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# Levy of GST

DON'T WATCH THE CLOCK;  
DO WHAT IT DOES KEEP GOING



*Think GST  
Think Vishal Sir..!*

### 1 What is the taxable event under GST?

- a. Manufacturing of goods
- b. Sales of goods
- c. Provision of Services
- d. Supply

Ans:- (a) (b) (c) (d)

### 2. what are different types of supply covered under scope of supply

- a. Supplies made with consideration
- b. Supplies made without consideration
- c. Both of the above
- d. None of the above

Ans:- (a) (b) (c) (d)

### 3. 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:- (a) (b) (c) (d)

### 4. The term “place of business” includes:

- a. Place from where business is ordinarily carried out including godown, warehouse, etc.
- b. Place where a taxable person maintains his books of account
- c. Place where taxable person is engaged in business through an agent
- d. All the above

Ans:- (a) (b) (c) (d)

### 5. which of the following activity is treated as supply in accordance with section 7 of CGST Act

- a) Mr. Raj sold electronic gadgets to XYZ Co.
- b) Mr. Veer Supply Beer Shampoo to M/s priya
- c) Vijay Electronics disposed scrap part of electric unit to a scrap dealer
- d) All of the above

Ans:- (a) (b) (c) (d)

### 6. Supplier within the meaning of supply includes

- a .Person supplying goods
- b. Person providing services
- c. Both
- d. None of the above

Ans:- (a) (b) (c) (d)

### 7. 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:-

### 8. 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) (b) (c) (d)

### 9. Which of the following is a non-taxable supply under the CGST Act, 2017:

- a. Supply on which GST levy is not attracted under Sec 9 of CGST Act
- b. Supply on which GST levy is not attracted under Sec 5 of IGST Act
- c. Supply on which GST levy is not attracted under Sec 9 of CGST Act as well as Sec 5 of IGST Act
- d. Supply on which GST is exempted by Government upon recommendation of GST Council

Ans:- (a) (b) (c) (d)

### 10. Amit of Delhi is participating in Ayush 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 including foreign buyer. In such scenario, Amit 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:- (a) (b) (c) (d)

### 11. “Manufacture” means processing of raw material or inputs in any manner that results in emergence of .....

- a. A new product having a distinct name, character and use
- b. An old product having a distinct name, character and use
- c. A new product having a distinct name
- d. Either (a) or (b)

Ans:- (a) (b) (c) (d)

### 12. ‘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:- (a) (b) (c) (d)

**13 Which among the following are zero rated supplies?**

- a. Exports
- b. Supplies to SEZ
- c. Exports and Imports
- d. Both (a) and (b)

Ans:- (a) (b) (c) (d)

**14. 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:- (a) (b) (c) (d)

**15 As per Section 2(47) of CGST Act, 2017, exempt supply includes the supply of following type of goods and services:**

- a. Supply attracting nil rate of tax
- b. Supplies wholly exempt from tax, by way of a notification;
- c. Non-taxable supply
- d. All of the above.

Ans:- (a) (b) (c) (d)

**16 Goods under CGST Act excludes:**

- a. Securities
- b. Unsecured debts
- c. Right to participate in the draw to be held in a lottery
- d. Growing crops.

Ans:- (a) (b) (c) (d)

**17. The term 'goods', as defined under section 2(52) of the CGST Act, 2017, does not include-**

- a. Grass
- b. Money and securities
- c. Actionable claims
- d. Growing crops

Ans:- (a) (b) (c) (d)

**18. What is the statue of 'money and securities' under GST law**

- a. Treated as 'Goods'
- b. Treated as 'Services'
- c. Treated neither as 'Goods' nor as 'Services'
- d. Status is not clear

Ans:- (a) (b) (c) (d)

**19. What is the statue of 'lottery as an actionable claim' under GST law**

- a. Treated as 'Goods'
- b. Treated as 'Services'
- c. Treated as 'goods' but out of scope of supply
- d. Treated as 'goods' and remains within scope of supply

