CA FINAL INDIRECT TAXES
(OLD AND NEW SYLLABUS)

MCQ BOOK

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Chapter 1: 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 medical and toilet preparation
   (b) Excise Duty
   (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 ______
   (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 _______ Govt./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.
   (a) CGST
   (b) SGST/UTGST
   (c) IGST
   (d) a and b
   Answer (c)
8. Amount apportioned/Distributed by GOI to __________ Government shall not form part of Consolidated fund of India.

(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 both 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  
Answer (a)

10. Who formulates the principles regarding place of supply and when supply of goods, or services or both occurs in inter-States trade or commerce.

(a) Lok Sabha  (b) Rajya Sabha  
(c) Parliament  (d) All of the above  
Answer (c)

11. The term ‘agriculturist’ includes the following persons who undertake cultivation of land:__________________________

a) An individual  b) A Hindu Undivided Family  
(c) A co-operative society  (d) Both (a) and (b)  
Answer- (d) Both (a) and (b)

12. The term ‘casual taxable person’ includes

a) A person occasionally supplying goods or services or both in a State or a Union territory where he has no fixed place of business.  b) A person occasionally supplying goods or services or both in a State or a Union territory where he has fixed place of business  
(c) Both (a) and (b)  (d) None of the above  
Answer (a)

13. Mr. X of Delhi is participating in Hitex Furniture Expo in Haryana where he has no fixed place of business and exhibiting his products. During the expo, the said products will be sold to the people attending and intending to purchase such products. In such scenario, Mr. X shall obtain which of the following registration under the CGST Act, 2017:

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

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?

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

Answer- (c)

18. P Ltd. has a contract with X Ltd. to provide bookkeeping services to Q Ltd. Q Ltd. is a subsidiary of P Ltd. The liability to discharge consideration for such bookkeeping 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 the CGST Act, 2017 | b) Supply of services not leviable to tax under the CGST Act, 2017 |
| (c) Supply which is neither a supply of good nor a supply of service | (d) Both (a) and (b) |

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 tax under Section 11 of the CGST Act or under Section 6 of IGST Act | d) All of the above |

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-

<table>
<thead>
<tr>
<th>a) Inward supplies on which tax is payable on reverse charge basis</th>
<th>b) Exempt supplies</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Export of goods or services or both</td>
<td>d) Inter-State supplies of persons having the same PAN number</td>
</tr>
</tbody>
</table>

Answer- (a)

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

| (a) Intra-State outward supply ` 8,00,000/- | (b) Inter-State exempt outward supply ` 5,00,000/- |
| (c) Turnover of exported goods ` 10,00,000/- | (d) Payment made to GTA ` 80,000/- |

Calculate the aggregate turnover of ABC Ltd.

<table>
<thead>
<tr>
<th>(a) Rs. 8,00,000/-</th>
<th>(b) Rs. 23,80,000/-</th>
</tr>
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<tbody>
<tr>
<td>(c) Rs. 23,00,000/-</td>
<td>(d) Rs. 18,00,000/-</td>
</tr>
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</table>

Answer: (c)

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

<table>
<thead>
<tr>
<th>a) Grass</th>
<th>b) Money and securities</th>
</tr>
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<tr>
<td>c) Actionable Claims</td>
<td>d) Growing crops</td>
</tr>
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</table>

Answer- (b)

25. Capital Goods include

<table>
<thead>
<tr>
<th>a) Goods, the value of which is capitalized in the books of accounts</th>
<th>b) Goods which are used or intended to be used in the course or furtherance of business</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Both (a) and (b)</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th>a) Telangana</th>
<th>b) Andhra Pradesh</th>
</tr>
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<tbody>
<tr>
<td>c) Karnataka</td>
<td>d) All of the above</td>
</tr>
</tbody>
</table>

Answer- (a)

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

<table>
<thead>
<tr>
<th>a) Construction, fabrication, completion, erection, installation, etc. of movable property</th>
<th>b) Construction, fabrication, completion, erection, installation, etc. of immovable property</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Both (a) and (b)</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>

Answer- (b)

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

<table>
<thead>
<tr>
<th>a) Composite Supply</th>
<th>b) Mixed Supply</th>
</tr>
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<tbody>
<tr>
<td>c) Works Contract Service</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>

Answer- (c)
29. Agent means:

<p>| | |</p>
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<tbody>
<tr>
<td>a)</td>
<td>A person who carries on the business of supply or receipt of goods or services or both on behalf of another</td>
</tr>
<tr>
<td>b)</td>
<td>A person who arranges or facilitates the supply of goods or services or both, but does not include a person who supplies such goods or services or both on his own account</td>
</tr>
<tr>
<td>c)</td>
<td>Both (a) or (b)</td>
</tr>
<tr>
<td>d)</td>
<td>None of the above</td>
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</table>

Answer- (a)

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

<p>| | |</p>
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<thead>
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<tbody>
<tr>
<td>a)</td>
<td>Central Excise Act, 1944</td>
</tr>
<tr>
<td>b)</td>
<td>Central Sales Tax Act, 1956</td>
</tr>
<tr>
<td>c)</td>
<td>Delhi Value Added Tax Act, 2004</td>
</tr>
<tr>
<td>d)</td>
<td>Customs Act, 1962</td>
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</table>

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:

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<tbody>
<tr>
<td>a)</td>
<td>State Goods and Services Tax Act</td>
</tr>
<tr>
<td>b)</td>
<td>Union Territory Goods and Services Tax Act</td>
</tr>
<tr>
<td>c)</td>
<td>Both (a) and (b)</td>
</tr>
<tr>
<td>d)</td>
<td>None of the above</td>
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</table>

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:

<p>| | |</p>
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<tbody>
<tr>
<td>a)</td>
<td>Any other officer who is sub-ordinate to him</td>
</tr>
<tr>
<td>b)</td>
<td>Any other officer who is senior to him</td>
</tr>
<tr>
<td>c)</td>
<td>Both (a) and (b)</td>
</tr>
<tr>
<td>d)</td>
<td>None of the above</td>
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</table>

Answer- (a)

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

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<tbody>
<tr>
<td>a)</td>
<td>on which President recommends</td>
</tr>
<tr>
<td>b)</td>
<td>on which Finance Minister recommends</td>
</tr>
<tr>
<td>c)</td>
<td>on which constitutional amendment is passed</td>
</tr>
<tr>
<td>d)</td>
<td>on which GST council recommends</td>
</tr>
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</table>

Answer- (d)

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

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

Answer- (d)

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

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<tbody>
<tr>
<td>a)</td>
<td>Yes</td>
</tr>
<tr>
<td>b)</td>
<td>No</td>
</tr>
<tr>
<td>c)</td>
<td>Varies from time to time</td>
</tr>
</tbody>
</table>

Answer- (a)
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 Revenue or Finance  (d) Finance Minister of State or any other minister 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 consideration
   
   b) Supplies made without consideration
   
   c) Both of the above
   
   d) None of the above
   
   Answer: (c)

2. What are the factors differentiating composite supply & mixed supply?
   
   a) Nature of bundling i.e. artificial or natural
   
   b) Existence of principal supply
   
   c) Both of the above
   
   d) None of the above
   
   Answer: (c)

3. What would be the tax rate applicable in case of composite supply?
   
   a) Tax rate as applicable on principal supply
   
   b) Tax rate as applicable on ancillary supply
   
   c) Tax rate as applicable on respective supply
   
   d) None of the above
   
   Answer: a)

4. What would be the tax rate applicable in case of mixed supply?
   
   a) Tax rate as applicable on supply attracting the lowest rate of tax
   
   b) Tax rate as applicable on supply attracting the highest rate of tax
   
   c) Tax @ 28%
   
   d) None of the above
   
   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 Council
   
   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)
9. What is the maximum rate prescribed under UTGST Act?

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<tr>
<td>a)</td>
<td>14%</td>
</tr>
<tr>
<td>b)</td>
<td>28%</td>
</tr>
<tr>
<td>c)</td>
<td>20%</td>
</tr>
<tr>
<td>d)</td>
<td>30%</td>
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</table>

Answer- (c)

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

<p>| | |</p>
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<tr>
<td>a)</td>
<td>Yes</td>
</tr>
<tr>
<td>b)</td>
<td>No</td>
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</table>

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?

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<tbody>
<tr>
<td>a)</td>
<td>Yes</td>
</tr>
<tr>
<td>b)</td>
<td>No - Notification No. 05/2017-Central Tax</td>
</tr>
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Answer (b) No

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

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<tr>
<td>a)</td>
<td>Same month</td>
</tr>
<tr>
<td>b)</td>
<td>Next month</td>
</tr>
<tr>
<td>c)</td>
<td>Any of the two months</td>
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<tr>
<td>d)</td>
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Answer (a)

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

<p>| | |</p>
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<td>a)</td>
<td>Yes</td>
</tr>
<tr>
<td>b)</td>
<td>No</td>
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Answer – (a)

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

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<tr>
<td>a)</td>
<td>Person making any supply of goods which are not leviable to tax under this Act</td>
</tr>
<tr>
<td>b)</td>
<td>Person making any inter-State outward supplies of goods and services(except restaurant services);</td>
</tr>
<tr>
<td>c)</td>
<td>Person effecting supply of goods through an e-commerce operator liable to collect tax at source</td>
</tr>
<tr>
<td>d)</td>
<td>Person providing restaurant services</td>
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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?

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<tbody>
<tr>
<td>a)</td>
<td>` 20 lacs</td>
</tr>
<tr>
<td>b)</td>
<td>` 10 lacs</td>
</tr>
<tr>
<td>c)</td>
<td>` 50 lacs</td>
</tr>
<tr>
<td>d)</td>
<td>` 1 crore</td>
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</table>

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?

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<tbody>
<tr>
<td>a)</td>
<td>` 25 lacs</td>
</tr>
<tr>
<td>b)</td>
<td>` 50 lacs</td>
</tr>
<tr>
<td>c)</td>
<td>` 75 lacs</td>
</tr>
<tr>
<td>d)</td>
<td>` 1 crore</td>
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</tbody>
</table>

Ans. (c)
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:
   a) 0.5% CGST & 0.5% SGST  b) 2.5% CGST & 2.5% UTGST
   c) 5% IGST  d) 5% UTGST
   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 the Central Government  d) Yes, subject to prior approval of the concerned State Government
   Ans. (b)

21. Can composition scheme be availed if the registered person effects inter-State supplies?
   a) Yes  b) No
   c) Yes, subject to prior approval of the Central Government  d) Yes, subject to prior approval of the 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 supply of goods only can be claimed  d) Input tax credit on inward supply of services only can be 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 the invoice issued by him  d) Yes, only on such goods as may be notified by the Central Government
   Answer (b)
24. Which of the following will be excluded from the computation of ‘aggregate turnover’?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>a) Value of taxable supplies</td>
<td>b) Value of exempt Supplies</td>
</tr>
<tr>
<td>c) Non-taxable supplies</td>
<td>d) Value of inward supplies on which tax is paid on reverse charge basis</td>
</tr>
</tbody>
</table>

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?

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

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

<p>| | |</p>
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<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>a) True</td>
<td>b) False</td>
</tr>
<tr>
<td>c) May be</td>
<td>d) None</td>
</tr>
</tbody>
</table>

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

<p>| | |</p>
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<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a) True</td>
<td>b) False</td>
</tr>
<tr>
<td>c) May be</td>
<td>d) None</td>
</tr>
</tbody>
</table>

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

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a) True</td>
<td>b) False</td>
</tr>
<tr>
<td>c) May be</td>
<td>d) None</td>
</tr>
</tbody>
</table>

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

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a) True</td>
<td>b) False</td>
</tr>
<tr>
<td>c) May be</td>
<td>d) None</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>e) True</th>
<th>f) False</th>
</tr>
</thead>
<tbody>
<tr>
<td>g) May be</td>
<td>h) None</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>a) True</th>
<th>b) False</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) May be</td>
<td>d) None</td>
</tr>
</tbody>
</table>

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 plumbing, carpentering etc. | b) services by way of providing accommodation 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
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?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Person representing on behalf of ECO shall pay tax</td>
<td>b) ECO shall appoint person to pay tax</td>
</tr>
<tr>
<td>c) ECO can pay tax without obtaining registration</td>
<td>d) None</td>
</tr>
</tbody>
</table>

Answer: A

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

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Person representing on behalf of ECO shall pay tax</td>
<td>b) ECO shall appoint person to pay tax</td>
</tr>
<tr>
<td>c) ECO can pay tax without obtaining registration</td>
<td>d) None</td>
</tr>
</tbody>
</table>

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

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Person representing on behalf of ECO shall pay tax</td>
<td>b) ECO shall appoint person to pay tax</td>
</tr>
<tr>
<td>c) ECO can pay tax without obtaining registration</td>
<td>d) ECO cannot continue its business</td>
</tr>
</tbody>
</table>

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

   Ans. (d)

2. Which of the following is an intrastate supply?
   - a) Supplier of goods located in Delhi and place of supply of goods SEZ located in Delhi
   - b) Supplier of goods located in Delhi and place of supply of goods in Jaipur
   - c) Supplier of goods located in Delhi and place of supply of goods in Delhi
   - d) All the above

   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 transaction
   - d) None

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

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

Ans. (a)

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

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

Ans. (b)

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

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

Ans. (c)

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

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

Ans. (b)
14. What is location of supply in case of importation of goods?

<table>
<thead>
<tr>
<th>a) Customs port where the goods are cleared</th>
<th>b) Location of the importer</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Place where the goods are delivered after clearance from customs port</td>
<td>d) Owner of the goods</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th>a) Delhi</th>
<th>b) Chandigarh</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Kolkata</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>

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 where the food is supplied | b) Customer premise where catering service 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:

<table>
<thead>
<tr>
<th>a) Chennai</th>
<th>b) Pune</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Darjeeling</td>
<td></td>
</tr>
</tbody>
</table>

Ans. (a)

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

| 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:

| a) Hyderabad | 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:

| a) Outside India | 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:

<table>
<thead>
<tr>
<th>a) Bangalore</th>
<th>b) Mumbai</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) USA</td>
<td>d)</td>
</tr>
</tbody>
</table>

Ans. (b)
22. The Tourist can claim refund of:
   a) CGST and SGST/UTGST on supply of Goods and services
   b) IGST on supply of goods
   c) Tax paid on the supply of scotch to be taken out of India
   d) None of the above

Ans. (b)

23. Tourist means a person:
   a) Not normally resident in India
   b) Stays for not more than 6 months in India
   c) Stays for legitimate and Non-Immigrant purpose
   d) All the above

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 by a SEZ developer or SEZ Unit
   Both (a) and (b)

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 claim refund of unutilized input tax credit.
   b) On payment of IGST and claim refund of IGST paid on such goods and services
   c) None of the above
   d) 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 services to an unregistered person.
   b) Interstate supply of goods and services to a taxable person paying tax under sec.10 of the CGST Act, 2017.
   c) Interstate supply of good and services to taxable person not eligible for input tax credit.
   d) All of the above

Ans. (d)
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 rate equivalent to CGST on similar intra-State supply and Apportion to the state where such supply takes place.  
   d) None of the above.

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 connection with tax so apportioned  
   d) All of the above

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.

   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
36. When import of services will be treated as supply even if they are received for without consideration
   a) Related person    b) Distinct person
   c) Unrelated 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) 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 having same PAN 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 agriculturist 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 registered.
   b) Registered person not liable to collect tax till his aggregate turnover exceeds `20 lakhs/`10 Lakhs.
   c) A person can collect the tax during the period of his provisional registration.
   d) Both (a) and (b) are correct.

   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 becomes liable for registration
   b) Within 30 days from the date he becomes liable 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 the provisions of GST. | d) None of the above |

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 tax at source u/s 51 may have TAN in lieu of PAN. | d) Both (b) and (c) |

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 states | d) He is required to register if he is liable to collect 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 registration | b) Period specified in the application for 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?

