



K24P 0344

Reg. No. :

Name :



**IV Semester M.Com. Degree (C.B.S.S. – Reg./Supple.-(One Time Mercy
Chance)/Imp.) Examination, April 2024
(2017 Admission Onwards)
Elective – A : FINANCE
COM 4E04 : Corporate Tax Management and GST**

Time : 3 Hours

Max. Marks : 60

SECTION – A

Answer **any four** questions in this Section. **Each** question carries **1** mark for Part (a), **3** marks for Part (b) and **5** marks for Part (c).

1. a) What is 'Aggregate Turnover' in the context of GST ?
b) Who are the persons not liable for GST registration ?
c) On what grounds are the registration of GST canceled ?
2. a) Define 'Composite Supply'.
b) "PAN is made compulsory on certain grounds". Discuss.
c) Narrate the history of GST in India.
3. a) What is an 'Interim Dividend' ?
b) Discuss the general principles of imposing penalties.
c) Who are the persons entitled to claim refunds in certain special cases ?
4. a) Who is a 'Principal Officer' in the Assessment of the Company ?
b) From the following information, compute the amount of Capital Gains utilized for charitable purposes.
i) Cost of asset transferred ₹ 3,00,000
ii) Net sales consideration ₹ 4,20,000
iii) Cost of new asset purchased ₹ 3,60,000
iv) Assets used for charitable purposes to the extent of 60%.
c) Categorise the different types of Assessments in taxation.
5. a) Define 'Goods' under GST Act.
b) Narrate the different types of GST in India.
c) Examine the benefits of GST to business persons.

P.T.O.



6. a) State the meaning of 'Defective Returns'.
- b) Distinguish between Tax Deducted at Source and Tax Collected at Source.
- c) Evaluate the powers of GST Council.

(4×9=36)

SECTION – B

Answer the **two** questions in this Section. **Each** question carries **12** marks.

7. a) List out the taxes subsumed and not subsumed in GST. Briefly encounter the significant features of Dual GST.

OR

- b) Distinguish between :
 - i) Tax Planning and Tax Management
 - ii) Tax Planning and Tax Evasion
 - iii) Tax Planning and Tax Avoidance
 - iv) Tax Evasion and Tax Avoidance

8. a) What is 'e-filing of returns' ? Enumerate the steps to file IT Returns online. Also, specify the benefits of 'e-filing of returns'.

OR

- b) C Ltd. showed a net profit of ₹ 3,35,000 during 2021-22. Scrutiny of accounts revalued showing following items.
 - i) Donation paid to an approved Public Charitable Trust ₹ 20,000 by cheque
 - ii) Provision for IT ₹ 1,00,000
 - iii) Family planning expenditure ₹ 25,000
 - iv) Capital expenditure on family planning ₹ 1,00,000
 - v) Bad debts allowed earlier recovered during the previous year ₹ 10,000
 - vi) Interest on bank deposits ₹ 30,000
 - vii) LTCG ₹ 1,00,000
 - viii) Dividend from Indian company ₹ 20,000 (gross)

There was

- a) unabsorbed depreciation of ₹ 35,000 and
- b) unabsorbed capital loss of ₹ 40,000 brought forward from the earlier AY.

Compute the Total income of the company for the AY 2022-23.

(2×12=24)



K23P 0228

Reg. No. :

Name :



IV Semester M.Com. Degree (CBSS – Reg./Supple./Imp.)

Examination, April 2023

(2019 Admission Onwards)

Elective – A : FINANCE

COM 4E04 : Corporate Tax Management and GST

Time : 3 Hours

Max. Marks : 60



Answer **any four** questions in this Section. Each question carries **1** mark for Part (a), **3** marks for Part (b) and **5** marks for Part (c).

1. a) Define 'Minimum Alternative Tax'.
b) Distinguish between a Domestic company and a Foreign company.
c) From the following, compute the tax payable by X Ltd. for the Assessment Year 2022-23 :

i) Business income from sale of securities	₹ 8,50,000
ii) Other business income	₹ 10,00,000
iii) LTCG	₹ 4,00,000
iv) Securities transaction tax paid (not deducted from business income)	₹ 1,50,000
2. a) Define a 'Co-operative Society'.
b) State what categories of income of a co-operative society are deductible in computing its total income.
c) ARG College Co-operative Society, Davangere had the following incomes during the year ended 31/03/2022 :

i) Income from college canteen	₹ 20,000
ii) Income from merchandise business	₹ 55,000
iii) Income from credit facilities given to members	₹ 8,000
iv) Interest on govt. securities	₹ 25,000
v) Interest on debentures	₹ 10,000

P.T.O.



vi) Taxable income from House property	₹ 12,000
vii) Dividend (gross) on shares held in another co-operative society	₹ 5,000

Determine the gross total income and the total income of Society for AY 2022-23.

3. a) How do you define a 'Trust' ?
- b) Write a note on :
 - i) Trustee
 - ii) Trust money
 - iii) Beneficiary.
- c) In the previous year 2021-22, a charitable trust derived an income of ₹ 4 lacs from property held for charitable purpose including ₹ 25,000 by way of tax deducted from a part of such income at source. During the year, the trust spent ₹ 2,20,000 for charitable purpose. Determine the taxable income.
4. a) What is 'Corporate Dividend Tax' ?
- b) Discuss the consequences for failures to apply for allotment of PAN.
- c) Outline the advantages of e-filing of returns.
5. a) Define TDS.
- b) State the penalty for failure to get accounts audited.
- c) "A person may be prosecuted on account of various lapses." Explain.
6. a) What is meant by 'Input Tax Credit' ?
- b) Distinguish between Tax evasion and Tax avoidance.
- c) Analyse the importance of Tax planning and Management. (4×9=36)

SECTION – B

Answer the **two** questions in this Section. **Each** question carries **12** marks.