Ans:- (a) (b) (c) (d)

**20. "Services" means anything other than goods, money and securities includes**

- a. Activities relating to the use of money or its conversion by cash
- b. Immovable property
- c. Securities
- d. Actionable claims

Ans:- (a) (b) (c) (d)

**21 Activity of 'supply of money' by Bank to a business entity on interest -**

- a. Treated as 'Supply of Goods'
- b. Treated as 'Supply of Services'
- c. Treated as 'Supply of Services' to the extent it is relating to use of money
- d. None of the above

Ans:- (a) (b) (c) (d)

**22. Activity of 'conversion of money/ foreign exchange' by Bank/ Authorized Dealer to a business entity on interest**

- a. Treated as 'Supply of Goods'
- b. Treated as 'Supply of Services'
- c. Treated as 'Supply of Services' and attracts GST payment is made to end user
- d. Treated as 'Supply of Services' and attracts GST payment when made to another Bank/ Authorized Dealer

Ans:- (a) (b) (c) (d)

**23. Which of the following activities will be considered as a supply of service**

- a. Mr A borrows an amount of ₹ 1, 50,000 from one of his relative Mr Q and agrees to repay the entire amount with interest after a year.
- b. M/s Raj enterprises applied for loan from SBI Bank against which a processing fees and interest is charged by the bank
- c. Mr H exchanged INR against purchase of US \$ for which a commission was charged
- d. All of the above.

Ans:- (a) (b) (c) (d)

**24. which of the following is not a business activity**

- a. Ms. Pooja sold her old jeweller
- b. Mr. rajesh sold his business car
- c. (a) or (b)
- d. None of the above

Ans:- (a) (b) (c) (d)

**25. When will the recipient and supplier be treated as related persons under GST?**

- a. Where such persons are employer and employee
- b. Where one of them directly or indirectly controls other
- c. Where such persons are officers or directors of one another's business
- d. All of the above

Ans :- (a) (b) (c) (d)

**26. Mr. A has received technical consultancy services from IT Star Consultants, USA. The import of technical consultancy will not be liable to GST if-**

- (I) Mr. A pays some consideration for the services received
  - (ii) Mr. A pays some consideration for the services received and if Mr. A uses the said service for business purposes
  - (iii) Mr. A uses the said service for business purposes even though he does not pay any consideration for the same
  - (iv) Mr. A uses the said service for personal purposes and does not pay any consideration for the same and is also a partner in IT Star Consultants
  - (v) Mr. A uses the said service for business purposes and does not pay any consideration for the same and is also a partner in IT Star Consultants
- a. (I), (ii), (v)
  - b. (ii), (iii) and (v)
  - c. (iii), (iv)
  - d. (iii), (iv) and (v)

Ans: (a) (b) (c) (d)

**27. A Ltd. (GST registered in Delhi) has appointed Mr C (UP) to act as his agent and supply goods on his behalf to buyers in UP. A Ltd. has dispatched first lot of 10,000 units to Mr C (UP) for sales to buyers in UP. Such dispatch to Mr C (UP) :**

- a. Be treated as 'supply'
- b. Not be treated as 'supply'
- c. Will be treated as supply subsequently
- d. None of the above

Ans:- (a) (b) (c) (d)

**28. A Ltd. (GST registered in Delhi) appointed Mr C (UP) to act as his agent and supply goods on his behalf to buyers in UP. A Ltd. dispatched first lot of 10,000 units to Mr C (UP) for sales to buyers in UP paying IGST on such dispatch supply. These GST paid goods were subsequently sold by Mr C (UP)- the agent. He issued his invoice to the buyer too. Such subsequent sale to buyer -**

- a. shall not attract GST as GST has already been paid on such goods
- b. shall attract GST as further supply
- c. shall attract GST as further supply – such further GST

- payable by Principal (A Ltd.)
- d. shall attract GST as further supply – such further GST payable by Agent (Mr C)