<table>
<thead>
<tr>
<th>a)</th>
<th>b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change of name of the registered person</td>
<td>Change in constitution of the registered person</td>
</tr>
<tr>
<td>c)</td>
<td>d)</td>
</tr>
<tr>
<td>Addition, deletion or retirement of partners or directors, Karta, Managing Committee, Board of Trustees, Chief Executive Officer or equivalent, responsible for the day to day affairs of the business</td>
<td>All of the above</td>
</tr>
</tbody>
</table>

Ans. (d)

13. When can a registration be cancelled?

<table>
<thead>
<tr>
<th>a)</th>
<th>b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>If the person does not start business within six months from the date of registration</td>
<td>Business has been discontinued or transferred for any reason</td>
</tr>
<tr>
<td>c)</td>
<td>d)</td>
</tr>
<tr>
<td>Non-filing of returns for a continuous period of six months or for three consecutive tax period in case of composite dealer</td>
<td>All of the above</td>
</tr>
</tbody>
</table>

Ans. (d)

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

<table>
<thead>
<tr>
<th>a)</th>
<th>b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liable to cancellation of registration by proper officer</td>
<td>Liable to a fine not exceeding `1,000,000/-</td>
</tr>
<tr>
<td>c)</td>
<td>d)</td>
</tr>
<tr>
<td>Imprisonment for a period of 6 months to 3 years.</td>
<td>Both (b) and (c)</td>
</tr>
</tbody>
</table>

Ans. (a)

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

<table>
<thead>
<tr>
<th>a)</th>
<th>b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cancellation of registration will immune his liability under CGST only</td>
<td>Cancellation of registration will immune his liability under IGST only.</td>
</tr>
<tr>
<td>c)</td>
<td>d)</td>
</tr>
<tr>
<td>Cancellation of registration will immune his liability under SGST and CGST but not under IGST.</td>
<td>Cancellation does not affect the liability of taxable person to pay tax and other dues under CGST/SGST/IGST Act.</td>
</tr>
</tbody>
</table>

Ans. (d)

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

<table>
<thead>
<tr>
<th>a)</th>
<th>b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within 7 days from the date of service of the cancellation order.</td>
<td>Within 15 days from the date of issue of the cancellation order.</td>
</tr>
<tr>
<td>c)</td>
<td>d)</td>
</tr>
<tr>
<td>Within 45 days from the date of issue of the cancellation order</td>
<td>Within 30 days from the date of service of the cancellation order.</td>
</tr>
</tbody>
</table>

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.
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 liable to registration, where application is submitted within 30 days from such date. | b) Date of grant of registration, where application is submitted after 30 days from such date. |
| c) From the date of grant of provisional registration, in case of persons registered under earlier law. | d) Date of issue of certificate of registration. |

Ans. (d)

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

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

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 displayed only at a registered place of business and GSTIN need not be displayed on the name board | b) Yes, above statement is correct. |
| c) No, GSTIN to be displayed only on the invoices. | d) Above statement is correct subject to 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 premises is a discretionary power of proper officer. | b) If additional information for registration asked by the proper officer is not submitted within specified time. |
| c) If certificate of registration is obtained on misrepresentation of facts | d) If photograph of the business premise is not uploaded in the common portal within specified 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 registration in a State | b) Person may obtain a separate registration for each of his verticals. |
| c) He can have only two registrations in a state. | d) Either (a) or (b). |

Ans. (d)

25. Business which has centralized registration under erstwhile Act.

| a) Shall obtain a centralized registration under GST Law. | b) Shall obtain separate registration in each state from where it is making taxable supplies |
| c) Shall obtain registration on temporary basis. | d) No need to apply for registration under GST. |

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) No | b) Yes |

Ans. (b) Yes
# Chapter 5: Tax Invoice, Debit and Credit Notes

1. Tax invoice must be issued by
   
   a) Every supplier  
   b) Every taxable person  
   c) Registered persons not paying tax under composition scheme  
   d) All the above  

   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, if the revised invoice is raised within one month  
   b) Yes, but only on intra-State supplies effected to unregistered persons, if the revised invoice is raised within one month  
   c) Yes, on all supplies, if the revised invoice is raised within one month  
   d) No, tax can be collected only on supplies effected 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 invoice  
   b) Yes, as a receipt voucher  
   c) Yes, the invoice must be raised to that extent  
   d) None of the above  

   Ans. (b)

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

   Ans. (d)

7. The recipient must issue an invoice in the following cases:
   
   a) The supplier fails to issue an invoice  
   b) The supplier is unregistered  
   c) The goods or services received are notified for tax on reverse charge basis  

   Ans. (a)
8. A payment voucher need not be raised if the supplier is an unregistered person.
   | a) True, as the recipient is required to issue an invoice in that case | b) True, if the unregistered person does not require it |
   | c) False, a payment voucher is the only document to evidence the supply | d) False, payment voucher should be issued in 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 account where successive accounts are involved | b) At the time of receipt of payment, if payments are received prior to issue of accounts |
   | 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 Invoice has to be issued by the recipient while rejecting the goods |
    | b) while sending the goods but the recipient can take credit only when the goods are accepted by him |
    | c) when the recipient accepts the goods or six months from the date of removal whichever is earlier |
    | d) when the recipient accepts the goods or three months from the date of supply whichever is 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 days on the basis of ‘Quantum Meruit’ from the date of cessation |
    | b) Invoice has to be issued at the time of cessation to the extent of the supply effected |
    | c) Invoice has to be issued for the full value of the contract after deducting a percentage thereof as prescribed |
    | d) Invoice cannot be issued as the matter will be sub-judice. |
    **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 applying for registration, if he has applied for registration within prescribed time |
    | b) Neither collect tax nor claim input tax credit |
    | c) Issue ‘revised invoice’ and collect tax within 1 month of date of issuance of certificate of registration, subject to conditions |
    | d) All of the above |
    **Ans. (c)**
14. The name of the State of recipient along with State code is required on the invoice where:

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>Supplies are made to unregistered persons</td>
</tr>
<tr>
<td>b)</td>
<td>Supplies are made to unregistered persons where the value of supply is ` 50,000 or more</td>
</tr>
<tr>
<td>c)</td>
<td>Inter-state supplies are made to unregistered persons where the value of supply is ` 50,000 or more</td>
</tr>
<tr>
<td>d)</td>
<td>Supplies are made to registered persons</td>
</tr>
</tbody>
</table>

Ans. (b)

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

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>Supplier, for reducing the tax/ taxable value</td>
</tr>
<tr>
<td>b)</td>
<td>Recipient, for reducing the tax/ taxable value</td>
</tr>
<tr>
<td>c)</td>
<td>Supplier, for increasing the tax/ taxable value</td>
</tr>
<tr>
<td>d)</td>
<td>Recipient, for increasing the tax/ taxable value</td>
</tr>
</tbody>
</table>

Ans. (a)

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

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>Should be issued by the supplier</td>
</tr>
<tr>
<td>b)</td>
<td>Should be issued by the recipient</td>
</tr>
<tr>
<td>c)</td>
<td>May be issued by the supplier</td>
</tr>
<tr>
<td>d)</td>
<td>May be issued by the recipient</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>31-Dec-2018 – Last date for filing annual return</td>
</tr>
<tr>
<td>b)</td>
<td>20-Jul-2018 – Actual date for filing annual return</td>
</tr>
<tr>
<td>c)</td>
<td>20-Jan-2018 – Due Date of Filing of December Return</td>
</tr>
<tr>
<td>d)</td>
<td>20-Oct-2018 – Due Date of Filing of September Return</td>
</tr>
</tbody>
</table>

Ans. (d)

18. The receipt voucher must contain:

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>Details of goods or services</td>
</tr>
<tr>
<td>b)</td>
<td>Invoice reference</td>
</tr>
<tr>
<td>c)</td>
<td>Full value of supply</td>
</tr>
<tr>
<td>d)</td>
<td>None of the above</td>
</tr>
</tbody>
</table>

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 days from the date of issue of invoice by the supplier  
   d) Earlier of (a) or (b) or (c)
   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?
   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 account  
   c) Earlier of (a) and (b)  
   d) Date of filing of return
   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  
   d) (b) or (c) at the option of supplier, who has opted for composition levy
   Ans. (d)
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 – Invoice date or Date of receipt of consideration  
   b) Date of issue of invoice  
   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 books of account of the recipient  
    b) Date immediately following 60 days from 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 associated enterprise(recipient)  
    b) Date of payment  
    c) Earlier of (a) & (b)  
    d) Date of entry in the books of the 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?

    e) Date of issue of voucher  
    f) Date of redemption of voucher  
    g) 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/-

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>5th October 2018 for Rs. 1,00,000/-</td>
</tr>
<tr>
<td>b)</td>
<td>20th September 2018 for Rs. 1,00,000/-</td>
</tr>
<tr>
<td>c)</td>
<td>20th September 2018- Rs. 25,000/- and 5th October 2018 for Rs. 75,000/-</td>
</tr>
<tr>
<td>d)</td>
<td>20th September 2018- Rs. 25,000/- and 7th October 2018 for Rs. 75,000/-</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>20% as it is lower of the two</td>
</tr>
<tr>
<td>b)</td>
<td>24% as it is higher of the two</td>
</tr>
<tr>
<td>c)</td>
<td>20% as invoice and payment were received prior to rate change</td>
</tr>
<tr>
<td>d)</td>
<td>24% as the supply was completed after rate change</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>20% as it is lower of the two</td>
</tr>
<tr>
<td>b)</td>
<td>24% as it is higher of the two</td>
</tr>
<tr>
<td>c)</td>
<td>20% as payment (being one of the factors) was prior to rate change</td>
</tr>
<tr>
<td>d)</td>
<td>24% as invoice was issued in the period during which supply is completed</td>
</tr>
</tbody>
</table>

Ans. (d)

18. There was increase in tax rate from 20% to 24% w.e.f. 1.09.2018. 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:

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>20% as it is lower of the two</td>
</tr>
<tr>
<td>b)</td>
<td>24% as it is higher of the two</td>
</tr>
<tr>
<td>c)</td>
<td>20% as payment was received in the period during which the supply was effected</td>
</tr>
<tr>
<td>d)</td>
<td>24% as invoice being one of the factors was issued after rate change</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>20% as it is lower of the two</td>
</tr>
<tr>
<td>b)</td>
<td>24% as it is higher of the two</td>
</tr>
<tr>
<td>c)</td>
<td>20% as date of invoice and dispatch of goods from factory, has happened before change of rate</td>
</tr>
<tr>
<td>d)</td>
<td>24% as both, payment and completion of supply, has happened after change of rate</td>
</tr>
</tbody>
</table>

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.
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>20% as it is lower of the two</td>
</tr>
<tr>
<td>b)</td>
<td>24% as date of invoice and dispatch of goods from factory, has happened before change of rate</td>
</tr>
<tr>
<td>c)</td>
<td>20% as both, payment and completion of supply, has happened after change of rate</td>
</tr>
</tbody>
</table>

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) MRP  
   c) Market Value  
   d) None of above

   Ans. (a)

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

   Ans. (d)

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

   Ans. (b)

4. What deductions are allowed from the transaction value
   a) Discounts offered to customers, subject to conditions  
   b) Packing Charges, subject to conditions  
   c) Amount paid by customer on behalf of the supplier, subject to conditions  
   d) Freight charges incurred by the supplier for CIF terms of supply, subject to 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 are sold by the unrelated person to his customer  
   d) As per Rule 28 of the CGST Rules

   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
   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 under Rules 27 to 30 | b) Value of supply determined is more than the open market value of goods |
| c) Value of supply determined is more than the Value of supply of like kind and quality | d) All of the above |

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

Ans. (a) True

9. In terms of Rule 32(7) of the CGST Rules, the value of taxable services provided by such class of service providers as may be notified by the Government, on the recommendations of the Council, as referred to in paragraph 2 of Schedule I of the CGST Act between distinct persons as referred to in section 25, where ITC is available, shall be deemed to be .................

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

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:

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

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 customer , only if , goods are supplied as such | b) supply of goods / services of like kind / 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 rules 27 to 30 | b) value of supply determined is more than the open market value of goods |
| c) value of supply determined is more than the value of supply of like kind and quality | d) all of the above |

Answer- a
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 10\textsuperscript{th} May, Mr. Doshi converted USD$ 100 into rs. 6400 @ rs. 64 per USD through eastern money changers. RBI reference rate on 10\textsuperscript{th} 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 10\textsuperscript{th} 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 50,000 units 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 48,000 units 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

<table>
<thead>
<tr>
<th>a) value of redeemable vouchers/stamps/coupons/tokens</th>
<th>b) value of supply of second hand goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) life insurance business</td>
<td>d) all of the above</td>
</tr>
</tbody>
</table>

Answer- d

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

<table>
<thead>
<tr>
<th>a) booking of tickets for air travel by an air travel agent</th>
<th>b) purchase/sale of foreign currency including money changing</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) life insurance business</td>
<td>d) supply of goods by/through an agent</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>a) 5% of basic fare on both domestic &amp; international air travel</th>
<th>b) 10% of basic fare on both domestic &amp; international air travel</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) 10% of basic fare on domestic air travel &amp; 5% of basic fare on international air travel</td>
<td>d) 5% of basic fare on domestic air travel &amp; 10% of basic fare on international air travel</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>a) 180,00,000</th>
<th>b) 80,00,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) 100,00,000</td>
<td>d) 45,00,000</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>a) 45,00,000</th>
<th>b) 22,50,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) 18,00,000</td>
<td>d) 10,00,000</td>
</tr>
</tbody>
</table>

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.,
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.,

<table>
<thead>
<tr>
<th>Option</th>
<th>1st year</th>
<th>2nd year</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>20 lakhs</td>
<td>10 lakhs</td>
</tr>
<tr>
<td>b)</td>
<td>10 lakhs</td>
<td>20 lakhs</td>
</tr>
<tr>
<td>c)</td>
<td>4 lakhs</td>
<td>16 lakhs</td>
</tr>
<tr>
<td>d)</td>
<td>40 lakhs</td>
<td>160 lakhs</td>
</tr>
</tbody>
</table>

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

a) purchase price – 5% for every quarter or part thereof, between the date of purchase and the date of disposal
b) selling price
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

<table>
<thead>
<tr>
<th>Option</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>3,50,000</td>
</tr>
<tr>
<td>b)</td>
<td>50,000</td>
</tr>
<tr>
<td>c)</td>
<td>3,00,000</td>
</tr>
<tr>
<td>d)</td>
<td>none of the above</td>
</tr>
</tbody>
</table>

Answer- b

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

<table>
<thead>
<tr>
<th>Option</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>1500</td>
</tr>
<tr>
<td>b)</td>
<td>500</td>
</tr>
<tr>
<td>c)</td>
<td>1000</td>
</tr>
<tr>
<td>d)</td>
<td>none of the above</td>
</tr>
</tbody>
</table>

Answer- a
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

Answer- a

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

   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 recipient of the supply, when he makes the payment to the third party on authorization by such recipient  
   b) the payment made by pure agent on behalf of the recipient of supply has been separately indicated in the invoice issued by the pure agent to the recipient of service  
   c) the supplies procured by the pure agent 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  
   d) all of the above

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- a
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 | b) 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 the appropriate Government
   d) Earliest of the above three dates
   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 them
   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 them
   Ans. (b) SGST and IGST liability

8. What should the taxable person do if he pays 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
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

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

   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 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. (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 payment of TDS  
   c) Within 20 days from the date of payment of TDS  
   d) Within 05 days from the date of payment 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 on an electronic platform for commerce other than the e-commerce operator himself  
   b) Supply of goods and/or services on an electronic platform for commerce including the e-commerce operator  
   c) Supply of goods and/or services on an electronic platform for commerce  
   d) Supply of goods or services or both including digital products over digital or 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?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a) TCS applies if net value of taxable supplies exceeds Rs.10,00,000/-</td>
<td>b) TCS applies if net value of taxable supplies exceeds Rs.15,00,000/-</td>
</tr>
<tr>
<td>c) TCS applies if net value of taxable supplies exceeds Rs.20,00,000/-</td>
<td>d) No such limit prescribed, tax should always be collected at source if the conditions envisaged u/s 52 are met.</td>
</tr>
</tbody>
</table>

Ans. (d)

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

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

Ans. (c)

26. What is net value of taxable supplies?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>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</td>
<td>b) Aggregate value of taxable supplies of goods and/or services made during any month by all registered taxable persons through the e-commerce operator reduced by value of taxable supplies returned to the suppliers during the said month</td>
</tr>
<tr>
<td>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.</td>
<td>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</td>
</tr>
</tbody>
</table>

Ans. (c)

