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BRAINWARE UNIVERSITY

Term End Examination 2024-2025

Programme – MBA-2023

Course Name – Taxation

Course Code - FM403

(Semester IV)

Full Marks : 60

Time : 2:30 Hours

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

Group-A

(Multiple Choice Type Question)

1 x 15=15

1. Choose the correct alternative from the following :

- (i) Identify which of the following transactions are linked with the help of permanent account number.
 - a) Tax payment
 - b) Availing TDS credit
 - c) Filling of return
 - d) All of the above
- (ii) Identify the indirect taxes from the given options.
 - a) GST, corporate tax
 - b) Custom duty, corporate tax
 - c) Income tax, GST
 - d) GST, custom duty
- (iii) Identify which of the following terminology are NOT related to income tax.
 - a) Tax Deduction and Collection Account Number (TAN)
 - b) Leave Travel Allowance (LTA)
 - c) Dearness Allowance (DA)
 - d) Taxpayer Identification Number (TIN)
- (iv) Identify which of the following is not deductible while calculating taxable income from business.
 - a) GST
 - b) Income-tax
 - c) Customs duty
 - d) Local taxes
- (v) Identify which of the following is not a requisite for charging income tax on capital gains.
 - a) The transfer must have been effected in the relevant assessment year
 - b) There must be a gain arising on transfer of capital asset
 - c) Capital gains should not be exempt u/s 54
 - d) Capital gains should not be exempt u/s 54EC
- (vi) Explain tax treatment of long-term capital gains in India.
 - a) Fully taxable
 - b) Partially taxable
 - c) Exempt up to specified limits
 - d) Taxed at a reduced rate
- (vii) Show the tax treatment of provident fund withdrawals.
 - a) Fully taxable
 - b) Partially taxable

- c) Exempt up to specified limits
(viii) Identify the correct answer: Exemption under section 54G on fulfilling of specified conditions is available on _____.
a) Shifting of industrial undertaking from an urban area to a Special Economic Zone (SEZ)
b) Shifting of industrial undertaking from urban Area by Government
c) Compulsory acquisition of land and building
d) Transfer of certain capital assets as specified
- (ix) Choose the correct section for deduction in respect of donations to National Defence Fund is allowed.
a) 80G
b) 80CCG
c) 80C
d) None of the above
- (x) Examine Mr. Ravi solved a crossword puzzle and received ₹ 84,000 after deduction of tax at source. Calculate his gross total income from crossword puzzle.
a) 84000
b) Nil
c) 72000
d) 120000
- (xi) Construct Mr Bala has made supply (within State) of taxable goods to the tune of ₹ 17 lakh, export supplies of ₹ 3 lakh and intra-state supply of exempt services of ₹ 4 lakh. Calculate his aggregate turnover as per Section 2(6) of the CGST/SGST Act, 2017 is _____.
a) 17 lakh
b) 20 lakh
c) 24 lakh
d) None of the above
- (xii) Choose which of the following additional conditions are to be satisfied by a person to be resident and ordinarily resident in India.
a) He is a resident in India at least any two out of the ten previous years immediately preceding the relevant previous year
b) He has been in India for 730 days or more during the seven previous years immediately preceding the relevant previous year
c) Both (A) and (B) or above
d) None of the above.
- (xiii) Conclude the situation if Mr Alok Chatterjee born and brought up in India since 1973, left for Singapore on 10.10.2024 for the purpose of employment. Decide his residential status for AY 2025-26.
a) Resident
b) Not ordinarily resident
c) Non-resident
d) None of the above
- (xiv) Focus In terms of Section 2(42A), unlisted securities are treated as a long-term capital asset, if they are held for a period of more than - Choose the correct period.
a) 24 Months
b) 36 Months
c) 12 Months
d) 48 Months
- (xv) Contrast for claiming exemption u/s 54G, an assessee has to invest the resultant capital gains within a specified period. Select which of the following is not eligible for such investment.
a) Furniture
b) Land
c) Building
d) Plant or machinery

Group-B
(Short Answer Type Questions)

3 x 5=15

2. Define "Assessment Year" in the context of income tax. (3)
3. Explain the concept of "House Property" in income tax. (3)
4. Explain the concept of "Short-term Capital Gains" and "Long-term Capital Gains" and their respective tax rates. (3)
5. Mr. Ankit owns a house property, which he has been let out and the following details are available: • Municipal Value of the property: ₹2,40,000. • Fair Rent (as per comparable (3)

- properties): ₹2,80,000. • Standard Rent under Rent Control Act: ₹2,60,000. Calculate and compute the Reasonable Expected Rent (RER) for the property for AY 2025 - 26.
6. Explain the importance of Digital Signatures in online filing of income tax returns. (3)
- OR
- Evaluate the documents are typically received by taxpayers as acknowledgments after filing their income tax returns. (3)

Group-C
(Long Answer Type Questions)

5 x 6=30

7. State the meaning of the term 'Depreciation' as per Sec-32. (5)
8. Write the tax treatment of unfurnished accommodation for non Government employee. (5)
9. Mr. Suresh, a private sector employee (covered under the Gratuity Act), retired on 31st March 2025 after 25 years of service. He received a gratuity of ₹15,00,000. His last drawn salary was: Basic Salary = ₹70,000 per month. DA (considered for retirement benefits) = ₹30,000 per month. Calculate and compute the taxable amount of gratuity under Section 10(10) for the AY - 2025-26. (5)
10. Ms. B sold a residential house on 10th August 2024. Details are as follows: Purchase Price: ₹10,00,000 (Purchased on 1st April 2015). Sale Price: ₹30,00,000. Indexed Cost Inflation Index (CII) for FY 2015-16 = 254 CII for FY 2024-25 = 363. Estimate and compute the Long Term Capital gain for AY 2025-26. (5)
11. Mr. Rajesh is a salaried employee of XYZ Ltd. He receives the following salary components for the financial year 2024-25: a) Basic Salary: ₹8,00,000 b) Dearness Allowance (DA) (considered for retirement benefits): ₹2,00,000 c) Bonus: ₹50,000 d) Leave Travel Allowance (LTA) received: ₹40,000 (Actual travel expenses: ₹30,000) e) Medical Allowance received: ₹50,000 (Actual medical expenses: ₹30,000) f) Employer's Contribution to Recognized Provident Fund: ₹1,00,000 g) Perquisites: i. Rent-free accommodation provided by the employer (City with a population of 20 lakh+): ₹1,20,000 ii. Interest-free loan (loan amount ₹2,00,000, SBI interest rate @10% p.a.): ₹20,000. Assess and compute the Gross Salary for AY 2025-26. (5)
12. Mr. Raj owns a house property in Delhi, which he has rented out for ₹20,000 per month. The municipal value of the house is ₹2,40,000 per annum, and the fair rent is ₹2,50,000 per annum. The standard rent as per the Rent Control Act is ₹2,45,000 per annum. The municipal taxes paid by Mr. Raj are ₹10,000. Calculate his Income from House Property for A.Y - 2025-26. (5)
- OR
- A wholesaler purchases goods worth ₹80,000 at a GST rate of 12%. He sells the goods for ₹1,00,000 at a GST rate of 18%. Calculate the net GST payable for the AY 2025 - 26. (5)
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