Ans:- (a) (b) (c) (d)

**29. Smart pvt ltd has head office located in Bangalore (Karnataka). However, the branch of Smart pvt ltd is located in state of Gujarat. Will be treated as ----- under GST Act?**

- a. deemed distinct
- b. principle and Agent
- c. Both (a) or (b)
- d. None of the above

Ans:- (a) (b) (c) (d)

**30. In which of the following cases, import of services is taxable under GST?**

- (1) Import of service with consideration in course or furtherance of business.
  - (2) Import of service with consideration not in course or furtherance of business.
  - (3) Import of service without consideration from a related person in course or furtherance of business.
  - (4) Import of service without consideration from a related person not in course or furtherance of business.
- a. (1) and (3)
  - b. (2) and (4)
  - c. (1), (2) and (3)
  - d. (4)

Ans:- (a) (b) (c) (d)

**31. A Ltd. Holding entity made certain transfer of fixed asset on permanent basis to its subsidiary X Ltd. entity without any consideration. Does the same classify as a supply under GST?**

- a. Yes
- b. No
- c. On prior Permission of Government
- d. Not any

Ans:- (a) (b) (c) (d)

**32. ABC Ltd. provides certain services to Mr. Joy who holds 35% of the voting right in the company. The transfer made was without any consideration. Does the same qualify as supply?**

- a. Yes, if made in the course or furtherance of business
- b. No, since made without any consideration
- c. Not a supply
- d. Yes

Ans:- (a) (b) (c) (d)

**33. Mr. Amar being a managing director of Alpha Project Pvt. Ltd. made gifts to his employees worth of INR 60,000 each for assisting in the architectural work of his house. Does the same be considered supply?**

- a. Yes, since the value of gift exceeds the provided limit



- of INR 50,000  
b. No, since the gift is not made in course or furtherance of business  
c. As per the option of appropriate authority  
d. No  
Ans:- (a) (b) (c) (d)

**34. ABC Pvt. Ltd. makes certain supplies to Mr. X and Mr. Z. Both of them hold 51% of the voting rights in the company and exercise major stake in the decision making. Does the same supply stands as related party transaction?**

- a. Yes  
b. No  
c. As per the opinion of the appropriate authority  
d. None of the above  
Ans:- (a) (b) (c) (d)

**35. Supply of food or drink items in a restaurant as per CGST Act is-----**

- a. Supply of goods  
b. Supply of service  
c. not a supply under GST  
d. none of the above  
Ans:- (a) (b) (c) (d)

**36. Mr. A, being a Director of ABC Pvt. Ltd. Is provided a car which he uses for his personal purpose. Does the same classify as supply? If yes under which group?**

- a. Yes, supply of goods  
b. Yes, supply of services  
c. Does not qualify as supply  
d. None of the above  
Ans:- (a) (b) (c) (d)

**37. What shall be the proper classification of Renting of immovable property under supply?**

- a. Supply of Goods  
b. Supply of Services  
c. Does not qualify as supply  
d. None of the above  
Ans:- (a) (b) (c) (d)

**38. ABC Ltd. offers a software to businesses for smooth processing of returns and accounts. Such software shall be considered as:**

- a. Supply of Goods  
b. Supply of Services  
c. Does qualify as supply  
d. None of the above  
Ans:- (a) (b) (c) (d)

**39. Temporary transfer or permitting use of intellectual right or property is classified as:**

- a. Supply of goods  
b. Supply of services

- c. Does not qualify as supply  
d. Supply on the prior permission of Government  
Ans:- (a) (b) (c) (d)

**40. Ram has received a sum of ₹ 5,00,000 from his employer on premature termination of his contract of employment. The GST implication will be:**

- a. It is not a supply, hence not chargeable to GST.  
b. It is a supply without consideration, hence not chargeable to GST.  
c. It is a supply, hence chargeable to GST.  
d. It is not supply, but exemption is there.  
Ans:- (a) (b) (c) (d)

