Multiple Choice Questions
Paper 4B: Indirect Taxes

1. Warehousing of ___________ is exempt from GST.
   1) Rice.
   2) Minor forest produce
   3) Jaggery
   4) Whole gram
   a) 1), 2) and 4)
   b) 1) and 3)
   c) 2), 3) and 4)
   d) 3)

2. Which of the following services received without consideration amount to supply?
   1) Import of services by a person in India from his son well-settled in USA
   2) Import of services by a person in India from his brother well-settled in Germany
   3) Import of services by a person in India from his brother (wholly dependent on such person in India) in France
   4) Import of services by a person in India from his daughter (wholly dependent on such person in India) in Russia
   a) 1), 3) and 4)
   b) 2), 3) and 4)
   c) 2) and 3)
   d) 1) and 2)

3. Which of the following persons is not eligible for composition scheme even though their aggregate turnover does not exceed Rs. 1 crore in preceding FY, in Uttar Pradesh?
   a) A person supplying restaurant services
   b) A person supplying restaurant services and earning bank interest
   c) A person supplying restaurant services and warehousing of rice
   d) A person supplying restaurant services and warehousing of processed tea

4. The time of supply of service in case of reverse charge mechanism is
   (a) Date on which payment is made to the supplier
   (b) Date immediately following 60 days from the date of issue of invoice
   (c) Date of invoice
   (d) Earlier of (a) and (b)
5. Which of the following services does not fall under reverse charge provisions as contained under section 9(3) of the CGST Act?
   (a) Services supplied by arbitral tribunal to business entity
   (b) Sponsorship provided to any partnership firm
   (c) Sponsorship provided to any body corporate
   (d) None of the above

6. Transport of ______________ by rail are exempt from GST:
   (a) Milk
   (b) Salt
   (c) Defence equipments
   (d) All of the above

7. ITC of motor vehicles used for ______________ is allowed.
   (a) Transportation of goods
   (b) Transportation of passengers
   (c) Imparting training on driving
   (d) All of the above

8. Which of the following persons is required to obtain compulsory registration?
   (a) Persons exclusively engaged in making supplies tax on which is to be paid by the recipient on reverse charge basis under section 9(3) of the CGST Act, 2017.
   (b) Persons making inter-State supplies of taxable services up to Rs. 20,00,000
   (c) Persons making supplies of services through an ECO (other than supplies specified under section 9(5) of the CGST Act) with aggregate turnover up to Rs. 20,00,000
   (d) None of the above.

9. A non-resident taxable person is required to apply for registration:
   (a) within 30 days from the date on which he becomes liable to registration
   (b) within 60 days from the date on which he becomes liable to registration
   (c) at least 5 days prior to the commencement of business
   (d) None of the above

10. Registration certificate granted to casual taxable person or non-resident taxable person will be valid for:
    (a) Period specified in the registration application
    (b) 90 days from the effective date of registration
    (c) Earlier of (a) or (b)
    (d) Later of (a) or (b)

11. In case of taxable supply of services by a non-banking financial company (NBFC), invoice shall be issued within a period of ___________ from the date of supply of service.
    (a) 30 days
12. Where the goods being sent or taken on approval for sale or return are removed before the supply takes place, the invoice shall be issued:

(a) before/at the time of supply.
(b) 6 months from the date of removal.
(c) Earlier of (a) or (b).
(d) Later of (a) or (b).

13. Invoice shall be prepared in (i) __________ in case of taxable supply of goods and in (ii) __________ in case of taxable supply of services.

   a) (i) Triplicate, (ii) Duplicate
   b) (i) Duplicate, (ii) Triplicate
   c) (i) Duplicate, (ii) Duplicate
   d) None of the above

14. Which of the following shall be discharged first, while discharging liability of a taxable person?

   (a) All dues related to previous tax period
   (b) All dues related to current tax period
   (c) Demand raised under section 73 and 74
   (d) No such condition is mandatory.

15. The due date of filing Final Return is ______.

   (a) 20th of the next month
   (b) 18th of the month succeeding the quarter
   (c) Within 3 months of the date of cancellation or date of order of cancellation, whichever is later
   (d) 31st December of next financial year

Solution

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