coming is any country other than Nepal or Bhutan or Myanmar the articles allowed free of duty includes:

a) Used po	ersonal effects and travel souvenir	b) Articles upto value of Rs 50,000
c) Either A	A or B	d) Both A&B

Answer- D

6. If the class of passenger is tourist of foreigner origin excluding an infant and the origin country from which the passenger is coming is any country other than Nepal or Bhutan or Myanmar the articles allowed free of duty includes:

a) Used personal effects and travel souvenir	b) Articles upto value of Rs 15,000
c) Either A or B	d) Both A&B

Answer- D

7. If the class of passenger is a Indian resident or foreigner residing in India or tourist of Indian origin excluding an infant and the origin country from which the passenger is coming from Nepal or Bhutan or Myanmar the articles allowed free of duty includes:

Ī	a) Used personal effects and travel souvenir	b) Articles upto value of Rs 15,000
Ī	c) Either A or B	d) Both A&B

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8. Gentlemen can carry jewellery up to 20 g with a value cap of rs______:

<u> </u>	
a) 50,000	b) 1,00,000
c) 1,50,000	d) 2,00,000

Answer- A

9. Lady passenger can carry jewellery up to 40 g with a value cap of rs :

a) 50,000	b) 1,00,000
c) 1,50,000	d) 2,00,000

Answer- B

10. The various provisions in the above rules are also applicable to the unaccompanied baggage, unless specifically excluded, if unaccompanied baggage had been in possession, abroad, of the passenger and is dispatched within_____ month of his arrival in India or such further period as the Deputy/Assistant Commissioner may allow

a) 5	b) 1
c) 2	d) 3

Answer- B

11. The said unaccompanied baggage can also land in India upto ______ months before the arrival of the passenger.

a) 5	b) 1
c) 2	d) 3

Answer- C

12. The declaration of the goods brought in is an absolute necessity. If the goods are not declared under section 77, the passenger cannot subsequently claim the benefit under section 80 and the goods are liable for confiscation.

a) True	b) False

Chapter 18: Duty Drawback

1. Where the goods are sent back as such to the foreign country owing to which of the following reasons it is considered as re-exportation?

a) Goods not conforming to the specification of the	b) Goods not permitted to be imported
order	into the country on account of trade-
	restriction
c) Goods after being imported are temporarily retained	d) All the above
in the country and later taken out of the country. In	
other words, the very objective of the importation was	
limited to temporary retention in India	

Answer- D

2. Under Section 74(1) when goods capable of being easily identified, which have been imported into India and upon which any duty has been paid on importation ______ % of duty be paid back.

	a) 50	100
•	c) 98	d) 48

Answer- C

3. Which of the following conditions are to be satisfied for the purpose of section 74(1)?

a) the goods are identified to the satisfaction of	b) the goods are entered for export within two
the Assistant Commissioner of Customs or	years from the date of payment of duty on the
Deputy Commissioner of Customs as the goods	importation thereof
which were imported	
c) Both A & B	d) Either A or B

Answer- C

4. Which of the following conditions are to be satisfied for the purpose of section 74(3)?

a) provide for the manner in which the identity of	b) specify the goods which shall be deemed
goods imported in different consignments which are	to be not capable of being easily identified
ordinarily stored together in bulk, may be established	
c) provide for the manner and the time within which a	d) All the above
claim for payment of drawback is to be filed	

Answer- D

5. Under sub-clause (b) of section 74(1), it has been provided that such imported goods should be entered for export within ______ years from the date of payment of duty on the importation.

a) 1	b	b) 2	
c) 3	С	d) 4	

Answer- B

6. The authority who has to be satisfied u/s 74 is

a) the Assistant Commissioner	b) the Deputy Commissioner
c) Both A&B	d) Either A or B

7. As per notification, no drawback of import duty will be allowed in respect of which of the following goods, if they have been used after their importation in India?

a) Wearing Apparel	b) Tea Chests
c) Exposed cinematograph films passed by Board	d) All the above
of Film Censors in India	

Answer- D

8. If the length of the period between the date of clearance for home consumption and the date when the goods are placed under the customs control for export is not more than 3 months then the percentage of import duty to be paid as drawback is _______%

a) 95	b) 85
c) 75	d) 70

Answer- A

9. If the length of the period between the date of clearance for home consumption and the date when the goods are placed under the customs control for export more than 3 months but is not more than 6 months then the percentage of import duty to be paid as drawback is _______%

a) 95		b) 85
c) 75		d) 70

Answer- B

10. If the length of the period between the date of clearance for home consumption and the date when the goods are placed under the customs control for export more than 6 months but is not more than 9 months then the percentage of import duty to be paid as drawback is _______%

a) 95	b) 85
c) 75	d) 70

Answer- C

11. If the length of the period between the date of clearance for home consumption and the date when the goods are placed under the customs control for export more than 9 months but is not more than 12 months then the percentage of import duty to be paid as drawback is _______%

	J	, ,	
a) 95			b) 85
c) 75			d) 70

Answer- D

12. If the length of the period between the date of clearance for home consumption and the date when the goods are placed under the customs control for export more than 12 months but is not more than 15 months then the percentage of import duty to be paid as drawback is _______%

a) Nil	b) 85
c) 65	d) 60

Answer- C

13. If the length of the period between the date of clearance for home consumption and the date when the goods are placed under the customs control for export more than 15 months but is not more than 18 months then the percentage of import duty to be paid as drawback is

mental and personal grant and grant	
a) 95	b) 85
c) 65	d) 60

Answer- D

14. If the length of the period between the date of clearance for home consumption and the date when the goods are placed under the customs control for export more than 18 months then the percentage of import duty to be paid as drawback is

a)		b) 85
c)	65	d) 60

Answer- A

15. If the car or specified goods are re-exported immediately % of the duty paid is refundable.

)		<i>,</i>	
a) 98		b) 8	85	
c) 65		d) (60	

Answer- A

16. Percentage of reduction of the drawback is related to use of the motor vehicle per quarter for 1st year is -% per quarter or part thereof

70 001 quarter 01 part tirer 01	
a) 4	b) 3
c)2.5	d) 2

Answer- A

17. Percentage of reduction of the drawback is related to use of the motor vehicle per quarter for 2nd year is

70 per quarter or part thereor	
a) 4	b) 3
c)2.5	d) 2

Answer- B

18. Percentage of reduction of the drawback is related to use of the motor vehicle per quarter for 3rd year is _______-% per quarter or part thereof

a) 4	b) 3
c)2.5	d) 2

Answer- C

19. Percentage of reduction of the drawback is related to use of the motor vehicle per quarter for 4th year is -% per quarter or part thereof

a) 4	b) 3
c)2.5	d) 2

Answer- D

20. No drawback shall be allowed if motor car or goods have been used for more than _____ years

a) 4	b) 3
c)5	d) 2

Answer- A

21. CBIC has clarified that safeguard duties, anti-dumping duties and countervailing duties are rebatable as drawback in terms of section ______ of the Customs Act

a) 74	b) 75

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c) 76		d) 77
Answer- B		
	•	all respects, the exporter shall be informed of the ciency memo and such claim shall be deemed not
a) 7		b) 10
c) 15		d) 30
Answer- C		u) 30
B. When the exporter com be issued an acknowled	•	specified in deficiency memo within days, he sh
a) 7		b) 10
c) 15		d) 30
Answer- D		, -7
drawback under section c) that the goods imp	mode under a claim for an 74 of the Customs Act ported were not taken into a or that the goods were	b) that the duties of customs were paid on the goods imported d) All the above
taken in use		
Answer- D		
5. Claim under section 75.	A to be filed within	days from the date on which an order permittir
clearance and loading of	of goods for exportation und	er section 51 is made by proper officer of customs
a) 10 days		b) 15 days
c) 7 days		d) 30 days
Answer- D		
•	n for section 75A claim by A0 orts pr Rs 1,000 which is less	C or DC is months upon prescribed fee
a) 2	•	b) 3
c) 4		d) 5
Answer- B		
-		Principal Commissioner or Commissioner is 6 mont
upon prescribed fee of	% of FOB value o exp	ports pr Rs 2,000 which is less
a) 2		b) 3
c) 4		d) 5

28. In case of incomplete claim/claim without the specified documents, such claim shall be returned to the claimant with the deficiency memo within _ days of submission and shall be deemed not to have been filed.

a) 7	b) 10
c) 15	d) 30

Answer- C

29. Which of the following conditions to be satisfied under section 75?

a) The goods exported are entirely different from	b) The input could be either imported goods on
the inputs	which duty of customs has been paid or
	indigenous goods on which central excise duty
	has been paid
c) The existence of the imported/indigenous	d) All the above
excise duty paid goods in the final product is not	
capable of easy verification at the point of export	

Answer- D

30. Which of the following conditions to be satisfied under section 75?

a) The goods, namely the inputs might have	b) The quantity of inputs per piece of final
undergone changes in physical shape, property	product may not be uniform and may not also be
etc	capable of verification at the time of exportation
c) The existence of the imported/indigenous	d) All the above
excise duty paid goods in the final product is not	
capable of easy verification at the point of export	

