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Refund



Think GST !

Think Vishal Sir...!!

1. Which section governs the provisions regarding refund in GST?

- a. Section 53
- b. Section 45
- c. Section 54
- d. Section 52

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

2. Mr. Veer claim refund if he has paid excess tax by mistake?

- a. Yes
- b. No
- c. Partially correct
- d. None of above

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

3. 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)

4. Refund claim of an exporter of goods shall be processed by _____.

- a. GSTN
- b. Customs Department
- c. GST Department
- d. CBIC

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

5. The time limit for filing refund claim is _____ from the relevant date.

- a. One year
- b. Two years
- c. One and half year
- d. Half year

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

6. Refunds will not be allowed in cases of:-

- a. Exports made on which export duty is levied
- b. Exports made without payment of tax
- c. Inverted duty structures where tax on inputs are higher than tax on outputs
- d. None of the above

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

7. A registered person can claim refund any unutilised input tax credit on zero rated supplies without payment of tax or the credit accumulated on account of inverted tax rate structure:

- (a) at the end of the tax period, but before the expiry of 2 years from the relevant date.
- (b) before the expiry of the tax period.
- (c) before the expiry of 3 years from the relevant date.
- (d) before the expiry of 18 months from the relevant date.

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

8. _____ will be treated as application for refund in case of IGST paid on goods exported.

- a. GSTR – 3
- b. Form GST RFD-01A
- c. Shipping Bill / Bill of Export
- d. FIRC

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

9. Is there any provision of provisional payment of refund in case of exports or not?

- a. Yes
- b. No
- c. Partially correct
- d. No clarification in the Act

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

10. Refund shall not be paid to the applicant if the amount of refund is less than

- a. Rs. 1000
- b. Rs. 5000
- c. Rs. 7000
- d. Rs. 10000

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

11. The proper officer shall issue the order for the refund claim within sixty days from the date of _____?

- a. Receipt of application
- b. Acknowledgment of application
- c. Start of processing of refund
- d. None of the above

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

12. In which of the following forms acknowledgment of refund application is received?

- a) GST-RFD-01A
- b) RFD-04/06/07
- c) GST-RFD-01B
- d) GST-RFD-02

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

13. What is the maximum time limit allowed to proper officer for issuing order (whether in favour or against) the refund application?

- a. 15 days
- b. 60 days
- c. 45 days
- d. 6 months

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

14. In case of deemed export, refund application can be made by _____.

- a. Recipient only
- b. Supplier only
- c. Either by supplier or by recipient

d. None of the above

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

15. Only supply of goods or services to SEZ unit is not an absolute evidence for claiming refund, the assurance from the specified officer of the zone in the form of receipt is also required. Validate the statement.

- a. Correct
- b. Incorrect
- c. Partially correct
- d. None of the above

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

16. Interest on refund amount is required to be paid after expiry of from the date of receipt of the application

- a. 60 days
- b. 90 days
- c. 180 days
- d. 240 days

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

17. The interest shall be payable @ _____ for withholding the refund amount.

- a. 5%
- b. 7%
- c. 6%
- d. 6.5%

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

18. What is the full form of EPCG?

- a. Export Promotion Custom Goods
- b. Export Performance Capital Goods
- c. Deemed Export Promotion Credit Goods
- d. Export Promotion Capital Goods

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

19. What is the full form of LUT?

- a. Letter of Undertaking
- b. Letter of Unutilized ITC
- c. Letter of Unique Identification
- d. Loading Under Transit

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

20. Refund amount is credited to _____, if the amount is refundable and to _____, if the amount is not refundable.

- a. Bank account of the registered applicant, Consumer application fund
- b. Bank account of the unregistered applicant, Consumer application fund
- c. Bank account of the registered applicant, Consumer Welfare Fund
- d. Consumer Welfare Fund, Bank account of registered applicant

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

21. Which of the following options is not available to exporters :

- a. Pay IGST on exports and claim refund of IGST
- b. Clear goods for export without payment of IGST and claim refund of ITC
- c. If part supplies are exports, he can utilize that credit for payment of GST on supplies within India
- d. None of the above

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

22. Mode of calculation of refund of ITC in zero rated supplies is as follows:

- a. Refund Amount = (Turnover of zero-rated supply of goods + Turnover of zero-rated supply of services)* Net ITC / Adjusted Total turnover
- b. Refund Amount = (Turnover of zero-rated supply of goods + Turnover of zero-rated supply of services)* Net ITC / Gross Total turnover
- c. Refund Amount = Turnover of zero-rated supply of goods * Net ITC / Adjusted Total turnover
- d. Refund Amount = Turnover of zero-rated supply of services* Net ITC / Adjusted Total turnover

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

23. Mode of calculation of refund in case of inverted duty structure :

- a. Refund Amount = {(Turnover of inverted rated supply of goods and services)* Net ITC} / Adjusted Total turnover}- tax payable on such inverted rated supply of goods and services
- b. Refund Amount = {(Turnover of inverted rated supply of goods and services)* Net ITC} / Gross Total turnover}- tax payable on such inverted rated supply of goods and services
- c. Refund Amount = {(Turnover of supply of goods and services)* Net ITC} / Adjusted Total turnover}- tax payable on such supply of goods and services
- d. Refund Amount = {(Turnover of inverted rated supply of goods and services)* Net ITC} / Net turnover}- tax payable on such inverted rated supply of goods and services

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

24. Order sanctioning the amount of refund due to the said applicant on a provisional basis shall be made within _____ from the date of the acknowledgement.

- a. 7 days
- b. 15 days
- c. 30 days
- d. 45 days

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

25. Refunds would be allowed on a provisional basis in case of refund claims on account of zero rated supplies of goods and / or services made by registered persons. At what percentage, would such

provisional refunds be granted?

