



BRAINWARE UNIVERSITY

Library
Brainware University
398, Ramkrishnapur Road, Barasat
Kolkata, West Bengal-700125

Term End Examination 2023

Programme – MBA-2018/MBA-2019/MBA-2020/MBA-2021

Course Name – Taxation

Course Code - FM404

(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) Choose correct category of assesses with PAN AZYPS2357R
- | | |
|---------------|---------------------|
| a) Company | b) Partnership Firm |
| c) Individual | d) Proprietorship |
- (ii) Residential status in Indian Income Tax Act is determined for which one of the following?
- | | |
|--------------------|--------------------------------------|
| a) Previous year | b) Assessment year |
| c) Accounting year | d) Both previous and assessment year |
- (iii) Identify the maximum income tax rate in India -
- | | |
|---------|---------|
| a) 0.28 | b) 0.3 |
| c) 0.32 | d) 0.35 |
- (iv) Identify the minimum age for an individual to be liable to pay income tax in India -
- | | |
|-------------|-------------|
| a) 18 years | b) 21 years |
| c) 25 years | d) 30 years |
- (v) Identify the Full form of EVC -
- | | |
|---------------------------------|-------------------------------|
| a) Electrical Vocal Code | b) Electronic Verified Centre |
| c) Electronic verification code | d) Electrical Verified Code |
- (vi) Identify which one of the following is not a tax saving investment -
- | | |
|----------------------------------|--------------------------------|
| a) Home loan principal repayment | b) Public Provident Fund (PPF) |
| c) Life insurance premium | d) Fixed Deposits |
- (vii) Akash is entitled to get a pension of ₹ 6,000 per month from a private company. He gets 60% of the pension commuted and receives ₹ 3,60,000. He also receives ₹ 2,00,000 as gratuity from the same employer. Calculate the taxable portion of commuted value of pension -
- | | |
|-----------|----------|
| a) 160000 | b) Nil |
| c) 360000 | d) 60000 |

- (viii) Children education allowance received by an employee from his employer is ₹ 80 per month per child for 3 children. Calculate the taxable education allowance -
- a) 960
b) 480
c) Nil
d) 1200
- (ix) Mrs. Meena retired from service with Sky Ltd. on 31st January 2021. She received the following amounts from the unrecognized provident fund: (i) Own contribution ₹ 1,50,000 (ii) Interest on own contribution- ₹ 21,000 (iii) Employer's contribution- ₹ 1,10,000 (iv) Interest on employer's contribution- ₹ 15,000 Calculate the amount which is chargeable to tax as income from salary-
- a) 21000
b) 15000
c) 125000
d) 171000
- (x) Differentiates between a tax credit and a tax deduction -
- a) Tax credit reduces the amount of tax payable while tax deduction reduces the taxable income
b) Tax credit reduces the taxable income while tax deduction reduces the amount of tax payable
c) Tax credit and tax deduction are the same thing
d) None of the above
- (xi) Select the correct option to fill the blank: Long term capital loss can be adjusted only against _____ u/s 70.
- a) Short term capital gain
b) Long term capital gain
c) Salary Income
d) None of the above
- (xii) Select the correct option to fill the blank: As per Finance Bill 2023, the Rebate allowed u/s 87A is _____ if total income is up to _____ under the new regime.
- a) ₹25,000, ₹7,00,000
b) ₹12,500, ₹5,00,000
c) ₹2,500, ₹3,50,000
d) None of these
- (xiii) Mr Alok Chatterjee born and brought up in India since 1972, left for Singapore on 10.10.2021 for the purpose of employment. Decide his residential status for AY 2022-23:
- a) Resident
b) Not ordinarily resident
c) Non-resident
d) None of the above
- (xiv) 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) A company has a profit of Rs. 20 lakhs. Compute the corporate tax liability for this company for AY 2022-23?
- a) Rs. 3 lakhs
b) Rs. 4 lakhs
c) Rs. 5 lakhs
d) Rs. 6 lakhs

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Group-B

(Short Answer Type Questions)

3 x 5=15

2. Give examples of the perquisites which are exempt from tax. (3)
3. Write the tax treatment of Commuted Pension. (3)
4. Distinguish between Export and Import under GST. (3)
5. Define Form 16. (3)
6. For the year ended 31 st March 2021, Paresh receives a salary of ₹ 2,80,000. Paresh's contribution to employees' recognized provident fund account is ₹ 59,000 and a matching contribution has been made by the employer. Show the taxable income of Paresh. (3)

OR

Bharat, engaged in business, claimed that he paid ₹ 10,000 per month by cheque as rent for his residence. He does not own any residential buildings. His total income computed before (3)

deduction under section 80GG is ₹ 3,40,000. Show the amount he can claim as deduction under section 80GG.

Group-C
(Long Answer Type Questions)

5 x 6=30

7. Mr Pankaj of Delhi supplied goods to Mr Krishna of Delhi for ₹ 1 lakh, on which total GST was charged @ 12%. Mr Krishna, after purchasing of goods, added a 20% margin of profit (on cost) and sold the entire goods to Mr Ravi of Delhi. Estimate the total amount of tax payable after claiming input tax on such transaction by Mr Krishna. (5)
8. Define composite supply under GST with examples. (5)
9. Explain the tax rate on Short-Term and Long-Term Capital Gains. (5)
10. Mr. Divesh had purchased a golden ring as on 17/8/2020 for ₹ 20,000. On 1/05/2021, he has sewn a diamond on it costing ₹ 25,000. On 1/08/2021, he sold such ring for ₹ 80,000 and incurred brokerage for arranging customer ₹ 5,000. Calculate capital gain for AY 2022-23. (5)
11. Mr. Jaiswal an Indian citizen, left for USA for the first time on 15/2/2021 for business purposes. He returned to India on 1/4/2021 and again went for a European tour on 30/4/2021. he returned to India on 5/3/2022 and remains in the country thereafter. Estimate his residential status for the previous year 2021-2022. (5)
12. Calculate the Gross annual value in case of the following properties (₹ in 000) Particulars (5)
H1 H2 H3 H4 H5 Municipal annual value 90 500 30 100 315 Fair rent 300 300 300 300 300
Standard rent under the Rent Control Act 50 800 240 250 500 Actual rent receivable p.a.
120 600 180 360 150 Unrealised rent of the P.Y. 2021-22 (in months) 2 3 1 3 2

OR

Miss Anjali owns a house property, which is let out, to her employer company for a monthly rent of ₹ 20,000. Company allotted the same house to Miss Anjali as rent-free accommodation. Municipal tax paid ₹ 20,000, interest on loan paid ₹ 90,000. Calculate the taxable income from house property for the assessment year 2022-23. (5)