**41. GST is payable on the services provided by the employee to the employer in the course of employment on:**

- a. Regular basis;  
b. Contract basis as employed by the company;  
c. Contract basis as employed by a contractor;  
d. None of the above.  
Ans:- (a) (b) (c) (d)

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

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

**43. 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:- (a) (b) (c) (d)

**44. 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:- (a) (b) (c) (d)

45. What type of supply shall transfer of title in goods under works contract constitute?

- a. Supply of Goods
- b. Supply of services
- c. Either of the two at the option of authority
- d. None of the above

Ans:- (a) (b) (c) (d)

46. Mr. A has sold his old furniture of the house. Does this constitute a supply?

- a. Yes
- b. No
- c. Maybe
- d. None of the above

Ans:- (a) (b) (c) (d)

47. Ajay let out his land for tenancy for a period of 3 years to Mohan. Such tenancy shall be classified as:

- a. Supply of goods
- b. Supply of services
- c. Either of the two
- d. None of the above

Ans:- (a) (b) (c) (d)

48. High sea sales are considered as supply under GST. True or False?

- a. Yes
- b. No
- c. Maybe
- d. None of the above

Ans:- (a) (b) (c) (d)

49. Michael Ltd. of US supplies certain goods to ABC Pvt. Ltd. of Mumbai. Before goods reach Mumbai port, it supplies those goods to XYZ Pvt. Ltd. by transfer of documents of title to goods. What kind of transaction is this?

- a. Transfer
- b. High sea sales
- c. Composite supply
- d. Supply

Ans:- (a) (b) (c) (d)

50. Mr. X, supplied a laptop for ₹ 40,000 to Mr. Y along with a barter of printer, the value of which is ₹ 4,000 but the open market value of the laptop is not known. The GST liability will be:

- a. Mr. X for ₹ 40,000 and Mr. Y for ₹ 4,000
- b. Mr. X for ₹ 44,000 and Mr. Y for ₹ 4,000
- c. Mr. X for ₹ 36,000 and Mr. Y for ₹ 4,000
- d. Mr. X for ₹ 40,000 and no GST liability for Mr. Y.

Ans:- (a) (b) (c) (d)

51. Mr. A is a well-known singer. He receives a life-time achievement award which consist of a memento and a cheque of ₹ 10,00,000. It is:

- a. Supply and chargeable to GST
- b. Supply but not chargeable to GST
- c. Not supply and hence not chargeable to GST
- d. None of the above.

Ans:- (a) (b) (c) (d)

52. Mr. Vishal has head office in pune and has branches in state of Gujarat, Goa, and Punjab. Mr. Vishal send goods to its branch Goa worth ₹ 2,50,000 in a own conveyance. Value of conveyance ₹ 15,00,000 and With the conveyance some tools and spares parts are also send worth ₹ 50,000. Calculate total value of taxable supply on which GST is payable.

- a. 3,00,000
- b. 2,50,000
- c. 18,00,000
- d. 15,50,000

Ans:- (a) (b) (c) (d)

53. Mr. X is a dealer of new cars. He sells new cars for ₹ 8,25,000 agrees to reduce ₹ 1,25,000 on surrendering of old car. Mr. Y who intends to buy new car worth ₹ 8,25,000 agreed to exchange his old car with new car. Under GST law, if Mr. X and Mr.Y is registered person, who will be liable to pay GST and what is the value.

- a. X on 825000 and Y on 125000
- b. X on 700000 and Y on 125000
- c. only X on 700000
- d. only Y on 125000

Ans:- (a) (b) (c) (d)

54. There is a difference in taxability of goods forming part of composite supply and mixed supply. Here are few examples from which you need to identify which is correct example of composite supply and mixed supply.