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

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a) When he is required to collect tax at source u/s 52</td>
<td>b) When his aggregate turnover exceeds the threshold limit</td>
</tr>
<tr>
<td>c) It is mandatory to register irrespective of the threshold limit</td>
<td>d) Never</td>
</tr>
</tbody>
</table>

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

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 paying the money | d) No time limit for both |

Ans. (a)

31. Can a supplier take credit of the TCS?

| a) Yes | b) No |
| c) Yes, on the basis of the valid return filed | d) Yes, on the basis of a valid return filed by the e-commerce 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 but no consequences if the returns do not match | d) 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
   a) 10th of the succeeding month  
   b) 18th of the succeeding month  
   c) 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 relation to outward supplies  
   d) All the above
   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 limit for furnishing the details of outward supplies by notification for valid reasons
   b) The details of outward supplies shall include details of debit notes, credit notes and revised invoices issued in relation to outward supplies
   c) The details of outward supplies shall be 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
   d) All the above
   Ans. (d)
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 succeeding month | b) Form GSTR 2A after the data entry in Form GSTR 1 |
| c) Form GSTR 2A after the due date of filing Form GSTR 1 | d) Form GSTR 1A on 15th of the succeeding month |

Ans. (c)

8. Which of the following is a correct statement?

| a) Every registered taxable person other than ISD, non-resident tax payer & a person paying tax under section 10, 51 or 52 shall verify, validate, modify or delete the details communicated in Form GSTR 2A | b) The details of outward supplies communicated in Form GSTR 2A cannot be modified or altered |
| c) The registered taxable person should accept the details communicated in Form GSTR 2A by 12th of the succeeding month | d) The registered taxable person other than ISD, non-resident tax payer & a person 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 month succeeding the quarter | b) Form GSTR 4 by 18th of the month succeeding the quarter |
| c) Form GSTR 4 by 18th of the succeeding month | d) Form GSTR 4 by 20th of the month succeeding the quarter |

Ans. (b)

10. Which of the following is correct?

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

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

   Ans (d)

13. State which is a true statement:
   a) The last date for payment of taxes to the appropriate government is the last date on which the registered taxable person is required to furnish the return
   b) Every person who is required to furnish return under 39(1) and 39(2) shall furnish return for every tax period whether or not supplies have 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 months from the date of filing the return
   b) Return can be rectified within 90 days from the date of filing the return
   c) Return have to be rectified before the due date for filing the subsequent periods return
   d) Return can be rectified before the due date for filing the returns for month of September or second quarter, following the end of the financial year.

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

   Ans. (a)

16. The details of inward supply furnished by the registered taxable person shall be matched with the
   a) Corresponding details of outward supply furnished by the corresponding taxable person
   b) Additional duty of customs paid under section 3(5) of the Customs Tariff Act, 1975
   c) For duplication of claims of input tax credit
   d) All of the above

   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)
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 claim for input tax credit by the corresponding taxable person in his valid return for the same tax period or any subsequent tax period. |
| b) For duplication of claims for reduction in the output tax liability |
| 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 reconciling the value of supplies declared in the return and the financial statement |
| d) All of the above |

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 – Form GSTR 8 |
| b) Input service distributor – Form GSTR 9 |
| c) Non Resident taxable person – Form GSTR 9B |
| d) Compounding taxable person – Form 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 months of the date of cancellation |
| b) Date of order of cancellation |
| c) Later of the (a) or (b) |
| d) Earlier of the (a) or (b) |

Ans. (c)
24. Which of the following is correct?

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

Ans. (a)

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

<table>
<thead>
<tr>
<th>a) Furnish details inward and outward supplies</th>
<th>b) Furnish monthly / quarterly return</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Furnish Annual and Final return</td>
<td>d) All of the above</td>
</tr>
</tbody>
</table>

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 are maintained
   - b) Place of address of the Proprietor/Partner/Director/Principal Officer
   - c) Principal place of business mentioned in the Certificate of Registration
   - d) Any of the above

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

   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 place used for storage of goods
   - d) Every transporter
   - 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 manufacture of goods
   - b) inward or outward supply 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
   b) 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 or revision or proceeding, or until the expiry of seventy-two months from the last date of filing of Annual Return for the year pertaining to such accounts and records, whichever is later
   d) One year after final disposal of such appeal or revision or proceeding, or until the expiry of forty months from the last date of filing of Annual Return for the year pertaining to such accounts and records, whichever is later

Ans. (c)

9. Taxable person has to maintain his records for a period of:
   a) expiry of 72 months from the due date of filing of Annual Return for the year
   b) expiry of 40 months from the due date of filing of Annual Return for the year
   c) expiry of 30 months from the due date of filing of Annual Return for the year
   d) expiry of 90 months from the due date of filing of Annual 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 details of the goods, as may be prescribed
   b) Name, address and details of godowns etc., as 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, First part is true
   b) False
   c) True
   d) Not the details of consigner and consignee, Second part is true

Answer- c
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 payable under reverse charge) | b) Tax collected and paid |
| c) All of the above | 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 crores | b) Principal for whom supplies exceeded Rs.50 lakhs |
| c) Principal for whom supplies exceeded Rs.10 lakhs | d) Every principal |

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
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) Both electronic filing and manual submission  d) Either Manual submission or Electronically
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:
   a) the due date of furnishing of annual return  b) the end of relevant Financial year
c) 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

25. 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 ----------------------------- from the due date of furnishing of annual return
   a) 72 months  b) 24 months
c) 60 months  d) 12 months
Answer – a
26. In case of inter-State movement of goods, every registered person who causes movement of goods of consignment value exceeding ………………………in 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.

<table>
<thead>
<tr>
<th>a) Rs. 50,000/-</th>
<th>b) Rs. 1,00,000/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Rs. 70,000/-</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>

Ans. (a)

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

<table>
<thead>
<tr>
<th>a) Unregistered person himself</th>
<th>b) The Transporter</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Either of them</td>
<td>d) Neither of them</td>
</tr>
</tbody>
</table>

Ans. (c)

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

<table>
<thead>
<tr>
<th>a) Where the goods being transported are specified in Annexure to Rule 138 of the CGST Rules</th>
<th>b) Where the goods are being transported by a non-motorized conveyance</th>
</tr>
</thead>
<tbody>
<tr>
<td>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</td>
<td>d) All of the above</td>
</tr>
</tbody>
</table>

Ans. (d)

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

<table>
<thead>
<tr>
<th>a) One day in case of Over Dimensional Cargo</th>
<th>b) One day in cases other than Over Dimensional Cargo</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) One additional day in case of Over Dimensional Cargo</td>
<td>d) One additional day in cases other than Over Dimensional Cargo</td>
</tr>
</tbody>
</table>

Ans. (a)

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

<table>
<thead>
<tr>
<th>a) Commissioner</th>
<th>b) Joint Commissioner</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Additional Commissioner</td>
<td>d) Any one of the above</td>
</tr>
</tbody>
</table>

Ans. (a)

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

<table>
<thead>
<tr>
<th>a) One day in cases other than Over Dimensional Cargo</th>
<th>b) One additional day in case of Over Dimensional Cargo</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) One additional day in cases other than Over Dimensional Cargo</td>
<td>d) One day in case of Over Dimensional Cargo</td>
</tr>
</tbody>
</table>

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:

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

Answer – d

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

<table>
<thead>
<tr>
<th>a) If the value of the consignment is less than Rs.50,000/-</th>
<th>b) Movement of goods is caused by an unregistered person either in his own conveyance or a hired one or through a transporter</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Goods are transported for a distance of less than 10 km 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</td>
<td>d) All of the above</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>a) Transporter</th>
<th>b) Consignor</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Consignee</td>
<td>d) Recipient of supply</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>a) Railways, Roadways or vessel</th>
<th>b) Own transport agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Railways, Air or vessel</td>
<td>d) Goods transport agent</td>
</tr>
</tbody>
</table>

Answer – c

36. Unique EBN – Expand EBN:

<table>
<thead>
<tr>
<th>a) e-way bill number</th>
<th>b) Electrical bill number</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) encumbrance bill number</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>a) Supplier and Recipient of Goods</th>
<th>b) Supplier, Transporter and Recipient of Goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Supplier of Goods</td>
<td>d) GST Authorities</td>
</tr>
</tbody>
</table>

Answer – b

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

| a) one day | b) 12 hours |

Answer – b
39. E-way bill cannot be cancelled if----------------------------- in accordance with the provisions of --------
   a) Goods are delivered; Rule 138B  
   b) it is verified in transit; Rule 138B  
   c) it is verified in transit; Rule 136B  
   d) goods are damaged/stolen; Rule 138B

Answer – b

40. In circumstances of an exceptional nature, if the goods cannot be transported within the validity period of the e-way bill, the transporter may generate another e-way bill after updating the details in__________
   a) GSTR Monthly return  
   b) Part D of the prescribed form  
   c) common portal  
   d) Part B of the prescribed form

Answer – d

41. The recipient should communicate his acceptance or rejection of the consignment covered by the e-way bill within----------------------of knowing the details of consignment in common portal.
   a) 24 hours  
   b) 72 hours  
   c) one week  
   d) None of the above

Answer – b

42. What is the consequence if the recipient does not communicate his acceptance or rejection of the consignment covered by the e-way bill within the prescribed time
   a) E-way bill stands cancelled  
   b) Supplier shall pay the GST  
   c) Deemed to be accepted by the recipient  
   d) Penalty shall be levied

Answer – c

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

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

Answer – a
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.

<table>
<thead>
<tr>
<th>a) Radio Frequency Identification</th>
<th>b) GPS device</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Goods tracking software</td>
<td>d) Electronic sensor meter</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>a) Unique Invoice Number</th>
<th>b) Invoice Reference Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Goods Identification Number</td>
<td>d) Goods Reference Number</td>
</tr>
</tbody>
</table>

Answer – b

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

<table>
<thead>
<tr>
<th>a) 30 days from the date of uploading the invoice.</th>
<th>b) 30 days from the date of generation of physical invoice</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) 60 days from the date of supply of goods</td>
<td>d) 30 days from the date of supply of goods</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>a) GST Invoice</th>
<th>b) Invoice Reference Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) GST Monthly return</td>
<td>d) Electronic way bill</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>a) Invoice Reference Number</th>
<th>b) tax invoice or bill of supply or Invoice Reference Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) tax invoice or bill of supply or a delivery challan</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>

Answer – c

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

<table>
<thead>
<tr>
<th>a) 48 hours of inspection</th>
<th>b) 3 days of inspection</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) 24 hours of inspection</td>
<td>d) one week of inspection</td>
</tr>
</tbody>
</table>

Answer – c

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

<table>
<thead>
<tr>
<th>a) 48 hours of inspection</th>
<th>b) 3 days of inspection</th>
</tr>
</thead>
</table>

www.junnarkaredar.com   www.facebook.com/junnarkaredar   www.youtube.com/junnarkaredar   8149108826 10.8
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.

<table>
<thead>
<tr>
<th>a) Both are incorrect</th>
<th>b) Both are correct</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Only b is correct</td>
<td>d) Only a is correct</td>
</tr>
</tbody>
</table>

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______________

<table>
<thead>
<tr>
<th>a) 1 hour</th>
<th>b) 30 minutes</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) 2 hours</td>
<td>d) 6 hours</td>
</tr>
</tbody>
</table>

Answer – b
1. Whether definition of Inputs includes capital goods  
   a) Yes  b) No  
   c) Certain capital goods only  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 supply  
   b) It is planned to use in the course of business  
   c) It is used or intended to be used in the course of business  
   d) It is used in the course of business for 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 recipient monthly returns  
   b) No as one of the conditions of 16(2) is not fulfilled  
   c) Yes, if the receiver can prove later that documents are received subsequently  
   d) None of the above  
   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) Bill of entry, Invoice raised on RCM supplies, etc.   b) Acknowledged copy of tax paid to 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 section 39 for the month of September following the end of financial year to which such invoice or invoice relating to such debit note pertains
   d) Due date of furnishing of the return under section 39 for the month of September following the end of financial year to which such invoice or invoice relating to such debit note pertains or furnishing of 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 value amount
   b) No, he can't until full amount is paid to supplier
   c) Yes, but proportionately to the extent of value and tax paid
   d) Not applicable is eligible to claim refund 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 on tax component is not availed
   d) None of the above
   Ans. (c)

15. What is the maximum time limit to claim the Input tax credit?
   a) Till the date of filing annual return
   b) Due date of September month which is following the financial year
   c) Earliest of (a) or (b)
   d) Later of (a) or (b)
   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, Transaction in securities, sale of land, sale of building  
   d) None of the above  
   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.
24. In case of Voluntary registration input tax credit can be availed

<p>| | |</p>
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>a) on stocks held on the day immediately preceding the date from which he becomes liable to pay tax under the provisions of this Act.</td>
<td>b) on stocks held on the day immediately preceding the date of grant of registration under the provisions of this Act.</td>
</tr>
<tr>
<td>c) on stocks held on the day immediately preceding the date of application of registration under the provisions of this Act.</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>

Ans. (b).

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

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>a) Eligible during application for Regular scheme</td>
<td>b) Not eligible</td>
</tr>
<tr>
<td>c) Yes, immediately before the date from which he becomes liable to pay tax under the Regular scheme</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>

Ans. (c).

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

<p>| | |</p>
<table>
<thead>
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<tbody>
<tr>
<td>a) Not possible</td>
<td>b) No, it will be exhausted</td>
</tr>
<tr>
<td>c) Yes, it will be transferred only if there is provision for transfer of liabilities</td>
<td>d) It will be transferred only if it is shown in books of Accounts of transferor</td>
</tr>
</tbody>
</table>

Ans. (c).

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

<p>| | |</p>
<table>
<thead>
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<tbody>
<tr>
<td>a) Yes</td>
<td>b) No</td>
</tr>
<tr>
<td>c) Proportionately restricted</td>
<td>d) Not restricted</td>
</tr>
</tbody>
</table>

Ans. (a).

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

<p>| | |</p>
<table>
<thead>
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</thead>
<tbody>
<tr>
<td>a) Yes, equivalent to the credit in respect of inputs held in stock (including semi-finished and finished goods) and on capital goods held in stock</td>
<td>b) No</td>
</tr>
<tr>
<td>c) Yes, full credit</td>
<td>d) No, should be debited to electronic credit ledger</td>
</tr>
</tbody>
</table>

Ans. (a).

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

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

Ans. (c).
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 six months  
   d) If goods sent are returned within nine months  
   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 six 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)

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)

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 the recipients  
   Ans. (a)
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) Monthly return filed by the supplier  b) Outward supply filed by the supplier
   c) 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:
   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 sending goods to another job worker
   b) may be endorsed by the 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
   c) By any other person on his direction  d) Any of above
Ans. (d)
48. ITC can be availed on
- Possession of prescribed invoice/debit note
- Receipt of goods/services
- Tax on such supply has been paid to government and return being furnished by the supplier
- Fulfilling all the above conditions

Answer: (d)

49. Maximum time limit for availing ITC is
- The date of filing of annual return
- Due date of filing return u/s 39 for the month of September
- Earliest of above two
- Later of above two

Answer: (c)

50. ITC can be claimed by a registered person for
- Taxable supplies for business purpose
- Taxable supplies for non-business purpose
- Exempted supplies
- Non-taxable supplies
- All of above

Answer: (a)

51. ITC on motor vehicle can be claimed by
- Any registered person
- Registered person engaged in same line of business
- Any registered person engaged in exempted supply
- Any of above

Answer: (b)

52. Person registered under composition scheme can avail ITC on
- Supply of taxable goods/services
- Receipt of goods/services on specified time period
- Payment to suppliers
- None of above

Answer: (d)

53. ITC can be claimed on goods/services for personal use if
- Payment to supplier has been made
- Return being filed
- All of above
- No ITC can be claimed

Answer: (d)

54. ITC on works contract service can be availed only if
- Engaged in same line of business
- Service related to movable property
- Service related to immovable property
- All of above

Answer: (a)

55. An unregistered person can avail ITC on stock if he applies for registration within
- 60 days of becoming liable to register under GST
- Immediately after becoming liable to register under GST
- 30 days of becoming liable to register under GST
- Cannot avail ITC on stock

Answer: (c)
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 directly 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 received by agent
   b) ITC relates to tax paid in pursuance of any 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 furnished by the corresponding taxable person.
   b) Additional duty of customs paid under section 3(5) of the Customs Tariff Act, 1975
   c) Tax payment made by Supplier   d) All the above
   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 goods for job-work
   (b) A registered taxable person who sends inputs and/or capital goods for job-work
   (c) A registered taxable person who supplies inputs and/or capital goods for job-work
   (d) A registered person
   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 sent to job-worker are not received within 1 year or 3 years respectively
   (b) When the inputs and/or capital goods sent to job-worker are not supplied, with or without payment of tax, 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?

