

TILAK MAHARASHTRA VIDYAPEETH, PUNE
BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)(071)
EXAMINATION: MAY - 2026
SEMESTER - VI
Sub.: Audit and Taxation (BBA 23-614 FM)

Date : 19/05/2026	Total Marks : 60	Time: 10.00 am to 12.30 pm
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Instructions: 1) All questions are compulsory.
2) Figures to the right indicate full marks.

Q. 1. Choose the most appropriate option. (05)

1. The levy of Income Tax in India is governed by:
 - a) The Income Tax Act, 1961
 - b) The Income Tax Act, 1965
 - c) The Income Tax Act, 1971
 - d) none of the above options
2. The Budget is presented in the Parliament every year by the:
 - a) Prime Minister
 - b) President
 - c) Finance Secretary
 - d) none of the above options
3. The main characteristics of Direct Taxes is:
 - a) it is paid & borne by same person
 - b) it is paid by one & borne by another person
 - c) it is paid only on transactions between persons of two different countries
 - d) none of the above options
4. The main characteristics of Indirect Taxes is:
 - a) it is paid & borne by same person
 - b) it is paid by one & borne by another person
 - c) it is paid only on transactions between persons of two different countries
 - d) none of the above options
5. The main characteristics of International Taxation is:
 - a) it is paid & borne by same person
 - b) it is paid by one & borne by another person
 - c) it is paid only on transactions between persons of two different countries
 - d) none of the above options

Q. 2. State True / False (05)

- [illegible]

Q. 3. Write Short notes on (Any Three) (15)

1. Importance of Taxation for a fast-developing country like India.
2. History of introduction of The Income Tax Act in India and when it first came into force.
3. Difference between Act and Bill.
4. Meaning of Company and Firm under The Income Tax Act.

Q. 4. Answer in detail (Any Two) (20)

1. Discuss the importance of Income Tax Rules.
2. Assess the different parts of the Budget Speech.
3. Explain the importance of the Finance Act, introduced in the Budget every year.
4. State and analyse the definition of Auditing.

Q. 5. Trimurti Heavy Machinery Pvt. Ltd. manufactures drones for the Indian Armed Forces. (15)

They have number of employees working for them at various levels, starting right from workers working in the factory floor who are paid wages on time basis, and also top management level employees. The company is facing shortage of manpower, due to employee turnover. So, the company has decided to undertake a taxation education initiative for their employees, so as to make it easier for them to comply with their responsibilities towards paying proper Taxes.

In the education initiative, the employees are told that it is important that every Taxation Act should have a charging Section which mentions the Basis of Charging that Tax.

Questions to be Answered:

1. Discuss that charging Section 4 under The Income Tax Act.
 2. Elaborate the term Previous Year with an example.
 3. Explain the term Assessment Year with an example.
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