

CHAPTER - 1 : INTRODUCTION [S. 1]

MULTIPLE CHOICE QUESTIONS

1. GST Stands for
(a) Goods and Supply Tax (b) Government Sales Tax
(c) Goods and Services Tax (d) Good and Simple Tax
2. GST is levied in India on the basis of _____ Principle.
(a) Origin (b) Destination
(c) Either a or b (d) Both a or b
3. The main objective of GST implementation is _____.
(a) To consolidate multiple indirect tax levies into single tax
(b) Overcoming limitation of existing indirect tax structure
(c) Creating efficiencies in tax administration
(d) All of above
4. Which of the following is not a bill passed by parliament for the implementation of GST in India?
(a) The Central GST Act, 2017 (b) The State GST Act, 2017
(c) The Integrated GST Act, 2017 (d) None of above
5. _____ Petroleum products have been temporarily been kept out of GST.
(a) One (b) Two
(c) Three (d) Five
6. In India, GST structure is _____ in nature.
(a) Single (b) Dual
(c) Triple (d) (a) & (b) both
7. GST is not levied on which of the following ?
(a) Alcoholic Liquor for Human Consumption (b) Five Petroleum Products
(c) Immovable Property (d) All of above
8. GST is not levied on which of the following ?
(a) Motor Spirit (b) High speed diesel
(c) Natural gas (d) All of above
9. _____ is levied on Intra-State Supply of goods and/or Services.
(a) CGST (b) SGST
(c) IGST (d) Both a & b
10. _____ is levied on Inter State Supply of Goods and/or Services.
(a) CGST (b) SGST
(c) IGST (d) Both a & b
11. _____ is levied on Intra State Supply of Goods and/or Services in Union Territory.
(a) SGST (b) IGST
(c) UTGST (d) GST is not levied
12. Goods and Services Tax is a tax levied on goods and services imposed at each point of _____.
(a) Sale (b) Service
(c) Supply (d) Manufacturing
13. GST is a national level tax based on _____.
(a) First point tax principle (b) Value Added principle
(c) Last point tax principle (d) All of the above
14. The following tax has been subsumed into Central GST.
(a) Central Sales Tax (b) Custom Duty
(c) Service Tax (d) All of the above
15. GST was introduced in India on
(a) 1-4-2017 (b) 1-5-2017
(c) 1-6-2017 (d) 1-7-2017

16. Indian GST model has _____ tier rate structure.
- (a) 3 (b) 4
(c) 5 (d) 6
17. What does 'I' stands for in IGST?
- (a) International (b) Internal
(c) Integrated (d) Intra
18. Which of the following tax is not subsumed in GST ?
- (a) VAT (b) Stamp Duty
(c) Entry Tax (d) Entertainment Tax
19. HSN Code Stands for
- (a) Home Shopping Network (b) Harmonised System of Nomenclature
(c) Harmonised System Number (d) Home State Number
20. Alcoholic liquor for Human Consumption is subject to -
- (a) CGST (b) SGST
(c) IGST (d) None of the above
21. Five petroleum products viz. petroleum crude, motor spirit (petrol), high speed diesel, natural gas and aviation turbine fuel have been kept out of GST _____.
- (a) Permanently (b) Temporarily
(c) For one year (d) None of the above
22. The items which will be taxable both under Central Excise Law and the GST even after the implementation of the GST Act.
- (a) Motor spirit (b) Tobacco and Tobacco Products
(c) Alcoholic liquor for human consumption (d) Natural Gas
23. On Petroleum Crude, High Speed Diesel, Motor Spirit (commonly known as Petrol), Natural Gas, and Aviation Turbine Fuel:
- (a) GST will never be levied at all
(b) GST will be levied from a date to be notified on the recommendations of the GST Council
(c) GST will be levied, but it will be exempt
(d) None of the above
24. Supply of the following is not liable to GST _____.
- (a) Alcoholic liquor for industrial consumption
(b) Alcoholic liquor for medicinal consumption
(c) Alcoholic liquor for human consumption
(d) Alcoholic liquor for animal consumption
25. GST is a comprehensive tax regime covering _____.
- (a) Goods (b) Services
(c) Both goods and services (d) None of the above
26. Which of the following taxes have been subsumed under GST ?
- (1) Central Excise Duty (2) Service Tax
(3) VAT (4) Luxury Tax
- Select the correct answer from the options given below
- (a) (1) & (2) etc. (b) (3), (1) & (2)
(c) All of the above (d) None of the above
27. GST is a comprehensive tax regime covering _____.
- (a) Goods (b) Services
(c) Both goods and services (d) Goods, services and imports
28. Goods and Services Tax is a tax levied on goods and services imposed at each point of
- (a) Demand (b) Cash sale
(c) Supply (d) Manufacturing
29. The CGST Act, 2017 extends to
- (a) Whole of India excluding the State of Jammu & Kashmir
(b) Whole of India
(c) Whole of India excluding the State of Jammu & Kashmir and Union territories
(d) Whole of India excluding the State of Jammu & Kashmir but including Union territories

ANSWERS

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

CHAPTER - 2 : DEFINITIONS [S. 2]

MULTIPLE CHOICE QUESTIONS

A. Recipient [Section 2(93)]

1. P Ltd. has a contract with X Ltd. to provide book keeping services to Q Ltd. Q Ltd. is a subsidiary of P Ltd. The liability to discharge consideration for such book keeping service is of P Ltd. As per the CGST Act, 2017, who will be the recipient of the above service?
- (a) P Ltd. (b) Q Ltd.
(c) X Ltd. (d) Both (a) and (b)

B. Goods [Section 2(52)]

2. The definition of goods under section 2(52) of the CGST Act does not include-
- (a) Grass (b) Money and securities
(c) Actionable claims (d) Growing crops
3. _____ is not included in the term "Goods" under GST Law:
- (a) Movable Property (b) Actionable Claim
(c) Securities (d) Growing Crops
4. Which of the following is not covered under the term "Goods" under GST ?
- (a) Money (b) Actionable Claim
(c) Securities (d) Both (a) & (c)
5. As per the CGST Act, 2017, "business" includes :
- (i) Adventure not for a pecuniary benefit
(ii) Any activity or transaction undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities.
- (a) (ii) only (b) Both (i) and (ii)
(c) Neither (i) nor (ii) (d) (i) only
6. Which of the following can be treated as "goods" under the CGST Act, 2017 ?
- (i) Movable Property
(ii) Money and Securities
(iii) Actionable Claim
- Select the correct answer from the options given below :
- | | I | II | III |
|-----|---|----|-----|
| (a) | ✓ | × | ✓ |
| (b) | × | ✓ | ✓ |
| (c) | × | ✓ | × |
| (d) | ✓ | × | × |
7. Securities are excluded from the definition of _____.
- (a) Goods (b) Services
(c) Both (a) and (b) (d) Neither (a) nor (b)
8. Money is _____.
- (a) Specifically included in the definition of goods
(b) Specifically included in the definition of services
(c) Specifically excluded from the definition of goods as well as services
(d) None of the above
9. Actionable Claims are _____.
- (a) Specifically included in the definition of goods
(b) Specifically included in the definition of services
(c) Specifically excluded from the definition of goods as well as services
(d) Specifically excluded from the definition of goods only

C. Non-Taxable Supply [Section 2(78)]

10. 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)

ANSWERS

1. (a)	3. (c)	5. (b)	7. (c)	9. (a)
2. (b)	4. (d)	6. (a)	8. (c)	10. (d)

CHAPTER - 3 : SCOPE OF SUPPLY [S. 7 - 8]

MULTIPLE CHOICE QUESTIONS

A. Scope of Supply (Section 7)

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
2. The activities to be treated as supply of goods or supply of services as referred to in _____ of CGST Act, 2017.
 - (a) Schedule I of CGST Act
 - (b) Schedule II of CGST Act
 - (c) Schedule III of CGST Act
 - (d) Section 7
3. Which of the following taxes will be levied on Imports?
 - (a) CGST
 - (b) SGST
 - (c) IGST
 - (d) None of the above
4. Which of the following is not a supply as per section 7 of the CGST Act ?
 - (a) Management consultancy services not in course or furtherance of business
 - (b) Import of service for consideration not in course or furtherance of business
 - (c) Both (a) and (b)
 - (d) None of the above
5. _____ specifies the activities to be treated as supply even if made without Consideration
 - (a) Schedule I of CGST Act
 - (b) Schedule II of CGST Act
 - (c) Schedule III of CGST Act
 - (d) All of the above
6. Which of the following activity is outside the scope of supply and not taxable under GST?
 - (a) Services by an employee to the employer in the course of or in relation to his employment
 - (b) Services of funeral
 - (c) Actionable claims, other than lottery, betting and gambling.
 - (d) All of the above
7. Which of the following activities is a supply of services?
 - (a) Transfer of right in goods/ undivided share in goods without transfer of title in goods
 - (b) Transfer of title in goods
 - (c) Transfer of title in goods under an agreement which stipulates that property shall pass at a future date
 - (d) All of the above
8. Supply includes import of services for a consideration _____.
 - (a) Only if in the course or furtherance of business
 - (b) Only if not in the course or furtherance of business
 - (c) Whether or not in the course or furtherance of business
 - (d) None of the above
9. _____ specifies the activities which are neither to be treated as supply of goods nor a supply of services.
 - (a) Schedule I of CGST Act
 - (b) Schedule II of CGST Act
 - (c) Schedule III of CGST Act
 - (d) All of the above
10. Activities or transactions undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities, as may be notified by the Government on the recommendations of the Council, shall treated as _____.
 - (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services

11. Transfer of the title in goods shall be considered as _____.
 - (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
12. Transfer of right in goods or of undivided share in goods without the transfer of title thereof shall be considered as _____.
 - (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
13. Transfer of title in goods under an agreement which stipulates that property in goods shall pass at a future date upon payment of full consideration as agreed shall be considered as _____.
 - (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
14. Lease, tenancy, easement, licence to occupy land shall be considered as _____.
 - (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
15. Lease or letting out of the building including a commercial, industrial or residential complex for business or commerce, either wholly or partly shall be treated as _____.
 - (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
16. Any treatment or process which is applied to another person's goods shall be treated as _____.
 - (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
17. Where goods forming part of the assets of a business are transferred or disposed of by or under the directions of the person carrying on the business so as no longer to form part of those assets, whether or not for a consideration, such transfer or disposal is a _____ by the person.
 - (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
18. Where, by or under the direction of a person carrying on a business, goods held or used for the purposes of the business are put to any private use or are used, or made available to any person for use, for any purpose other than a purpose of the business, whether or not for a consideration, the usage or making available of such goods is a _____.
 - (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
19. Renting of immovable property is _____.
 - (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
20. Construction of a complex, building, civil structure or a part thereof, including a complex or building intended for sale to a buyer, wholly or partly, except where the entire consideration has been received after issuance of completion certificate, where required, by the competent authority or after its first occupation, whichever is earlier, shall be treated as _____.

- (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
21. Temporary transfer or permitting the use or enjoyment of any intellectual property right shall be treated as _____.
- (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
22. Development, design, programming, customisation, adaptation, upgradation, enhancement, implementation of information technology software shall be treated as _____.
- (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
23. Agreeing to the obligation to refrain from an act, or to tolerate an act or a situation, or to do an act is _____.
- (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
24. Transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration shall be treated as _____.
- (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
25. Works contract as defined in section 2 (119) shall be treated as _____.
- (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
26. Supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (other than alcoholic liquor for human consumption), where such supply or service is for cash, deferred payment or other valuable consideration is _____.
- (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
27. Supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration shall be treated as _____.
- (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
28. Services by an employee to the employer in the course of or in relation to his employment is _____.
- (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services

29. Services by any court or Tribunal established under any law for the time being in force is _____.
- (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
30. The functions performed by the Members of Parliament, Members of State Legislature, Members of Panchayats, Members of Municipalities and Members of other local authorities shall be treated as _____.
- (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
31. The duties performed by any person who holds any post in pursuance of the provisions of the Constitution in that capacity shall be considered as _____.
- (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
32. The duties performed by any person as a Chairperson or a Member or a Director in a body established by the Central Government or a State Government or local authority and who is not deemed as an employee before the commencement of this clause shall be considered as _____.
- (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
33. Services of funeral, burial, crematorium or mortuary including transportation of the deceased shall be treated as _____.
- (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
34. Actionable claims, other than lottery, betting and gambling shall be treated as _____.
- (a) Supply of goods
 - (b) Supply of services
 - (c) Neither as a supply of goods nor a supply of services
 - (d) Either as a supply of goods or a supply of services
35. Gifts not exceeding _____ in value in a financial year by an employer to an employee shall not be treated as supply of goods or services or both.
- (a) 50,000
 - (b) 1,00,000
 - (c) 2,00,000
 - (d) 2,50,000
36. The _____ shall be treated as supply even if made without consideration
- (a) Permanent transfer or disposal of business assets where input tax credit has been availed on such assets.
 - (b) Permanent transfer or disposal of business assets where input tax credit has NOT been availed on such assets.
 - (c) Both of the above
 - (d) None of the above
37. The _____ shall be treated as supply even if made without consideration
- (a) Supply of goods by a principal to his agent where the agent undertakes to supply such goods on behalf of the principal;
 - (b) Supply of goods by an agent to his principal where the agent undertakes to receive such goods on behalf of the principal.
 - (c) Both of the above
 - (d) None of the above

