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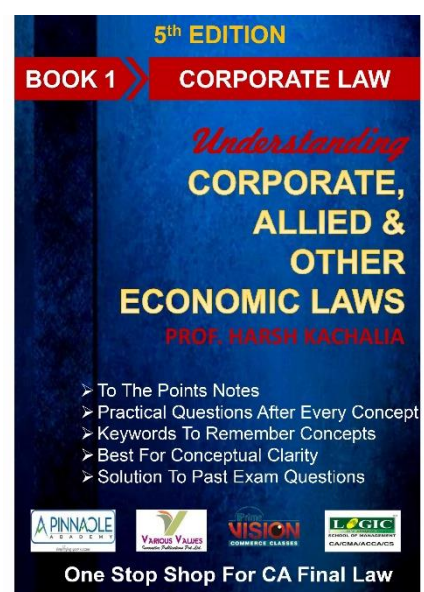
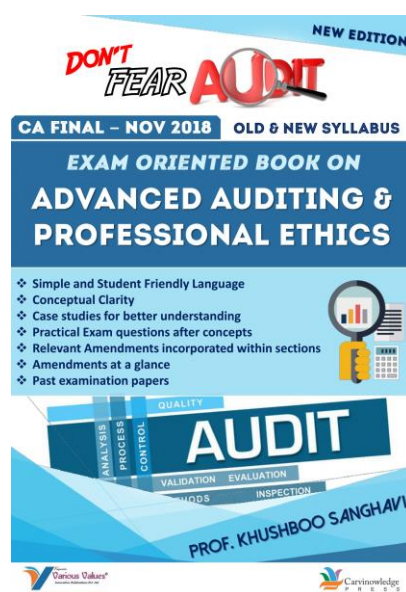
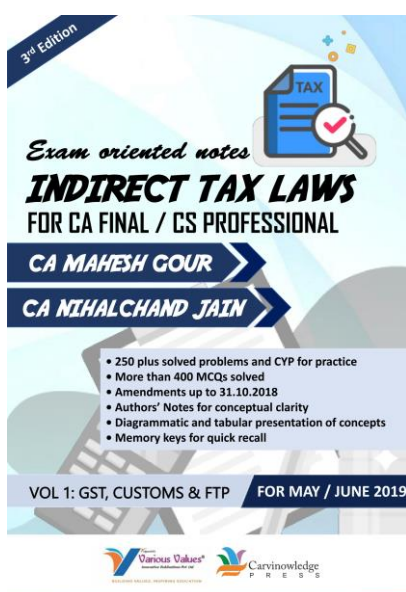
**MULTIPLE CHOICE**  
**QUESTIONS**

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## CHAPTER 2. TAXABLE EVENT - SUPPLY

### MULTIPLE CHOICE QUESTIONS

#### SCOPE OF SUPPLY (SECTION 7)

**Q1. 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

**Ans: (c) Both of the above**

#### TAX LIABILITY ON COMPOSITE AND MIXED SUPPLIES (SECTION 8)

**Q2. 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

**Ans. (c) Both of the above**

**Q3. 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

**Ans. (a) Tax rate as applicable on principal supply**

**Q4. 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

**Ans. (b) Tax rate as applicable on supply attracting the highest rate of tax**

#### LEVY AND COLLECTION OF TAX [IGST] (SECTION 5 TO 6)

**Q5. \_\_\_\_\_ Supply shall attract IGST?**

- (a) Intra-State
- (b) Inter-State
- (c) Both

**Ans. (b) Inter-State**

**Q6. Is there any ceiling limit prescribed on the rate under IGST?**

- (a) 14%
- (b) 40%
- (c) 26%
- (d) 30%

**Ans. (b) 40%**

**Q7. What if an e-commerce operator having no physical presence in the taxable territory, does not have a representative in the taxable territory?**

- (a) He 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

**Ans. (c) He has to appoint a person in the taxable territory for the purpose of paying tax on his behalf**

**Q8. 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

**Ans. (c) Petroleum**

**Q9. Goods deposited in warehouse by filing into-bond bill of entry do not attract liability to any customs duty until the date specified in section 15 is reached**

- (a) True
- (b) False

**Ans. (a) True**

## CHAPTER 3. CHARGES OF GST

### MULTIPLE CHOICE QUESTIONS

**Q1. ....of the Constitution provides that no tax shall be levied or collected except by authority of law?**

- (a) Article 248
- (b) Article 245
- (c) Article 265
- (d) Article 266

**Ans. (c) Article 265**

**Q2. What are the taxes levied on an intra-State supply?**

- (a) CGST
- (b) SGST
- (c) CGST and SGST
- (d) UTGST

**Ans. (c) CGST and SGST**

**Q3. What is the maximum rate prescribed under CGST Act?**

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

**Ans. (c) 20%**

**Q4. 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

**Ans. (d) Central Government as per the recommendations of the GST Council**

**Q5. Which of the following taxes will be levied on imports?**

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

**Ans. (c) IGST**

**Q6. What is the maximum rate prescribed under UTGST Act?**

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

**Ans. (c) 20%**

### REVERSE CHARGE

**Q7. What are the supplies on which reverse charge mechanism would apply?**

- (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

**Ans. (a) Notified categories of goods or services or both under section 9(3) as section 9(4) has been deferred presently.**

**Q8. Which of the following services are covered under Reverse Charge Mechanism of CGST Act, 2017?**

- i. Legal Consultancy**
- ii. Goods Transport Agency**
- iii. Labour Supply**
- iv. Rent-a-Cab**

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

**Ans. (c) i and ii**

**Q9. In case of GTA services provided to an Individual not registered under GST and not a business entity, liability to pay GST is on**

- (a) GTA
- (b) Recipient
- (c) Both
- (d) Exempt

**Ans. (d) Exempt vide Sl. No. 21A of Notification No. 12/2017-Central Tax (Rate), dated 28-Jun-2017**

**Q10. 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

**Ans. (b) M/s AB Ltd.**

**Q11. In case of renting of land, inside an Industrial estate, by State Government to a registered manufacturing company, liability to pay GST is on:**

- (a) State Government
- (b) Registered Manufacturer Company
- (c) Both
- (d) None of the Above

**Ans. (b) Registered Manufacturing Company**

**Q12. 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

**Ans. (b) ABC Insurance Co. Ltd.**

**Q13. 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

**Ans. (b) XYZ Ltd.**

**Q14. 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

**Ans. (a) M/s ZZZ Bank Ltd.**

**Q15. 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

**Ans. (a) Lottery distributor**

**Q16. 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

**Ans. (c) Both intra-State and inter-State supplies**

**Q17. Banking services provided by Department of post :**

- (a) Taxable & Reverse Charge Mechanism is applicable
- (b) Taxable & Normal Charge is applicable
- (c) Exempt from GST
- (d) Nil rated

**Ans. (c) Exempt from GST**

**Q18. If a supplier is under the composition scheme, does RCM still apply to the recipient**

- (a) Yes
- (b) No

**Ans. (b) No**

**Q19. If all supplies made by a supplier are covered under RCM, should they still register under the CGST Act if the threshold exceeds the prescribed limit**

- (a) Yes
- (b) No - Notification No. 05/2017-Central Tax dated 19.06.2017

**Ans. (b) No - Notification No. 05/2017- Central Tax dated 19.06.2017.**

**Q20. When can credit for tax paid under reverse charge be taken?**

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

**Ans. (a) Same month**

**Q21. If a supplier is under the composition scheme, then whether tax will be paid under reverse charge by the composition supplier:**

- (a) Yes
- (b) No

**Ans. (a) Yes**

**Q22. Whether services supplied by individual Direct Selling Agents (DSAs) to banks/ non-banking financial company (NBFCs) will be covered under Reverse Charge Mechanism:**

- (a) Yes
- (b) No

**Ans. (a) Yes**

### **COMPOSITION LEVY (SECTIONS 10)**

**Q23. 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

**Ans. (d) Presently, Person providing restaurant services. (It may be noted that CGST Act Amendment has provided an option to take composition scheme 10% or Rs. 5 Lacs as discussed earlier)17**

**Q24. 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) Rs. 75 lacs
- (b) Rs. 10 lacs
- (c) Rs. 150 lacs
- (d) Rs. 1 crore

**Ans. (d) Rs. 1 crore [Notification No. 46/2017-Central Tax dated 13.10.2017 read with Notification No. 08/2017-Central Tax dated 27.06.2017]**

**Q25. 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) Rs. 25 lacs
- (b) Rs. 50 lacs
- (c) Rs. 75 lacs
- (d) Rs. 1 crore

**Ans. (c) Rs. 75 lacs [Notification No. 46/2017-Central Tax dated 13.10.2017 read with Notification No. 08/2017-Central Tax dated 27.06.2017]**

**Q26. 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

**Ans. (c) 0.5% [Notification No. 01/2018-Central Tax dated 01.01.2018]**

**Q27. What is the rate applicable under CGST to a registered person being a hotelier (providing restaurant and accommodation services ) opting to pay taxes under composition scheme?**

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

**Ans. (d) Not eligible for composition scheme thus liable to pay normal tax [Composition scheme is available to restaurant only. Even composition scheme is not extended to any other service provider]**

**Q28. Mr. Richard, a trader in Delhi has opted for composition scheme of taxation under GST. Determine the rate of total GST payable by him under composition scheme:**

- (a) 0.5% CGST & 0.5% SGST
- (b) 2.5% CGST & 2.5% UTGST
- (c) 5% IGST
- (d) 5% UTGST

**Ans. (a) 0.5% CGST & 0.5% SGST**

**Q29. Can a registered person opt for composition scheme only for one out of his 3 business verticals having same Permanent Account Number?**

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

**Ans. (b) No**

**Q30. 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

**Ans. (b) No**

**Q31. Can a registered person under composition scheme claim input tax credit?**

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

**Ans. (b) No**

**Q32. 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

**Q33. Which of the following will be excluded from the computation of 'aggregate turnover'?**

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

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

**Q41. What will happen if the turnover of a registered person opting to pay taxes under composition scheme during the year 2017-18 crosses threshold limit?**

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

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

**Q42. Which of the following is an inter-State supply?**

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

**Ans. (d) All the above**

**Q43. Which of the following is an intrastate supply?**

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

**Ans. (c) Supplier of goods located in Delhi and place of supply of goods in Delhi**

**Q44. Which of the following transaction is inter-state supply of goods involving movement of goods?**

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

**Ans. (a) Location of supplier is in Bangalore and location of recipient is in Mumbai and goods are shipped to Kolkata; and (b) Location of supplier is in Bangalore and place of supply is Mumbai**

**Q45. Supply of goods in the course of import into the territory of India is**

- (a) Intrastate supply
- (b) Inter-State supply
- (c) Export
- (d) Neither Export nor Import

**Ans. (b) Inter-State supply**

**Q46. Whether goods taken to warehouse from port or customs station exigible to IGST**

- (a) Yes
- (b) No

**Ans. (a) Yes**

**Q47. IGST and GST Compensation Cess will payable at the time of removal from warehouse**

- (a) True

(b) False

**Ans. (a) True**

## CHAPTER 4. EXEMPTION OF GST

### MULTIPLE CHOICE QUESTIONS

#### **Q1. 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

**Ans. (d) Incomes from specified/defined charitable activities of a registered trust (u/s 12AA of Income Tax Act) are exempted from GST**

#### **Q2. 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

**Ans. (d) Transfer of a going concern is exempt from GST**

#### **Q3. 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

**Ans. (d) All of Above [vide NN 16/2018 dated 27-07-2018]**

#### **Q4. 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

**Ans. (d) All the above mentioned**

#### **Q5. 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

**Ans. (a) It is pure labour service only**

#### **Q6. 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 for commercial use.
- (d) For none of the above

**Ans. (b) For letting out any residential dwelling property for use as residence**

**Q7. Services by a hotel, inn, guest house, club or campsite are exempted for residential / lodging purposes -**

- (a) If the declared actual tariff for a unit of accommodation is below Rs. 10,000
- (b) If the declared actual tariff for a unit of accommodation is below Rs. 1,000
- (c) If the declared actual tariff for a unit of accommodation is exactly Rs. 1,000
- (d) If the declared actual tariff for a unit of accommodation is above Rs. 1,000

**Ans. (b) If the declared actual tariff for a unit of accommodation is below Rs. 1,000**

**Q8. 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 not for tourism, charter or hire
- (d) None of the above

**Ans. (c) It is by non air-conditioned stage carriage not for tourism charter or hire.**

**Q9. Transportation of passengers is exempted -**

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

**Ans. (c) In a metered cab/auto rickshaw / e rickshaw**

**Q10. Transportation of goods is not exempted if it is -**

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

**Ans. (a) by a goods transport agency / courier agency**

**Q11. Transportation of agricultural produces, milk, salt and food grain including flour, pulses and rice, 'relief materials meant for victims of natural or man-made disasters, calamities, accidents or mishap', newspaper or magazines registered with the Registrar of Newspapers - is exempted –**

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

**Ans. (d) If it is by all of the above**

**Q12. Which of the following is exempted –**

- (a) Services by way of loading, unloading, packing, storage or warehousing of rice
- (b) Services by way of loading and unloading of jute
- (c) Services by way of packing and storage or warehousing of rubber
- (d) None of the above

**Ans. (a) Services by way of loading, unloading, packing, storage or warehousing of rice**

**Q13. Core services of which organization is not exempted -**

- (a) Services provided by the Insurance Regulatory and Development Authority of India to insurers
- (b) Services provided by the Securities and Exchange Board of India set up under the Securities and Exchange Board of India Act, 1992 (15 of 1992) by way of protecting the interests of investors
- (c) Services by Port Trusts
- (d) Services by the Reserve Bank of India

**Ans. (c) Services by Port Trusts**

**Q14. If the aggregate turnover of in FY 2016-17 of M/s ABCD Enterprises, Kanchipuram, Tamil Nadu, India was Rs 18 lakh, exemption is available for the following services rendered to ABCD Enterprises -**

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

**Ans. (d) All of the above**

**Q15. Which of the following is exempted?**

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

**Ans. (b) 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 [vide NN 32/2017, dated 13.10.2017]**

**Q16. One of the following is exempted from GST -**

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

**Ans. (c) A business exhibition outside India**

**Q17. 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) Ambulance service by M/s XYZ
- (d) Rearing horses

**Ans. (a) Rearing horses**

**Q18. Services by educational institution is exempted if the services are to -**

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

**Ans. (b) Its own students, faculty / staff**

**Q19. Services by a Non-Profit entity (Registered or Unregistered) are exempted -**

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



**Ans. (b) If they are to its own members, provided the contribution received is up to Rs. 7500 per month from a member towards sourcing goods/services from any third person for common use of members [vide NN 02/2018 dated 25-01-2018]**

**Q20. Which of the following are exempted services?**

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

**Ans. (c) Services by an artist by way of a performance in folk or classical art forms of music/ dance / theatre with consideration therefor not exceeding Rs. 1.5 lakh**

**Q21. Whether Service by way of access to a road or a bridge on payment of annuity is exempt?**

- (a) True
- (b) False

**Ans. (a) True [With effect from 13.10.2017 vide NNRs.32/2017]**

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## CHAPTER 5. PLACE OF SUPPLY

### MULTIPLE CHOICE QUESTION

#### PLACE OF SUPPLY (SECTION 10 TO 14)

**Q 1. Which of the following supply involving movement of goods is an intra-State supply?**

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

**Ans. (b) Location of supplier in Karnataka and place of supply in Karnataka.**

**Q 2. Place of supply in case of installation of elevator is**

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

**Ans. (c) Where the installation of elevator is made.**

**Q 3. Place of supply of food taken on board at Delhi for an aircraft departing from Delhi to Bangalore via Hyderabad is**

