

Final Course
Multiple choice questions

Part-I

1. State which of the following statement is incorrect:

- (i) An agent, supplying goods on behalf of principal where invoice is issued in the name of principal, is required to get compulsorily registered under GST.
- (ii) Persons who are required to deduct tax under section 51, whether or not separately registered under this Act are compulsory required to get registered under GST without any threshold.
- (iii) Every person supplying online information and database access or retrieval services from a place outside India to a registered person in India is compulsory required to get registered under GST without any threshold.
- (iv) Persons who supply services, other than supplies specified under sub-section (5) of section 9, through such electronic commerce operator who is required to collect tax at source under section 52 are compulsory required to get registered under GST without any threshold.

- (a) (i), (ii)
- (b) (iii), (iv)
- (c) (i), (iii), (iv)
- (d) None of the above

2. Mr. Natwarlal, a registered person under GST, was the proprietor of M/s. Spiceton Restaurant.

He died and left behind his wife and son on 15-Aug-2019.

His son wants to continue the business of the deceased father.

The GST consultant of M/s. Spiceton Restaurant, gave the following advices to the son, how the son could continue the business of his deceased father.

Which of the following option is correct in accordance with the provisions of GST law?

- (a) The son should get himself registered under the name and style M/s. Spiceton Restaurant, under his own PAN and file Form ITC-02.
 - (b) The son can get the authorized signatory changed by approaching to the Proper Officer and can continue the same business.
 - (c) The son should close the old firm and start new business under different name.
 - (d) The son should do the business as his mother as the new proprietor of the M/s. Spiceton Restaurant, and son should act as a Manager.
3. M/s. Raman Plastics is a manufacturer of plastic toys. It is registered person under GST in Shimla, Himachal Pradesh.

It procures its raw materials from Punjab. During the month of April-2019, it purchased material of Rs. 35.00 Lakh and paid IGST thereon amounting to Rs. 6.30 Lakh. It supplied 30% of its production in the State of Jammu and Kashmir, whereas the 70% of its production was supplied taxable @ 0.1% to a merchant exporter during the month of Apr-2019.

The returns for the month of April, 2019 were duly filed in time. The last date upto which the taxpayer can claim refund of input tax credit on account of inverted duty structure is

- a) 20-Apr-2021
 - b) 20-May-2021
 - c) 31-Mar-2022
 - d) 20-Apr-2020
4. M/s. Jolly Electronics (P) Ltd., is an authorized dealer of M/s. GG Micro Ltd., located and registered in Lucknow, Uttar Pradesh. It has sold following items to Mr. Alla Rakha (a consumer):

Product	Amount (Rs.)
Refrigerator (500 litres) taxable @ 18%	40,000/-
Stabilizer for refrigerator taxable @ 12%	5,000/-
LED television (42 inches) taxable @ 12%	30,000/-
Split air conditioner (2 Tons) taxable @ 28%	35,000/-
Stabilizer for air conditioner taxable @12%.	5,000/-
Total value	1,15,000/-

M/s. Jolly Electronics (P) Ltd. has given a single invoice, indicating price of each item separately to Mr. Alla Rakha. Mr. Alla Rakha, has given a single cheque of Rs. 1,00,000/- for all the items as a composite discounted price. State the type of supply and the tax rate applicable on the same.

- a) Composite supply; Highest tax rate applicable to split air conditioner, i.e. 28%
 - b) Mixed supply; Highest tax rate applicable to split air conditioner, i.e. 28%
 - c) Supply other than composite and mixed supply; Highest tax rate applicable to split air conditioner i.e. 28%
 - d) Supply other than composite and mixed supply; respective tax rate applicable to each item
5. M/s. Radhika Travels (P) Ltd., purchased a bus chassis from M/s. Jyoti Motors Ltd., for a consideration of Rs. 80.00 Lakh on 1-Aug-2019. M/s. Radhika Travels (P) Ltd., sent the bus chassis for body building to M/s. Hanumant Fabricators, and paid in advance the total consideration of Rs. 25.00 Lakh on 10-Aug-2019. M/s. Hanumant Fabricators, after completing the bus body, informed M/s. Radhika Travels (P) Ltd., for inspection of the work done on 1-Sep-2019. M/s. Radhika Travels (P) Ltd., visited the work shop of M/s. Hanumant Fabricators, on 7-Sep-2019, and confirmed that the bus body was in accordance with the terms of the contract. M/s. Hanumant Fabricators, raised an invoice of Rs. 25.00 Lakh on 15-Sep-2019, and supplied chassis along with the bus body so constructed, along with the invoice on 16-Sep-2019. State the time of supply in this case, out of the choices given below-
- a) 10-Aug-2019
 - b) 7-Sep-2019
 - c) 15-Sep-2019
 - d) 16-Sep-2019
6. Banke Bihari (Pedewala), is a famous sweets manufacturer, located and registered in Mathura, Uttar Pradesh. He received an order for 200 Kg. of sweets on 2nd May, 2019 from M/s. Ghoomghoom Travels (P) Ltd., located and registered in same locality of Mathura for a total consideration of Rs. 1,00,000/-. All 200 Kg. sweets were delivered to M/s. Ghoomghoom Travels (P) Ltd. on 5th May, 2019, but without invoice, as accountant of Mr. Banke Bihari was on leave on that day. However, the invoice was raised for the same on 6th May, 2019, when the accountant joined the office after leave. Payment in full was made on 7th May, 2019.

Determine the time of supply of goods in this case.

- a) 2nd May, 2019
- b) 5th May, 2019
- c) 6th May, 2019
- d) 7th May, 2019

7. M/s. Dhoom Furniture Mart, located and registered under GST in the State of Chhattisgarh, sells furniture from its showroom to M/s. Lucky Dhaba (located and registered under GST in the State of Jharkhand). M/s. Lucky Dhaba requested to deliver the furniture to Mr. Pyare Lal (his landlord at his new rented home at Patna, Bihar). M/s. Dhoom Furniture Mart sends the furniture with a proper E-way bill to Patna through a transporter, who made the delivery to Mr. Pyare Lal.

Determine the place of supply of furniture sold by M/s. Dhoom Furniture Mart to M/s. Lucky Dhaba in the above case.

- a) Chhattisgarh
- b) Jharkhand
- c) Patna, Bihar
- d) None of the above

8. M/s. Buildwell Engineering Consultants, located and registered in Gurugram, Haryana provided consultancy services to M/s. Taj India Ltd., (located and registered in Mumbai, Maharashtra) for its hotel to be constructed on land situated in Dubai.