38. The _____ shall be treated as supply even if made without consideration.
- (a) Supply of goods by a principal to his agent where the agent undertakes to supply such goods on behalf of the principal;
 - (b) Supply of goods by an agent to his principal where the agent undertakes to receive such goods on behalf of the principal.
 - (c) Permanent transfer or disposal of business assets where input tax credit has been availed on such assets
 - (d) All of the above
39. Import of services by a taxable person from a related person or from any of his other establishments outside India, in the course or furtherance of business shall _____.
- (a) Supply of services
 - (b) Not to be treated as supply of service
 - (c) Be treated as supply even when made without consideration
 - (d) None of the above
40. Which of the following is - the supply in which possession of the goods are transferred but the title on the same will be transferred at the future date?
- (a) Rent a car
 - (b) Hire Purchase
 - (c) Normal sale of goods
 - (d) None of the above
41. Which of the following is - the supply in which possession of the goods are transferred but the title of the goods is not transferred at all and thereby attains the character of the supply of service ?
- (a) Rent a car
 - (b) Hire Purchase
 - (c) Normal sale of goods
 - (d) None of the above
42. Suppose XYZ Ltd has a license to operate a particular business venture but he refrains from operating such business venture after an agreement with other business houses in the same line of business against receiving certain amount. Is this a supply of service?
- (a) Yes
 - (b) No
 - (c) Exempted
 - (d) None of the above
43. Which of the following is the supply even if made without consideration?
- (a) Stock transfer out to another state
 - (b) Temporary application of business asset for a non-business needs
 - (c) Free transfer of business asset
 - (d) All of the above

B. Tax Liability on Composite and Mixed Supplies (Section 8)

44. 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
45. 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
46. 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

47. Which of the following supplies are naturally bundled?
 (a) Rent deed executed for renting of two different floors of a building-one for residential and another for commercial purpose to same person
 (b) Pack of watch, tie and belt
 (c) Package of canned food such as burger, chocolates, sweets, cake etc.
 (d) None of the above
48. A _____ supply comprising of two or more supplies shall be treated as the supply of that particular supply that attracts highest rate of tax.
 (a) Composite (b) Mixed
 (c) Both (a) and (b) (d) None of the above
49. _____ means a supply made by a taxable person to a recipient consisting of two or more taxable supplies of goods or services or both, or any combination thereof, which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply.
 (a) Composite Supply (b) Principal Supply
 (c) Mixed Supply (d) Inward Supply
50. _____ means two or more individual supplies of goods or services, or any combination thereof, made in conjunction with each other by a taxable person for a single price where such supply does not constitute a composite supply.
 (a) Mixed Supply (b) Principal Supply
 (c) Inward Supply (d) Exempt Supply

ANSWERS

1. (c)	9. (c)	17. (a)	25. (b)	33. (c)	41. (a)	49. (a)
2. (b)	10. (c)	18. (b)	26. (b)	34. (c)	42. (a)	50. (a)
3. (c)	11. (a)	19. (b)	27. (a)	35. (a)	43. (d)	
4. (a)	12. (b)	20. (b)	28. (c)	36. (a)	44. (c)	
5. (a)	13. (a)	21. (b)	29. (c)	37. (c)	45. (a)	
6. (d)	14. (b)	22. (b)	30. (c)	38. (d)	46. (b)	
7. (a)	15. (b)	23. (b)	31. (c)	39. (c)	47. (d)	
8. (c)	16. (b)	24. (b)	32. (c)	40. (b)	48. (b)	

CHAPTER - 4 : LEVY AND COLLECTION OF TAX [S. 9]

MULTIPLE CHOICE QUESTIONS

A. Levy and Collection (CGST - Section 9)

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

(a) CGST	(b) SGST
(c) CGST and SGST	(d) IGST
2. What is the maximum rate prescribed under CGST Act?

(a) 12%	(b) 28%
(c) 20%	(d) 18%
3. 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
4. Which of the following taxes will be levied on imports?

(a) CGST	(b) SGST
(c) IGST	(d) CGST and SGST
5. What is the maximum rate prescribed under UTGST Act?

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

B. Levy and Collection of Tax [IGST] (Section 5 to 6)

6. _____ Supply shall attract IGST?

(a) Intra-State	(b) Inter-State
(c) Both	
7. Is there any ceiling limit prescribed on the rate under IGST?

(a) 14%	(b) 40%
(c) 26%	(d) 30%
8. What if an e-commerce operator having no physical presence in the taxable territory, does not have a representative in the taxable territory?
 - (a) His will have to discharge his tax liability in foreign currency
 - (b) He will not be liable to tax
 - (c) He has to appoint a person in the taxable territory for the purpose of paying tax on his behalf
 - (d) None of the above
9. Unless and until notified, IGST shall not be levied on the inter-State supply of which of the following:

(a) Industrial alcohol	(b) Works contract
(c) Petroleum	(d) None of the above

C. Reverse Charge

10. What are the supplies on which reverse charge mechanism would apply at present?
 - (a) Notified categories of goods or services or both under section 9(3)
 - (b) Inward supply of goods or services or both from an unregistered dealer under section 9(4)
 - (c) Both the above
 - (d) None of the above
11. Which of the following services are covered under Reverse Charge Mechanism of CGST Act, 2017?

(i) Legal Consultancy	(ii) Goods Transport Agency
(iii) Manpower Supply	(iv) Rent-a-Cab

- (a) i & iii (b) i & iv
(c) i & ii (d) All the above
12. In case of sponsorship services provided by Mr. A to M/s AB Ltd., liability to pay GST is on:
(a) Mr. A (b) M/s AB Ltd.
(c) Both (d) None of the above
13. In case of renting of land, inside an Industrial estate, by State Government to a registered manufacturing company, GST is:
(a) Exempted (b) Applicable under Normal Charge
(c) Applicable under Reverse Charge (d) None of the above
14. In case of services by an insurance agent to Ms. ABC Insurance Co. Ltd., GST is to be paid by:
(a) Insurance Agent (b) ABC Insurance Co. Ltd.
(c) Both (d) None of the above
15. Sitting fees received by director of XYZ Ltd., is liable for GST in the hands of the
(a) Director (b) XYZ Ltd.
(c) Both of above (d) None of the above
16. Services by a recovery agent to M/s ZZZ Bank Ltd., are liable for GST in the hands of:
(a) M/s ZZZ Bank Ltd. (b) Recovery agent
(c) Both the above (d) None of the above
17. In case of lottery procured from State Government by a lottery distributor, GST is payable by:
(a) Lottery distributor (b) State Government
(c) Both the above (d) None of the above
18. Reverse charge under section 9(3) of the CGST Act is applicable:
(a) Only on notified services (b) Only on notified goods
(c) On Notified goods & services (d) On None of the above
19. If Tobacco leaves procured from an Agriculturist by a registered person, then:
(a) Reverse charge is applicable (b) Normal charge is applicable
(c) Joint charge is applicable (d) None of the above
20. In case M/s. PQR Ltd., a registered person, has availed rent-a-cab service from M/s ABC Travels (Proprietor) service then which one of the following is true:
(a) Reverse charge is applicable as this is a notified service
(b) Reverse charge is applicable if ABC Travels is not registered
(c) Joint charge is applicable
(d) None of the above
21. Reverse charge is applicable:
(a) Only on intra-State supplies (b) Only on inter-State supplies
(c) Both intra-State and inter-State supplies (d) None of the above

ANSWERS

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

CHAPTER - 5 : COMPOSITION LEVY [S. 10]

MULTIPLE CHOICE QUESTIONS

1. Which of the following persons can opt for composition scheme?
 - (a) Person making any supply of goods which are not leviable to tax under this Act
 - (b) Person making any inter-State outward supplies of goods and services (except restaurant services)
 - (c) Person effecting supply of goods through an e-commerce operator liable to collect tax at source
 - (d) Person providing restaurant services
2. What is the threshold limit of turnover in the preceding financial year for opting to pay tax under composition scheme for States other than special category States?
 - (a) ₹ 20 lacs
 - (b) ₹ 10 lacs
 - (c) ₹ 50 lacs
 - (d) ₹ 1.5 crore
3. What is the threshold limit of turnover in the preceding financial year for opting to pay tax under composition scheme for special category states?
 - (a) ₹ 25 lacs
 - (b) ₹ 50 lacs
 - (c) ₹ 75 lacs
 - (d) ₹ 1 crore
4. 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%
 - (d) No composition for manufacturer
5. 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
6. 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
7. Can a registered person opt for composition scheme only for one out of his 3 business places 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
8. 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
9. 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
10. 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

11. Which of the following will be excluded from the computation of 'aggregate turnover'?
- Value of taxable supplies
 - Value of exempt Supplies
 - Non-taxable supplies
 - Value of inward supplies on which tax is paid on reverse charge basis
12. What will happen if the turnover of a registered person opting to pay taxes under composition scheme during the year 2019-20 crosses threshold limit?
- He can continue under composition scheme till the end of the financial year
 - He will be liable to pay tax at normal rates of GST on the entire turnover for the financial year 2019-20
 - He will cease to remain under the composition scheme with immediate effect
 - He will cease to remain under the composition scheme from the quarter following the quarter in which the aggregate turnover exceeds threshold limit
13. Which of the following persons can opt for composition scheme?
- Person making any supply of goods which are not leviable to tax under this Act;
 - Person making any inter-State outward supplies of goods;
 - Person effecting supply of goods through an e-commerce operator liable to collect tax at source
 - All of the above
 - None of the above
14. What is the threshold limit of turnover in the preceding financial year for opting to pay tax under composition scheme for a trader in Mumbai?
- ₹ 30 lacs
 - ₹ 10 lacs
 - ₹ 150 lacs
 - ₹ 75 lacs
15. For certain Special category States, the reduced limit of ₹ 75 lakhs for opting composition scheme is available. The reduced limit of ₹ 75 Lakhs is not available for?
- Manipur
 - Meghalaya
 - Himachal Pradesh
 - Jammu & Kashmir
16. ABC Ltd is manufacturer of goods opting for Composition Scheme has effected turnover of ₹ 60 Lakhs during the financial year 2019-20. The CGST portion for composition tax payable by ABC Ltd is
- ₹ 30,000
 - ₹ 60,000
 - ₹ 30,000
 - ₹ 1,50,000
17. GST Ltd. has business places at Lucknow, UP and Kanpur, UP having the same PAN; and Aggregate Turnover in the financial year not exceeding ₹ 75 lakhs. Can it opt composition levy for Lucknow and normal levy at Kanpur?
- No
 - Yes
 - Up-to an Aggregate Turnover of ₹ 75 lakhs at Lucknow only
 - Subject to the approval of GST Council

CHECK YOUR ANSWERS

1. (d)	4. (c)	7. (b)	10. (b)	13. (e)	16. (a)
2. (d)	5. (d)	8. (b)	11. (d)	14. (c)	17. (a)
3. (c)	6. (a)	9. (b)	12. (c)	15. (d)	

CHAPTER - 6 : EXEMPTION FROM TAX [S. 11]

MULTIPLE CHOICE QUESTIONS

A. Exemption

1. Which one of the following is true?
 - (a) Entire income of any trust is exempted from GST
 - (b) Entire income of a registered trust is exempted from GST
 - (c) Incomes from specified/defined charitable activities of a trust are exempted from GST
 - (d) Incomes from specified/defined charitable activities of a registered trust (u/s 12AA of Income Tax Act) are exempted from GST
2. Select the correct statement?
 - (a) Transfer of a going concern wholly is not exempt from GST
 - (b) Transfer of a going concern is partly exempt from GST
 - (c) Transfer partly as going concern is exempted from GST
 - (d) Transfer of a going concern is exempt from GST
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?
 - (a) Central Government or State Government or Union territory or Local authority
 - (b) Governmental authority
 - (c) Municipality under Article 243 W of the Constitution
 - (d) All of above
4. Which is a wrong statement?
 - (a) All services of Department of Post are exempted
 - (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
 - (c) All services by State/Central Governments/local authorities in relation to transport of passengers are exempted
 - (d) All the above mentioned
5. Services to a single residential unit is, exempted if:
 - (a) It is pure labour service only
 - (b) It is works contract only
 - (c) It is a part of residential complex only
 - (d) It is on ground floor without further super structure
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
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
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

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
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
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
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
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
14. If the aggregate turnover of in F.Y. 2018-19 of M/s ABCD Enterprises, Kanchipuram, Tamil Nadu, India was ₹ 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
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
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
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
18. Services by educational institution is exempted if the services are to -
 - (a) Any common man
 - (b) Its own students, faculty / staff
 - (c) Both a & b
 - (d) None of the above

19. Services by a Non-Profit entity (Registered or Unregistered) are exempted -
- If they are to its own members provided the contribution received is up to ₹ 7500 , per month from a member
 - 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
 - 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
 - If they are to its own members, provided the contribution is up to ₹ 7500 per month per member for common use specified members
20. Which of the following are exempted services?
- 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
 - 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
 - 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
 - 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
21. Transportation of passengers by _____ are exempt from GST.
- Railway in first class
 - Railway in an air-conditioned coach
 - Metro
 - All of the above
22. Transportation of _____ by a GTA in a goods carriage is exempt from GST.
- Agricultural produce
 - Organic manure
 - Milk
 - All of the above
23. What of the following services provided to an educational institution – Debo Public School- are exempt from GST?
- Transportation of staff of the school
 - Cleaning of the school
 - Services relating to conduct of higher secondary exams
 - All of the above
24. Transportation of passengers by _____ are exempt from GST.
- air conditioned stage carriage
 - radio taxi
 - air, terminating in Nagaland airport
 - All of the above
25. Which of the following services provided by Department of Posts are exempt from GST?
- Speed posts
 - Life Insurance
 - Express parcel posts
 - None of the above
26. Distribution of electricity by a distribution utility is a:
- Non-taxable supply
 - Exempt Supply
 - Nil Rated Supply
 - Neither supply of goods nor supply of services

B. Exempt Supply [Section 2(47)]

27. An exempt supply includes
- Supply of goods or services or both which attracts Nil rate of tax
 - Non-taxable supply
 - 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
 - All of the above

ANSWERS

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

CHAPTER - 7 : TIME OF SUPPLY [S. 12-14]

MULTIPLE CHOICE QUESTIONS

[A] TIME OF SUPPLY OF GOODS (SECTION 12)

A.1 Forward Charge

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) Date of receipt of consideration by the supplier
 - (d) Earlier of (a) & (b)
2. The date on which the supplier receives the payment shall be
 - (a) the date on which the payment is entered in his books of account
 - (b) the date on which the payment is credited to his bank account
 - (c) the date on which the payment is entered in his books of account or the date on which the payment is credited to his bank account whichever is earlier
 - (d) the date on which the payment is entered in his books of account or the date on which the payment is credited to his bank account whichever is later
3. Mr. A sold goods to Mr. B. Determine the TOS in accordance with the provisions of Section 12 of the CGST Act, 2017 in case supply involves movement of goods.