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

**Ans. (b) Delhi**

**Q 4. 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

**Ans. (b) Location of importer**

**Q 5. 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

**Ans. (c) Kolkata**

**Q 6. What is the place of supply of service where a restaurant provides catering service at the premise of the customer?**

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

**Ans. (b) Customer premise where catering service is provided.**

**Q 7. Mr. X a resident from Pune conducts training for employees of P Ltd. being a registered person under GST based out in Chennai at a resort in Darjeeling. The place of supply in this case is:**

- (a) Chennai
- (b) Pune
- (c) Darjeeling

**Ans. (a) Chennai**

**Q 8. Place of supply of service for DTH by ABC Pvt. Ltd. located in Mumbai to customer in Patna is:**

- (a) Mumbai
- (b) Patna

**Ans. (b) Patna**

**Q 9. Mr. X of Hyderabad not having bank account takes a demand draft in Kolkata from ABC Bank for his visa purpose. The place of supply is**

- (a) Hyderabad
- (b) Kolkata

**Ans. (b) Kolkata**

**Q 10. The provider of AMC service outside India has entered into an agreement for an aircraft company PQR located in India AMC. The service provider provides repair service to the aircraft when it was in India. The place of service in this case is:**

- (a) Outside India
- (b) India

**Ans. (b) India; since the aircraft is in India when the service is provided**

**Q 11. 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

**Ans. (b) Mumbai**

**Q 12. 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

**Ans. (a) Los Angeles**

**Q 13. 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

**Ans. (b) California.**

## CHAPTER 6. TIME OF SUPPLY

### MULTIPLE CHOICE QUESTIONS

#### TIME OF SUPPLY OF GOODS (SECTION 12)

**Q 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)

**Ans. (d) Earlier of (a) & (b)**

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

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

**Ans. (d) Earlier of (a) & (b)**

**Q 3. What is time of supply of goods liable to tax under reverse charge mechanism?**

- (a) Date of receipt of goods
- (b) Date on which the payment is made
- (c) Date immediately following 30 days from the date of issue of invoice by the supplier
- (d) Earlier of (a) or (b) or (c)

**Ans. (d) Earlier of (a) or (b) or (c)**

**Q 4. What is the time of supply of vouchers when the supply with respect to the voucher is identifiable?**

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

**Ans. (a) Date of issue of voucher**

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

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

**Ans. (b) Date of redemption of voucher**

**Q 6. What is date of receipt of payment?**

- (a) Date of entry in the books
- (b) Date of payment credited into bank account
- (c) Earlier of (a) and (b)
- (d) Later of (a) & (b)

**Ans. (c) Earlier of (a) and (b)**

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

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

**Ans. (d) ((b) or (c) at the option of the supplier, who has opted for composition levy under section 10 of the CGST Act, 2017**

### **TIME OF SUPPLY OF SERVICES (SECTION 13)**

**Q 8. What is the time of supply of service if the invoice is issued within 30 days from the date of provision of service?**

- (a) Date of issue of invoice
- (b) Date on which the supplier receives payment
- (c) Date of provision of service
- (d) Earlier of (a) & (b)

**Ans. (d) Earlier of (a) & (b)**

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

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

**Ans. (a) At the option of the supplier – Invoice date or Date of receipt of consideration**

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

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

**Ans. (c) Earlier of (a) & (b)**

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

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

**Ans. (d) Earlier of (a) & (b)**

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

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

**Ans. (c) Earlier of (a) & (b)**

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

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

**Ans. (c) 20th September 2018- Rs. 25,000/- and 5th October 2018 for Rs. 75,000/-**

#### **CHANGE IN RATE OF TAX IN RESPECT OF SUPPLY OF GOODS OR SERVICES (SECTION 14)**

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

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

**Ans. (c) 20% as invoice and payment were received prior to rate change**

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

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

**Ans. (d) 24% as invoice was issued in the period during which supply is completed**

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

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

**Ans. (c) 20% as payment was received in the period during which the supply was effected**

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

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

**Ans. (c) 20% as date of invoice and dispatch of goods from factory, has happened before change of rate**

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

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

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



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## CHAPTER 7. VALUE OF SUPPLY

### MULTIPLE CHOICE QUESTIONS

#### VALUE OF TAXABLE SUPPLY (SECTION 15)

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

- (a) Transaction value
- (b) MRP
- (c) Market Value
- (d) None of above

**Ans. (a) Transaction value**

##### **Q 2. The value of supply should include**

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

**Ans. (d) All of the above**

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

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

**Ans. (b) When the buyer and seller are related or price is not the sole consideration**

##### **Q 4. What deductions are allowed from the transaction value**

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

**Ans. (a) Discounts offered to customers, subject to conditions**

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

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

**Ans. (d) As per Rule 28 of the CGST Rules**

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

- (a) 100
- (b) 10
- (c) 110

(d) 120

**Ans. (c) 110**

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

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

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

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

- (a) True
- (b) False

**Ans. (a) True**

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

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

**Ans. (c) NIL**

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

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

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

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

- (a) Rs. 85,000
- (b) Rs. 1,00,000
- (c) Rs. 15,000
- (d) Rs. 1,15,000

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

## CHAPTER 8. INPUT TAX CREDIT

### MULTIPLE CHOICE QUESTION

**Q 1. Whether definition of Inputs includes capital goods.**

- (a) Yes
- (b) No
- (c) Certain capital goods only
- (d) None of the above

**Ans. (a) No**

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

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

**Ans. (a) Yes**

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

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

**Ans. (a) Yes**

**Q 4. The term “used in the course or furtherance of business” means?**

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

**Ans. (c) It is used or intended to be used in the course of business**

**Q 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) Any one of the four.

**Ans. (a) All four conditions**

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

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

**Ans. (c) Both**

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

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

**Ans. (b) No as one of the conditions of 16(2) is not fulfilled**

**Q 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 sixty installments

**Ans. (c) In one installment**

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

- (a) Bill of entry, Invoice raised on RCM supplies, etc.
- (b) Acknowledged copy of tax paid to department
- (c) Supply invoice by the recipient
- (d) Any of the above

**Ans. (a) Bill of entry, Invoice raised on RCM supplies, etc.**

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

- (a) Thirty days
- (b) Six Months
- (c) One hundred and eighty days
- (d) Till the date of filing of Annual Return

**Ans. (c) One hundred and eighty days**

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

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

**Ans. (d) 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.**

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

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

**Ans. (c) Yes, but proportionately to the extent of value and tax paid**

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

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

**Ans. (c) Yes, in specific instances**

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

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

**Ans. (c) Input tax credit is eligible if depreciation on tax component is not availed**

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

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

**Ans. (c) Earlier of (a) or (b)**

**Q 16. Proportionate credit for capital goods is allowed**

- (a) For business and non-business purpose
- (b) For taxable & exempt supply
- (c) Both of the above
- (d) For business or non business purpose

**Ans. (c) Both of the above.**

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

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

**Ans. (c) Exempted supplies, reverse charge supplies, Transaction in securities, sale of land, sale of building**

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

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

**Ans. (a) Eligible Credit or 50% credit**

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

- (a) Yes
- (b) No
- (c) Yes, with permission of Authorized officer

(d) Not applicable

**Ans. (b) No**

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

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

**Ans. (b) No**

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

- (a) 1 year from the date of invoice
- (b) 3 years from the date of invoice
- (c) 5 years from the date of invoice
- (d) Earlier of Due Date of furnishing of return u/s 39 for the month of September or Date Furnishing annual return.

**Ans. (a) 1 year from the date of invoice**

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

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

**Ans. (b) No**

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

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

**Ans. (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**

**Q 24. 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

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

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

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

**Ans. (c) Yes, immediately before the date from which he becomes liable to pay tax under the Regular scheme**

**Q 26. 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 transferor

**Ans. (c) Yes, it will be transferred only if there is provision for transfer of liabilities**

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

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

**Ans. (a) Yes**

**Q 28. 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

**Ans. (a) Yes, equivalent to the credit in respect of inputs held in stock (including semi-finished and finished) and on capital goods held in stock**

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

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

**Ans. (c) Yes, to extent of credit taken as reduced by prescribed percentage or tax on transaction value whichever is higher**

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

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



**Ans. (a) One year**

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

- (a) One year
- (b) Two years
- (c) Three months
- (d) Seven years

**Ans. (a) Three year**

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

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

**Ans. (a) If goods sent are returned within one year**

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

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

**Ans. (b) If goods sent are returned within three years**

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

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

**Ans. (a) Yes**

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

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

**Ans. (a) Yes**

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

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

**Ans. (b) No**

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

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

**Ans. (b) On Pro rata basis to the aggregate turnover of such recipients**

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

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

**Ans. (a) Only to that recipient**

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

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

**Ans. (b) Provisional basis**

**Q 40. Provisional Input tax credit can be utilized against**

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

**Ans. (b) Self Assessed Output Tax liability**

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

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

**Ans. (b) Outward supply filed by the supplier**

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

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

**Ans. (b) Yes**

**Q 44. Input Tax credit as credited in Electronic Credit ledger can be utilized for**

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

**Ans. (d) Payment of Taxes**

**Q 45. When the goods are sent from one job worker to another, the challan may be issued by:**

- (a) Only by the Principal
- (b) Only by Job worker sending goods to another job worker
- (c) By any one of the above two

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

**Q 46. When the goods are sent from one job worker to another, the challan issued by the principal:**

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

**Ans. (a) may be endorsed by the job worker sending goods to another job worker**

**Q 47. The details of challans in respect of goods dispatched to a job worker or received from a job worker or sent from one job worker to another during a quarter shall be included in FORM \_\_\_\_\_?**

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

**Ans. (a) Form GST ITC-04**

**Q 48. ITC can be taken on goods if goods not received by registered person but**

- (a) By his agent on his direction
- (b) By the job worker on his instruction
- (c) By any other person on his direction
- (d) Any of above

**Ans. (d) Any of above.**

**Q 49. 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

**Ans. (d) Fulfilling all the above conditions**

**Q 50. Maximum time limit for availing ITC is**

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

**Ans. (c) Earliest of above two**

**Q 51. ITC can be claimed by a registered person for**

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

**Ans. (a) Taxable supplies for business purpose**

**Q 52. ITC on motor vehicle can be claimed by**

- (a) Any registered person
- (b) Registered person engaged in same line of business

- (c) Any registered person engaged in exempted supply
- (d) Any of above

**Ans. (b) Registered person engaged in same line of business**

**Q 53. Person registered under composite scheme can avail ITC on**

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

**Ans. (d) None of above**

**Q 54. ITC can be claimed on goods/services for personal use if**

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

**Ans. (d) No ITC can be claimed**

**Q 55. ITC on works contract service can be availed only if**

- (a) Engaged in same line of business
- (b) Service related to movable property
- (c) Service related to immovable property
- (d) All of above

**Ans. (a) Engaged in same line of business**

**Q 56. An unregistered person can avail ITC on stock if he applies for registration within**

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

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

**Q 57. On sale, demerger, transfer, amalgamation, transferee is allowed to utilize ITC which is**

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

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

**Q 58. The principal can avail ITC on goods sent to job-worker which relates to**

- (a) Inputs
- (b) Capital goods
- (c) Inputs/capital goods directly sent to job-worker
- (d) All of above.

**Ans. (d) All of above.**

**Q 59. ITC cannot be availed by a person if**

- (a) ITC relates to tax paid on goods received by agent
- (b) ITC relates to tax paid in pursuance of any demand
- (c) ITC related to previous month inputs

(d) None of above

**Ans. (b) ITC relates to tax paid in pursuance of any demand**

**Q 60. The details of inward supply furnished by the registered taxable person shall be matched with**

- (a) Corresponding details of outward supply furnished by the corresponding taxable person.
- (b) Additional duty of customs paid under section 3(5) of the Customs Tariff Act, 1975
- (c) Tax payment made by Supplier
- (d) All the above

**Ans. (a) Corresponding details of outward supply furnished by the corresponding taxable person.**

**Q 61. In case of supply of plant & machinery on which ITC is taken, tax to be paid on is**

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

**Ans. (c) Higher of above two**

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## CHAPTER 9. REGISTRATION

### MULTIPLE CHOICE QUESTIONS

#### **Q1. How the aggregate turnover of Rs. 20 Lakh is calculated?**

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

**Ans. (d) 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**

#### **Q2. Whether all persons are mandatorily required to obtain registration?**

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

**Ans. (c) Not required if he is an agriculturist or person exclusively engaged in supplying exempt goods or services.**

#### **Q3. 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 Rs.20 lakhs/ Rs.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.

**Ans. (a) A person can't collect tax unless he is registered**

#### **Q4. Which of the following forms are used for registration?**

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

**Ans. (c) Form GST REG-01**

#### **Q5. 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.

**Ans. (b) Within 30 days from the date he becomes liable for registration**

**Q6. A person having \_\_\_business verticals in a State \_\_\_obtain a separate registration for each business vertical.**

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

**Ans. (c) Multiple, may**

**Q7. Which one of following statements are correct?**

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

**Ans. (c) A person may get himself registered voluntarily and shall comply with all the provisions of GST**

**Q8. PAN issued under the Income Tax Act is mandatory for grant of registration.**

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

**Ans. (d) Both (b) and (c)**

**Q9. 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.
- (e) He is required to register if he is liable to collect tax at source and /or his aggregate turnover exceeds the threshold limit.

**Ans. (d) He is required to register if he is liable to collect tax at source and /or his aggregate turnover exceeds the threshold limit.6**

**Q10. What is the validity of the registration certificate?**

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

**Ans. (c) Valid till it is cancelled**

**Q11. What is the validity of the registration certificate issued to casual taxable person and non-resident taxable person?**

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

**Ans. (c) Earliest of (a) or (b) above**



**Q12. Which of the following requires amendment in the registration certificate?**

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

**Ans. (d) All of the above**

**Q13. 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

**Ans. (d) All of the above**

**Q14. 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 Rs. 1,000,000/-
- (c) Imprisonment for a period of 6 months to 3 years.
- (d) Both (b) and (c)

**Ans. (a) Liable to cancellation of registration by proper officer**

**Q15. 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.

**Ans. (d) Cancellation does not affect the liability of taxable person to pay tax and other dues under CGST/SGST/IGST Act**

**Q16. 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.

**Ans. (d) Within 30 days from the date of service of the cancellation order**

**Q17. 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)

**Ans. (a) (i) and (ii)**

**Q18. Who can submit application for registration in Form GST REG-09?**

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

**Ans. (a) Non- Resident taxable person**

**Q20. Which of the below statements are incorrect in finding out the effective date of registration?**

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

**Ans. (d) Date of issue of certificate of registration**

**Q21. Can a person apply for registration to pay tax u/s 10 for any of his business verticals at his choice?**

- (a) Yes, irrespective of the registration status of other business verticals.
- (b) No all of his other business verticals also should have obtained registration for paying tax under section 10.
- (c) Yes, provided majority of the business verticals are paying under section 10.
- (d) Yes, if all the business vertical in a state are obtained registration to pay tax under section 10.

**Ans. (b) No all of his other business verticals also should have obtained registration for paying tax under section 10**

**Q22. An Unique Identity Number will be allotted to the following persons upon submitting an application:**

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

**Ans. (c) Specialized agency of the UNO or any multilateral financial institution or consulate or embassy of foreign countries**

**Q23. Every registered taxable person shall display his certificate of registration in a prominent location at his principal and at every other place of business also GSTIN shall be displayed on the name board at the entry of such places.**

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

**Ans. (b) Yes, above statement is correct**

**Q24. Under what circumstances physical verification of business premises is mandatory?**

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

**Ans. (a) Physical verification of business premises is a discretionary power of proper officer**

**Q25. State which of the following statement is correct in respect of obtaining a separate registration for Business verticals:**

- (a) Person can obtain centralized registration.
- (b) Person may obtain a separate registration for each of his verticals.
- (c) He can have only two registration in a state.
- (d) Either (a) or (b).