Determine the place of supply of consultancy services provided by M/s. Buildwell Engineering Consultants to M/s. Taj India Ltd.:

- a) Gurugram, Haryana
- b) Mumbai, Maharashtra
- c) Dubai
- d) None of the above

9. Aflatoon Spares (P) Ltd., located and registered in Haryana, supplied spare parts (FOB basis) to Mr. Laxmi Khurana, an unregistered person, located in Rajasthan. Mr. Laxmi Khurana booked the courier himself with Black Dart Courier (P) Ltd., registered in Delhi for delivery in Rajasthan. Black Dart Courier (P) Ltd. picked up the goods from Haryana and delivered the courier in Rajasthan while passing through the State of Uttar Pradesh.

Determine the place of supply of service provided by Black Dart Courier (P) Ltd. to Mr. Laxmi Khurana:

- a) Haryana
- b) Delhi
- c) Rajasthan
- d) Uttar Pradesh

10. Mr. Javed Miandad, an unregistered person residing in Lucknow, Uttar Pradesh, went to Delhi for seeking admission of his child, Mr. Inzamam in CA IPCC. Mr. Javed Miandad got the demand draft generated at ICICI Bank Ltd., registered in Delhi against cash, for depositing the registration fee to ICAI. Mr. Javed Miandad does not have a bank account in ICICI Bank Ltd.

Determine the place of supply of service provided by ICICI Bank Ltd., Delhi to Mr. Javed Miandad.

- a) Delhi
- b) Lucknow
- c) Uttar Pradesh
- d) None of the above

11. Which of the following statements is correct while issuing a tax invoice?

- (i) Place of supply in case of inter-State supply is not required to be mentioned
 - (ii) The power of attorney holder can sign the tax invoice in case the taxpayer or his authorised representative has been travelling abroad
 - (iii) Quantity is not required to be mentioned in case of goods when goods are sold on "as is where is basis"
 - (iv) Description of goods is not required to be given in case of mixed supply of goods
- (a) (ii), (iii)
 - (b) (i), (ii), (iii)
 - (c) None of the above
 - (d) All of the above

12. What will be the rate of tax and nature of supply of a service, if the same is not determinable at the time of receipt of advance?

- (a) 12%, Inter-State supply
- (b) 12%, Intra-State supply
- (c) 18%, Inter-State supply
- (b) 18%, Intra-State supply

13. Which of the following activity is taxable under GST?

- (i) Supply of food by a hospital to patients (not admitted) or their attendants or visitors.
 - (ii) Transportation of passengers by non-air-conditioned railways
 - (iii) Services by a brand ambassador by way of folk dance performance where consideration charged is Rs. 1,40,000.
 - (iv) Transportation of agriculture produce by air from one place to another place in India
 - (v) Services by way of loading, unloading, packing, storage or warehousing of rice
 - (vi) Service provided by GTA where consideration charged for transportation of goods for a single carriage is Rs. 900
- (a) (i), (v), (vi)
 - (b) (iii), (iv), (v)
 - (c) (i), (iii), (iv)
 - (d) (iv), (v)

14. In which of the following cases, compounding of offence is not allowed under section 138 of CGST Act, 2017?
- (a) a person who has been allowed to compound once in respect of any of the offences specified in clauses (a) to (f) of section 132(1).
 - (b) a person who has been convicted for an offence under GST law by a Court.
 - (c) a person who has been accused of committing an offence under GST law which is also an offence under any other law for the time being in force.
 - (d) All of the above.
15. If a taxable person has done the following act, inspection can be ordered:
- (a) Suppression of any transaction of supply of goods or services
 - (b) Suppression of stock of goods in hand
 - (c) Contravention of any provision of the GST law to evade tax
 - (d) All of the above
16. The time-limit for issuance of order of Best Judgment assessment is:
- (a) 5 years from the date specified for furnishing of the annual return for the financial year to which the tax not paid relates.
 - (b) 4 years from the date specified for furnishing of the annual return for the financial year to which the tax not paid relates.
 - (c) 3 years from the date specified for furnishing of the annual return for the financial year to which the tax not paid relates.
 - (d) None of the above
17. Where any agent supplies goods on behalf of his principal:
- (a) Such agent shall be jointly and severally liable to pay the GST payable on such goods.
 - (b) The principal shall be jointly and severally liable to pay the GST payable on such goods.
 - (c) Both (a) and (b)
 - (d) None of the above.
18. Which of the following activities are exempt from GST?
- (a) Religious pilgrimage organised by Todarmal Charitable Trust.
 - (b) Loading, packing and warehousing of jaggery and pulses.
 - (c) Milling of paddy into rice.
 - (d) None of the above.
19. Which of the following statements is true?
- 1. Services provided by Government ITIs to individual trainees are exempt from GST.
 - 2. Services provided by the State Governments and Private Service Providers by way of transportation of patients in ambulance are exempt from GST.
 - 3. Services of renting of shops in a hospital are exempt from GST being health care services.
 - 4. Services provided by Police to PSUs are taxable.

- (a) 1., 2. & 4.
 - (b) 2., 3. & 4.
 - (c) 3. & 4.
 - (d) All of the above.
20. Which of the following transactions does not qualify as supply under GST law?
- (a) Disposal of car without consideration and where the supplier has not claimed input tax credit on such car.
 - (b) When a principal makes supplies to his agent who is also registered and is situated within the same State.
 - (c) When the Head Office makes a supply of services to its own branch outside the State.
 - (d) When a person import services without consideration for the purposes of his business from his elder son living outside India.
21. Read the following and choose the correct option:
- i. Indian customs waters extend up to 12 nautical miles;
 - ii. Indian customs waters extend up to 24 nautical miles;
 - iii. Indian customs waters extend up to exclusive economic zone of India;
 - iv. Indian customs waters include territorial waters and extend up to 200 nautical miles.
- (a) Only (ii)
 - (b) (iii) and (iv)
 - (c) (ii) and (iv)
 - (d) Only (iv)
22. The taxable event under the Customs Act, 1962 is:
- (a) Import of goods into India/ export of goods from India;
 - (b) Supply of goods into India/ Supply of goods from India to outside India;
 - (c) Sale of goods into India/ Sale of goods outside India;
 - (d) Manufacture of goods into India for supply outside India.
23. What is the relevant date for determining rate of duty in case of warehoused goods before clearing for home consumption?
- (a) Date of presentation of in-bond bill of entry;
 - (b) Date of presentation of ex-bond bill of entry i.e. bill of entry for home consumption;
 - (c) Date of payment of duty;
 - (d) Date of import of goods into India
24. Which of the following is correct for destroyed goods under section 23?
- (a) It is only applicable in case of total loss of goods even if same can be recovered.
 - (b) The importer is not required to pay duty on such goods.
 - (c) The provisions are also applicable even if goods are destroyed after warehousing.
 - (d) The importer need not prove the loss to the proper officer.
25. In which of the following cases, importer can claim pilferage and choose not to pay duty under section 13 of Customs Act?
- i. Goods pilfered while on high seas;
 - ii. Goods pilfered before unloading;
 - iii. Goods pilfered after unloading but before order for home consumption given by proper officer;
 - iv. Goods cleared for home consumption.
- a) (i) and (ii)

