

Enrolment No./Seat No.:

GUJARAT TECHNOLOGICAL UNIVERSITY
BBA - SEMESTER - VI EXAMINATION - SUMMER 2025

Subject Code: 1560103

Date: 12-05-2025

Subject Name: Direct & Indirect Taxation

Time: 10:30 AM TO 01:00 PM

Total Marks: 70

Instructions

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. USE of SIMPLE calculators AND non-programmable scientific calculators are permitted.

	Marks
Q.1 Attempt ANY 7	14
(a) Residential Status	
(b) Agricultural Income	
(c) Input Tax Credit (ITC)	
(d) Tax Audit (Section 44AB)	
(e) IGST	
(f) Anti-Dumping Duty	
(g) Tax Evasion	
(h) Whistleblower	
Q.2 Multiple Choice Questions (All Compulsory)	14
(1)	
What does the term “Basis of Charge” refer to in taxation?	
A. The manner in which a tax is paid B. The conditions under which a tax is levied	
C. The amount of tax to be paid D. The type of tax imposed	
(2)	
The Goods and Services Tax (GST) is classified into how many categories?	
A. 2 B. 3 C. 4 D. 5	
(3)	
What is the tax rate applicable on the supply of goods and services under GST in India?	
A. 10% B. 12% C. 18% D. Varies based on the goods and services	

- (4) The Customs Act of India is governed by which Ministry?
A. Ministry of Finance B. Ministry of Commerce C. Ministry of External Affairs D. Ministry of Industry
- (5) The term "Time of Supply" under GST refers to:
A. The time when the goods are delivered B. The time when the invoice is raised
C. The time when the goods are sold D. The time when tax is due
- (6) In a GST invoice, the GST rate on a product is 12%. The price of the product before GST is Rs. 50,000. What will be the total invoice value including GST?
A. Rs. 50,000 B. Rs. 56,000 C. Rs. 60,000 D. Rs. 62,000
- (7) Which of the following is not a part of the Income from Business or Profession head?
A. Profit from sale of goods B. Income from freelance work
C. Income from service charges D. Rental income from property
- (8) What is the threshold limit for GST registration for service providers?
A. Rs. 10 lakh B. Rs. 20 lakh C. Rs. 40 lakh D. Rs. 50 lakh
- (9) **The composition scheme under GST is available to businesses with a turnover of:**
A. Rs. 50 lakh B. Rs. 1 crore C. Rs. 2 crore D. Rs. 5 crore
- (10) Which of the following taxes are part of the Goods and Services Tax (GST)?
A. Value Added Tax (VAT) B. Sales Tax C. Central Excise Duty D. None of the above
- (11) Under the GST law, which of the following is a non-taxable supply and hence not subject to GST?
A. Sale of goods by a retailer B. Rent of residential property for personal use
C. Export of services D. Sale of goods under a contract
- (12) Under GST, the term "reverse charge" means:
A. Tax payable by the supplier B. Tax payable by the recipient
C. Tax exempt supply D. Tax payable on export goods
- (13) Which of the following is not a tax-exempt income under Section 10 of the Income Tax Act?
A. Dividend from Indian companies B. Agricultural income
C. Interest on PPF D. Interest on bank savings account

- (14)** The income of a non-resident individual is taxed in India on:
- A. Only Indian income
 - B. Worldwide income
 - C. Income earned outside India
 - D. Income earned in India and repatriated

Q.3 (a) Explain the basic concepts of Direct Taxes and Indirect Taxes. How do they differ in terms of their impact on the taxpayer and tax administration? **07**

(b) Describe the Residential Status of an individual. How does it affect the scope of taxable income in India? Include the rules for Resident, Non-Resident, and Resident but Not Ordinarily Resident (RNOR). **07**

OR

(a) Discuss the different Heads of Income under the Income Tax Act, including Salaries, Income from House Property, Profits and Gains of Business or Profession, and Capital Gains. Provide examples for each. **07**

(b) Define Capital Receipts and Revenue Receipts. Illustrate with examples, and discuss their treatment under the Income Tax Act. **07**

Q.4 (a) Explain the Input Tax Credit (ITC) mechanism under the Goods and Services Tax (GST) regime. What are the conditions for claiming ITC, and how does it benefit businesses? **07**

(b) Describe the process of GST Registration for a business. What are the different types of GST registration, and what are the compliance requirements for registered taxpayers? **07**

OR

(a) Discuss the Levy and Collection of CGST (Central GST) and IGST (Integrated GST) under the GST Act. How are these taxes levied on inter-state and intra-state transactions? **07**

(b) What is a Tax Invoice under GST? Discuss its importance in the GST regime and the information that must be included in a tax invoice for a valid transaction. **07**

Q.5 (a) Explain the Customs Valuation Rules for imports. How do these rules determine the value of imported goods, and what are the key factors that influence the customs valuation process? **07**

(b) Mr. A citizen of U.S.A. has been staying in India since 1987. He leaves India on 16-7-2024 on a visit to USA and returns on 4-1-2025. Determine his residential status for the previous year 2024-25. **07**

OR

- (a) Explain the concept of Customs Duty and its significance in international trade. What are the different types of customs duties levied in India? **07**
- (b) Mr. B, a citizen of India, is an export manager of an Indian Company, since 01/05/2019. He has been regularly going to USA for export promotion. He spent the following days in U.S.A. for the last five years: **07**

Previous year ended	No. of Days Spent USA
31/03/2020	317 Days
31/03/2021	150 Days
31/03/2022	271 Days
31/03/2023	311 Days
31/03/2024	294 Days

Determine his residential status for assessment year 2024-2025 assuming that prior to 01/05/2019 he had never travelled abroad.