**Ans. (b) Person may obtain a separate registration for each of his verticals**

**Q26. Business which has centralized registration under erstwhile Act.**

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

**Ans. (b) Shall obtain separate registration in each state from where it is making taxable supplies**

**Q28. Does a Medical Service Provider needs to get registered under GST, if his aggregate turnover (u/s 2 (6) is more than Rs. 20 Lakhs but has taxable supply of only an amount of Rs.2.4 Lakh p.a.?**

- (a) No
- (b) Yes

**Ans. (b) Yes [he should get registered and also pay GST on taxable supply.]**

**Q29. Who will take registration on services in relation to transportation of goods (including used household for personal use) if, GTA avails ITC on supplies made by him**

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

**Ans. (a) GTA, forward charge**

**Q30. Will all establishments display a certificate from government (displaying his turnover category) and their GST Registration No. which should appear on all his cash memos/bills?**

- (a) No
- (b) Yes

**Ans. (b) Yes [Rule 18 of CGST Rules, 2017]**

**Q31. Does a trader who has turnover of less than 20 lakh and are selling on ecommerce websites, have to register for GST, if such e-commerce operator is required to collect TCS?**

- (a) No
- (b) Yes

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

**Q32. Do I, a Mutual fund Distributor working in Delhi, need to register under GST, having income less than Rs. 20 Lakhs but working for offices that are registered in Mumbai and have branch offices in Delhi?**

- (a) No
- (b) Yes

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

**Q33. If I already have a GSTIN, do I need to register separately as an Input Service Distributor?**

- (a) No
- (b) Yes

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

## CHAPTER 10A .TAX INVOICE, CREDIT AND DEBIT NOTES

### MULTIPLE CHOICE QUESTIONS

**Q1. Tax invoice must be issued by \_\_\_\_\_**

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

**Ans. (c) Registered persons not paying tax under composition scheme**

**Q2. Law permits collection of tax on supplies effected prior to registration, but after applying for registration:**

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

**Ans. (c) Yes, on all supplies, if the revised invoice is raised within one month**

**Q3. A bill of supply can be issued in case of inter-State and intra-State:**

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

**Ans. (d) Manual or electronic form**

**Q4. Who among the following, even if not registered, is required to maintain records**

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

**Ans. (e) All the above**

**Q5. An acknowledgement must be given on receipt of advance payment in respect of supply of goods or services:**

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

**Ans. (b) Yes, as a receipt voucher.**

**Q6. A continuous supply of goods requires one of the following as a must:**

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

**Ans. (d) Supplier invoices the recipient on a regular or periodic basis**

**Q7. The recipient must issue an invoice in the following cases:**

- (a) The supplier fails to issue an invoice
- (b) The supplier is unregistered
- (c) The goods or services received are notified for tax on reverse charge basis

**Ans. (b) & (c)**

**Q8. A payment voucher need not be raised if the supplier is an unregistered person.**

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

**Ans. (d) False, payment voucher should be issued in addition to raising an invoice for the inward supply**

**Q9. The time limit for issue of tax invoice in case of continuous supply of goods:**

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

**Ans. (a) At the time of issue of statement of account where successive accounts are involved**

**Q10. In case of goods sent on sale on approval basis, invoice has to be issued:**

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

**Ans. (c) when the recipient accepts the goods or six months from the date of removal, whichever is earlier**

**Q11. If Supply of Services has ceased under a contract before the completion of supply:**

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

**Ans. (b) Invoice has to be issued at the time of cessation to the extent of the supply effected.**

**Q12. The tax invoice should be issued \_\_\_\_\_ the date of supply of service:**

- (a) Within 30 days from
- (b) Within 1 month from
- (c) Within 60 days from
- (d) On

**Ans. (a) Within 30 days from**

**Q13. A person who has applied for registration can:**

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

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

**Q14. The name of the State of recipient along with State code is required on the invoice where:**

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

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

**Q15. A credit note is issued by \_\_\_\_\_ and it is a document accepted for GST purposes:**

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

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

**Q16. For an increase in the tax/ taxable value, a debit note for GST purposes:**

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

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

**Q17. The last date for declaring the details of a Credit Note issued on 25-Jun-2018 for a supply made on 19-Sep-2017 is:**

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

**Ans. (d) 20-Oct-2018 – Due Date of Filing of September Return**

**Q18. The receipt voucher must contain:**

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

**Ans. (a) Details of goods or services.**

## CHAPTER 10B. E-WAY BILL

### MULTIPLE CHOICE QUESTIONS

**Q1. In case of inter-State movement of goods, every registered person who causes movement of goods of consignment value exceeding .....in relation to a supply or for reasons other than supply or due to inward supply from an unregistered person shall, before commencement of such movement, file FORM GST EWB-01.**

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

**Ans. (a) Rs. 50,000/-**

**Q2. When the movement of goods is caused by an unregistered person the e-way bill shall be generated by:**

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

**Ans. (c) Either of them**

**Q3. When an e-way bill is not required to be generated?**

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

**Ans. (d) All of the above**

**Q4. What is a valid tenure for an e-way bill for a distance upto 20 KMS?**

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

**Ans. (a) One day in case of Over Dimensional Cargo**

**Q5. Who can extend the validity of an e-way bill?**

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

**Ans. (a) Commissioner**

**Q6. How should e-way bill be generated for multiple consignments intended to be transported in one conveyance?**

- (a) The transporter shall generate separate e-way bills for each consignment
- (b) A consolidated e-way bill in FORM GST EWB-02 maybe generated
- (c) No e-way bill shall be required
- (d) None of the above

**Ans. (b) A consolidated e-way bill in FORM GST EWB-02 may be generated.**



**Q7. What is a valid tenure for an e-way bill for a distance up to 100 km?**

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

**Ans. (a) One day in cases other than Over Dimensional Cargo.**

## CHAPTER 11. ACCOUNTS AND RECORDS

### MULTIPLE CHOICE QUESTIONS

**Q1. The books and other records u/s 35 are to be maintained at**

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

**Ans. (c) Principal place of business mentioned in the Certificate of Registration**

**Q2. In case, more than one place of business situated within a state specified in the Registration Certificate, the books and Accounts shall be maintained at**

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

**Ans. (a) Each place of business pertaining to such place**

**Q3. Accounts are required to be maintained in**

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

**Ans. (d) Manual or electronic form**

**Q4. Who among the following, even if not registered, is required to maintain records**

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

**Q5. If a turnover during a financial year exceeds the prescribed limit, then accounts get audited by**

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

**Ans. (c) Either (a) or (b)**

**Q6. What accounts and records are required to be maintained by every registered taxable person at his principal place of business**

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

**Ans. (f) All of the above**

**Q7. Can all the records be maintained in an electronic form?**

- (a) Yes
- (b) No
- (c) May be
- (d) Yes, if authenticated by digital signature

**Ans. (d) Yes, if authenticated by digital signature**

**PERIOD OF RETENTION OF ACCOUNTS (SECTION 36)**

**Q8. The time period prescribed for maintenance of accounts and records, if the taxable person is a party to an appeal or revision shall be-**

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

**Ans. (c) One year after final disposal of such appeal or revision or proceeding, or until the expiry of seventy- two months from the last date of filing of Annual Return for the year pertaining to such accounts and records, whichever is later**

**Q9. Taxable person has to maintain his records for a period of:**

- (a) expiry of seventy-two months from the due date of filing of Annual Return for the year
- (b) expiry of forty months from the due date of filing of Annual Return for the year
- (c) expiry of sixty months from the due date of filing of Annual Return for the year
- (d) expiry of ninety months from the due date of filing of Annual Return for the year

**Ans. (a) Expiry of seventy-two months from the due date of filing of Annual Return for the year**

# CHAPTER 12. PAYMENT OF TAX

## UNIT 2: TAX DEDUCTION AT SOURCE AND COLLECTION OF TAX AT SOURCE

### MULTIPLE CHOICE QUESTIONS

**PAYMENT OF TAX, INTEREST, PENALTY AND OTHER AMOUNTS (SECTION 49)  
SECTION 49 OF THE CGST ACT, 2017 MADE APPLICABLE TO IGST VIDE SECTION 20 OF THE  
IGST ACT, 2017 AND UTGST VIDE SECTION 21 OF THE UTGST ACT, 2017**

**Q1. Which of these registers/ledgers are maintained online?**

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

**Q2. Payment made through challan will be credited to which registers/ledgers?**

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

**Ans. (c) Electronic Cash ledger**

**Q3. What is deemed to be the date of deposit in the electronic cash ledger?**

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

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

**Q4. 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

**Ans. (d) All of them**

**Q5. Balance in electronic credit ledger can be utilized against which liability?**

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

**Ans. (d) Output tax payable**

**Q6. Balance in electronic credit ledger under IGST can be used against which liability?**

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

**Ans. (c) IGST, CGST and SGST liability**

**Q7. 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

**Q8. Balance in electronic credit ledger under SGST can be used against which liability?**

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

**Ans. (b) SGST and IGST liability**

**Q9. What should the taxable person do if he pays the wrong tax i.e. IGST instead of CGST/SGST or vice versa?**

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

**Ans. (a) Remit tax again and claim refund**

**Q10. What should the taxable person do if he pays tax under wrong GSTIN?**

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

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

**Q11. Taxable person made an online payment of tax. Due to technical snag CIN was not generated but my bank account is debited. What should he do?**

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

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

**Q12. What is the due date for payment of tax?**

- (a) Last day of the month to which payment relates
- (b) Within 30 days of the subsequent month
- (c) Within 20 days of the subsequent month
- (d) Within 15 days of the subsequent month

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

**INTEREST ON DELAYED PAYMENT OF TAX (SECTION 50)**

**SECTION 50 OF THE CGST ACT, 2017 MADE APPLICABLE TO IGST VIDE SECTION 20 OF THE IGST ACT, 2017 AND UTGST VIDE SECTION 21 OF THE UTGST ACT, 2017**

**Q15. A taxable person failed to pay tax and/or file returns on time. He should pay interest on?**

- (a) Gross tax payable
- (b) Gross tax payable & input credit claimed
- (c) Net tax payable

(d) No interest payable, if reasonable cause is shown

**Ans. (a) Gross tax payable**

**Q16. From which date interest is liable in case of excess input tax credit claimed?**

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

**Ans. (c) From the due date for filing GSTR-03 of the month in which credit is claimed**

**Q17. For payment of IGST input tax credit can be utilised in the following manner only:**

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

**Ans. (a) IGST, CGST, SGST/UTGST**

#### **TAX DEDUCTION AT SOURCE (SECTION 51)**

**SECTION 51 OF THE CGST ACT, 2017 MADE APPLICABLE TO IGST VIDE SECTION 20 OF THE IGST ACT, 2017 AND UTGST VIDE SECTION 21 OF THE UTGST ACT, 2017**

**Q18. What is the rate of TDS?**

- (a) 1%
- (b) 4%
- (c) 5%
- (d) 18%

**Ans. (a) 1%**

**Q19. On what value TDS needs to be deducted?**

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

**Ans. (d) Invoice value excluding tax**

**Q20. What is the due date for payment of TDS?**

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

**Ans. (b) Within 10 days of the subsequent month**

**Q21. What is the due date for issue of TDS Certificate?**

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

**Ans. (d) Within 05 days from the date of payment of TDS**

**Q22. Every registered person required to deduct tax at source under section 51 shall furnish return, in ....., for the month in which such deductions have been made within 10 days after the end of such month.**

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

**Ans. (c) Form GSTR-7**

**ELECTRONIC COMMERCE – COLLECTION OF TAX AT SOURCE (SECTION 52)  
SECTION 52 OF THE CGST ACT, 2017 MADE APPLICABLE TO IGST VIDE SECTION 20 OF THE  
IGST ACT, 2017 AND UTGST VIDE SECTION 21 OF THE UTGST ACT, 2017**

**Q23. What is e-commerce?**

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

**Ans. (d) Supply of goods or services or both including digital products over digital or electronic network**

**Q24. A person who \_\_\_\_ digital or electronic facility or platform for electronic commerce shall be considered as an e-commerce operator.**

- (a) Owns
- (b) Operates
- (c) Manages
- (d) Any of the above

**Ans. (d) Any of the above**

**Q25. At what rate should the tax be collected at source?**

- (a) Not exceeding 0.5%
- (b) Not exceeding 1%
- (c) Not exceeding 2%
- (d) Not exceeding 3%

**Ans. (c) Not exceeding 2% (1% under CGST and 1% under SGST)**

**Q26. Is there any threshold limit for applying the provisions of Section 52 for collecting tax at source?**

- (a) TCS applies if net value of taxable supplies exceeds Rs.10,00,000/-
- (b) TCS applies if net value of taxable supplies exceeds Rs.15,00,000/-
- (c) TCS applies if net value of taxable supplies exceeds Rs.20,00,000/-
- (d) No such limit prescribed, tax should always be collected at source if the conditions envisaged u/s 52 are met.

**Ans. (d) No such limit prescribed, tax should always be collected at source if the conditions envisaged u/s 52 are met.**

**Q27. When will Section 52 apply? Or when should the e-commerce operator be liable to collect tax at source?**

- (a) E-commerce operator shall collect tax at source in respect of all supplies made through it.

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

**Ans. (c) E-commerce operator shall collect tax at source on the net taxable value of supplies made through it by other supplier where the consideration with respect to such supply is to be collected by the E-commerce operator**

**Q28. What is net value of taxable supplies?**

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

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

**Q29. When can a supplier making supplies through E-commerce operator opt not to register?**

- (a) Always
- (b) When the e-commerce operator is not required to collect tax at source u/s 52
- (c) When the supplier doesn't cross the threshold, limit specified under section 22.
- (d) Option (b) and (c), cumulatively fulfilled

**Ans. (d) Option (b) and (c), cumulatively fulfilled**

**Q30. When an e-commerce operator is required to register under GST?**

- (a) When he is required to collect tax at source u/s 52
- (b) When his aggregate turnover exceeds the threshold limit
- (c) It is mandatory to register irrespective of the threshold limit.
- (d) When he is required to collect tax at source u/s 52 and his aggregate turnover exceeds the threshold limit

**Ans. (d) When he is required to collect tax at source u/s 52 and his aggregate turnover exceeds the threshold limit**

**Q31. Is every supplier on e-commerce platform covered under Section 52 required to charge GST from Re. 1?**

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

**Ans. (a) Yes, since he is the registered taxable person**

**Q32. When should the e-commerce operator collect tax at source?**

- (a) When he collects the consideration on behalf of the supplier in respect of such supply
- (b) On the date when the other supplier makes supplies through operator



- (c) Day on which the operator remits the consideration to the supplier
- (d) Option (a) or (b) whichever is earlier
- (e) Option (a) or (b) whichever is later

**Ans. (a) When he collects the consideration on behalf of the supplier in respect of such supply**

**Q33. When should the e-commerce operator remit the amount of TCS to government and file the necessary returns with the government?**

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

**Ans. (a) Within 10 days after the end of the month in which such amount was collected**

**Q34. Can a supplier take credit of the TCS?**

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

**Ans. (d) Yes, on the basis of a valid return filed by the e-commerce operator and there is no discrepancy in the returns**

**Q35. Is there any matching to be done with the returns filed by supplier and operator?**

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

**Ans. (d) Yes, return of e-commerce operator should be matched with every return of supplier and if the returns do not match then the amount of discrepancy will be added to the outward tax liability of the concerned supplier, where the value of outward supplies furnished by the operator is more than the value of outward supplies furnished by the supplier, in his return for the month succeeding the month in which the discrepancy is communicated.**

**Q36. Every electronic commerce operator required to collect tax at source under section 52 shall furnish a statement in ....., containing details of supplies effected through such operator and the amount of tax collected as required under section 52(1) of the CGST Act.**