- b) (i) and (iii)
 - c) Only (ii)
 - d) Only (iii)
26. In which of the following cases, can an importer claim abatement of duty under section 22 of Customs Act.
- i. Goods pilfered during unloading;
 - ii. Goods damaged by accident (due to negligence of the importer) after unloading but before examination for assessment by customs authorities;
 - iii. Goods destroyed by accident while in warehouse;
 - iv. Goods deteriorated by accident (not due to negligence of the importer) after unloading but before examination for assessment by customs authorities.
- a) Only (iv)
 - b) Only (iii)
 - c) Both (i) and (iii)
 - d) All of above
27. Which of the following statement(s) is/are correct?
- (i) Special exemption under section 25 of the Customs Act is granted by issuing a notification;
 - (ii) General exemption under section 25 of the Customs Act is granted by issuing an order;
 - (iii) Special exemption is required to be published in official gazette;
 - (iv) General exemption is not required to be published in official gazette.
- a) All of above
 - b) None of above
 - c) Both (i) and (ii)
 - d) (ii) and (iv)
28. ABC Ltd. exported certain goods last year. The buyer has sent back those goods since the same were under warranty and required repairs. Which of the following condition(s) is/are to be satisfied by ABC Ltd. to avail exemption on goods re-imported for repairs under *Notification No. 158/95- Cus dated 14.11.1995*?
- (i) The re-import has to be for repairs only;
 - (ii) Goods must be re-exported after repairs;
 - (iii) Goods must be re-exported within 6 months or 1 year if time is extended;
 - (iv) In case goods are not repaired, new goods have to be sent by ABC Ltd within 6 months.
- a) (i), (ii) and (iv);
 - b) (i), (ii) and (iii);
 - c) (ii) and (iii);
 - d) All of above
29. XYZ Ltd. sent certain goods abroad for repairs. XYZ Ltd. has been advised by their consultants that they will have to pay customs duty only on fair cost of repairs, freight and insurance charges, both ways, on re-import of exported goods under *Notification No. 46/2017 Cus. dated 30.06.2017* provided they fulfill following conditions:
- (i) The re-importation is done within 3 or, if time is extended, 5 years;
 - (ii) The exported and re-imported goods are same;
 - (iii) The ownership of goods should not have changed.
- Choose which one of above is correct.
- a) (i), (ii) and (iii)
 - b) (ii) and (iii)
 - c) (i) and (iii)
 - d) Only (ii)

30. The integrated tax leviable on imported goods is levied-
- as an additional duty of customs under section 3(7) of the Customs Tariff Act, 1975;
 - as integrated tax under section 5 of the Integrated Goods and Services Tax Act, 2017;
 - as a duty of customs under the Customs Tariff Act, 1975 read with Integrated Goods and Services Tax Act, 2017;
 - None of the above
31. Which of the following are levied as additional duties of customs under section 3 of the Customs Act, 1962?
- Duty equal to excise duty leviable on like product manufactured in India;
 - Countervailing duty as special additional duty;
 - Special additional duty to counterbalance sales tax;
 - Anti-dumping duty to protect domestic industry
- All of above;
 - (i), (ii) and (iv);
 - (i), (iii) and (iv),
 - (i), (ii) and (iii)
32. Safeguard duty cannot be imposed if:
- The article on which is proposed to be imposed originates from a developed country provided its share of imports is not more than 3% of total imports of that article in India;
 - The article on which is proposed to be imposed originates from a developing country provided its share of imports is not more than 5% of total imports of that article in India;
 - The article on which is proposed to be imposed originates from more than one developing country and its aggregate share of imports from developing countries each with less than 3% share taken together does not exceed 9% of total imports of that article into India.
 - The article is imported by a person in special category State.
33. Some banks in China are giving interest free loans to its domestic manufacturers for manufacture of solar panels. This interest free loan would qualify as subsidy for levying of countervailing duty under section 9 of the Customs Tariff Act, 1975 in India on import of such solar panels if:
- Such interest free loans is given by public or Government banks;
 - Such interest free loan is given by private banks on their own without any direction or instruction from the Government;
 - None of above;
 - Both (a) and (b)
34. Countervailing duty under section 9 of the Customs Tariff Act shall not be levied unless it is determined that:
- Subsidy relates to export performance;
 - Subsidy relates to use of domestic goods over imported goods in export article;
 - Subsidy is conferred on all persons engaged in the manufacture of export article.
- All of above
 - Only (iii)
 - (ii) and (iii)
 - (i) and (ii)
35. Anti-Dumping duty is calculated as
- Higher of margin of dumping or injury margin;
 - Lower of margin of dumping or injury margin;
 - Higher of export price or normal value;
 - Lower of export price or normal value

Q. No.	Correct option
1	(c)
2	(a)
3	(b)
4	(d)
5	(a)
6	(b)
7	(b)
8	(b)
9	(a)
10	(a)
11	(c)
12	(c)
13	(c)
14	(d)
15	(d)
16	(a)
17	(c)
18	(d)
19	(a)
20	(a)
21	(b)
22	(a)
23	(b)
24	(c)
25	(d)
26	(a)
27	(b)
28	(b)
29	(c)
30	(b)
31	(d)
32	(c)

33	(a)
34	(d)
35	(b)

Part-II

1. M/s. Korelal Printon (P) Ltd., a registered person under GST in the State of Jammu & Kashmir, has been engaged in the business of offset printing and has been providing services to various book publishers. A publisher situated in the State of Himachal Pradesh, a registered person under GST sent content of the books to be printed by M/s. Korelal Printon (P) Ltd., in PDF format. The publisher also sent paper worth Rs. 4.00 Lakh to the printer, free of cost for the purposes of printing its books on 10-Feb-2019. M/s. Korelal Printon (P) Ltd., raised an invoice of Rs. 1.50 Lakh against printing of books and returned the printed books through Challan to the publisher on 20-Aug-2019.

The Proper Officer, intercepted the vehicle and claimed that M/s. Korelal Printon (P) Ltd., should have sent the invoice of Rs. 5.50 Lakh, i.e. including the value of free of cost paper supplied by the publisher.