- a. 70%
- b. 65%
- c. 80%
- d. 90%

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

26. In case of IGST, 50% will be credited to Central Consumer Fund and balance 50% to State Consumer Welfare Fund. Validate.

- a. True
- b. False
- c. Partially correct
- d. None of above

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

27. Supplier supplying goods or services to UN Agencies should indicate _____ in the invoice so that recipient can claim refund.

- a. UIN
- b. GST
- c. UNN
- d. GSTIN

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

28. 'Tourist' means a person not normally resident in India, who enters India for a stay of not more than _____ for legitimate non-immigrant purposes.

- a. Six months
- b. Twelve months
- c. Nine months
- d. Three months

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

29 Mr. Z comes to India as a tourist. here he took some services worth Rs. 1,00,000 having tax element of say Rs. 20,000. What amount of tax shall be allowed as refund?

- a) 20000
- b) 1,00,000
- c) 80,000
- d) 0

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

30. What is the time limit for filing of refund application by a specialised agency of the UNO?

- a. Before the expiry of eight months from the last day of the quarter in which such inward supply received
- b. Before expiry of eight months from the last day of the month in which such inward supply received
- c. Before expiry of six months from the last day of the month in which such inward supply was received
- d. Before expiry of six months from the last day of the quarter in which such inward supply was received

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

31. The applicant is not required to furnish documentary evidence if the amount of refund claimed is less than:-

- a. Rs. 6 lacs
- b. Rs. 2 lac
- c. Rs. 10 lac
- d. Rs. 20 lac

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

32. The sanctioned refund amount can be adjusted against the payments which the assessee is liable to pay but remains unpaid under the erstwhile law.

- a. Tax
- b. Penalty
- c. Interest and other amounts
- d. All of the above

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

33. The SEZ developer or SEZ unit exporting goods and / or services shall not be eligible to claim refund of IGST paid by the registered taxable person on such supply. Is this statement -

- a. True
- b. False

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

34. Mr. A has claimed refund of GST of INR 10,000/-. He asks you the possibilities where refund can be withheld by the department?

- a) If a person has failed to furnish any return, refund will be withheld till he files such return.
- b) If the registered person is required to pay any tax, interest, or penalty which has not been stayed by the appellate authority / Tribunal court, till he pays such interest or penalty, refund will be withheld. The proper officer can also deduct unpaid taxes, interest, penalty, late fee, if any, from the refundable amount.
- c) The commissioner can withhold any refund if the order of refund is under appeal and he is of the opinion that grant of such refund will adversely affect revenue in the said appeal on account of malfeasance or fraud committed.
- d) In all of the above circumstances, refund can be withheld

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

35. M/s. Sunlight Associates, is a management consultancy firm located in Delhi and has certain foreign clients to whom the firm provides business support services. In regard to one of the foreign client, certain services were rendered in the month of January, 2018 and the invoice was duly raised. The firm undertakes such export of services against Letter of Undertaking, i.e. without payment of integrated tax. However, it is likely that the payment against such invoice would not be received till March, 2019. Is M/s.

Sunlight Associates, required to pay integrated tax on such transaction if the payment is not received till March, 2019? In case integrated tax is payable, is M/s. Sunlight Associates, entitled to claim refund on this account? State which of the following option is correct

- (a) Integrated tax is payable by M/s. Sunlight Associates, but refund of payment of such tax is not allowed
- (b) Integrated tax is payable by the foreign client and M/s. Sunlight Associates can claim ITC of such payment made
- (c) Integrated tax is payable by M/s. Sunlight Associates, and refund of payment of such tax is allowed
- (d) Integrated tax is not payable and refund of accumulated ITC is allowed

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

36. M/s. Global Exports (P) Ltd. made following supplies as under:

- (i) Exports of taxable goods made on 01-Jun-2018 with payment of tax. GST returns were duly filed in time. However, GST RFD-01 has not been filed.
- (ii) Exports of exempted goods were made on 15-Jul-2018 under letter of undertaking. However, input tax credit in respect of manufacturing of such goods is Rs. 50,000/-. Refund application GST RFD01 is filed on 30-Apr 2019 i.e. after end of financial year 2018-19.
- (iii) Goods supplied to export oriented unit on 29-Jul-2018 and return for the month of July, 2018 was filed on 20Aug-2018. Input tax credit in respect of such supply is Rs. 26,000/- and an undertaking was received from the recipient that it will not claim input tax credit and supplier may seek refund. GST RFD-01 is filed on 01Dec-2020.
- (iv) Supply of services outside India were made on 11-Aug2018 and payment was received on 10- Oct-2018. Input tax credit in respect of such supply is Rs.

48,000/- GST RFD-01 is filed on 30- Sep-2020. Note: Payment is received in US Dollars (\$) for all transactions except transaction (i). Determine in which of above mentioned transactions, refund is available to M/s. Global Exports (P) Ltd.?

- (a) (ii), (iii) and (iv)
- (b) (i), (ii) and (iv)
- (c) (iii) and (iv)
- (d) (i) and (ii)

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

37. 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-2018, 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-2018. The returns for the month of April, 2018 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-2020
- b) 31-Mar-2021
- c) 20-Apr-2021
- d) 20-Apr-2019

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

38. M/s XYZ Ltd. filed & application for refund of tax amounting 10 lakh on 01 Oct 2018. the refund was granted on 25 Dec 2018. Compute the amount of interest, if any payable to XYZ Ltd. as per the provision of Sec 56 of CGST Act 2017.

- a. 4110
- b. 13973
- c. 9863
- d. Nil

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

Answers:-

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