

Q1- ----- Model of GST adopted

(a) Dual (b) National (c) both of the above (d) None of the Above

Ans. (a) Dual

Q2. Which is not subsumed in GST?

(a) Basic Custom Duty (b) Entertainment tax levied by Local Authority (c) Toll Tax (d) All of the above

Ans. (d) All of the above

Q3 Administration and levy of GST is as follows:

(a) Centre will levy and administer CGST and IGST and States will levy and administer SGST (b) Only Centre will levy and administer all CGST, SGST and IGST (c) Centre will levy and administer IGST only and States will levy and administer CGST and SGST (d) State will levy and administer SGST and [GST and IGST shall be distributed among Centre and State partially.

Ans. (a) Centre will levy and administer CGST and IGST and States will levy and administer SGST

Q4. What transition period is allowed under section 19 of Constitution (101th Amendment) Act, 2016?

(a) 6 Months (b) 1 Year (c) 1.5 years (d) No transition period allowed

Ans. (b) 1 Year

Q5. 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) All of the above

Q6. 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

Ans. (b) Exempt supply vide Sl. No. 25 of Notification No. 12/2017-Central Tax (Rate), dated 28-Jun-2017

Aggregate Turnover [Section 2(6)]

Q7. Aggregate turnover does not include-

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

Ans. (a) Inward supplies on which tax is payable on reverse charge basis

Q8. ABC Ltd. has provided following information for the month of Sep, 2018:

(i) Intra-State outward supply ` 8,00,000/- , (ii) Inter-State exempt outward supply ` 5,00,000/- , (iii) Turnover of exported goods ` 10,00,000/- , (iv) Payment made to GTA ` 80,000/-

Calculate the aggregate turnover of ABC Ltd.

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

Q9. X Ltd. supplied spare parts freely to replace during warranty period. Is it supply and chargeable to GST?

(a) Yes, (b) No,

Ans. (b) No

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Q10. Online information and data base access or retrieval services, where import of free services from Google by Mr. A located in India, without any consideration. Is it subject to GST?

a) Yes, (b) No,

Ans. (b) No

Q11. Import (Downloading) of a song for consideration for personal use by Mr. A. Is it supply of service and leviable to GST?

(a) Yes, (b) No,

Ans. (a) Yes

NOTE – OIDAR Service is taxable,

Q12. Mr. C got design made from Architect located in USA for his house in India. Is it supply. If so who is liable to pay GST.

(a) Yes, it is supply, but exempt from GST. Since, it is not OIDAR service, (b) No,

Ans.(a) Yes, it is supply, but exempt from GST. Since, it is not OIDAR service

Q13. Mr. C got design made from Architect located in USA for his shop in India. Is it supply. If so who is liable to pay GST.

(a) Yes, it is supply, Mr. C liable to pay GST under reverse charge, (b) No, (c) none of the above

Ans.(a) Yes, it is supply, Mr. C liable to pay GST under reverse charge

Q14. Import of some services by an Indian branch from their parent company, in the course or furtherance of business, without consideration. Is it taxable supply in India?

(a) Yes. It is a taxable supply in India and hence IGST will be levied. (b) No

Ans. (a) Yes. It is a taxable supply in India and hence IGST will be levied.

Q15. Mr. A during long drive with his girlfriend violated traffic rules and was imposed fine of ₹1,000. Whether it is supply

(a) Yes, (b) No,

Ans. (b) No

Q16. Penalties levied on late or delayed payment of consideration of supply of goods or services are taxable supply?

(a) Yes, (b) No,

Ans. (a) Yes

Q17. Mr. P, a practicing CA provided services to M/s A Ltd., dealer of laptops. In return M/s A Ltd., given 1 laptop to Mr. P.

(a) Supply of service made by Mr.P, (b) Supply of goods made by A Ltd, (c) Both (a) & (b), (d) None of the above

Ans.(c) Both (a) & (b)

Q18. Mr. X, a dealer in laptops. He supplied a laptop for ₹60,000 to Mr. Y along with a barter of printer. The value of the printer known at the time of supply is ₹5,000 but the open market value of the laptop is not known. The value of the supply of laptop is ₹65,000.