- i) Mr. A buys a car and purchases warranty and maintenance of the car by paying nominal amount. Car, warranty and maintenance here are a mixed supply.
- ii) Mr. A buys a car and purchases warranty and maintenance of the car by paying nominal amount. Car, warranty and maintenance here are a composite supply.
- iii) Mrs. A buys a microwave oven and some utensils for use in microwave oven. Both microwave oven and utensils are sold at a single price. Microwave oven and its utensils here are a mixed supply.
- iv) Mrs. A buys chocolates, juices and biscuits from a shop. All items have different prices. Chocolates, juices and biscuits are a mixed supply.

The correct examples of composite and mixed supply are:-

- a. i,iv
- b. ii,iii

- c. ii,iii,iv  
 d. None of the above  
 Ans:- (a) (b) (c) (d)

**55. What shall constitute main item under composite supply?**

- a. Principal Item  
 b. Item with Highest tax rate  
 c. As per the option of the taxpayer  
 d. None of the above

Ans:- (a) (b) (c) (d)

**56. In composite supply, the principal supply is supply of goods whereas the ancillary supply is supply of services. Which provision shall apply in respect of time of supply?**

- a. Time of supply of service  
 b. Time of supply of goods  
 c. Either (a) or (b)  
 d. None of the above

Ans:- (a) (b) (c) (d)

**57. M/s X Ltd. a dealer offer combo packs of shirt, watch, wallet, book and they are bundled as a kit and this kit is supplied for a single price as a mixed supply. Tax rate for shirt, watch, wallet and book are 12%, 18%, 5% and Nil respectively. The mixed supply will be taxed at:**

- a. 12%  
 b. 18%  
 c. 5%  
 d. Nil

Ans:- (a) (b) (c) (d)

**58. What kind of supply is this transaction: Food supplied to the in – patients as advised by the doctor in the hospital.”**

- a. Composite Supply  
 b. Mixed Supply  
 c. Works Contract Service  
 d. None of the above

Ans:- (a) (b) (c) (d)

**59. XYZ Pvt. Ltd. manufactures the jeans on order of ABC Pvt. Ltd. Further, after manufacturing, it also gets it delivered to ABC Ltd. & gets the in transit insurance done. What kind of supply is this?**

- a. Mixed supply  
 b. Composite supply  
 c. None of the above  
 d. Don't know

Ans:- (a) (b) (c) (d)

**60 Which of the following transactions does not qualify as supply under GST law?**

- (I) When the Head Office makes a supply of services to its own branch outside the State.

- (ii) When a person import services without consideration for the purposes of his business from his elder brother living outside India.  
 (iii) Disposal of car without consideration and where the supplier has not claimed input tax credit on such car.  
 (iv) When a principal makes supplies to his agent who is also registered and is situated within the same State.  
 a. (i) & (iii)  
 b. (I), (ii) & (iii)  
 c. (iii)  
 d. (iii) & (ii)  
 Ans:- (a) (b) (c) (d)

**Case Study:-**

Mr. X(Maharashtra)registered under GST is running a business from last 40 years, supply the goods to overall India. He has a branch in Punjab, Goa, Delhi, Karnataka.

He want to increase sale so he had started working with agent also in the Assam, Gujarat and made a supply through them in there state.

Mr. X had want to maintain inventory so that he should not loss any customer he haspurchase software(note1)from his brother who is reside in USA, market value ₹ 8,00,000and his old computer with software he has donate to seva charity of Mumbai. Value of computer is ₹ 65,000.

Following is supply to

Punjab –	20,00,000
Goa-	3,80,000
Delhi-	9,85,000
Karnataka-	4,65,000
Assam-	22,80000
Gujarat-	8,55,000

GST rate is 12% for goods and service is 18%. During the year Mr. X has given goods to his employee on Diwali worth ₹ 28000 also given some goods to use in marriage function of his friend for 4days worth ₹ 2,85,000.

Mr. X has sale land in Punjab worth ₹ 58,00,000. At the time of sale some issue came and he had paid fees ₹ 8000 to district court to clear the sale. Answer the following question.

Note1: license of a pre packed software.