Date of removal - 1st Oct. 2019
 Date of Invoice - 2nd Oct. 2019
 Date when goods made available to the recipient - 3rd Oct. 2019
 Date of receipt of payment - 15th Nov. 2019

 - (a) 1st Oct. 2019
 - (b) 2nd Oct. 2019
 - (c) 3rd Oct. 2019
 - (d) 15th Nov. 2019
4. Mr. A sold goods to Mr. B. Determine the TOS in accordance with the provisions of Section 12 of the CGST Act, 2017 in case supply involves movement of goods.

Date of removal - 3rd Oct. 2019
 Date of Invoice - 1st Oct. 2019
 Date when goods made available to the recipient - 4th Oct. 2019
 Date of receipt of payment - 25th Nov. 2019

 - (a) 3rd Oct. 2019
 - (b) 1st Oct. 2019
 - (c) 4th Oct. 2019
 - (d) 25th Nov. 2019
5. Determine the Time of supply in accordance with provisions of Section 12 of the CGST Act, 2017 in case *supply involves movement of goods*.

Date of Invoice : 02-10-2019
 Date goods made available to recipient : 03-10-2019
 Date of receipt of payment : 15-11-2019

 - (a) Date of Invoice : 02-10-2019
 - (b) Date goods made available to recipient : 03-10-2019
 - (c) Date of receipt of payment : 15-11-2019
 - (d) None of the above
6. Determine the Time of supply in accordance with provisions of Section 12 of the CGST Act, 2017 in case *supply involves movement of goods*.

Date of Removal of goods : 03-10-2019
 Date of Invoice : 01-10-2019
 Date goods made available to recipient : 04-10-2019
 Date of receipt of payment : 25-11-2019

- (a) Date of Removal of goods : 03-10-2019
 (b) Date of Invoice : 01-10-2019
 (c) Date goods made available to recipient : 04-10-2019
 (d) Date of receipt of payment : 25-11-2019
7. Determine the Time of supply in accordance with provisions of Section 12 of the CGST Act, 2017 in case *supply involves movement of goods*.
 Date of Removal of goods : 05-11-2019
 Date of Invoice : 04-11-2019
 Date goods made available to recipient : 06-11-2019
 Date of receipt of payment : 01-10-2019
 (a) Date of Removal of goods : 05-11-2019
 (b) Date of Invoice : 04-11-2019
 (c) Date goods made available to recipient : 06-11-2019
 (d) Date of receipt of payment : 01-10-2019
8. Mr. A sold goods to Mr. B. Determine the TOS in accordance with the provisions of Section 12 of the CGST Act, 2017 in case supply does not involve movement of goods.
 Date of delivery - 2nd Oct. 2019 (Date when the goods made available to the recipient)
 Date of Invoice - 3rd Oct. 2019
 Date of receipt of payment - 15th Nov. 2019
 (a) 2nd Oct. 2019 (b) 3rd Oct. 2019
 (c) 15th Nov. 2019 (d) 1st Nov. 2019
9. Determine the Time of supply in case *goods are supplied on approval basis*
 Removal of goods : 01-12-2019
 Issue of Invoice : 15-12-2019
 Accepted by recipient : 05-12-2019
 Receipt of payment : 25-12-2019
 (a) Removal of goods : 01-12-2019 (b) Issue of Invoice : 15-12-2019
 (c) Accepted by recipient : 05-12-2019 (d) Receipt of payment : 25-12-2019
10. Where the supplier of taxable goods receives an amount upto _____ in excess of the amount indicated in the tax invoice, the time of supply to the extent of such excess amount shall, at the option of the said supplier, be the date of issue of invoice in respect of such excess amount.
 (a) 1,000 (b) 5,000
 (c) 10,000 (d) 50,000
11. The time of supply to the extent it relates to an addition in the value of supply by way of interest, late fee or penalty for delayed payment of any consideration shall be the date on which
 (a) The supplier receives such addition in value
 (b) The original invoice was issued
 (c) The supplier issues revised invoice
 (d) The original payment was received

A.2 Tax Invoice

12. Tax invoice must be issued by _____ on supplies made by him.
 (a) Every supplier
 (b) Every taxable person
 (c) Every Registered person not paying tax under composition scheme
 (d) All the above
13. 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) None of the above
14. 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) When the recipient accepts the goods or ten months from the date of supply whichever is earlier

- (c) When the recipient accepts the goods or six months from the date of supply whichever is earlier
 (d) When the recipient accepts the goods or three months from the date of supply whichever is earlier
15. Where the goods being sent or taken on approval for sale or return are removed before the supply takes place, the invoice shall be issued
 (a) before/at the time of supply (b) 6 months from the date of removal
 (c) earlier of (a) or (b) (d) none of the above
16. GST a dealer has sent some goods to CST, another dealer, for Sales on Approval Basis. In absence of any confirmation even after 6 months, it will be treated as
 (a) Sales Return (b) Deemed Supply of Goods
 (c) Purchase return (d) None of the Above

A.3 Reverse Charge

17. 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)
18. Determine the Time of supply in accordance with provisions of Section 12 of the CGST Act, 2017 in case *recipient of goods is liable to pay tax under reverse charge mechanism*.
 Date of Invoice : 01-10-2019
 Date of receipt of goods : 15-10-2019
 Date of payment in books : 10-10-2019
 Date of debit of payment in Bank A/c : 12-10-2019
 (a) Date of Invoice : 01-10-2019 (b) Date of receipt of goods : 15-10-2019
 (c) Date of payment in books : 10-10-2019
 (d) Date of debit of payment in Bank A/c : 12-10-2019

A.4 Vouchers

19. 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) and (b) (d) (a) and (b) whichever is later
20. 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) and (b) (d) (a) and (b) whichever is later
21. What is date of receipt of payment?
 (a) Date of entry in the books
 (b) Date of payment credited into bank account
 (c) Date of deposit of cheque into bank account
 (d) Earlier of (a) and (b)
22. XYZ Ltd. has purchased for its employees 100 vouchers dated 24-02-2019 worth 1,000 each from ABC Ltd. a footwear manufacturing company. The vouchers were issued by ABC Ltd. on 25-02-2019. The vouchers can be encashed at retail outlets of ABC Ltd. The same were given to employees on 26-02-2019. The employees of XYZ Ltd. encashed the same on 01-03-2019. Determine time of supply of vouchers.
 (a) 24-02-2019 (b) 25-02-2019
 (c) 26-02-2019 (d) 01-03-2019

[B] TIME OF SUPPLY OF SERVICES (SECTION 13)

B.1 Forward Charge

23. 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) and (b)

24. What is the time of supply of service if the invoice is issued within 30 days from the date of supply of service?
- Date of issue of invoice by the supplier
 - Date of receipt of payment or date of issue of invoice whichever is later
 - Date of receipt of payment by the supplier
 - Date of receipt of payment or date of issue of invoice whichever is earlier
25. What is the time of supply of service if the invoice is not issued within 30 days from the date of supply of service and no advance payments are received?
- Date of issue of invoice by the supplier
 - Date of completion of supply of service
 - Date of receipt of payment by the supplier
 - Date of receipt of payment or date of issue of invoice whichever is earlier
26. 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?
- At the option of the supplier – Invoice date or Date of receipt of consideration
 - Date of issue of invoice
 - Date of receipt of consideration
 - Date of entry in books of account
27. How is the date of receipt of consideration by the supplier determined?
- Date on which the receipt of payment is entered in the books of account
 - Date on which the receipt of payment is credited in the bank account
 - Earlier of (a) and (b)
 - (a) and (b) whichever is later
28. Value of services rendered is ₹ 1,18,000. Date of issue of invoice is 5th Sept. 2019. Advance received is ₹ 20,000 on 20th August 2018. Balance amount received on 7th Sept. 2019. What is the TOS of service?
- 5th Sept. 2019 - ₹ 1,18,000
 - 20th August 2019 - ₹ 1,18,000
 - 20th August 2019 - ₹ 20,000 and 5th Sept. 2019 - ₹ 98,000
 - 20th August 2019 - ₹ 20,000 and 7th Sept. 2019 - ₹ 98,000
29. Determine the TOS in accordance with provisions of CGST Act, 2017.
- Date of actual supply of service - 10th Nov. 2019
Date of Invoice - 30th Nov. 2019
Date on which payment received - 15th Dec. 2019
- 10th Nov. 2019
 - 30th Nov. 2019
 - 15th Nov. 2019
 - 10th Dec. 2019
30. Determine the TOS in accordance with provisions of CGST Act, 2017
- Date of actual supply of service - 10th Nov. 2019
Date of Invoice - 30th Nov. 2019
Date on which payment received - 15th Nov. 2019
- 10th Nov. 2019
 - 30th Nov. 2019
 - 15th Nov. 2019
 - 10th Dec. 2019
31. Determine the TOS in accordance with provisions of CGST Act, 2017
- Date of actual supply of service - 10th Nov. 2019
Date of Invoice - 12th Dec. 2019
Date on which payment received - 30th April 2020
- 10th Nov. 2019
 - 12th Dec. 2019
 - 30th April 2020
 - 10th Dec. 2019
32. Determine the TOS in accordance with provisions of CGST Act, 2017
- Date of actual supply of service - 10th Nov. 2019
Date of Invoice - 22th Dec. 2019
Date on which payment received - 12th Dec. 2019
- 10th Nov. 2019
 - 22th Dec. 2019
 - 12th Dec. 2019
 - 10th Dec. 2019

33. From the following information determine the reverse charge basis.

Date of Invoice : 30-1-2019

Date of completion of service : 30-1-2019

Date of payment by recipient : 10-2-2019

Entry for receipt of service in recipient's books : 12-2-2019

- (a) Date of Invoice : 30-1-2019
- (b) Date of payment by recipient : 10-2-2019
- (c) Entry for receipt of service in recipient's books : 12-2-2019
- (d) None of the above

B.2 Tax Invoice

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

- (a) Invoice has to be issued within 30 days 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) None of the above

35. The tax invoice should be issued _____ the date of supply of service.

- (a) Within 30 days from
- (b) Within 2 months from
- (c) Within 15 days from
- (d) On

36. In case of taxable supply of services, invoice shall be issued within a period of _____ from the date of supply of service.

- (a) 30 days
- (b) 45 days
- (c) 60 days
- (d) 90 days

37. Continuous supply of services" means a supply of services who provided, or agreed to be provided, continuously or on recurrent basis, under a contract, for a period exceeding _____ MONTHS with periodic payment obligations and includes supply of such services as the Government may, subject to such conditions, as it may, by notification, specify

- (a) Three
- (b) Four
- (c) Six
- (d) Twelve

38. In case of continuous supply of services, where due date of payment is ascertainable from the contract, invoice shall be issued

- (a) before or at the time when the supplier of service receives the payment
- (b) on or before the due date of payment
- (c) either (a) or (b)
- (d) none of the above

39. In case of continuous supply of services, where due date of payment is not ascertainable from the contract, invoice shall be issued

- (a) before or at the time when the supplier of service receives the payment
- (b) on or before the due date of payment
- (c) either (a) or (b)
- (d) none of the above

40. Minimum Service periods required to constitute a continuous supply of services with periodic payment

- (a) Exceeding 6 months
- (b) 6 months
- (c) Exceeding 3 months
- (d) 3 months

B.3 Reverse Charge

41. 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) and (b)

42. From the following information determine the TOS of goods where goods are taxed on reverse charge basis
 Date of issue of invoice by the supplier - 30th Nov. 2019
 Date of receipt of goods - 30th Nov. 2019
 Date of payment by the recipient - 10th Dec. 2019
 Entry of receipt of services in the recipient's BOA - 12th Dec. 2019
 (a) 30th Nov. 2019 (b) 10th Dec. 2019
 (c) 12th Dec. 2019 (d) 30th Dec. 2019
43. From the following information determine the reverse charge basis.
 Date of Invoice : 30-1-2019
 Date of completion of service : 30-1-2019
 Date of payment by recipient : 15-1-2019
 Entry for receipt of service in recipient's books : 30-1-2019
 (a) Date of Invoice : 30-1-2019 (b) Date of payment by recipient : 15-1-2019
 (c) Either of the above (d) None of the above

