

**Paper 4B : Indirect Taxation (New Course)**

1 Mr. X, a registered supplier of Meghalaya wants to opt for composition levy. The turnover limit for composition levy is-

- (a) Rs. 50 lakh
- (b) Rs. 75 lakh
- (c) Rs. 1 crore
- (d) none of the above

2 The persons making inter-State supplies from Madhya Pradesh is compulsorily required to get registered under GST, \_\_\_\_\_

- (a) if his all India based aggregate turnover exceeds ₹ 20 lakh in a financial year
- (b) if his all India based aggregate turnover exceeds ₹ 10 lakh in a financial year
- (c) irrespective of the amount of aggregate turnover in a financial year
- (d) in case of making inter-State supply of taxable goods, irrespective of the amount of aggregate turnover in a financial year

3 Which of the following services are exempt under GST?

- (a) testing of agricultural produce
- (b) supply of farm labour
- (c) warehousing of agricultural produce
- (d) all of the above

4 Mr. Narayan Goel has booked a room on rent in Sunshine Hotel for the purpose of lodging on 10.08.20XX. GST is not payable by Mr. Narayan Goel in case rent for the same is \_\_\_\_\_

- (a) Rs. 800
- (b) Rs. 6000
- (c) Rs. 11000
- (d) Rs. 1500

5 Input tax credit is not available in respect of \_\_\_\_\_.

- (a) services on which tax has been paid under composition levy
- (b) free samples
- (c) goods used for personal consumption
- (d) all of the above

6 Mr. X, a registered person deals in supply of taxable goods. He need not issue tax invoice for the goods supplied on 16.04.20XX as the value of the goods is \_\_\_\_\_.

- (a) Rs. 1,200
- (b) Rs. 600
- (c) Rs. 150
- (d) Rs. 200

7 Transportation of goods by \_\_\_\_\_ are exempt from GST.

- (i) road
- (ii) inland waterways

(iii) goods transportation agency

(iv) courier agency

(a) (i) & (ii)

(b) (iii) & (iv)

(c) (i) and (iv)

(d) (i)[except (iii) & (iv)] & (ii)

8 Transportation of \_\_\_\_\_ by rail from Chennai to Gujarat are exempt from GST.

(i) pulses

(ii) military equipments

(iii) electric equipments

(iv) biscuits

(a) (i) & (ii)

(b) (i) & (iii)

(c) (ii) & (iv)

(d) all of the above

9 Services by way of warehousing of \_\_\_\_\_ is exempt from GST.

(i) pulses

(ii) milk

(iii) salt

(iv) rice

(a) (i) & (ii)

(b) (iii)

(c) (iv)

(d) all of the above

10 GST is payable by recipient of services in the following cases:-

(i) Services provided by way of sponsorship to ABC Ltd.

(ii) Services supplied by a director of Galaxy Ltd. to Mr. Krishna.

(iii) Services by Department of Posts by way of speed post to MNO Ltd.

(iv) Services supplied by a recovering agent to SNSP Bank

(a) (i) & (iii)

(b) (i) & (iv)

(c) (ii) & (iii)

(d) (ii) & (iv)

11 Which of the following statement is true for Mr. X, a casual taxable person?

- (a) Mr. X is not required to take registration under GST.
- (b) Mr. X is required to get registration under GST, if the aggregate turnover in a financial year exceeds ₹ 20 lakh.
- (c) Mr. X can opt for voluntary registration under GST.
- (d) Mr. X has to compulsorily get registered under GST irrespective of the threshold limit.

12 The registration certificate granted to Non resident taxable person is valid for \_\_\_\_\_ days from the effective date of registration.

- (a) 30
- (b) 60
- (c) 90
- (d) 120

13 Which of the following activity shall be treated neither as a supply of goods nor a supply of services?

- (i) Permanent transfer of business assets where input tax credit has been availed on such assets
- (ii) temporary transfer of intellectual property right
- (iii) transportation of deceased
- (iv) services by an employee to the employer in the course of employment

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

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

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

15 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

16 How the aggregate turnover is calculated for computing threshold limit of registration?

- (i) 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.
- (ii) Aggregate value of all taxable supplies(excluding the value of inward supplies on which

tax is payable by a person on reverse charge basis), exempt supplies, export of goods/services and interstate supplies of a person computed for each state separately.

(iii) 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.

(iv) 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.

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

17 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.
- (c) No Time Limit
- (d) Within 90 days from the date he becomes liable for registration.