7. a) Elaborate on the powers and duties of Assessing Officers.

OR

- b) Who are the parties in the GST Council ? Enumerate the features and functions of GST in India.



8. a) State the differences in the CGST Act and the SGST Act with regard to registration. Also, narrate the procedure for Registration of GST.

OR

- b) Three companies raised capital as under :

Companies

	I (₹)	II (₹)	III (₹)
Capital	2,00,000	1,60,000	40,000
Loans	40,000	1,60,000	2,00,000
Total	2,00,000	2,00,000	2,00,000

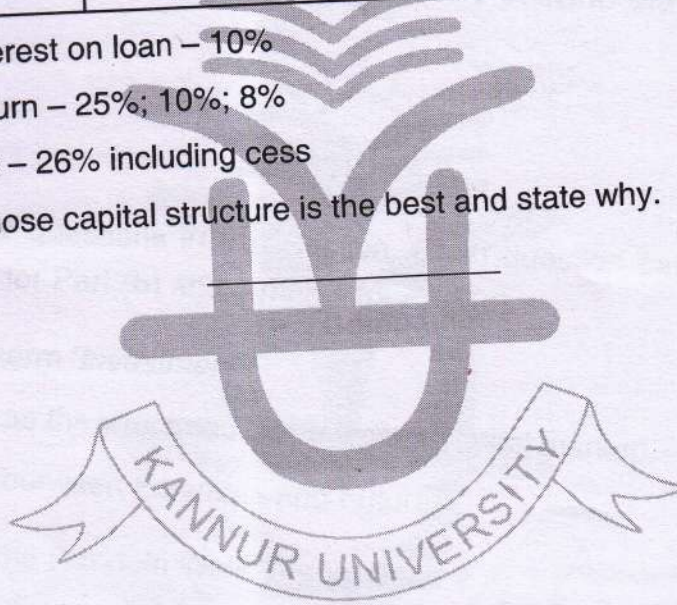
Rate of interest on loan – 10%

Rate of return – 25%; 10%; 8%

Rate of tax – 26% including cess

Explain whose capital structure is the best and state why.

(2×12=24)





K22P 3347

Reg. No. :

Name :

IV Semester M.Com. Degree (C.B.S.S. – Reg./Supple./Imp.)
Examination, April 2022
(2018 Admission Onwards)
Elective – A. Finance
COM4E04 : CORPORATE TAX MANAGEMENT AND GST

Time : 3 Hours

Max. Marks : 60

SECTION – A

Answer **any four** questions in this Section. **Each** question carries **1** mark for Part (a), **3** marks for Part (b) and **5** marks for Part (c).

1. a) What is GST ?
b) What would be the 'due date of issuance of invoice' with reference to time of supply of goods ?
c) Under what circumstances registration under GST not required ?
2. a) What is tax planning ?
b) What are the tax planning based on residential status ?
c) Out of Rs. 30,00,000 share capital of Rs. 100/- share, the company reduces Rs. 3,00,000 share capital at Rs. 10/- share. The profits of the company were Rs. 1,50,000 after payment of dividend distribution tax. Mr. Ram holds 500 shares of the company. Compute the amount of deemed dividend u/s 2(22)(d).
3. a) What do you mean by urban consumer's co-operative society ?
b) Explain the deduction under section 80P.
c) From the following information compute the total income of a charitable trust and its tax liability for the A.Y. 2019-20.

		Rs.
i) Income from trust	–	10,00,000
ii) Donation-corpus	–	5,00,000
iii) Other voluntary donations	–	4,00,000
iv) Anonymous donation	–	5,00,000
v) Spent for charitable purpose in India	–	8,00,000

P.T.O.



4. a) What do you mean by belated return ?
 b) Who are the members of GST Council ?
 c) From the information determine the tax payable u/s 115-O by a domestic company on dividend distributed by it :
 1) It received dividend from its subsidiary company (which paid dividend distribution tax u/s 115-O) Rs. 6,00,000 on 10/11/2018.
 2) It distributed dividend Rs. 56,00,000 on 15/12/2018 to its shareholders.
 Out of Rs. 56,00,000 the company paid dividend Rs. 10,00,000 to a person on behalf of the New Pension System Trust.
5. a) What is PAN ?
 b) The Total Income of Mr. X, resident of India, is Rs. 5,27,000. Calculate Advance Income Tax payable during the financial year 2019-20 and find out installments if TDS is Rs. 180.
 c) Discuss any five items of penalties imposed by Income Tax Department.

SECTION – B

Answer **any two** questions in this Section. **Each** question carries **12** marks.

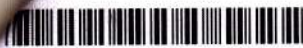
6. a) Explain in detail about different types of assessment.