B.4 Associates

44. 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) and (b)
 (d) Date of entry in the books of the supplier of service
45. A Ltd. is located in India and W Ltd. located in USA are associated enterprises (as A Ltd. holds 51% of the shares of W Ltd.). W Ltd. provides some technical services to A Ltd. in India. From the following details, determine the TOS for A Ltd. (as importation of services is the case of RCM) Agreed Consideration - \$ 10,000.
 Date on which services are supplied on W Ltd. - 16th Dec. 2019
 Date on which invoice is sent by W Ltd. - 19th Dec. 2019
 Date of entry in the Books of Account of A Ltd. - 30th Dec. 2019
 Date on which payment is made by A Ltd. - 23rd March 2020
 (a) 16th Dec. 2019 (b) 19th Dec. 2019
 (c) 30th Dec. 2019 (d) 23rd March 2020

B.5 Vouchers

46. What is the time of supply of vouchers in respect of services 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) and (b) (d) (a) and (b) whichever is later
47. 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) and (b) (d) (a) and (b) whichever is later

[C] CHANGE IN RATE OF TAX (SECTION 14)

48. There was increase in tax rate from 20% to 24% w.e.f. 1.09.2019. Which of the following rate is applicable when services are provided after change in rate of tax in September 2019, but invoice issued and payment received, both in August, 2019 :
 (a) 20% as it is lower of the two
 (b) 24% as it is higher of the two
 (c) 20% as invoice and payment were received prior to rate change
 (d) 24% as the supply was completed after rate change
49. There was increase in tax rate from 20% to 24% w.e.f. 1.09.2019. Which of the following rate is applicable when services provided, and invoice raised after change in rate of tax in September, 2019, but payment received in August 2019 :

- (a) 20% as it is lower of the two
 - (b) 24% as it is higher of the two
 - (c) 20% as payment (being one of the factors) was prior to rate change
 - (d) 24% as invoice was issued in the period during which supply is completed
50. There was increase in tax rate from 20% to 24% w.e.f. 1.9.2019. 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, 2019 but payment received, and goods supplied in August, 2019 :
- (a) 20% as it is lower of the two
 - (b) 24% as it is higher of the two
 - (c) 20% as payment was received in the period during which the supply was effected
 - (d) 24% as invoice being one of the factors was issued after rate change

ANSWERS

1. (d)	9. (b)	17. (d)	25. (b)	33. (b)	41. (d)	49. (d)
2. (c)	10. (a)	18. (a)	26. (a)	34. (b)	42. (a)	50. (c)
3. (a)	11. (a)	19. (a)	27. (c)	35. (a)	43. (b)	
4. (b)	12. (c)	20. (b)	28. (c)	36. (a)	44. (c)	
5. (a)	13. (a)	21. (d)	29. (b)	37. (a)	45. (c)	
6. (b)	14. (c)	22. (b)	30. (c)	38. (b)	46. (a)	
7. (b)	15. (c)	23. (d)	31. (a)	39. (a)	47. (b)	
8. (a)	16. (b)	24. (d)	32. (a)	40. (c)	48. (c)	

CHAPTER - 8 : NATURE AND PLACE OF SUPPLY

[S. 7 - 13 : IGST ACT]

MULTIPLE CHOICE QUESTIONS

A. Inter-State, Intra-State 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
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
3. Which of the following transaction is inter-state supply of goods?
 - (a) Location of supplier is in Lucknow, UP and location of recipient is in Mumbai.
 - (b) Location of supplier is in Lucknow, UP and place of supply is Mumbai
 - (c) Location of supplier and place of supply is Lucknow, UP
 - (d) None of the above
4. Which of the following transaction is inter-state supply of goods involving movement of goods?
 - (1) Location of supplier is in Bangalore and location of recipient is in Mumbai and goods are shipped to Kolkata
 - (2) Location of supplier is in Bangalore and place of supply is Mumbai
 - (3) Location of supplier and place of supply is Bangalore
 - (4) None of the above
 - (a) 1 and 2
 - (b) 1 and 3
 - (c) 2 and 3
 - (d) 4
5. 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
6. Place of supply of a transaction in territorial waters is
 - (a) Location of the supplier
 - (b) Location of the recipient
 - (c) Coastal state where the nearest point of the appropriate baseline is located
 - (d) None of the above
7. _____ is levied on inter-state supply of goods and services.
 - (a) CGST
 - (b) SGST
 - (c) IGST
 - (d) Both (a) and (b)
8. IGST means
 - (a) Inter-state GST
 - (b) Integrated GST
 - (c) Import GST
 - (d) International GST
9. _____ supply shall attract IGST.
 - (a) Intra-State
 - (b) Inter-State
 - (c) Intra state and inter-state
 - (d) Local
10. Unless and until notified, IGST shall not be levied on the inter-State supply of which of the following.
 - (a) Industrial alcohol
 - (b) Works contract
 - (c) Petroleum
 - (d) None of the above

11. What is rate of tax of IGST?
 (a) CGST rate (b) SGST rate
 (c) CGST + SGST rate (d) VAT rate
12. _____ is levied on imports of goods and services.
 (a) SGST (b) CGST
 (c) IGST (d) VAT
13. Import/Export is treated as _____ in GST.
 (a) Intra-state supply (b) Inter-state supply
 (c) Non-taxable supply (d) Exempted supply
14. "Inter-State supplies" means
 (a) Any supply where the location of the supplier and the place of supply are in the same state
 (b) Any supply where the location of supplier and the place of supply are in the different states
 (c) Any supply where location of the supplier and place of supply are outside the country
 (d) None of these
15. "Import of services" means the supply of any service, where -
 (a) The supplier of service is located outside India
 (b) The recipient of service is located in India
 (c) The place of supply of service is in India
 (d) All of the above
16. Zero rated supply includes
 (a) Export of goods or/and services
 (b) Supply of goods or/and services to a SEZ developer or SEZ Unit
 (c) Supply of goods or/and services by a SEZ developer or SEZ Unit
 (d) Both (a) and (b)
17. The supply of goods to SEZ unit is treated as _____ in the hands of the supplier for eligibility of ITC.
 (a) Exempt Supply (b) Deemed Taxable Supply
 (c) Export of Supplies (d) Non-taxable supply

B. POS of Goods : Within India

18. 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
19. 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
20. What is location of supply in case of importation of goods?
 (a) Customs port where the goods are cleared
 (b) Location of the importer
 (c) Place where the goods are delivered after clearance from customs port
 (d) Owner of the goods
21. Place of supply of goods, other than supply of goods imported into, or exported from India, when supply involves movement of goods is the
 (a) Location of the goods at the time at which the movement terminates for delivery
 (b) Location of the goods at the time at which the movement starts for delivery
 (c) Location of the principal place of business of the recipient
 (d) Location of the principal place of business of the supplier

22. Place of supply of goods, other than supply of goods imported into, or exported from India, when supply does not involve movement of goods is the
 (a) Location of the supplier
 (b) Location of the goods at the time of the delivery to the recipient
 (c) Location of the goods at the time of purchase order
 (d) Location of the recipient
23. Place of supply of goods, other than supply of goods imported into, or exported from India, where the goods are assembled or installed is the
 (a) Location of the agent of the recipient (b) Location of the recipient
 (c) Location of the supplier (d) Place of the such assembly or installation
24. Place of supply of goods, other than supply of goods imported into, or exported from India, where the goods are supplied on board a conveyance such as vessel, an aircraft, a train or motor vehicle is the
 (a) Location of the recipient
 (b) Location of the supplier
 (c) Location at which such goods are taken on board
 (d) None of the above
25. Where will be the place of supply when the goods are supplied on the direction of the third party?
 (a) Location of the supplier (b) Location of the recipient
 (c) Location of the third party (d) Any of the above
26. Where will be the place of supply of goods supplied in a train which is heading towards Delhi from Chennai, if the goods are taken on board at Coimbatore?
 (a) Delhi (b) Chennai
 (c) Coimbatore (d) None of the above
27. In case of any ambiguity where the place of supply cannot be determined as provided in IGST Act, 2016 who will determine place of supply?
 (a) Central Government or State Government on the recommendation of the Council
 (b) Central Government and State Government on the recommendation of the Council
 (c) In a manner as may be prescribed
 (d) Central Government

C. POS : Imports / Exports

28. The place of supply of goods imported into India shall be the
 (a) Location of the importer (b) Location of the exporter
 (c) Location of the agent of exporter (d) None of the above
29. The place of supply of goods exported from India shall be the
 (a) Location of the importer (b) Location of the exporter
 (c) Location of the agent of exporter (d) Location outside India

D. POS : Services

30. Real estate agent in Delhi charges brokerage fee to Company A located in Chandigarh for assistance in getting a commercial property in Kolkata. Which is the place of supply in this case?
 (a) Delhi (b) Chandigarh
 (c) Kolkata (d) None of the above
31. 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
32. Mr. X a resident from Pune conducts training for employees of P Ltd. being a registered person under GST based out in Chennai at a resort in Darjeeling. The place of supply in this case is:
 (a) Chennai (b) Pune
 (c) Darjeeling (d) None of the above

33. If XYZ Ltd a company based out of Bangalore, awards online maintenance contract of its servers located in Mumbai office to Y INC, a company based out of USA, and as per the terms of the online maintenance Y INC shall be required to perform regular maintenance from USA using Internet, then the place of supply is
- (a) Bangalore (b) Mumbai
(c) USA (d) None of the above
34. Mr. Y residing in Ahmedabad appoints an architect in Delhi to provide Indian traditional home design for his proposed construction at Los Angeles, the place of supply of service is
- (a) Los Angeles (b) Ahmedabad
(c) Delhi (d) None of the above
35. If NM shipping Co. located in Chennai charges ocean freight charges for transport of goods to California for a customer located in Bangalore, the place of supply of service will be
- (a) Chennai (b) California
(c) Bangalore (d) None of the above
36. The default rule of place of supply of services made to a registered person shall be the
- (a) Location of the registered person (b) Location of the service provider
(c) Location where the service is provided (d) Any of the above
37. The default rule of place of supply of services made to any person other than a registered person if address on record exist shall be the
- (a) Location where service is rendered (b) Location of the service provider
(c) Location of the recipient (d) Any of the above
38. The default rule of place of supply of services made to any person other than a registered person if address on record doesn't exist shall be the
- (a) Location where service is rendered (b) Location of the service provider
(c) Location of the recipient (d) Any of the above
39. Place of supply of services of architects in relation to the design of office building shall be the
- (a) Location of the supplier (b) Location of the recipient
(c) Location of such office building (d) Any of the above
40. Place of supply of services in relation to lodging accommodation shall be the
- (a) Location of the supplier
(b) Location of the recipient
(c) Location at which the lodging accommodation is located
(d) Any of the above
41. ABC Ltd of Delhi has entered into a contract with KSM Training Ltd. of Mumbai for training and performance appraisal of its employees. The services were performed at Nainital Training Centre of KSM Training Ltd. Determine the place of supply of services in case ABC Ltd is not registered.
- (a) Mumbai (b) Nainital
(c) Delhi (d) Any of the above
42. The place of supply of services provided by way of admission to a cultural, artistic, sporting, scientific, educational, entertainment event or amusement park or any other place and services ancillary thereto shall be the
- (a) Place where the event is actually held (b) Location of the supplier of service
(c) Location of the recipient of service (d) Any of the above
43. The place of supply of services provided by way of transportation of goods, including by mail or courier, to a person other than a registered person, shall be the
- (a) Place at which such goods are handed over for their transportation
(b) Location of the supplier of service
(c) Location of the recipient of service
(d) Any of the above
44. Place of supply of services in relation to mobile connection for pre-paid customers other than through internet banking shall be the
- (a) Location where such prepayment is received as such vouchers are sold
(b) Location of the supplier of service
(c) Location of the recipient of service
(d) Any of the above

45. The place of supply of passenger transportation services to a person other than a registered person, shall be the
 (a) Location of the supplier of service
 (b) Place where the passenger embarks on the conveyance for a continuous journey
 (c) Place of destination of the journey
 (d) Any of the above
46. The place of supply of services on board a conveyance, including a vessel, an aircraft, a train or a motor vehicle shall be the
 (a) Location of the supplier of service
 (b) Place where the passenger embarks on the conveyance for a continuous journey
 (c) Location of the first scheduled point of departure of that conveyance for the journey
 (d) Place of destination of journey
47. The place of supply of insurance services to a registered person, shall be the
 (a) Location of the supplier
 (b) Location of the recipient
 (c) Location where the services are performed
 (d) Any of the above

ANSWERS

1. (d)	8. (b)	15. (d)	22. (b)	29. (d)	36. (a)	43. (a)
2. (c)	9. (b)	16. (d)	23. (d)	30. (c)	37. (c)	44. (a)
3. (b)	10. (c)	17. (b)	24. (c)	31. (b)	38. (b)	45. (b)
4. (a)	11. (c)	18. (c)	25. (c)	32. (a)	39. (c)	46. (c)
5. (b)	12. (c)	19. (b)	26. (c)	33. (b)	40. (c)	47. (b)
6. (c)	13. (b)	20. (b)	27. (c)	34. (a)	41. (b)	
7. (c)	14. (b)	21. (a)	28. (a)	35. (b)	42. (a)	

CHAPTER - 9 : VALUE OF SUPPLY [S. 15]**MULTIPLE CHOICE QUESTIONS****A. Transaction Value [S. 15(1)]**

1. The value of supply of goods and services shall be the
 - (a) Transaction value
 - (b) MRP
 - (c) Market Value
 - (d) None of above
2. The value of supply of goods and services shall be the
 - (a) Transaction value
 - (b) Retail sale price
 - (c) Wholesale price
 - (d) None of above
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
4. 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) Refer the Rules which prescribed for this purpose
 - (d) None of the above
5. Persons shall be deemed to be "related persons" if any person directly or indirectly owns, controls or holds _____ or more of the outstanding voting stock or shares of both of them;
 - (a) 25%
 - (b) 26%
 - (c) 51%
 - (d) 0%
6. Persons shall be deemed to be "related persons" if
 - (a) such persons are officers or directors of one another's businesses
 - (b) such persons are legally recognised partners in business
 - (c) such persons are employer and employee;
 - (d) All of the above