(a) X is liable to pay GST on ₹65,000., (b) Mr. Y is liable to pay GST on ₹5,000 if he is registered, (c) Both (a) &

(b),

(d) None of the above

Ans. (c) Both (a) & (b)

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Q19. M/s A Ltd., purchases new laptop. Hence the old computers and laptops, donated to a Trust. Is it supply. If so who is liable to pay GST.

(a) Yes, it is supply, M/s A Ltd., liable to pay GST, if company availed input tax credit on such computers and laptops. (b) No, (c) none of the above

Ans. a) Yes, it is supply, M/s A Ltd., liable to pay GST, if company availed input tax credit on such computers and laptops.

Q20. M/s Z Ltd., being a trader in clothes permanently transfers 50% of its stock to a Trust free of cost. Is it supply. If so who is liable to pay GST.

(a) Yes, it is supply, M/s Z Ltd., liable to pay GST, if company availed input tax credit on purchase of clothes. (b) No, (c) none of the above

Ans. a) Yes, it is supply, M/s Z Ltd., liable to pay GST, if company availed input tax credit on purchase of clothes

Q21. M/s A Ltd., trading in clothes purchased AC for business purpose and availed Input tax credit but after 2 years, it transfer the AC to director without consideration. Will the transaction be a supply in terms of GST ACT?

(a) Yes, it is supply, M/s A Ltd., liable to pay GST, if company availed input tax credit on such AC. (b) No, (c) none of the above

Ans. (a) Yes, it is supply, M/s A Ltd., liable to pay GST, if company availed input tax credit on such AC.

Q22. M.K Batra & Co., (a CA firm) employer who represents his employee before the Income Tax authorities but does not charge any professional fee in respect of the same. Is it supply? Open Market value of service is 80,000

(a) yes, (b) No

Ans. (a) yes

Q23. M/s A Ltd., gives Diwali Gifts to each employee worth ₹70,000/-. Is it supply?

(a) yes, (b) No

Ans. (a) yes

Q24. Ram has received a sum of ₹10,00,000 from his employer on premature termination of his contract of employment. Is it supply?

(a) yes, (b) No, since supply excludes services provided by the employee to the employer in the course of employment (as per Schedule III of CGST Act, 2017).

Ans. (b) No

Q25. Salary paid to partners by partnership firm is liable to GST?

(a) No. It is not supply. It is merely an appropriation of profit. (b) yes

Ans. (a) No. It is not supply. It is merely an appropriation of profit

Q26. Ram, a CA, has a registered head office in Delhi. He has also obtained registration in the State of Haryana in respect of his branch office. Whether Ram shall be treated as distinct persons in respect of registrations in Delhi and Haryana and Whether Transactions between head office and branch office will be considered as supply of service even though there is no consideration.

(a) yes distinct person and considered supply, (b) No (c) yes, No (d) No, yes

Ans. (a) yes distinct person and considered supply

Q27. M/s C Ltd. has 3 branches A, B & C in different states. Whether stock transfer between Branch A & C is supply?

(a) Yes, (b) No

Ans. (a) yes

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Q28. Ram, a CA, has a registered head office in Delhi. He has establishment in the State of Haryana for accommodating extra staff to do work from that office. Whether Ram shall be treated as distinct persons in respect of registrations in Delhi and Establishment in Haryana

(a) Yes, (b) No

Ans. (a) yes

Q29. 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

Ans. (b) No

Q30. Which of the following will be excluded from the computation of 'aggregate turnover'?

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

Ans. (d) Value of inward supplies on which tax is paid on reverse charge basis

Q31. What will happen if the turnover of a registered person opting to pay taxes under composition scheme during the year 2017-18 crosses threshold limit?

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

Ans. (c) He will cease to remain under the composition scheme with immediate effect.

Q32. Previous year turnover of units of A Ltd Registered in Delhi – 20 lakh, Mumbai – 30 lakh, Chennai – 40 lakh, Kolkata – 16.2 lakh. Above amounts are including GST @ 18%. Whether A Ltd is eligible for composition scheme

(a) Yes, since, Aggregate Turnover = 90 lakh $(106.2/118 \times 100)$ (b) No (c) None of the above

Ans. (a) Yes, since, Aggregate Turnover = 90 lakh $(106.2/118 \times 100)$

Q33. Previous year turnover of units of A Ltd Registered in Delhi – 50 lakh, Mumbai – 40 lakh. Whether A Ltd can opt for composition scheme for Delhi unit only and whether it has to give separate intimation for every unit?