**Q. 1 which of the following is supply**

- a) supply to branch  
 b) supply to agent  
 c) supply to friend  
 d) all of the above

Ans: (a) (b) (c) (d)

**Q.2 what is the supply made during year**

- a) 1,31,43,000  
 b) 70,30,000  
 c) 73,15,000

d) 1,30,50,000

Ans:- (a) (b) (c) (d)

**Q. 3 what is GST amount payable on sale of land**

- a) 6,96,000
- b) 10,44,000
- c) on sale no need to pay GST only at the time of purchase need to pay GST
- d) none of the above

Ans:- (a) (b) (c) (d)

**Q. 4 what has GST amount payable in case of supply made to seva charity**

- a) 3250
- b) 7800
- c) 11700
- d) none of the above

Ans:- (a) (b) (c) (d)

**Q. 5 goods to use in marriage function of his friend what will be the GST**

- a) 34200
- b) 51300
- c) 14250
- d) None of the above

Ans:- (a) (b) (c) (d)

**Q. 6 purchase of software from brother has treated as**

- a) supply of goods
- b) supply of service
- c) supply of both (goods as well as services)
- d) It is not a supply

Ans:- (a) (b) (c) (d)

**Q. 7 which of the following is supply without consideration (as per schedule I)**

- a) supply seva charity
- b) supply to friend
- c) supply to employee
- d) all of the above

Ans:- (a) (b) (c) (d)

**Q. 8 on which of the following activity GST is not pay**

- a) supply to friend
- b) supply to Agent
- c) court fees
- d) supply from his brother

Ans:- (a) (b) (c) (d)

**Q. 9 which of the following activity or transaction is not a supply as per schedule III**

- a) sale of land
- b) court fees paid
- c) both of the above
- d) none of the above

Ans:- (a) (b) (c) (d)

**Q. 10 which of the following is supply of service**

- a) supply to friend
- b) fees paid to the court
- c) supply to employee
- d) all of the above

Ans:- (a) (b) (c) (d)

**Answer:-**

1	d	21	b	41	c
2	c	22	c	42	d
3	d	23	d	43	b
4	d	24	a	44	c
5	d	25	d	45	b
6	c	26	c	46	b
7	a	27	a	47	b
8	a	28	d	48	b
9	c	29	a	49	b
10	b	30	c	50	b
11	a	31	a	51	c
12	c	32	a	52	b
13	d	33	b	53	a
14	d	34	a	54	b
15	d	35	b	55	a
16	a	36	b	56	b
17	b	37	b	57	b
18	c	38	b	58	a
19	d	39	b	59	b
20	a	40	a	60	c



## PRACTICE QUESTION

### 1 Which one of the following is not a composite supply:

- Supply of an air conditioner along with freight, insurance and installation
- Supply of UPS along with external battery
- Supply of architect services along with supply of material incidental to his services
- Supply of lodging service by a hotel including breakfast

Ans:- (a) (b) (c) (d)

### 2 Which of the following is not covered under Schedule III of CGST Act:-

- Service provided by an employer to his employee on the occasion of his marriage
- The functions performed by the members of municipalities and local authorities
- The duties performed by a director in a body established by the Central Government
- Actionable claims, other than lottery, betting and gambling
  - (i) & (iii)
  - (I)
  - (iii)
  - None of the above

Ans:- (a) (b) (c) (d)

### 3. GST compliance rating would be given to whom

- Input Service Distributor
- Supplier of Goods and/ or Services whose value of taxable turnover is greater than 20 lakhs
- Composition Dealer & Person who is liable to deduct TDS/ collect TCS
- All of the above

Ans:- (a) (b) (c) (d)

### 4 Mr. Kabira is engaged in the business of sale and purchase of handbags taxable @ 18%. Calculate his tax liability to be paid in cash for the month of Jul 2018 considering the following details-