Answer- D

31. Sub-section (1) of section 75 provides that where it appears to the Central Government that in respect of good of any class or description manufactured, processed or on which any operation has been carried out in India, being_____ a drawback should be allowed of the duties of customs chargeable under this Act

a) the goods have been entered for export and	b) the goods have been entered for export by
an order permitting the clearance and holding	post under clause (a) of Section 84 and an order
thereof for exploration has been made under	permitting clearance for exportation has been
section 51 by the proper officer	made by the proper officer
c) Both A&B	d) Either A or B

Answer- D

32. It has been prescribed under proviso to section 75(1) of the Customs Act that no drawback of duty shall be allowed under this section if.

a) the export value of the finished goods or the	b) the export value is not more than such
class of goods is less than the value of the	percentage of the value of the imported
imported material used in the manufacture or	materials used in the manufacture or processing
processing of such goods or carrying out any	of such goods or carrying out any operation on
operation on such goods or class of goods	such goods or class of goods as may be notified
	by the Central Government
c) any drawback has been allowed on any goods	d) All the above
and the sale proceeds in respect of such goods	

<u> </u>				
are not re	eceived by c	or on behalf of t	he expo	orter
in India	within the	time allowed	under	the
Foreign Ex	xchange Ma	nagement Act (F	EMA)	

Answer- D

MCO Book

33. No drawback is allowed in the case which of the following?

a) Packing materials for export of blended tea,	b) Goods manufactured out of duty free materials
except tea chests	
c) Jute batching oil used in manufacture jute	d) All the above
yarn, twine etc	

Answer- D

34. In determining the amount or rate of drawback under this rule, the Central Government shall have regard to .

a) the average quantity or value of each class or	b) the average quantity or value of the
description of the materials from which a particular class	imported materials or excisable materials
of goods is ordinarily produced or manufactured in India	used for production or manufacture in
	India of a particular class of goods
c) the average amount of duties paid on imported	d) All the above
materials or excisable materials used in the manufacture	
of semis, components and intermediate products which	
are used in the manufacture of goods	

Answer- D

35. In determining the amount or rate of drawback under this rule, the Central Government shall have regard to .

a) the average amount of duties paid on	b) the average amount of duties paid on
materials wasted in the process of manufacture	imported materials or excisable materials used
and catalytic agents	for containing or, packing the export goods
c) any other information which the Central	d) All the above
Government may consider relevant or useful for	
the purpose	

Answer- D

36. Where no drawback is determined, the manufacturer/exporter has to apply for drawback within _____ months seeking a brand rate from the Government giving all date and information about use of inputs, manufacture etc.

a) 2	b) 3
c) 4	d) 5

Answer- B

37. Where no drawback is determined, the manufacturer/exporter has to apply for drawback within 3 months seeking a brand rate from the Government giving all date and information about use of inputs, manufacture etc.

a) is less than the value of the imported materials	b) is not more than such percentage of the value
used in the manufacture of such goods or class	of the imported materials used in the
of goods	manufacture of such goods or class of goods as

	the Central Government may, by notification in
	the Official Gazette, specify in this behalf
c) Either A or B	d) Both A&B
Answer- C	
• • •	y or rate determined under rule 3 should not exceed one third of th
market price of the export product.	
a) True	b) False
Answer- A	
. Supplementary claims can be made	
a) 2	b) 3
c) 4	d) 5
Answer- B	
date after the expiry of the said per a) 5	riod of one month till the date of payment of such drawback. b) 2
c) 1	d)10
Answer- C	
. Where any drawback has been pa	id to the claimant erroneously or it becomes otherwise recoverabl
under this Act or the Rules, the cl	laimant shall within a period of months from the date o
under this Act or the Rules, the cl demand, pay in addition to the sai	laimant shall within a period of months from the date of amount of drawback, interest at the rate fixed under section 28A
under this Act or the Rules, the cl demand, pay in addition to the sai and the amount of interest shall be	laimant shall within a period of months from the date of amount of drawback, interest at the rate fixed under section 28A.
under this Act or the Rules, the cl demand, pay in addition to the sai and the amount of interest shall be	id to the claimant erroneously or it becomes otherwise recoverable laimant shall within a period of months from the date of amount of drawback, interest at the rate fixed under section 28A be calculated for the period beginning from the date of payment of the date of recovery of such drawback. b) 2
under this Act or the Rules, the cl demand, pay in addition to the sai and the amount of interest shall be such drawback to the claimant till the	laimant shall within a period of months from the date of amount of drawback, interest at the rate fixed under section 28A be calculated for the period beginning from the date of payment of he date of recovery of such drawback.
under this Act or the Rules, the cl demand, pay in addition to the sai and the amount of interest shall be such drawback to the claimant till the a) 5	laimant shall within a period of months from the date of amount of drawback, interest at the rate fixed under section 28A be calculated for the period beginning from the date of payment of he date of recovery of such drawback. b) 2
under this Act or the Rules, the cl demand, pay in addition to the sai and the amount of interest shall be such drawback to the claimant till the a) 5 c) 1 Answer- B	laimant shall within a period of months from the date of amount of drawback, interest at the rate fixed under section 28A be calculated for the period beginning from the date of payment of he date of recovery of such drawback. b) 2
under this Act or the Rules, the cl demand, pay in addition to the sai and the amount of interest shall be such drawback to the claimant till the a) 5 c) 1 Answer- B	laimant shall within a period of months from the date of amount of drawback, interest at the rate fixed under section 28A be calculated for the period beginning from the date of payment of the date of recovery of such drawback. b) 2
under this Act or the Rules, the classification demand, pay in addition to the sail and the amount of interest shall be such drawback to the claimant till the a) 5 c) 1 Answer- B Notwithstanding anything herein goods, the market price of which is	laimant shall within a period of months from the date d amount of drawback, interest at the rate fixed under section 28A be calculated for the period beginning from the date of payment the date of recovery of such drawback. b) 2
under this Act or the Rules, the classical demand, pay in addition to the sail and the amount of interest shall be such drawback to the claimant till to a) 5 c) 1 Answer- B Notwithstanding anything herein	laimant shall within a period of months from the date of amount of drawback, interest at the rate fixed under section 28 be calculated for the period beginning from the date of payment he date of recovery of such drawback. b) 2

c) 1,000 Answer- B

a) 100

b) 50 d) 500

Chapter 19: Foreign Trade Policy

1. The term main legislation of FTP is ______

a)	Foreign Trade (Development and regulation) act 1992	b) The Customs Act 1962
c)	The Customs Rules	d) Both A and C

Answer- A

- 2. The Administration of FTP consist of:
 - A) Director general of FTP
 - B) CBEC
 - C) RBI

D) State VAT Departments

a) A,B,D	b) A,B
c) Only A	d) A,B,C,D

Answer- D

3. Indian custom uses _____ digit ITC-HS Codes to suit the national trade requirements

a) 6	b) 10
c) 8	d) 12

Answer- C

4. The ITC (HS) codes are divided into _____ schedules

a) 2	b) 3
c) 4	d) 5

Answer- A

5. ITC (HS) I relates to

a) Import policies	b) Export policies
c) Both A & B	d) None of the above

Answer- A

6. ITC (HS) II relates to _____

a) Import policies	b) Export policies
c) Both A & B	d) None of the above

Answer- B

7. The Powers of DGFT includes:

a) Interpretation of policy	b) Issue of Import Export Code
c) Specifying Procedure	d) All the above

Answer- D

8. The Powers of DGFT includes:

a) Exemption from Policy/Procedure	b) Principles of Restriction
c) Export/import of restricted goods/services	d) All the above
Issuing Authorization	

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9.	Every Authorization	shall be	valid for	prescribed	period of	validity	and s	hall	contain	such	terms	and
	conditions as may be	e snecifie	d hv									

	-
a) DGFT	b) CBIC
c) Regional Authority	d) CBDT

Answer- C

- 10. The mandatory documents for export of goods from India is:
 - A) Bill of Lading/Airway Bill/Lorry Receipt/Railway Receipt/Postal Receipt
 - B) Commercial Invoice cum Packing List
 - C) Shipping Bill/Bill of Export

a) A and C	b) A and B		
c) Only C	d) A,B,C		

Answer- D

- 11. The mandatory documents for import if goods into India is:
 - A) Bill of Lading/Airway Bill/Lorry Receipt/Railway Receipt/Postal Receipt
 - B) Commercial Invoice cum Packing List
 - C) Bill of Entry

a) A and C	b) A and B		
c) Only C	d) A,B,C		

Answer- D

12. All imported goods shall also be subject to domestic laws, rules, orders, regulations, technical specifications, environmental and safety norms as applicable to domestically produced goods unless specifically exempted

a) True	b) False			

Answer- A

13. Violations would cover situations when import or export has been made by unauthorized persons who are not legally allowed to carry out import or export or when any person carries out or admits to carry out any import or export in contravention of the basic FTP

a) True	b) False

Answer- A

14. IEC number can be cancelled by the office of _____ and thereupon that exporter or importer would not be able to transact any business in export or import

a) DGFT	b) Regional Authority
c) CBEC	d) CBDT

Answer- A

15. Import Export Code is a unique digit code issued by DGFT.

Ī	\ 10		1.) 40	
	a) 10		b) 12	
	c) 5		d) 6	

17. GSTIN would be used for the purpose of:

a) credit flow of IGST on import of goods	b) refund or rebate of IGST related to export of goods
c) Both A & B	