(a) Yes can opt and separate intimation for every unit (b) No, opt for all the units and intimation in respect of any place shall be deemed to be intimation for all other places of business. (c) None of the above.

Ans. (b) No, opt for all the units and intimation in respect of any place shall be deemed to be intimation for all other places of business.

Q 34. Mr. C, an architect (New Delhi), provides professional services to Mr. Z of New York in relation to his immovable property located in Pune. What will be place of Supply?

(a) New Delhi (b) New York (c) Pune (d) None of the above

Ans. (c) Pune

Q 35. Mr. C, an architect (New Delhi), enters into a contract with Mr. Z of New York to provide professional services in respect of immovable properties of Mr. Z located in Pune and New York. What will be place of Supply?

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(a) New Delhi (b) New York (c) Pune (d) None of the above

Ans. (c) Pune

Q 36. A circus team from Russia organizes a circus in New Delhi. What will be place of Supply?

(a) New Delhi (b) Russia (c) None of the above

Ans.(a) New Delhi

Q37. An event management company registered in New Delhi organises an art exhibition displaying works of an international painter based in Dubai. The exhibition is organised in 3 countries including New Delhi. What will be place of Supply?

(a) New Delhi (b) Dubai (c) None of the above

Ans.(a) New Delhi

Q 38. Mr. C, a foreign tourist, on a visit to Varanasi (Uttar Pradesh) uses his international debit card to withdraw money from an ATM of a local Bank registered in Uttar Pradesh. What will be place of Supply?

(a) Varanasi (b) Foreign country (c) None of the above

Ans. (a) Varanasi

Q39. A travel agent registered in New Delhi books a tour of famous Indian cities for a Dubai resident. What will be place of Supply?

(a) New Delhi (b) Dubai (c) None of the above

Ans. (a) New Delhi

Q40. Mr. D, an unregistered person based in New Delhi, leaves for a European holiday. He hires a car from London, UK for 20 days. What will be place of Supply?

(a) New Delhi (b) London (c) None of the above

Ans. (b) London

Q41. 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) Discounts offered to customers, subject to conditions

Q42. M/s Z Ltd., holds 40,000 shares in M/s A Ltd. and 35,000 shares in B Ltd. Share Capital of M/s A Ltd: 1,00,000 Equity Shares of ₹10 each. Share Capital of M/s B Ltd: 80,000 Equity Shares of ₹10 each. Whether A Ltd. and B Ltd. Are related?

(a) Yes, Since, M/s Z Ltd., holds more than 25% of the share in the company A Ltd. and B Ltd., (b) No

Ans.(a) Yes, Since, M/s Z Ltd., holds more than 25% of the share in the company A Ltd. and B Ltd.

Q43. Reliable group has three companies namely M/s T Ltd., M/s L Ltd., and M/s O Ltd., as group companies and M/s Reliable Ltd., as a parent company. M/s Reliable Ltd., holds 25% of the shares in each group company. Whether T, L & O companies will be considered as related persons?

(a) yes, (b) No

Ans.(a) yes

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Q44. S Ltd, a Spare Parts Dealer, sells spare parts to Bata Automobiles for Rs 6,000. The MRP of the spare parts is Rs 10,000. What will be the Assessable Value?

(a) 6000 (b) 10000 (c) none of the above

Ans. (a) 6000

Q45. Admission to Theatre is ₹ 100 per ticket for a Movie plus entertainment tax ₹10% Find the value of taxable supply of service. Rate of GST is 28%. Find the GST liability if any?

(a) 110, 30.80 (b) 100, 28 (c) 110, 28 (d) None of the above

Ans. (a) 110, 30.80

Q46. Mr. A located in Delhi purchases 1,000 Calculator worth Rs.1, 00,000 from M/s ABC located in Mumbai. Mr. A's son is an employee in M/s ABC. The price of each calculator in the open market is Rs. 102. As per contract, supplier has to deliver goods at premises of buyer. The supplier instructs the buyer to make payment of transport charges of Rs. 10,000 to Goods transport agency for delivering the goods to the recipient's place of business. What will be the value

(a) 1,00,000 (b) 1,10,000 (c) 1,02,000 (d) 1,12,000

Ans. (b) 1,10,000

Q47. Machine price - 45,000, Weighment charges – 10000, Design Charges – 20,000, Special packing done for Machine of Rs 5,000. Determine Value?

