

## MCQ-Type Questions

**1) Goods and services coming to SEZ units from domestic tariff area are treated as**

- a) Deemed Exports
- b) exports from India
- c) import into India
- d) both (a) and (b)

**Answer:**

**2) Mandatory documents required for export of goods from India are**

- a) Shipping Bill/Bill of Export
- b) Bill of entry
- c) Either (A) or (B)
- d) Both (A) & (B)

**Answer:**

**3) What does "HSN" stand for in the context of GST?**

- a) Harmonized Service Nomenclature
- b) Harmonized System of Nomenclature
- c) High Standardized Nomenclature
- d) Harmonized Standards in Networking

**Answer:**

**4) A Merchant Exporter in India is primarily involved in which of the following activities?**

- a) Manufacturing goods
- b) Exporting goods manufactured by others
- c) Offering consultancy services
- d) Importing goods for re-export

**Answer:**

**5) What is the key difference between deemed exports and traditional exports?**

- a) Deemed exports involve goods leaving the country
- b) Deemed exports are domestic transactions without physical export
- c) Traditional exports are subject to local taxes
- d) Deemed exports do not require documentation

**Answer:**

**6) Export Oriented Units (EOUs) are primarily focused on?**

- a) Domestic sales
- b) Importing foreign products
- c) Exporting their entire production
- d) Manufacturing for local markets

**Answer:**

**7) The term "deemed exports" applies when?**

- a) Goods are exported to a foreign country
- b) Goods are supplied within India for export activities
- c) Goods are sent to free trade zones
- d) Goods are exported and then re-imported

**Answer:**

**8) What is a "Shipping Bill" used for?**

- a) To declare goods for domestic sale
- b) To claim a refund on input taxes
- c) For customs clearance during exports
- d) To finalize a proforma invoice

**Answer:**

**9) The export process under GST allows exporters to?**

- a) Pay GST on all exports
- b) Claim a refund on input taxes
- c) Exempt from all taxes
- d) Pay only central GST

**Answer:**

**10) In the GST regime, what does "LUT" stand for?**

- a) Letter of Undertaking
- b) Letter of Understanding Tax
- c) Local Utility Tax
- d) Letter of Unified Transactions

**Answer:**

**11) What is the main benefit of exporting under GST?**

- a) Increased tax on inputs
- b) No tax on exports
- c) Higher customs duty
- d) Exemption from all taxes

**Answer:**

**12) Which term describes goods that cross international borders to be sold in foreign markets?**

- a) Import
- b) Export
- c) Deemed export
- d) Bonded export

**Answer:**

**13) Under the Customs Valuation (Determination of Value of Export Goods) Rules, which method is primarily used for the valuation of export goods?**

- a) Computed value method
- b) Residual method
- c) Comparative method
- d) Declaration by the exporter

**Answer:**

**14) What does the term "Goods of like kind and quality" refer to in export valuation?**

- a) Goods that perform similar functions and are commercially interchangeable
- b) Goods that are of the same price but different quality
- c) Goods that are not commercially interchangeable
- d) Goods of different categories but similar functions

**Answer:**

**15) What must an exporter provide under Rule 7 of the Customs Valuation Rules?**

- a) A declaration of the value of the exported goods
- b) A list of suppliers
- c) A valuation based on market analysis
- d) A calculated residual value

**Answer:**

**16) Which scheme was introduced to neutralize unrefunded taxes embedded in exported goods?**

- a) RoDTEP Scheme
- b) EPCG Scheme
- c) Advance Authorization Scheme
- d) Duty Drawback Scheme

**Answer:**

**17) The main objective of the "Advance Authorization" scheme is:**

- a) To increase the GST rate
- b) To allow duty-free import of inputs
- c) To increase the export duty
- d) To restrict the sale of imported goods

**Answer:**

**18) What is the primary purpose of the Export Promotion Capital Goods (EPCG) scheme?**

- a) To allow duty-free import of capital goods
- b) To increase import duties
- c) To promote service exports
- d) To reduce domestic production