Answer- C

18. Import of second hand capital goods, including refurbished/ reconditioned spares shall be allowed

a) Freely	b) Against Authorization

Answer- A

19. After completion of projects abroad, project contractors may import, without an Authorization, goods including capital goods used in the project provided they have been used for at least _____ year

- 1			 ;
	a) 3	b)) 5
	c) 1	d)) 2

Answer- C

20. _____ approval is required for import under lease financing

a) DGFT	b) CBEC
c) Regional Authority	d) RBI

Answer- D

21. Goods already imported/ shipped/ arrived, in advance, but not cleared from customs may also be cleared against an Authorization issued subsequently

a) True	b) False

Answer- A

22. Whenever goods are imported duty free or otherwise specifically stated, importer shall execute

a) LUT	b) Bank Guarantee
c) Bond	d) Any one of the above

Answer- D

23. Warranty spares (whether indigenous or imported) of plant, equipment, machinery, automobiles or any other goods, [except restricted] may be exported along with main equipment or subsequently, but within contracted warranty period of such goods subject to approval of

within contracted warranty period of sacing goods sai	Sjeet to approvar or
a) DGFT	b) CBEC
c) Regional Authority	d) RBI

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24. In case of third party exports shipping bills shall indicate name of ____

a) Manufacturer/Exporter	b) Third party exporter
c) Both A &B	

Answer- C

25. In case of third party exports BRC, GR declaration, export order and invoice should be in the name of

'	
a) Manufacturer/Exporter	b) Third party exporter
c) Both A &B	

Answer- B

26. Export to notified countries will be permitted in Indian rupees subject to at least____ % value addition.

á	a) 20	b) 1	0	
(c) 15	d) 2	5	

Answer- C

27. Goods or parts thereof on being exported and found defective/ damaged may be replaced free of charge by the exporter.

a) True	b) False

Answer- A

28. All export contracts and invoices shall be denominated in .

a) freely convertible currency	b) Indian Rupees
c) Either A or B	d) Both A and B

Answer- C

29. Export proceed shall be realized in: .

	a) freely convertible currency	b) Indian Rupees
	c) Either A or B	d) Both A and B

Answer- A

30. Export proceeds against specific exports may also be realized in rupees, provided it is through a freely convertible Vostro account of a non resident bank situated in any country other than a member country of Asian Clearing Union (ACU) or Nepal or Bhutan.

a) True	b) False

Answer- A

31. If an exporter fails to realise export proceeds within time specified by _____, he shall be liable to action in as per FT(D&R) Act, rules, orders and provisions of FTP.

a) DGFT	b) CBEC
c) CBDT	d) RBI

schedule of exports.	y any agency so as to disrupt manufacturing activity and deliv
a) True	b) False
<i>Symmetry</i> 1100	
Answer- A	
3. Seizure should be lifted within	days unless the irregularities are substantiated.
a) 15	b) 7
c) 30	d) 45
Answer- B	
	s is required only in case of vegetable seeds, bees and new drug
a) Import	b) Export
c) Both A & B Answer- A	
s. Samples of tea upto Rs (CIF	per consignment will be allowed without authorization. b) 2,000
c) 10,000	d)1,000
Answer- B	
5. Samples upto Rs can be imp	ported by all exporters without duty.
5. Samples upto Rs can be imp a) 1,00,000	b) 5,00,000
	T'
a) 1,00,000 c) 3,00,000 Answer- C	b) 5,00,000
a) 1,00,000 c) 3,00,000 Answer- C 7. Export of bona fide trade and technic limit.	b) 5,00,000 d) 10,00,000 cal samples of freely exportable item shall be allowed without
a) 1,00,000 c) 3,00,000 Answer- C 7. Export of bona fide trade and technic limit. a) True	b) 5,00,000 d) 10,00,000
a) 1,00,000 c) 3,00,000 Answer- C T. Export of bona fide trade and technic limit. a) True Answer- A S. In case of export of samples of restrict	b) 5,00,000 d) 10,00,000 cal samples of freely exportable item shall be allowed without b) False ted items, application should be made to.
a) 1,00,000 c) 3,00,000 Answer- C Export of bona fide trade and technic limit. a) True Answer- A In case of export of samples of restrict a) DGFT	b) 5,00,000 d) 10,00,000 cal samples of freely exportable item shall be allowed without b) False ted items, application should be made to. b) CBEC
a) 1,00,000 c) 3,00,000 Answer- C 7. Export of bona fide trade and technic limit. a) True Answer- A 8. In case of export of samples of restrict a) DGFT c) CBDT	b) 5,00,000 d) 10,00,000 cal samples of freely exportable item shall be allowed without b) False ted items, application should be made to.
a) 1,00,000 c) 3,00,000 Answer- C 7. Export of bona fide trade and technic limit. a) True Answer- A 8. In case of export of samples of restrict a) DGFT	b) 5,00,000 d) 10,00,000 cal samples of freely exportable item shall be allowed without b) False ted items, application should be made to. b) CBEC
a) 1,00,000 c) 3,00,000 Answer- C 7. Export of bona fide trade and technic limit. a) True Answer- A 8. In case of export of samples of restrict a) DGFT c) CBDT Answer- A	b) 5,00,000 d) 10,00,000 cal samples of freely exportable item shall be allowed without b) False ted items, application should be made to. b) CBEC

Answer- A

40. In case of import of goods which are not freely permissible otherwise a Customs Clearance Permit (CCP) shall be required from _____.

a) DGFT	b) CBEC
c) CBDT	d) RBI

a) 1,00,000			
	b) 5,00,000		
c) 3,00,000	d) 10,00,000		
Answer- B			
	Any person may import goods, except prohibited items, arms and ammunition, hazardous waste and		
chemicals and warehouse them in Private	<u> </u>		
a) True	b) False		
Answer- A			
,	ot cleared for home consumption within year o		
extended period, importer shall re-expor	t the goods		
a) 1	b) 3		
c) 5	d) 2		
Answer- A			
•	clusively for exports shall be entitled to procure goods from		
domestic manufacturers without paymer			
a) True	b) False		
Answer- A			
	o such notified warehouses shall be treated as physical export		
provided payments are made in			
	b) Indian Rupees		
a) freely convertible currency			
a) freely convertible currency c) Either A or B	d) Both A and B		
	d) Both A and B		
c) Either A or B Answer- A 5. Duty Exemption scheme consist of .			
c) Either A or B Answer- A	b) Duty Free Import Authorisation Scheme		
c) Either A or B Answer- A 5. Duty Exemption scheme consist of .			
c) Either A or B Answer- A 5. Duty Exemption scheme consist of . a) Advance Authorisation Scheme	b) Duty Free Import Authorisation Scheme		
c) Either A or B Answer- A 5. Duty Exemption scheme consist of . a) Advance Authorisation Scheme c) Duty Drawback	b) Duty Free Import Authorisation Scheme		
c) Either A or B Answer- A 5. Duty Exemption scheme consist of . a) Advance Authorisation Scheme c) Duty Drawback Answer- D	b) Duty Free Import Authorisation Scheme d) A&B		
c) Either A or B Answer- A 5. Duty Exemption scheme consist of . a) Advance Authorisation Scheme c) Duty Drawback Answer- D 7. Reward scheme consist of :.	b) Duty Free Import Authorisation Scheme d) A&B		