(a) 80,000 (b) 50,000 (c) 70,000 (d) 60,000

Ans. (a) 80,000

Q48. Following are the details

Value of supply of goods – payment to be made within 30 days	Rs 20 lakh
Interest on delayed payment, if payment made after 30 days	Rs 1.18 lakh
Mr. A has paid after 30 days	

Rate of GST – 18%, Determine the value of supply

(a) 20 lakh (b) 21 lakh (c) 21.18 lakh (d) None of the above

Ans. Value of supply = Rs 20 lakh + 1 lakh (1.18 lakh × 100/118) = Rs 21 lakh.

Q49. Does a Medical 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) Yes [he should get registered and also pay GST on taxable supply.]

Q50. 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) GTA, forward charge

Q51. 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) Yes [Rule 18 of CGST Rules, 2017]

Q52. Does a Service provider who has turnover of less than 20 lakh and Providing service through ecommerce websites, have to register for GST, if such e-commerce operator is required to collect TCS?

(a) No ,(b) Yes

Ans. (a) No [Notification No. 65/2017 – Central Tax dated 15.11.2017]

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Q53. Do I, a Mutual fund Distributor working in Delhi, need to register under GST, having income less than ₹ 20 Lakhs but working for offices that are registered in Mumbai and have branch offices in Delhi?

(a) No ,(b) Yes

Ans. (b) No [Section 24 read Notification No. 10/2017 – Integrated Tax dated 13.10.2017]

Q54. If I already have a GSTIN, do I need to register separately as an Input Service Distributor?

(a) No ,(b) Yes

Ans.(b) Yes [Section 24(viii) of the CGST Act]

Q55. The application for registration after being examined by the proper officer, if the same are found to be in order, approve the grant of registration to the applicant within----- from the date of submission of application.

(a) 3 working days (b) 5 working days (c) 7 working days (d) 10 working days

Ans. (a) 3 working days

Q56. The application for registration after being examined by the proper officer, if the same are found to be deficient, and requires any clarification, he may issue a notice to the applicant electronically in form---

(a) GST REG-01, within 7 working days (b) GST REG-02, within 3 working days (c) GST REG-03, within 3 working days (d) GST REG-04, within 5 working days

Ans. (c) GST REG-03, within 3 working days

Q57. The applicant shall furnish any clarification, sought electronically by the proper officer regarding deficiency in application, in form GST REG-04, within—from the date of receipt of such notice.

(a) 3 working days (b) 7 working days (c) 5 working days (d) 10 working days

Ans. (b) 7 working days

Q58. The application for grant of registration shall be deemed to have been approved, if the proper officer fail to take any action

(a) Within 3 working days from the date of submission of application

(b) Within 7 working days from the date of receipt of clarification, information or documents furnished by the applicant (c) Both (a) OR (b) (d) None of the above

Ans. (c) Both (a) OR (b)

Q59. The number of Digit in the PAN/TAN based GSTIN registration number will be;

(a) 10 Digit (ten characters for the PAN or the Tax Deduction and Collection Account Number)

(b) 12 Digit (two characters for the state code, ten characters for the PAN or the Tax Deduction and Collection Account Number)

(c) 14 Digit (two characters for the state code, ten characters for the PAN or the Tax Deduction and Collection Account Number, one character for the entity code, One checksum character)

(d) 15 Digit (two characters for the state code, ten characters for the PAN or the Tax Deduction and Collection Account Number, two characters for the entity code, One checksum character)

Ans.(d) 15 Digit

Q60. What is the effective date of registration where application for the registration has submitted within 30 days from being liable to get registered?

(a) Date of becoming liable to registration (b) Date of making application in GST REG-01 (c) Date of grant of registration (d) Date of first sale made after registration

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Ans. (a) Date of becoming liable to registration

Q61. What is the effective date of registration in case the person voluntarily opts to take registration in GST?