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

**Ans. (d) Form GSTR-8**

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## CHAPTER 13. RETURNS

### MULTIPLE CHOICE QUESTIONS

**Q1. The details of outward supplies of goods or services shall be submitted by**

- (a) 10th of the succeeding month
- (b) 18th of the succeeding month
- (c) 15th of the succeeding month
- (d) 20th of the succeeding month

**Ans. (a) 10th of the succeeding month**

**Q2. Details of Outward supplies shall include**

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

**Ans. (d) All the above**

**Q3. The details submitted by the outward supplier in Form GSTR 1 shall be furnished to the recipient regular dealer in form**

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

**Ans. (c) GSTR 2A**

**Q5. The details submitted by the outward supplier in Form GSTR 1 shall be furnished to the input service distributor in form**

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

**Ans. (d) GSTR 6A**

**Q6. Which of the following is true?**

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

**Ans. (d) All the above**

**Q7. The details submitted by the supplier in Form GSTR 1 are communicated to the registered taxable person in**

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

- (e) Form GSTR 1A on 15th of the succeeding month

**Ans. (c) Form GSTR 2A after the data entry in Form GSTR 1**

**Q8. Which of the following is a correct statement?**

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

**Ans. (a) Every registered taxable person other than ISD, non-resident tax payer & a person paying tax under section 10, 51 or 52 shall verify, validate, modify or delete the details communicated in Form GSTR 2A.**

**Q9. The details of inward supplies of goods or services in Form GSTR 2 shall be submitted by**

- (a) 10th of the succeeding month
- (b) 18th of the succeeding month
- (c) 15th of the succeeding month
- (d) 20th of the succeeding month

**Ans. (c) 15th of the succeeding month**

**Q10. Details of Inward supplies shall include**

- (a) Inward supplies of goods and services communicated in Form GSTR 2A
- (b) Inward supplies in respect of which tax is payable under reverse charge mechanism
- (c) Inward supplies of goods and services not declared by suppliers
- (d) All the above

**Ans. (d) All the above**

**Q11. Any modification / deletion done by the recipient to the details contained in Form GSTR 2 shall be communicated to the supplier in:**

- (a) Form GSTR 1A
- (b) Form GSTR 3A
- (c) Form GSTR 6A
- (d) Form GSTR 2A

**Ans. (a) Form GSTR 1A**

**Q12. The supplier on receiving the communication in Form GSTR 1A shall accept, reject or modify the details by:**

- (a) 18th of the succeeding month
- (b) 20th of the month succeeding the quarter
- (c) 17th of the succeeding month
- (d) 10th of the succeeding month

**Ans. (c) 17th of the succeeding month**

**Q13. A registered taxable person other than ISD, non-resident tax payer & a person paying tax under section 10, 51 or 52, shall file its periodical in:**

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

**Ans. (d) Form GSTR 3 by 20th of the succeeding month**

**Q14. Every tax payer paying tax under section 10 (Composition levy) shall file the return in**

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

**Ans. (b) Form GSTR 4 by 18th of the month succeeding the quarter**

**Q15. Which of the following is correct?**

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

**Ans. (d) All the above**

**Q16. The certificate of details of tax deducted by the deductor shall be furnished to the deductee in Form**

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

**Ans. (b) GSTR 7A**

**Q17. The e-commerce operator collecting tax under section 52 shall file its monthly return in**

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

**Ans (d) Form GSTR 8 10th of the succeeding month**

**Q18. State which is a true statement:**

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

**Ans. (d) Both (a) and (b)**

**Q19. What is the time limit for rectification of GSTR 1, GSTR 4 and GSTR 6?**

- (a) Return can be rectified within 6 months from the date of filing the return
- (b) Return can be rectified within 90 days from the date of filing the return

- (c) Return have to be rectified before the due date for filling the subsequent periods return
- (d) Return can be rectified before the due date for filing the returns for month of September or second quarter, as the case may be, following the end of the financial year.

**Ans. (d) Return can be rectified before the due date for filing the returns for month of September or second quarter, as the case may be, following the end of the financial year**

**Q20. The First return shall be filed by every registered taxable person for the period from**

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

**Ans. (a) The date on which he became liable for registration till the date of grant of registration**

**Q21. The details of inward supply furnished by the registered taxable person shall be matched with the**

- (a) Corresponding details of outward supply furnished by the corresponding taxable person
- (b) Additional duty of customs paid under section 3(5) of the Customs Tariff Act, 1975
- (c) For duplication of claims of input tax credit
- (d) All of the above

**Ans. (d) All of the above**

**Q24. Every registered taxable person shall be entitled to take credit of input tax in his return and such input tax credit shall be credited to**

- (a) Personal Ledger Account
- (b) Refund account
- (c) Electronic Cash Ledger
- (d) Electronic Credit Ledger

**Ans. (d) Electronic Credit Ledger**

**Q28. The due date for furnishing the annual return for every financial year by every registered taxable person other than ISD, non- resident tax payer, a person paying tax under section 10, 51 or 52 and a casual taxable person is**

- (a) 30th of September following the end of the financial year
- (b) 20th of October following the end of the financial year
- (c) 31st of December following the end of the financial year
- (d) 31st of May following the end of the financial year

**Q29. Every registered taxable person who is required to get his accounts audited under section 35(5) shall furnish electronically**

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

**Ans. (d) All of the above**

**Q30. The annual return shall be filed by the registered taxable person (other than dealers paying tax under section 10) in form**

- (a) GSTR 7
- (b) GSTR 9

- (c) GSTR 9A
- (d) )GSTR 10

**Ans. (b) GSRT 9**

**Q32. Notice to non-filers of return shall be sent in Form**

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

**Ans. (c) GSRT 3A**

**Q33. The final return shall be filed by the registered taxable person within**

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

**Ans. (d) Later of (a) or (b)**

**Q34. Which of the following is correct?**

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

**Ans. (a) Failure to file annual return before due date attracts a late fee of Rs. 100 per day up to 0.25% of his turnover**

**Q35. A goods and service tax practitioner can undertake the following activities if authorized by the taxable person**

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

**Ans. (d) All of the above**

#### **OBLIGATION FURNISH INFORMATION RETURN (SECTION 150)**

**Q31. Who are the persons liable to furnish information return?**

- (a) Taxable person
- (b) Income Tax Officer
- (c) Sub Registrar
- (d) Banking Company
- (e) GST Network
- (f) All the above

**Ans. (f) All the above.**

**Q32. What is the consequence if information is not filed in the form and manner as required by the Central Government?**

- (g) Return will be treated as defective
- (h) Defect has to be rectified within 30 days
- (i) Return treated as not filed
- (j) Re-file the return within 30 days
- (k) (a) and (b) above
- (l) (c) and (d) above

**Ans. (e) (a) and (b) above**

**Q33. Is there any ban on disclosure and use of information collected in the form of information return?**

- (a) No. Such information can be used for all GST purposes except publishing such information
- (b) Yes. Such information cannot be used by the department under any proceedings under GST Act.
- (c) Yes. Such information cannot be used by the department under any proceedings under GST Act except for the purpose of launching prosecution proceedings under the Act
- (d) No. Such information can be used to publish information
- (e) Yes. However such information can be used to publish information about a class of persons and class of transactions
- (f) (a) and (d) above
- (g) (c) and (e) above

**Ans. (g) (c) and (e) above**

**Q34. Who of the following would be liable, when they disclose information collected from information return/ statistics u/s 150 and 151 respectively?**

- (m) Departmental officer – when information disclosed while executing duties
- (n) Agent of GST portal – when information disclosed while executing duties
- (o) Person engaged in GST portal - when information disclosed while executing duties
- (p) Person engaged in collection of statistics - when information disclosed while executing duties
- (q) None of the above

**Ans. (e) None of the Above**

**Q35. When can assistance of expert be taken?**

- (h) Scrutiny
- (i) Inquiry
- (j) Investigation
- (k) Before passing Order
- (l) All the above

**Ans. (e) All the above.**

**Q36. Should receipt be given when samples are taken by the department?**

- (a) Yes
- (b) No

**Ans. (a) Yes**

**Q37. Whether prosecution can be initiated against the following persons?**

- (a) Members of Appellate Tribunal, since they did not follow the case law, which was decided by the President, leading to incorrect decision by such members of Appellate Tribunal
- (b) Adjudicating Authority for not following the orders of the Commissioner, when such work was delegated to such Adjudicating Authority



- (c) Vindictive action taken by a departmental officer, while discharging his function. The action was however in the favour of the revenue

**Ans. (c) Vindictive action taken by departmental officer though action taken in favour of the department.**

**Q38. What are the circumstances when information collected by GST officer can be disclosed by such GST officer?**

- (m) When serving show cause notice to an assessee
- (n) To the authority empowered to take disciplinary action, when inquiry is being conducted by such disciplinary committee
- (o) To an officer appointed for the purpose of conducting audit
- (p) (b) and (c)
- (q) (a), (b) and (c)

**Ans. (e) (a), (b) and (c)**

**Q39. Whether validity of service of notice can be called into question when assessee has submitted himself to adjudication proceedings pursuant to such notice?**

- (a) Yes
- (b) No
- (c) Depends of the facts of the case

**Ans. (b) No**

**Q40. When can mistake apparent on record be corrected?**

- (a) When mistake noticed by authority passing the order
- (b) When mistake pointed out by corresponding officer of SGST
- (c) When mistake pointed by person affected by the order
- (d) All of the above

**Ans. (d) All of the above**

**Q41. Within what period should the mistake apparent on record be brought to the notice of the authority?**

- (a) Three Months
- (b) Six Months
- (c) Depends – Three months in case of clerical error or arithmetical error and six months in other case

**Ans. (c) Depends – Three months in case of clerical error or arithmetical error and six months in other case**

**Q42. Can government make retrospective rules?**

- (a) Yes. But cannot impose penalty for contravention of rules for retrospective period
- (b) Yes and also can impose penalty for contravention of rules for retrospective period
- (c) No

**Ans. (a) Yes. But cannot impose penalty for contravention of rules for retrospective period**

**Q43. What is the effect if the parliament annuls the rules/ notifications issued by government?**

- (a) It is as good as no rules/ notifications were issued by the government
- (b) The rules/ notifications issued by the government would be effective for the period from the date of issue till the date they were annulled by the parliament
- (c) There would be no sanctity for the action taken by the department/ assessee on the basis of rules/ notification for the period from the date of issue till the date of annulment.

- (d) The action taken by the department/ assessee on the basis of such rules would be void from the date of annulling the rules/ notification.
- (e) (a) and (c)
- (f) (b) and (d)

**Ans. (b) and (c)**

**Q44. What are the methods to serve notice/ order/ documents under GST Act?**

- (a) Only by registered post acknowledgement due
- (b) By speed post (acknowledgement due not necessary)
- (c) By courier with acknowledgement due
- (d) Common portal
- (e) E-mail provided at the time of registration
- (f) Publication in newspaper circulating in the locality
- (g) All of the above except (c)
- (h) All of the above except (b)

**Ans. (g) All of the above except (b)**

**Q45. Would notice/ order/ documents be 'deemed as served', though registered post/ speed post is not received by intended person?**

- (a) No. Actual service is necessary. There is no concept of deemed service.
- (b) Yes it is deemed to have been received by the addressee at the expiry of the period normally taken by such post, unless the contrary is proved.

**Ans. (b) Yes it is deemed to have been received by the addressee at the expiry of the period normally taken by such post, unless the contrary is proved.**

**Q46. If the Show Cause Notice mentions the tax as Rs. 1,11,156.30 and penalty as Rs. 572.6, then what is the amount payable as per section 170 of the CGST Act?**

- (a) Rs. 1,1800
- (b) Rs. 1,11,156.30 + 572.6=111728.9
- (c) Rs. 1,1700
- (d) Rs. 1,11,729

**Ans. (d) Rs. 1,11,729**

**Q47. What action should be taken by an assessee to satisfy with anti-profiteering provision?**

- (a) Reduce rate of tax on any supply of goods or service, if such assessee has got the benefit of such reduced rate
- (b) Pass on the benefit of input tax credit, if such assessee has got such input tax credit
- (c) Both (a) and (b)

**Ans. (c) Both (a) and (b).**

## CHAPTER 14. REFUNDS

### MULTIPLE CHOICE QUESTIONS

**Q1. Refunds will not be allowed in cases of:-**

- (a) Exports made on which export duty is levied
- (b) Exports made without payment of tax
- (c) Inverted duty structures where tax on inputs are higher than tax on outputs
- (d) None of the above

**Ans. (a) Exports made on which export duty is levied**

**Q2. Refund application is to be filed before the expiry of \_\_\_\_\_ from the relevant date.**

- (a) Two years
- (b) One year
- (c) 180 days
- (d) 260 days

**Ans. (a) Two years**

**Q3. A specialised agency of the UNO can claim refund of tax paid on...**

- (a) Intra-State supply of goods and/or services
- (b) Inter-state supply of goods and/or services
- (c) Inward supply of goods and/or services
- (d) All of the above

**Ans. (c) Inward supply of goods and/or services**

**Q4. What is the time limit for filing of refund application by a specialised agency of the UNO?**

- (a) Before the expiry of eight months from the last day of the quarter in which such inward supply received
- (b) Before expiry of eight months from the last day of the month in which such inward supply received
- (c) Before expiry of six months from the last day of the month in which such inward supply was received
- (d) Before expiry of six months from the last day of the quarter in which such inward supply was received

**Ans. (d) Before the expiry of six months from the last day of the quarter in which such inward supply was received**

**Q5. A registered person claiming refund of balance in electronic cash ledger may make such a claim in: -**

- (a) Application for refund
- (b) Annual Return
- (c) Returns filed at the end of tax periods
- (d) None of the above

**Ans. (c) Returns filed at the end of tax periods**

**Q6. Refunds would be allowed on a provisional basis in case of refund claims on account of zero-rated supplies of goods and/or services made by registered persons. At what percentage, would such provisional refunds be granted?**

- (a) 70%
- (b) 65%
- (c) 80%
- (d) 90%

**Ans. (d) 90%**

**Q7. Order sanctioning the amount of refund due to the said applicant on a provisional basis shall be made within\_\_\_\_\_ from the date of the acknowledgement.**

- (a) 7 days
- (b) 15 days
- (c) 30 days
- (d) 2 months

**Ans. (a) 7 days**

**Q8. The applicant is not required to furnish documentary evidence if the amount of refund claimed is less than: -**

- (a) Rs. 5 lacs
- (b) Rs. 2 lac
- (c) Rs. 10 lac
- (d) Rs. 20 lac

**Ans. (b) Rs. 2 lac**

**Q9. Refund shall not be paid to the applicant if the amount of refund is less than**

- a) Rs. 1000
- b) Rs. 3000
- c) Rs. 7000
- d) Rs. 10000

**Ans. (a) Rs. 1000**

**Q10. The sanctioned refund amount can be adjusted against the payments which the assessee is liable to pay but remains unpaid under the erstwhile law.**

- (a) Tax
- (b) Penalty
- (c) Interest and other amounts
- (d) All of the above

**Ans. (d) All of the above**

**Q11. The time limit available to proper officer to pass final order after accepting the refund application is -**

- (a) Within sixty days from the date of receipt of application.
- (b) Within eighty days from the date of receipt of application.
- (c) Within ninety days from the date of receipt of application.
- (d) Within thirty days from the date of receipt of application.