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>The day when such inputs and/or capital goods sent to job-worker</td>
</tr>
<tr>
<td>(b)</td>
<td>The day when the job-worker receives the said goods, in case the job-worker receives the goods directly</td>
</tr>
<tr>
<td>Both (a) and (b)</td>
<td>None of the above</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>No, it is not a supply</td>
</tr>
<tr>
<td>(b)</td>
<td>Yes, if not received within time limit</td>
</tr>
<tr>
<td>(c)</td>
<td>No, as capital goods as referred in section 143 excludes moulds, dies, jigs, tools and fixtures.</td>
</tr>
<tr>
<td>(d)</td>
<td>None of the above</td>
</tr>
</tbody>
</table>

Answer- (c)

65. GST is applicable on__

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>Inputs and/or capital goods sent to job-worker (Satisfying conditions u/s 143)</td>
</tr>
<tr>
<td>(b)</td>
<td>The job-worker charges and additional material added by the job-worker on the inputs sent by the principal</td>
</tr>
<tr>
<td>(c)</td>
<td>Both of the above</td>
</tr>
<tr>
<td>(d)</td>
<td>None of the above</td>
</tr>
</tbody>
</table>

Answer- (b)

66. When should a job-worker take registration?

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>Always</td>
</tr>
<tr>
<td>(b)</td>
<td>Only if his aggregate turnover exceeds the threshold limits specified under Section 22 of the Act</td>
</tr>
<tr>
<td>(c)</td>
<td>Never</td>
</tr>
<tr>
<td>(d)</td>
<td>None of the above</td>
</tr>
</tbody>
</table>

Answer- (b)

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

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>Yes, only when the job-worker is registered</td>
</tr>
<tr>
<td>(b)</td>
<td>Yes, even if the job-worker is unregistered by declaring the job-worker’s premises as his additional place of business</td>
</tr>
<tr>
<td>(c)</td>
<td>Yes, irrespective of whether the job-worker is registered or not, principal is engaged in the supply of goods which are notified by the Commissioner on this behalf</td>
</tr>
<tr>
<td>(d)</td>
<td>All of the above</td>
</tr>
</tbody>
</table>

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)?

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) 06-05-2018</td>
<td>(b) 07-05-2017</td>
</tr>
<tr>
<td>(c) 03-11-2018</td>
<td>(d) Not Taxable</td>
</tr>
</tbody>
</table>

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 Principal needs to reverse the ITC taken earlier. | (d) None of the above |

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 143 | (d) ITC on capital goods sent directly to job-worker’s premise is not 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 specified in the Tax invoice, credit and debit note rules. | (d) Option (a) or (b) |

Answer- (c)
77. If the inputs and/or capital goods are not received or returned within the prescribed time limit:

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

Answer- (a)

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

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>Principal</td>
</tr>
<tr>
<td>(b)</td>
<td>Job-worker</td>
</tr>
<tr>
<td>(c)</td>
<td>Manufacturer</td>
</tr>
<tr>
<td>(d)</td>
<td>No-body</td>
</tr>
</tbody>
</table>

Answer- (a)

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

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>Job-worker, if registered</td>
</tr>
<tr>
<td>(b)</td>
<td>Principal, if job-worker is not registered</td>
</tr>
<tr>
<td>(c)</td>
<td>Always principal</td>
</tr>
<tr>
<td>(d)</td>
<td>Option (a) or (b)</td>
</tr>
</tbody>
</table>

Answer- (d)

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

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>Daily</td>
</tr>
<tr>
<td>(b)</td>
<td>Monthly</td>
</tr>
<tr>
<td>(c)</td>
<td>Quarterly</td>
</tr>
<tr>
<td>(d)</td>
<td>Yearly</td>
</tr>
</tbody>
</table>

Answer- (c)

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

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>Required for unregistered job worker</td>
</tr>
<tr>
<td>(b)</td>
<td>Required for registered job worker</td>
</tr>
<tr>
<td>(c)</td>
<td>Not required</td>
</tr>
<tr>
<td>(d)</td>
<td>Both (a) &amp; (b)</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th>a) Entire income of any trust is exempted from GST</th>
<th>b) Entire income of a registered trust is exempted from GST</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Incomes from specified/defined charitable activities of a trust are exempted from GST</td>
<td>d) Incomes from specified/defined charitable activities of a registered trust (u/s 12AA of Income Tax Act) are exempted from GST</td>
</tr>
</tbody>
</table>

Ans. (d)

2. Select the correct statement?

<table>
<thead>
<tr>
<th>a) Transfer of a going concern wholly is not exempt from GST</th>
<th>b) Transfer of a going concern is partly exempt from GST</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Transfer partly as going concern is exempted from GST</td>
<td>d) Transfer of a going concern is exempt from GST</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th>a) Central Government or State Government or Union territory or Local authority</th>
<th>b) Governmental authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Municipality under Article 243 W of the Constitution</td>
<td>d) All of above</td>
</tr>
</tbody>
</table>

Ans. (d)

4. Which is a wrong statement?

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

Ans. (d)

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

<table>
<thead>
<tr>
<th>a) It is pure labour service only</th>
<th>b) It is works contract only</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) It is a part of residential complex only</td>
<td>d) It is on ground floor without further super structure</td>
</tr>
</tbody>
</table>

Ans. (a)
6. Which exemption option is right from the following?
   a) For letting out any immovable property  
   b) For letting out any residential dwelling for use as residence 
   c) For letting out any residential property irrespective of its use  
   d) For none of the above
   Ans. (b)

7. Services by a hotel, inn, guest house, club or campsite are exempted for residential / lodging purposes –
   a) If the actual tariff for a unit of accommodation is below ` 10,000  
   b) If the actual tariff for a unit of accommodation is below ` 1,000 
   c) If the actual tariff for a unit of accommodation is exactly ` 1,000  
   d) If the actual tariff for a unit of accommodation is above ` 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 tourism, charter or hire  
   d) None of the above
   Ans. (d)

9. Transportation of passengers is exempted -
   a) In an air-conditioned railway coach  
   b) In a vessel for public tourism purpose between places in India 
   c) In a metered cab/auto rickshaw / e rickshaw  
   d) In all the above mentioned
   Ans. (c)

10. Transportation of goods is not exempted if it is -
    a) by a goods transport agency / courier agency  
    b) by inland waterways 
    c) by an aircraft from a place outside India upto the customs station of clearance in India  
    d) by all the above mentioned
    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 agency  
    b) If it is by a rail - within India 
    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, unloading, packing, storage or warehousing of rice  
    b) Services by way of loading and unloading of jute
c) Services by way of packing and storage or warehousing of rubber
d) None of the above

Ans. (a)

13. Core services of which organization is not exempted –

| a) Services provided by the Insurance Regulatory and Development Authority of India to insurers | b) Services provided by the Securities and Exchange Board of India set up under the Securities and Exchange Board of India Act, 1992 (15 of 1992) by way of protecting the interests of investors |
| c) Services by Port Trusts | 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 more years) leases of industrial plots | b) Long term (30 or more years) leases of industrial plots or plots for development of infrastructure for financial business by State Government Industrial Development Corporations or Undertakings to industrial units |
| c) Short term (up to 30 years) leases of industrial plots by State Government Industrial Development Corporations or Undertakings to industrial units | d) All kinds of short term (up to 30 years) lease of industrial plots |

Ans. (b)

16. One of the following is exempted from GST -

| a) Any business exhibition | b) A business exhibition in India |
| c) A business exhibition outside India | d) None of the above |

Ans. (c)

17. Which of the following is not exempted -?

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

Ans. (d)
18. Services by educational institution is exempted if the services are to -

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Any common man</td>
<td>b) Its own students, faculty / staff</td>
</tr>
<tr>
<td>c) Both a &amp; b</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>

Ans. (b)

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

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a) If they are to its own members provided the contribution received is up to ` 7500 , per month from a member</td>
<td>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 person for common use of members</td>
</tr>
<tr>
<td>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</td>
<td>d) If they are to its own members, provided the contribution is up to ` 7500 per month per member for common use specified members</td>
</tr>
</tbody>
</table>

Ans. (b)

20. Which of the following are exempted services?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Services by an artist by way of a performance in folk or classical art forms of music/ dance / theatre with consideration therefor not exceeding ` 1 lakh</td>
<td>b) Services by an artist by way of a performance in folk or classical art forms of music/ dance with consideration therefor not exceeding ` 1.5 lakh</td>
</tr>
<tr>
<td>c) Services by an artist by way of a performance in folk or classical art forms of music/ dance / theatre with consideration therefor not exceeding ` 1.5 lakh</td>
<td>d) Services by an artist as a brand ambassador by way of a performance in folk or classical art forms of music/ dance / theatre with consideration therefor not exceeding ` 1.5 lakh</td>
</tr>
</tbody>
</table>

Ans. (c)

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

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a) True</td>
<td>b) False</td>
</tr>
</tbody>
</table>

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 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
   Answer- A
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  
   a) the name and address of the manufacturer  
   b) he goods produced at his manufacturing facility  
   c) the nature and description of imported goods used in the manufacture of goods or providing an output service  
   d) All the above  
   Answer- D
15. The importer who intends to avail the benefit of an exemption notification shall provide information

- in duplicate, 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, the estimated quantity and value of the goods to be imported, particulars of the exemption notification applicable on such import and the port of import in respect of a particular consignment for a period not exceeding 1 year
- in one set, to the Deputy/Assistant Commissioner of Customs at the Custom Station of importation
- Either A or B
- 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, within ________ days (excluding holidays, if any) of such receipt to the jurisdictional Customs Officer

- 2
- 10
- 15
- 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

- 5th
- 10th
- 15th
- 30th

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

- 3
- 6
- 7
- 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

- Arrival of the vehicle/aircraft
- Date of entry inward of the vessel
- Either A or B which is later
- 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

- 10
- 12
- 15
- 18

Answer - B
21. Customs authorities check the documents, grant entry inwards to the vessel, assign an IGM number to the manifest and permit the master of the vessel to land and unload the cargo:

<table>
<thead>
<tr>
<th>a) True</th>
<th>b) False</th>
</tr>
</thead>
</table>

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

<table>
<thead>
<tr>
<th>a) True</th>
<th>b) False</th>
</tr>
</thead>
</table>

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.

<table>
<thead>
<tr>
<th>a) True</th>
<th>b) False</th>
</tr>
</thead>
</table>

Answer- A

24. Which are the following conditions to be satisfied under section 13 for exemption from duty?

<table>
<thead>
<tr>
<th>a) The imported goods should have been pilfered</th>
<th>b) The pilferage should have occurred after the goods are unloaded, but before the proper officer makes the order of clearance for home consumption or for deposit into warehouse</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) The pilfered goods should not have been restored back to the importer</td>
<td>d) All the above</td>
</tr>
</tbody>
</table>

Answer- D

25. In order to claim pilferage which of the following circumstances should exist?

<table>
<thead>
<tr>
<th>a) there should be evidence of tampering with the packages</th>
<th>b) there should be blank space for the missing articles in the package</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) the missing articles should be unit articles</td>
<td>d) All the above</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>a) True</th>
<th>b) False</th>
</tr>
</thead>
</table>

Answer- A

27. Section 13 applies to the goods which are under the custody of the custodian under section 45

<table>
<thead>
<tr>
<th>a) True</th>
<th>b) False</th>
</tr>
</thead>
</table>

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...
(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

<table>
<thead>
<tr>
<th>a) True</th>
<th>b) False</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Answer- A</td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>a) True</th>
<th>b) False</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Answer- A</td>
<td></td>
</tr>
</tbody>
</table>

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).

| 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

| a) the value of such goods may be ascertained by the proper officer, | b) such goods may be sold by 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 actual clearance from such warehouse | d) All the above |
| Answer- D |
33. Section_________ of the Customs Act, 1962 provides that an importer can request Central Government to make rules for permitting to denature/mutilate the imported goods, which are ordinarily used for more than one purpose, so as to render them unfit for one or more of such purpose.

| a) 20 | b) 24 |
| c) 25 | d) 32 |

Answer- B

34. If any imported goods can be used for more than one purpose and duty is leviable on the basis of its purpose of utilisation, than denaturing or mutilation of such goods is useful

| a) True | b) False |

Answer- A

35. If the Central Government is satisfied that it is necessary 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 customs leviable thereon.

| a) True | b) False |

Answer- A

36. 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. 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

38. Where the Central Government is satisfied that it is 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 processing or manufacture, as may be specified therein, from the whole or any part of duty of customs leviable thereon, subject to the following conditions, namely.

| a) the goods shall be re-exported after such repair, further processing or manufacture, as the case may be, within a period of one year from the date on which the order for clearance of the imported goods is made | b) the imported goods are identifiable in the export goods |
| c) such other conditions as may be specified in that notification | d) All the above |

Answer- D
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 taking part in any naval exercise
   b) any vessel engaged in fishing or any other operations outside the territorial waters of India
   c) any vessel or aircraft proceeding to a place outside India for any purpose whatsoever
   d) All the above

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

Answer- A
47. Stores means goods for use in a vessel or aircraft and includes fuel and spare parts and other articles of equipment, whether or not for immediate fitting

<table>
<thead>
<tr>
<th>a) True</th>
<th>b) False</th>
</tr>
</thead>
</table>

Answer- A

48. Section 7 of the Customs Act, 1962 empowers the Board to appoint by notification in the Official Gazette

<table>
<thead>
<tr>
<th>a) customs ports and customs airports</th>
<th>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</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) land customs stations for the clearance of goods imported or to be exported by land or inland water or any class of such goods</td>
<td>d) All the above</td>
</tr>
</tbody>
</table>

Answer- D

49. Section 7 of the Customs Act, 1962 empowers the Board to appoint by notification in the Official Gazette

<table>
<thead>
<tr>
<th>a) the routes by which alone goods or any class of goods specified in the notification may pass by land or inland water into or out of India, or to or from any land customs station from or to any land frontier</th>
<th>b) the coastal ports for the carrying on of trade in coastal goods or any class of such goods with all or any specified ports in India</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) the foreign post offices for the clearance of imported goods or export goods or any class of such goods</td>
<td>d) All the above</td>
</tr>
</tbody>
</table>

Answer- D

50. Section 8 of the Customs Act, 1962 empowers the Principal Commissioner/Commissioner of Customs to

<table>
<thead>
<tr>
<th>a) approve proper places in any customs port or customs airport or coastal port for the unloading and loading of goods or for any class of goods</th>
<th>b) specify the limits of any customs area</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Both A&amp;B</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>

Answer- C

51. This section provides that the person-in-charge of a vessel or an aircraft entering India from any place outside India shall not cause or permit the vessel or aircraft to call or land at any place other than a customs port or a customs airport, as the case may be, unless permitted by the Board

<table>
<thead>
<tr>
<th>a) for the first time after arrival in India</th>
<th>b) at any time while it is carrying passengers or cargo brought in that vessel or aircraft</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Either A or B</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>

Answer- C

52. ____________ is a detailed information to customs about goods in the vessels/aircrafts which have been brought in at any port/airport for unloading at that particular port/international airport as also that which would be carried further for other ports/airports

<table>
<thead>
<tr>
<th>a) Arrival manifest</th>
<th>b) import manifest</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) import reports</td>
<td>d) All the above</td>
</tr>
</tbody>
</table>

Answer- D
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) 1,00,000
   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
   a) the passenger and crew arrival manifest before arrival in the case of an aircraft or a vessel and upon arrival in the case of a vehicle
   b) the passenger name record information* of arriving 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

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
Answer- A

61. Grant of Entry Inwards is an acknowledgement of the fact that Customs Department is ready to supervise the unloading of the cargo, and is prepared to assess the goods to duty, as and when the concerned importer comes forward to clear the imported goods

a) True  

Answer- A

b) False

62. Without the permission of the proper officer, the imported goods cannot be unloaded, unless they are mentioned in the Import General Manifest for being unloaded in that customs station.

a) True 

Answer- A

b) False

63. Section ________ provides that loading and unloading of goods are to be undertaken only at places approved under section 8(a) of the Customs Act, 1962.

a) 32 

Answer- B

c) 34

d) 35

64. Section __ provides that loading and unloading of goods should be done under the supervision of the proper officer

a) 32

Answer- C

c) 34

d) 35

65. The __________ may, by notification in the Official Gazette, give general permission and the proper officer may in any particular case, give special permission for any goods or class of goods to be unloaded or loaded without the supervision of the proper officer

a) Board

Answer- A

c) Supreme Court

d) Any of the above

b) Central Government

66. 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

Answer- D

c) 34

d) 35

67. The Boat Note Regulations, 1976 specify that the boat note in a special case issued by __________

a) the Principal Commissioner 

Answer- C

c) Either A or B

d) Both A & B

b) Commissioner of Customs
68. The goods cannot be loaded and unloaded on Sundays or other holidays observed by the Customs Department, or on any other day after the working hours unless the prescribed notice and the prescribed fee are paid

<table>
<thead>
<tr>
<th>a) True</th>
<th>b) False</th>
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</thead>
</table>

Answer - A

69. The responsibility of the _______ commences in respect of imported goods the moment the ship is berthed in the harbour or the goods are ready for unloading from the aircraft

<table>
<thead>
<tr>
<th>a) Proper Officer</th>
<th>b) custodian</th>
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<tbody>
<tr>
<td>c) Owner of the goods</td>
<td>d) All the above</td>
</tr>
</tbody>
</table>

Answer - B

70. In respect of pilfered goods covered by section 13, the loss of revenue is compensated by the custodian.

<table>
<thead>
<tr>
<th>a) True</th>
<th>b) False</th>
</tr>
</thead>
</table>

Answer - A

71. The duty shall be paid at the rate prevailing on the day of delivery of the arrival manifest or import manifest or as the case may be, an import report to the proper officer under section 30 for the arrival of the conveyance in which such goods were carried.