OR

- b) From the following information compute the tax payable by Z and Co. keeping in view the provisions of MAT u/s 115JB for the Assessment Year 2019-20 :

Statement of Profit and Loss (for the year ended 31st March 2019)

Particulars	Note No.	Figures as at the end of current reporting period
	Rs.	Rs.
I Revenue from operations		30,00,000
II Other income :		
LTCG (exempt under Section 10(38))	2,00,000	
Interest on Gov't securities	<u>25,000</u>	2,25,000
III Total Revenue (I + II)		32,25,000



IV Expenses :

Cost of materials consumed	
Purchase of stock in trade	
Changes in inventories of finished goods, Work-in-progress and stock-in-trade	
Employee benefit expenses	
Depreciation and amortisation expenses	1,50,000
Other expenses :	
Expenses related to sales	23,20,000
Securities transaction tax paid relating to LTCG	5,000
Total expenses	24,75,000

V Profit before tax (III-IV) 7,50,000

VI Tax expenses :

Income tax paid 1,00,000

VII Profit for the period (V-VI) **6,50,000**

Surplus Statement

Profit/Loss as per last Balance Sheet (if any)	
Current year's profit	6,50,000
	6,50,000
Less : Proposed dividend	2,50,000
Balance of profit carried to Balance Sheet	4,00,000

Additional information :

- The company revalued its assets from Rs. 3,00,000 to Rs. 6,00,000 and provided depreciation on Rs. 6,00,000 @ 25%. The depreciation allowable as per Income Tax Act Rs. 80,000.
- B/F loss as per books of account Rs. 2,00,000.
- B/F depreciation as per books of account Rs. 50,000.
- B/F unabsorbed depreciation Rs. 1,00,000.



7. a) Describe different modes of recovery of tax.

OR

b) A, B and C are members of AOP sharing profits and losses in the proportion of 2:2:1 respectively. Profit and Loss A/c for the year is following :

	Rs.		Rs.
Salaries and wages	16,000	Gross profit	50,700
Marketing charges	175	Profit on sale	800
Advertising	325	Profit on sale of investment	400
General charges	11,700		
Legal charges	2,500		
Travelling expenses	1,400		
Interest on bank loan	150		
Discount	70		
Reserve for bad debts	130		
Bad debts	80		
Payment to retiring members	1,000		
Interest on capital			
A – 300			
B – 400			
C – 800			
	1,500		
Net profit	16,870		
	51,900		51,900

Compute the total income of AOP and allocate it amongst the members considering the following :

- Salaries and wages include of Rs. 500 per month to B.
- General charges include a sum of Rs. 3,000 paid to save business reputation and
- Motor car was used wholly for business purpose. At the time of sale the written down value of the car was Rs. 25,000 while it was sold for Rs. 25,800.



K21P 0268

Reg. No. :

Name :

**IV Semester M.Com. Degree (CBSS – Reg./Supple. (Including Mercy
Chance)/Imp.) Examination, April 2021
(2017 Admission Onwards)
Elective – A : FINANCE
COM4E04 : Corporate Tax Management and GST**

Time : 3 Hours

Max. Marks : 60

SECTION – A

Answer any four questions in this Section. Each question carries 1 mark for Part (a), 3 marks for Part (b) and 5 marks for Part (c).

1. a) What is AOP under Income Tax Act ?
b) Distinguish between AOP and BOI.
c) A, B and C are members of an AOP. They share profit or loss equally. During the previous year the income of AOP is 2,20,000 and the income of A, B and C is Rs. 40,000, Rs. 5,10,000 and Rs. 5,20,000 respectively. Compute tax liability of AOP and A, B and C for Assessment Year 2020-21.
2. a) What is co-operative society ?
b) Explain about Section 80P of Income Tax Act.
c) From the following information, compute taxable income of co-operative society.
 - 1) Taxable income from house property 10,000.
 - 2) Dividend on inter co-operative investment (gross) 10,000.
 - 3) Interest on securities (Govt.) 15,000.
 - 4) Profit from cottage industries 40,000.
 - 5) Income from banking business 20,000.
 - 6) Income from hotel business 70,000.
 - 7) Income from sale of agricultural produce grown by its members 15,000.

P.T.O.



3. a) What is voluntary return ?
b) Write a note on belated return and revised return.
c) What are the steps on e-filing of income tax return ?
4. a) What is PAN ?
b) What are the difference between TDS and Advance tax ?
c) What are the different types of assessment ?
5. a) What is tax planning ?
b) Distinguish between tax evasion and tax avoidance.
c) A company's existing capital is one crore all in equity shares, proposes to raise additional investment of 50 lakh. The entire capital can be raised either by issue of equity or by issue of 10% Debentures. Their expected rate of return is 20% and rate of tax is 30%. Help the management to take decision related with their capital structure.
6. a) What is meant by Indirect tax ?
b) Distinguish between SGST and CGST.
c) Define business as provided in CGST ACT.
7. a) Define the term "supply".
b) How is the value of supply determined in second hand goods ?
c) Which are the activities not treated as supply of goods and services ?
8. a) What is input tax credit ?
b) State valuation norms under GST.
c) Briefly explain the role of GST Council. (4×9=36)

SECTION – B

Answer **any two** questions in this Section. **Each** question carries **12** marks.

9. a) An Indian company submit the following information
 - 1) Profit of business after deduction of donation to approved charitable institution 4,00,000.
 - 2) Donation to charitable institution by cheque 50,000.



- 3) Interest on Govt. securities 20,000.
- 4) Dividend from a domestic company (gross) 60,000.
- 5) Long term capital gain 1,00,000.
- 6) Book profit u/s 115JB 10,00,000.

During the financial year company deposited 50,000 in Industrial Development Bank of India. Compute taxable income.