**Ans. (a) Within sixty days from the date of receipt of application.**

**Q12. The SEZ developer or SEZ unit exporting goods and / or services shall not be eligible to claim refund of IGST paid by the registered taxable person on such supply. Is this statement -**

- (a) True
- (b) False

**Ans. (b) False**

**Q13. A SEZ developer or SEZ unit shall not be eligible to claim refund of taxes in respect of its inward supplies. Is this statement-**

- (a) True
- (b) False

**Ans. (a) True**

**INTEREST ON DELAYED REFUNDS (SECTION 56)**

**Q14. Interest on refund amount is required to be paid after expiry of ..... from the date of receipt of the application**

- (a) 60 days
- (b) 90 days
- (c) 180 days
- (d) 240 days

**Ans. (a) 60 days**

**Q15. What is the rate of interest to be payable in case of delay in sanctioning the refund claimed?**

- (a) Not exceeding 6%
- (b) Not exceeding 8%
- (c) Not exceeding 10%
- (d) Not exceeding 12%

**Ans. (a) Not exceeding 6%**

*Note: The Government vide Notification No. 13/2017 – Central Tax dated 28-6-2017 has prescribed the rate of interest @ 6%*

**Q16. Whether a manufacture of fabrics will be eligible for refund of unutilized input tax credit of GST paid on inputs [other than the input tax credit of GST paid on capital good] in respect of fabrics manufactured and exported by him [i.e., exporter of fabric].**

- (a) Yes
- (b) No

**Ans. (a) Yes [in Circular No. 18/18 /2017 – GST dated 16.11.2017]**

## CHAPTER 15. JOB WORK

### MULTIPLE CHOICE QUESTIONS

#### JOB WORK PROCEDURE (SECTION 143)

**Q1. Should the principal referred to in Section 143 be registered?**

- (r) Yes
- (s) No

**Ans. (a) Yes**

**Q2. Who is a principal as per Section 143?**

- (d) A person who sends inputs and/or capital goods for job-work
- (e) A registered taxable person who sends inputs and/or capital goods for job-work
- (f) A registered taxable person who supplies inputs and/or capital goods for job-work
- (g) A registered person

**Ans. (d) A registered person**

**Q3. When will the inputs and/or capital goods sent to job-work become a supply?**

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

**Ans. (c) Both under (a) or (b)**

**Q4. From when will the period of one or three years be calculated under Section 143?**

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

**Ans. (c) Both (a) and (b)**

**Q5. Will a principal who sends moulds, dies, jigs, tools and fixtures to job worker's place liable to pay GST on such removal?**

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

**Ans. (c) No, as capital goods as referred in section 143 excludes moulds, dies, jigs, tools and fixtures**

**Q6. GST is applicable on\_\_**

- (a) Inputs and/or capital goods sent to job-worker (Satisfying conditions u/s 143)
- (b) The job-worker charges and additional material added by the job-worker on the inputs sent by the principal

- (c) Both of the above
- (d) None of the above

**Ans. (b) The job-worker charges and additional material added by the job-worker on the inputs sent by the principal**

**Q7. When should a job-worker take registration?**

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

**Ans. (b) Only if his aggregate turnover exceeds the threshold limits specified under Section 22 of the Act**

**Q8. Can a principal supply inputs and/or capital goods from the job-worker's premises?**

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

**Ans. (d) All of the above**

**Q9. Mr. X has sent his goods to Mr. Y on job-work on 07-05-2017. From when it will be considered as deemed supply if not received back within one year(further extended by one year)?**

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

**Ans. (b) 07-05-2017**

**Q10. If the inputs are not received back within the prescribed limit by the principal then, who is responsible to pay the GST?**

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

**Ans. (b) Principal**

**Q11. If the inputs or capital goods are considered as deemed supply in the hands of principal then, whether ITC of such output tax charged by the principal can be claimed by the Job worker, if registered?**

- (a) Yes
- (b) No

**Ans. (a) Yes**

**Q12. What is the time limit to receive back the tools and dies or jigs and fixtures sent to job-worker's place?**

- (a) 1 year
- (b) 3 years

- (c) 5 years
- (d) No time limit specified under GST

**Ans. (d) No time limit specified under GST**

**Q13. Will the inputs and/or capital goods supplied from the job-worker's premises be considered for calculating the aggregate turnover of the job-worker?**

- (a) Yes
- (b) No

**Ans. (b) No**

**Q14. Which section specifies the conditions to be fulfilled for claiming ITC on inputs and/or capital goods sent to job-worker?**

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

**Ans. (a) 19**

**Q15. Can principal take input tax credit on the inputs and/or capital goods sent directly to job-worker?**

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

**Ans. (c) Yes subject to section 143**

**Q16. If the job-worker is eligible to claim ITC on the goods received from the principal, is there a time limit within which such ITC shall be availed/claimed by the job-worker?**

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

**Ans. (c) Option (a) or (b), whichever is earlier**

**Q17. How can the principal move goods to the job-worker?**

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

**Ans. (c) Delivery challan containing the details as specified in the Tax invoice, credit and debit note rules**

**Q18. If the inputs and/or capital goods are not received or returned within the prescribed time limit:**

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



**Ans. (a) It shall be deemed to be a supply on the day such inputs and/or capital goods are sent to job-worker and the principal to discharge the GST along with interest**

**Q19. Who is responsible for accountability for any contravention under this Act?**

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

**Ans. (a) Principal**

**Q20. Who should discharge the liability of GST on the scrap generated during job-work?**

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

**Ans. (d) Option (a) or (b)**

**Q.21 What is the periodicity of Form GST ITC-04?**

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

**Ans. (c) Quarterly**

**Q.22 Whether the details of goods supplied from job worker's premises need to be included in Form GST ITC-04?**

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

**Ans. (d) Both (a) & (b)**

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## CHAPTER 17. ASSESSMENT AND AUDIT

### **MULTIPLE CHOICE QUESTIONS**

#### **PROVISIONAL ASSESSMENT (SECTION 60)**

**Q1. A taxable person may apply for provisional assessment:**

- (a) when the taxable person is not able to determine the value of goods and/or services
- (b) when the taxable person is not able to determine the rate of tax.
- (c) (a) or (b)
- (d) (a) and (b)

**Ans. (c) (a) or (b)**

**Q2. The provisional assessment sought by a taxable person can be used by:**

- (a) The taxable person who has sought the provisional assessment.
- (b) The friends and relatives of the taxable person who has sought the provisional assessment.
- (c) The holding/subsidiary company of the taxable person who has sought the provisional assessment.
- (d) None of the above.

**Ans. (a) The taxable person who has sought the provisional assessment**

**Q3. The payment of tax on provisional basis may be allowed, if the taxable person:**

- (a) executes a bond in such form as may be prescribed in this behalf
- (b) with such surety or security as the proper officer may deem fit, binding the taxable person for differential tax if any.
- (c) (a) or (b)
- (d) (a) & (b)

**Ans. (d) (a) & (b)**

**Q4. What is the time period within which the final assessment order should be passed?**

- (a) Six months from the date of the provisional assessment.
- (b) Nine months from the date of the provisional assessment.
- (c) Three months from the date of the provisional assessment.
- (d) One months from the date of the provisional assessment.

**Ans. (a) Six months from the date of the provisional assessment**

**Q5. If final order is not passed within six months, time period specified in 60(1) may, on sufficient cause being shown and for reasons to be recorded in writing, be extended:**

- (a) by the Joint/Additional Commissioner for a further period of 6 months and by the Commissioner for such further period not exceeding 4 years.
- (b) by the Commissioner for a further period of 6 months.
- (c) by the Joint/Additional Commissioner for a further period of 1 year.
- (d) by the Joint/Additional Commissioner for a further period of 1 year and by the Commissioner for a further period of 6 months.

**Ans. (a) by the Joint/Additional Commissioner for a further period of 6 months and by the Commissioner for such further period not exceeding 4 years**

**Q6. Whether any additional interest/penalty/prosecution will be leviable for non-payment of tax determined under provisional assessment?**

- (a) Only interest specified under Section 50 will be liable.
- (b) Interest u/s 50 + Penalty of Rs. 10,000.
- (c) Only Penalty @ 50% of the default amount.
- (d) No Penalty, only Prosecution.

**Ans. (a) Only interest specified under Section 50 will be liable**

**Q7. What shall be interest payable to the taxable person if he is entitled to a refund consequent to the order for final assessment?**

- (a) Interest shall be payable only after 6 months after the final Assessment.
- (b) Interest shall be payable only after 3 months after the final Assessment.
- (c) Interest shall be paid on such refund as provided in Section 56.
- (d) No interest shall be payable on the refund.

**Ans. (c) Interest shall be paid on such refund as provided in Section 56**

**Q8. What will be the consequences when tax payable under final order passed under sub-section (3) is more than tax paid based on provisional assessment?**

- (a) Only Differential tax payable has to be paid on determination of final assessment.
- (b) Differential tax payable has to be paid on determination of final assessment along with interest specified under Section 50.
- (c) Differential tax payable has to be paid on determination of final assessment along with interest specified under Section 50 and penalty of Rs. 20,000.
- (d) Differential tax payable has to be paid on determination of final assessment along with penalty of Rs. 20,000.

**Ans. (b) Differential tax payable has to be paid on determination of final assessment along with interest specified under Section 50**

### **SCRUTINY OF RETURNS (SECTION 61)**

**Q9. Whether all the returns submitted under Section 39 will be scrutinised?**

- (a) No, 50% of the returns submitted under Section 39 will be scrutinised.
- (b) Yes, all the returns submitted under Section 39 will be scrutinised.
- (c) No, Returns submitted under Section 39 will be self-assessed and proper officer may select any return for scrutiny under this Section.
- (d) No, 35% of the returns submitted under Section 39 will be scrutinised.

**Ans. (c) No, Returns submitted under Section 39 will be self -assessed and proper officer may select any return for scrutiny under this Section**

**Q10. Whether any time limit has been specified to issue notice for scrutiny?**

- (a) Six months from the end of the respective financial year.
- (b) No time limit has been prescribed as of now, however same may be prescribed in the rules.
- (c) One Year from the end of the respective financial year.
- (d) 3 Years from the end of the respective financial year.

**Ans. (b) No time limit has been prescribed as of now, however same may be prescribed in the rules**

**Note: As per Rule 99 of the CGST Rules, the proper officer shall inform an assessee of any discrepancy and seek his explanation thereto within such time, not exceeding 30 days from the date of service of the notice or such further period as may be permitted by such officer.**

**Q11. In case no satisfactory explanation is furnished for the discrepancies within a period of thirty days of being informed by the proper officer or such further period as may be permitted proper officer may initiate appropriate action:**

- (a) Under Section 65 (Audit)
- (b) Section 66 (Special Audit)

- (c) Section 67, (Inspection, Search Seizure)
- (d) Proceed to determine the tax and other dues under Section 73 or Section 74.
- (e) Any of the above.

**Ans. (e) Any of the above**

### **ASSESSMENT OF NON-FILERS OF RETURNS (SECTION 62)**

**Q12. Is there any time limit specified to furnish the return after serving of assessment order?**

- (a) Yes, Return has to be filed by registered person who has failed to submit return under Section 39 or Section 45 within 15 days from service the assessment order.
- (b) Yes, Return has to be filed by registered person who has failed to submit return under Section 39 or Section 45 within 30 days from service the assessment order.
- (c) Yes, Return has to be filed by registered person who has failed to submit return under Section 39 or Section 45 within 45 days from service the assessment order.
- (d) No time limit has been specified.

**Ans. (b) Yes, Return has to be filed by registered person who has failed to submit return under Section 39 or Section 45 within 30 days from service the assessment order**

**Q13. What are the consequences, where a registered person fails to furnish the return required under Section 39 or Section 45, even after the service of a notice under Section 46?**

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

**Ans. (d) (a) and (b)**

**Q14 What is the time limit for issuing order under section 62?**

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

**Ans. (d) 5 years from the due date of filing annual return**

**Q15. If the registered person furnishes a valid return within .....of the service of the assessment order u/s 62 (1), the said assessment order shall be deemed to have been withdrawn.**

- (a) 30 days
- (b) 60 days
- (c) 1 month
- (d) 2 months.

**Ans. (a) 30 days**

**Q16. Whether the registered person will get immunity from interest & late fee leviable if assessment order passed u/s 62(1) is withdrawn?**

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

**Ans. (b) No, taxable person will still be liable for interest u/s Section 50 and late fee u/s Section 47. Therefore, no immunity has been provided for the same.**

### **ASSESSMENT OF UNREGISTERED PERSONS (SECTION 63)**

**Q17. What is the consequence, where a taxable person fails to obtain registration even though liable to do so?**

- (a) Proper officer may assess the tax liability to the best of his judgement.
- (b) Issue a show cause notice and pass assessment order after providing opportunity of being heard.
- (c) (a) or (b)
- (d) (a) and (b)

**Ans. (d) (a) and (b)**

**Q18. What are the pre requisites for proper officer to pass assessment order under Section 63?**

- (a) Period selected for assessment has to be within 5 years from the end of due date for filing annual return of relevant period.
- (b) Show cause notice has to be issued before passing assessment order.
- (c) Opportunity of being heard has to be given before passing assessment order.
- (d) All of the above.

**Ans. (d) All of the above**

### **SUMMARY ASSESSMENT IN CERTAIN SPECIAL CASES (SECTION 64)**

**Q19. Whether proper officer can proceed Suo-moto in assessing the tax liability of a taxable person on possession of relevant evidence?**

- (a) No, the proper officer has to obtain prior permission of [Additional/Joint Commissioner] to proceed to assess the tax liability.
- (b) No, the proper officer has to obtain prior permission of Chief Commissioner to proceed to assess the tax liability.
- (c) No, the proper officer has to obtain prior permission of Principle Chief Commissioner to proceed to assess the tax liability.
- (d) Yes, the proper officer can proceed Suo-moto in assessing the tax liability of a taxable person on possession of relevant evidence.

**Ans. (a) No, the proper officer has to obtain prior permission of [Additional/Joint Commissioner] to proceed to assess the tax liability.**

**Q20. The order u/s 64 may be withdrawn:**

- (a) On an application made by taxable person,
- (b) If the Additional/Joint Commissioner considers that such order is erroneous.
- (c) (a) or (b)
- (d) The order passed u/s 64 cannot be withdrawn.

**Ans. (c) (a) or (b)**

**Q21. Who is authorised to undertake the audit of a registered person?**

- (a) The Commissioner of CGST/Commissioner of SGST
- (b) Any officer authorised by Commissioner of CGST/Commissioner of SGST by way of a general or a specific order.
- (c) Only (a)
- (d) (a) or (b)

**Ans. (d) (a) or (b)**

**Q22. Whether any reason to believe or evidence is required for initiation of audit u/s 65?**

- (a) Reason to believe is a prerequisite for initiation of audit u/s 65.
- (b) Proper evidence is a prerequisite for initiation of audit u/s 65.
- (c) (a) & (b)
- (d) No, Sec 65 does not specify any such requirements.

**Ans. (d) No, Section 65 does not specify any such requirements**

**Q23. The tax authorities may conduct audit u/s 65 at:**

- (a) the place of business of the registered person
- (b) the place of residence of the registered person.
- (c) the office of the tax authorities.
- (d) (a) or (c)

**Ans. (d) (a) or (c)**

**Q24. Prior to the conduct of audit u/s 65 the registered person shall be informed, by way of a notice, sufficiently in advance:**

- (a) not less than thirty working days
- (b) not less than ten working days
- (c) No prior intimation required

**Ans. (a) not less than fifteen working days**

**Q25. The time limit for completion of the audit u/s 65(1) is:**

- (a) six months from the date of commencement of audit
- (b) three months from the date of commencement of audit
- (c) Two year from the date of commencement of audit
- (d) None of the above.