<table>
<thead>
<tr>
<th>a) True</th>
<th>b) False</th>
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Answer - A

72. The __________ may, in cases where it is not feasible to make entry by presenting electronically on the customs automated system, allow an entry to be presented in the prescribed manner and form.

<table>
<thead>
<tr>
<th>a) Principal Commissioner</th>
<th>b) Commissioner of Customs</th>
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<tbody>
<tr>
<td>c) Either A or B</td>
<td>d) Both A&amp;B</td>
</tr>
</tbody>
</table>

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 information given therein | b) the authenticity and validity of any document supporting it |
| c) compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force | d) All the above |

Answer - D
75. The Bill of Lading given by the carrier of the goods is the importer’s document of title to the goods
   a) True       b) False
   Answer- A

76. According to section 46(3), the importer shall present the bill of entry before the end of the next day following the day (excluding holidays) on which the aircraft/vessel/vehicle carrying the goods arrives at a customs station at which such goods are to be cleared for home consumption or warehousing
   a) True       b) False
   Answer- A

77. An eligible importer intending to avail the benefit of deferred payment shall intimate to the Principal Commissioner/Commissioner of Customs, having jurisdiction over the port of clearance, his intention to avail the said benefit who on being satisfied with the eligibility of the importer allow him to pay the duty by due dates
   a) True       b) False
   Answer- A

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       b) 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 Programme
   b) Importers paying customs duty of Rs 10,000 or 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.
   a) True       b) False
   Answer- A

82. The system has been modified to enable simultaneous processing of bill of entry by PGA and Customs.
   a) True       b) False
   Answer- A
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 goods.

a) 20  b) 24

c) 30  d) 32

Answer- C

84. In the case of sensitive goods like animals, foodstuffs and hazardous goods etc. the custodian with the approval of the proper officer can sell the goods even before the expiry of the ________ days limit.

a) 20  b) 24

c) 30  d) 32

Answer- C

85. Exporter in relation to any goods at any time between their entry for export and the time when they are exported, includes any owner, beneficial owner or any person holding himself out to be the exporter.

a) True  b) False

Answer- A

86. The first and foremost duty cast on the master of the vessel under section 40 is that export goods are not to be loaded unless duly passed by Proper Officer.

a) True  b) False

Answer- A

87. For loading of goods for export, which of the following requirements are to be fulfilled?

a) Entry outwards to be granted under section 39  b) Shipping bill under section 50

c) ‘Let-export’ order under section 51  d) All the above

Answer- D

88. In case of export goods other than baggage and mail bags – the goods shall be accompanied by ________ all duly passed by the proper officer.

a) Shipping Bill  b) Bill of Export

c) Bill of Transshipment  d) All the above

Answer- D

89. If the proper officer is satisfied that the departure manifest or export manifest or the export report is in any way incorrect and there was no fraudulent intention, he may permit such manifest or report to be amended or supplemented

a) True  b) False

Answer- A

90. The Export manifest shall contain ___________

a) Cargo report  b) Vessel’s store list
91. The cargo list shall give which of the following details in separate sheets?

   a) Cargo shipped
   b) Cargo transshipped
   c) Cargo lying in the vessel/aircraft, but not landed or transshipped
   d) All the above

   Answer: D

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 departure manifest
   b) the passenger name record information of departing 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 ____________

   a) 10,000
   b) 25,000
   c) 50,000
   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 information given therein
   b) the authenticity and validity of any document supporting it
   c) compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force
   d) All the above

   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

   Answer: A
97. The ambit of the term “stores” can be understood if which of the following needs of the vessel or conveyance are taken into account?

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<td>a) The food, drink and other needs of the passengers and crew and other human beings on board the vessel, aircraft or conveyance</td>
<td>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</td>
</tr>
<tr>
<td>c) The conveyance has to carry with it certain essential spare parts for the maintenance and repair of the conveyance during the journey</td>
<td>d) All the above</td>
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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

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<td>87</td>
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<td>c) 88</td>
<td>d) 89</td>
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</table>

Answer- B

99. Section _____________ allows warehoused goods to be exported without payment of import duty

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<td>a) 67</td>
<td>b) 68</td>
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<tr>
<td>c) 69</td>
<td>d) 70</td>
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</tbody>
</table>

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

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<tr>
<td>a) True</td>
<td>b) False</td>
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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.

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<td>a) 90</td>
<td>b) 91</td>
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<tr>
<td>c) 92</td>
<td>d) 93</td>
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</table>

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.

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<th></th>
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<tbody>
<tr>
<td>a) True</td>
<td>b) False</td>
</tr>
</tbody>
</table>

Answer- A
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

Answer- A
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 preferential areas
   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 specific claim for the preferential rate  b) He should also claim that the goods are produced or manufactured in such preferential area  c) The area should be notified under section 4(3) of the Customs Tariff Act to be a preferential area  d)All the above
   Answer- D

6. Any article which is imported into India shall, in addition, be liable to integrated tax at such rate, not exceeding __________% as is leviable under section 5 of Integrated Goods and Services Tax Act, 2017 on a like article on its supply in India, on the value of the imported article as determined under sub-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 of revenue due to implementation of GST in India
   a) True  b) Fasle
   Answer- 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 sub-section 10(A)

<table>
<thead>
<tr>
<th>a) True</th>
<th>b) False</th>
</tr>
</thead>
</table>

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 article determined under sub-section (1) of section 14 of the Customs Act, 1962 or the tariff value of such article fixed under sub-section (2) of that section, as the case may be | b) any duty of customs chargeable on that article under section 12 of the Customs Act, 1962, and any sum chargeable on that article under any law for the time being in force as an addition to, and in the same manner as, a duty of customs, but does not include the integrated tax referred to in section 3(7) of the Customs Tariff Act, 1975 or the goods and services tax compensation cess referred to in 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

<table>
<thead>
<tr>
<th>a) True</th>
<th>b) False</th>
</tr>
</thead>
</table>

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
14. ________ are those which are levied for the purpose of raising customs revenue.

| a) Revenue duty | b) Protective Duty |

Answer- A

15. ________ are intended to give protection to indigenous industries. If resort to protective duties is not made there could be a glut of cheap imported articles in the market making the indigenous goods unattractive.

| a) Revenue duty | b) Protective Duty |

Answer- B

16. The protective duties are levied by the ________ upon the recommendation made to it by the Tariff Commission and upon it being satisfied that circumstances exist which render it necessary to take immediate action to provide protection to any industry established in India.

| a) board | b) Supreme Court | c) Central Government | d) None of the above |

Answer- C

17. The protective duty shall be effective only upto and inclusive of the date if any, specified in the First Schedule.

| a) True | b) False |

Answer- A

18. If which of the following conditions are satisfied, the Central Government may provide for the enhancement of the import duty?

| a) The goods should be specified in the First Schedule | b) The Central Government is satisfied that circumstances exist, which render it necessary for the enhancement of import duties | c) Either A or B | d) Both A&B |

Answer- D

19. Central Government can impose the safeguard duty if it is satisfied that

| a) Any article is imported into India in increased quantities | b) Such increased importation is causing or threatening to cause serious injury to domestic industry | c) Either A or B | d) Both A&B |

Answer- D

20. The safeguard duty is imposed for the purpose of protecting the interests of any domestic industry in India aiming to make it more competitive.

| a) True | b) False |

Answer- A
21. Safeguard duty is product specific i.e. the safeguard duty is applicable only for certain articles in respect of which it is imposed
   a) True  b) False
   Answer- A

22. The duty imposed under section 8B shall be in force for a period of ___________ years from the date of its imposition
   a) 2  b) 3  c) 4  d) 5
   Answer- C

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  b) 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 applicable  b) the article imported is either cleared as such into DTA or used in the 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
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 or bestows subsidy upon the manufacture or production or exportation of any article. Such subsidy includes subsidy on transportation of such article
- b) The importation may/may not directly be from the country of manufacture/production
- c) The article, may be in the same condition as when exported from the country of manufacture or production or may be changed in condition by manufacture, production or otherwise
- d) All the above

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 number of persons engaged in the manufacture, production or export of articles
- d) All the above

Answer: D

31. Unless revoked earlier, the duty imposed under section 9 shall be in force for a period of _______ years from the date of its imposition

- a) 3
- b) 4
- 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

Answer: A
35. Anti-dumping action can be taken only when there is an Indian industry which produces “like articles” when compared to the allegedly dumped imported goods

| a) True | b) False |

Answer- A

36. ___________ in relation to an article, it means the difference between its export price and normal value

| a) Margin of dumping | b) Injury margin |

Answer- A

37. ___________ margin is the margin adequate to remove the injury to the domestic industry

| a) Margin of dumping | b) Injury margin |

Answer- B

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 composition of the article subject to such anti-dumping duty | b) by import of such article in an unassembled or disassembled form |
| c) by changing the country of its origin or export | d) All the above |

Answer- D

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) specifically made applicable in such notifications or such impositions, as the case may be | b) the article imported is either cleared as such into the DTA or used in the manufacture of any goods that are cleared into the DTA, and in such cases anti-dumping 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

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) True | b) False |

Answer- A
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:

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<th>a) 10,000</th>
<th>b) 15,000</th>
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<td>c) 50,000</td>
<td>d) 25,000</td>
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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

Answer- A
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 |

   Answer- c

2. ________ is the price of the goods as comes out of the factory. It includes cost of production and 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) |

   Answer- a

3. ________ is the cost at which the export goods are delivered alongside the ship, ready for shipment. It includes ex-factory + local freight + local taxes.

   | a) Ex-Factory Price | b) F.A.S (Free Alongside) |
   | c ) F.O.B. (Free on Board) | d) C.I.F. (Cost Insurance Freight) |

   Answer- b

4. ________ means the stage at which the goods are placed on board the conveyance carrying the vessel. It can be said to include FAS + loading charges + export duty cess.

   | a) Ex-Factory Price | b) F.A.S (Free Alongside) |
   | c ) F.O.B. (Free on Board) | d) C.I.F. (Cost Insurance Freight) |

   Answer- c

5. ________ is the cost at which the goods are delivered 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) |

   Answer- d

6. As per section 14 of customs act, 1962, transaction value shall also include in addition to the price, any amount paid or payable for costs and services, including ________

   | a) commissions and brokerage | b) engineering |
   | c) royalties and licence fees | d) all of the above |

   Answer- d

7. As per section 14 of customs act, 1962, transaction value shall also include in addition to the price, any amount paid or payable for costs and services, including ________

   | a) costs of transportation to the place of | b) insurance |
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 goods |
| b) Where the buyer and seller of the goods are related |
| 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 ___________

| a) bill of entry under section 46 |
| b) shipping bill (vessel or aircraft) under section 50. |
| 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 50. |
| 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 |
| c) average rate |
| d) none of the above |

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 ___________
15. Sub-section (2) of section 14 provides that the Board may fix __________ for any class of imported goods or export goods, having regard to the trend of value of such or like goods by notification in the Official 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 industrial 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 appearance that do not affect 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 the goods being valued
- b) produced in the country in which the goods being valued were produced
- c) produced by the same person who produced the goods
- d) all of the above

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 characteristics and like component materials which enable them to perform the same functions
- b) produced in the country in which the goods being valued were produced
- c) produced by the same person who produced the goods
- d) all of the above

Answer-d
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 another’s businesses | b) they are legally recognized partners in 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 percent or more of the outstanding voting stock or shares of both of them | b) they are members 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 the other | b) both of them are directly or indirectly controlled by a third person |
| c) together they directly or indirectly control a third person | d) all of the above |

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 the other | b) both of them are directly or indirectly controlled by a third person |
| c) together they directly or indirectly control a third person | d) any person directly or indirectly owns, controls or holds two percent 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 –

| a) together they directly or indirectly 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 | d) all of the above |

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
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 __________

<table>
<thead>
<tr>
<th>a) same commercial level</th>
<th>b) same quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) both a &amp; b</td>
<td>d) either a or b</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>a) highest of such value</th>
<th>b) lowest of such value</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) average of such value</td>
<td>d) none of the above</td>
</tr>
</tbody>
</table>

Answer- b

29. As per rule 7, while determining unit price, which of the following deductions have to be made?

<table>
<thead>
<tr>
<th>a) commission usually paid or agreed to be paid</th>
<th>b) the additions usually made for profits</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) general expenses in connection with sales in India</td>
<td>d) all of the above</td>
</tr>
</tbody>
</table>

Answer-d

30. As per rule 7, while determining unit price, which of the following deductions have to be made?

<table>
<thead>
<tr>
<th>a) customs duties and other taxes payable in India</th>
<th>b) costs of transport and insurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) general expenses in connection with sales in India</td>
<td>d) all of the above</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>a) 45 days</th>
<th>b) 60 days</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) 90 days</td>
<td>d) 120 days</td>
</tr>
</tbody>
</table>

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
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 country of exportation | 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 purposes of the highest of the two alternative values | d) all of the above |

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 imported goods | d) all of the above |

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, undertaken elsewhere than in India and necessary for the production of the imported goods. | b) Design work, and plans and sketches undertaken elsewhere than in India and necessary for the production of the imported goods. |
| c) materials consumed in the production of the imported goods | d) all of the above |

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 goods that the buyer is required to pay, directly or indirectly, as a condition of the sale of the goods being valued | b) The value of any part of the proceeds of any subsequent resale, disposal or use of the imported goods that accrues, directly or indirectly, to the seller |
| c) all other payments actually made or to be made as 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 | d) all of the above |

Answer - d

42. State whether the following costs should be added to the transaction value
i. 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 – inculdible  ii- excludible | d) i – excludible  ii- includible |

Answer - a

43. State whether the following costs should be added to the transaction value
i) 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 - a
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 cananilizing 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
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 ________

<table>
<thead>
<tr>
<th>a) 20% of customs FOB value</th>
<th>b) 1.125% of (customs FOB value + cost of freight)</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) 20% of cost of insurance</td>
<td>d) 20% of (customs FOB value + cost of insurance)</td>
</tr>
</tbody>
</table>

Answer-d

51. Where the free on board value of the goods is not ascertainable, the cost of insurance, shall be ________

<table>
<thead>
<tr>
<th>a) 1.125% of customs FOB value</th>
<th>b) 1.125% of (customs FOB value + cost of freight)</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) 1.125% of cost of insurance</td>
<td>d) 20% of (customs FOB value + cost of insurance)</td>
</tr>
</tbody>
</table>