18 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

19 What is the validity of the registration certificate?

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

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

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

21. Can a registered person opting for composition scheme collect GST on his outward supplies?

- (a) Yes, in all cases
- (b) Yes, only on such goods as may be notified by the Central Government
- (c) Yes, only on such services as may be notified by the Central Government
- (d) No

22. In case of Goods Transport Agency (GTA) services, tax is to be paid under forward charge if:
- GST is payable @ 12%
  - GST is payable @ 5% and a factory registered under the Factories Act, 1948 is the recipient of GTA service.
  - GST is payable @ 5% and an unregistered individual end customer is the recipient of GTA service.
  - None of the above
23. Which of the following services are not exempt from GST?
- Yoga camp conducted by a charitable trust registered under section 12AA of the Income-tax Act, 1961.
  - Services provided by business correspondent to the rural branch of a bank with respect to Savings Bank Accounts
  - Services provided by cord blood bank for preservation of stem cells.
  - Service provided by commentator to a recognized sports body
24. The term 'goods', as defined under section 2(52) of the CGST Act, 2017, does not include-
- Grass
  - Money and securities
  - Actionable claims
  - Growing crops
25. Rama Ltd. has provided following information for the month of September:
- |   |               |
|---|---------------|
| (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 for availing GTA services | ₹ 80,000/-    |
- Calculate the aggregate turnover of Rama Ltd.
- ₹ 8,00,000/-
  - ₹ 23,80,000/-
  - ₹ 23,00,000/-
  - ₹ 18,00,000/-
26. 'P' Ltd. has its registered office, under the Companies Act, 2013, in the State of Maharashtra from where it ordinarily carries on its business. It also has a warehouse in the State of Telangana. What will be the place of business of 'P' Ltd. under the GST law?
- Telangana
  - Maharashtra
  - Both (a) and (b)
  - None of the above
27. An exempt supply includes-
- Supply of goods or services or both which attracts Nil rate of tax
  - 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
28. Which of the following are services exempt from GST?
- (a) Services by an artist by way of a performance in folk or classical art forms of painting/sculpture making etc. with consideration therefor not exceeding ₹ 1.5 lakh.
- (b) Services by an artist by way of a performance in modern art forms of music/ dance/ theatre with consideration therefor not exceeding ₹ 1.5 lakh.
- (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 ₹ 2.5 lakh.
- (d) 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.
29. Services by way of admission to \_\_\_\_\_ are exempt from GST.
- (a) Museum
- (b) National park
- (c) Tiger reserve
- (d) All of the above
30. Discount given after the supply is deducted from the value of taxable supply, if –
- (a) such discount is given as per the agreement entered into at/or before the supply
- (b) such discount is linked to the relevant invoices
- (c) proportionate input tax credit is reversed by the recipient of supply
- (d) all of the above
31. In which of the following situations, taxpayer needs to reverse the credit already taken?
- (a) If payment is not made to the supplier within 45 days from the date of invoice
- (b) If payment is not made to the supplier within 90 days from the date of invoice
- (c) If payment is not made to the supplier within 180 days from the date of invoice
- (d) None of the above
32. 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) 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)
33. If the goods are received in lots/installment, -----
- 50% ITC can be taken on receipt of 1st installment and balance 50% on receipt of last installment.
  - ITC can be availed upon receipt of last installment.
  - 100% ITC can be taken on receipt of 1st installment.
  - Proportionate ITC can be availed on receipt of each lot/installment.
34. For banking companies using inputs and input services partly for taxable supplies and partly for exempt supplies, which of the statement is true?
- ITC shall be compulsorily restricted to credit attributable to taxable supplies including zero rated supplies
  - 50% of eligible ITC on inputs, capital goods, and input service shall be mandatorily taken in a month and the rest shall lapse.
  - Banking company can choose to exercise either option (a) or option (b)
  - None of the above
35. A supplier takes deduction of depreciation on the GST component of the cost of capital goods as per Income- tax Act, 1961. The supplier can-
- avail only 50% of the said tax component as ITC
  - not avail ITC on the said tax component
  - avail 100% ITC of the said tax component
  - avail only 25% of the said tax component as ITC

### Solution

1	(b)	11	(d)	21	(d)	31	(c)
2	(d)	12	(c)	22	(a)	32	(a)
3	(d)	13	(d)	23	(d)	33	(b)
4	(a)	14	(a)	24	(b)	34	(c)
5	(d)	15	(c)	25	(c)	35	(b)
6	(c)	16	(d)	26	(c)		
7	(d)	17	(b)	27	(d)		
8	(a)	18	(c)	28	(c)		
9	(c)	19	(c)	29	(d)		
10	(b)	20	(d)	30	(d)		