OR

- b) Which are the modes of recovery of tax ? Explain each of them.

OR

- c) Explain tax planning, tax evasion and tax avoidance with suitable examples.

- 10. a) What do you mean by capital structure ? What are the different options available for the company to make a capital structure ? Write about the tax implication on capital structure decision.

OR

- b) What are the arguments in support and against the GST system of taxation in India ?

OR

- c) Critically evaluate the new Indirect tax regime in India.
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K20P 0147

Reg. No. :

Name :

IV Semester M.Com. Degree (CBSS-Reg./Suppl./Imp.) Examination, April 2020

Elective A : Finance

(2017 Admission Onwards)

COM4E04 : CORPORATE TAX MANAGEMENT AND GST

Time : 3 Hours

Max. Marks : 60

SECTION – A

Answer **any four** questions in this Section. **Each** question carries **1** mark for Part (a), **3** marks for Part (b). and **5** marks for Part (c).

1. a) What are services as per GST ?
b) What will be the time of supply under Reverse Charge Mechanism ?
c) Differentiate between SGST, CGST and IGST.
2. a) What is tax management ?
b) What are the limitations of tax planning ?
c) Trapti Limited wants to raise capital of Rs. 20,00,000 for a project where earnings before tax shall be 40% of the capital employed. The company can raise debt fund @ 18% p.a. Suggest, which of the following 3 alternatives should it opt for :
 - 1) Rs. 20,00,000 to be raised by Equity Capital.
 - 2) Rs. 16,00,000 by Equity and Rs. 4,00,000 by loans.
 - 3) Rs. 4,00,000 by Equity Capital and Rs. 16,00,000 by loans.Assume the company shall distribute the entire amount of profit as dividend and tax rate is 27.82% and dividend tax is 17.472%.
3. a) Define the word 'charitable purpose'.
b) What are the different types of trust ?
c) The income of a Co-operative Society for the previous year is as under
Income from business – 5,000
Income from processing the agriculture produce to its members (without the aid of power) – 6,000
Income from fishing and allied activities – 4,000
Income from interest of securities (Gross) – 2,500
Income from house property (Computed) – 2,300
Compute the total income of the society and tax payable by it for the Assessment Year 2019-20.

P.T.O.



4. a) What do you mean by re-assessment ?
 b) Explain any three functions of GST Council.
 c) From the information determine the tax payable u/s 115-O by a domestic company on dividend distributed by it :
 1) It received dividend from its subsidiary company (which paid dividend distribution tax u/s 115-O) Rs. 3,00,000 on 10/11/2018.
 2) It distributed dividend Rs. 28,00,000 on 15/12/2018 to its shareholders. Out of Rs. 28,00,000 the company paid dividend Rs. 5,00,000 to a person on behalf of the New Pension System Trust.
5. a) How a company became resident in India ?
 b) Estimated Total Income of a domestic company for the financial year 2019-20 is Rs. 1,02,00,000. Determine the amount of advance tax payable.
 c) Explain the general principles of imposing penalty. (4×9=36)

SECTION – B

Answer **any two** questions in this Section. **Each** question carries **12** marks.

6. a) Explain any 12 payments on which Tax is Deducted at Source.

OR

- b) The Statement of Profit and Loss of X Ltd., a domestic company, for the year ended 31st March 2019 is given below.

Statement of Profit and Loss (for the year ended 31st March, 2019)

Particulars	Note No.	Figures as the end of current accounting period
I. Revenue from operations		30,50,000
II. Other Income LTCC		5,70,000
III. Total Revenue (I + II)		36,20,000
IV. Expenses :		
Cost of materials consumed		10,00,000
Purchases of stock in trade		—
Changes in inventories		—
Employee benefit expenses		—
Other expenses :		
Expenses related to sale of other goods		8,20,000
Provision for unascertained liabilities		40,000
Total Expenses		18,60,000
V. Profit before tax (III – IV)		17,60,000
VI. Tax expenses :		
Income tax paid		75,000
VII. Profit for the period (V-VI)		16,85,000

**Surplus Statement**

Profit or Loss as per Balance Sheet		-
Current Year Profit		
Add: Transfer from General Reserve		16,85,000
		20,000
		17,05,000
Less : Appropriations :		
Proposed dividend	8,05,000	
Transfer to General Reserve	60,000	8,65,000
Balance of Profit carried to Balance Sheet		8,40,000

Other relevant information are as follows :

- An outstanding liability related to VAT for 2016-17 paid during 2018-19 Rs. 50,000 which was not charged to above Statement of Profit and Loss.
 - Brought forward loss as per books of account is Rs. 60,000 while brought forward depreciation as per books of account is Rs. 80,000.
 - Brought forward unabsorbed depreciation is Rs. 4,60,000.
 - Brought forward loss under the head capital gains Rs. 3,50,000.
- Compute the tax liability of X Ltd. for the Assessment Year 2019-20.

7. a) Explain in detail about general powers of Income Tax Authorities.