B. Inclusions [S. 15(2)]

7. 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
8. Which of the following shall not be included in value of supply?
 - (a) GST
 - (b) Interest
 - (c) Late fee
 - (d) Commission
9. The value of taxable supply should not include -
 - (a) Taxes levied under SGST Act, 2017
 - (b) Taxes levied under CGST Act, 2017
 - (c) Taxes levied under GST Compensation Cess Act, 2017
 - (d) All of the above

10. Interest or late fee or penalty for delayed payment of any consideration for any supply
 (a) Shall be excluded from the value of taxable supply
 (b) Shall be included from the value of taxable supply
 (c) Shall require no adjustment
 (d) Can be included or excluded from the value of the taxable supply
11. Subsidies provided by the Central / State Govt.
 (a) Shall be excluded from the value of taxable supply
 (b) Shall be included from the value of taxable supply
 (c) Shall require no adjustment
 (d) Can be included or excluded from the value of the taxable supply
12. The value of supply should include -
 (a) Incidental expenses, including commission and packing, charged by the supplier to the recipient of a supply
 (b) Interest, late fee or penalty for delayed payment of any consideration for any supply
 (c) Subsidies directly linked to the price except subsidies provided by the Central and State Government
 (d) All of the above
13. From the following information determine the value of taxable supply as per provisions of Section 15 of the CGST Act, 2017?
- | | |
|---|---------------|
| Contracted value of supply of goods (including GST @ 18%) | 11,80,000 |
| The contracted value of supply includes the following: | |
| (1) Cost of primary packing | 25,000 |
| (2) Cost of protective packing at recipient's request for safe transportation | 15,000 |
| (a) 10,00,000 | (b) 11,80,000 |
| (c) 11,55,000 | (d) 11,40,000 |
14. From the following information determine the value of taxable supply as per provisions of Section 15 of the CGST Act, 2017?
- | | |
|--|---------------|
| Price (including GST @18%) | 11,00,000 |
| Other information : | |
| (i) Commission paid to agent by recipient on instruction of supplier not included in Price | 5,000 |
| (ii) Freight and insurance charges paid by recipient on behalf of supplier not included in Price | 75,000 |
| (a) 11,00,000 | (b) 11,80,000 |
| (c) 10,00,000 | (d) 11,75,000 |

C. Discount [S.15(3)]

15. 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
16. 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
17. When deductions are allowed from the Transaction Value?
 (a) Discount offered to customers subject to conditions
 (b) Freight charges
 (c) Incidental expenses
 (d) Amount paid by customer on behalf of the supplier.

18. Determine the value of taxable supply as per Section 15 of the CGST Act; 2017 :

Contracted sale price of goods (including CGST and SGST @5%) 10,56,000

The contracted sale price includes the following elements of cost:

(i) Cost of drawings and design 5,000

(ii) Cost of primary packing 2,000

(iii) Cost of packing at buyer's request 4,000

(iv) Fright and insurance from 'place of removal' to buyer's premises 43,000

A discount of 6,000 was given by the supplier at the time of supply of goods. CGST and SGST is levied @ 5%.

(a) 10,56,000

(b) 10,50,000

(c) 10,00,000

(d) 11,10,000

ANSWERS

1. (a)	4. (c)	7. (d)	10. (b)	13. (a)	16. (d)
2. (a)	5. (a)	8. (a)	11. (a)	14. (c)	17. (a)
3. (b)	6. (d)	9. (d)	12. (d)	15. (a)	18. (c)

CHAPTER - 10 : INPUT TAX CREDIT [S. 16, 18]**MULTIPLE CHOICE QUESTIONS**

1. Whether definition of Inputs includes capital goods.
(a) Yes (b) No
(c) Certain capital goods only (d) None of the above
2. Is it mandatory to capitalize the capital goods in books of Accounts?
(a) Yes (b) No
(c) Optional (d) None of the above
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
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
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
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
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
8. Input tax credit on capital goods and Inputs can be availed in one installment or in multiple installments?
(a) In thirty-six installments (b) In twelve installments
(c) In one installment (d) In six installments
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
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
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

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) None of the above
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
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
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)
16. 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
17. 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
18. 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
 - (c) stocks held on the day immediately preceding the date of application of registration under the provisions of this Act
 - (d) None of the above
19. In case of Voluntary registration input tax credit can be availed
- (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
 - (b) on stocks held on the day immediately preceding the date of grant of registration under the provisions of this Act
 - (c) on stocks held on the day immediately preceding the date of application of registration under the provisions of this Act
 - (d) None of the above
20. Eligibility of credit on capital goods in case of change of scheme from Composition scheme to Regular scheme
- (a) Eligible during application for Regular scheme
 - (b) Not eligible
 - (c) Yes, immediately before the date from which he becomes liable to pay tax under the Regular scheme
 - (d) None of the above

21. Can the unutilized input tax credit be transferred in case of change in constitution of business?
 (a) Not possible
 (b) No, it will be exhausted
 (c) Yes, it will be transferred only if there is provision for transfer of liabilities
 (d) It will be transferred only if it is shown in books of Accounts of transferror
22. Is Input tax fully restricted in case of switchover from taxable to exempt supplies
 (a) Yes (b) No
 (c) Proportionately restricted (d) Not restricted
23. Is Input tax to be paid in case of switchover from taxable to exempt supplies
 (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
 (b) No
 (c) Yes, full credit
 (d) No, should be debited to electronic credit ledger
24. Is Input tax to be reversed in case of supply of capital goods
 (a) Yes fully
 (b) No
 (c) Yes, to extent of credit taken as reduced by prescribed percentage or tax on transaction value whichever is higher
 (d) Yes, to the extent of transaction value of such goods
25. 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
26. ITC can be availed on
 (a) Possession of prescribed invoice/ debit note
 (b) Receipt of goods/services
 (c) Tax on such supply has been paid to government and return being furnished by the supplier
 (d) Fulfilling all the above conditions
27. Maximum time limit for availing ITC is
 (a) The date of filing of annual return
 (b) Due date of filing return u/s 39 for the month of September
 (c) Earliest of above two
 (d) Later of above two
28. ITC can be claimed by a registered person for
 (a) Taxable supplies for business purpose (b) Taxable supplies for non-business purpose
 (c) Exempted supplies (d) Non-taxable supplies
 (e) All of above

ANSWERS

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

CHAPTER - 11 : REGISTRATION UNDER GST LAW [S. 22 - 30]

MULTIPLE CHOICE QUESTIONS

1. How the aggregate turnover of ₹ 20 lakh is calculated ?
 - (a) Aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, export of goods/services and interstate supplies of a person having same PAN computed on all India basis.
 - (b) Aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, export of goods/services and interstate supplies of a person computed for each state separately.
 - (c) Aggregate value of all taxable intrastate supplies, export of goods/services and exempt supplies of a person having same PAN computed for each state separately.
 - (d) Aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, export of goods/services and interstate supplies of a person having same PAN computed on all India basis and excluding taxes if any charged under CGST Act, SGST Act and IGST Act.
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.
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 as the case may be.
 - (c) A person can collect the tax during the period of his provisional registration.
 - (d) Both (a) and (b) are correct.
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
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.
 - (c) No Time Limit
 - (d) Within 90 days from the date he becomes liable for registration.
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
7. Which one of following statements is 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.

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) No
 - (d) Yes, even for non-resident taxable persons
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
10. What is the validity of the registration certificate?
 - (a) One year
 - (b) No validity
 - (c) Valid till it is cancelled
 - (d) Five years
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
12. When can a voluntarily registration be cancelled?
 - (a) If the person does not start business within six months from the date of registration.
 - (b) Business has been discontinued or transferred for any reason.
 - (c) Non-filing of returns for a continuous period of six months or for three consecutive tax period in case of composite dealer.
 - (d) All of the above
13. What are the consequences of obtaining registration by misrepresentation?
 - (a) Liable to cancellation of registration by proper officer.
 - (b) Liable to a fine not exceeding ₹ 10,00,000/-
 - (c) Imprisonment for a period of 6 months to 3 years.
 - (d) Both (b) and (c)
14. Does cancellation of registration under CGST affect the liability under SGST/IGST for period prior to cancellation of registration?
 - (a) Cancellation of registration will immune his liability under CGST only.
 - (b) Cancellation of registration will immune his liability under IGST only.
 - (c) Cancellation of registration will immune his liability under SGST and CGST but not under IGST.
 - (d) Cancellation does not affect the liability of taxable person to pay tax and other dues under CGST/SGST/IGST Act.
15. 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.
16. 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)

17. 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
18. 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
19. 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.
20. 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.
21. 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.
22. 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
23. Every person registered under any of the existing laws, who is not liable to be registered under the Act may, on or before _____, at his option, submit an application in FORM GST REG-29 for the cancellation of registration granted to him
(a) September 30, 2018 (b) October 31, 2018
(c) November 30, 2018 (d) March 31, 2019
24. 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
25. 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 as the case may be.
(c) A person can collect the tax during the period of his provisional registration.
(d) None of the above
26. An E-commerce operator should get registered irrespective of his threshold limit?
(a) Yes
(b) No, required to register only if his aggregate turnover exceeds the threshold limit.
(c) He is required to register if he is liable to collect tax at source and his aggregate turnover exceeds the threshold limit.
(d) None of the above

27. Which of the following require compulsory registration, irrespective of threshold limit ?
(a) Casual taxable person (b) Non Resident taxable person
(c) Person liable to pay under Reverse Charge Mechanism
(d) All of the above
28. A person not required to obtain registration if he is required to pay tax under reverse charge and there are no taxable supplies made by him.
(a) Incorrect, if person who are required to pay tax under reverse charge, irrespective of threshold shall obtain registration.
(b) Incorrect, if person who are required to pay tax under reverse charge obtain registration only if such value of supplies under reverse charge exceeds the threshold limit.
(c) Above statement is correct
(d) A person is required to obtain registration if he is required to pay tax under reverse charge and also he is also making taxable supplies irrespective of the threshold limit.
29. Mr. A has started supply of goods and services in Delhi. He is required to obtain registration, if his aggregate turnover exceeds _____ during a financial year.
(a) ₹ 10 lakh (b) ₹ 20 lakh
(c) ₹ 30 lakh (d) ₹ 50 lakh
30. Aggregate turnover includes
(a) Taxable supplies (b) Exempt supplies
(c) Exports (d) All of the above
31. Which of the following persons are compulsorily required to obtain registration?
(a) Persons making any inter-State taxable supply
(b) Non-resident taxable persons making taxable supply
(c) Casual taxable persons making taxable supply
(d) All of the above
32. Which of the following persons are not liable for registration?
(a) Any person engaged exclusively in supplying services wholly exempt from tax
(b) Casual Taxable Person
(c) Both (a) and (b)
(d) None of the above
33. Rohan Toys is a registered supplier of goods in Delhi. It intends to attend a 7 days' Business Fair organised in Mumbai (next month) where it does not have a fixed place of business. Examine which of the following statements are true for Rohan Toys:
(a) Rohan Toys is not required to obtain registration in Mumbai for attending a 7 days' Business Fair.
(b) Rohan Toys has to obtain registration as a casual taxable person for attending the Business Fair.
(c) Rohan Toys has to obtain a Unique Identification Number for attending the Business Fair.
(d) None of the above
34. Every supplier shall be liable to be registered under this Act in the State or Union Territory, other than Special Category States, from where he makes a taxable supply of goods or services or both, if his aggregate turnover in a financial year exceeds
(a) 10 lakhs (b) 25 lakhs
(c) 1.5 crores (d) 20 lakhs
35. Where a person makes taxable supplies of goods or services or both from any of the Special Category States, he shall be liable to be registered if his aggregate turnover in a financial year exceeds
(a) 10 lakhs (b) 25 lakhs
(c) 1.5 crores (d) 20 lakhs
36. The calculation of aggregate turnover to decide the registration limit will be based on
(a) State wise Turnover (b) State wise Turnover excluding Export
(c) All over India Turnover (d) All over Turnover excluding Export
37. Taxable minimum turnover limit in GST that is applicable to the State of Maharashtra
(a) 10 lakhs (b) 25 lakhs
(c) 1.5 crores (d) 20 lakhs