You may suitably advice which one of the following is the correct option-

- a) The value of supply of paper for job work is to be included in the invoice in terms of section 15 of the CGST Act.
 - b) The goods sent for job work, i.e. paper sent for printing is a composite supply
 - c) M/s. Korelal Printon (P) Ltd., has entered into an agreement of printing books. Therefore, he is liable to pay tax on the gross value of Rs. 5.50 Lakh.
 - d) M/s. Korelal Printon (P) Ltd., has entered into an agreement of printing books. Therefore, he is liable to pay tax on the net value of Rs. 1.50 Lakh.
2. Mr. Palliwal Desai, a registered practicing Chartered Accountant, located in Jaipur, in the State of Rajasthan, is providing professional and consultancy services to its various clients from his firm.

He has taken some professional consultancy services from another establishment of its firm in UK. He has not paid any consideration for the same.

Such services would have been taxable @ 18% (9% under CGST + 9% under SGST and 18% under IGST), had they been received in India. Also, Mr. Palliwal Desai would have paid Rs. 4.00 Lakh, had he not received the said services from the UK establishment.

State the liability of Mr. Palliwal Desai, under CGST/ IGST Act, 2017, out of the following options-

- a) Rs. 72,000/- as Integrated Tax
 - b) CGST Rs. 36,000/- & SGST Rs. 36,000/-, since POS is in India
 - c) Nil, since no foreign exchange was paid
 - d) Nil, since such services are exempt
3. In which of the following supplies of goods and services made exclusively to Government departments, agencies etc. and persons notified under section 51 of the CGST Act, 2017, TDS is required to be deducted?
- (i) Health Department executed a contract with a local supplier to supply "medical grade oxygen" of Rs.2.6 lakh (including GST) and is making full payment.
 - (ii) Government school is making a payment of Rs.3.5 Lakh to a supplier for supply of cooked food as mid-day meal under a scheme sponsored by Central/State Government
 - (iii) Municipal Corporation of Kolkata purchases a heavy generator from a supplier in Delhi. Now, it is making payment of Rs.5 lakh and IGST @18% on Rs.5 lakh for such purchase.
 - (iv) Finance Department is making a payment of Rs.3 lakh (including GST) to a supplier of 'printing & stationery'.

Assume all other conditions for deduction of TDS are fulfilled.

- (a) (i), (ii) and (iii)
 - (b) (ii), (iii) and (iv)
 - (c) Only (i) and (ii)
 - (d) Only (iii) and (iv)
4. State whether following statements are true or false:
- i. Any person aggrieved by any decision or order passed by an adjudicating authority under the Act, may appeal to such Appellate Authority as may be prescribed within 3 months from the date on which the said decision or order is communicated to him.
 - ii. No appeal shall be filed to Appellate Authority unless the appellant has paid sum equal to twenty five percent of the remaining amount of tax in dispute arising from the said order, in relation to which appeal is filed.
 - iii. Adjournment of appeal shall not be granted more than three times to a party during hearing of the appeal.
 - iv. The Appellate Authority shall have the power to refer back the case to adjudicating authority that passed the said decision or order.
- (a) True, True, True, False
 - (b) False, True, True, False
 - (c) True, False, True, False
 - (d) False, False, False, True
5. Which of the following is not considered as a supply under the CGST Act, 2017?
- (a) Importation of architectural services for Rs.1,00,000/- for construction of residential property used for personal purposes from unrelated person.
 - (b) Importation of architectural services free of cost for construction of office used for business purposes from related person.
 - (c) Importation of architectural services free of cost for construction of office used for business purposes from unrelated person.
 - (d) Both (a) and (c)
6. Which of the following is not a supply under the CGST Act, 2017?
- a) Food supplied free of cost by Mr. A (Owner of a Restaurant) to his agent for further supply to customer at Rs.500/.
 - b) Importation of accounting services free of cost from a dependent father residing in US.
 - c) A Rolex watch gifted to an employee for Rs. 50,000/.
 - d) A machinery given free of cost to an employee on which input tax credit was availed by the employer.
7. Mrs Reena is a consultant. She has provided the following details relating to services provided and received by her:
- 1. Supply of management consultancy services for Rs.500,000/- p.a.
 - 2. Supply of accounting services for Rs.200,000/- p.a.

3. Renting of immovable property for residential purposes for Rs.10,000/- p.m.
4. Management consultancy services provided to a hospital for Rs.50,000/- one time
5. Services provided to a client outside India for Rs.50,000/- p.m.
6. Services received from a lawyer for Rs.100,000/-

Calculate her aggregate turnover for a year under GST.

- a) Rs. 9,10,000
 - b) Rs.15,70,000
 - c) Rs. 14,70,000
 - d) Rs. 8,20,000
8. Which of the following is valid?
- (i) Imposition of countervailing duty and anti-dumping duty on same article;
 - (ii) Countervailing duty has been imposed on an article for the reason that same is exempt from duty borne by a like article when meant for consumption in country of origin;
 - (iii) Imposition of anti-dumping duty on articles imported from a member country of WTO on determination that import of such article materially retards the establishment of any industry in India.
- (a) All of above;
 - (b) (i) and (ii);
 - (c) (i) and (iii);
 - (d) Only (iii)
9. Social welfare surcharge is leviable on-
- (i) Basic Customs Duty;
 - (ii) IGST;
 - (iii) Anti-Dumping Duty;
 - (iv) GST Compensation Cess
- (a) Only (i)
 - (b) (i) + (ii) + (iii)
 - (c) (i) + (ii) + (iv)
 - (d) (i) + (iii)
10. Electric shaving machine is classifiable under following:
- 8510: Shavers and hair clippers with self-contained electric motors;
- 8509: Electro mechanical domestic appliances with self-contained electric motor
- As per rules of classification, electric shaving machine should be classifiable under
- (a) 8510
 - (b) 8509
 - (c) More information is needed;

- (d) Can be classified under both
11. Which of the following is correct?
- (i) Cases which are specially designed or fitted to contain a specific article and given with the articles for which they are intended shall follow the classification of items which are packed;
 - (ii) Packing materials whether capable of repetitive use or not, cleared along with goods, are classifiable with goods.
- (a) (i)
 - (b) (ii)
 - (c) Both
 - (d) None
12. The transaction value of imported goods is not accepted for valuation purposes when:
- (i) The use of the imported goods by the buyer is subject to the restrictions imposed by the seller which substantially affect the value of goods;
 - (ii) The buyer and seller are not related;
 - (iii) Price is not the sole consideration for sale.
- (a) (i) and (iii)
 - (b) Only (i)
 - (c) Only (iii)
 - (d) All of above
13. The relevant date for determining the rate of exchange in case of imported goods is:
- (a) Date when the vessel arrives in India;
 - (b) Date of presentation of bill of entry
 - (c) Date of examination of goods by proper officer;
 - (d) Date of deposit of duty
14. Which of the following is/are not correct for 'identical' goods' for valuation purposes under the Customs Act, 1962?
- (i) Identical goods are same in all respects, including physical characteristics, quality and reputation as the goods being valued except for minor differences in appearance that do not affect the value of goods;
 - (ii) Identical goods can be produced in any country;
 - (iii) Identical goods are produced by same person who produced the goods being valued, or where no such goods are available, goods produced by a different person.
- (a) All of above;
 - (b) (i) and (iii)
 - (c) Only (ii)
 - (d) Only (iii)