(a) Date of becoming liable to registration (b) Date of making application in GST REG-01 (c) Date of grant of registration (d) Date of first sale made after registration

Ans. (c) Date of grant of registration

Q62. A registered taxable person is liable to show his GSTIN number in,

(a) Tax Invoice (b) Name Board at Principal Place and additional place of business (c) Both (a) and (b) (d) Either (a) OR (b)

Ans. (d) Either (a) OR (b)

Q63. What is the prescribed time period to apply for registration by a non-resident taxable person?

(a) Within 7 days after total turnover crosses 20 lakhs (b) Within 7 days prior to the commencement of business (c) Within 30 days from being liable to registration (d) At least 5 days prior to the commencement of business

Ans. (d) At least 5 days prior to the commencement of business

Q64. Apa caterings supply outdoor catering services to its customers by sub-contracting the same. Sub-contractor supplied food items like ice creams, North Indian Meals, South Indian Meals and so on to Apa caterings. Sub-contractor raised invoice on Apa caterings for supply of outdoor catering services ₹50000 plus GST 18%. Determine credit available

(a) 9000 (b) No credit available (c) 50% credit (d) None of the above

Ans. (a) 9000

Q65. Airindia Ltd. is engaged in supply of transport of passengers by air services. The company avails outdoor catering services of M/s Apa Caterers in order to provide food and beverages to the passengers. M/s Apa Caterers raises an invoice on Air Ltd charging GST.

Air Ltd. wants to avail the ITC on outdoor catering services supplied by M/s Apa Caterers. Advise.

(a) credit allowed, Since inward supply of catering service is used by a registered person for outdoor catering services which forms part of taxable composite supply of passengers by air services. (b) No credit available (c) 50% credit (d) None of the above

Ans. (a) credit allowed, Since inward supply of catering service is used by a registered person for outdoor catering services which forms part of taxable composite supply of passengers by air services.

Q66. Subscription of the gym, yoga classes, or membership of any club for any sport or for anything else. Determine credit available

(a) Credit available (b) No credit available (c) 50% credit (d) None of the above

Ans. (b) No credit available

Q67. Mr. A of USA being technician came to India to assemble parts of machinery. He also imported goods worth ₹10,00,000 and paid following customs duties: (i) Basic customs duty is ₹ 1,00,000.

(ii) SWS ₹ 10,000. (iii) Integrated Goods and Services Tax (IGST) of ₹ 1,99,800.

In India Mr. A wants to register as non-resident taxable person and his estimated liability is ₹ 2,50,000.

How much Mr. A is liable to pay as advance tax?

(a) 2,50,000, (b) $2,50,000 - 1,99,800 = 50,200$, (c) 40,200 (d) None of the above

Ans. (b) $2,50,000 - 1,99,800 = 50,200$

Q68. M/s X Ltd. purchased shoes for their employee's personal consumption by paying GST thereon. ITC not allowed on such goods.

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(a) Credit available (b) No credit available (c) 50% credit (d) None of the above

Ans. (b) No credit available

Q69. M/s Info Ltd. providing various facilities to their employees like club, sports facilities etc. to ensure that the employees stay comfortably in the colony. It increases the efficiency of employee. Examine the credit applicability in this case.

(a) Credit available used in the course or furtherance of business. (b) No credit available (c) 50% Credit (d) None of the above

Ans. (a) Credit available

Q70. M/s X Ltd. sold goods to M/s Y Ltd. for ₹ 2,00,000 plus GST ₹ 36,000. M/s X Ltd. remitted the GST on or before the due date. During the audit of M/s X Ltd. books by the Central Tax Department quantified the GST liability ₹ 1,08,000 and demanded to pay differential duty of ₹ 72,000 u/s 74 of the CGST Act, 2017. Finally, M/s X Ltd. paid the differential GST of ₹ 36,000.

M/s Y Ltd. wants to avail the input tax credit of differential amount of GST, advise.

(a) Credit available (b) No credit available (c) 50% Credit (d) None of the above

Ans. (b) No credit available

Note – No credit under Section 17(5)(i) of the CGST Act, 2017 of any tax paid in accordance with the provisions of fraud, detention, seizure and confiscation of goods or conveyance.