38. The dealers who are not eligible for any threshold limit for registration under GST law are?
(a) Input Service Distributors and Dealers making supply through Electronic Commerce Operator
(b) Casual Dealers and Non-resident Taxable Persons
(c) Dealers making inter-state supplies and those having Reverse Charge Liability
(d) All of the above
39. Suppose a dealer who is a resident of Delhi has business places both at Delhi and Uttar Pradesh. From where does he have to take GST registration?
(a) From Delhi only
(b) From Uttar Pradesh only
(c) He has to take separate GST registration both at Delhi and Uttar Pradesh with the same PAN
(d) From either of the states
40. Suppose one Multi National Company (MNC) has places of business all over India. Can such an MNC take a single centralised GST registration?
(a) Yes
(b) No (it has to take registration in all the states from where it makes supplies of goods or services)
(c) Registration only from the state in which its Head Office in India is situated
(d) Either (a) or (c)
41. Are all suppliers 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
(c) Not required if he is an agriculturist or person exclusively engaged in supplying exempt goods or services and for others if the specified threshold exceeds in any financial year
(d) No only if the specified threshold exceeds in any financial year
42. The supply of goods after the completion of the Job work from the registered place of business place of a Job worker
(a) The Principal who despatched the goods for Job work
(b) The Job worker
(c) Either of the party
(d) Deemed supply of the Job worker
43. Where a business carried on by a taxable person registered under this Act is transferred to another person as a going concern,
(a) Transferee's registration shall be taken as transferee's registration
(b) The transferee shall be liable to be registered w.e.f. the date of transfer
(c) Both transferor and transferee are required to obtain fresh registration
(d) None of the above
44. Shall a dealer making the exclusive supply of Liquor or Petrol, Diesel and Crude Oil have to take registration under the GST Act?
(a) Yes
(b) No
(c) Optional
(d) Either (a) or (c)
45. Who is called a Deemed supplier of Services?
(a) Input Service Distributor
(b) Job Worker
(c) Agent
(d) Subsidiary Company
46. Threshold limit of registration is applicable to the following persons
(a) Input Service Distributor, whether or not separately registered under this Act
(b) Non-resident taxable persons making taxable supply
(c) Every Electronic Commerce Operator
(d) None of the above
47. Which of the following statements are correct?
(a) Voluntary registration is not possible under GST
(b) Voluntary registered person not liable to comply with all the provisions of the GST
(c) A person may get himself registered voluntary and shall comply with all the provisions of the Act
(d) None of the above

ANSWERS

1. (d)	8. (b)	15. (d)	22. (b)	29. (b)	36. (c)	43. (b)
2. (c)	9. (d)	16. (a)	23. (d)	30. (d)	37. (d)	44. (b)
3. (a)	10. (c)	17. (a)	24. (a)	31. (d)	38. (d)	45. (a)
4. (c)	11. (c)	18. (a)	25. (a)	32. (a)	39. (c)	46. (d)
5. (b)	12. (d)	19. (c)	26. (a)	33. (b)	40. (b)	47. (c)
6. (c)	13. (a)	20. (b)	27. (d)	34. (d)	41. (c)	
7. (c)	14. (d)	21. (a)	28. (a)	35. (a)	42. (a)	

CHAPTER - 12 : PAYMENT OF TAX [S. 49]

MULTIPLE CHOICE QUESTIONS

1. Which of these registers/ledgers are maintained online?
 - (a) Tax liability register
 - (b) Credit ledger
 - (c) Cash ledger
 - (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
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
4. What gets debited to the electronic credit ledger?
 - (a) Matched input tax credit
 - (b) Provisionally input tax credit
 - (c) Unmatched input tax credit
 - (d) All of them
5. Balance in electronic credit ledger can be utilized against which liability?
 - (a) Output tax payable
 - (b) Interest
 - (c) Penalty
 - (d) All of them
6. 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
7. 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
8. 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
9. What should the taxable person do if he pay's the wrong tax i.e. IGST instead of CGST/SGST or vice versa?
 - (a) Remit tax again and claim refund
 - (b) It will be auto-adjusted
 - (c) It will be adjusted on application/request
 - (d) None of the above
10. 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
11. 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
12. 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

13. 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
14. What is the validity of challan in FORM GST PMT-06?
- (a) 1 day (b) 5 days
(c) 15 days (d) Forever
15. Input Tax credit as credited in Electronic Credit ledger can be utilized for
- (a) Payment of Interest (b) Payment of penalty, fine
(c) Payment of late fees (d) Payment of Taxes
16. Deposits towards tax, penalty, interest, fee or any other amount are credited into the _____ of a taxable person.
- (a) Electronic Credit Ledger (b) Electronic Tax Liability Ledger
(c) Electronic Cash Ledger (d) All of the above
17. The Input Tax Credit as self-assessed by a taxable person is credited into the
- (a) Electronic Credit Ledger (b) Electronic Tax Liability Ledger
(c) Electronic Cash Ledger (d) All of the above
18. Cross-Utilization of credit of available IGST after utilization towards payment of IGST is done in the following chronological order :
- (a) CGST then SGST/UTGST (b) SGST/UTGST then CGST
(c) CGST, UTGST and SGST simultaneously (d) Only IGST
19. Which of the following Statements is true?
- (a) ITC of CGST is first utilized for payment of CGST and the balance is utilized for payment of SGST/UTGST
(b) ITC of SGST is first utilized for payment of SGST and the balance is utilized for payment of CGST
(c) ITC of CGST is first utilized for payment of CGST and the balance is utilized for payment of IGST
(d) All of the Above
20. 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) 2
(c) 5 (d) 6
21. Over the Counter Payment can be made in branches of Banks Authorized for deposits up to ₹ _____ per challan per tax period?
- (a) 5,000 (b) 10,000
(c) 20,000 (d) 40,000
22. Which of the following shall be discharged first, while discharging liability of a taxable person?
- (a) All dues related to previous tax period (b) All dues related to current tax period
(c) Additional demand raised (d) No such condition is mandatory
23. Cross utilization of ITC is not allowed between :
- (a) CGST and SGST (b) SGST and IGST
(c) IGST and CGST (d) None of the above
24. Tax paid on goods and services under _____ Act is allowable both under SGST Act and CGST Act?
- (a) IGST (b) CGST
(c) SGST (d) VAT
25. ITC includes tax payable _____ also.
- (a) VAT (b) Reverse Charge
(c) Excise (d) Custom laws
26. The amounts can be credited in E-Cash ledger by
- (a) Internet Banking (b) Using Credit cards or Debit Cards
(c) NEFT or RTGS (d) Any of the above

27. Suppose Mr. X has a SGST credit of ₹ 10 lakhs in his ITC ledger and at the same time, he has a CGST output liability of ₹ 7 lakhs. What an amount should be deposited by Mr. X to his E-Cash ledger maintained at the GSTN portal
- (a) No deposit is required (b) ₹ 2 Lakhs
(c) ₹ 5 Lakhs (d) ₹ 7 Lakhs
28. Suppose Mr. Y has a IGST credit of ₹ 14 lakhs in his ITC ledger and at the same time, he has a IGST liability of ₹ 7 lakhs, CGST liability of ₹ 8 lakhs and SGST liability of ₹ 5 lakhs. What an amount should be deposited by Mr.Y to his E-Cash ledger maintained at the GSTN portal?
- (a) ₹ 6 lakhs (₹ 1 lakhs to SGST + ₹ 5 lakhs to CGST)
(b) ₹ 6 lakhs (₹ 1 lakhs to CGST + ₹ 5 lakhs to SGST)
(c) ₹ 6 lakhs (₹ 1 lakhs to IGST + ₹ 5 lakhs to SGST)
(d) ₹ 6 lakhs (₹ 2 lakhs to IGST + ₹ 4 lakhs to SGST)
29. Suppose Mr. Z has a credit of ₹ 15 lakhs in his ITC ledger and at the same time, he has an interest arrears dues of ₹ 16 Lakhs and penalty dues of ₹ 12 lakhs. If so, how much Mr. Z has to deposit to settle the above interest and penalty dues?
- (a) ₹ 16 Lakhs (b) ₹ 28 Lakhs
(c) ₹ 12 Lakhs (d) ₹ 15 Lakhs
30. 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 and input credit claimed
(c) Net tax payable i.e. amount to be paid after ITC set off
(d) No interest payable, if reasonable cause is shown
31. What is the rate of interest in case of belated payment of tax ?
- (a) 1% (b) 10%
(c) 18% (d) 24%
32. What is the rate of interest in case of undue or excess claim of ITC ?
- (a) 18% (b) 24%
(c) 30% (d) 40%
33. Mr. A was liable to pay GST of ₹ 10,000 on 20-8-2019 but he failed to pay. Later he decided to pay tax on 26-10-2019. What would be the period for which interest has to be paid by him ?
- (a) 66 days (b) 67 days
(c) 68 days (d) 70 days
34. What is the date for applicability of TDS provisions ?
- (a) 1-7-2017 (b) 1-1-2018
(c) 1-9-2018 (d) 1-10-2018
35. GST TDS provisions can apply where total value of such supply, under a contract, exceeds rupees _____.
- (a) 1 lakh (b) 1.5 lakhs
(c) 5 lakhs (d) 2.5 lakhs
36. 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
37. The amount deducted as tax (TDS) shall be paid to the credit of the Government by the deductor within _____.
- (a) Last day of the month to which payment relates
(b) 10 days from the relevant period
(c) 15 days from the relevant period
(d) 20 days from the relevant period
38. What is the rate of tax for tax collected at source ?
- (a) 0.5% each CGST and SGST (b) 2% of IGST
(c) Both (a) and (b) (d) None of the above
39. What is the threshold limit for applying the provisions of Section 52 for collecting tax at source ?
- (a) If net value of taxable supplies exceeds ₹ 2,50,000
(b) If net value of taxable supplies exceeds ₹ 5,00,000
(c) If net value of taxable supplies exceeds ₹ 10,00,000
(d) No such limit prescribed

40. 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
41. Which section deals with the TDS provisions in GST ?
 (a) Section 51 (b) Section 52
 (c) Section 53 (d) Section 54
42. Which section deals with the TCS provisions in GST ?
 (a) Section 51 (b) Section 52
 (c) Section 53 (d) Section 54
43. _____ the table supplies returned to the supplier on the electronic commerce is _____ as a deduction while calculating the net value.
 (a) No, not allowed (b) Yes, allowed
 (c) Yes, not allowed (d) No, allowed
44. No TDS shall be made when
 (a) Location of supplier and place of supply is in a State or Union Territory which is different from the State / UT of registration of the recipient
 (b) Location of supplier and place of supply is in same state and location of recipient is in same state
 (c) Location of supplier and place of supply is in different state and location of recipient is in different state
 (d) None of the above

ANSWERS

1. (d)	8. (b)	15. (d)	22. (a)	29. (b)	36. (d)	43. (b)
2. (c)	9. (a)	16. (c)	23. (a)	30. (a)	37. (b)	44. (a)
3. (c)	10. (a)	17. (a)	24. (a)	31. (c)	38. (a)	
4. (d)	11. (c)	18. (a)	25. (b)	32. (b)	39. (d)	
5. (a)	12. (c)	19. (c)	26. (d)	33. (b)	40. (d)	
6. (c)	13. (c)	20. (c)	27. (d)	34. (d)	41. (a)	
7. (b)	14. (c)	21. (b)	28. (b)	35. (d)	42. (b)	

CHAPTER - 13 : COMPUTATION OF LIABILITY AND TAX

MULTIPLE CHOICE QUESTIONS

A. ICSI Inter, December 2017

1. A service would be called as “continuous supply of service”, if the service under a contract is provided continuously or on recurrent basis exceeding:

(a) One year	(b) 6 months
(c) 3 months	(d) 1 month
2. Which law will govern the inter-state supply of goods or services?

(a) CGST	(b) SGST
(c) UTGST	(d) IGST
3. Which of the following has been kept out of the GST Levy?

(a) Generator	(b) Computer
(c) Jewellery	(d) Electricity
4. Threshold limit of turnover for levy of GST in the case of a person having business (supply of goods and services) in Gujarat is

(a) ₹ 10 lakhs	(b) ₹ 20 lakhs
(c) ₹ 30 lakhs	(d) ₹ 40 lakhs
5. Abhijit Sen is engaged in running a textile showroom at Gangtok (Sikkim). In order to avail composition scheme under GST law, his “aggregate turnover” in the preceding financial year should not have exceeded:

(a) ₹ 10 lakhs	(b) ₹ 20 lakhs
(c) ₹ 50 lakhs	(d) ₹ 75 lakhs
6. When employer gifts goods to his employees, it will not be considered as taxable supply for the purpose of GST if the value of supply to an employee does not exceed:

(a) ₹ 5,000	(b) ₹ 20,000
(c) ₹ 50,000	(d) ₹ 1,00,000
7. Which of the following incomes/activities is liable for GST?

(a) Salary	(b) Salary and allowances of MPs
(c) Services by Court	(d) Sale of jewellery
8. Which of the following represents composite supply?

(a) Doctor’s service with medicines	(b) Package with fruits and chocolates
(c) Coaching centre with monthly excursions on trekking	(d) Supply of computer printer and laptop
9. Mr. Ram supplied goods to Mr. Laxman. The invoice is dated 30.7.2019. Payment was received for the supply on 30.10.2019. The goods were dispatched on 5.8.2019. What is time of supply under GGST Act?

(a) 5.8.2019	(b) 30.7.2019
(c) 30.10.2019	(d) None of the-above
10. Which of the following though shown in Bill will not be included in determining the value of supply for the purpose of GST?