15. Which of the following values is not includible in the transaction value of goods under rule 10(1) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007
- (a) Buying Commissions
 - (b) Royalties
 - (c) License fees
 - (d) Cost of packing

Solutions

S.no.	Correct Option
1	(d)
2	(a)
3	(d)
4	(c)
5	(c)
6	(c)
7	(c)
8	(d)
9	(a)
10	(a)
11	(a)
12	(a)
13	(b)
14	(c)
15	(a)

Part-III

1. GST compliance rating shall be assigned to:
 - (a) only a person who is liable to deduct TDS/ collect TCS
 - (b) only a composition dealer
 - (c) only an Input Service Distributor
 - (d) every registered person
2. Where the National Anti-Profiteering Authority determines that a registered person has not passed on the benefit of input tax credit to the recipient by way of commensurate reduction in price, the Authority may order:
 - i. reduction in prices
 - ii. imposition of prescribed penalty
 - iii. cancellation of registration

Which of the above options are correct?

 - (a) i. and ii.
 - (b) i., ii. and iii.
 - (c) i. and iii.
 - (d) i.
3. Sukanya, a registered supplier, failed to pay the GST amounting to ₹ 5,000 for the month of January, 20XX. The proper officer imposed a penalty on Sukanya for failure to pay tax. Sukanya believes that it is a minor breach and in accordance with the provisions of section 126 of the CGST Act, 2017, no penalty is imposable for minor breaches of tax regulations. In this regard, which of the following statements is true?
 - (a) Penalty is leviable on Sukanya since the breach is considered as a 'minor breach' only if amount of tax involved is less than Rs. 5,000
 - (b) Penalty is not leviable on Sukanya since the breach is considered as a 'minor breach' if amount of tax involved is upto Rs. 5,000
 - (c) Penalty is leviable on Sukanya since the breach is considered as a 'minor breach' only if amount of tax involved is Nil.
 - (d) None of the above.
4. Minimum and maximum limit for amount for compounding of offences under section 138 of the CGST Act, 2017 are:
 - (a) Minimum: Higher of 50% of tax involved, or Rs. 10,000; Maximum: Higher of 150% of tax involved, or Rs. 30,000
 - (b) Minimum: Lower of 50% of tax involved, or Rs. 10,000; Maximum: Higher of 150% of tax involved, or Rs. 30,000
 - (c) Minimum: Higher of 50% of tax involved, or Rs. 10,000; Maximum: Lower of 150% of tax involved, or Rs. 30,000

- (d) Minimum: Lower of 50% of tax involved, or Rs. 10,000; Maximum: Lower of 150% of tax involved, or Rs. 30,000
5. Mr. A, a sole proprietor, has to appear before the Appellate Authority. He decides to appear by an authorized representative. Which of the following persons can be appointed as 'authorized representative' of Mr. A under GST law?
- (a) Sohan, his son, who has been dismissed from a Government service lately.
- (b) Rohan, a Company Secretary, who has been adjudged insolvent.
- (c) Mukul, a practicing High Court advocate.
- (d) All of the above.
6. Rupam wishes to file an appeal to Appellate Tribunal. In which of the following cases, the Appellate Tribunal cannot refuse to admit his appeal?
- i. Amount of tax/ ITC or difference in tax/ difference in ITC involved exceeds Rs. 50,000
- ii. Amount of fine, fee or penalty determined by the order exceeds Rs. 50,000
- iii. Amount of tax/ ITC or difference in tax/ difference in ITC involved is Rs. 50,000
- iv. Amount of fine, fee or penalty determined by the order is Rs. 50,000
- v. Amount of tax/ ITC or difference in tax/ difference in ITC involved is less than Rs. 50,000
- vi. Amount of fine, fee or penalty determined by the order is less than Rs. 50,000
- (a) i. and ii.
- (b) i. and iii.
- (c) ii. and iv.
- (d) v. and vi.
7. Which of the following statements are true in case of retirement of a partner from the firm?
- (a) Retiring partner and not the firm shall intimate the date of his retirement to the Commissioner. Retiring partner shall be liable to pay tax, interest or penalty due up to the date of such intimation.
- (b) The firm and not the retiring partner shall intimate the date of retirement of such partner to the Commissioner. Retiring partner shall be liable to pay tax, interest or penalty due up to the date of such intimation.
- (c) Either retiring partner or the firm, shall intimate the date of retirement of such partner to the Commissioner. Retiring partner shall be liable to pay tax, interest or penalty due up to the date of his retirement, whether determined or not, on that date.
- (d) Either retiring partner or the firm, shall intimate the date of retirement of such partner to the Commissioner. Retiring partner shall be liable to pay tax, interest or penalty due up to the date of such intimation.
8. Time-limit for issuance of show cause notice in case of non-payment of ITC is on account of reasons other than fraud, wilful misstatement or suppression of facts, etc. is:

- (a) 2 years and 9 months from the due date of filing Annual Return for the Financial Year to which the demand pertains.
 - (b) 3 years from the due date of filing Annual Return for the Financial Year to which the demand pertains.
 - (c) 4 years and 6 months from the due date of filing Annual Return for the Financial Year to which the demand pertains.
 - (d) 5 years from the due date of filing Annual Return for the Financial Year to which the demand pertains.
9. Time-limit for issuance of show cause notice in case of any amount collected as tax but not paid to the Central Government is:
- (a) 2 years and 9 months from the due date of filing Annual Return for the Financial Year to which the demand pertains.
 - (b) 3 years from the due date of filing Annual Return for the Financial Year to which the demand pertains.
 - (c) 4 years and 6 months from the due date of filing Annual Return for the Financial Year to which the demand pertains.
 - (d) None of the above
10. For valuation purposes under the Customs Act, 1962, which of the following transactions would be considered as having been made between related persons?
- (i) A foreign company A Ltd. having a joint venture with Indian company B Ltd. in the name of AB Ltd. The transactions between A Ltd. and AB Ltd.
 - (ii) A foreign company A Ltd. having a joint venture with Indian company B Ltd. in the name of AB Ltd. The transactions between A Ltd. and B Ltd.
 - (iii) A Inc, a company in USA, appoints Mr. X as its sole agent to sell its products in India. The transactions between A Inc. and Mr. X
 - (iv) A Inc., a company in USA, holding 30% of share capital of importer company B Ltd. The transactions between A Inc. and B Ltd.
- (a) All of above;
 - (b) None of above;
 - (c) (i), (ii) and (iii)
 - (d) (ii), (iii) and (iv)
11. Which of the following values is not includible in the transaction value of goods under rule 10(1) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007?
- (a) Buying Commissions;
 - (b) Royalties;
 - (c) License fees
 - (d) Cost of packing
12. For determining the CIF price of the imported goods, certain additions have to be made to the value of imported goods under rule 10(2) of the Customs Valuation