Q 71. An unregistered person can avail ITC on stock if he applies for registration within

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

Ans.(c) 30 days of becoming liable to register under GST

Q 72. 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 above

Ans.(b) Unutilized in e-ledger of transferor

Q 73. Mr. A has applied for Registration voluntary on 01.04.19 and Registration granted on 07.04.19.

Following is the information of stock on 06.04.19

		CGST	SGST
1	GST on input purchased on 01.01.18	2000	2000
2	GST on input purchased on 01.07.18 contained in semi-finished goods held in stock	5000	5000
3	GST on input purchased on 01.08.18 contained in Finished goods held in stock	10000	10000
4	Capital goods purchased on 10.03.19	100000	100000

Determine credit available on voluntary registration

(a) CGST 15000, SGST 15000, (b) CGST 17000, SGST 17000, (c) CGST 115000, SGST 115000, (d) None of the above

Ans. (a) CGST 15000, SGST 15000

Q74. ABC Ltd started business on 01.04.18 and was not liable to registration. But from 01.07.19, he becomes liable to registration, since his turnover exceeded Rs 20 lac. He applied for Registration on 10.07.19. Stock on 30.6.19 is as follows

		CGST	SGST
1	GST on input purchased on 20.11.18	2000	2000

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2	GST on input purchased on 01.04.18 contained in semi-finished goods held in stock	5000	5000
3	GST on input purchased on 01.08.18 contained in Finished goods held in stock	10000	10000
4	Capital goods purchased on 10.11.18	100000	100000

Calculate input tax credit available.

(a) CGST 12000, SGST 12000, (b) CGST 17000, SGST 17000, (c) CGST 115000, SGST 115000, (d) None of the above

Ans. (a) CGST 12000, SGST 12000

Q 75. M/s PQR Ltd was paying tax under composition scheme and his Turnover crossed Rs 1 crore on 07.04.18. Following is the information of stock on 06.04.18

		CGST	SGST
1	GST on input purchased on 01.01.17	2000	2000
2	GST on input purchased on 01.07.17 contained in semi-finished goods held in stock	5000	5000
3	GST on input purchased on 01.08.17 contained in Finished goods held in stock	10000	10000
4	Capital goods purchased on 10.03.18	100000	100000

Determine credit available

(a) CGST 1,05,000, SGST 1,05,000, (b) CGST 17000, SGST 17000, (c) CGST 115000, SGST 115000, (d) None of the above

Ans. (a) CGST 1,05,000, SGST 1,05,000

M/s A Ltd. sold plant and machinery after being used in the manufacture of taxable goods for ₹ 4,00,000 on 1st November 2018. GST is payable on transaction value of part and machinery 18%. M/s A Ltd. was purchased this machine vide invoice dated 22nd November 2017 for ₹ 5,50,000/- plus GST 18%. M/s A Ltd. availed the credit on said plant and machinery. Find the amount payable by M/s A Ltd. under section 18(6) of the CGST Act, 2017.

(a) 74,250 (b) 72,000 (c) 99,000 (d) None of the above

(a) 74,250

Note - Pay amount Higher of 2 (1) Tax on Transaction value 4 lac × 18% = 72000 (2) 99000 – 5% × 5 Qtr × 99000) i.e 74,250

Q 76. 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) All of above.

Q 78. The goods manufactured by PQR Ltd have been exempted from GST w.e.f 01.03.18. Earlier these were liable to IGST @ 18%. Following is the information of stock on 28.2.18

- Input costing Rs 118000 (including IGST @ 18%)
- Input costing Rs 59000 (including IGST @ 18%) in process
- Finished goods valuing Rs 472000 (including IGST @ 18%) in stock. Input cost is 50% of Value.
- ITC on Capital goods purchased on 20.09.17 – Rs 100000
- Balance of input tax credit in Electronic credit ledger – 150000

Department insisted PQR Ltd to reverse the credit on input referred above. However PQR Ltd contends that credit once validly taken is indefeasible and not reversed. Determine the amount payable.

What would be your answer, if the balance in electronic credit ledger A/c as on 28.09.18 is Rs 160000?

(a) Amt. Payable – 3000, Lapse – 7000, (b) Amt. Payable – 7000, Lapse – 3000 (c) None of the above

Ans. (a) Amt. Payable – 3000, Lapse – 7000

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Q79. Katyani Security Services Ltd. provides security services to Royal Jewelers for their Jewellery Exhibition to be organized on 5th October. When tax invoice required to be issued?

