



CHAPTER - 1

INTRODUCTION OF GST

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**01. Sec 9 of CGST Act/ Sec 5 of IGST Act:-
Charging Section**

MCQ 1

Which of the following statements is incorrect?

- (a) Tobacco is subject to both GST & Central Excise duty.
- (b) Manufacture/ production of alcoholic liquor is subject to State excise duty.
- (c) Inter- State/intra-State sale of the alcohol is subject to CST/VAT respectively.
- (d) Alcoholic liquor for human consumption is subject to GST.
- (e) Un-denatured extra neutral alcohol or rectified spirit used for manufacture of alcoholic liquor for human consumption is outside the perview of GST

[Reason: Refer Sch VII, Entry no. 84 under List I & entry no. 51 & 54 under List II. Also refer sec 9(1) & 9(2) of CGST Act to know goods on which there is no levy of GST]

MCQ 2

Presently, is leviable on of petroleum and diesel.

- (i) GST; supply
- (ii) Central excise duty; manufacture/production
- (iii) Central sales tax; inter-State sale
- (iv) Value Added Tax; intra-State sale
- (v) State excise duty; manufacture

Choose the most appropriate option.

- (a) (ii), (iii) and (iv) (b) (i)
- (c) (i) and (ii) (d) (i) and (v)

[Reason: Refer GST leviability]

MCQ 3

..... is leviable on of opium & Indian hemp.

- (i) GST; supply
- (ii) Central excise duty; manufacture
- (iii) Central sales tax; inter-State sale
- (iv) Value Added Tax; intra-State sale
- (v) State excise duty; manufacture

Choose the most appropriate option.

- (a) (ii), (iii) and (iv) (b) (i)
- (c) (i) and (v) (d) (i) and (ii)

[Reason: Refer GST leviability]

02. Various Taxes Subsumed/ Not subsumed under GST:-

MCQ 4

Various taxes have been subsumed in GST to make one nation one tax one market for consumers. Out of the following, determine which taxes have been subsumed in GST.

- (i) Basic customs duty levied under Customs Act, 1962
- (ii) Taxes on lotteries
- (iii) Environment tax [RTP May 21]

- (a) (ii) (b) (ii) and (iii)
- (c) (iii) (d) (i), (ii) and (iii)

[Reason: The GST has replaced some taxes, which was levied earlier]

03. Common GST Portal/ Goods & Service Tax Network (GSTN):-

MCQ 5

GSTN is a -----

- (a) Non-profit organisation
- (b) Profit organisation
- (c) None of the above
- (d) One Person company

[Reason:- GSTN is a pvt. Ltd. company formed u/s 8 of Companies Act i.e. to promote non-profit objectives]

04. Credit system under Dual GST Model & Manner of Credit Utilization:-

MCQ 6

TT Pvt. Ltd., registered in Rajasthan, furnished following information for the month of June: (i) Inter-State sale of goods for ₹ 1,25,000 to JJ Enterprises registered in Haryana (ii) Inter-State purchases of goods from XYZ company, registered in Punjab, for ₹ 40,000 (iii) Intra-State purchases of goods from RR Traders, registered in Rajasthan, for ₹ 65,000. The applicable rate of GST is 18%. All the above amounts are exclusive of taxes. GST liability payable in cash is- (RTP Nov 2020)

- (a) CGST ₹ 1,800 & SGST ₹ 1,800
- (b) SGST ₹ 3,600
- (c) IGST ₹ 3,600
- (d) CGST ₹ 3,600

[Reason: IGST on outward supply ₹22,500,



IGST on inward supply: ₹7,200,
CGST & SGST on inward supply: ₹11,700,
hence IGST ₹3,600)

Answer:-

01	d
02	a
03	c
04	a
05	a
06	c

