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MCQ'S FOR CA/CMA/CS

Q1. M/s Utkal Auto, Bhubaneswar registered under GST in Odisha is authorised dealer of Hero motors. It has a policy to gift a Hero motorcycle to its employee at the end of the financial year in terms of the employment contract. During the month of March 2019, the company gifted 35 motor cycles among its employees whose open market value comes to Rs.18.41 lakhs (excluding GST). GST rate 28%. Compute GST liability in the hands of M/s Utkal Auto.

a) Rs.5,15,480 b) Rs.16,380 c) Nil d) Taxable in the hands of employee

Q2. M/s Craft Emporium, an un-registered person in the state of Rajasthan deals in handicraft goods. He carried Handicraft goods worth Rs.45,000/-through his own vehicle for supply to a shop keeper of Delhi. The proper office intercepted the vehicle enroute to Delhi & asked for E-Way bill. The driver of vehicle argued that E Way bill not required, since the value of consignment is less than Rs.50,000/-. Which one of the following statement is true.

a) E-Way bill is required in case of interstate supply, only if the value consignment is more than Rs.50,000/-.
b) E Way is required is required only for supply of taxable goods
c) E Way bill not required when supplied by an unregistered person
d) E way is mandatory in case of interstate supply of Handicraft goods irrespective of value of consignment.

Q3.In which of the following supply of goods & services to Govt department/local authorities, TDS is required to be deducted by the recipient U/s 51 of the CGST Act,2017 ?

a) Municipal Corporation of Delhi purchased street lights & paid Rs. 1.5 lakhs (including GST) to M/s Bajaj Electrical, Noida against a supply order of Rs.8 lakhs during the month of March 2019.
b) A Government school of Bhubaneswar, paid Rs.3.8 lakhs to a local supplier for supply of cooked foods as mid-day meals under a scheme sponsored by Odisha Government.
c) Health Department of West Bengal executed a contract with a supplier of Kolkata to supply "Medical grade oxygen" and paid Rs.2.6 lakhs (including GST).
d) Ministry of finance, Govt of India paid Rs.2.5 lakhs (including GST) to a supplier for supply of printing of stationery.
e) Govt of Madhya Pradesh paid Rs.50 lakhs (including GST) to M/s BHEL (a Central PSU) against supply of a Transformer.

Q4.Which of the following is a taxable supply under GST Act ?

a) Transportation of deceased person through a hired vehicle
b) Gift of office laptop by an employer to its employee on which ITC availed
c) A new laptop worth Rs.45,000/- gifted by an employer to its employee
d) Fines/penalty/LD paid by a contractor to govt for delay/non performance of contract
e) Gift of merchandise goods given by a registered person to its customers

Q5.Which of the following service is taxable under RCM in the hands of recipient of said service?

a) Transportation of goods by a GTA to un-registered person
b) Legal service provided by an Advocate to an NGO registered under GST
c) Renting of shops by Municipality to a registered person
d) Security services provided by an unregistered entity to registered business entity

Q6.In which of the following cases, Advance ruling under GST can not be sought ?

a) Determination of time and value of supply of goods or services or both
b) Determination of whether a particular transaction is supply of goods or services or both
c) Applicability of a notification issued under CGST Act
d) Determination of place of supply

Q7. Mr X dispatched goods costing 8 lakhs to Mr Y through a hired vehicle with a tax invoice. The Market value of said goods are Rs.10 lakhs & GST payable thereon is @18%. The goods are confiscated by the proper officer, since it was supplied in contravention of the provision of CGST Act,2017 with an intent to evade tax. Determine the maximum amount of fine that can be imposed in lieu of confiscation U/s 130(2) of CGST Act?

a) Rs.25,000
b) Rs.36,000
c) Rs.1,80,000
d) Rs.8,20,000

Q8. Mr Rao, a registered person has made following supply during the month of Feb 2019.

Particulars	Amount (Rs.)
Intra state supply	6 lakhs
Supply to SEZ (located within the state)	2 lakhs
Export of goods to Thailand	3 lakhs
Rate of GST	18%
Input Tax credit available in Electronic credit ledger for the month of Feb 2019 prior to above adjustment	IGST – Nil CGST-Rs.50,000 , SGST-Rs.60,000

He does not intend to clear the goods for export under LUT/bond & instead want to pay GST. Compute GST payable by him for the month of Feb 2019.

a) CGST Rs.4,000 , SGST Rs. Nil
b) CGST Rs.4,000 , SGST Rs. Nil, IGST Rs.84,000
c) CGST Rs.4,000 , SGST Rs. Nil, IGST Rs.90,000
d) CGST Rs.Nil , SGST Rs. Nil, IGST Rs.90,000

Q9. Mr X registered person has made following supply during the month of April 2019.