(a) on or before 4th November. (b) on or before 5th October (c) on or before 30th October (d) None of the above

(a) on or before 4th November.

Q.80 If the supplier is an insurer/banking company /financial institution I non-banking financial company, tax invoice shall be issued within-----from the date of supply of service.

(a) 15 days (b) 30 days (c) 45 days (d) 60 days

Ans.(c) 45 days

Q.81 Banks may issue consolidated tax invoice on monthly basis. Is it true?

(a) Yes (b) No

Ans.(a) Yes

Q.82 whether a registered Goods Transport Agency (GTA) supplying taxable services is required to issue tax invoice?

(a) Yes (b) No (c) Optional

Ans.(a) Yes

Q.83 Ticket issued in case of passenger transportation service is a tax invoice. The statement is

.

(a) True (b) False

Ans.(a) True

Q.84 When due date of payment is not ascertainable for continuous service, tax invoice shall be issued on or before

(a) due date of payment

(b) The date when supplier receives the payment

(c) (A) or (b), whichever is earlier

(d) (a) or (b), whichever is later

Ans.(b) The date when supplier receives the payment

Q85. 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) Issue 'revised invoice' and collect tax within 1 month of date of issuance of certificate of registration, subject to conditions.

Q86. Sarabhai Private Ltd. commenced business of supply of goods on 1st April in Delhi. Its turnover exceeded ₹ 20, 00,000 on 3rd September. Thus it became liable to registration on 3rd September. It applied for registration on 29th September and granted registration certificate on 5th October. What is requirement of revised invoice

(a) may issue Revised Tax Invoices in respect of taxable supplies effected between 3rd September and 5th October. (b) may issue Revised Tax Invoices in respect of taxable supplies effected between 1st April and 5th October. (c) may issue Revised Tax Invoices in respect of taxable supplies effected between 29th September and 5th October. (d) None of the above

Ans.(a) may issue Revised Tax Invoices in respect of taxable supplies effected between 3rd September and 5th October.

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Q87. Jhanvi Cinemas entered into an annual maintenance contract with Peer Services Ltd. for one year [April-March] for the Air conditioners fitted in their theaters. As per the contract, payment for said services had to be made on 7th April. However, Jhanvi Services made the payment on 15th April. When tax invoice required to be issued?

(a) on or before 7th April. (b) on or before 15th April. (c) on or before 7th May. (d) None of the above

Ans.(a) on or before 7th April.

Q88. Jain & Sons is a trader dealing in stationery items. It is registered under GST and has undertaken following sales during the day:

S no	Recipient of supply	Amount (₹)
1	Raghav Traders - a registered retail dealer	190
2	Dhruv Enterprises – an unregistered trader	358
3	Gaurav – a Painter [unregistered]	500
4	Oberoi Orphanage – an unregistered entity	188
5	Aaradhya – a Student [unregistered]	158

None of the recipients require a tax invoice [Raghav Traders being a composition dealer].

Determine in respect of which of the above supplies, Jain & Sons may issue a Consolidated Tax Invoice instead of Tax Invoice at the end of the day?

(a) issue a Consolidated Tax Invoice only to Oberoi Orphanage [worth ₹ 188] and Aaradhya [worth ₹ 158] as the value of goods supplied to these recipients is less than ₹ 200 as also these recipients are unregistered and don't require a tax invoice. (b) issue a Consolidated Tax Invoice to Raghav Traders (c) issue a Consolidated Tax Invoice to Dhruv Enterprises and Gaurav (d) None of the above

Ans.(a) issue a Consolidated Tax Invoice only to Oberoi Orphanage [worth ₹ 188] and Aaradhya [worth ₹ 158] as the value of goods supplied to these recipients is less than ₹ 200 as also these recipients are unregistered and don't require a tax invoice.

Q.89 A registered person, Mr. X supplies goods worth Rs 170 to Mr. Y an unregistered person. Is it mandatory to issue tax invoice separately?

