

# ADVANCE RULING

## MULTIPLE CHOICE QUESTIONS

1. Which are the questions for which advance ruling can be sought?

- (a) Applicability of a notification issued under provisions of CGST Act.
- (b) Determination of time and value of supply of goods or services or both.
- (c) Whether applicant is required to be registered under the CGST Act.
- (d) All of the above.

2. To whom the ruling given by the authority for advance ruling is binding?

- (a) Applicant
- (b) Government Authorities
- (c) Both (a) and (b)
- (d) Either (a) and (b)

3. Where shall the Advance Ruling Authority be located?

- (a) The Authority shall be located in each State/ Union Territory.
- (b) The Authority shall be located in Centre.
- (c) The Authority shall be located in both Centre & State.
- (d) None of the above

4. Who has the power to amend the order issued under section 98 or 101, to rectify any error apparent from record?

- (a) Advance Ruling Authority
- (b) Appellate Authority for the Advance Ruling
- (c) Both (a) and (b)
- (d) None of the above.

5. Applicant under advance ruling means —

- (a) Registered person
- (b) Person desirous of obtaining registration under CGST Act
- (c) Either (a) or (b)
- (d) None of the above

6. Where the appeal can be filed against advance ruling given by Authority for Advance Ruling?

- (a) Before Appellate authority for Advance Ruling
- (b) Before High Court
- (c) Before Supreme Court
- (d) Before Appellate Tribunal

7. Who can be appointed as the member of the Authority for Advance Ruling?

- (a) An officer not below the rank of Additional Commissioner
- (b) An officer not below the rank of joint commissioner
- (c) A retired judge of High court
- (d) A retired judge of Supreme court

8. Which are the questions for which advance ruling can be sought?

- (a) Classification of any goods or services or both.
- (b) Determination of liability to pay tax on any goods or services under the Act.
- (c) Admissibility of input tax credit of tax paid or deemed to have been paid.
- (d) All of the above

9. What is the prescribed fee for making an application for advance ruling?

- (a) ₹ 2,500
- (b) ₹ 5,000
- (c) ₹ 7,500
- (d) ₹ 10,000

10. What will happen, if member of AAR differ on any question on which the advance ruling is sought?

- (a) AAR shall make reference to the Appellate Authority for Advance Ruling.
- (b) AAR shall make reference to the High Court.
- (c) AAR shall make reference to the Supreme Court.
- (d) AAR shall reject the application.

11. Within how many days AAR shall pronounce its advance ruling in writing?

- (a) 30 days from the date of receipt of the application

- (b) 60 days from the date of receipt of the application
- (c) 90 days from the date of receipt of the application
- (d) 180 days from the date of receipt of the application

12. In which cases, an application for advance ruling shall be rejected by the Authority for Advance Ruling?

- (a) Where the question raised in the application is already pending in applicant's case under any provisions of this Act.
- (b) Where the question raised in the application is already decided in applicant's case under any provisions of this Act.
- (c) Where the question raised in the application is subject matter of the appeal.
- (d) Either (a) or (b)

13. To whom the copy of advance ruling pronounced shall not be sent by the AAR duly signed by the members?

- (a) Applicant
- (b) Jurisdictional officer
- (c) Central Government
- (d) Concerned officer

14. Every appeal against ruling pronounced by AAR shall be filed within a period of \_\_\_\_\_ days from the date on which the ruling sought to be appealed against is communicated to the concerned officer, the jurisdictional officer and the applicant.

- (a) 15
- (b) 30
- (c) 60
- (d) 7



15. The AAAR may, if it is satisfied that the appellant was prevented by a sufficient cause from presenting the appeal within specified time limit, allow it to be presented within a further period not exceeding \_\_\_\_ days.