OR

- b) During the previous year 2018-19 there was a profit of Rs. 60,000 to an AOP after charging salary, bonus and interest on capitals to its members. Taxable income of an AOP for the same period from house property and long term capital gain was Rs. 1,40,000 and 12,000 respectively. There are three members A, B and C sharing profits and losses in 5 : 3 : 2 ratio and their income from business and profession for the Assessment Year 2019-20 is Rs. 1,35,000, Rs. 1,86,000 and Rs. 1,70,000 respectively.
- In addition to it AOP paid Rs. 6,000, Rs. 10,000, Rs. 14,000 as interest on capital to A, B and C respectively. Salary paid to A was Rs. 16,000 and bonus paid to B was Rs. 5,000 in this period. Find total income and tax liability of AOP and members.
- (2×12=24)**



K19P 0133

Reg. No. :

Name :

IV Semester M.Com. Degree (Regular) Examination, April 2019
(2017 Admission Onwards)
Elective – A. Finance
COM 4E04 : CORPORATE TAX MANAGEMENT AND GST

Time : 3 Hours

Max. Marks : 60

SECTION – A

Answer **any 4** questions in this Section. **Each** question carries **1** mark for Part (a), **3** marks for Part (b) and **5** marks for Part (c).

1. a) Define an AOP.
b) What are the rate prescribed for Assessment of AOP or BOI ?
c) The total income of a co-operative society computed under the normal provisions of Income Tax Act is ₹ 3,00,000/-. However the adjusted Total Income of the co-operative society (computed as per Section 115JC(2)) amounted to ₹ 30,00,000/-. Calculate Final Tax liability of co-operative society for the Assessment Year 2018-19.
2. a) What do you mean by Domestic company ?
b) What is Book Profit ? What is the relevance of Book Profit in the Assessment of companies ?
c) Surya Company Ltd. furnish the following details. You are required to calculate tax liability.

Book profit under Section 115-JB	9,00,000
Dividend from Domestic company	15,000
Dividend from Foreign company	10,000
Long term capital gain	35,000
Short term capital gain	13,000
Interest on Govt. Securities	25,000
Income from Business	5,00,000

P.T.O.



3. a) What do you mean by defective return of Income ?
 b) What are the steps for e-filing of Income Tax Return ?
 c) What is PAN ? Give ten transactions where quoting PAN is compulsory.
4. a) What do you mean by advance tax ?
 b) Describe different modes of recovery of tax.
 c) Mr. Suresh receives the following during the financial year 2018-19.
 Salary 8,67,500. His annual contribution to RPF ₹ 62,000, he had paid ₹ 12,000 towards Life Insurance premium, ₹ 1,000 towards Unit linked Insurance Plan 1971. Calculate his TDS from salary.
5. a) What is GST ?
 b) What are the taxes replaced by GST ?
 c) What are the benefits of GST ?
6. a) What is taxable event under GST ?
 b) What are the registration procedure under GST ?
 c) Briefly explain the structure of GST council.

SECTION – B

Answer the **two** questions in this Section. **Each** question carries **12** marks.

7. a) Explain the general principles of imposing penalty.

OR

- b) A Ltd. proposed to increase its production for which it will require ₹ 1,00,00,000. The Company proposes the following 3 alternatives for the structure of the additional capital.

	I	II	III
Share capital	1,00,00,000	40,00,000	20,00,000
10% debentures	–	40,00,000	30,00,000
Loan from Bank (Int. 12%)	–	20,00,000	50,00,000

expected return on capital employed in business is 25% (before tax). Generally, companies engaged in similar business are paying 20% dividend on its share capital. Assume tax rate is 30%, surcharge 5% and education cess 3%.

You have to advice the company as to which alternative it should choose for the capital structure so as to pay maximum dividend to shareholders.



8. a) "Tax planning is not possible without tax management". Discuss.

OR

b) Sanjay Ltd. a domestic company provides you the following information compute tax liability for the A/Y 2018-19.

Purchases	18,75,000	Sales	75,25,000
Wages	8,45,000	Closing stock	1,10,000
Freight	12,500		
G.P. c/d	49,02,500		
	76,35,000		76,35,000
Salary	8,50,000	G.P.b/d	49,02,500
General exp.	4,35,000	Dividends from	
Sales exp.	2,15,000	Indian Co.	17,500
Directors Remu.	8,22,000		
Income tax	1,80,000		
Penalty (excise)	10,000		
Proposed dividend	3,20,000		
Provision for loss of subsidiary company	2,00,000		
Net profit	18,88,000		
	49,20,000		49,20,000

- 1) Purchases include one bill of ₹ 60,000 against which payment was made in cash.
- 2) General expenses include ₹ 15,000 as Interest on loan taken from Bank Interest has not been paid so far.

	As per IT Act	As per Books of A/c
3) Brought forward losses	2,80,000	1,40,000
Unabsorbed depreciation	1,70,000	50,000

Calculate tax liability.

(2×12=24)



K18P 0383

Reg. No. :

Name :

Fourth Semester M.Com. Degree (Reg./Suppl./Imp.) Examination, March 2018
(2014 Admn. Onwards)
ELECTIVE – A – FINANCE
COM4E04 : Corporate Tax Planning and Management

Time : 3 Hours

Max. Marks : 60

SECTION – A

Answer **any four** questions. **1** mark to Part (a), **3** marks to Part (b) and **5** marks to Part (c).