C) payment of service tax on procurement of services

a) A&B	b) A&C
c) B&C	d) A,B,C

MCQ Book	CA Final Indirect Taxes (Regular Batch May/November 2019) by CA Kedar Junnarka		
49. <u>Duty Scrips are transferrable</u> :			
a) True	b) False		
Answer- A			
specified rate(s) on lower of a) o	. Under MEIS, exports of notified goods/products to notified markets shall be eligible for reward at the specified rate(s) on lower of a) on realised FOB value of exports in free foreign exchange or b) on FOI value of exports as given in the Shipping Bills in free foreign exchange:		
a) True	b) False		
Answer- A			
Exports of handicraft items, handloom products, books/periodicals, leather footwear, toys and tailon made fashion garments through courier using ecommerce of FOB value upto Rs perconsignment shall be entitled for rewards under MEIS:			
consignment shall be entitled for i	rewards under MEIS.		
	b) 15,000		
a) 10,000 c) 5,00,000			
a) 10,000	b) 15,000		
a) 10,000 c) 5,00,000 Answer- C 52. A service provider (with active IEC services rendered in the specified foreign exchange earned provided provider in the year of rendering 10,000 b) other service providers:	b) 15,000 d) 50,000 at the time of rendering services) located in India, providing notified manner shall be eligible for reward at the notified rate(s) on need the minimum net free foreign exchange earnings of such service service is: a) individual service providers and sole proprietorship: \$15,000:		
a) 10,000 c) 5,00,000 Answer- C 52. A service provider (with active IEC services rendered in the specified foreign exchange earned provided provider in the year of rendering	b) 15,000 d) 50,000 C at the time of rendering services) located in India, providing notified manner shall be eligible for reward at the notified rate(s) on need the minimum net free foreign exchange earnings of such service service is: a) individual service providers and sole proprietorship:		
a) 10,000 c) 5,00,000 Answer- C 52. A service provider (with active IEC services rendered in the specified foreign exchange earned provided provider in the year of rendering 10,000 b) other service providers:	b) 15,000 d) 50,000 at the time of rendering services) located in India, providing notified manner shall be eligible for reward at the notified rate(s) on need the minimum net free foreign exchange earnings of such service service is: a) individual service providers and sole proprietorship: \$15,000:		
a) 10,000 c) 5,00,000 Answer- C 52. A service provider (with active IEC services rendered in the specifier foreign exchange earned provide provider in the year of rendering 10,000 b) other service providers: a) True	b) 15,000 C at the time of rendering services) located in India, providing notified manner shall be eligible for reward at the notified rate(s) on need the minimum net free foreign exchange earnings of such service service is: a) individual service providers and sole proprietorship: \$ 15,000: b) False b) False b) b) False b) False b) False c) c) c) c) c) c) c) c		
a) 10,000 c) 5,00,000 Answer- C 52. A service provider (with active IEC services rendered in the specifier foreign exchange earned provider provider in the year of rendering 10,000 b) other service providers: a) True Answer- A 53. Under Advance Authorization scimported without payment of cust	b) 15,000 d) 50,000 C at the time of rendering services) located in India, providing notified manner shall be eligible for reward at the notified rate(s) on need the minimum net free foreign exchange earnings of such service service is: a) individual service providers and sole proprietorship: \$ 15,000: b) False b) False theme which are used in the export product can be toms duty:		
a) 10,000 c) 5,00,000 Answer- C 52. A service provider (with active IEC services rendered in the specified foreign exchange earned provided provider in the year of rendering 10,000 b) other service providers: a) True Answer- A 53. Under Advance Authorization sci	b) 15,000 C at the time of rendering services) located in India, providing notified manner shall be eligible for reward at the notified rate(s) on need the minimum net free foreign exchange earnings of such service service is: a) individual service providers and sole proprietorship: \$ 15,000: b) False b) False b) b) False b) False b) False c) c) c) c) c) c) c) c		
a) 10,000 c) 5,00,000 Answer- C 52. A service provider (with active IEC services rendered in the specified foreign exchange earned provided provider in the year of rendering 10,000 b) other service providers: a) True Answer- A 53. Under Advance Authorization scimported without payment of cust a) Capital Goods	b) 15,000 d) 50,000 C at the time of rendering services) located in India, providing notified manner shall be eligible for reward at the notified rate(s) on need the minimum net free foreign exchange earnings of such service service is: a) individual service providers and sole proprietorship: \$ 15,000: b) False b) False b) Inputs		
a) 10,000 c) 5,00,000 Answer- C 52. A service provider (with active IEC services rendered in the specified foreign exchange earned provided provider in the year of rendering 10,000 b) other service providers: a) True Answer- A 53. Under Advance Authorization science imported without payment of cust a) Capital Goods c) Both A & B Answer- B	b) 15,000 d) 50,000 C at the time of rendering services) located in India, providing notified manner shall be eligible for reward at the notified rate(s) on need the minimum net free foreign exchange earnings of such service service is: a) individual service providers and sole proprietorship: \$ 15,000: b) False b) False b) Inputs		

Answer- A

55. The goods imported under Advance Authorization are exempt from basic customs duty, additional customs duty, education cess, antidumping duty and safeguard duty, Integrated Tax and Compensation Cess.:

a) True	b) False

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56. Minimum Value addition under Advance Authorization is.:

a) 10%	b) 20%
c) 15%	d) 25%

Answer- C

57. Under Advance Authorization inputs will not be transferable even after completion of export obligation.:

a) True	b) False

Answer- A

58. DFIA shall be issued on post export basis for products for which SION have been notified:

a) True		b) False

Answer- A

59. The goods imported under DFIA are exempt ONLY from

a) Basic Customs Duty	b) Safeguard Duty
c) IGST	d) Cess

Answer- A

60. Minimum Value addition under DFIA is.:

a) 10%	b) 20%
c) 15%	d) 25%

Answer- B

61. No DFIA shall be issued for an export product where SION prescribes 'Actual User' condition for any input:

a) True	b) False

Answer- A

62. Under Advance Authorisation Entitlement in terms of CIF value of imports shall be upto _____ of the FOB value of physical export and / or FOR value of deemed export in preceding financial year or Rs 1 crore, whichever is higher

a) 500%	b) 200%
c) 100%	d) 300%

Answer- D

63. Some exports categories/sectors ineligible for MEIS which are:

a) Supplies made from DTA units to SEZ units	b) Exports through trans-shipment, meaning
	thereby exports that are originating in third
	country but trans-shipped through India
c) Deemed Exports	d) All the above

64. Some exports categories/sectors ineligible for MEIS which are:

a)	SEZ/	EOU	/EHTP/	ВТР	/FTWZ	products	b) Export products which are subject to Minimum
ex	ported	throug	ıh DTA ur	nits			export price or export duty
c)	c) Exports made by units in FTWZ				VZ		d) All the above

Answer- D

65. Drawback as per rate determined and fixed by _____ shall be available for duty paid imported or indigenous inputs used in the export product.:

a) Customs Autoriy	b) CBEC
c) DGFT	d) CBDT

Answer- A

66. Export Promotion Capital Goods Scheme (EPCG) permits _____ to import capital goods for preproduction, production and post-production at zero customs duty or procure them indigenously without paying duty in the prescribed manner.:

a) Exporter	b) Importer
c) Both A&B	

Answer- A

67. ____ times of duty taxes and cess saved on capital goods imported under EPCG scheme, to be fulfilled in years reckoned from Authorization issue-date which is a specific export obligation:

	,	men is a specime on point subagains in
a) 2	2,6	b) 6,2
c) 6,	,6	d) 2,2

Answer- C

68. As per Average Export Obligation average level of exports made by the applicant in the preceding _ licensing years for the same and similar products:

a) 2	b) 6
c) 5	d) 3

Answer- D

69. If Authorization holder has fulfilled ___% or more of specific export obligation and ___% of Average Export Obligation till date, if any, in half or less than half the original export obligation period specified, remaining export obligation shall be condoned:

a) 75,100	b) 100,75
c) 75,75	d) 100,100

Answer- A

70. Customs duty paid on Capital Goods is remitted in the form of freely transferable duty credit scrip(s) Specific EO shall be ______ of the applicable specific EO:

a) 75%	b) 85%
c) 60%	d) 55%

Answer- B

b) 4.5 a) 7 d) 5.5 c) 6

Answer- B

72. Domestic manufacturer shall be eligible for deemed export benefits under FTP and as may be provided under GST Rules under the category of deemed exports:

a) True	b) False

Answer- A

73. For calculating export performance for grant of One Star Export House Status category, exports by IEC holders under the following categories shall be granted double weightage

a) Micro, Small & Medium Enterprises (MSME) as	b) Manufacturing units having ISO/BIS
defined in Micro, Small & Medium Enterprises	
Development (MSMED) Act 2006	
c) Units located in North Eastern States including	d) All the above
Sikkim and Jammu & Kashmir	

Answer- D

74. Status holders shall be entitled to export freely exportable items (excluding Gems and Jewellery, Articles of Gold and precious metals) on free of cost basis for export promotion subject to an annual limit of `1 crore or 2% of average annual export realization during preceding _____ licensing years, whichever is lower

iowei .	
a) 5	b) 2
c) 3	d) 4

Answer- C

75. Only projects having a minimum investment of Rs. _____ crore in plant & machinery shall be considered for establishment as EOUs

a) 5	b) 2	
c) 3	d) 1	

Answer- D

76. Approval for setting up of units under EOU scheme shall be granted by the Units Approval Committee within days

a) 5	b) 10
c) 15	d) 18

Answer- C

77. For EOUs LoP/LoI shall be valid for years

·	
a) 5	b) 1
c) 3	d) 2

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78. Supplies from DTA to such units will be regarded as deemed exports and DTA supplier shall be eligible for relevant entitlements for deemed exports on the supplier besides discharge of export obligation, if any, on the supplier :

a) True	b) False

Answer- A

79. In addition, EOU / EHTP / STP / BTP units shall be entitled to following

a) Imported goods are exempt from basic	b) Input Tax Credit of GST paid on inputs and
customs duty. Further, IGST and GST	capital goods
compensation cess is exempt upto 31.3.2019	
c) Both A &B	d) None of the above

