

# CLASSIFICATION UNDER GST

MULTIPLE CHOICE QUESTIONS

# 1. HARMONISED SYSTEM OF NOMENCLATURE (HSN) IS PRIMARILY USED FOR:

- A) SERVICES ONLY
  - B) GOODS ONLY
  - C) BOTH GOODS AND SERVICES
  - D) NONE OF THE ABOVE
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## 2. WHICH OF THE FOLLOWING IS TRUE REGARDING MIXED SUPPLY UNDER GST?

- A) TAXED BASED ON PRINCIPAL SUPPLY
- B) TAXED AT HIGHEST GST RATE APPLICABLE
- C) TAXED AT LOWEST GST RATE
- D) NOT TAXABLE

### 3. JOB WORK IS CLASSIFIED UNDER:


- A) HSN
- B) SAC
- C) BOTH
- D) NONE



**4. ACCORDING TO GST RULES, WHICH HSN LEVEL IS MANDATORY FOR TURNOVER > ₹5 CRORE?**

- A) 2-DIGIT
- B) 4-DIGIT
- C) 6-DIGIT
- D) 8-DIGIT

**5. IF A MIXTURE OF GOODS CAN BE CLASSIFIED UNDER MULTIPLE HEADINGS, GST CLASSIFICATION SHOULD BE BASED ON:**

- A) LAST HEADING NUMERICALLY
  - B) ESSENTIAL CHARACTER OF MIXTURE
  - C) HEADING WITH LOWEST RATE
  - D) HEADING WITH HIGHEST RATE
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- A decorative graphic consisting of several parallel white lines of varying lengths, slanted upwards from left to right, located in the bottom right corner of the slide.

## 6. PACKAGED SOFTWARE SOLD OFF-THE-SHELF IS CLASSIFIED AS:

- A) SAC – SERVICE
- B) HSN – GOODS
- C) MIXED SUPPLY
- D) COMPOSITE SUPPLY

**EXPLANATION:** PACKAGED SOFTWARE IS TREATED AS GOODS (HSN 8523). TAILOR-MADE SOFTWARE IS A SERVICE (SAC 99831).

7. HSN FOR GOODS ARE CONTAINED IN CHAPTER \_\_\_\_\_ AND SAC FOR SERVICES ARE CONTAINED IN CHAPTER \_\_\_\_\_ OF GST RATES READY RECKONER (TARIFF)?

- A. 01 TO 96; 97;
- B. 01 TO 97; 98;
- C. 01 TO 98; 99;
- D. 01 TO 99; 100;

## 8. SAC ARE DEVELOPED BY THE

A. GST COUNCIL;

B. CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS;

C. MINISTRY OF FINANCE, GOVERNMENT OF INDIA;

D. WORLD CUSTOMS ORGANIZATION (WCO);

9. IS HSN CODES FOR GOODS OR SAC FOR SERVICES ARE RELEVANT AT THE TIME OF MAKING PAYMENT OF GST?

A. YES, HSN CODES AND SAC NEED TO BE MENTIONED ON THE CHALLAN;

B. NO, THE FORMAT OF CHALLAN FOR PAYMENT OF GST DOES NOT CONTAIN COLUMN TO DISCLOSE HSN / SAC;

C. DECLARATION HSN CODES AND SAC ARE VOLUNTARY;

D. TAX-PAYER NEEDS TO OBTAIN RULING FROM THE TAX DEPARTMENT IN THIS REGARD;

**10.** AS PER PROVISIONS UNDER CGST ACT AND CGST RULES, THE WORKS CONTRACT UNDER GST IS

A. SUPPLY OF GOODS;

B. SUPPLY OF SERVICES;

C. SUPPLY OF GOODS AND SUPPLY OF SERVICES BOTH;

D. DEPENDS UPON THE PROVISIONS UNDER RELEVANT CONTRACT;

THANK YOU