1. a) Who can be partner of a firm ?
b) Under Section 40 b what items are disallowed as deduction while computing firm's Income from Business and Profession.
c) From the following information compute tax liability of the firm :
 - 1) Profit from an industrial undertaking Rs. 40,000.
 - 2) Profit from business of Poultry breeding Rs. 20,000.
 - 3) Short term capital gain Rs. 20,000.
 - 4) Long term capital gain Rs. 40,000
 - 5) Interest from Bank Rs. 6,000.
 - 6) Loss from house property Rs. 10,000 on account of interest on loan taken to construct the house property.
 - 7) Donation to approved Charitable Institution by cheque Rs. 15,000.
2. a) What is refund of tax ?
b) Mr. A paid Rs. 7,000 as advance tax for the Assessment year 2016-17. A.O. on the regular assessment determine the amount of tax Rs. 14,500 and issued refund voucher on 20th November 2016. Compute amount of Interest, if any, payable by the Government to Mr. A.
c) Describe the different modes of recovery of tax.

P.T.O.



3. a) What do you mean by belated return ?
b) What are the steps for e-filing of income tax return ?
c) Describe the organisation of income tax department.
4. a) What is tax planning ?
b) Distinguish between tax evasion and tax avoidance.
c) What is the need for tax planning ? What are its limitation ?
5. a) Explain the concept of "Deemed Dividend".
b) Discuss the tax effect of owned capital and borrowed capital.
c) Three companies raised the capital as under :

	Company I	Company II	Company III
Capital	2,00,000	1,60,000	40,000
Loans	—	40,000	1,60,000
Total Investment	2,00,000	2,00,000	2,00,000

Rate of Interest on loan 10%

Rate of return 25%, 10%, 80%

Rate of tax 30%

Explain whose capital structure is the best and why ?

6. a) Define Amalgamation under Income Tax Act.
b) Write a note on tax incentives to amalgamated company.
c) During the year 2017-18 a trust derived an income of Rs. 4,00,000 from the property held under the trust for charitable purpose. The trust actually spent ₹ 2,60,000 during the previous year. Determine taxable income of the trust.

(4×9=36)

SECTION – B

Answer the following. **Each** question carries **12** marks.

7. a) Following is the profit and loss of LM Ltd., an Indian Company for the year ended 31st March 2018

Purchases	12,00,000	Sales	50,00,000
Factory Exp.	12,00,000	Dividend from foreign	
Depreciation	2,00,000	company	5,00,000



General Exp.	1,00,000	
Income tax	2,00,000	
Net Profit	26,00,000	
	55,00,000	55,00,000

- i) Depreciation allowable as per Income Tax Act ₹ 1,50,000.
- ii) The company has various depreciable assets. During the year, a block of plant and machinery was revalued to a higher figure, such revaluation result in excess depreciation of ₹ 20,000.
- iii) General expenses include actual bad debt ₹ 1,000.

Calculate :

- A) Total income under normal provision of Income Tax Act.
- B) Book profit under MAT.
- C) Final Tax Liability.

OR

- b) A, B and C are members of an association of persons. They share profit and losses equally. During the previous year income of the AOP is ₹ 2,20,000 and the income of A, B and C is ₹ 40,000, ₹ 5,10,000 and ₹ 5,20,000 respectively. Compute the tax liability of AOP and A, B and C for the Assessment year 2017-18.
8. a) A.R.G. College Co-operative Society has the following incomes during the year ended 31-3-2017
- 1) Income from college Canteen ₹ 20,000.
 - 2) Income from merchandise business ₹ 55,000.
 - 3) Income from credit facility given to members ₹ 9,000.
 - 4) Interest on government securities ₹ 25,000.
 - 5) Interest on debentures (gross) ₹ 10,000.
 - 6) Taxable income from House Property ₹ 12,000.
 - 7) Dividend (gross) on shares held in another Co-operative Society ₹ 5,000.
- Determine the total income of the society for the Assessment year 2017-18.

OR



b) Jaya Ltd. wants to acquire a furnace costing ₹ 10,00,000. Following two options are available :

Option I : To take it on lease from ABC Ltd. for 5 years at a yearly rent of ₹ 580 per ₹ 1,000 of the asset value payable at year end.

Option II : To take it on lease from XYZ Ltd. for 5 years at a yearly rent of

1) ₹ 620 per ₹ 1,000 of asset value for 3 year and

2) ₹ 460 per ₹ 1,000 of asset value for next 2 years.

Other information :

1) The tax rate applicable is 30%.

2) After tax cost of Capital 13%.

3) P. V. factor for Re. 1 @ 13%.

At the year end	Year : (i),	(ii),	(iii),	(iv),	(v)
	0.885	0.783	0.693	0.613	0.543

Advice the company regarding better option.

(2×12=24)



K17P 0494

Reg. No.:

Name :

Fourth Semester M.Com. Degree (Reg./Supple./Imp.)
Examination, March 2017
(2014 Admn. Onwards)
Elective A – Finance
COM4E04 : CORPORATE TAX PLANNING AND MANAGEMENT

Time : 3 Hours

Max. Marks : 60

SECTION – A

Answer **any four** questions. 1 mark to Part (a) 3 marks to Part (b) and 5 marks to Part (c).

1. a) Mention the tax implications of lease or buy decision.
b) Explain the incidence of tax with respect to capital gains.
c) What tax considerations to be kept in mind when deciding the dividend policy ?
2. a) When does the claim for refund arise ?
b) State the provisions regarding interest on delayed refunds.
c) Explain briefly different modes of recovery of tax.
3. a) What is meant by 'self assessment tax' ?
b) What are the various Income Tax Authorities constituted under the Act ?
c) Write a note on 'Summary Assessment'.
4. a) Define 'Domestic Company'.
b) Distinguish between assessment of Registered firm and unregistered firm.
c) Smt. Philo, a resident attained the age of 68, this year. She had the following incomes for the previous year ending 31-3-2017.
Short term capital gains on sale of shares Rs. 26,000. Long term capital gain on sale of land Rs. 1,76,000. Long term capital loss on sale of shares Rs. 10,000. Calculate the tax liability.