Answer- A

80. Export promotion material upto ______ % of FOB value of previous year's exports. :

a) 1.	5	b) 1
c) 2		d) 2.5

Answer- A

81. Deemed Exports refer to those transactions in which goods manufactured in India are supplied to specified

a) Projects	b) Consumers
c) Both A&B	d) None of the above

Answer- C

82. In deemed exports, goods supplied do not leave the country and payment for such supplies is received either in Indian rupees or in free foreign exchange by the recipient of the goods

a) True	b) False

Answer- A

83. Deemed exports cover three areas

a) Supplies to domestic entities who can import	b) Supplies to projects/ purposes that involve
their requirements duty free or at reduced rates	international competitive bidding
of duty	
c) Supplies to infrastructure projects of national	d) All the above
importance	

Answer- D

84. Categories of Supplies considered as 'Deemed Export' include:

a)	Sup	ply	of g	oods ag	gainst A	dvance	b) Supply of goods to units located in EOU/
Authorisation/ DFIA						STP/BTP/EHTP	
c)	Supply	of	capita	goods	against	EPCG	d) All the above
authorisation							

85. 'Deemed Export' shall be eligible for

a) .	Advance	Authorisation/	Advance	b) Deemed Export Drawback
Authorisation for Annual requirement/ DFIA				
c) Refund of terminal excise duty if exemption is				d) All the above
not available				

Answer- D

86.	Supply of domestically manufactured g	goods by an	Indian Sul	b-contractor	to any Indian	or foreign	main
	contractor, directly at the designated p	oroject's/ Ag	ency's site	e, shall also	be eligible for	deemed e	xport
	benefit provided name of	is indicate	ed either	originally or	subsequently	(but befor	e the
	date of supply of such goods) in the ma	ain contract					

a) Contractor	b) Sub-Contractor
c) Both A&B	d) None of the above

Answer- C

87. An EOU/EHTP/STP/BTP unit may, on the basis of a firm contract between parties, source capital goods from a domestic/ foreign leasing company with/without payment of duty/ taxes

a) True	b) False
---------	----------

Answer- A

88. Transfer of manufactured goods from one EOU / EHTP / STP / BTP unit to another EOU / EHTP / STP / BTP unit is allowed on payment of applicable GST and compensation cess with prior intimation to concerned ______ of the transferor and transferee units as well as concerned Customs authorities, following the prescribed procedure

a) Development Commissioners	b) DGFT
c) CBEC	d) Both A&B

Answer- A

89. An amount equal to ______duty under section 9A of the Customs Tariff Act, 1975 leviable at the time of import, shall be payable on the goods used for the purpose of manufacture or processing of the goods cleared into DTA from the unit

a) Anti Dumping	b) Customs
c) Safeguard	d) Both A&B

Answer- A

90. Rejects may be sold in DTA on payment of applicable ______ along with reversal of basic customs duty availed as exemption on inputs on prior intimation to Customs authorities

a) GST		b) Compensation cess			
c) Safeguard dut	У		d) Both A&B		

Answer- D

91. Applications for conversion into an EOU / EHTP / STP / BTP unit from existing DTA units, having an investment of Rs. _____ crores and above in plant and machinery or exporting Rs.____ crores and above annually, shall be placed before BOA for a decision

a) 50,50	b) 60,40
c) 40,60	d) 75,25

Chapter 20: Common Topics

1. A taxable person may apply for provisional assessment under GST:

'	b) when the taxable person is not able to
able to determine the value of goods and/or services	determine the rate of tax.
	d) (a) and (b)

Ans. (c)

2. The provisional assessment sought by a taxable person can be used by:

a)	The taxable person who has sought	b)	The friends and relatives of the taxable
	the provisional assessment.		person who has sought the provisional
			assessment
c)	The holding/subsidiary company of	d)	None of the above
	the taxable person who has sought		
	the provisional assessment.		

Ans. (a)

3. The payment of tax on provisional basis may be allowed, if the taxable person:

a)	executes a bond in such form as may be prescribed in this behalf	b)	with such surety or security as the proper officer may deem fit, binding the taxable person for differential tax if any.
c)	(a) or (b)	d)	(a) & (b)

Ans. (d)

4. What is the time period within which the final assessment order should be passed?

á	a)	Six months from the date of the	b)	Nine	months	from	the	date	of	the
		provisional assessment.		provisional assessment						
(c)	Three months from the date of the	d)	One	months	from	the	date	of	the
		provisional assessment.		provi	sional ass	essmei	nt.			

Ans. (a)

5. 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:

a)	a) by the Joint/Additional Commissioner		by the Commissioner for a further
	for a further period of 6 months and by		period of 6 months
	the Commissioner for such further		
	period not exceeding 4 years.		
c)	by the Joint/Additional Commissioner	d)	by the Joint/Additional Commissioner
c)	by the Joint/Additional Commissioner for a further period of 1 year.	d)	by the Joint/Additional Commissioner for a further period of 1 year and by
c)			•

Ans. (a)

6. Whether any additional interest/penalty/prosecution will be leviable for non-payment of tax determined under provisional assessment?

a) Only interest specified under Section		b) :	Interest u/s 50 + Penalty of Rs. 10,000.
	50 will be liable		·
c)	Only Penalty @ 50% of the default	d)	No Penalty, only Prosecution
	amount.		

Ans. (a)

7. What shall be interest payable to the taxable person if he is entitled to a refund consequent to the order for final assessment?

a) Interest shall be payable only after 6		b)	Interest shall be payable only after 3
months after the final Assessment.			months after the final Assessment.
ر)	Interest shall be paid on such	٩)	No interest shall be payable on the
٧,	interest shall be paid on such	u)	no interest shall be payable on the

Ans. (c)

8. What will be the consequences when tax payable under final order passed under sub-section (3) is more than tax paid based on provisional assessment?

a)	Only Differential tax payable has to		Differential tax payable has to be paid
	be paid on determination of final		on determination of final assessment
	assessment.		along with interest specified under
			Section 50.
c)	Differential tax payable has to be	d)	Differential tax payable has to be paid
	paid on determination of final		on determination of final assessment
	assessment along with interest		along with penalty of Rs. 20,000.
	specified under Section 50 and		
	penalty of Rs. 20,000.		

Ans. (b)

9. Whether all the returns submitted under Section 39 under CGST Act will be scrutinised?

a)	No, 50% of the returns submitted	b) Yes, all the returns submitted und	er
	under Section 39 will be scrutinised.	Section 39 will be scrutinised.	
c)	No, Returns submitted under	d) No, 35% of the returns submitted und	er
	Section 39 will be self-assessed and	Section 39 will be scrutinised	
proper officer may select any return			
for scrutiny under this Section.			

Ans. (c)

10. Whether any time limit has been specified to issue notice for scrutiny?

a) Six months from the end of the respective financial year.	b) No time limit has been prescribed as of now, however same may be prescribed in the rules
c) One Year from the end of the respective financial year	d) 3 Years from the end of the respective financial year.

Ans. (b)

11. In case no satisfactory explanation is furnished for the discrepancies within a period of thirty days of being informed by the proper officer or such further period as may be permitted proper officer may initiate appropriate action:

a)	Under Section 65 (Audit)	b) Section 66 (Special Audit)	
c)	Section 67, (Inspection, Search	d) Proceed to determine the tax and othe	r
	Seizure)	dues under Section 73 or Section 74.	
e)	Any of the above	f)	

Ans. (e)

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

a)	Yes, Return has to be filed by	b)	Yes, Return has to be filed by registered
	registered person who has failed to		person who has failed to submit return
	submit return under Section 39 or		under Section 39 or Section 45 within 30
	Section 45 within 15 days from		days from service the assessment order.
	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

Ans. (b)

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

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

Ans. (d)

14. What is the time limit for issuing order under section 62?

a)	9 months from the end of financial	b)	3 years for cases covered U/s 73 or 5
	year.		years for cases covered under 74
c)	5 years for cases covered U/s 73 or	d)	5 years from the due date of filing
	3 years for cases covered under 74		annual return

Ans. (d)

15. 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

Ans. (a) 30 days

16. Whether the registered person will get immunity from interest & late fee leviable if assessment order passed u/s 62(1) is withdrawn?

а) Taxable person will get immunity	b)	No, taxable person will still be liable for interest u/s
	only from late fee u/s 47.		Section 50 and late fee u/s Section 47. Therefore, no
			immunity has been provided for the same.
C) Taxable person will get immunity	d)	Taxable person will get immunity only from interest u/s
	from late fee u/s 47 as well as		50.
	interest u/s 50.		