(Determination of Value of Imported Goods) Rules, 2007. If cost of insurance is not ascertainable from the documents submitted before customs authorities, then such sum is:

- (i) 20% of free on board value of goods;
 - (ii) 1.125% of free on board value of goods;
 - (iii) Where free on board value is not ascertainable, but sum of free on board value and cost of transport, loading, unloading and handling charges up to place of importation are available; then 1.125% of such sum.
 - (iv) Where free on board value is not ascertainable, but sum of free on board value and cost of transport, loading, unloading and handling charges up to place of importation are available; then 20% of such sum.
- (a) (i) or (iii)
 - (b) (i) or (iv)
 - (c) (ii) or (iii)
 - (d) (ii) or (iv)

13. Certain goods were imported by air. The free on board value of goods is Rs. 100. The cost of transport, loading, unloading and handling charges up to place of importation is Rs. 25. The cost of insurance is Rs. 10. For the purposes of rule 10(2) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, which of the following shall be added to the value of imported goods?

- (a) Cost of transport, loading, unloading and handling charges – Rs. 25; and Cost of insurance Rs. 10;
- (b) Cost of transport, loading, unloading and handling charges – Rs. 25; and Cost of insurance Rs. 1.125
- (c) Cost of transport, loading, unloading and handling charges – Rs. 20; and Cost of insurance Rs. 1.125
- (d) Cost of transport, loading, unloading and handling charges – Rs. 20; and Cost of insurance Rs. 10

14. Which of the following statements is not correct in the context of valuation of imported goods?

- (a) Buying commission is not includible in the value of imported goods.
- (b) Rate of exchange notified by CBIC on date of presentation of bill of entry is to be considered.
- (c) For imports by air, the cost of transport, loading, unloading and handling charges up to place of importation cannot exceed 20% of free on board value of goods;
- (d) Social welfare surcharge is leviable on basic customs duty, integrated tax and GST compensation cess.

15. A show cause notice was adjudicated by Commissioner of Customs. The assessee wants to file an appeal against the adjudication order. The appeal would lie to:

- (a) Commissioner (Appeals)

- (b) CESTAT
 - (c) High Court
 - (d) Review to be filed before Commissioner only
16. Some decisions of Appellate Tribunal are directly appealable to Supreme Court depending upon the nature of dispute involved. Which of the following is not directly appealable to Supreme Court?
- (a) Classification of goods;
 - (b) Rate of duty;
 - (c) Value of goods;
 - (d) None of the above
17. Which of the following is not correct in the context of filing an application before the Settlement Commission under section 127B of the Customs Act, 1962?
- (a) The case should not relate to classification of goods;
 - (b) The additional amount of duty accepted by the applicant exceeds Rs. 3,00,000;
 - (c) The applicant should have paid the additional duty along with interest before filing the application;
 - (d) The application can be withdrawn at any stage of settlement proceedings.
18. In which of the following cases, the refund under section 27 of the Customs Act, 1962 is credited to the consumer welfare fund?
- (a) If the importer proves that there is no unjust enrichment;
 - (b) Where goods are imported for non-personal use of an individual;
 - (c) If the amount of refund relates to drawback under sections 74 and 75 of the Customs Act, 1962
 - (d) If the amount relates to export duty paid on goods which have been returned to exporter as specified under section 26 of the Customs Act, 1962.
19. Which of the following goods are not mandatorily required to be deposited in a special warehouse under section 58A of the Customs Act, 1962?
- (a) Gold and silver articles;
 - (b) Supply as stores to vessels/aircrafts;
 - (c) Supply to duty free shops in a customs area;
 - (d) Supply meant for Government use
20. M/s. Dev Bhoomi Rice (P) Ltd., a registered person under GST, is providing services of processing of milling of paddy into rice, loading, unloading, packing, storage and warehousing of rice in the State of Chhattisgarh. The company has made following supplies during the tax period of April, 2019 to September, 2019:
- (i) Loading and unloading of rice: Rs. 50,00,000/-.
 - (ii) Packing and warehousing of rice: Rs. 30,00,000/- .
 - (iii) Processing services of milling of paddy into rice: Rs. 1,00,00,000/-.

Determine the amount of GST payable on the above supplies assuming rate of tax as 5%.

- (a) Rs. 32,40,000/-
- (b) Rs. 9,00,000/-
- (c) Rs. 5,00,000/-
- (d) Rs. Nil/-

21. Bombay Municipal Corporation (BMC) has invited online bids for maintenance of bus stops for a period of one year from 1-Jan-2019 to 31-Dec-2019. The work involves composite supply of goods and services and supply of services being the principal supply in which the value of goods constitutes 25% of the total value of composite supply.

Mr. Akshay Kumar, Managing Director of Khiladi Contractors (P) Ltd., located and registered in GST in Gujarat, wants to bid for the same. He seeks your opinion to determine the taxability of the above to quote the best price.

- (a) Not Taxable
- (b) GST payable
- (c) Exempt
- (d) None of the above

22. Mr. Happy Singh is a resident of Chandigarh. The marriage of his daughter, Khushi Kaur, has been finalized with Mr. Lovely Singh, a NRI settled in Canada. The marriage is scheduled on 14-Feb-2019 in Chandigarh. Mr. Happy Singh wants to send 5,000 marriage invitation cards to all his relatives and friends to attend the marriage. He has to send the invitation by speed post. He is not sure about the taxability of speed post services under GST regime. He seeks your help in determining the applicability of GST on speed post.

- (a) GST payable
- (b) Non Taxable
- (c) Exempt
- (d) None of the above

23. Mr. Khiladi Kumar, is the Managing Director of Khiladi Equipments (P) Ltd. The Company is located and registered in GST with office and factories in Mumbai. Mr. Khiladi Kumar, has decided to send food grains and other relief materials worth Rs. 50,00,000/- and Rs. 20,00,000 respectively through railway and airways to the cyclone hit victims in Kerala in the month of November, 2018. The Company has contacted Super Airlines and Indian Railways to transport the materials from Mumbai to Kerala and price for the same has been determined as Rs. 10,00,000/- by air and Rs. 50,000/- by railways excluding taxes. Mr. Khiladi Kumar, seeks your help to determine what amount of GST is to be paid to Go Air and Indian Railways if applicable GST rate is 18%.