**Ans. (b) three months from the date of commencement of audit**

**Q26. Where the Commissioner is satisfied that audit u/s 65 in respect of such registered person cannot be completed within three months from the date of commencement of audit the time limit can be extended:**

- (a) by a further period not exceeding six months
- (b) by a further period not exceeding three months
- (c) by a further period not exceeding One Year
- (d) no extension of time limit is permissible

**Ans. (a) by a further period not exceeding six months**

**Q27. During the course of audit, the authorised officer may require the registered person:**

- (a) to afford him the necessary facility to verify the books of account or other documents as he may require
- (b) to furnish such information as he may require and render assistance for timely completion of the audit
- (c) (a) and/or (b)
- (d) Only a)

**Ans. (c) (a) and/or (b)**

**Q28. Special audit u/s 66 can be directed at any stage of scrutiny, enquiry, investigation or any other proceedings having regard to nature and complexity of the case if, any officer not below the rank of Assistant Commissioner:**

- (a) is of the opinion that the value has not been correctly declared
- (b) the credit availed is not within the normal limits
- (a) The Institute of Chartered Accountants of India
- (b) assessee does no co-operate
- (c) (a) or (b)

**Ans. (d) (a) or (b)**

**Q29. Who can direct the registered person to get its records specially audited u/s 66?**

- (a) An officer not below the rank of Assistant Commissioner, with the prior approval of the Commissioner
- (b) An officer not below the rank of Joint/Additional, with the prior approval of the Chief Commissioner
- (c) An officer not below the rank of Chief Commissioner, with the prior approval of the Principle Chief Commissioner
- (d) None of the above.

**Ans. (a) An officer not below the rank of Assistant Commissioner, with the prior approval of the Commissioner**

**Q30. Who is authorised to conduct the special audit including books of account u/s 66?**

- (a) Chartered Accountant as may be nominated by the Commissioner.
- (b) Cost and Works Accountant as may be nominated by the Commissioner.
- (c) (a) or (b)
- (d) Any officer as may be nominated by the Additional Director.

**Ans. (c) (a) or (b)**

**Q31. The time limit to submit a report of the audit u/s 66 is:**

- (a) within the period of ninety days without any extension of time
- (b) within the period of sixty days without any extension of time
- (c) within the period of ninety days. The Assistant Commissioner may, on an application made to him in this behalf or for any material and sufficient reason, extend the said period by another ninety days.
- (d) None of the above.

**Ans. (c) within the period of ninety days. The Assistant Commissioner may, on an application made to him in this behalf or for any material and sufficient reason, extend the said period by another ninety days**

**Q32. The expenses of audit u/s 66 is determined and paid by:**

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

**Ans. (a) the Commissioner**

**Q33. Audit can be undertaken in case of :**

- (a) Taxable Person
- (b) Unregistered Person
- (c) Registered Person
- (d) All of above

**Ans. (c) Registered Person**

**Q34. Special Audit can be directed by a proper officer if he is of the opinion that:**



- (a) Value requires verification
- (b) Value has been overstated
- (c) Value has not been correctly stated
- (d) All of above

**Ans. (c) Value has not been correctly state**

# CHAPTER 18. INSPECTION, SEARCH, SEIZURE AND ARREST

## MULTIPLE CHOICE QUESTIONS

### POWER OF INSPECTION, SEARCH AND SEIZURE (SECTION 67)

**Q1. Initiation of action under this section is by a Proper Officer not below the rank of**

.....

- (a) Superintendent
- (b) Inspector
- (c) Joint Commissioner
- (d) Commissioner

**Ans. (c) Joint Commissioner**

**Q2. Which are the places of business / premises which can be inspected by the proper officer under this section?**

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

**Ans. (d) All of the above**

**Q3. Is it mandatory that 'reasons to believe' must exist before issuing authorization for Inspection or Search and Seizure by the proper officer?**

- (d) Yes
- (c) No

**Ans. (a) Yes**

**Q4. Can the seized goods be released on provisional basis upon execution of a bond and furnishing of security or on payment of applicable tax, interest and penalty?**

- (a) Yes
- (b) No
- (c) At proper officer's discretion
- (d) None of the above

**Ans. (a) Yes**

### POWER TO ARREST (SECTION 69)

**Q5. All arrests should be made as per the provisions of .....**

- (a) Code of Criminal Procedure, 1973
- (b) Civil Procedure Code
- (c) Indian Penal Code
- (d) Foreign Exchange Management Act

**Ans. (a) Code of Criminal Procedure, 1973**

### POWER TO SUMMON PERSONS TO GIVE EVIDENCE AND PRODUCE DOCUMENTS (SECTION 70)

**Q6. When can the proper officer issue summons to call upon a person?**

- (a) To give evidence
- (b) Produce a document
- (c) Produce any other thing in an enquiry
- (d) All of the above

**Ans. (d) All of the above**

**Q7. What can be the consequences of non-appearance to summons?**

- (a) Prosecution under section 172, 174, 175 and 193 of the Indian Penal Code as the case may be
- (b) Arrest under Code of Criminal Procedure, 1973
- (c) Arrest under Foreign Exchange Management Act
- (d) None of the above

**Ans. (a) Prosecution under section 172, 174, 175 and 193 of the Indian Penal Code as the case may be**

**ACCESS TO BUSINESS PREMISES (SECTION 71)**

**Q8. The documents called for should be provided within.....**

- (a) 20 working days
- (b) 15 working days
- (c) 5 working days
- (d) 45 working days

**Ans. (b) 15 working days**

**OFFICERS REQUIRED TO ASSIST PROPER OFFICERS (SECTION 72 OF THE CGST ACT, 2017 AND 11 OF THE UTGST ACT, 2017)**

**Q9. The ..... Officer is empowered to assist the proper officer.**

- (a) Police/Customs
- (b) Health
- (c) CBI
- (d) State Excise

**Ans. (a) Police/Customs**

## CHAPTER 19. DEMAND AND RECOVERY

### MULTIPLE CHOICE QUESTIONS

#### SECTION 73 & SECTION 74

**Q1. What is the time limit for issue of order in case of fraud, misstatement or suppression?**

- (a) 30 months
- (b) 18 months
- (c) 5 years
- (d) 3 years

**Ans. (c) 5 years**

**Q2. What is the time limit for issue of order in case of other than fraud, misstatement or suppression?**

- (a) 30 months
- (b) 18 months
- (c) 5 years
- (d) 3 years

**Ans. (d) 3 years**

**Q3. Is it obligatory on the part of the Department to take on record the assessee's representation during adjudication and issue of order?**

- (a) Yes
- (b) No
- (c) At proper officer's discretion
- (d) If requested by notice

**Ans. (a) Yes**

**Q4. What is the maximum amount of demand for which the officer can issue an order under section 73 in case of other than fraud, misstatement or suppression?**

- (a) Amount of tax + interest + penalty of 10% of tax
- (b) Amount of tax + interest + penalty of 10% of tax or Rs. 10,000/- whichever is higher
- (c) Rs. 10,000/-
- (d) Amount of tax + interest + 25% penalty

**Ans. (b) Amount of tax + interest + penalty of 10% of tax or Rs. 10,000/- whichever is higher**

**Q5. What is the maximum amount of demand for which the officer can issue an order under section 74 in case fraud, misstatement or suppression?**

- (a) Amount of tax + interest + penalty of 15% of tax
- (b) Amount of tax + interest + penalty of 25% of tax
- (c) Amount of tax + interest + penalty of 50% of tax
- (d) Amount of tax + interest + penalty of 100% of tax

**Ans. (d) Amount of tax + interest + penalty of 100% of tax**

**Q6. What is the prescribed monetary limit of Central Tax for Superintendent of Central Tax for issuance of show cause notices and orders under Section 73 and 74?**

- (a) Not exceeding Rupees 10 lakhs
- (b) Above Rupees 10 lakhs and not exceeding Rupees 1 crore
- (c) Above Rupees 1 crore without any limit
- (d) Not exceeding Rupees 20 lakhs

**Ans. (a) Not exceeding Rupees 10 lakhs**

**Q7. What is the prescribed monetary limit of Integrated Tax for Superintendent of Central Tax for issuance of show cause notices and orders under Section 73 and 74 read with Section 20 of the IGST Act?**

- (a) Not exceeding Rupees 10 lakhs
- (b) Above Rupees 10 lakhs and not exceeding Rupees 1 crore
- (c) Above Rupees 1 crore without any limit
- (d) Not exceeding Rupees 20 lakhs

**Ans. (d) Not exceeding Rupees 20 lakhs**

**Q8. What is the prescribed monetary limit of Central Tax for Deputy or Assistant Commissioner of Central Tax for issuance of show cause notices and orders under Section 73 and 74?**

- (a) Not exceeding Rupees 10 lakhs
- (b) Above Rupees 10 lakhs and not exceeding Rupees 1 crore
- (c) Above Rupees 1 crore without any limit
- (d) Any amount without any limit

**Ans. (b) Above Rupees 10 lakhs and not exceeding Rupees 1 crore**

**Q9. What is the prescribed monetary limit of Integrated Tax for Deputy or Assistant Commissioner of Central Tax for issuance of show cause notices and orders under Section 73 and 74 read with Section 20 of the IGST Act?**

- (a) Not exceeding Rupees 20 lakhs
- (b) Above Rupees 20 lakhs and not exceeding Rupees 2 crore
- (c) Above Rupees 2 crore without any limit
- (d) Any amount without any limit

**Ans. (b) Above Rupees 20 lakhs and not exceeding Rupees 2 crore**

**Q10. What is the prescribed monetary limit of Central Tax for Additional or Joint Commissioner of Central Tax for issuance of show cause notices and orders under Section 73 and 74?**

- (a) Not exceeding Rupees 10 lakhs
- (b) Above Rupees 10 lakhs and not exceeding Rupees 1 crore
- (c) Above Rupees 1 crore without any limit
- (d) Any amount without any limit

**Ans. (c) Above Rupees 1 crore without any limit**

**Q11. What is the prescribed monetary limit of Integrated Tax for Additional or Joint Commissioner of Central Tax for issuance of show cause notices and orders under Section 73 and 74 read with Section 20 of the IGST Act?**

- (a) Not exceeding Rupees 20 lakhs
- (b) Above Rupees 20 lakhs and not exceeding Rupees 2 crore
- (c) Above Rupees 2 crore without any limit
- (d) Any amount without any limit

**Ans. (c) Above Rupees 2 crore without any limit**

**GENERAL PROVISIONS RELATING TO DETERMINATION OF TAX (SECTION 75)**

**Q12. Where the service of Notice or issuance of order is stayed by a Court order, can the period of such stay be excluded in computing the period specified in sub-sections (2) and (10) of section 73 or in sub-sections (2) and (10) of section 74?**

- (a) Yes
- (b) No
- (c) At proper officer's discretion
- (d) None of the above

**Ans. (a) Yes**

**Q13. What is the maximum number of times a hearing can be adjourned?**

- (a) 1
- (b) 3
- (c) 5
- (d) None of the above

**Ans. (b)3**

**Q14. Whether the amount of tax, interest and penalty demanded in the order can exceed the amount specified in the Notice?**

- (a) Yes
- (b) No
- (c) At proper officer's discretion
- (d) None of the above

**Ans. (b) No**

**Q15. Whether penalties under any other provisions of the Act be imposed in respect of adjudication proceedings under section 73 or 74?**

- (a) Yes
- (b) No
- (c) At proper officer's discretion
- (d) None of the above

**Ans. (b) No**

**Q16. What is the time limit for issue of order in pursuance of the direction of the Appellate Authority or Appellate Tribunal or a Court, from the date of communication of the said direction?**

- (a) 30 months
- (b) 18 months
- (c) 2 years
- (d) 5 years

**Ans. (d) 2 years**

**Q17. Whether interest is payable on the tax short paid or not paid even if it is not specified in the order determining the tax liability?**

- (a) Yes
- (b) No
- (c) Only if concluded by an order later

**Ans. (a) Yes**

#### **TAX COLLECTED BUT NOT PAID TO GOVERNMENT (SECTION 76)**

**Q18. Any amount of tax collected shall be deposited to the credit of the Central or State Government:**

- (a) Only when the supplies are taxable

- (b) Regardless of whether the supplies in respect of which such amount was collected are taxable or not
- (c) Only when the supplies are not taxable
- (d) None of the above

**Ans. (b) Regardless of whether the supplies in respect of which such amount was collected are taxable or not**

**Q19. Is there any time limit for issue of notice under section 76 in cases where tax collected but not paid?**

- (a) No time limit
- (b) 1 year
- (c) 3 years
- (d) 5 years

**Ans. (a) No time limit**

**Q20. Within how many years should the proper officer issue an order from the date of issue of notice?**

- (a) 1 year
- (b) 2 years
- (c) 3 years
- (d) 4 years

**Ans. (a) 1 year**

**Q21. Whether the person who has borne the incidence of amount apply for refund of surplus left after adjustment towards tax collected but not paid under section 76?**

- (a) Yes
- (b) No
- (c) At proper officer's discretion
- (d) None of the above

**Ans. (a) Yes**

**Q22. In case the person does not deposit tax collected in contravention of Section 76, is the same recoverable with interest?**

- (a) Yes
- (b) No
- (c) At proper officer's discretion
- (d) None of the above

**Ans. (a) Yes**

**TAX WRONGFULLY COLLECTED AND PAID TO CENTRAL GOVERNMENT OR STATE GOVERNMENT (SECTION 77 OF THE CGST ACT, 19 OF IGST ACT AND 12 OF UTGST ACT)**

**Q23. What happens if a taxable person has paid CGST & SGST or, as the case may be, CGST & UTGST (in SGST / UTGST Act) on a transaction considered by him to be an intra-state supply but which is subsequently held to be an inter-state supply?**

- (a) Seek refund
- (b) Adjust against future liability
- (c) Take re-credit
- (d) File a suit for recovery

**Ans. (a) Seek refund**

**Q24. What happens if a taxable person has paid IGST (in IGST Act) on a transaction considered by him to be an inter-state supply but which is subsequently held to be an intra-state supply?**

- (a) Seek refund
- (b) Adjust against future liability
- (c) Take re-credit
- (d) File a suit for recovery

**Ans. (a) Seek refund**

**Q25. Whether a taxable person who has paid IGST on a transaction considered by him to be an inter- state supply, but which is subsequently held to be an intra-state supply is required to pay interest?**

- (a) Yes
- (b) No
- (c) At proper officer's discretion
- (d) None of the above

**Ans. (b) No**

**Q26. Whether a taxable person who has paid CGST& SGST or, as the case may be, CGST & UTGST on a transaction considered by him to be an intra-state supply, but which is subsequently held to be an inter-state supply is required to pay interest?**

- (a) Yes
- (b) No
- (c) At proper officer's discretion
- (d) None of the above

**Ans. (b) No**

#### **INITIATION OF RECOVERY PROCEEDINGS (SECTION 78)**

**Q27. The time limit for payment of tax demand is .....from the date of service of the order,**

- (a) 3 months
- (b) 90 days
- (c) 6 months
- (d) 1 year

**Ans. (a) 3 months**

**Q28. If it is expedient in the interest of the revenue, can the proper officer after recording reasons in writing, require a taxable person to make payment of tax demand within shorter period as may be specified by him?**

- (a) Yes
- (b) No
- (c) With prior permission of not below the rank of Joint Commissioner
- (d) None of the above

**Ans. (a) Yes**

#### **RECOVERY OF TAX (SECTION 79 OF THE CGST ACT, 2017 & 13 OF UTGST ACT, 2017)**

**Q29. Recovery of amount payable by a defaulter can be made from:**

- (a) Customer
- (b) Bank
- (c) Post Office



(d) All of the above

Ans. (d) All of the above

**Q30. After how many days, the proper officer may cause the sale of distressed property?**

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

Ans. (a) 30 days

**PAYMENT OF TAX AND OTHER AMOUNT IN INSTALLMENTS (SECTION 80)**

**Q31. The following amounts due cannot be paid through installments,**

- (a) Self-assessed tax shown in return
- (b) Short paid tax for which notice has been issued
- (c) Arrears of tax
- (d) Concealed tax

Ans. (a) Self-assessed tax shown in return

**Q32. Maximum number of monthly installments permissible under section 80 is:**

- (a) 36
- (b) 12
- (c) 48
- (d) 24

Ans. (d) 24

**Q33. Which officer/s has the power to grant permission for payment of tax through installment?**

- (a) commissioner
- (b) Principal Commissioner
- (c) Assistant Commissioner
- (d) Both (a) and (b)