Ans. (b)

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

a	1)	Proper	officer	may	assess	the	tax	b)	Issue a show cause notice and pass assessment order
		liability	to	the	best	of	his		after providing opportunity of being heard.
		judgem	ent.						
С	:)	(a) or (b)		•		•	d)	(a) and (b)

Ans. (d)

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

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

Ans. (d)

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

Ans. (a)

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

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

Ans. (c)

21. Who is authorised to undertake the audit of a registered person under section 65 of CGST Act?

a)	The Commissioner	of	b)	Any officer authorised by Commissioner
	CGST/Commissioner of SGST			of CGST/Commissioner of SGST by way
				of a general or a specific order.
c)	Only (a)		d)	(a) or (b)

Ans. (d)

22. Whether any reason to believe or evidence is required for initiation of audit u/s 65?

a)	Reason to believe is a prerequisite	b)	Proper evidence is a prerequisite for initiation of audit
	for initiation of audit u/s 65.		u/s 65.
c)	(a) & (b)	d)	No, Sec 65 does not specify any such requirements

Ans. (d)

23. The tax authorities may conduct audit u/s 65 at:

a)	the	place	of	business	of	the	b)	the place of residence of the registered
	regis	stered p	erso	n				person.
c)	the o	office of	fthe	tax author	ities		d)	(a) or (c)

Ans. (d)

24. Prior to the conduct of audit u/s 65 the registered person shall be informed, by way of a notice, sufficiently in advance:

a)	not less than fifteen working days	b) not less than thirty working days
c)	not less than ten working days	d) No prior intimation required

Ans. (a)

25. The time limit for completion of the audit u/s 65(1) is:

a)	six	months	from	the	date	of	b)	three	months	from	the	date	of
	com	mencem	ent of a	udit				comm	encement	of audit			
c)	One	year	from	the	date	of	d)	None o	of the abov	ve			
	com	mencem	ent of a	udit									

Ans. (b)

26. Where the Commissioner is satisfied that audit u/s 65 in respect of such registered person cannot be completed within three months from the date of commencement of audit the time limit can be extended:

a)	by a further period not exceeding	b)	by a further period not exceeding three
	six months		months
c)	by a further period not exceeding	d)	no extension of time limit is permissible
	nine months		

Ans. (a)

27. During the course of audit, the authorised officer may require the registered person:

a)	to afford him the necessary facility	b) to furnish such information as he may
	to verify the books of account or	require and render assistance for timely
	other documents as he may require	completion of the audit
c)	(a) and/or (b)	d) Only a)

Ans. (c)

28. Special audit u/s 66 can be directed at any stage of scrutiny, enquiry, investigation or any other proceedings having regard to nature and complexity of the case if, any officer not below the rank of Assistant Commissioner:

a)	is of the opinion that the value has not	b)	the credit availed is not within the normal
	been correctly declared		limits
c)	assessee does no co-operate	d)	(a) or (b)

Ans. (d)

29. Who can direct the registered person to get its records specially audited u/s 66?

a)	An officer not below the rank of	b)	An officer not below the rank of
	Assistant Commissioner, with the		Joint/Additional, with the prior approval
	prior approval of the Commissioner		of the Chief Commissioner
c)	An officer not below the rank of	d)	None of the above
	Chief Commissioner, with the prior		
	approval of the Principle Chief		
	Commissioner		

Ans. (a)

30. Who is authorised to conduct the special audit including books of account u/s 66?

a)	Chartered Accountant as may be	b)	Cost and Works Accountant as may be
	nominated by the Commissioner		nominated by the Commissioner.
c)	(a) or (b)	d)	Any officer as may be nominated by the
			Additional Director

Ans. (c)

31. The time limit to submit a report of the audit u/s 66 is:

a)	within the period of ninety days without any	b)	within the period of sixty days without
	extension of time		any extension of time
c)	within the period of ninety days. The Assistant	d)	None of the above
	Commissioner may, on an application made to him		
	in this behalf or for any material and sufficient		
	reason, extend the said period by another ninety		
	days.		

Ans. (c)

32. The expenses of audit u/s 66 is determined and paid by:

		· · · · · · · · · · · · · · · · · · ·					
	a) t	he Commissioner	b)	the	Deputy/	Assistant	Commissioner
				with	prior appi	oval of the	Commissioner
(c) t	he registered person	d)	Any	of the abo	ve	

Ans. (a)

33. Audit can be undertaken in case of:

a) Taxable Person	b) Unregistered person
c) Registered Person	d) All of the above

Ans. (c)

34. Special Audit can be directed by a proper officer if he is of the opinion that:

a)	Value requires verification	b) Value has been overstated
c)	Value has not been correctly stated	d) All of the above

Ans. (c)

35. Initiation of action under this section is by a Proper Officer not below the rank of

a)	Superintendent	b) Inspector
c)	Joint Commissioner	d) Commissioner

Ans. (c)

36. 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	b)	Any places of business of a taxable
	person		person engaged in the business of
			transporting goods
c)	Any places of business of an owner	d)	All of the above
	or an operator of a warehouse or		
	godown or any other place		

Ans. (d)

37. 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

Ans. (a)

37. 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

Ans. (a)

38. 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

Ans. (a)

39. When can the proper officer issue summons to call upon a person?

a)	To give evidence	b)	Produce a document
c)	Produce any other thing in an enquiry	d)	All of the above

Ans. (d)

40. What can be the consequences of non-appearance to summons?

a)	Prosecution under section 172, 174, 175 and 193 of	b)	Arrest	under	Code	of	Criminal
the Indian Penal Code as the case may be			Procedu	ıre, 1973			
,		d)	None o	f the abov	ve		

Ans. (a)

41. The documents called for should be provided within.....

a) 20 working days	b) 15 working days
c) 5 working days	d) 45 working days

Ans. (b)

42. The Officer is empowered to assist the proper officer.

a)	Police/Customs	ŀ	b) Healtl	:h	
c)	CBI		d) State	Exc	cise

Ans. (a)

43. What is the time limit for issue of order in case of fraud, misstatement or suppression?

а) 30 months	b) 18 months
C		d) 3 years

Ans. (c)

44. 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

Ans. (d)

45. Is it obligatory on the part of the Department to take on record the assessee's representation during adjudication and issue of order?

a)	Yes	b) No
c)	At proper officer's discretion	d) If requested by notice

Ans. (a)

46. 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	(b)	Amount of tax + interest + penalty of
	of 10% of tax		10% of tax or Rs. 10,000/- whichever is
			higher
c)	Rs. 10,000/-	d)	Amount of tax + interest + 25% penalty

Ans. (b)

47. What is the maximum amount of demand for which the officer can issue an order under section 74 in case fraud, misstatement or suppression?

 150	mada, misstatement of suppression:		
a)	Amount of tax + interest + penalty	b)	Amount of tax + interest + penalty of
	of 15% of tax		25% of tax
c)	Amount of tax + interest + penalty	d)	Amount of tax + interest + penalty of
	of 50% of tax		100% of tax

Ans. (d)

48. What is the prescribed monetary limit of Central Tax for Superintendent of Central Tax for issuance of show cause notices and orders under Section 73 and 74?

a) Not exceeding Rupees 10 lakhs	b)	Above	Rupees	10	lakhs	and	not
			exceedi	ng Rupees	s 1 cr	ore		

c)	Above Rupees 1 crore without any	d)	Not exceeding Rupees 20 lakhs
	limit		

Ans. (a)

49. What is the prescribed monetary limit of Integrated Tax for Superintendent of Central Tax for issuance of show cause notices and orders under Section 73 and 74 read with Section 20 of the IGST Act?

a)	Not exceeding Rupees 10 lakhs	b)	Above Rupees 10 lakhs and not exceeding Rupees 1 crore
c)	Above Rupees 1 crore without any	d)	Not exceeding Rupees 20 lakhs
	limit		

Ans.(d)

50. What is the prescribed monetary limit of Central Tax for Deputy or Assistant Commissioner of Central Tax for issuance of show cause notices and orders under Section 73 and 74?

a)	Not exceeding Rupees 10 lakhs	b)	Above	Rupees	10	lakhs	and	not
			exceedi	ng Rupees	1 cr	ore		
c)	Above Rupees 1 crore without any limit	d)	Any am	ount with	out a	ny limit	•	

Ans. (b)

51. What is the prescribed monetary limit of Integrated Tax for Deputy or Assistant Commissioner of Central Tax for issuance of show cause notices and orders under Section 73 and 74 read with Section 20 of the IGST Act?

a)	Not exceeding Rupees 20 lakhs	b)	Above	Rupees	20	lakhs	and	not
			exceedi	ng Rupees	s 2 cr	ore		
c)	Above Rupees 2 crore without any limit	d)	Any am	ount with	out a	ny limit		

Ans. (b)

52. What is the prescribed monetary limit of Central Tax for Additional or Joint Commissioner of Central Tax for issuance of show cause notices and orders under Section 73 and 74?

a)	Not exceeding Rupees 10 lakhs	b)	Above	Rupees	10	lakhs	and	not
			exceedi	ng Rupees	s 1 cr	ore		
c)	Above Rupees 1 crore without any limit	d)	Any am	ount with	out a	ny limit		

Ans. (c)

53. What is the prescribed monetary limit of Integrated Tax for Additional or Joint Commissioner of Central Tax for issuance of show cause notices and orders under Section 73 and 74 read with Section 20 of the IGST Act?