Particulars	Amount(₹)
Value of inter-State outward supply to registered persons	30 lakh
Value of intra-State outward supply to registered persons	50 lakh
Value of intra-State outward supply to un-registered persons	15 lakh
Value of intra-State inward supply from registered persons	10 lakh
Value of inter-State inward supply from registered persons	5 lakh
Value of intra-State inward supply from un-registered persons	2 lakh
IGST credit on capital goods purchased in the month of July	1.5 lakh

CGST/ SGST credit on other inward supplies (including credit of Rs. 5,000 each on account of Food and Beverages expenses)	0.5 lakh each
Carried forward credits CGST : ₹ 2 lakh SGST : ₹ 2 lakh IGST : ₹ 5 lakh	

Mr. Kabira has also procured consultancy services from lawyer for Rs. 1 lakh who is situated in same State in which Mr. Kabira is registered being taxable @ 18%.

- IGST: Rs. 2,00,000; CGST: Rs. 2,50,000; SGST: Rs. 2,50,000
- IGST: Nil; CGST: Rs. 50,000; SGST: Rs. 2,50,000
- IGST: Nil; CGST: Rs. 59,000; SGST: Rs. 2,59,000
- IGST: Rs. 3,00,000; CGST: Rs. 4,50,000; SGST: Rs. 4,50,000

Ans:- (a) (b) (c) (d)

### 5 Ms. Chulbuli is registered in Delhi. She has been engaged in the modeling business. Her taxable turnover during the month of Jul-2018 is 48 lakh taxable @ 18%. She has made all supplies within the State. The carried forward ITC are as under:-

- CGST: Rs. 2,35,000
- SGST: Rs. 1,30,000
- IGST: Rs. 1,00,000

During the month of Jul-2018, she travelled abroad and purchased camera for Rs. 5 lakh on which she paid IGST of Rs. 90,000. She utilized this camera partly for business purpose and partly for non-business purposes. Calculate the net GST liability on her output supplies (to be paid in cash) for the month of Jul-2018.

- CGST: Rs. 4,32,000; SGST: Rs. 4,32,000; IGST: Rs. 90,000
- CGST: Rs. 1,97,000; SGST: Rs. 3,02,000; IGST: Rs. Nil
- CGST: Rs. 1,01,000; SGST: Rs. 3,02,000; IGST: Rs. 90,000
- CGST: Rs. 11,500; SGST: Rs. 3,02,000; IGST: Rs. Nil

Ans:- (a) (b) (c) (d)

### 6. Which of the following transactions does not qualify as supply under GST law?

- When the Head Office makes a supply of services to its own branch outside the State.
- When a person import services without consideration for the purposes of his business from his elder brother living outside India.
- Disposal of car without consideration and where the supplier has not claimed input tax credit on such car.
- When a principal makes supplies to his agent who is also registered and is situated within the same State.
  - (i) & (iii)
  - (I), (ii) & (iii)
  - (iii)
  - (iii) & (ii)

Ans:-

**7. Factory that should Not be considered in determining whether goods or services are related include-----.**

- a. the nature of the goods or services
- b. the nature of the production processes
- c. the type or class of customers for the goods or services
- d. the type or class of raw material for the goods or services

Ans:- (a) (b) (c) (d)

**8. Meaning of “family” does not include:**

- a. spouse
- b. Children
- c. independent parents
- d. dependent grand-parents

Ans:- (a) (b) (c) (d)

**9. Supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration is .....**

- a. Supply of goods
- b. Neither as a supply of goods nor a supply of services
- c. Supply of services
- d/ Either as a supply of goods or as a supply of services

Ans:- (a) (b) (c) (d)

**10. Out of the IGST paid to the Central Government in respect of import of goods or service, if the registered taxable person does not avail the said credit within the specified period, what is the treatment?**

- a. refund it back to the taxable person
- b. Can be claimed after the expiry of the specified period
- c. Apportion to the Central Government based on rate equivalent to CGST on similar intra-State supply and Apportionment to the state where such supply takes place.
- d. None of the above

Ans:- (a) (b) (c) (d)