(a) Yes (b) No (c) None of the above

Ans.(b) No

Q.90 A separate 'Bill of Supply' is not necessary if the value of the goods or services supplied is less than 200 -----

(a) Unless the recipient demands for such a bill (b) In every case (c) Unless required by law (d) None of the above

Ans.(a) Unless the recipient demands for such a bill

Q91. Determine Rate of Tax & Nature of supply, if not determinable at time of advance

(a) 18%, inter-state (b) 28%, intra-state (c) 18%, intra-state (d) 28%, inter-state

Ans.(a) 18%, inter-state

Q92. The name of the State of recipient along with State code is required on the invoice where:

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

Ans. (b) Supplies are made to unregistered persons where the value of supply is ₹ 50,000 or more

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Q.93 -----shall accompany transport of goods when e-way bill is not required.

- (a) Delivery Challan (b) Tax Invoice (c) Bill of Supply (d) (b) or (c)

Ans.(d) (b) or (c)

Q.94 Delivery Challan shall be prepared in-

- (a) Duplicate (b) Triplicate (c) Original only (d) (a) or (b), depends on consignor

Ans.(b) Triplicate

Q. 95 Goods may be transported without issue invoice in case of?

- (a) Supply of liquid gas where the quantity at the time of removal from the place of business of the supplier is not known,
(b) Transportation of goods for job work,
(c) Transportation of goods for reasons other than by way of supply
(d) All of the above

Ans.(d) All of the above

Q.96 Credit Note is issued when-----

- (a) Tax invoice is found to exceed the tax value or tax payable
(b) Goods supplied are returned by the recent
(c) Goods or services supplied are found be deficient
(d) All of the above

Ans.(d) All of the above

Q.98 Debit Note is issued when-----

- (a) Tax Invoice is found to be less than taxable value or tax charged
(b) Tax invoice is found to exceed the taxable value or tax payable
(c) Goods supplied are returned by the recipient
(d) Goods or services supplied are found to be deficient

Ans.(a) Tax Invoice is found to be less than taxable value or tax charged

Q99. A credit note is issued by _____ and it is a document accepted for GST purposes:

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

Ans. (a) Supplier, for reducing the tax/ taxable value.

Q100. For an increase in the tax/ taxable value, a debit note for GST purposes:

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

Ans.(a) Should be issued by the supplier.

Q.101 The clearing and forwarding agent or the carrier of goods shall maintain true and correct records in respect of

- (a) Such goods handled by him on behalf of the registered person
(b) Goods supplied by him. (c) Goods procured by him. (d) All of the above.

Ans. (a) Such goods handled by him on behalf of the registered person

Q.102 Every registered person whose aggregate turnover during a financial year exceeds the prescribed limit of -----shall get his accounts audited by a chartered accountant or a cost accountant.

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(a) 2 Crore (b) 5 Crore (c) 1 Crore (d) Tax Audit

Ans. (a) 2 Crore

Q.103 What are the consequences if taxable goods are found in a place other than those declared without valid documents?

(a) Proper officer shall impose penalty (b) Proper officer shall determine the amount of tax on such goods (c) No consequences (d) Either of the above specified options

Ans. (b) Proper officer shall determine the amount of tax on such goods

Q.104 What shall be the treatment of incorrect entries made in the registers, accounts or documents?

(a) They shall be scored out after informing the proper officer. A log of every entry edited or deleted shall be maintained. (b) They shall be scored out under order of officer. A log of every entry edited or deleted shall be maintained. (c) They shall be scored out under attestation. A log of every entry edited or deleted shall be maintained.

(d) Can be easily rectified. A log of every entry edited or deleted shall be maintained.

Ans. (c) They shall be scored out under attestation. A log of every entry edited or deleted shall be maintained.

Q105. 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) The date on which he became liable for registration till the date of grant of registration

Q106. The due date for furnishing the annual return for every financial year by every registered taxable person other than ISD, non-resident tax payer, a person paying tax under section 10, 51 or 52 and a casual taxable person is

(a) 30th of September following the end of the financial year, (b) 20th of October following the end of the financial year

(c) 31st of December following the end of the financial year, (d) 31st of May following the end of the financial year

Ans. (c) 31st of December following the end of the financial year

Q107. 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) All of the above

Q108. 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) GSTR 9

Q109. 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) Compounding taxable person – Form GSTR 9A