	. ,							
a)	Not exceeding Rupees 20 lakhs	b)	Above	Rupees	20	lakhs	and	not
			exceedi	ng Rupee:	s 2 cr	ore		
c)	Above Rupees 2 crore without any limit	d)	Any am	ount with	out a	ny limit		

Ans. (c)

54. 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

55. What is the maximum number of times a hearing can be adjourned?

ſ	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	<u> </u>	
	a) 1	b) 3	
	c) 5	d) N	one of the above

Ans. (a)

56. 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 prop	per officer's discretion	d)	None of the above

Ans. (b)

57. Whether penalties under any other provisions of the Act be imposed in respect of adjudication proceedings under section 73 or 74?

a)	Yes	b) No
c)	At proper officer's discretion	d) None of the above

Ans. (b)

58. What is the time limit for issue of order in pursuance of the direction of the Appellate Authority or Appellate Tribunal or a Court, from the date of communication of the said direction?

a)	30 months	b) 18 months
c)	2 years	d) 5 years

Ans. (d)

59. Any amount of tax collected shall be deposited to the credit of the Central or State Government:

• •••	., .		0.00	
	a)	Only when the supplies are taxable	b)	Regardless of whether the supplies in
				respect of which such amount was
				collected are taxable or not
	c)	Only when the supplies are not	d)	None of the above
		taxable		

Ans. (b)

60. Is there any time limit for issue of notice under section 76 in cases where tax collected but not paid?

a) No time limit	b) 1 year
c) 3 years	d) 5 years

Ans. (a)

61. Within how many years should the proper officer issue an order from the date of issue of notice?

a) 1 year	b) 2 years	
c) 3 years	d) 4 years	

Ans. (a)

62. Whether the person who has borne the incidence of amount apply for refund of surplus left after adjustment towards tax collected but not paid under section 76?

a)	Yes	b) No
c)	At proper officer's discretion	d) None of the above

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63. In case the person does not deposit tax collected in contravention of Section 76, is the same recoverable with interest?

a)	Yes	b) No
c)	At proper officer's discretion	d) None of the above

Ans. (a)

64. 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

Ans. (a)

65. 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

Ans . (a)

66. 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	

Ans. (b)

67. Whether a taxable person who has paid CGST& SGST or, as the case may be, CGST & UTGST on a transaction considered by him to be an intra-state supply, but which is subsequently held to be an inter-state supply is required to pay interest?

a) Yes	b) No
c) At proper officer's discretion	d) None of the above

Ans. (b)

68. The time limit for payment of tax demand isfrom the date of service of the order,

	1 7	
a)	3 months	b) 90 days
c)	6 months	d) 1 year

Ans. (a)

69. 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	d) None of the above
	the rank of Joint Commissioner	

70. Recovery of amount payable by a defaulter can be made from:

a) (Customer	b)	Bank
c) l	Post Office	d)	All of the above

Ans. (d)

71. After how many days, the proper officer may cause the sale of distressed property?

a) 30 days	b)	60 days	
c) 90 days	d)	120 days	

Ans. (a)

72. The following amounts due cannot be paid through installments,

a)	Self-assessed tax shown in return	b)	Short paid tax for which notice has been issued
c)	Arrears of tax	d)	Concealed tax

Ans. (a)

73. Maximum number of monthly installments permissible under section 80 is:

a) 36	b) 12
c) 48	d) 24

Ans. (d)

74. Which officer/s has the power to grant permission for payment of tax through instalment?

a)	Commissioner	b) Principal Commissioner
c)	Assistant Commissioner	d) Both (a) and (b)

Ans. (d)

75. 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
c)	Parts with the property in his possession	d) All of the above

Ans. (d)

76. What all modes of transfers covered under section 81

Sale	Mortgage		
Any other mode of transfer	All of the above		

Ans. (d)

77. When transfer of property would be considered void?

á	a) Transaction is done to defraud the	b) Transaction is done without the intention
	Government revenue	to defraud the Government revenue
(c) Any of the above	d) None of the above

Ans. (a)

78. When transfer of property would not be considered void?

a)	Transaction is done for adequate consideration and	b)	Transaction is done without the notice of
	without the notice of the pendency of proceedings		such tax or other sum payable
	under the Act		
c)	With previous permission of the proper officer	d)	All of the above

Ans. (d)

79. Whether any amount payable under this Act by the taxable person is a first charge on his property?

a)	Yes	b) No
c)	None of the above	d)

Ans. (a)

80. 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	

Ans. (d)

81. Whether property of a taxable person be provisionally attached to protect the revenue?

a)	Yes	b) No
c)	None of the above	d)

Ans. (a)

82. Who is competent authority for passing an order for provisional attachment?

Ī	a) The	Deputy Commissioner	b)	The Commissioner
H		GST Council		The Assistant Commissioner

Ans. (b)

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

a) Infi	nite period	b	o) Ten years
c) One	e year	d	d) Till the end of such proceedings

Ans. (c)

84. 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		

Ans. (a)

85. The Commissioner shall issue a fresh notice to recover the Government dues, if:

a)	Demand amount is enhanced	b) Demand amount is reduced
c)	Both (a) and (b)	d) Neither (a) nor (b)

Ans. (a)

86. When Commissioner is not required to serve fresh notice to recover the Government dues?

а) Demand amount is reduced	b) Already proceedings of recovery of Government dues is served before disposal of appeal, revision of application or other proceedings
C) Demand amount is enhanced	d) Both (a) and (b)

Ans. (d)

87. Who can issue fresh notice for enhanced demand by appeal, revision of application or other proceedings:

a) Commissioner	b) Assistant Commissioner
c) Joint Commissioner	d) Any of above

Ans. (a)

88. In terms of Rule 142 (7) of the CGST Rules, any rectification of order, in accordance with the provisions of section 161, shall be made by the proper officer in :

a) Form GST DRC -07	b) Form GST DRC -08
c) Form GST DRC -09	d) Form GST DRC -10

Ans. (b)

89. Who is liable to pay the tax in case of Principal and Agent?

a)	Principal	b) Agent
c)	Both jointly and severally	d) jointly

Ans. (c)

90. 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.

Ans. (b)

91. 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 th	ne date	of	cancellation	of	d)	None of the above
registration							

Ans. (a)

92. 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

Ans-(c)

93. Commissioner will notify the amount of liability within how many days of intimation

a) 3 months	b) 30 days
c) 60 days	d) 6 months

Ans. (a)

94. When shall the Director be not liable to pay the tax dues if the company is not able to pay?

a)	Liquidator refuses to pay	b)	Auditor refuses to pay
c)	If the non-recovery is not due to	d)	None of the above
	gross neglect of the Director		

Ans. (c)

95. When shall the Director of a Private Limited Company be not liable to pay the tax, interest or penalty, if the company is not able to pay?

a)	In all cases	b)	Company refuses to pay
c)	If the non-recovery is not due to gross neglect	d)	None of the above
	misfeasance or breach of duty of the Director		

Ans. (c)

96. Retiring partner should intimate the retirement to

a)	Department	b) Government
c)	Commissioner	d) All of the above

Ans. (c)

97. Intimation to the Commissioner has to be given within.....

a) 1 month	b) 60 days
c) 90 days	d) 45 days

Ans. (a)

98. 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	b)	Till the date of acceptance of intimation
	retirement of partner is received by				ceived	by		by the Department
	the Commissioner							
c)	c) Till the date of retirement		d)	Till the date of show cause notice				

Ans. (a)

99. 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

Ans. (a)

100. The dues recoverable under this section includes

a) Only Interest	b) Any dues which are recoverable under this Act
c) Only tax	d) Only Penalty

Ans. (b)

101. 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	d) None of the above
	person	

Ans. (a)

102. The Court of Wards, Administrative General, etc., must be appointed by

a) Supreme Court	b) High Court
c) Any Court	d) None of the above

103. The dues recoverable under this section includes

(a)	Only Interest	b)	Any dues which are recoverable under
	•		this Act
c)	Only tax	d)	Only penalty

Ans. (b)

Who is liable to pay tax if the business of an individual is discontinued before his death? 104.

a)	Board of Directors or Manager	b) Any member of his person who is willing to pay
c)	Legal representative of taxable person	d) Employee

Ans. (c)

The legal representative or any other person of an individual who is dead is liable to pay tax, only if -105.

a)	The business has been carried	b)	The business has been carried by the
	on by the legal representative		legal representative or any other person
c) The business has been carried		d)	None of the above.
	by any other person		

Ans. (b)

106. The dues recoverable under this section includes

a) Only Interest	b) Any dues which are recoverable under
	this Act
c) Only tax	d) Only Penalty

Ans. (b)

As per this section, the member or group of members of HUF or AOP is/are liable to pay tax on taxable supplies -

a) Even after its partition		b) Upto the time of partition		
c) Both (a) and (b)		None of the al	oove	

