

Seat No: \_\_\_\_\_

Enrollment No: \_\_\_\_\_

**PARUL UNIVERSITY**  
**FACULTY OF COMMERCE**  
**B.Com (Hons) Sem IV**  
**Mid Term Examination Apr - 2018**

Semester : IV  
Subject Code : 16100251  
Subject Name: Fundamentals of Taxation

Date: 02/04/2018  
Time: 8.00 to 10.00  
Total Marks: 40

**Instructions:**

1. Attempt all questions from each section
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.

<p><b>Q.1 MCQ/True-False/Definitions (08)</b></p> <p>1. Where the total income of an artificial juridical person is ` 4,90,000, the income-tax payable is ` ..... and surcharge payable is ` .....</p> <p>a. ` 12,000; surcharge – nil.                                  b. ` 6,000; surcharge – nil. c. ` 147,000; surcharge – ` 49000                                  d. ` 93,000; surcharge – ` 4650.</p> <p>2. Entry_____ of the Union List of the Constitution of India has given the power to Central Government to levy taxes on income.</p> <p>a. 81    b. 83 c. 82    d. 80</p> <p>3. What is the meaning of ‘Keyman Insurance Policy’?</p> <p>4. A is running a business from 1993 onwards. Determine the previous year for the assessment year 2018-19.</p> <p>5. In order to control laundering of unaccounted money by availing the benefit of basic exemption limit, the unexplained money, investment, expenditure, etc. deemed as income would be taxed at the rate of _____</p> <p>a. 30% plus surcharge @25% of tax                                  b.. 60% plus surcharge @ 25% c. 30%    d. 60%</p> <p>6. Section _____provides a rebate from the tax payable by an assessee, being an individual resident in India.</p> <p>a. 87    b. 85 c. 85A    d. 87A</p> <p>7. In case of a Foreign Company where the total income exceeds ` 1 crore but does not exceed ` 10 crore, surcharge is payable at the rate of _____ of income-tax computed.</p> <p>a. 10%    b. 12% c. 5%    d. 2%</p> <p>8. What is the meaning of ‘Continental Shelf’?</p>	<p><b>(08)</b></p>
<p><b>Q.2 (a) Short/Descriptive/Practical questions (Compulsory) (4)</b> Mrs. Sharma aged 40 years, has a total income of ` 3,33,990, comprising her salary income and interest on bank fixed deposit. Compute her tax liability for A.Y. 2018-19. <b>(b) Short/Descriptive/Practical questions (Compulsory)(4)</b> The total income of a co-operative society in the P.Y 2017-18 was Rs. 5,59,850.</p>	<p><b>(08)</b></p>

	Calculate its tax liability for the A. Y. 2018-19.	
<b>Q.3</b>	<p><b>(a) Short/Descriptive/Practical questions (Compulsory) (5)</b>  SBG Pvt. Ltd., a Domestic Company, earned a Net Profit of Rs. 49, 85, 990 in the P. Y. 2017-18. The Gross Turnover of the said company was Rs. 49.99 Crores (Approx.). Calculate the Tax Liability of the company for the A. Y. 2018-19.  Will it make any difference if the Gross Turnover of the company for the P. Y. 15-16 is 56 Crores? If yes, calculate the Tax Liability in this case.</p> <p><b>(b) Short/Descriptive/Practical questions (Compulsory)(3)</b>  The total income of an HUF for the year 2017-18 was 16, 89, 145. Calculate the tax liability of the HUF for the A. Y. 2018-19.</p>	<b>(08)</b>
<b>Q.4</b>	<p><b>Short/Descriptive/Practical questions (Compulsory)</b>  Compute the tax liability of Wal-Mart Pvt. Ltd (a Foreign Company), having total income of ` 10,01,00,000 for the Assessment Year 2018-19.</p>	<b>(08)</b>
<b>Q.5</b>	<p><b>Short/Descriptive/Practical questions (Any 2 out of 3)</b></p> <ol style="list-style-type: none"> <li>1. Write down the slab rates for a resident individual aged 65 years.</li> <li>2. Define India as per Section 2 (25A) of Income Tax Act, 1961.</li> <li>3. Write a short note on the two schools of Hindu Law.</li> </ol>	<b>(08)</b>