- (a) 15
- (b) 7
- (c) 60
- (d) 30

16. What is the prescribed fee for filing appeal against the order of AAR to Appellate Authority for Advance Ruling?

- (a) ₹ 10,000
- (b) ₹ 7,500
- (c) ₹ 5,000
- (d) ₹ 2,500

17. What will happen, if member of AAAR differ on any point or points referred to in appeal or reference?

- (a) AAAR shall make reference to the Supreme Court
- (b) It shall be deemed that no advance ruling can be issued in respect of the question under the appeal or reference.
- (c) AAAR shall make reference to the High Court.
- (d) AAAR shall reject the application.

18. With is the prescribed time limit for rectification of order passed by the AAR or AAAR under section 98 or section 101?

- (a) Within 1 months from the date of order.
- (b) Within 3 months from the date of order

(c) Within 6 months from the date of order

(d) Within 1 year from the date of order

19. In which cases, no rectification shall be made by AAR or AAAR unless the applicant and appellant has been given opportunity of being heard?

- (a) Rectification which has the effect of enhancing the tax liability.
- (b) Rectification which has the effect of reducing the amount of admissible input tax credit.
- (c) Rectification which has the effect of reducing the tax liability and enhancing the amount of admissible input tax credit.
- (d) Both (a) or (b)

20. What are the powers of advance ruling authority?

- (a) Discovery and inspection
- (b) Enforcing the attendance of any person and examining him on oath.
- (c) Issuing commission and compelling the production of books of accounts and other records.
- (d) All of the above

21. The AAR after examining the application and relevant records shall:

- (a) pass an order admitting the application
- (b) pass an order rejecting the application
- (c) pass an order admitting or rejecting the application
- (d) allow the applicant to amend the application

22. An applicant may seek Advance Ruling in relation to supply of goods and/or services —

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- (a) being undertaken by him
- (b) proposed to be undertaken by him
- (c) already undertaken by him
- (d) all of the above

23. Whether the ruling pronounced under Section 98 of CGST Act, 2017 have prospective or retrospective effect?

- (a) Prospective effect
- (b) Retrospective effect
- (c) Prospective/Retrospective effect based on case to case
- (d) None of the above

24. When can the Authority declare the advance ruling pronounced as void?

- (a) If ruling is obtained by suppression of material facts.

- (b) If the applicant is in the business of supplies on which clarification has been sought.
- (c) If the applicant does not engage in the business of supplies after 6 months of obtaining the ruling.
- (d) If the applicant does not engage in the business of supplies after 12 months of obtaining the ruling.

25. The Advance Ruling pronounced by the Appellate Authority shall be binding on—

- (a) the applicant who sought the advance ruling.
- (b) the jurisdictional officer in respect of the applicant
- (c) (A) and (B)
- (d) None of the above

### ANSWERS TO MCQ'S

Question No.	Answer
1.	<p><b>(d)</b> The question on which the advance ruling is sought under this Act, shall be in respect of,—</p> <ul style="list-style-type: none"> <li>(a) classification of any goods or services or both;</li> <li>(b) applicability of a notification issued under the provisions of this Act;</li> <li>(c) determination of time and value of supply of goods or services or both;</li> <li>(d) admissibility of input tax credit of tax paid or deemed to have been paid;</li> <li>(e) determination of the liability to pay tax on any goods or services or both;</li> <li>(f) whether applicant is required to be registered;</li> <li>(g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.</li> </ul>
2.	<p><b>(b)</b> The advance ruling pronounced by the Authority shall be binding only on the applicant who had sought it in respect of any matter referred therein for advance ruling on the concerned officer or the jurisdictional officer in respect of the applicant.</p>
3.	<p><b>(a)</b> The Authority shall be located in each State/ Union Territory.</p>