Ans. (b)

108. In case of discontinuance of HUF business, the liability would arise till the date of

a)	Discontinuance	b)	Court Verdict				
c)	As mutually agreed upon by	d)	Determination	of	liability	by	the
	the HUF members		Department				

Ans. (a)

109. The expression 'firm' would include a

a)	Company	b) LLP			
c)	HUF	d) AOP			

Ans. (b)

In case of discontinuance of the AOP, the liability of the member exists in respect of the tax dues imposed

a)	Prior to the date of discontinuance	b) After the date of discontinuance
c)	Both prior and after the date of discontinuance	d) None of the above

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

a)	Exports made on which export duty is levied	b)	Exports made without payment of tax
c)	Inverted duty structures where tax on inputs are	d)	None of the above
	higher than tax on outputs		

Ans. (a)

Refund application is to be filed before the expiry of from the relevant date. 112.

a) Two years	b) One year
c) 180 days	d) 260 days

Ans. (a)

A specialised agency of the UNO can claim refund of tax paid on... 113.

a)	Intra-State su	pply of	goods	b)	Inter-state	supply	of	goods	and/or
	and/or service	S			services				
c)	Inward supp	ly of	goods	d)	All of the al	oove			
	and/or service	S							

Ans. (d)

114. What is the time limit for filing of refund application by a specialised agency of the UNO?

a)	Before the expiry of eight	b)	Before expiry of eight months from the
	months from the last day of		last day of the month in which such
	the quarter in which such		inward supply received
	inward supply received		
c)	Before expiry of six months	d)	Before expiry of six months from the last
	from the last day of the		day of the quarter in which such inward
	month in which such inward		supply was received
	supply was received		

Ans. (d)

A registered person claiming refund of balance in electronic cash ledger may make such a claim in: -115.

a)	Application for refund	b)	Annual Return
c)	Returns filed at the end of tax	d)	None of the above
	periods		

Ans. (c)

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?

a)	70%	b) 65%
c)	80%	d) 90%

Ans. (d)

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.

a) 7 days	b) 15 days
c) 30 days	d) 2 months

118. The applicant is not required to furnish documentary evidence if the amount of refund claimed is less than: -

_		
	a) Rs. 6 lacs	b) Rs. 2 lac
	c) Rs. 10 lac	d) Rs. 20 lac

Ans. (b)

119. Refund shall not be paid to the applicant if the amount of refund is less than

a)	Rs. 1000	b) Rs. 5000
c)	Rs. 7000	d) Rs. 10000

Ans. (a)

120. The sanctioned refund amount can be adjusted against the payments which the assessee is liable to pay but remains unpaid under the erstwhile law.

a)	Tax	b) Penalty
c)	Interest and other amounts	d) All of the above

Ans. (d)

121. The time limit available to proper officer to pass final order after accepting the refund application is -

a)	Within sixty days from the date	b)	Within	eighty	days	from	the	date	of
	of receipt of application.		receipt	of appli	ication	١.			
c)	Within ninety days from the	d)	Within	thirty	days	from	the	date	of
date of receipt of application.			receipt	of appli	ication	1			

Ans. (a)

122. 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

Ans. (a)

123. 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%	

Ans. (a)

124. What is the meaning of applicant for Advance Ruling?

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

Ans. (d)

125. Where shall the Advance Ruling Authority be located?

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

Ans. (a)

126. The AAR shall comprise of:

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

Ans. (a)

127. The Appellant Authority for Advance Ruling shall comprise of:

a) Chief Commissioner of Central	b) Principal Chief Commissioner of Central
tax as designated by the Board	tax and Commissioner of State tax/
and Commissioner of State tax/	union Territory tax, having jurisdiction
Union Territory tax, having	over the applicant.
jurisdiction over the applicant.	
c) Two sitting High Court Judges	d) None of the above

Ans. (a)

128. Who may make an application for Advance Ruling?

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

Ans. (a)

129. What procedure should be followed if, the members of the Authority differ on any question on which the Advance Ruling is sought?

a)	The members of the authority	b) -	The Authority will not take any decision
	shall state the point or points on	ć	and reject the application
	which they differ and make a		
	reference to the Appellate		
	Authority for hearing and		
	decision on such question		
c)	The Authority will remand the	d) I	None of the above
	case to jurisdictional officer		

Ans. (a)

130. Within how many days the Authority shall pronounce its decision on Advance Ruling from the date of receipt of application?

a) 30 days	b) 60 days
c) 90 days	d) 120 days

131. Who can appeal to the AAAR?

â) Jurisdictional CGST/SGST officer	b) Any Taxable Person				
	or the applicant					
() Any citizen concerned about the	d) All of the above				
	ruling passed					

Ans. (a)

132. Appeal before AAAR can be filed within how many days?

a) 30 days	b) 60 days
c) 90 days	d) 120 days

Ans. (a)

133. 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

a)	If the members of the AAAR differ on any point or points referred to in appeal	b) If the members of the AAR differ on any point or points referred to in appeal
c)	Applicant wants to withdraw the	d) Both (a) and (c)
	application	

Ans. (a)

134. Who has the power to amend the order issued under section 98 or 101, to rectify any error apparent from record?

a)	Advance Ruling Authority	b)	Appellate Ruling	Authority	for	the	Advance
c)	Authority or, as the case may be, the Appellate Authority	d)	None of th	ne above			

Ans. (c)

135. Who can apply for rectification of error on record?

	no ean apply for recemeation of ene		recora.			
a)	Applicant	b)	Concerned	officer	or	Jurisdictional
			Officer			
c)	Advance Ruling Authority or the	d)	All of the abo	ove		
	Appellate Authority on its own					
	accord can rectify the error					

Ans. (d)

136. When should the opportunity of hearing be given to applicant or the appellant for rectification of advance ruling?

a)	If the rectification has the effect	b)	If	the	rectification	has	the	effect	of
	of enhancing the tax liability.		re	ducir	ng the amoun	t of a	dmis	sible in _l	out
			ta	x cred	dit.				
c)	(a) or (b)	d)	No	one c	of the above				

137. The Advance Ruling pronounced by the AAAR shall be binding on:

a)	The applicant who sought the	b)	The jurisdictional officer in respect of the
	advance ruling.		applicant
c)	(a) and (b).	d)	None of the above.

Ans. (c)

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

a)	If	ruling	is	obtained	by	b)	If ·	the	applicant	is in th	e business	of
	sup	pression	of m	naterial facts			sup	plie	es on which	n clarifica	ation has be	een
							sou	ugh [.]	t			
c)	If th	ne applic	ant c	loes not eng	age	d)	If	a	Supreme	Court	judgment	is
in the business of supplies after					pro	noi	unced on tl	ne same	issue and t	the		
6 months of obtaining the ruling					jud	lgm	ent is exact	tly the c	pposite of t	the		
							cla	rific	ation issued	l under t	he ruling	

Ans. (a)

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

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

Ans. (d)

140. 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	d)	whether applicant is entitled to refund
	be registered		

Ans. (d)

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

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

Ans . (d)

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

a) being undertaken by h	m b) proposed to be undertaken by him
c) already undertaken by	

Ans. (d)

143. AAR or AAAR shall be constituted

a) Under respective State GST Act	b) Under Central GST Act
c) Both under Central GST and	d)
State GST Act	

An Advance Ruling can be sought by:

a)	Only by a registered person	b)	By a person desirous of obtaining registration
c)	Both (a) and (b)	d)	None of the above

Ans. (c)

A member of AAR shall not be below the rank of: 145.

a)	Deputy Commissioner	b)	Assistant Commissioner
c)	Joint Commissioner	d)	Commissioner

Ans. (c)

146. The fee for filing an application for Advance Ruling is:

a)	Rs. 5000/- under CGST Act	b) Rs. 5000/- under SGST Act
c)	Rs. 5000/- each under CGST and SGST Act	d) Rs. 10000/- under any of the above Act

Ans. (c)

The fee for filing an appeal before AAAR by the applicant is: 147.

	<i>J</i> 11		
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

Ans. (c)

148. 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

Ans. (d)

149. The AAR after examining the application and relevant records shall:

а	a) pass an order admitting the application						b)	pass a	n ord	er rejecting	the	applicatic	n	
c	pass	an	order	admitting	or	rejecting	the	d)	allow	the	applicant	to	amend	the
	арр	icatio	n						applica	ation				

Ans. (c)

A copy of Advance Ruling has to be certified to be a true copy of its original: 150.

a)	by all members of the AAR	b)	by any member of the AAR
c)	certification is not required	d)	certification is optional

Ans. (b)

151. Within how many days of filing of appeal or reference, the Appellate order shall be pronounced

a) 30	days	b) 60 days	·
c) 90	days	d) 120 days	

Ans. (c)

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

a)	before the Appellate Tribunal	b)	before the Commissioner (Appeal)
c)	in the jurisdictional office of the	d)	in the jurisdictional office of the Central
	respective State AAAR		AAAR