**11. The provisions of apportionment of tax under IGST also apply to -----**

- a. Interest
- b. Penalty
- c. Compounding sum realized in connection with tax
- d. All of the above

Ans:- (a) (b) (c) (d)

**12. Suppose, One Business Group has 35 Business Verticals within a state and has to take separate GST registrations under the same PAN. How many online registration applications with scanned documents have to be filed by that**

**Business Group?**

- a. 35 separate applications in GST REG-01
- b. Only one registration application incorporating the entire business verticals in one go
- c. Either of the above at the option of the Business Group
- d. Either of the above at the discretion of the Proper Officer

Ans:- (a) (b) (c) (d)

**13. There is a difference in taxability of goods forming part of composite supply and mixed supply. Here are few examples from which you need to identify which is correct example of composite supply and mixed supply.**

- i) Mr. A buys a car and purchases warranty and maintenance of the car by paying nominal amount. Car, warranty and maintenance here are a mixed supply.
- ii) Mr. A buys a car and purchases warranty and maintenance of the car by paying nominal amount. Car, warranty and maintenance here are a composite supply.
- iii) Mrs. A buys a microwave oven and some utensils for use in microwave oven. Both microwave oven and utensils are sold at a single price. Microwave oven and its utensils here are a mixed supply.
- iv) Mrs. A buys chocolates, juices and biscuits from a shop. All items have different prices. Chocolates, juices and biscuits are a mixed supply. The correct examples of composite and mixed supply are: -
  - a. i,iv
  - b. ii,iii
  - c. ii,iii,iv
  - d. None of the above

Ans:- (a) (b) (c) (d)

**14. Mr. Z has an agency of wholesale trading of a particular brand in Gas Stoves for Rajasthan and Gujarat and has separate proprietorship firms in each of the two States. In Gujarat, Mr. Z additionally trades in shoes from the same firm. In the context of the above information, which of the following statement is correct?**

- a. Mr. Z can operate with single registration for Gas Stoves business for Rajasthan and Gujarat. For Shoes business, he has to compulsorily take separate registration since it is different business vertical.
- b. Mr. Z will have to get separate registration for each of the States i.e., Rajasthan and Gujarat for Gas stove Business. For shoes business, he has an option to register separate business verticals independently.
- c. Mr. Z will have to compulsorily take 3 registrations two for Gujarat (Gas Stoves and Shoes separately) and one for Rajasthan business (Gas

stoves).

- d. Mr. Z can operate with single registration for Gas Stoves business for Rajasthan and Gujarat and Shoes business for Gujarat.

Ans:- (a) (b) (c) (d)

**15. 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
refrigerator (500 litres) taxable@18%	40,000/-
Stabilizer for refrigerator @12%	5,000/-
LED television (42 inches) taxaxble @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.

- Composite supply; Highest tax rate applicable to split air conditioner, i.e. 28%
- Mixed supply; Highest tax rate applicable to split air conditioner, i.e. 28%
- Supply other than composite and mixed supply; Highest tax rate applicable to split air conditioner i.e. 28%
- Supply other than composite and mixed supply; respective tax rate applicable to each item

Ans:- (a) (b) (c) (d)

**16. Where any agent supplies goods on behalf of his principal:**

- Such agent shall be jointly and severally liable to pay the GST payable on such goods.
- The principal shall be jointly and severally liable to pay the GST payable on such goods.
- Both (a) and (b)
- None of the above

Ans:- (a) (b) (c) (d)

**17 Which of the following services received without consideration amount to supply?**

- Import of services by a person in India from his son well-settled in USA
- Import of services by a person in India from his brother well-settled in Germany
- Import of services by a person in India from his brother (wholly dependent on such person in India) in France
- Import of services by a person in India from his daughter (wholly dependent on such person in

India) in Russia

- 1), 3) and 4)
- 2), 3) and 4)
- 2) and 3)
- 1) and 2)

Ans:- (a) (b) (c) (d)

**Answer:-**

**Case Study**

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

**Practice Question**

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