

## M.B.A. (GM-FM) Sem.-4 Examination

LS-403

CT &amp; FP

April-2025

Time : 2-30 Hours]

[Max. Marks : 70

Q-1	<p>A) Mr. Patel (59 years old) furnishes the following particulars of his income earned during the previous year relevant to the assessment year 2024-25.</p> <table border="1" data-bbox="320 479 1385 981"> <tr> <td>Interest on Development Bonds (one-sixth is received in India)</td> <td>5,40,000</td> </tr> <tr> <td>Income from agriculture in Bangladesh, received there but later on remitted to India</td> <td>6,40,000</td> </tr> <tr> <td>Interest from property in Germany received in India</td> <td>4,60,000</td> </tr> <tr> <td>Income earned from business in U.K. which is controlled from Mumbai (Rs. 15,50,000 is received in India)</td> <td>31,50,000</td> </tr> <tr> <td>Interest on F.D. with Indian company but received outside India (gross amount)</td> <td>64,000</td> </tr> <tr> <td>Past profits from business in U.K. brought to India in July, 2021</td> <td>3,00,000</td> </tr> <tr> <td>Profits from a business in Ahmadabad and managed from outside India (50% of the profit is received outside India)</td> <td>1,00,000</td> </tr> <tr> <td>Profits on sale of house property in India but received in U.K.</td> <td>5,00,000</td> </tr> <tr> <td>Pension from a former employer in India but received in U.K.</td> <td>9,64,000</td> </tr> </table> <p>Find out the total gross income of Mr. Patel for the A.Y. 2024-25:</p> <p>(a) If he is resident and ordinarily resident in India  (b) If he is resident but not ordinarily resident in India  (c) If he is non-resident in India  (d) What would be his total tax liability if he is Resident and Ordinary Resident in India</p>	Interest on Development Bonds (one-sixth is received in India)	5,40,000	Income from agriculture in Bangladesh, received there but later on remitted to India	6,40,000	Interest from property in Germany received in India	4,60,000	Income earned from business in U.K. which is controlled from Mumbai (Rs. 15,50,000 is received in India)	31,50,000	Interest on F.D. with Indian company but received outside India (gross amount)	64,000	Past profits from business in U.K. brought to India in July, 2021	3,00,000	Profits from a business in Ahmadabad and managed from outside India (50% of the profit is received outside India)	1,00,000	Profits on sale of house property in India but received in U.K.	5,00,000	Pension from a former employer in India but received in U.K.	9,64,000	14
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Q-2	<p>(A) Compute the salary income of a specified employee, Rehansh for the previous year relevant to assessment year 2024-25 from the following data made available to you:</p> <ol style="list-style-type: none"> <li>Basic salary: he joined in the grade 5,000-500-6,500-1,250-14,000, the increment falling due on 1<sup>st</sup> July every year.</li> <li>Dearness allowance Rs. 42,600</li> <li>Bonus and commission Rs. 8,000</li> <li>Entertainment allowance Rs. 500 p.m.</li> <li>Children education allowance Rs. 300 p.m. (for one child)</li> <li>The employer has provided him a flat with furniture for which the employer pays rent of Rs. 5,000 p.m. The employer has spent Rs. 1,76,700 on its furnishing.</li> <li>The employer has provided a car with driver, all expenses are borne by the employer. The car is for office and private use and has 1.8 litres cubic capacity engine.</li> <li>The employer contributes @ 14% of basic pay towards his recognised Provident Fund.</li> <li>Interest credited to his P.F. A/c @ 9.5% is Rs. 5,600.</li> <li>The employer has made the following deductions from his pay:  Employee's provident fund contribution 14% of basic pay.  Professional Tax Rs. 2400 (Annual).  Recovery of token rent for the accommodation @ 10% of basic pay.  Recovery of excess commission paid during the year Rs. 1,000.</li> </ol> <p style="text-align: center;"><b>OR</b></p> <p>(B) Determine taxable income from business from the profit and loss account and other information of Mr. X for the year ending on 31-3-2024</p>	14																		

	<b>Particular</b>	<b>Rs.</b>	<b>Particular</b>	<b>Rs.</b>	
	To, advertisement	32,000	By gross profit	12,80,000	
	Bonus	1,70,000	Dividend from foreign company	8,400	
	Charity	44,000	Dividend from Indian company	13,600	
	Income tax provision	36,000	Winning from lotteries	37,600	
	Insurance	44,000	Gift from relatives	24,000	
	Motor car expense	64,000	Bad debts recovered(allowed)	20,000	
	Provident fund contribution	30,000	Commission received	50,400	
	Purchase of laptop	36,000			
	Rent of factory building	11,000			
	Salary	45,000			
	Theft of goods	12,000			
	Travelling expense	56,600			
	Wealth tax	66000			
	Theft of office furniture	16,000			
	<b>Net profit</b>	<b>7,71,400</b>			
		<b>14,34,000</b>		<b>14,34,000</b>	
	<b>Additional information:</b>				
	1. Travelling expense include Rs. 36,600 for family tour				
	2. Insurance premium includes Rs. 10,000 for life insurance.				
	3. Purchase of laptop for office use.				
	4. ¼ th of the use of car is for personal use.				
	Compute the taxable income from business and profession for the P.Y. 2023-24.				
Q-3	<b>(A) Explain Double Taxation Avoidance Agreement. (DTAA)</b>				14
	<b>OR</b>				
	<b>(B) One person sold jewellery for Rs. 3,11,000 on 12/08/23. This jewellery was purchased for Rs. 1,38,000 in 2011-12. From the sale proceeds, he purchased residential house (in which he was staying as a tenant for Rs. 2,00,000 on 12/01/2024. Cost inflation index for P.Y. 2011-12 and 2023-24 were 184 and 384 respectively.</b>				07
	<b>(B) Compute the Total Gross Income of Mr. Tanwar from the following particulars for the year ended 31/03/2024 and also state the amount of loss to be carried forward:</b>				
	Gross interest on State Govt. Securities		Rs. 96,000		
	Taxable income from House Property		Rs. 80,000		
	Loss of Stationery Business		Rs. 48,000		07
	Profit of speculation business		Rs. 1,20,000		
	Interest received on Central Govt. Loan		Rs. 26,000		
	Short term capital loss		Rs. 20,000		
	Long term capital gain (taxable) on sale of building		Rs. 44,000		
	<b>Other Information:</b>				
	Losses brought forward from earlier previous years to P.Y. 2023-24				
	1. Speculation loss of 2022-23	Rs. 80,000			
	2. Stationery business loss of 2022-23	Rs. 20,000			
	3. Long term capital loss of 2021-22	Rs. 16,000			
Q-4	<b>(A) Give the difference between Tax Planning and Tax Management.</b>				07
	<b>(A) Mrs. shah had received a gift of house property from her husband Mr. Shah. The annual rental income of the house property amounted to Rs. 3,00,000. Mr. Patel had also gifted to his minor daughter, 10% Government Securities of the face value of Rs. 4,00,000. Find out the total gross income of Mr. Patel for the P.Y. ended 31<sup>st</sup> March, 2024 assuming that his total gross income was Rs. 7,20,000.</b>				07
	<b>OR</b>				
	<b>(B) Explain Tax Planning with respect to location and nature of business.</b>				14
Q-5	<b>(A) Explain tax planning with the forms of business organisation.</b>				07
	<b>(B) Explain tax planning with respect to Financial Management.</b>				07