Ans. (d) Both (a) and (b)

**TRANSFER OF PROPERTY TO BE VOID IN CERTAIN CASES (SECTION 81)**

**Q34. Which of the following acts by a person are treated as void when it is done after any amount has become due from him?**

- (a) Creates charge on property
- (b) Parts with the property belonging to him
- (c) Parts with the property in his possession
- (d) All of the above

Ans. (d) All of the above

**Q35. What all modes of transfers covered under section 81**

- (a) Sale
- (b) Mortgage
- (c) Any other mode of transfer
- (d) All of the above

Ans. (d) All of the above

**Q36. When transfer of property would be considered void?**

- (a) Transaction is done to defraud the Government revenue
- (b) Transaction is done without the intention to defraud the Government revenue
- (c) Any of the above

**Ans. (a) Transaction is done to defraud the Government revenue**

**Q37. When transfer of property would not be considered void?**

- (a) Transaction is done for adequate consideration and without the notice of the pendency of proceedings under the Act
- (b) Transaction is done without the notice of such tax or other sum payable
- (c) With previous permission of the proper officer
- (d) All of the above

**Ans. (d) All of the above**

**TAX TO BE FIRST CHARGE ON PROPERTY (SECTION 82)**

**Q38. Whether any amount payable under this Act by the taxable person is a first charge on his property?**

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

**Ans. (a) Yes**

**Q39. What liabilities can be recovered on account of first charge on the property of such taxable person or such person as per section 82 of the CGST Act,2017?**

- (a) Tax
- (b) Interest
- (c) Penalty
- (d) All of the above

**Ans. (d) All of the above**

**PROVISIONAL ATTACHMENT TO PROTECT THE REVENUE IN CERTAIN CASES (SEC. 83)**

**Q40. Whether property of a taxable person be provisionally attached to protect the revenue?**

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

**Ans. (a) Yes**

**Q41. Who is competent authority for passing an order for provisional attachment?**

- (a) The Deputy Commissioner
- (b) The Commissioner
- (c) The GST Council
- (d) The Assistant Commissioner

**Q42. Till what period does the order passed for provisional attachment is valid?**

- (a) Infinite period
- (b) Ten years
- (c) One year
- (d) Till the end of such proceedings

**Ans. (c) One year**

**Q43. Provisional attachment can be done under section 83:**

- (a) Before completion of proceedings
- (b) After completion of proceedings
- (c) After 3 attempts to recover dues
- (d) Only if there is risk of delinquency in payment of dues

**Ans. (a) Before completion of proceedings**

**CONTINUATION AND VALIDATION OF CERTAIN RECOVERY PROCEEDINGS (SEC. 84)**

**Q44. The Commissioner shall issue a fresh notice to recover the Government dues, if:**

- (a) Demand amount is enhanced
- (b) Demand amount is reduced
- (c) Both (a) and (b)
- (d) Neither (a) nor (b)

**Ans. (a) Demand amount is enhanced**

**Q45. When Commissioner is not required to serve fresh notice to recover the Government dues?**

- (a) Demand amount is reduced
- (b) Already proceedings of recovery of Government dues is served before disposal of appeal, revision of application or other proceedings
- (c) Demand amount is enhanced
- (d) Both (a) and (b)

**Ans. (d) Both (a) and (b)**

**Q46. Who can issue fresh notice for enhanced demand by appeal, revision of application or other proceedings:**

- (a) Commissioner
- (b) Assistant Commissioner
- (c) Joint Commissioner
- (d) Any of above

**Ans. (a) Commissioner**

**Q47. In terms of Rule 142 (7) of the CGST Rules, any rectification of order, in accordance with the provisions of section 161, shall be made by the proper officer in :**

- (a) Form GST DRC -07
- (b) Form GST DRC -08
- (c) Form GST DRC -09
- (d) Form GST DRC -10

**Ans. (b) Form GST DRC-08**

## CHAPTER 20. LIABILITY TO PAY IN CERTAIN CASES

### MULTIPLE CHOICE QUESTIONS

#### **LIABILITY OF AGENT AND PRINCIPAL (SECTION 86)**

**Q1. Who is liable to pay the tax in case of Principal and Agent?**

- (a) Principal
- (b) Agent
- (c) Both jointly and severally
- (d) Jointly

**Ans. (c) Both jointly and severally**

#### **LIABILITY IN CASE OF AMALGAMATION /MERGER OF COMPANIES (SECTION 87)**

**Q2. When two or more companies are amalgamated, the liability to pay tax on supplies between the effective date of amalgamation order and date of amalgamation order would be on -**

- (a) Transferee;
- (b) Respective companies;
- (c) Any one of the companies;
- (d) None of the above.

**Ans. (d) Respective Companies.**

**Q3. In case of amalgamation between two companies, such companies shall be treated as two distinct companies till –**

- (a) Till the date of the Court order
- (b) Till the effective date of merger
- (c) Till the date of cancellation of registration
- (d) None of the above

**Ans. (a) Till the date of the Court order**

#### **LIABILITY IN CASE OF COMPANY IN LIQUIDATION (SECTION 88)**

**Q4. Intimation regarding appointment of liquidator should be given to the Commissioner within 30 days of**

- (a) Liquidation
- (b) Cancellation of registration
- (c) Appointment of Liquidator
- (d) Order of Court

**Ans. (c) Appointment of Liquidator**

**Q5. Commissioner will notify the amount of liability within how many days of intimation**

- (a) 3 months
- (b) 30 days
- (c) 60 days
- (d) 6 months

**Ans. (a) 3 months**

**Q6. When shall the Director be not liable to pay the tax dues if the company is not able to pay?**

- (a) Liquidator refuses to pay

- (b) Auditor refuses to pay
- (c) If the non-recovery is not due to gross neglect of the Director
- (d) None of the above

**Ans. (c) If the non-recovery is not due to gross neglect of the Director**

**LIABILITY OF DIRECTORS OF PRIVATE COMPANY (SECTION 89)**

**Q7. When shall the Director of a Private Limited Company be not liable to pay the tax, interest or penalty, if the company is not able to pay?**

- (a) In all cases
- (b) Company refuses to pay
- (c) If the non-recovery is not due to gross neglect misfeasance or breach of duty of the Director
- (d) None of the above

**Ans. (c) If the non-recovery is not due to gross neglect misfeasance or breach of duty of the Director**

**LIABILITY OF PARTNERS OF FIRM TO PAY TAX (SECTION 90)**

**Q8. Retiring partner should intimate the retirement to**

- (a) Department
- (b) Government
- (c) Commissioner
- (d) All of the above

**Ans. (c) Commissioner**

**Q9. Intimation to the Commissioner has to be given within.....**

- (a) 1 month
- (b) 60 days
- (c) 90 days
- (d) 45 days

**Ans. (a) 1 month**

**Q10. If the intimation is delayed to the Commissioner, then the retiring partner is liable to pay tax, interest or penalty till:**

- (a) The intimation of the date of retirement of partner is received by the Commissioner
- (b) Till the date of acceptance of intimation by the Department
- (c) Till the date of retirement
- (d) Till the date of show cause notice

**Ans. (a) The intimation of the date of retirement of partner is received by the Commissioner**

**LIABILITY OF GUARDIANS, TRUSTEES ETC. (SECTION 91)**

**Q11. In case of business carried on by minor or other incapacitated person through Guardian/ Agent who is liable to pay tax?**

- (a) Guardian
- (b) Friend
- (c) Business Partner
- (d) None

**Ans. (a) Guardian**

**Q12. The dues recoverable under this section includes**

- (a) Only Interest

- (b) Any dues which are recoverable under this Act
- (c) Only tax
- (d) Only Penalty

**Ans. (b) Any dues which are recoverable under this Act  
LIABILITY OF COURT OF WARDS ETC. (SECTION 92)**

**Q13. If the estate or any portion of the estate of a taxable person is under the control of the Court of Wards, Administrative General etc., and the tax due from such taxable person is liable to be paid by -**

- (a) Court of Wards.
- (b) Taxable Person
- (c) Legal representative of taxable person
- (d) None of the above

**Ans. (a) Court of Wards**

**Q14. The Court of Wards, Administrative General, etc., must be appointed by**

- (a) Supreme Court
- (b) High Court
- (c) Any court
- (d) None of the above

**Ans. (c) Any Court**

**Q15. The dues recoverable under this section includes**

- (a) Only Interest
- (b) Any dues which are recoverable under this Act
- (c) Only tax
- (d) Only Penalty

**Ans. (b) Any dues which are recoverable under this Act**

**SPECIAL PROVISION REGARDING LIABILITY TO PAY TAX, INTEREST OR PENALTY IN CERTAIN CASES (SECTION 93)**

**Q16. Who is liable to pay tax if the business of an individual is discontinued before his death?**

- (a) Board of Directors or Manager
- (b) Any member of his person who is willing to pay
- (c) Legal representative of taxable person
- (d) Employee

**Ans. (c) Legal representative of taxable person**

**Q17. The legal representative or any other person of an individual who is dead is liable to pay tax, only if -**

- (a) The business has been carried on by the legal representative
- (b) The business has been carried by the legal representative or any other person
- (c) The business has been carried by any other person
- (d) None of the above.

**Ans. (b) The business has been carried on by the legal representative or any other person**

**Q18. The dues recoverable under this section includes**

- (a) Only Interest

- (b) Any dues which are recoverable under this Act
- (c) Only tax
- (d) Only Penalty

**Ans. (b) Any dues which are recoverable under this Act**

**Q19. As per this section, the member or group of members of HUF or AOP is/are liable to pay tax on taxable supplies -**

- (a) Even after its partition
- (b) Upto the time of partition
- (c) Both (a) and (b)
- (d) None of the above

**Ans. (b) Upto the time of partition**

**LIABILITY IN OTHER CASES (SECTION 94)**

**Q20. In case of discontinuance of HUF business, the liability would arise till the date of**

- (a) Discontinuance
- (b) Court verdict
- (c) As mutually agreed upon by the HUF members
- (d) Determination of liability by the Department.

**Ans. (a) Discontinuance**

**Q21. The expression 'firm' would include a \_\_\_\_\_**

- (a) Company
- (b) LLP
- (c) HUF
- (d) AOP

**Q22. In case of discontinuance of the AOP, the liability of the member exists in respect of the tax dues imposed \_\_\_\_\_**

- (a) Prior to the date of discontinuance
- (b) After the date of discontinuance
- (c) Both prior and after the date of discontinuance
- (d) None of the above

**Ans. (c) Both prior and after the date of discontinuance.**

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## CHAPTER 23. ADVANCE RULING

### MULTIPLE CHOICE QUESTIONS

#### **ADVANCE RULING (SECTION 95 TO SECTION 106)**

##### **Q1. What is the meaning of applicant?**

- (a) Person registered under the Act.
- (b) Person desirous of obtaining registration under the Act.
- (c) Tourist as defined under section 15 of IGST Act, 2017.
- (d) (a) or (b).

**Ans. (d) (a) or (b)**

##### **Q2. Where shall the Advance Ruling Authority be located?**

- (a) The Authority shall be located in each State / Union Territory.
- (b) The Authority shall be located in Centre.
- (c) The Authority shall be located in both Centre & State.
- (d) None of the above.

**Ans. (a) The Authority shall be located in each State / Union Territory.**

##### **Q3. The AAR shall comprise of:**

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

**Ans. (a) One member from amongst the officers of Central tax and one member from amongst the officers of State tax/Union Territory tax.**

##### **Q4. The Appellant Authority for Advance Ruling shall comprise of:**

- (a) Chief Commissioner of Central tax as designated by the Board and Commissioner of State tax/ Union Territory tax, having jurisdiction over the applicant.
- (b) Principal Chief Commissioner of Central tax and Commissioner of State tax/ union Territory tax, having jurisdiction over the applicant.
- (c) Two sitting High Court Judges.
- (d) None of the above.

**Ans. (a) Chief Commissioner of Central tax as designated by the Board and Commissioner of State tax/ Union Territory tax, having jurisdiction over the applicant.**

##### **Q5. Who may make an application for Advance Ruling?**

- (a) Applicant
- (b) Jurisdictional officer
- (c) Both Applicant and Jurisdictional officer
- (d) Concerned Officer

**Ans. (a) Applicant**

##### **Q6. What procedure should be followed if, the members of the Authority differ on any question on which the Advance Ruling is sought?**

- (a) The members of the authority shall state the point or points on which they differ and make a reference to the Appellate Authority for hearing and decision on such question
- (b) The Authority will not take any decision and reject the application
- (c) The Authority will remand the case to jurisdictional officer

(d) None of the above

**Ans. (a) The members of the authority shall state the point or points on which they differ and make a reference to the Appellate Authority for hearing and decision on such question**

**Q7. Within how many days the Authority shall pronounce its decision on Advance Ruling from the date of receipt of application?**

- (a) 180 days
- (b) 60 days
- (c) 90 days
- (d) 120 days

**Ans. (c) 90 days**

**Q8. Who can appeal to the AAAR?**

- (a) Jurisdictional CGST/SGST officer or the applicant
- (b) Any Taxable Person
- (c) Any citizen concerned about the ruling passed
- (d) All of the above

**Ans. (a) Jurisdictional CGST/SGST officer or the applicant**

**Q9. Appeal before AAAR can be filed within how many days?**

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

**Ans. (a) 30 days**

**Q10. Under what circumstances, the members of the Appellate Authority deem that no advance ruling can be issued in respect of the questions covered under the appeal**

- (a) If the members of the AAAR differ on any point or points referred to in appeal
- (b) If the members of the AAR differ on any point or points referred to in appeal
- (c) Applicant wants to withdraw the application
- (d) Both (a) and (c)

**Ans. (a) If the members of the AAAR differ on any point or points referred to in appeal**

**Q11. Who has the power to amend the order issued under section 98 or 101, to rectify any error apparent from record?**

- (a) Advance Ruling Authority
- (b) Appellate Authority for the Advance Ruling
- (c) Authority or, as the case may be, the Appellate Authority.
- (d) None of the above.

**Ans. (c) Authority or, as the case may be, the Appellate Authority**

**Q12. Who can apply for rectification of error on record?**

- (a) Applicant
- (b) Concerned officer or Jurisdictional Officer
- (c) Advance Ruling Authority or the Appellate Authority on its own accord can rectify the error
- (d) All of the above

**Ans. (d) All of the above**

**Q13. When should the opportunity of hearing be given to applicant or the appellant for rectification of advance ruling?**

- (a) If the rectification has the effect of enhancing the tax liability.
- (b) If the rectification has the effect of reducing the amount of admissible input tax credit.
- (c) (a) or (b)
- (d) None of the above

**Ans. (c) (a) or (b)**

**Q14. The Advance Ruling pronounced by the AAAR shall be binding on:**

- (a) The applicant who sought the advance ruling.
- (b) The jurisdictional officer in respect of the applicant.
- (c) (a) and (b).
- (d) None of the above.

**Ans. (c) (a) and (b).**

**Q15. When can the Authority declare the advance ruling pronounced as void?**

- (a) If ruling is obtained by suppression of material facts
- (b) If the applicant is in the business of supplies on which clarification has been sought
- (c) If the applicant does not engage in the business of supplies after 6 months of obtaining the ruling
- (d) If a Supreme Court judgment is pronounced on the same issue and the judgment is exactly the opposite of the clarification issued under the ruling

**Ans. (a) If ruling is obtained by suppression of material facts.**

**Q16. Who will get the copy of order of Advance Ruling pronounced by the AAAR?**

- (a) Applicant Taxpayer.
- (b) Concerned Central / State Officer and Other Jurisdictional State / Central Officer.
- (c) Authority for Advance Ruling.
- (d) All of the above.