Answer-b

52. The cost of transport of the imported goods includes

<table>
<thead>
<tr>
<th>a) ship demurrage charges</th>
<th>b) lighterage/barge charges</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) both a &amp; b</td>
<td>d) none of the above</td>
</tr>
</tbody>
</table>

Answer- c

53. The value of export goods shall be the ____________

<table>
<thead>
<tr>
<th>a) transaction value</th>
<th>b) market value</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) MRP</td>
<td>d) none of the above</td>
</tr>
</tbody>
</table>

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 ____

<table>
<thead>
<tr>
<th>a) goods of like kind and quality</th>
<th>b) exported at or about the same time to other buyers</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) in the same destination country of importation</td>
<td>d) all of the above</td>
</tr>
</tbody>
</table>

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 ____________

<table>
<thead>
<tr>
<th>a) difference in the dates of exportation and difference in commercial levels and quantity levels</th>
<th>b) difference in composition, quality and design between the goods to be assessed and the goods with which they are being compared</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) difference in domestic freight and insurance charges depending on the place of exportation</td>
<td>d) all of the above</td>
</tr>
</tbody>
</table>
57. Computed value, shall include _______ the following

<table>
<thead>
<tr>
<th>a) cost of production, manufacture or processing of export goods</th>
<th>b) charges, if any, for the design or brand</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) an amount towards profit</td>
<td>d) all of the above</td>
</tr>
</tbody>
</table>

Answer- d

58. Provisions for classification of sets of articles and accessories are specified in ___________ of customs act, 1962

<table>
<thead>
<tr>
<th>a) section 16</th>
<th>b) section 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) section 18</td>
<td>d) section 19</td>
</tr>
</tbody>
</table>

Answer- d

59. Where goods consist of a set of articles liable to duty with reference to quantity duty shall be chargeable to _______

<table>
<thead>
<tr>
<th>a) duty as per quantity</th>
<th>b) duty at that rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) duty at highest of such rates</td>
<td>d) none of the above</td>
</tr>
</tbody>
</table>

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 _______

<table>
<thead>
<tr>
<th>a) duty as per quantity</th>
<th>b) duty at that rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) duty at highest of such rates</td>
<td>d) none of the above</td>
</tr>
</tbody>
</table>

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 _______

<table>
<thead>
<tr>
<th>a) duty as per quantity</th>
<th>b) duty at that rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) duty at highest of such rates</td>
<td>d) none of the above</td>
</tr>
</tbody>
</table>

Answer- c

62. Where goods consist of a set of Articles not liable to duty shall be chargeable to _______

<table>
<thead>
<tr>
<th>a) duty as per quantity</th>
<th>b) duty at that rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) duty at highest of such rates</td>
<td>d) duty at the rate at which articles liable to duty with reference to value</td>
</tr>
</tbody>
</table>

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 ________
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 ________

<table>
<thead>
<tr>
<th>a) duty as per quantity</th>
<th>b) duty on article is same as that of duty on the main product</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) such article shall be chargeable to duty separately at the rate applicable to it</td>
<td>d) duty at the rate at which articles liable to duty with reference to value</td>
</tr>
</tbody>
</table>

Answer-b

65. In case of optional accessories, then __________

<table>
<thead>
<tr>
<th>a) classification shall be done independently</th>
<th>b) duty on article is same as that of duty on the main product</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) such article shall be chargeable to duty separately at the rate applicable to it</td>
<td>d) duty at the rate at which articles liable to duty with reference to value</td>
</tr>
</tbody>
</table>

Answer-a
Chapter 16 : Warehousing

1. Warehousing is resorted to in case where the importer does not want to clear the goods immediately
   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 government a sum equal to thrice the amount of total duty determined, with such surety or security as may be required
   b) he should agree to pay duty on the goods cleared from such warehouse at the rate of duty and valuation prevalent on the date on which a 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 presented under that section
   b) a bill of entry in respect of such goods is 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 presented under that section
   b) a bill of entry in respect of such goods is presented for their removal from the warehouse

   Answer- B
7. Public warehouse is dealt under section ____________  
   a) 57  
   b) 58  
   c) 58A  
   Answer- A

8. Private warehouse is dealt under section ____________  
   a) 57  
   b) 58  
   c) 58A  
   Answer- B

9. Special warehouse is dealt under section ____________  
   a) 57  
   b) 58  
   c) 58A  
   Answer- C

10. __________ may give license to public warehouse.  
    a) Principal Commissioner of Customs  
    b) Commissioner of Customs  
    c) Both A&B  
    d) Either A or B  
    Answer- D

11. __________ may give license to private warehouse.  
    a) Principal Commissioner of Customs  
    b) Commissioner of Customs  
    c) Both A&B  
    d) Either A or B  
    Answer- D

12. The Principal Commissioner of Customs or Commissioner of Customs may, subject to such conditions as 
    may be prescribed, licence a special warehouse wherein dutiable goods may be deposited and such 
    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 
    Rs ____________ crore from a Scheduled Bank  
    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  
    Answer- A
15. The license is not required to be renewed annually
   a) True   b) False
   Answer: A

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 __________________________
   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.
   a) True   b) False
   Answer: A
23. The serial number of OTL along with date & time of its affixation needs to be endorsed upon Into-Bond Bill of Entry and transport document
   a) True  
   b) False 
   Answer- A

24. When the goods are removed from the customs station of import for warehousing, the proper officer affixes a one-time lock (OTL) on the container or means of transport
   a) True  
   b) False 
   Answer- A

25. The Principal Commissioner of Customs /Commissioner of Customs may permit movement of goods without affixation of such OTLs, where the nature of goods or their manner of transport so warrant
   a) True  
   b) False 
   Answer- A

26. The period for which imported goods may be kept in a warehouse without payment of duty is called
   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

28. ____________ may extend the warehousing 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% EOU, the warehousing period for capital goods is till their ex-bonding and for goods other than capital goods, it is till their ex-bonding/consumption, no interest is chargeable for the period that the goods remain warehoused
   a) Yes  
   b) No 
   Answer- A

30. Interest is charged on the duty deferred on warehoused goods beyond a period of _______ days
   a) 30  
   b) 60 
   c) 90  
   d) 120 
   Answer- C
31. Rate of interest fixed by notification under section 47 is __________ % p.a
   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 manufacture of any goods in accordance with the provisions of section 65 
   b) the import duty leviable on the imported materials exceeds the rate of duty leviable on the finished products 
   c) the Central Government is satisfied that in the interest of establishment or development of a domestic industry, it is necessary to give protection to the finished products 
   d) All the above 
   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 
   Answer- A
38. The essential ingredients of section 68 are
   a) An ex-bond bill of entry should be presented to the proper officer
   b) After assessment of the ex-bond bill of entry, the duty determined should be paid
   c) Along with the import duty, the penalty, if any, imposed or levied on the warehoused goods should also be paid
   d) All the above
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.
   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
   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, acetone, methanol, raw naptha, vaporizing oil, kerosene, high speed diesel oil, batching oil, diesel oil, furnace oil and ethylene dichloride, kept in tanks
   b) liquid helium gas kept in containers
   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
44. All warehoused goods will remain in the custody of the person who has been granted a licence under section 57/58/58A until they are cleared for home consumption/ transferred to another warehouse/ exported/ removed as otherwise provided under this Act.

   a) True
   b) False

Answer: A

45. Computerisation of records is a key component based upon which liberalization in respect of warehousing procedures has been carried out.

   a) True
   False

Answer: A

46. A __________ shall appoint a warehouse keeper having experience in warehousing operations & customs procedures, for discharge of functions on his behalf.

   a) Commissioner
   b) Principal Commissioner
   c) Licensee
   d) None of the above

Answer: C

47. On receipt of goods from a customs station of import or from another warehouse, a licensee shall check the one-time lock on the container/means of transport as affixed by the proper officer at the customs station or licensee of the warehouse of dispatch.

   a) True
   b) False

Answer: A

48. The records and accounts are required to be preserved for a minimum period of __________ years from the date of removal of goods from the warehouse, and shall be made available at the warehouse at all times and accessible to the Bond Officer or any other authorised officer for verification.

   a) 3
   b) 4
   c) 5
   d) 6

Answer: C

49. A licensee shall file with the Bond Officer a monthly return in prescribed form, of the receipt, storage, operations and removal of the goods in the warehouse, within __________ days after the close of the month to which such return relates.

   a) 7
   b) 14
   c) 10
   d) 15

Answer: C
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
   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 arms  
   b) cartridges of fire arms exceeding 50  
   c) cigarettes  
   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 personal effects and travel souvenir  
   b) Articles upto value of Rs 50,000  
   c) Either 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:
   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
8. Gentlemen can carry jewellery up to 20 g with a value cap of rs___________:
   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
    Answer- A
**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 order
   - **b)** Goods not permitted to be imported into the country on account of trade-restriction
   - **c)** Goods after being imported are temporarily retained 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
   - **d)** All the above
   
   **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
   - **b)** 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 the Assistant Commissioner of Customs or Deputy Commissioner of Customs as the goods which were imported
   - **b)** the goods are entered for export within two years from the date of payment of duty on the importation thereof
   - **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 goods imported in different consignments which are ordinarily stored together in bulk, may be established
   - **b)** specify the goods which shall be deemed to be not capable of being easily identified
   - **c)** provide for the manner and the time within which a claim for payment of drawback is to be filed
   - **d)** All the above

   **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)** 2
   - **c)** 3
   - **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

   **Answer - D**
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 of Film Censors in India
- d) All the above

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 __________%.

- 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 __________%.

- a) 95
- b) 85
- c) 65
- d) 60
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) Nil | 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.

| a) 98 | b) 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

| 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 __________-% per quarter or part thereof

| 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 |
22. In case the claim u/s 75 form is not complete in all respects, the exporter shall be informed of the deficiencies therein within _______ days by a deficiency memo and such claim shall be deemed not to have been received
   a) 7  b) 10  c) 15  d) 30
   Answer- C

23. When the exporter complies with the requirements specified in deficiency memo within __ days, he shall be issued an acknowledgement
   a) 7  b) 10  c) 15  d) 30
   Answer- D

24. In the case of exports other than by post, the exporter shall at the time of export of the goods state on the shipping bill or bill of export, the description, quantity and such other particulars as are necessary for deciding whether the goods are entitled to drawback under section 74 and make a declaration on the relevant shipping bill or bill of export that
   a) the export is being made under a claim for drawback under section 74 of the Customs Act  b) that the duties of customs were paid on the goods imported
   c) that the goods imported were not taken into use after importation or that the goods were taken in use  d) All the above
   Answer- D

25. Claim under section 75A to be filed within ________ days from the date on which an order permitting clearance and loading of goods for exportation under section 51 is made by proper officer of customs
   a) 10 days  b) 15 days  c) 7 days  d) 30 days
   Answer- D

26. The period of extension for section 75A claim by AC or DC is __________ months upon prescribed fee of 1% of FOB value o exports pr Rs 1,000 which is less
   a) 2  b) 3  c) 4  d) 5
   Answer- B

27. The period of extension for section 75A claim by Principal Commissioner or Commissioner is 6 months upon prescribed fee of _______ % of FOB value o exports pr Rs 2,000 which is less
   a) 2  b) 3  c) 4  d) 5
   Answer- A
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 the inputs  
   b) The input could be either imported goods on 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 excise duty paid goods in the final product is not capable of easy verification at the point of export  
   d) All the above

Answer- D

30. Which of the following conditions to be satisfied under section 75?

   a) The goods, namely the inputs might have undergone changes in physical shape, property etc  
   b) The quantity of inputs per piece of final product may not be uniform and may not also be capable of verification at the time of exportation  
   c) The existence of the imported/indigenous excise duty paid goods in the final product is not capable of easy verification at the point of export  
   d) All the above

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 an order permitting the clearance and holding thereof for exploration has been made under section 51 by the proper officer  
   b) the goods have been entered for export by post under clause (a) of Section 84 and an order permitting clearance for exportation has been 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 class of goods is less than the value of the imported material used in the manufacture or processing of such goods or carrying out any operation on such goods or class of goods  
   b) the export value is not more than such percentage of the value of the imported materials used in the manufacture or processing of such goods or carrying out any operation on such goods or class of goods as may be notified by the Central Government  
   c) any drawback has been allowed on any goods and the sale proceeds in respect of such goods  
   d) All the above

Answer- D
33. No drawback is allowed in the case which of the following?

| a) Packing materials for export of blended tea, except tea chests | b) Goods manufactured out of duty free materials |
| c) Jute batching oil used in manufacture jute yarn, twine etc | d) All the above |

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 description of the materials from which a particular class of goods is ordinarily produced or manufactured in India | b) the average quantity or value of the imported materials or excisable materials used for production or manufacture in India of a particular class of goods |
| c) the average amount of duties paid on imported materials or excisable materials used in the manufacture of semis, components and intermediate products which are used in the manufacture of goods | d) All the above |

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 materials wasted in the process of manufacture and catalytic agents | b) the average amount of duties paid on imported materials or excisable materials used for containing or, packing the export goods |
| c) any other information which the Central Government may consider relevant or useful for the purpose | d) All the above |

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 used in the manufacture of such goods or class of goods | b) is not more than such percentage of the value of the imported materials used in the manufacture of such goods or class of goods as |

Answer- D
the Central Government may, by notification in the Official Gazette, specify in this behalf

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<td>c) Either A or B</td>
<td>d) Both A&amp;B</td>
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Answer- C

38. The upper limit of drawback money or rate determined under rule 3 should not exceed one third of the market price of the export product.

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<td>a) True</td>
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Answer- A

39. Supplementary claims can be made in prescribed Form within ________ months.

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<td>c) 4</td>
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Answer- B

40. Where any drawback payable to a claimant under section 74 or 75 is not paid within a period of ________ month from the date of filing a claim for payment of such drawback, there shall be paid to the claimant, in addition to the amount of drawback, interest at the rate fixed under section 27A from the date after the expiry of the said period of one month till the date of payment of such drawback.

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<td>c) 1</td>
<td>d)10</td>
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Answer- C

41. Where any drawback has been paid to the claimant erroneously or it becomes otherwise recoverable under this Act or the Rules, the claimant shall within a period of ________ months from the date of demand, pay in addition to the said amount of drawback, interest at the rate fixed under section 28AA and the amount of interest shall be calculated for the period beginning from the date of payment of such drawback to the claimant till the date of recovery of such drawback.

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<td>c) 1</td>
<td>d)10</td>
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Answer- B

42. Notwithstanding anything herein before contained, no drawback shall be allowed in respect of any goods, the market price of which is less than the amount of drawback due thereon where the amount of drawback in respect of any goods is less than ____________ rupees.