(a) Packing	(b) Discount
(c) Interest for late payment	(d) Installation charges
11. Madhan is located in Chennai. He has a branch office in Cochin. He wants to transfer goods. His turnover was always below ₹ 10 lakhs. His registration under GST is

(a) Voluntary	(b) Compulsory
(c) Compulsory only when turnover exceeds 20 lakhs	(d) As and when deemed by the Revenue

12. A taxable person whose registration has been cancelled or surrendered must file the final return of GST within
- 6 months of the cancellation
 - 6 months after the end of the financial year
 - 3 months after the end of the financial year
 - 3 months after the date of cancellation
13. Refreshments were supplied on board in an aircraft proceeding from Chennai to Delhi. It had a stop at Hyderabad. The refreshments were taken on board at Hyderabad. The place of supply is
- Delhi
 - Chennai
 - Hyderabad
 - None of the above
14. For the purpose of calculating the compensation payable to the States under the Goods and Service Tax (Compensation to States) Act, 2017 the base year for reckoning the Revenue is :
- 31.3.2014
 - 31.3.2015
 - 31.3.2016
 - 31.3.2017
15. Which of the following GST model is adopted in India?
- Australian model
 - Bagchi-Poddar model
 - Dual model
 - American model
16. For the purpose of deciding "aggregate turnover" in order to determine the GST payable under composition scheme, which of the following is to be excluded?
- Exemption supply
 - Export of goods
 - Inter-state branch transfer
 - CGST
17. Export of service does not include:
- the supplier of service located outside India
 - the recipient of service located outside India
 - the place of supply of service is outside India
 - the supplier of service is located in India

B. ICSI Inter, June 2018

18. GST Council comprises of various persons from Union and States and is being headed by a Chair Person who is
- Finance Secretary to Government of India
 - Union Finance Minister
 - Any State Finance Minister
 - Union Revenue Minister
19. Construction of a complex, building, civil structure or the part thereof including a complex or building intended for sale to a buyer, wholly or partly except where the entire consideration has been received after issuance of completion certificate, where required, by a competent authority or after its first occupation, whichever is earlier for the purpose of taxability under the CGST Act, 2017 shall be treated as supply of:
- Goods
 - Both goods and services
 - Services
 - Contract work
20. The following categories of registered persons are not being eligible for the Composition Scheme under the CGST Act, 2017:
- Supplier of the Restaurant Services
 - Manufacturer of notified goods
 - Non-resident taxable persons
 - Casual taxable person
- (iii) and (iv)
 - (ii), (iii) and (iv)
 - (ii) and (iv)
 - (i), (iii) and (iv)
21. Section 2(62) of the CGST Act, 2017 specifies input tax in relation to a registered person to mean Central Tax, State Tax, Integrated Tax or Union Territory Tax charged on any supply of goods or services or both and also include:
- Integrated goods and services, tax charged on import of goods
 - Tax under the provisions of section 9(3) and 9(4)
 - Tax paid under composition levy
 - Tax under Union Territory Goods and Services Tax Act

- (a) All the above four (b) (i), (ii) and (iv)
 (c) (i) and (ii) (d) (ii), (iii) and (iv)
22. Mr. Pankaj of Delhi supplied goods to Mr. Krishna of Delhi for ₹ 1 lakh, on which total GST was charged @ 12%. Mr. Krishna, after purchase of goods, added 20% margin of profit (on cost) and sold the entire goods to Mr. Ravi of Delhi. The total amount of tax payable after claiming input tax on such transaction by Mr. Krishna is:
 (a) ₹ 12,000 (b) ₹ 14,400
 (c) ₹ 2,400 (d) None of the above
23. Raj & Co., applied for voluntary registration under CGST Act, 2017 on 5th July, 2019 and the registration was granted on 15th July, 2019. Raj & Co., was having the stock available against the invoices for a period of 3 months old. Raj & Co., shall be eligible for input tax credit on such stock as held as on:
 (a) 30th June, 2019 (b) 05th July, 2019
 (c) 15th July, 2019 (d) 14th July, 2019
24. A casual taxable person or a non-resident taxable person shall be required to apply for registration at least _____ days prior to the commencement of business.
 (a) 30 (b) 5
 (c) 15 (d) 7
25. Mr. Bala has made supply (within State) of taxable goods to the tune of ₹ 17 lakh, export supplies of ₹ 3 lakh and intra-State supply of exempt services of ₹ 4 lakh. His aggregate turnover as per section 2(6) of the CGST/ SGST Act, 2017 is
 (a) ₹ 17 lakh (b) ₹ 20 lakh
 (c) ₹ 24 lakh (d) None of the above
26. A supply made by a taxable person to a recipient consisting of two or more taxable supply of goods or services of both or any combination thereof which are only bundled and supplied in conjunction with each other in the ordinarily course of business out of which one is a principal supply has been defined u/s 2(3) of CGST Act, 2017 to mean
 (a) Mixed supply (b) Composite supply
 (c) Bundled supply (d) Both (A) and (B)
27. Tax on inter-State supplies, import into India, supplies made outside India and supplies made in SEZ shall be charged to
 (a) CGST and SGST (b) CGST and UTGST
 (c) CGST and IGST (d) IGST
28. Provision for levy and collection of tax on intra-State supply of goods or services or both by the Union Territory and for matters connected therewith or incidental thereto are being enumerated in
 (a) CGST Act, 2017 (b) IGST Act, 2017
 (c) UTGST Act, 2017 (d) None of the above
29. The highest enabling limit of tax rate of IGST has been prescribed at
 (a) 20% (b) 14%
 (c) 28% (d) None of the above
30. Special purpose vehicle to cater the IT needs of GST is called
 (a) HSN (b) GSTN
 (c) IGSTN (d) SGSTN
31. GST in India is levied on the basis of
 (a) Consumption principle
 (b) Set-off against that payable principle
 (c) Destination base principle
 (d) Both consumption and destination base principle
32. The tax under GST legislation in India is being levied:
 (a) Exclusively by Union and State Laws (b) Simultaneously by Union and State Laws
 (c) Only by Union Laws (d) Only by State Laws

C. ICWA-Inter, June 2018

33. GST has replaced the following law(s)
 (a) Customs (b) VAT
 (c) Central excise (d) Both (b) and (c)
34. GST is a _____ based tax.
 (a) Origin (b) Destination
 (c) Territory (d) None of the above
35. In IGST, I stands for
 (a) Integrated (b) International
 (c) Inter-State (d) Indian
36. The Chairperson of GST Council is
 (a) Prime Minister of India (b) Finance Minister of India
 (c) Minister of State for Finance (d) None of the above
37. Under GST law the phrase 'Goods' does not include
 (a) Actionable claim
 (b) Growing crops on the land agreed to be severed before supply
 (c) Money and Securities
 (d) None of the above
38. The scope of supply of goods or services or both includes
 (a) Sale (b) Exchange
 (c) Lease (d) All of the above
39. Sasta Bazar offers a free bucket with detergent purchased. It is a
 (a) Composite supply (b) Mixed supply
 (c) Principal supply (d) None of the above
40. Which of the following is not a feature of indirect taxes ?
 (a) Regressive nature
 (b) Supply based taxes
 (c) Rate of taxes are different from person to person
 (d) No previous year and assessment year concept
41. Goods and Services Tax (GST) has been implemented in India w.e.f.
 (a) 1st July, 2017 (b) 1st June, 2017
 (c) 1st September, 2017 (d) 1st April, 2017
42. Mr. T, a thief has stolen motorbike and sells the motorbike to Mr. Q. It is illegal to steal a motorbike. Sale of motorbike will be considered as
 (a) supply and liable to be taxed (b) supply but not liable to be taxed
 (c) not at all supply (d) none of the above
43. Mr. A booked a Rajdhani train ticket, which includes meal. It is
 (a) Composite supply (b) Mixed supply
 (c) Not at all supply (d) None of the above
44. Which of the following agricultural activity is exempted from GST ?
 (a) Cultivation (b) Supply of farm labour
 (c) Renting of agro machinery (d) All of the above
45. GT Jewellers Ltd. paid ₹ 50 lakhs for sponsorship of Miss India beauty pageant in Mumbai to Stylist & Co. a partnership firm. GST is liable to be paid by
 (a) GT Jewellers Ltd. (b) Miss India beauty pageant
 (c) Stylish & Co. (d) Exempted Supply
46. In case of inter-state stock transfer
 (a) CGST will be levied (b) IGST will be levied
 (c) CGST and SGST will be levied (d) No tax will be levied, as there is no supply

D. ICWA Final, June 2018

47. GST is a _____ based tax.
 (a) Territory (b) Origin
 (c) Destination (d) None of the above

48. A new supplier has taxable intra-State sales, exempt intra-State sales and export sales of goods. He should get himself registered under GST law, where
- the aggregate value of taxable intra-State goods exceeds ₹ 20 lakhs
 - the aggregate value of taxable as well as exempt intra-State goods exceeds ₹ 20 lakhs
 - the aggregate value of all the three items exceeds ₹ 20 lakhs
 - the aggregate value of taxable intra-State goods as well as export sales exceeds ₹ 20 lakhs
49. Following is an intra-State supply
- Goods sent from Delhi to another dealer in Delhi
 - Goods sent from Delhi to a SEZ in Noida, Uttar Pradesh
 - Goods sent from Delhi to Chandigarh branch (Haryana) of the same supplier
 - None of the above
50. A casual taxable person is required to obtain registration where he makes
- Taxable inter-State supply
 - Taxable inter-State or intra-State supply
 - Taxable inter-State or intra-State supply whose proposed value exceeds ₹ 20 lakhs
 - In none of the above situations
51. Subbu, a registered supplier based at Erode coached the staff of a software company in Hyderabad, which is registered. The classes were held at Erode. The place of supply is
- As mutually agreed upon
 - Hyderabad
 - Erode
 - Bengaluru
52. Which of the following central taxes has been subsumed in the ambit of GST ?
- Central Excise duty
 - Service Tax
 - CVD on import
 - All of the above
53. GST is payable on the services provided by the employee to the employer in the course of employment on
- Regular basis
 - Contract basis as employed by the company
 - Contract basis as employed by a contractor
 - None of the above
54. If a person, opting for composition scheme is liable to be registered on 1st October, 2019 and he has applied for registration on 17th November, 2019 and registration granted on 20th November, 2019 then the effective date of registration will be
- 20th November, 2019
 - 1st October, 2019
 - 17th November, 2019
 - 1st April, 2020
55. In case of transport of goods by rail within India, which of the following item is an exempted supply ?
- Transport of postal mails and postal bags
 - Transport of defence and military equipments
 - Transportation of household effects
 - Transport of alcoholic beverages
56. Mr. C of Chennai supplied goods to M/s Smart Jet Airlines of Chennai flying between Delhi-Mumbai. The goods are loaded in the aircraft in Delhi. The place of supply of goods will be
- Chennai
 - Delhi
 - Mumbai
 - None of the above
57. Gifts not exceeding _____ in value in a financial year by an employer to an employee shall not be treated as supply of goods or services or both.
- ₹ 20,000
 - ₹ 25,000
 - ₹ 50,000
 - ₹ 1,00,000
58. Hospital charging room rent per day per room ₹ 1,200 on rooms provided to in-patients. It is
- Exempted supply
 - Taxable supply
 - Not at all supply
 - None of the above
59. In cases of change in rate of tax and amount is credited to the bank account after 4 working days from the date of change in rate of tax, the date of receipt of payment will be
- Date of book entry or date of bank entry, whichever is earlier
 - Date of bank entry
 - Date of book entry
 - Date of book entry or date of bank entry, whichever is later

60. Who is the person allowed to cancel a GST registration ?
 (a) The registered person himself (b) The GST officer
 (c) The legal heir of the registered person (d) All of the above
61. Where the application of registration is found to be deficient for any reason and the Proper Officer requires any further information then he shall intimate to the applicant in form
 (a) GST REG-01 (b) GST REG-02
 (c) GST REG-03 (d) GST REG-04
62. Aminpur Post Office provided basic mail services of ₹ 2,50,000 and speed post services of ₹ 3,00,000. The value of taxable services will be
 (a) ₹ 2,50,000 (b) ₹ 3,00,000
 (c) ₹ 5,50,000 (d) None of the above
63. An individual acts as a referee in a football match organised by Sports Authority of India. Which one of the following is correct ?
 (a) The individual is liable to pay GST (b) Sports Authority of India is liable to pay GST
 (c) Exempted from GST (d) Outside the scope of supply
64. Goods under CGST Act excludes
 (a) Securities
 (b) Unsecured debts
 (c) Right to participate in the draw to be held in a lottery
 (d) Growing crops
65. A famous actress went to London and availed cosmetic or plastic surgery for her nose. Whether GST is liable to be paid ?
 (a) Yes (b) No
 (c) No supply at all (d) None of the above
66. In relation to a registered person, input tax means the Central tax, State tax, Integrated tax or Union Territory tax charged on any supply of goods or services or both made to him and includes
 (a) The integrated goods and services tax charged on import of goods
 (b) The tax payable under Reverse Charge Mechanism as per SGST Act
 (c) The tax payable under Reverse Charge Mechanism as per UTGST Act
 (d) The tax payable under the composition levy

E. ICSI-Inter, December 2018

67. A supply made by a taxable person to a recipient of goods being buyer consisting of two or more taxable supplies of goods or services or of both or any combination thereof which are only bundled and supplied in conjunction with each other in the ordinary course of business out of which one is a principal supply has been defined u/s 2(3) of CGST Act, 2017 as
 (a) Composite supply (b) Mixed supply
 (c) Higher rate tax supply (d) Bundled supply
68. The payment of tax by electronic operator who does not have physical presence in taxable territory in India be made by
 (a) e-commerce operator himself (b) his appointed representative in India
 (c) the person who receives supply (d) either (a) and (b)
69. The time of supply "where goods or services or both have been supplied in a situation where the invoice issued before the change in the rate of tax but payment received after the change in rate of tax" as per section 14 of the CGST Act, 2017 shall be
 (a) Date of issue of invoice
 (b) Date of receipt of payment or the date of issue of invoice whichever is earlier
 (c) Date of receipt of payment
 (d) None of the above
70. Which of the following called the Union territory as being covered under Union Territory Goods and Service Tax Act, (UTGST), 2017 ?
 (a) Sikkim (b) Puducherry
 (c) Daman and Diu (d) None of the above

