

**BIRLA INSTITUTE OF TECHNOLOGY, MESRA, RANCHI
(END SEMESTER EXAMINATION)**

**CLASS: MBA
BRANCH: MANAGEMENT**

**SEMESTER : IV
SESSION : SP/2025**

SUBJECT: MT508 CORPORATE TAXATION

TIME: 3 Hours

FULL MARKS: 50

INSTRUCTIONS:

1. The question paper contains 5 questions each of 10 marks and total 50 marks.
 2. Attempt all questions.
 3. The missing data, if any, may be assumed suitably.
 4. Before attempting the question paper, be sure that you have got the correct question paper.
 5. Tables/Data hand book/Graph paper etc. to be supplied to the candidates in the examination hall.
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		CO	BL
Q.1(a)	Which are the companies in which public is substantially Interested and also explain when a company is a resident company in India.	[5] 1	2
Q.1(b)	What are the different sources of Income added for computation of Tax liability of companies? Explain the process of computation of tax liability under House Property and Capital Gains.	[5] 1	4
Q.2(a)	Explain the Conditions and amount of deductions applicable to Profits and Gains of Business and Profession if such business incurs capital expenditure on research equipments.	[5] 2	3
Q.2(b)	State set off incomes and time periods for following losses. 1. Loss from House Property 2. Loss from Business and Profession 3. Short Term Capital Loss 4. Long Term Capital Loss Also mention how to treat unabsorbed depreciation of Rs. 20000, Brought forward business loss of Rs. 40000, and current year depreciation of 5000 from the current year business profits of 250000.	[5] 2	4
Q.3(a)	Discuss the rationale behind adoption of MAT 115JB. Also mention the applicability of 115BAA, 115 BAB and 115BA, in brief in comparison to MAT.	[5] 3	4
Q.3(b)	The book profits for PY 2024-25 as per section 115JB is Rs. 40,00,000. Total Taxable income as per income tax act is 9,00,000. Is the company liable to pay MAT? If yes how much? If there is a MAT credit available to the firm of say Rs 250000, how will it benefit the firm in its tax planning?	[5] 3	5
Q.4(a)	How is tax planning carried out for sale of a research instrument installed by your organization for 5 years and now no more required. Will it be sold or retained in business for business purpose? Explain the situation	[5] 4	5
Q.4(b)	A company requires 20000 units of a component every year for next 5 year, which can be either purchased or manufactured in house. Suggest Make or Buy for company when Material cost is Rs. 4 pu, Labour cost is Rs. 6 pu, variable overhead is Rs 2 pu, loan taken for manufacturing component has a present value of outflows as 100000 IN 5 Years, component price in market is Rs. 12.50 pu	[5] 4	6
Q.5(a)	GST is applicable in India since 1st July 2017. Explain the structure of levy of GST in India and how it has impacted small businesses and overall economy?	[5] 5	5
Q.5(b)	How are double Taxation agreements useful to firms carrying out several related party transactions?	[5] 5	5