- (a) Super Airlines: Rs. 1,80,000/-; Indian Railways: NIL
- (b) Super Airlines: Rs. 1,80,000/-; Indian Railways: Rs. 9,000
- (c) Super Airlines: Nil; Indian Railways: Rs. 9,000/-
- (d) Super Airlines: Nil; Indian Railways: Nil

24. Mr. Manjot Singh Sidhu is a trader supplying goods from his firm M/s. Singh Traders. The office of the firm is located in Delhi whereas the godowns are located in the State of Uttar Pradesh, Punjab and Jammu & Kashmir (J & K).

M/s. Singh Traders made intra-State supplies from different States during the period from 1-Jul-2017 to 31-March-2018 as follows:

- (i) Delhi-Taxable supplies: Rs. 21,00,000/-.
- (ii) Punjab-Exempted supplies: Rs. 6,00,000/-.
- (iii) Uttar Pradesh-Taxable and exempted supplies: Rs. 3,00,000/- each respectively.
- (iv) J & K-Taxable and exempted supplies: Rs. 8,00,000/- and Rs. 3,00,000/- respectively.

Being a GST expert, Mr. Manjot Singh Sidhu seeks your advice to correctly ascertain the States in which he is required to take registration under GST:

- (a) Delhi, Punjab, Uttar Pradesh and J & K
- (b) Delhi, Uttar Pradesh and J & K
- (c) Delhi and Uttar Pradesh
- (d) Delhi

25. Mr. Bulbul Pandey, is an ambulance driver, who lives in the NCT of Delhi. He provides driving services to Preeti Heart and Lung Institute (PHLI-a super specialty hospital registered in GST in Delhi) for a consideration of Rs. 25,000/- per month.

Mr. Bulbul Pandey was instructed to pick up a patient in Gurugram to PHLI. While going from Delhi to Gurugram, he picked up 5 passengers for transportation in the ambulance from Delhi to Gurugram, and charged Rs. 500/- from them.

Being the GST expert, you are required to ascertain the taxability of transport services provided by Mr. Bulbul Pandey in the ambulance from Delhi to Gurugram under GST Act, 2017:

- (a) Taxable supply
- (b) Exempt supply
- (c) Not a supply
- (d) None of the above

26. Kaushal Industries (P) Ltd. is an unregistered person having Head Office in Delhi. It has started supplying goods through e-commerce operator all over India. The turnover achieved by its two businesses during financial year 2018-19 is as follows:

Turnover from first business located in Delhi: Rs. 10,50,000.

Turnover from second business located in Assam: Rs. 8,00,000.

As a GST consultant of Kaushal Industries (P) Ltd., you are required to guide Mr. Kaushal, Director of Kaushal Industries (P) Ltd. as to which business vertical is liable to be registered under GST?

- (a) Delhi
- (b) Assam

(c) Both

(d) Registration not required

27. Mr. Kala is a proprietor of M/s. Kala & Associates registered in GST which deals in sale/purchase of used or second hand cars. During financial year 2018-19, he effected following intra-State transactions:

Particulars	Purchase Price	Sale Price
Car 1	Rs. 5,00,000	Rs. 7,50,000
Car 2	Rs. 3,00,000	Rs. 2,75,000
Car 3	Rs. 6,00,000	Rs. 6,50,000
Car 4	Rs. 8,00,000	Rs. 9,50,000

Mr. Kala purchased Car 4 from another registered person who charged GST of Rs. 1,30,000 and accordingly Mr. Kala has availed the input credit of the same.

Mr. Kala is not familiar with GST provisions hence he has approached you for determining his GST liability. Assume applicable rate of tax is 18%.

(a) Rs. 95,000/-

(b) Rs. 1,08,000/-

(c) Rs. 1,30,500/-

(d) Exempt Supply, No GST

28. M/s. Vishu Megamart, operating a store located and registered in Rajasthan, has come out with big discount offers at the time of Diwali on various gift items. In order to attract more customers, it has decided to supply a gift pack containing 5 packets of Haldiram's Namkeen (200 gram each) taxable @ 12%, 1 packet of Roasted Smoked Almonds (100 gram) taxable @ 18%, 1 packet of Bournville Chocolate (50 mg) taxable @ 28% and 1 bottle of Real Fresh Juice (1 litre) taxable @ 18% in a single basket for a single price of Rs. 1,000/-. State the type of supply and the tax rate applicable on the same.

(a) Composite supply; Tax rate of the principal item, i.e. Namkeen @18%

(b) Composite supply; Highest tax rate out of all items, i.e. 28% applicable to chocolates

(c) Mixed supply; Tax rate of principal item, i.e. Namkeen @18%

(d) Mixed supply; Highest tax rate out of all items, i.e. 28% applicable to chocolates

29. State which of the following statement is correct:

(i) Services by any artist by way of performance in folk or classical art forms of music, dance, or theatre as a brand ambassador if the consideration charged for such performance is not more than Rs. 150,000/- is exempt.

(ii) Services of life insurance business under Life micro-insurance product as approved by the Insurance Regulatory and Development Authority, having minimum amount of cover of Rs. 2,00,000/- is exempt

(iii) Service by an acquiring bank, to any person in relation to settlement of an amount upto Rs. 2,500/- in a single transaction transacted through credit card, debit card, charge card or other payment card service is exempt.

(iv) Services provided by a goods transport agency by way of transport in a goods carriage of, goods, where gross amount charged for the transportation of goods on a consignment transported in a single carriage is Rs. 2250/-, is exempt.

Your options are-

- (a) (i)
- (b) (ii), (iii)
- (c) (ii), (iii), (iv)
- (d) None of the above

30. ASC, a registered person supplied goods amounting to Rs. 1,18,000/- (inclusive of GST, taxable @ 18%) to BSC, a registered person on 30-9-2018. BSC further sold such goods to CSC, a consumer who came to his shop on 30-10-2018 in cash for Rs. 2,36,000/- (inclusive of GST, taxable @ 18%). ASC, issued a credit note of Rs.11,800/- (10000+1800/-GST) for rate difference on 2-11-2018 to BSC. BSC, then entered a credit note in its books for the same amount in the name of CSC, without intimating CSC on 2-11-2018 and reduced its output tax liability accordingly.

As per the provisions of GST law, which of the above mentioned suppliers are allowed to reduce their output tax liability?