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<td>a) 100</td>
<td>b) 50</td>
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<td>c) 1,000</td>
<td>d) 500</td>
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Answer- B
Chapter 19: Foreign Trade Policy

1. The term main legislation of FTP is ________________
   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 – Issuing Authorization   d) All the above
   Answer- D
9. Every Authorization shall be valid for prescribed period of validity and shall contain such terms and conditions as may be specified by _____________.
   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.
   a) 10  b) 12  c) 5  d) 6
   Answer- A
16. IEC is mandatory to export any goods out of India or to import any goods into India unless specifically exempt
   a) True  
   b) False  
   Answer- A

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
   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 _______.
   a) DGFT  
   b) CBEC  
   c) Regional Authority  
   d) RBI  
   Answer- D
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.
   a) 20  b) 10  c) 15  d) 25
   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 proceeds 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
   Answer- D
32. No seizure of stock shall be made by any agency so as to disrupt manufacturing activity and delivery schedule of exports.
   
   a) True  
   b) False  

   Answer: A

33. Seizure should be lifted within _____ days unless the irregularities are substantiated.
   
   a) 15  
   b) 7  
   c) 30  
   d) 45  

   Answer: B

34. Authorization for _______ of samples is required only in case of vegetable seeds, bees and new drugs.
   
   a) Import  
   b) Export  
   c) Both A & B  

   Answer: A

35. Samples of tea upto Rs. _______ (CIF) per consignment will be allowed without authorization.
   
   a) 5,000  
   b) 2,000  
   c) 10,000  
   d) 1,000  

   Answer: B

36. Samples upto Rs_______ can be imported by all exporters without duty.
   
   a) 1,00,000  
   b) 5,00,000  
   c) 3,00,000  
   d) 10,00,000  

   Answer: C

37. Export of bona fide trade and technical samples of freely exportable item shall be allowed without any limit.
   
   a) True  
   b) False  

   Answer: A

38. In case of export of samples of restricted items, application should be made to.
   
   a) DGFT  
   b) CBEC  
   c) CBDT  
   d) RBI  

   Answer: A

39. Import of gifts shall be permitted where such goods are otherwise freely importable under ITC(HS).
   
   a) True  
   b) False  

   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  

   Answer: A
41. Goods, including edible items, of value not exceeding Rs. ________ in a licensing year, may be exported as a gift
   a) 1,00,000    b) 5,00,000
   c) 3,00,000    d) 10,00,000
   Answer- B

42. Any person may import goods, except prohibited items, arms and ammunition, hazardous waste and chemicals and warehouse them in Private/ public bonded warehouses
   a) True    b) False
   Answer- A

43. If imported warehoused goods are not cleared for home consumption within ________ year or extended period, importer shall re-export the goods
   a) 1    b) 3
   c) 5    d) 2
   Answer- A

44. Private bonded warehouses set up exclusively for exports shall be entitled to procure goods from domestic manufacturers without payment of duty
   a) True    b) False
   Answer- A

45. Supplies made by a domestic supplier to such notified warehouses shall be treated as physical exports provided payments are made in ________
   a) freely convertible currency    b) Indian Rupees
   c) Either A or B    d) Both A and B
   Answer- A

46. Duty Exemption scheme consist of.
   a) Advance Authorisation Scheme    b) Duty Free Import Authorisation Scheme
   c) Duty Drawback    d) A&B
   Answer- D

47. Reward scheme consist of:
   a) Merchandise Exports from India Scheme    b) Service Exports from India Scheme
   c) Duty Drawback    d) A&B
   Answer- D

48. Duty Scrips can be used for:
   A) payment of customs duties on import of inputs/goods
   B) payment of excise duties on domestic procurement of inputs/goods including capital goods
   C) payment of service tax on procurement of services
   a) A&B    b) A&C
   c) B&C    d) A,B,C
   Answer- D
49. Duty Scrips are transferrable:
   a) True  
   b) False  
   Answer- A

50. 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 FOB value of exports as given in the Shipping Bills in free foreign exchange:
   a) True  
   b) False  
   Answer- A

51. Exports of handicraft items, handloom products, books/periodicals, leather footwear, toys and tailor made fashion garments through courier using e-commerce of FOB value upto Rs. ______ per consignment shall be entitled for rewards under MEIS:
   a) 10,000  
   b) 15,000  
   c) 5,00,000  
   d) 50,000
   Answer- C

52. A service provider (with active IEC at the time of rendering services) located in India, providing notified services rendered in the specified manner shall be eligible for reward at the notified rate(s) on net foreign exchange earned provided the minimum net free foreign exchange earnings of such service provider in the year of rendering service is: a) individual service providers and sole proprietorship : $ 10,000  
   b) other service providers : $ 15,000
   a) True  
   b) False  
   Answer- A

53. Under Advance Authorization scheme _________ which are used in the export product can be imported without payment of customs duty:
   a) Capital Goods  
   b) Inputs  
   c) Both A & B  
   d) None of the above
   Answer- B

54. Advance Authorization is issued for inputs in relation to the resultant product on the basis of SION:
   a) True  
   b) False  
   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  
   Answer- A
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
   Answer - D
64. Some exports categories/sectors ineligible for MEIS which are:
   a) SEZ/EOU/EHTP/BTP/FTWZ products exported through DTA units
   b) Export products which are subject to Minimum export price or export duty
   c) Exports made by units in FTWZ
   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 Authority
   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:
   a) 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
71. In case of indigenous sourcing of capital goods, specific EO shall be_________ times : 
   a) 7  
   b) 4.5  
   c) 6  
   d) 5.5  
   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 defined in Micro, Small & Medium Enterprises Development (MSMED) Act 2006  
   b) Manufacturing units having ISO/BIS  
   c) Units located in North Eastern States including Sikkim and Jammu & Kashmir  
   d) All the above  
   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 : 
   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  
   Answer- A
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 customs duty. Further, IGST and GST compensation cess is exempt upto 31.3.2019  
b) Input Tax Credit of GST paid on inputs and capital goods  
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 their requirements duty free or at reduced rates of duty  
b) Supplies to projects/ purposes that involve international competitive bidding  
c) Supplies to infrastructure projects of national importance  
d) All the above

Answer - D

84. Categories of Supplies considered as ‘Deemed Export’ include:

a) Supply of goods against Advance Authorisation/ DFIA  
b) Supply of goods to units located in EOU/STP/BTP/EHTP  
c) Supply of capital goods against EPCG authorisation  
d) All the above

Answer - D
85. ‘Deemed Export’ shall be eligible for

| a)  Advance Authorisation/ Advance Authorisation for Annual requirement/ DFIA | b) Deemed Export Drawback |
| c) Refund of terminal excise duty if exemption is not available | d) All the above |

Answer- D

86. Supply of domestically manufactured goods by an Indian Sub-contractor to any Indian or foreign main contractor, directly at the designated project’s/ Agency’s site, shall also be eligible for deemed export benefit provided name of ______________ is indicated either originally or subsequently (but before the date of supply of such goods) in the main 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 transfereer 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 duty | 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 |

Answer- A
Chapter 20: Common Topics

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

2. The provisional assessment sought by a taxable person can be used by:
   a) The taxable person who has sought the provisional assessment.
   b) The friends and relatives of the taxable person who has sought the provisional assessment.
   c) The holding/subsidiary company of the taxable person who has sought the provisional assessment.
   d) None of the above
   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?
   a) Six months from the date of the provisional assessment.
   b) Nine months from the date of the provisional assessment.
   c) Three months from the date of the provisional assessment.
   d) One months from the date of the provisional assessment.
   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) by the Joint/Additional Commissioner for a further period of 6 months and by the Commissioner for such further period not exceeding 4 years.
   b) by the Commissioner for a further period of 6 months.
   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 the Commissioner for a further period of 6 months.
   Ans. (a)
6. Whether any additional interest/penalty/prosecution will be leviable for non-payment of tax determined under provisional assessment?

<table>
<thead>
<tr>
<th>a) Only interest specified under Section 50 will be liable</th>
<th>b) Interest u/s 50 + Penalty of Rs. 10,000.</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Only Penalty @ 50% of the default amount.</td>
<td>d) No Penalty, only Prosecution</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th>a) Interest shall be payable only after 6 months after the final Assessment.</th>
<th>b) Interest shall be payable only after 3 months after the final Assessment.</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Interest shall be paid on such refund as provided in Section 56.</td>
<td>d) No interest shall be payable on the refund.</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th>a) Only Differential tax payable has to be paid on determination of final assessment.</th>
<th>b) Differential tax payable has to be paid on determination of final assessment along with interest specified under Section 50.</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Differential tax payable has to be paid on determination of final assessment along with interest specified under Section 50 and penalty of Rs. 20,000.</td>
<td>d) Differential tax payable has to be paid on determination of final assessment along with penalty of Rs. 20,000.</td>
</tr>
</tbody>
</table>

Ans. (b)

9. Whether all the returns submitted under Section 39 under CGST Act will be scrutinised?

<table>
<thead>
<tr>
<th>a) No, 50% of the returns submitted under Section 39 will be scrutinised.</th>
<th>b) Yes, all the returns submitted under Section 39 will be scrutinised.</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) No, Returns submitted under Section 39 will be self-assessed and proper officer may select any return for scrutiny under this Section.</td>
<td>d) No, 35% of the returns submitted under Section 39 will be scrutinised</td>
</tr>
</tbody>
</table>

Ans. (c)

10. Whether any time limit has been specified to issue notice for scrutiny?

<table>
<thead>
<tr>
<th>a) Six months from the end of the respective financial year.</th>
<th>b) No time limit has been prescribed as of now, however same may be prescribed in the rules</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) One Year from the end of the respective financial year</td>
<td>d) 3 Years from the end of the respective financial year.</td>
</tr>
</tbody>
</table>

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:

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<tbody>
<tr>
<td>a) Under Section 65 (Audit)</td>
<td>b) Section 66 (Special Audit)</td>
</tr>
<tr>
<td>c) Section 67, (Inspection, Search Seizure)</td>
<td>d) Proceed to determine the tax and other dues under Section 73 or Section 74.</td>
</tr>
<tr>
<td>e) Any of the above</td>
<td>f)</td>
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</table>

Ans. (e)

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

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<tbody>
<tr>
<td>a) Yes, Return has to be filed by registered person who has failed to submit return under Section 39 or Section 45 within 15 days from service the assessment order.</td>
<td>b) Yes, Return has to be filed by registered person who has failed to submit return under Section 39 or Section 45 within 30 days from service the assessment order.</td>
</tr>
<tr>
<td>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.</td>
<td>d) No time limit has been specified</td>
</tr>
</tbody>
</table>

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?

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

Ans. (d)

14. What is the time limit for issuing order under section 62?

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<tbody>
<tr>
<td>a) 9 months from the end of financial year.</td>
<td>b) 3 years for cases covered U/s 73 or 5 years for cases covered under 74</td>
</tr>
<tr>
<td>c) 5 years for cases covered U/s 73 or 3 years for cases covered under 74</td>
<td>d) 5 years from the due date of filing annual return</td>
</tr>
</tbody>
</table>

Ans. (d)

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

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<tbody>
<tr>
<td>a) 30 days</td>
<td>b) 60 days</td>
</tr>
<tr>
<td>c) 1 month</td>
<td>d) 2 months</td>
</tr>
</tbody>
</table>

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?

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<tbody>
<tr>
<td>a)</td>
<td>Taxable person will get immunity only from late fee u/s 47.</td>
</tr>
<tr>
<td>b)</td>
<td>No, taxable person will still be liable for interest u/s Section 50 and late fee u/s Section 47. Therefore, no immunity has been provided for the same.</td>
</tr>
<tr>
<td>c)</td>
<td>Taxable person will get immunity from late fee u/s 47 as well as interest u/s 50.</td>
</tr>
<tr>
<td>d)</td>
<td>Taxable person will get immunity only from interest u/s 50.</td>
</tr>
</tbody>
</table>

Ans. (b)

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

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</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>Proper officer may assess the tax liability to the best of his judgement.</td>
</tr>
<tr>
<td>b)</td>
<td>Issue a show cause notice and pass assessment order after providing opportunity of being heard.</td>
</tr>
<tr>
<td>c)</td>
<td>(a) or (b)</td>
</tr>
<tr>
<td>d)</td>
<td>(a) and (b)</td>
</tr>
</tbody>
</table>

Ans. (d)

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

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>Period selected for assessment has to be within 5 years from the end of due date for filing annual return of relevant period.</td>
</tr>
<tr>
<td>b)</td>
<td>Show cause notice has to be issued before passing assessment order</td>
</tr>
<tr>
<td>c)</td>
<td>Opportunity of being heard has to be given before passing assessment order.</td>
</tr>
<tr>
<td>d)</td>
<td>All of the above</td>
</tr>
</tbody>
</table>

Ans. (d)

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

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>No, the proper officer has to obtain prior permission of [Additional/Joint Commissioner] to proceed to assess the tax liability.</td>
</tr>
<tr>
<td>b)</td>
<td>No, the proper officer has to obtain prior permission of Chief Commissioner to proceed to assess the tax liability</td>
</tr>
<tr>
<td>c)</td>
<td>No, the proper officer has to obtain prior permission of Principle Chief Commissioner to proceed to assess the tax liability.</td>
</tr>
<tr>
<td>d)</td>
<td>Yes, the proper officer can proceed Suo-moto in assessing the tax liability of a taxable person on possession of relevant evidence</td>
</tr>
</tbody>
</table>

Ans. (a)

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

<p>| | |</p>
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>On an application made by taxable person,</td>
</tr>
<tr>
<td>b)</td>
<td>If the Additional/Joint Commissioner considers that such order is erroneous.</td>
</tr>
<tr>
<td>c)</td>
<td>(a) or (b)</td>
</tr>
<tr>
<td>d)</td>
<td>The order passed u/s 64 cannot be withdrawn</td>
</tr>
</tbody>
</table>

Ans. (c)
21. Who is authorised to undertake the audit of a registered person under section 65 of CGST Act?

| a) The Commissioner of CGST/Commissioner of SGST | b) Any officer authorised by Commissioner 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 for initiation of audit u/s 65. | b) Proper evidence is a prerequisite for initiation of audit 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 registered person | b) the place of residence of the registered person. |
| c) the office of the tax authorities | 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 commencement of audit | b) three months from the date of commencement of audit |
| c) One year from the date of commencement of audit | d) None of the above |

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 six months | b) by a further period not exceeding three months |
| c) by a further period not exceeding nine months | d) no extension of time limit is permissible |

Ans. (a)

27. During the course of audit, the authorised officer may require the registered person:

| a) to afford him the necessary facility to verify the books of account or other documents as he may require | b) to furnish such information as he may require and render assistance for timely 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 been correctly declared |
| b) | the credit availed is not within the normal 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 Assistant Commissioner, with the prior approval of the Commissioner |
| b) | An officer not below the rank of Joint/Additional, with the prior approval of the Chief Commissioner |
| c) | An officer not below the rank of Chief Commissioner, with the prior approval of the Principle Chief Commissioner |
| d) | None of the above |

Ans. (a)

30. Who is authorised to conduct the special audit including books of account u/s 66?

| a) | Chartered Accountant as may be nominated by the Commissioner |
| b) | Cost and Works Accountant as may be 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 extension of time |
| b) | within the period of sixty days without any extension of time |
| c) | within the period of ninety days. The Assistant 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. |
| d) | None of the above |

Ans. (c)

32. The expenses of audit u/s 66 is determined and paid by:

| a) | the Commissioner |
| b) | the Deputy/ Assistant Commissioner with prior approval of the Commissioner |
| c) | the registered person |
| d) | Any of the above |

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 person  
   b) Any places of business of a taxable person engaged in the business of transporting goods  
   c) Any places of business of an owner or an operator of a warehouse or godown or any other place  
   d) All of the above
   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)

38. 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)

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 the Indian Penal Code as the case may be  
   b) Arrest under Code of Criminal Procedure, 1973  
   c) Arrest under Foreign Exchange Management Act  
   d) None of the above
   Ans. (a)
41. The documents called for should be provided within……………….