4.	(c)	The Authority or the Appellate Authority may amend any order passed by it, so as to rectify any error apparent on the face of the record, if such error is noticed by the Authority or the Appellate Authority on its own accord, or is brought to its notice by the concerned officer, the jurisdictional officer, the applicant or the appellant within a period of six months from the date of the order.
5.	(c)	"Applicant" means any person registered or desirous of obtaining registration under this Act.
6.	(a)	The concerned officer, the jurisdictional officer or an applicant aggrieved by any advance ruling pronounced, may appeal to the Appellate Authority.
7.	(b)	The Government shall appoint officers not below the rank of Joint Commissioner as member of the Authority for Advance Ruling.
8.	(d)	The question on which the advance ruling is sought under this Act, shall be in respect of,— <ul style="list-style-type: none"> <li>(a) classification of any goods or services or both;</li> <li>(b) applicability of a notification issued under the provisions of this Act;</li> <li>(c) determination of time and value of supply of goods or services or both;</li> <li>(d) admissibility of input tax credit of tax paid or deemed to have been paid;</li> <li>(e) determination of the liability to pay tax on any goods or services or both;</li> <li>(f) whether applicant is required to be registered;</li> <li>(g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.</li> </ul>
9.	(b)	An applicant desirous of obtaining an advance ruling may make an application in such form and manner as may be prescribed and accompanied by fee of ₹ 5,000, stating the question on which the advance ruling is sought.
10.	(a)	Where the members of the AAR differ on any question on which the advance ruling is sought, they shall state the point or points on which they differ and make a reference to the AAAR for hearing and decision on such question.
11.	(c)	The AAR shall pronounce its advance ruling in writing within 90 days from the date of receipt of application.
12.	(d)	The AAR shall not admit the application where the question raised in the application is already pending or decided in any proceedings in the case of an applicant under any of the provisions of this Act.
13.	(c)	A copy of every order made shall be sent to the applicant and to the concerned officer.
14.	(b)	Every appeal shall be filed within a period of 30 days from the date on which the ruling sought to be appealed against is communicated to the concerned officer, the jurisdictional officer and the applicant.

15.	(d)	The AAAR may, if it is satisfied that the appellant was prevented by a sufficient cause from presenting the appeal within the said period of 30 days, allow it to be presented within a further period not exceeding 30 days.
16.	(a)	Every appeal under this section shall be filed in prescribed form and accompanied by fees of ₹ 10,000 if appeal is filed by the applicant.
17.	(b)	Where the members of the AAAR differ on any point or points referred to in appeal or reference, it shall be deemed that no advance ruling can be issued in respect of the question under the appeal or reference.
18.	(c)	The Authority or the Appellate Authority may amend any order passed by it under section 98 or section 101, so as to rectify any error apparent on the face of the record, if such error is noticed by the Authority or the Appellate Authority on its own accord, or is brought to its notice by the concerned officer, the jurisdictional officer, the applicant or the appellant within a period of 6 months from the date of the order.
19.	(d)	No rectification which has the effect of enhancing the tax liability or reducing the amount of admissible input tax credit shall be made unless the applicant or the appellant has been given an opportunity of being heard.
20.	(d)	The AAR or the AAAR shall, for the purpose of exercising its powers regarding— (a) discovery and inspection; (b) enforcing the attendance of any person and examining him on oath; (c) issuing commissions; and (d) compelling production of books of account and other records, have all the powers of a civil court under the Code of Civil Procedure, 1908.
21.	(c)	The AAR may, after examining the application and the records called for and after hearing the applicant or his authorised representative and the concerned officer or his authorised representative, by order, either admit or reject the application.
22.	(d)	An applicant may seek Advance Ruling in relation to supply of goods and/or services being undertaken by him proposed to be undertaken by him already undertaken by him all of the above.
23.	(a)	The ruling pronounced under Section 98 of CGST Act, 2017 have prospective effect.
24.	(a)	Where the Authority or the Appellate Authority finds that advance ruling pronounced by it under section 98(4) or under section 101(1) has been obtained by the applicant or the appellant by fraud or suppression of material facts or misrepresentation of facts, it may, by order, declare such ruling to be void ab-initio and thereupon all the provisions of this Act or the rules made thereunder shall apply to the applicant or the appellant as if such advance ruling had never been made.
25.	(c)	The Advance Ruling pronounced by the Appellate Authority shall be binding on the applicant who sought the advance ruling and the jurisdictional officer in respect of the applicant.