**Answer:**

**19) Under the Foreign Trade Policy, what are EOUs (Export Oriented Units)?**

- a) Units that import goods from foreign countries
- b) Units that export their entire production
- c) Units that engage in intermediary services
- d) Units exempt from all taxation

**Answer:**

**20) Which of the following schemes allows zero-duty import of capital goods for export production?**

- a) Advance Authorization Scheme
- b) RoDTEP Scheme
- c) EPCG Scheme
- d) MEIS Scheme

**Answer:**

**21) Under the Advance Authorization Scheme (AAS), exporters are allowed to:**

- a) Import goods at reduced duties
- b) Export goods without obtaining licenses
- c) Import inputs duty-free for use in export products
- d) Pay lower taxes on domestic sales

**Answer:**

**22) The Duty Drawback Scheme provides:**

- a) Refunds on domestic taxes
- b) Rebates on export duties
- c) Refunds on duties paid on imported inputs used in exported goods
- d) Subsidies for transport costs

**Answer:**

**23) In the "Bill to Ship to" model, where the goods are delivered on the direction of a third person, what is considered the place of supply?**

- a) Location of the third person
- b) Location where the goods are shipped
- c) Location of the supplier
- d) Principal place of business of the third person

**Answer:**

**24) When goods are imported into India, what is considered the place of supply?**

- a) The location of the supplier
- b) The location of the recipient
- c) The location of the importer
- d) The port of entry in India

**Answer:**

**25) In a scenario where goods are assembled at a client's place in Kolkata, but the goods were shipped from Mumbai, what is the place of supply?**

- a) Mumbai
- b) Kolkata
- c) Delhi
- d) Gujarat

**Answer:**

**26) Under the general rule for determining the place of supply of services for a registered person, where is the place of supply?**

- a) Location of the supplier
- b) Location of the recipient
- c) Location of the event
- d) Place where services are performed

**Answer:**

**27) For services related to immovable property, where is the place of supply if the property is located within India?**

- a) Location of the supplier
- b) Location of the recipient
- c) Location of the immovable property
- d) Location of the contract agreement

**Answer:**

**28) Under the default rule in Section 13, where is the place of supply of services when either the supplier or recipient is located outside India?**

- a) Location of the supplier
- b) Location of the recipient
- c) Place where the service is performed
- d) Location of the contract agreement

**Answer:**

**29) For services related to goods physically available to the supplier, where is the place of supply?**

- a) Location of the recipient
- b) Location of the supplier
- c) Place where the service is performed
- d) Location where the goods are shipped

**Answer:**

**30) What is the place of supply for services that involve multiple locations in different States or Union Territories?**

- a) It is the location where the service begins
- b) It is each State/Union Territory, proportionate as per the contract
- c) It is the supplier's main office location
- d) It is the location of the recipient

**Answer:**

### **Answers of MCQ's**

- |              |              |              |              |              |
|--------------|--------------|--------------|--------------|--------------|
| 1) <b>b</b>  | 2) <b>a</b>  | 3) <b>b</b>  | 4) <b>b</b>  | 5) <b>b</b>  |
| 6) <b>c</b>  | 7) <b>b</b>  | 8) <b>c</b>  | 9) <b>b</b>  | 10) <b>a</b> |
| 11) <b>b</b> | 12) <b>b</b> | 13) <b>c</b> | 14) <b>a</b> | 15) <b>a</b> |
| 16) <b>a</b> | 17) <b>b</b> | 18) <b>a</b> | 19) <b>b</b> | 20) <b>c</b> |
| 21) <b>c</b> | 22) <b>c</b> | 23) <b>d</b> | 24) <b>c</b> | 25) <b>b</b> |
| 26) <b>b</b> | 27) <b>c</b> | 28) <b>b</b> | 29) <b>c</b> | 30) <b>b</b> |