

4. Explain the provisions of Income Tax Act in respect of unabsorbed depreciation.
5. Explain the special provisions in respect of 100% Export oriented undertakings.
6. What are the deductions which are expressly allowed as deduction in computing income from business and profession.
7. What is Capital Gains Accounts Scheme 1988.
8. Write a short note on Deductions available under Section 80G.

MS-401/FM-2102

Corporate Tax Planning/

Taxation : Direct and Indirect

(कराधान:प्रत्यक्ष तथा अप्रत्यक्ष)

Master of Business Administration

(MBA-10/12/13/16/17)

3rd Semester, Examination-2019

Time : 3 Hours

Max. Marks : 80

Note - This Paper is of Eighty (80) marks divided into two (02) Sections A and B. Attempt the Questions contained in these sections according to the detailed instructions given therein.

Section - A

(Long-Answer-Type Questions)

Note - Section 'A' contains Five (05) long-answer-type questions of Fifteen (15) marks each. Learners are required to answer any Three (03) questions only.

$(3 \times 15 = 45)$

1. Explain with example:

(i) Tax Planning (ii) Tax Avoidance

(iii) Tax Evasion (iv) Tax management.

2. State clearly the difference between assessment of (i) a resident (ii) a not ordinarily resident and (iii) a non-resident.
3. Explain what incentives are available under the Income Tax Act which are directly co-related with the nature of new business.
4. X Limited is a widely held company. It is currently considering a major expansion of its production facilities and the following alternatives are available to the company :

Capital Structure	Alternatives		
	I	II	III
Share Capital	5,00,00,000	2,00,00,000	1,00,00,000
Debantures (14%)	–	2,00,00,000	1,50,00,000
Loan from Bank (18%)	–	1,00,00,000	2,50,00,000
Total	5,00,00,000	5,00,00,000	5,00,00,000

Expected rate of return (Before Tax) is 25%. The rate of dividend of the company since last decade is not less than 20% and the date of dividend declaration is June 30 every year.

You are required to suggest which alternative the company should opt.

5. What are the provisions regarding set off and carry forward of losses?

Section - B

(Short-Answer-Type Questions)

Note - Section 'B' contains Eight (08) short-answer-type questions of Seven (07) marks each. Learners are required to answer any Five (05) questions only.

(5 × 7 = 35)

1. Discuss the 'Exempted Income' under the Income Tax Act.
2. What are charitable donations? What are the conditions for allowing deduction in respect of these donations?
3. Which deductions are allowed in computing taxable income in the head 'Income from other sources'.