

MBA in SIBFT Sem.-3 Examination

IIS-FT-18

International Taxes, Subsidies & TP

Time : 2-30 Hours]

November-2024

[Max. Marks : 70

- *Question- 1 to 4 carry 14 marks each, with both the questions mentioned in question 1 to 4 of 7 marks each.*
- *Question- 5 carries 14 marks (each question of 2 marks). Out of the 12 questions, attempt any seven.*

Ques.1 What is World Trade Organisation? Explain its objectives and functions of WTO and its Dispute mechanism. **(14 marks)**

OR

(A) Briefly explain relationship between Sustainable development and trade policies in developing country. **(7 marks)**

(B) Explain Geopolitical factors affecting trade policies. **(7 marks)**

Ques.2 Evaluate the use of tariff and non- tariff measures as a trade policy instruments. **(14 marks)**

OR

(A) What is the meaning of Subsidies? Explain its types on the basis of Specificity. **(7 marks)**

(B) Explain the methods of eliminating Double taxation and discuss the importance of Equalisation Levy **(7 marks)**

Ques.3 What is Transfer pricing? Describe the three-tier structure for transfer pricing documentation mandated by BEPS Action Plan -13 in detail. **(14 marks)**

OR

(A) What do you understand by base erosion and profit shifting? Describe briefly its adverse effects. **(7 marks)**

(B) Short note on G20 Economies: Facilitating International Trade **(7 marks)**

Ques.4 State the conditions of Income tax Act for determining the residential status of Assesses as Resident, Ordinary Resident and Non-Ordinary Resident and solve the following cases. **(14 marks)**

Case-1: The previous year of Mr. Alexander (Foreign Citizen) is the financial year 2023-24. On inquiry it is found that he was physically present in India from 14th November, 2023 to 31st December, 2023 (Both days inclusive). He was also physically present in India for 385 days during the preceding previous years 2019-20 to 2022-23. What will be his residential status for the assessment year 2024-25? Give the reasons for your answers.

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Case-2: Shri Ankit Limbachiya, An Indian Citizen, is employed in the USA for the last 15 years. He returned to India on 1st July, 2023 to attend a ceremony and stayed in India up to 30th April, 2024. Determine his residential status for the assessment year 2024-25.

OR

Ques-4 (A) State the conditions of Income tax Act for determining the residential status of Assesses as Resident, Ordinary Resident and Non-Ordinary Resident (7 marks)

Ques-4 (B) Solve the following cases (7 marks)

Case-1 Mr. Ram, an Indian citizen, left India on 22nd September, 2023 for the first time to work as an officer of a company in Germany. Determine the residential status of Ram for the Assessment Year 2024-25.

Case-2 Mr. Shiva, residing in US since 1990, visits India for 30 days every year. He came back to India on 1st April, 2022 for permanent settlement. What will be his residential status for A.Y. 2024-25?

Ques-5 Answers the followings (Any Seven):

1. Which of the following is not a non-tariff barrier?
 - A. Complex documentations requirements
 - B. Import quotas on specific goods
 - C. Countervailing duties charged by importing country
 - D. Pre-shipment product inspection and certification requirements
2. Source rule of taxation provides that income is to be taxed
 - A. In the country of residence of taxpayer
 - B. In the country in which such income originates
 - C. Both A and B
 - D. None of the above
3. Unilateral relief means a method of providing relief from double taxation in which
 - A. Home country of the taxpayer provides tax relief, where no mutual agreement has been entered into by the two countries for providing relief from double taxation
 - B. Governments of two countries, enter into an agreement to provide relief against double taxation on mutually agreed basis
 - C. Both A and B
 - D. None of the above
4. 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 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 the during the seven previous years immediately relevant previous year preceding
 - C. Both (a) and (b) of above
 - D. None of the above
5. Total income of a person is determined on the basis of his
- A. Residential status in India
 - B. Citizenship in India
 - C. Both (a) and (b) above
 - D. None of the above.
6. Which of the following is an emerging trend in International Taxation?
- A. Digitalization
 - B. Sustainability
 - C. Transformation
 - D. All of the Above
7. Non-tariff barriers include all the following except.....
- A. Import quotas
 - B. Tariffs
 - C. Export subsidies
 - D. Technical standard of products
8. What is embargo?
9. What is Voluntary Export Restrain?
10. Explain tariff as a response to trade distortion.
11. What are sanitary and Phytosanitary measures?
12. Full form of OECD

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