P.T.O.



5. a) When does the liability for advance tax arise ?
- b) X a partner in a firm showed his share of income in his return. He also mentioned that one of the partners was his wife. After completing the assessment, the ITO realised that he should have clubbed the share of the assessee and his wife. Can the ITO re-open the assessment ?
- c) Discuss the admissibility of the following items with respect to a registered partnership firm.
- 1) Salary paid to partner
 - 2) Interest on capital
 - 3) Rent paid to one partner for the portion of the building owned by him which is used by the firm.
 - 4) Expenses on repair of the above part of the building.
 - 5) Donation to approved bodies.
6. a) Distinguish between tax avoidance and concealment of income.
- b) How is cost of acquisition calculated with respect to Bonus shares for calculating capital gains ?
- c) During the year 2016-17 a Charitable Trust derived income of Rs. 4,00,000 from the property held under trust for charitable purposes. The Trust actually spent Rs. 2,60,000 during the previous year. Determine the taxable income of the Trust.
- (4×9=36)

SECTION – B

Answer the following. **Each** question carries **12** marks.

7. a) A, B, C and D are partners in a firm sharing profits and losses in the ratio of 30%, 25%, 20% and 25% respectively. After six month D left the firm and E was taken in. The new profit sharing ratios are A-25%, B-25%, C-25% and E-25%.

Profits of the firm for the previous year ended 31st March 2016 amounted to Rs. 1,20,000, which included gross interest of Rs. 7,500 on securities and interest of Rs. 3,000 charged to A on his debit balance. The profit of Rs. 1,20,000 has been arrived at after debiting the following :

Interest on capital to 'B' Rs. 4,000

Salary to C & D Rs. 1,200 and Rs. 6,000 respectively

Rent Rs. 5,000 paid to D.

Commission Rs. 2,400 paid to E

Donation to charity Rs. 6,000

Compute the total income of the firm and show its allocation among partners.

OR



b) Universly Co-operative Society furnishes the following income for the year 2016-17.

	Rs.		Rs.
Income from canteen	20,000	Interest on securities (gross)	5,000
Income from general merchandise	13,000	Income from house property	6,000
		Dividend from another Co-Op. Society.	4,000
Income from credit facilities to members	8,000		

Determine the gross total income of the society.

8. a) The net profit of a company for the previous year 2016-17 as per company accounts works out to be Rs. 6,00,000. The following items are deducted to arrive at the net profit.

	Rs.
1) Accrued liability of gratuity (No gratuity fund created)	50,000
2) Foreign tour expense of Directors	25,000
3) Foreign tour expense of Director's wife	15,000
4) Penalty for violating import rules	20,000
5) Expenses incurred on tax proceedings	15,000
6) Expenses for filing tax return	5,000
7) Dividend paid	70,000
8) Transfer to General Reserve	2,00,000
9) Sales tax and duty	40,000
10) Provision for Income Tax	60,000

You are required to list the inadmissible items from the above.

OR

- b) An unregistered firm of AB&C (Sharing ratio 6 : 1 : 2) . Shows a loss of Rs. 36,000 after paying salary of Rs. 30,000 to B and Rs. 26,000 to C. Other incomes of AB & C are Rs. 18,000, Rs. 2,000 and Rs. 3,000 respectively.

Determine the taxable income and tax liability of the firm and partners for the current assessment year.

(2×12=24)



K16P 0220

Reg. No. :

Name :

Fourth Semester M.Com. Degree (Regular/Supplementary/Improvement)

Examination, March 2016

(2014 Admn.)

Elective – A : Finance

COM 4E04 : CORPORATE TAX PLANNING AND MANAGEMENT

Time : 3 Hours

Max. Marks : 60

SECTION – A

Answer **any four** (1 mark to Part a, 3 marks to Part b and 5 marks to Part c.

1. a) What do you understand by 'pay as you earn' scheme ?
b) State the procedure for claiming refund.
c) Explain the different modes of recovery.
2. a) What is book profit ?
b) How will you treat firm's losses ?
c) X, Y and Z are partners of a firm with equal shares. The P & L A/c for the year ended 31-3-2014 shows a net profit of ₹ 2,80,000 after debiting ₹ 7,000 for interest paid to X at 20%; ₹ 60,000 for salary paid to Y and ₹ 44,000 for rent of the business premises paid to Z. Compute the book profit of the firm. The firm fulfills the condition of Sec. 184.
3. a) What is tax planning ?
b) Distinguish between tax avoidance and tax evasion.
c) Explain the objective of tax planning.



4. a) What is PAN ?
 b) What are the cases where PAN is compulsory ?
 c) From the following information compute the interest payable by an individual U/s 234 A.

Assessment year 2014 – 15

Date of filing the return 20-1-2015

Return due on 30-7-2014

Tax deducted under source ₹ 5,000

Tax paid in advance ₹ 15,000

Tax paid on self assessment ₹ 2,000

Tax payable on the basis of assessed income ₹ 25,180

5. a) What you mean by 'return' ?
 b) What is exparte assessment ?
 c) Explain the consequences of exparte assessment.
6. a) What is tax management ?
 b) What are the matters covered under tax management ?
 c) Distinguish between tax planning and tax management.