71. Subsidy given by the Central Government or a State Government while determining value of taxable supply under Goods and Services Tax (GST) as per section 15 of the CGST Act, 2017
- included in the transaction value i.e. (value of taxable supply)
 - just ignored no treatment
 - shall not be included in transaction value i.e. (value of taxable supply)
 - deducted from the transaction value i.e. (value of taxable supply)
72. Patel of Surat, Gujarat supplied good to Patil of Mumbai, Maharashtra for ₹ 1,20,000 (excluding GST) but after adding 30% profit margin (on cost). Patil is also a taxable person. IGST rate is 18%. The amount of input tax credit that can be availed and the maximum time limit for availing such input tax credit by Patil of Mumbai, Maharashtra as per CGST Act, 2017 is
- ₹ 28,080 and within 6 months from the date of issue of tax invoice
 - ₹ 7,020 and within next quarter from the date of issue of tax invoice
 - ₹ 21,600 and within 1 year from the date of issue of tax invoice
 - None of the above
73. Find out the following, who are the persons not liable for registration under the CGST Act, 2017.
- Non-resident making taxable supply
 - Person supplying exempted goods and services or goods or services which are not liable for tax under GST
 - An agriculturist, to the extent of supply of produce out of cultivation of land
 - Both (b) and (c)
74. Who is authorised under Integrated Goods and Service Tax (IGST) Act, to levy tax ?
- State
 - Centre
 - Union Territory
 - Both (a) and (b)
75. The available balance of input tax credit in the electronic ledger of the registered person on account of Union territory tax shall be utilised as per section 9 of UTGST Act, 2017
- first towards payment of central tax
 - first towards payment of integrated tax
 - first towards payment of union territory tax and the amount remaining, if any towards payment of integrated tax
 - none of the above
76. Exempt supply means supply of any goods or services or both which may be wholly exempt from tax under section 11 or under section 6 of the IGST Act and includes
- non-taxable supply
 - zero rated supply
 - supply having nil rate of tax
 - composite supply
- (i), (ii) and (iii)
 - (i) and (iv)
 - (i) and (iii)
 - All the four above
77. The exception to the general rule that "normally, the supplier of goods and services is liable to pay tax on supply, even if he does not collect from his customer i.e. recipient of supply of goods and services" shall be applicable where there are
- supply from an unregistered dealer to registered dealer
 - specified services through an e-commerce operator
 - both (a) and (b)
 - none of the above

F. ICSI-Inter, June 2019

78. Power to declare certain activities / transactions as neither supply of goods nor of services is given in
- Schedule IV
 - Schedule III
 - Schedule II
 - Schedule I
79. The proper officer may cancel the GST registration, if any registered person other than a person paying tax under section 10 of CGST Act, 2017 has not furnished the returns for a continuous period of
- 12 months
 - 9 months
 - 6 months
 - 3 months

80. ABC Ltd. of Mumbai supplied goods to XYZ Ltd. of Delhi under a contract for the goods to be delivered at the factory of the buyers. Goods removed from the factory of ABC Ltd. on 9-8-2019 and were delivered in the factory of XYZ Ltd. of Delhi on 16-8-2019. Invoice for the suppliers was raised by ABC Ltd. on 18-8-2019. Payment of the bill was received on 20-9-2019. The time of supply in this case under GST be taken as
- (a) 9-8-2019 (b) 16-8-2019
(c) 18-8-2019 (d) 20-9-2019
81. Section 24 of the CGST Act, 2017 lists categories of persons who are required to take registration even if they are not covered under section 22 of the Act. Find out from the following categories of persons who are being required to take registration as per section 24 of the CGST Act, 2017:
- (i) Casual taxable person
(ii) Non-resident taxable person
(iii) Recipient of service under Reverse Charge
(iv) Inter-state supplier
(v) Input service distributor
- (a) (i), (iii) and (v) (b) (i), (ii), (iv) and (v)
(c) (i), (ii) and (v) (d) All the 5 in (i) to (v)
82. Section 2(6) of the CGST / SGST Act, 2017 defines aggregate turnover which is being computed on all India basis excluding the taxes charged under CGST Act, SGST Act, UTGST Act and IGST Act. Aggregate turnover shall include all supplies made by a taxable person comprising of
- (i) Taxable supply
(ii) Exempt supply
(iii) Export of goods and services
(iv) All inter-state supply of person having same PAN
(v) Supply on which tax is levied on reverse charge basis
(vi) Value of all inward supply
- (a) (i), (iii), (iv) and (v) (b) (i), (iii), (iv) and (vi)
(c) All the above in (i) to (vi) (d) (i), (ii), (iii) and (iv)
83. Decision of the GST Council will be adopted when it has the support of
- (a) one-third majority (b) two-third majority
(c) three-fourth majority (d) simple majority
84. The compensation to states for loss of revenue on account of implementation of GST is for _____ years.
- (a) 2 (b) 5
(c) 8 (d) 10
85. When agriculturist supplies tobacco leaves to a factory, registered under GST, the liability to pay GST is on
- (a) tobacco leaves seller (b) the buyer under reverse charge
(c) the agriculturist (d) consumer of tobacco leaves
86. When an unregistered dealer supplied goods to a registered dealer, the time of supply under reverse charge shall be earliest of the
- (a) date of receipt of goods (b) date of supply of goods
(c) date of loading of goods in transport (d) date of intimation of supply of goods
87. Composition scheme is not applicable to service providers except the following.
- (a) Consultancy Service (b) Restaurant Service
(c) Beauty Parlours (d) Cleaning Work
88. To avail input tax credit, which of the following factors is not relevant ?
- (a) Tax invoice (b) Furnishing of return by supplier
(c) Receipt of goods and services (d) Payment by buyer for supply received
89. Input tax credit cannot be availed after the expiry of _____ from the date of issue of tax invoice of supply.
- (a) 6 months (b) 3 months
(c) 1 year (d) 2 years

90. When goods are packed and transported with insurance, the supply of goods, packing materials, transport and insurance as per provisions of CGST Act, 2017, is called as
 (a) Mixed Supply (b) Uniform Supply
 (c) Complex Supply (d) Composite Supply
91. A service shall be a continuous supply of service agreed to be provided continuously or on recurrent basis under a contract when the period of service exceeds
 (a) 1 month (b) 3 months
 (c) 6 months (d) 1 year
92. Which of the following is not liable to be registered as per provisions of CGST Act, 2017 ?
 (a) Person supplying exempted goods (b) Non-resident making taxable supplies
 (c) Deductor of tax at source (d) Supplier on behalf of other person

G. CA-Inter-RTP, November 2019

93. Miss. Raksha is engaged in providing private coaching services in Noida, Uttar Pradesh and is not registered under GST till 25 Sept. 2019. Her aggregate turnover is ₹ 19,00,000 on 30 Sept. 2019. She got GT registration on 30 Sept. 2019. Which of the following options are available to her ?
 (a) She can pay tax @ 18%, charge it from customer and avail full input tax credit on procurements made.
 (b) She can pay tax @ 6% under exemption scheme for service providers but she cannot charge GST from customer and also cannot avail input tax credit.
 (c) She is not liable for registration since her aggregate turnover is less than ₹ 40,00,000
 (d) Either (a) or (b)
94. Mr. Arun, a registered supplier, is engaged in selling sweets. The sweets are sold in boxes and the cost of each sweet box is ₹ 500. In order to increase his turnover, he purchased certain juice cans @ ₹ 20 each and added juice can with every sweet box as a gift. A sweet box along with free juice can is sold at ₹ 500 each.
 Which of the statements is correct ?
 (a) He is liable to pay tax on ₹ 520 and eligible to claim input tax credit on purchase of juice cans
 (b) He is liable to pay tax on ₹ 500 and not eligible to claim input tax credit on purchase of juice cans
 (c) He is liable to pay tax on ₹ 500 and also eligible to claim input tax credit on purchase of juice cans
 (d) Either (a) or (b)
95. Which is not considered as supply under GST Law ?
 (a) Stock transferred from one establishment in Delhi to another establishment in Gurgaon, Haryana registered under same PAN.
 (b) CA Ram supplies accounting services to CA Radha in lieu of taxation services received from CA Radha.
 (c) A Health club supplies lunch to its members at its annual meeting against a nominal charge
 (d) Mr. A sells a flat to Mr. B
 (i) Date of completion certificate - 31-1-2020
 (ii) Date of agreement with buyer - 1-2-2020
 (iii) Consideration received - 5-2-2020
96. With reference to the provisions relating to transaction value under section 15 of the CGST Act, 2017, which of the following is not correct ?
 (a) Central excise duty will not be included in transaction value for supply of tobacco.
 (b) Municipal taxes paid by tenant will be included in transaction value for supply of renting service.
 (c) Entertainment tax included in movie ticket will form part of transaction value
 (d) Customer makes payment of freight which is payable by the supplier, directly to the service provider. However, supplier does not include this amount in this invoice. Such amount will be included in transaction value of the supplier.
97. Which of the following services are notified under section 9(3) of CGST Act, 2017 or section 5(3) of IGST Act, 2017 the tax on which shall be paid on reverse charge basis by the recipient of such supply ?

- (i) Supply of security services provided by a person other than a body corporate to a composition tax payer
- (ii) Services supplied by an insurance agent to insurance company located in taxable territory
- (iii) Supply of services by way of renting of hotel accommodation through e-commerce operator.
- (iv) Supply of notified categories of goods or services or both by a supplier, who is not registered, to specified class of registered persons.
- Choose from the following options :
- (a) (i) and (ii) (b) Only (ii)
- (c) (i), (ii), (iii) (d) (i) and (iv)
98. Mr. Dev Anand is engaged in providing services of facilitating sale and purchase of securities to various clients. He is also engaged in trading of securities. His turnover details are as follows :
- Trading of securities - ₹ 40,00,000
- Brokerage on account of facilitating transactions in securities - ₹ 30,00,000
- You are required to ascertain aggregate turnover of Mr. Dev Anand under GST :
- (a) ₹ 30,00,000 (b) ₹ 40,00,000
- (c) ₹ 70,00,000 (d) Nil
99. Mr. Pappu Singh, commenced his business in Feb. 2019. He has established following units :
- (i) Unit A (in SEZ) and Unit B (non-SEZ) in the State of Maharashtra
- (ii) Unit C in Delhi
- (iii) Unit D and E in the State of Goa
- Mr. Pappu Singh has approached you to help him in determining the states and number registrations he is required to take under GST (presuming the fact that he is making taxable supply from each state and his aggregate turnover exceeds the threshold limit) :
- (a) Maharashtra - 2 : Delhi - 1, Goa - Optional 1 or 2
- (b) Maharashtra - Optional 1 or 2 : Delhi - 1, Goa - Optional 1 or 2
- (c) Maharashtra - 1 : Delhi - 1, Goa - 1
- (d) Maharashtra - 2 : Delhi - 1, Goa - 2
100. A non-resident taxable person is required to apply for registration
- (a) within 30 days from the date on which he becomes liable to registration
- (b) within 60 days from the date on which he becomes liable to registration
- (c) at least 5 days prior to the commencement of business
- (d) none of the above
101. 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) and (iii) (b) (ii) and (iv)
- (c) (i) and (ii) (d) (iii) and (iv)

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102. Indirect Tax is a _____.
- (a) Regressive tax (b) Progressive tax
- (c) Tax on tax (d) Value added tax
103. _____ is levied on Inter-State supplies of goods or services or both.
- (a) CGST (b) SGST
- (c) IGST (d) Both (a) and (b)
104. The liability to pay tax on goods shall arise at the _____.
- (a) Dispatch of goods (b) Time of supply
- (c) Removal of goods (d) Delivery of goods
105. Input Tax Credit of CGST can be first utilised to pay output liability of _____.
- (a) SGST (b) CGST
- (c) IGST (d) UTGST

106. The first 2 digits of GSTIN represent _____.
- (a) Entity code (b) Country code
(c) State code (d) Check sum character
107. _____ of supply is the amount upon which tax is levied and collected.
- (a) Value (b) Cost
(c) Turnover (d) Gross value
108. Input tax does not include _____.
- (a) IGST on import of goods (b) SGST and UTGST
(c) Tax paid under composition levy (d) Tax payable section 9(3) and 9(4)

ANSWERS

1. (c)	17. (a)	33. (d)	49. (a)	65. (b)	81. (d)	97. (b)
2. (d)	18. (b)	34. (b)	50. (b)	66. (d)	82. (d)	98. (a)
3. (d)	19. (c)	35. (a)	51. (b)	67. (a)	83. (c)	99. (a)
4. (b)	20. (a)	36. (b)	52. (d)	68. (b)	84. (b)	100. (c)
5. (c)	21. (b)	37. (c)	53. (c)	69. (a)	85. (b)	101. (d)
6. (c)	22. (c)	38. (d)	54. (a)	70. (b)	86. (a)	102. (a)
7. (d)	23. (d)	39. (b)	55. (b)	71. (c)	87. (b)	103. (c)
8. (a)	24. (b)	40. (c)	56. (b)	72. (c)	88. (d)	104. (b)
9. (b)	25. (c)	41. (a)	57. (c)	73. (d)	89. (c)	105. (b)
10. (b)	26. (b)	42. (a)	58. (a)	74. (b)	90. (d)	106. (c)
11. (b)	27. (d)	43. (a)	59. (b)	75. (c)	91. (b)	107. (a)
12. (d)	28. (c)	44. (d)	60. (d)	76. (c)	92. (a)	108. (c)
13. (c)	29. (d)	45. (a)	61. (c)	77. (c)	93. (d)	
14. (c)	30. (b)	46. (b)	62. (b)	78. (b)	94. (c)	
15. (c)	31. (d)	47. (c)	63. (c)	79. (c)	95. (d)	
16. (d)	32. (b)	48. (c)	64. (a)	80. (a)	96. (a)	