<table>
<thead>
<tr>
<th>a) 20 working days</th>
<th>b) 15 working days</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) 5 working days</td>
<td>d) 45 working days</td>
</tr>
</tbody>
</table>

Ans. (b)

42. The ………………… Officer is empowered to assist the proper officer.

<table>
<thead>
<tr>
<th>a) Police/Customs</th>
<th>b) Health</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) CBI</td>
<td>d) State Excise</td>
</tr>
</tbody>
</table>

Ans. (a)

43. What is the time limit for issue of order in case of fraud, misstatement or suppression?

<table>
<thead>
<tr>
<th>a) 30 months</th>
<th>b) 18 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) 5 years</td>
<td>d) 3 years</td>
</tr>
</tbody>
</table>

Ans. (c)

44. What is the time limit for issue of order in case of other than fraud, misstatement or suppression?

<table>
<thead>
<tr>
<th>a) 30 months</th>
<th>b) 18 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) 5 years</td>
<td>d) 3 years</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th>a) Yes</th>
<th>b) No</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) At proper officer’s discretion</td>
<td>d) If requested by notice</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th>a) Amount of tax + interest + penalty of 10% of tax</th>
<th>b) Amount of tax + interest + penalty of 10% of tax or Rs. 10,000/- whichever is higher</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Rs. 10,000/-</td>
<td>d) Amount of tax + interest + 25% penalty</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th>a) Amount of tax + interest + penalty of 15% of tax</th>
<th>b) Amount of tax + interest + penalty of 25% of tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Amount of tax + interest + penalty of 50% of tax</td>
<td>d) Amount of tax + interest + penalty of 100% of tax</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th>a) Not exceeding Rupees 10 lakhs</th>
<th>b) Above Rupees 10 lakhs and not exceeding Rupees 1 crore</th>
</tr>
</thead>
</table>


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?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
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<td>b)</td>
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</tr>
<tr>
<td>c)</td>
<td>Above Rupees 1 crore without any limit</td>
</tr>
<tr>
<td>d)</td>
<td>Not exceeding Rupees 20 lakhs</td>
</tr>
</tbody>
</table>

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?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>a)</td>
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<td>c)</td>
<td>Above Rupees 1 crore without any limit</td>
</tr>
<tr>
<td>d)</td>
<td>Any amount without any limit</td>
</tr>
</tbody>
</table>

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?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>Not exceeding Rupees 20 lakhs</td>
</tr>
<tr>
<td>b)</td>
<td>Above Rupees 20 lakhs and not exceeding Rupees 2 crore</td>
</tr>
<tr>
<td>c)</td>
<td>Above Rupees 2 crore without any limit</td>
</tr>
<tr>
<td>d)</td>
<td>Any amount without any limit</td>
</tr>
</tbody>
</table>

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?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>Not exceeding Rupees 10 lakhs</td>
</tr>
<tr>
<td>b)</td>
<td>Above Rupees 10 lakhs and not exceeding Rupees 1 crore</td>
</tr>
<tr>
<td>c)</td>
<td>Above Rupees 1 crore without any limit</td>
</tr>
<tr>
<td>d)</td>
<td>Any amount without any limit</td>
</tr>
</tbody>
</table>

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?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</thead>
<tbody>
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<td>b)</td>
<td>Above Rupees 20 lakhs and not exceeding Rupees 2 crore</td>
</tr>
<tr>
<td>c)</td>
<td>Above Rupees 2 crore without any limit</td>
</tr>
<tr>
<td>d)</td>
<td>Any amount without any limit</td>
</tr>
</tbody>
</table>

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?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>Yes</td>
</tr>
<tr>
<td>b)</td>
<td>No</td>
</tr>
<tr>
<td>c)</td>
<td>At proper officer’s discretion</td>
</tr>
<tr>
<td>d)</td>
<td>None of the above</td>
</tr>
</tbody>
</table>

Ans. (a)
55. What is the maximum number of times a hearing can be adjourned?
   a) 1  
   b) 3  
   c) 5  
   d) None 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 proper 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:
   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 taxable  
   d) None of the above  
   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  
   Ans. (a)
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 is ....................from the date of service of the order,

   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 the rank of Joint Commissioner d) None of the above

Ans. (a)
70. Recovery of amount payable by a defaulter can be made from:
   a) Customer  
   b) Bank  
   c) 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
   a) Sale  
   b) Mortgage  
   c) Any other mode of transfer  
   d) All of the above  
   Ans. (d)

77. When transfer of property would be considered void?
   a) Transaction is done to defraud the Government revenue  
   b) Transaction is done without the intention 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 without the notice of the pendency of proceedings under the Act  
   b) Transaction is done without the notice of such tax or other sum payable  
   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?
   a) The Deputy Commissioner       b) The Commissioner
   c) The GST Council   d) The Assistant Commissioner
   Ans. (b)

83. Till what period does the order passed for provisional attachment is valid?
   a) Infinite period       b) Ten years
   c) One year   d) Till the end of such proceedings
   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?
   a) 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
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:

<table>
<thead>
<tr>
<th>a) Form GST DRC -07</th>
<th>b) Form GST DRC -08</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Form GST DRC -09</td>
<td>d) Form GST DRC -10</td>
</tr>
</tbody>
</table>

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 –

<table>
<thead>
<tr>
<th>a) Transferee;</th>
<th>b) Respective companies;</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Any one of the companies;</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>

Ans. (b)

91. In case of amalgamation between two companies, such companies shall be treated as two distinct companies till –

<table>
<thead>
<tr>
<th>a) Till the date of the Court order</th>
<th>b) Till the effective date of merger</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Till the date of cancellation of registration</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>

Ans. (a)

92. Intimation regarding appointment of liquidator should be given to the Commissioner within 30 days of

<table>
<thead>
<tr>
<th>a) Liquidation</th>
<th>b) Cancellation of registration</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Appointment of Liquidator</td>
<td>d) Order of Court</td>
</tr>
</tbody>
</table>

Ans: (c)

93. Commissioner will notify the amount of liability within how many days of intimation

<table>
<thead>
<tr>
<th>a) 3 months</th>
<th>b) 30 days</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) 60 days</td>
<td>d) 6 months</td>
</tr>
</tbody>
</table>

Ans. (a)

94. When shall the Director be not liable to pay the tax dues if the company is not able to pay?

<table>
<thead>
<tr>
<th>a) Liquidator refuses to pay</th>
<th>b) Auditor refuses to pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) If the non-recovery is not due to gross neglect of the Director</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th>a) In all cases</th>
<th>b) Company refuses to pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) If the non-recovery is not due to gross neglect, misfeasance or breach of duty of the Director</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>


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 retirement of partner is received by the Commissioner  
   b) Till the date of acceptance of intimation by the Department  
   c) Till the date of retirement  
   d) Till the date of show cause notice  
   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 person  
   d) None of the above  
   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  
   Ans. (c)
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)

104. Who is liable to pay tax if the business of an individual is discontinued before his death?
   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)

105. The legal representative or any other person of an individual who is dead is liable to pay tax, only if –
   a) The business has been carried on by the legal representative
   b) The business has been carried by the legal representative or any other person
   c) The business has been carried by any other person
   d) None of the above.
   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)

107. 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) d) None of the above
   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 the HUF members d) Determination of liability by the Department
   Ans. (a)

109. The expression ‘firm’ would include a__________
   a) Company b) LLP
   c) HUF d) AOP
   Ans. (b)

110. 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
   Ans. (c)
111. Refunds will not be allowed in cases of:-

<table>
<thead>
<tr>
<th>a)</th>
<th>b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exports made on which export duty is levied</td>
<td>Exports made without payment of tax</td>
</tr>
<tr>
<td>c)</td>
<td>d)</td>
</tr>
<tr>
<td>Inverted duty structures where tax on inputs are higher than tax on outputs</td>
<td>None of the above</td>
</tr>
</tbody>
</table>

Ans. (a)

112. Refund application is to be filed before the expiry of ______ from the relevant date.

<table>
<thead>
<tr>
<th>a)</th>
<th>b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Two years</td>
<td>One year</td>
</tr>
<tr>
<td>c)</td>
<td>d)</td>
</tr>
<tr>
<td>180 days</td>
<td>260 days</td>
</tr>
</tbody>
</table>

Ans. (a)

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

<table>
<thead>
<tr>
<th>a)</th>
<th>b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intra-State supply of goods and/or services</td>
<td>Inter-state supply of goods and/or services</td>
</tr>
<tr>
<td>c)</td>
<td>d)</td>
</tr>
<tr>
<td>Inward supply of goods and/or services</td>
<td>All of the above</td>
</tr>
</tbody>
</table>

Ans. (d)

114. What is the time limit for filing of refund application by a specialised agency of the UNO?

<table>
<thead>
<tr>
<th>a)</th>
<th>b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before the expiry of eight months from the last day of the quarter in which such inward supply received</td>
<td>Before expiry of eight months from the last day of the month in which such inward supply received</td>
</tr>
<tr>
<td>c)</td>
<td>d)</td>
</tr>
<tr>
<td>Before expiry of six months from the last day of the month in which such inward supply was received</td>
<td>Before expiry of six months from the last day of the quarter in which such inward supply was received</td>
</tr>
</tbody>
</table>

Ans. (d)

115. A registered person claiming refund of balance in electronic cash ledger may make such a claim in: -

<table>
<thead>
<tr>
<th>a)</th>
<th>b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application for refund</td>
<td>Annual Return</td>
</tr>
<tr>
<td>c)</td>
<td>d)</td>
</tr>
<tr>
<td>Returns filed at the end of tax periods</td>
<td>None of the above</td>
</tr>
</tbody>
</table>

Ans. (c)

116. 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?

<table>
<thead>
<tr>
<th>a)</th>
<th>b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>70%</td>
<td>65%</td>
</tr>
<tr>
<td>c)</td>
<td>d)</td>
</tr>
<tr>
<td>80%</td>
<td>90%</td>
</tr>
</tbody>
</table>

Ans. (d)

117. 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.

<table>
<thead>
<tr>
<th>a)</th>
<th>b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 days</td>
<td>15 days</td>
</tr>
<tr>
<td>c)</td>
<td>d)</td>
</tr>
<tr>
<td>30 days</td>
<td>2 months</td>
</tr>
</tbody>
</table>

Ans. (a)
118. The applicant is not required to furnish documentary evidence if the amount of refund claimed is less than:

<table>
<thead>
<tr>
<th>a) Rs. 6 lac</th>
<th>b) Rs. 2 lac</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Rs. 10 lac</td>
<td>d) Rs. 20 lac</td>
</tr>
</tbody>
</table>

Ans. (b)

119. Refund shall not be paid to the applicant if the amount of refund is less than:

<table>
<thead>
<tr>
<th>a) Rs. 1000</th>
<th>b) Rs. 5000</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Rs. 7000</td>
<td>d) Rs. 10000</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>a) Tax</th>
<th>b) Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Interest and other amounts</td>
<td>d) All of the above</td>
</tr>
</tbody>
</table>

Ans. (d)

121. The time limit available to proper officer to pass final order after accepting the refund application is:

<table>
<thead>
<tr>
<th>a) Within sixty days from the date of receipt of application.</th>
<th>b) Within eighty days from the date of receipt of application.</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Within ninety days from the date of receipt of application.</td>
<td>d) Within thirty days from the date of receipt of application</td>
</tr>
</tbody>
</table>

Ans. (a)

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

<table>
<thead>
<tr>
<th>a) 60 days</th>
<th>b) 90 days</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) 180 days</td>
<td>d) 240 days</td>
</tr>
</tbody>
</table>

Ans. (a)

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

<table>
<thead>
<tr>
<th>a) Not exceeding 6%</th>
<th>b) Not exceeding 8%</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Not exceeding 10%</td>
<td>d) Not exceeding 12%</td>
</tr>
</tbody>
</table>

Ans. (a)

124. What is the meaning of applicant for Advance Ruling?

<table>
<thead>
<tr>
<th>a) Person registered under the Act.</th>
<th>b) Person desirous of obtaining registration under the Act.</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Tourist as defined under section 15 of IGST Act, 2017</td>
<td>d) (a) or (b).</td>
</tr>
</tbody>
</table>

Ans. (d)

125. Where shall the Advance Ruling Authority be located?

<table>
<thead>
<tr>
<th>a) The Authority shall be located in each State / Union Territory</th>
<th>b) The Authority shall be located in Centre.</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) The Authority shall be located in both Centre &amp; State.</td>
<td>d) None of the above</td>
</tr>
</tbody>
</table>
126. The AAR shall comprise of:

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

Ans. (a)

127. The Appellant Authority for Advance Ruling shall comprise of:

- **a)** Chief Commissioner of Central tax as designated by the Board and Commissioner of State tax/Union Territory tax, having jurisdiction over the applicant.
- **b)** Principal Chief Commissioner of Central tax and Commissioner of State tax/Union Territory tax, having 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 Jurisdictional officer
- **d)** Concerned 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 shall state the point or points on which they differ and make a reference to the Appellate Authority for hearing and decision on such question
- **b)** The Authority will not take any decision and reject the application
- **c)** The Authority will remand the case to jurisdictional officer
- **d)** None of the above

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

Ans. (c)
131. Who can appeal to the AAAR?
   a) Jurisdictional CGST/SGST officer or the applicant  
   b) Any Taxable Person
   c) Any citizen concerned about the ruling passed  
   d) All of the above
   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 application
   d) Both (a) and (c)
   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 Authority for the Advance Ruling
   c) Authority or, as the case may be, the Appellate Authority
   d) None of the above
   Ans. (c)

135. Who can apply for rectification of error on record?
   a) Applicant
   b) Concerned officer or Jurisdictional Officer
   c) Advance Ruling Authority or the Appellate Authority on its own accord can rectify the error
   d) All of the above
   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 of enhancing the tax liability.
   b) If the rectification has the effect of reducing the amount of admissible input tax credit.
   c) (a) or (b)
   d) None of the above
   Ans. (c)
137. The Advance Ruling pronounced by the AAAR shall be binding on:

<table>
<thead>
<tr>
<th>a)</th>
<th>The applicant who sought the advance ruling.</th>
</tr>
</thead>
<tbody>
<tr>
<td>b)</td>
<td>The jurisdictional officer in respect of the applicant</td>
</tr>
<tr>
<td>c)</td>
<td>(a) and (b).</td>
</tr>
<tr>
<td>d)</td>
<td>None of the above.</td>
</tr>
</tbody>
</table>

Ans. (c)

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

<table>
<thead>
<tr>
<th>a)</th>
<th>If ruling is obtained by suppression of material facts</th>
</tr>
</thead>
<tbody>
<tr>
<td>b)</td>
<td>If the applicant is in the business of supplies on which clarification has been sought</td>
</tr>
<tr>
<td>c)</td>
<td>If the applicant does not engage in the business of supplies after 6 months of obtaining the ruling</td>
</tr>
<tr>
<td>d)</td>
<td>If a Supreme Court judgment is pronounced on the same issue and the judgment is exactly the opposite of the clarification issued under the ruling</td>
</tr>
</tbody>
</table>

Ans. (a)

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

<table>
<thead>
<tr>
<th>a)</th>
<th>Applicant Taxpayer.</th>
</tr>
</thead>
<tbody>
<tr>
<td>b)</td>
<td>Concerned Central / State Officer and Other Jurisdictional State / Central Officer.</td>
</tr>
<tr>
<td>c)</td>
<td>Authority for Advance Ruling</td>
</tr>
<tr>
<td>d)</td>
<td>All of the above</td>
</tr>
</tbody>
</table>

Ans. (d)

140. Advance Ruling cannot be sought in respect of:

<table>
<thead>
<tr>
<th>a)</th>
<th>admissibility of input tax credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>b)</td>
<td>classification of goods and/or services</td>
</tr>
<tr>
<td>c)</td>
<td>whether applicant is required to be registered</td>
</tr>
<tr>
<td>d)</td>
<td>whether applicant is entitled to refund</td>
</tr>
</tbody>
</table>

Ans. (d)

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

<table>
<thead>
<tr>
<th>a)</th>
<th>show cause notice has been issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>b)</td>
<td>appeal has been filed to Appellate Tribunal against the adjudication order</td>
</tr>
<tr>
<td>c)</td>
<td>appeal has been filed before the Hon’ble high Court</td>
</tr>
<tr>
<td>d)</td>
<td>None of the above</td>
</tr>
</tbody>
</table>

Ans. (d)

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

<table>
<thead>
<tr>
<th>a)</th>
<th>being undertaken by him</th>
</tr>
</thead>
<tbody>
<tr>
<td>b)</td>
<td>proposed to be undertaken by him</td>
</tr>
<tr>
<td>c)</td>
<td>already undertaken by him</td>
</tr>
<tr>
<td>d)</td>
<td>all of the above</td>
</tr>
</tbody>
</table>

Ans. (d)

143. AAR or AAAR shall be constituted

<table>
<thead>
<tr>
<th>a)</th>
<th>Under respective State GST Act</th>
</tr>
</thead>
<tbody>
<tr>
<td>b)</td>
<td>Under Central GST Act</td>
</tr>
<tr>
<td>c)</td>
<td>Both under Central GST and State GST Act</td>
</tr>
</tbody>
</table>

Ans. (c)
144. 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)

145. A member of AAR shall not be below the rank of:
   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)

147. The fee for filing an appeal before AAAR by the applicant is:
   a) Rs. 25000/- under CGST Act  
   b) Rs. 25000/- under SGST Act  
   c) Rs. 10000/- each under CGST and SGST Act  
   d) Rs. 25000/- under any of the above Act
   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:
   a) pass an order admitting the application  
   b) pass an order rejecting the application  
   c) pass an order admitting or rejecting the application  
   d) allow the applicant to amend the application
   Ans. (c)

150. A copy of Advance Ruling has to be certified to be a true copy of its original:
   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 respective State AAAR  
   d) in the jurisdictional office of the Central AAAR
   Ans. (c)