- (a) ASC
- (b) BSC
- (c) Both ASC and BSC
- (d) None of the above, since incidence of tax has been passed on to other person.

31. Mr. Allauddin, a stationery retailer, located and registered under GST in Allahabad, has received order for supply of goods worth Rs. 2,00,000/- on 12th November, 2018 from another local registered dealer, Mr. Jallauddin.

Goods were properly supplied with invoice of Rs. 2,00,000/- on 14th November, 2018. Mr. Allauddin, incurred the following expenses before the goods were delivered to Mr. Jallauddin:

Packing charges Rs. 3,000/-

Freight & Cartage Rs. 2,500/-

Handling Charges Rs. 1,500/-

Mr. Jallauddin, made full payment on delivery of the goods for which he was allowed cash discount of Rs. 2,000/-

The rate of tax on the goods supplied is IGST @ 18%, CGST @ 9% and SGST @ 9%.

Mr. Allauddin, paid CGST Rs. 18,000/- and SGST 18,000/-. As a tax consultant, what will be your advice relating to further tax liability of Mr. Allauddin-

- (a) CGST Rs. 630/- and SGST 630/-
- (b) CGST Rs. 450/- and SGST 450/-
- (c) CGST Rs. 18,630/- and SGST 18,630/-
- (d) CGST Rs. 18,450/- and SGST 18,450/-

32. Mr. Rupesh Patel, is voluntarily registered under GST having turnover of Rs. 15,00,000/- .

He is a practicing Company Secretary providing professional services from his partnership firm located in Chandigarh to its various clients.

He has taken some interior decoration services from abroad for a residential home owned in the name of the firm which is under construction in Chandigarh. He has paid Rs. 2,00,000/- for the same.

In view of the above information, state the correct option-

- (a) GST is payable on the interior decoration services received from abroad.
 - (b) Interior decoration services received from abroad are not taxable, since the same are not in the course or furtherance of business.
 - (c) Interior decoration services received from abroad are exempt in terms of section 6 of IGST Act, 2017
 - (d) Interior decoration services received from abroad are not taxable, since below threshold limit
33. M/s. Shahrukh Beedi Company (P) Ltd., is a manufacturer of cigarettes. It has been registered under GST in the State of West Bengal.

The turnover of the company from the period April, 2018 to March, 2019 is Rs. 90,00,000/-. The Excise duty paid on the cigarettes removed is Rs. 10,00,000/-. CGST and SGST paid on the cigarettes is Rs. 18,00,000/-.

The company also recovered actual freight of Rs. 5,00,000/- on the supply of cigarettes so made during the financial year 2018-19, and also charged CGST/ SGST thereon. The company paid RCM @ 5% while availing the services of GTA of Rs. 5,00,000/-.

Compute the aggregate turnover of M/s. Shahrukh Beedi Company (P) Ltd.,

- (a) Rs. 90,00,000/-
 - (b) Rs. 1,00,00,000/-
 - (c) Rs. 1,18,00,000/-
 - (d) Rs. 1,05,00,000/-
34. Mr. Salman Khan, a resident of Mumbai, has booked a Videocon D2H connection at his other home in Delhi. His friend Shah Rukh Khan, is resident of Kerala, paid the charges for Salman's D2H connection in Delhi at the time of actual installation. Mr. Shah Rukh Khan went to Kolkatta after making the payment. Both Salman Khan and Shah Rukh Khan are not registered in GST.

Determine the place of supply of D2H service provided by Videocon to Mr. Salman Khan:

- (a) Mumbai
- (b) Kerala
- (c) Delhi
- (d) Kolkatta

35. Mr. Sunil Shetty, a resident of Mumbai, went to Vaishno Devi by train. Mr. Sunil Shetty, after visiting Vaishno Devi temple, purchased a JIO prepaid SIM from Tantan Communications in Jammu by paying cash. Mr. Sunil Shetty took the JIO SIM and the same day boarded the train to Delhi. He went to Agra thereafter, to visit Taj Mahal.

Determine the place of supply of JIO SIM by Tantan Communications to Mr. Sunil Shetty:

- (a) Mumbai
- (b) Jammu
- (c) Delhi
- (d) Agra

36. Mr. Chamcham, registered under GST in Delhi, is a domestic trader as also an exporter of whole sale goods. His annual turnover and input tax details are as follows:

	Turnover	Tax paid on
	inputs	
Taxable goods	90,00,000/-	9,00,000/-
Exempt goods	10,00,000/-	1,00,000/-
Exported goods	15,00,000/-	2,00,000/-

No GST is payable on exempt and exported goods. Mr. Chamcham seeks your expert help in calculating the amount of ITC, which he is eligible to claim:

- (a) 12,00,000/-
- (b) 11,00,000/-
- (c) 10,00,000/-
- (d) 9,00,000/-

37. Mr. Prabhu Deva, registered under GST in Mumbai, is in the business of trading of marble handicraft items domestically as also exporting the same. His annual turnover and input tax details are as follows:

	Turnover	Tax paid on
	input tax	
Taxable goods	1,25,00,000/-	12,50,000/-
Exported goods	75,00,000/-	5,50,000/-
Exempt goods	50,00,000/-	5,00,000/-

Mr. Prabhu Deva exported the goods under LUT without payment of IGST.

Now, Mr. Prabhu Deva seeks your help in calculating the amount of refund of ITC, which he is eligible to claim.

- (a) 18,00,000/-
- (b) 6,75,000/-
- (c) 5,40,000/-
- (d) 6,90,000/-

38. State whether the following statements are true or false:

1. Zero rated supply means supply of any goods or services or both which attracts nil rate of tax.
2. Exempt supply means export of goods or services or both, or supply of goods or services or both to a Special Economic Zone developer or a Special Economic Zone unit.
3. Non-taxable supply means supply of goods or services or both which is not leviable to tax under CGST Act, 2017 but leviable to tax under the Integrated Goods and Services Tax Act, 2017.
4. ITC may be availed for making zero rated supply of exempt goods.
 - (a) False, False, False, True
 - (b) True, False, False, False
 - (c) True, True, False, False
 - (d) False, False, False, False

Solutions

S.no.	Correct Option
1	(d)
2	(b)
3	(a)
4	(a)
5	(c)
6	(a)
7	(c)
8	(a)
9	(d)
10	(c)
11	(a)
12	(c)
13	(d)
14	(d)
15	(b)
16	(a)
17	(d)
18	(b)
19	(d)
20	(c)
21	(c)
22	(a)
23	(a)
24	(b)
25	(a)
26	(c)
27	(a)
28	(d)
29	(d)
30	(a)
31	(a)
32	(a)
33	(d)

34	(c)
35	(b)
36	(b)
37	(b)
38	(a)