Particulars	Amount (Rs.)
Consultancy Service provided	5 lakhs
Rent received from letting of Shops	1 lakhs
Sale of Securities (Market value Rs.2 lakhs)	1.5 lakhs
Rent received from letting of residential properties	1 lakhs

Compute the value of "exempted supply" for the purpose of Sec 17(2) of CGST Act,2017?

a) Rs.1,02,000
b) Rs.2,50,000
c) Rs.1,01,500
d) Rs.1,15,000

Q10. A Special audit under GST is conducted by…. ?

a) Commissioner
b) CGST Official
c) CAG
d) CA/CMA

Q11. E-Way bill for inter-state movement of goods is mandatory in which of the following case?

a) All movement of goods having consignment value more than Rs.50,000(including GST)
b) All movement of goods having consignment value more than Rs.50,000(excluding GST)
c) Goods sent by principal to Job workers irrespective of value
d) Transportation of Petrol/Diesel

Q12. Which of the following services are exempted under GST?

a) Warehousing of Agricultural produce
b) Printing of books
c) Security (CISF) services provided by Govt to a PSU
d) Construction of a School building by a company under CSR

Q13. Input tax credit is not available in respect of …..?

a) Goods used for personal consumption
b) Free sample
c) Services on which tax paid under composition scheme
d) All of the above

Q14. Services by way of warehousing of …… is exempt from GST?

a) Salt
b) Rice
c) Processed tea
d) Jaggery

Q15. GST is payable by recipient of service in which of the following case?

a) Speed post services provided by Deptt. Of Post to a company registered under GST
b) Sponsorship service provided by a registered person to XYZ Ltd
c) Legal service provided by an Advocate to an NGO
d) Security service provided by a Pvt Ltd company to a Public Ltd company

Q16. The registration certificate granted to Non Resident taxable person is valid for ….days.

a) 30 days
b) 60 days
c) 90 days
d) 120 days

Q17. Which of the following statement is true for a Casual Taxable person (CTP).

a) Registration mandatory
b) Registration required only if turnover exceeds threshold limit of Rs.20 lakhs/10 lakhs
c) Registration not mandatory but may opt voluntarily
d) Registration required only for supply of services not for goods

Q18. Balance in Electronic Credit ledger can be utilized against which of the following liability?

a) Output tax liability
b) Interest
c) Penalty
d) All of the above

Q19. A supplier has claim depreciation as per IT Act,1961 on GST component of Capital goods. Which of the following statement is true ?

a) ITC available only 5% per quarter on said tax
b) ITC of said GST not available
c) ITC available only 50% of GST paid

d) ITC of GST paid for Capital assets not available

Q20. Mr Rakesh becomes liable to pay tax on 1st July 2019 and obtained registration on 16th July 2019. He is eligible for input tax credit on inputs held in stock as on……

a) 1st July 2019
b) 15th July 2019
c) 30th June 2019
d) 16th July 2019

ANSWER/HINTS

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

ACRONYMS & THEIR FULL FORMS UNDER GST

Acronym	Full Form
ARN	Application Reference Number
AA	Appellate Authority
AAR	Authority for Advance Ruling
B2B	Business to Business
B2C	Business to Customer
CBIC	Central Board of Indirect Taxes & Customs
CGST	Central Goods & Services Tax
CTP	Casual Taxable Person
CPIN	Common Portal Identification Number (14 digit)
CIN	Challan Identification Number (17 digit)
CKD	Completely knocked Down
DCA	Del-Credere Agent
DSA	Direct Selling Agents

EBN	E-Way Bill Number
E-TIN	E Commerce Operator TIN
EGM	Export General Manifest
E-FPB	Electronic Focal Point Branch
FORM RFD	Refund Form
FC	Facilitation Centre
FSI	Floor Space Index
GSP	GST Suvida Provider
GST	Goods & Services Tax
GSTR	Goods & Services Tax Return
GSTN	Goods & Services Tax Network
GSTIN	Goods & Services Taxpayers Identification Number (15 Digits)
HSN	Harmonized System of Nomenclature.
IGST	Integrated Goods & Services Tax
ITC	Input Tax Credit
ISD	Input Service Distributors
MPS	Managed Service Provider
NAPA	National Anti-profiteering Authority
NRTP	Non-Resident Taxable Person
NIU	National Information Utility
OCPB	Over the Counter Payment in Branches
ODC	Over Dimensional Cargo
OIDAR	Online Information & Data base Access or Retrieval
POS	Place of Supply (of Goods or Services)
RCM	Reverse Charge Mechanism
REP	Real Estate Project
RREP	Residential Real Estate Project

RFID	Radio Frequency Identification Device
RNR	Revenue Neutral Rate
RWA	Resident Welfare Association
SAC	Services Accounting Code (Six digits)
SGST	State Goods & Services Tax
SKD	Semi Knocked Down
TDF	Transit Declaration Form
UTGST	Union Territory Goods & Services Tax
UID	Unique Identification
UIN	Unique Identity Number
UQC	Unique Quantity Code (Unit of Measurement)

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