**Ans. (d) All of the above.**

**Q17. Advance Ruling cannot be sought in respect of:**

- (a) admissibility of input tax credit
- (b) classification of goods and/or services
- (c) whether applicant is required to be registered
- (d) whether applicant is entitled to refund

**Ans. (d) whether applicant is entitled to refund**

**Q18. Authority for Advance Ruling shall not admit an application if:**

- (a) show cause notice has been issued
- (b) appeal has been filed to Appellate Tribunal against the adjudication order
- (c) appeal has been filed before the Hon'ble high Court
- (d) None of the above

**Ans. (d) None of the above.**

**Q19. An applicant may seek Advance Ruling in relation to supply of goods and/or services-**

- (a) being undertaken by him
- (b) proposed to be undertaken by him
- (c) already undertaken by him

(d) all of the above

**Ans. (d) all of the above**

**Q20. AAR or AAAR shall be constituted**

- (a) Under respective State GST Act
- (b) Under Central GST Act
- (c) Both under Central GST and State GST Act

**Ans. (c) Under respective State GST Act**

**Q21. An Advance Ruling can be sought by:**

- (a) Only by a registered person
- (b) By a person desirous of obtaining registration
- (c) Both (a) and (b)
- (d) None of the above

**Ans. (c) Both (a) and (b)**

**Q22. A member of AAR shall not be below the rank of:**

- (a) Deputy Commissioner
- (b) Assistant Commissioner
- (c) Joint Commissioner
- (d) Commissioner

**Ans. (c) Joint Commissioner**

**Q23. The fee for filing an application for Advance Ruling is:**

- (a) 5000/- under CGST Act
- (b) 5000/- under SGST Act
- (c) 5000/- each under CGST and SGST Act
- (d) 10000/- under any of the above Act

**Ans. (c) Ans.(c) 5000/- each under CGST and SGST Act**

**Q24. The fee for filing an appeal before AAAR by the applicant is:**

- (a) 25000/- under CGST Act
- (b) 25000/- under SGST Act
- (c) 10000/- each under CGST and SGST Act
- (d) 25000/- under any of the above Act

**Q25. The fee for filing an appeal before AAAR by the Department is:**

- (a) 5000/- under CGST Act
- (b) 5000/- under SGST Act
- (c) 10000/- each under CGST and SGST Act
- (d) None of the above

**Ans. (d) None of the above**

**Q26. The AAR after examining the application and relevant records shall:**

- (a) pass an order admitting the application
- (b) pass an order rejecting the application
- (c) pass an order admitting or rejecting the application
- (d) allow the applicant to amend the application

**Ans. (c) pass an order admitting or rejecting the application**

**Q27. A copy of Advance Ruling has to be certified to be a true copy of its original:**

- (a) by all members of the AAR
- (b) by any member of the AAR
- (c) certification is not required
- (d) certification is optional

**Ans. (b) by any member of the AAR**

**Q28. Within how many days of filing of appeal or reference, the Appellate order shall be pronounced**

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

**Ans. (c) 90 days**

**Q29. An appeal against the ruling of AAR shall be filed?**

- (a) before the Appellate Tribunal
- (b) before the Commissioner (Appeal)
- (c) in the jurisdictional office of the respective State AAAR
- (d) in the jurisdictional office of the Central AAAR

**Ans. (c) in the jurisdictional office of the respective State AAAR**

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## SOME OTHER MCQ'S

### DEFINITIONS (SECTION 2) UNDER THE CGST ACT AGRICULTURIST [SECTION 2(7)]

**Q1. The term 'agriculturist' includes the following persons who undertake cultivation of land:**

- (k) An individual
- (l) A Hindu Undivided Family
- (m) A co-operative society
- (n) Both (a) and (b)

**Ans. (d) Both (a) and (b)**

### CASUAL TAXABLE PERSON [SECTION 2(20)]

**Q2. The term 'casual taxable person' includes:**

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

**Ans. (a) A person occasionally supplying goods or services or both in a State or a Union territory where he has no fixed place of business.**

**Q3. Mr. X of Delhi is participating in Hitex Furniture Expo in Haryana where he has no fixed place of business and exhibiting his products. During the expo, the said products will be sold to the people attending and intending to purchase such products. In such scenario, Mr. X shall obtain which of the following registration under the CGST Act, 2017:**

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

### NON-RESIDENT TAXABLE PERSON [SECTION 2(77)]

**Q4. A person who occasionally undertakes transactions involving supply of goods or services or both, whether as principal or agent or in any other capacity, but who has no fixed place of business or residence in India is :**

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

**Ans. (a) Non-resident taxable person**

### OUTPUT TAX [SECTION 2(82)]

**Q5. Output tax in relation to a taxable person under the CGST Act, 2017 includes:**

- (a) Tax chargeable on taxable supplies made by him
- (b) Tax chargeable on taxable supplies made by his agent

- (c) Tax payable by him under reverse charge
- (d) Both (a) and (b)

**Ans. (d) Both (a) and (b)**

**PLACE OF BUSINESS [SECTION 2(85)]**

**Q6. The term “place of business” includes:**

- (t) Place from where business is ordinarily carried out including godown, warehouse, etc.
- (u) Place where a taxable person maintains his books of account
- (v) Place where taxable person is engaged in business through an agent
- (w) All the above

**Ans. (d) All the above**

**Q7. 'P' Ltd. has its registered office under the Companies Act, 2013 in the State of Maharashtra. It also has a corporate office in the State of Telangana. What will be the place of business of 'P' Ltd. under the CGST Act, 2017?**

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

**Ans. (c) Both (a) and (b)**

**RECIPIENT [SECTION 2(93)]**

**Q8. 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)

**Ans. (a) P Ltd.**

**NON-TAXABLE SUPPLY [SECTION 2(78)]**

**Q9. 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)

**Ans. (d) Both (a) and (b)**

**EXEMPT SUPPLY [SECTION 2(47)]**

**Q10. An exempt supply includes-**

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



**Ans. (d) All of the above**

**Q11. Distribution of electricity by a distribution utility is a:**

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

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

**AGGREGATE TURNOVER [SECTION 2(6)]**

**Q12. Aggregate turnover does not include-**

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

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

**Q13. ABC Ltd. has provided following information for the month of Sep, 2018:**

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

**Calculate the aggregate turnover ABC Ltd.**

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

**Ans. (c) 23,00,000/-**

**GOODS [SECTION 2(52)]**

**Q14. 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

**Ans. (b) Money and securities**

**CAPITAL GOODS [SECTION 2(19)]**

**Q15. Capital goods include-**

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

**Ans. (c) Both (a) and (b)**

**LOCATION OF SUPPLIER OF SERVICES [SECTION 2(71)]**

**Q16. If Mr. A, having his registered office at Andhra Pradesh, and his operating office at Telangana which is also registered, but providing advisory services to his client who is placed at Karnataka. What would be the location of supplier of services in this case?**

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

**Ans. (a) Telangana**

**WORKS CONTRACT [SECTION 2(119)]**

**Q17. As per the CGST Act, 2017, the term "works contract" includes:**

- (a) Construction, fabrication, completion, erection, installation, etc. of movable property
- (b) Construction, fabrication, completion, erection, installation, etc. of immovable property
- (c) Both (a) and (b)
- (d) None of the above

**Ans. (b) Construction, fabrication, completion, erection, installation, etc. of immovable property**

**Q18. While repairing the factory shed, few goods were also supplied along with the labour service. Whether it is a:**

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

**Ans. (c) Works Contract Service**

**AGENT [SECTION 2(5)]**

**Q19. Agent means:**

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

**Ans. (a) A person who carries on the business of supply or receipt of goods or services or both on behalf of another**

**ADMINISTRATION  
OFFICERS UNDER THIS ACT (SECTION 3)**

**Q20. Officers under which Act shall be deemed to be the officers appointed under the provisions of CGST Act:**

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

**Ans. (a) Central Excise Act, 1944**

**AUTHORISATION OF OFFICERS OF STATE TAX OR UNION TERRITORY TAX AS PROPER OFFICER  
IN CERTAIN CIRCUMSTANCES (SECTION 6)**

**Q21. The officers appointed under which of the following Acts are authorised to be the proper officers for the purposes of the CGST Act, 2017:**

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

**Ans. (c) Both (a) and (b)**

**POWERS OF OFFICERS (SECTION 5)**

**Q22. The Commissioner may, subject to such conditions and limitations as may be specified in this behalf by him, delegate his powers to:**

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

**Ans. (a) Any other officer who is sub-ordinate to him.**

**PRESUMPTION AS TO DOCUMENTS IN CERTAIN CASES (SECTION 144)**

**Q23. Document includes:**

- (a) Written record
- (b) Printed Record
- (c) Electronic
- (d) All of the above

**Ans. (d) All of the above**

**ADMISSIBILITY OF MICRO FILMS, FACSIMILE COPIES OF DOCUMENTS AND COMPUTER  
PRINT-OUTS AS DOCUMENTS AND AS EVIDENCE (SECTION 145)**

**Q24. Transfer of business includes .....**

- (a) Sale
- (b) Lease
- (c) License
- (d) All the above

**Ans. (d) All the above**

**Q25. Who is liable to pay the tax in case of transfer of business?**

- (a) Transferor
- (b) Transferee
- (c) Both jointly and severally
- (d) Jointly

**Ans. (c) Both jointly and severally**

**DEEMED EXPORT (SECTION 147)**

**Q26. Deemed Export provisions is applicable to-**

- (a) Deemed export provision is applicable only to goods
- (b) Deemed export provision is applicable only to services
- (c) Deemed export provision is applicable both to goods and services
- (d) Deemed export provision is applicable when goods and services are supplied to SEZ units/ developers

**Ans. (a) Deemed export provision is applicable only to goods**

**Q27. What are the conditions applicable before claiming deemed exports?**

- (a) Goods must be manufactured in India
- (b) Goods must not leave India
- (c) Goods must be notified by Central Government
- (d) All the above

**Ans. (d) All the above**

**NOTE: Deemed export provisions are discussed in Chapter- Refund**

### **SPECIAL PROCEDURE FOR CERTAIN PROCESSES (SECTION 148)**

**Q28. What special procedures can be notified for certain class of persons u/s 148?**

- (a) Registration
- (b) Furnishing of Return
- (c) Payment of Tax
- (d) Administration of such persons
- (e) All of the above

**Ans. (e) All of the above**

**Q 1. What provisions of CGST have been made applicable to IGST?**

- (a) All the provisions
- (b) Only a few provisions
- (c) The provisions of CGST Act as would be applicable to IGST has not been mentioned
- (d) The exact provisions of CGST Act as would be applicable to IGST have not been enumerated. However, a list of items have been mentioned, whose corresponding provisions under CGST would apply to IGST Act.

**Ans. (d) The exact provisions of CGST Act as would be applicable to IGST have not been enumerated. However, a list of items have been mentioned, whose corresponding provisions under CGST would apply to IGST Act.**

**Q 2. What would the TDS and TCS rates be under IGST?**

- (a) TDS and TCS provisions not applicable to IGST since no such provisions have been incorporated under IGST Act
- (b) TDS and TCS @ 1% each
- (c) TDS @2% and TCS @ not exceeding 2%
- (d) TDS @1% and TCS not exceeding 2%

**Ans. (c) TDS @2% and TCS @ not exceeding 2%**

**Q 3. When is import of services deemed to have been initiated before commencement of IGST Act?**

- (a) When invoice relating to such supply has been received or made before IGST has come into existence
- (b) Payment is made/ received either in part or full before IGST has come into existence
- (c) Both of the Above

(d) Any one of the Above

**Ans. (d) Any one of the Above**

**Q 4. Canteen Stores Department under the Ministry of Defence, are entitled to claim a refund of .....%. of IGST paid by it on all inward supplies of goods received by it for the purposes of subsequent supply of such goods to the Unit Run Canteens of the CSD or to the authorized customers of the CSD.**

- (a) 25
- (b) 50
- (c) 100
- (d) 125

**Ans. (b) 50**

**Q 5. Is IGST payable on services imported after the appointed day, though service tax has actually been paid under service tax regime?**

- (a) No
- (b) Yes. Pay and avail the credit paid of IGST under reverse charge on full value
- (c) Yes. If tax has been paid partially under service tax regime and part of the service/ consideration paid has not suffered service tax under service tax regime

**Ans. (c) Yes. If tax has been paid partially under service tax regime and part of the service/ consideration paid has not suffered service tax under service tax regime.**

**Q 6. Can government make retrospective rules?**

- (a) Yes. But cannot impose penalty for contravention of rules for retrospective period
- (b) Yes and also can impose penalty for contravention of rules for retrospective period
- (c) No

**Ans. (a) Yes. But cannot impose penalty for contravention of rules for retrospective period**

**Q 7. What is the effect, if the parliament annuls the rules/ notifications issued by government?**

- (a) It is as good as no rules/ notifications were issued by the government
- (b) The rules/ notifications issued by the government would be effective for the period from the date of issue till the date they were annulled by the parliament
- (c) There would be no sanctity for the action taken by the department/ assessee on the basis of rules/ notification for the period from the date of issue till the date of annulment.
- (d) The action taken by the department /assessee on the basis of such rules would be void from the date of annulling the rules/notification.
- (e) (a) and (c)
- (f) (b) and (d)

**Ans. (f) - (b) and (d)**

**Q 8. What is the maximum period for exercising this power of issuing general or a special order for removal of difficulties?**

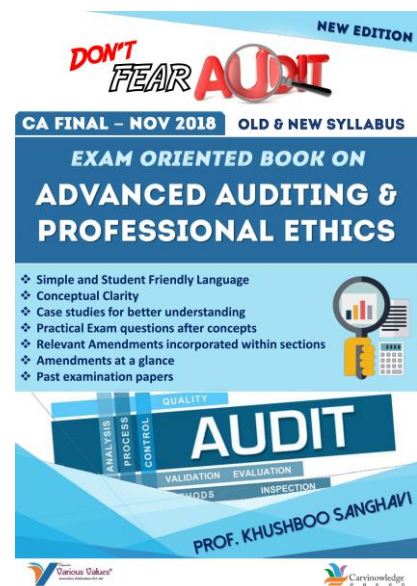
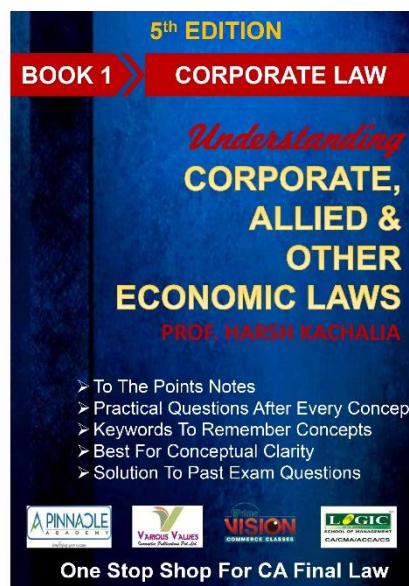
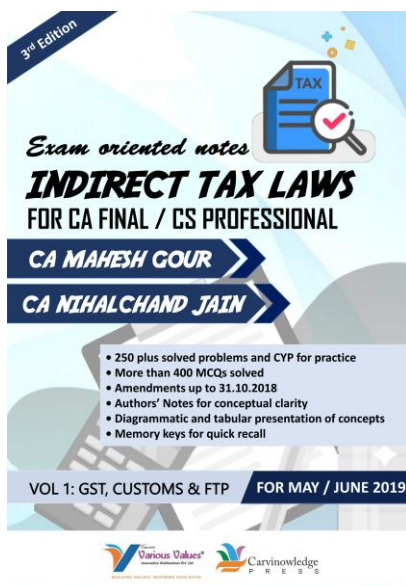
- (a) 4 years
- (b) 3 years
- (c) 2 years
- (d) 1 year

**Ans: (b) 3 years**

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