SECTION – B

7. Following are the income of a domestic company for the year ending on 31st March 2014.

i) Business profit (including export undertaking profit ₹ 1,72,000)	4,20,000
ii) Dividend from an Indian Public Sector company (gross)	10,000
iii) Dividend income from an Indian Company whose 80% income is agricultural income (gross)	9,000



- | | |
|---|--------|
| iv) Income from mutual fund (gross) | 5,000 |
| v) Royalty received from a foreign concern for providing technical knowledge | 16,000 |
| vi) Fee from Indian Company for technical advise | 12,000 |
| vii) Dividend from a foreign company | 8,000 |
| viii) Company has donated to National Rural Development fund during the previous year | 8,800 |

Compute the total income of the company to the assessment year 2014 – 15.
Find out gross tax liability if the book profit of the company is ₹ 7,00,000
U/s 115JB.

OR

The total income of an association of persons in which A, B and C are members, sharing profits and loss in the ratio of 1 : 2 : 2 was assessed at ₹ 16,000. In computing the total income of ₹ 16,000 the A.O. has made the necessary adjustment in respect of the following sums.

- a) Salaries of ₹ 6,000 and ₹ 4,000 to A and B respectively.
- b) Interest on capital of ₹ 7,000, ₹ 10,000 and ₹ 25,000 to A, B and C.
- c) Commission of ₹ 1,000, ₹ 3,500 and ₹ 4,500 to A, B and C.
- d) Bonus of ₹ 1,000, ₹ 1,500 and ₹ 2,500 to A, B and C respectively.

C has borrowed capital for investment in the AOP and had paid interest of ₹ 15,000 separately to the lender. Member do not have any other income.

Allocate the income amongst the member.

8. A, B and C are partners in a firm sharing profit and losses equally. The firm in the previous year has incurred a net loss of ₹ 75,000 after deduction of following :
- i) Interest on capital @ 20% : A – ₹ 8,000; B – ₹ 7,000; C – ₹ 9,000
 - ii) Salary to A, B and C ₹ 20,000 each.
 - iii) Bonus to A and B ₹ 10,000 each.
 - iv) Commission to C ₹ 5,000



- v) Donation to P.M. drought relief fund ₹ 10,000
- vi) Depreciation on assets ₹ 50,000 (allowed ₹ 60,000)
- vii) Income tax ₹ 5,000
- viii) Sales tax ₹ 50,000
- ix) General reserve ₹ 15,000
- x) The Profit and Loss Account includes the following income :
 - a) Capital gain
 - Long term ₹ 10,000
 - Short term ₹ 10,000
 - b) Expand earnings ₹ 50,000

Compute the taxable income of the firm. Firm fulfill the condition U/s 184.

OR

Trivandrum Co-operative Society has the following income earned during the year 2014 – 15.

- 1) Dividend from Indian companies ₹ 10,000
- 2) Agricultural income ₹ 25,000
- 3) Income from sale of agricultural implements to member ₹ 15,000
- 4) Profit of general share owned by the society ₹ 1,15,000
- 5) Interest from a nearby Co-operative Society ₹ 20,000
- 6) Rent from a building let out to a Co-operative Bank ₹ 60,000
- 7) Dividend from the nearby Co-operative Society ₹ 6,000
- 8) Interest on securities ₹ 6,000
- 9) The society sold in February 2015 for a price of ₹ 8,00,000 a piece of land purchased six year back (The indexed cost of acquisition of the plot was ₹ 5,00,000)

During the year the society donated ₹ 40,000 towards Prime Minister's Relief Fund.

Ascertain the total income and tax liability for the year.

(12×2=24)

**M 27000**

Reg. No. :

Name :

IV Semester M.A./M.Sc./M.Com. Degree (Reg./Sup./Imp.)**Examination, March 2015****COMMERCE****Paper – 15 : Corporate Accounting**

Time : 3 Hours

Max. Marks : 80

SECTION – AAnswer **any five**. Each carries **eight** marks.

1. What is purchase consideration ? Explain the different methods of presenting and ascertaining purchase consideration.
2. Explain the different methods of winding up of companies.
3. Describe the advantages and disadvantages of double account system.
4. Explain the different types of financial analysis.
5. S Ltd., sells its business to P Ltd., the latter to take over the assets at book values and to pay trade liabilities in addition it is to pay S Ltd., Rs. 1,000 towards redemption of its debentures at a premium of 10% and liquidation expenses Rs. 400. The payment of purchase price is to be 2000 shares of Rs. 10 each at an agreed price of Rs. 12 per share and the balance in cash.

Balance Sheet of S Ltd.

Share cap.	30,000	Sundry Assets	51,000
P and L a/c	2,000	Workmen compensation	
Workmen compensation fund	1,000	investment	1,000
Bills payable	4,500	Debtors	17,000
Creditors	20,000	Less Prov.	1,500
Debentures	10,000		15,500
	67,500		67,500

Give realisation account in the books of S Ltd.

P.T.O.



6. B Ltd., went into voluntary liquidation. The details regarding liquidation are as follows :

Share capital :

- 1) 2,000 8% preferences shares of Rs. 100 each (fully paid).
- 2) Class-A 2000 equity shares of Rs. 100 each (Rs. 75 paid up).
- 3) Class-B 1600 equity shares of Rs. 100 each (Rs. 60 paid up).
- 4) