

MCQ on GST Classification

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Multiple Choice Questions

Test your Knowledge!

Question 1 –

What is the classification of Electrical Energy as per GST Laws?

- (a) Supply of Goods
- (b) Supply of Services
- (c) Neither Supply of Goods nor Services
- (d) Both Supply of Goods and Services

Answer – option (a) Supply of Goods

Test your Knowledge!

Question 2 –

In case of Export of Goods, how many digits of HSN is to be reported?

(a) 4 Digit

(b) 6 Digit

(c) 8 Digit

(d) No Requirement

Answer – option (c) 8 Digit

Test your Knowledge!

Question 3 –

Which all of the following is treated as deemed supply of services?

- (a) Temporary transfer of right to use IPR
- (b) Sale of food or drinks for human consumption
- (c) Transfer of Business Assets
- (d) Works Contract

Answer – option (a), (b) and (d)

Test your Knowledge!

Question 4 –

There are some goods and services exempted from GST. Which of the following is not exempted from GST?

- (a) Eggs
- (b) Fire Wood
- (c) Unpacked Rice
- (d) India-gate Basmati Rice

Answer – option (d) India Gate Basmati Rice

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Question 5 –

What does the term 'HSN' denote in GST Laws?

- (a) Harmonized System of Nomenclature
- (b) Harmonized System of Numbers
- (c) Homogenous System of Numbers
- (d) None of the above

Answer – option (a) Harmonized System of Nomenclature

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Question 6 –

Which of the following has multiple GST Rates for same HSN code?

- (a) Readymade Garments and footwear
- (b) Readymade Garments and Salt
- (c) Salt and Milk
- (d) None of the above

Answer – option (a) Readymade Garments and footwear

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Question 7 –

What does the term 'SAC' denote in GST Laws?

- (a) Service Accounting Classification
- (b) Service Accounting Code
- (c) Software Accounting Classification
- (d) Service Activity Classification

Answer – option (b) Service Accounting Code

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Question 8 –

The term 'HSN' is coined by which international body?

- (a) World GST Organization
- (b) World Intellectual Property Organisation (WIPO)
- (c) World Customs Organization (WCO)
- (d) None of the above

Answer – option (c) World Customs Organization (WCO)

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Question 9 –

In which table of GSTR 1 the details of HSN and SAC is to be reported?

(a) Table 5

(b) Table 12

(c) Table 13

(d) HSN and SAC is not required to be reported in GSTR 1

Answer – option (b) Table 12

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Question 10 –

The rules of interpretation of basis of classification as per GST laws is governed by?

- (a) First schedule to The Customs Tariff Act, 1975
- (b) Central Goods and Service Tax Act, 2017
- (c) Central Excise Act, 1944
- (d) General Clauses Act

Answer – option (a) First schedule to The Customs Tariff Act, 1975

THANK YOU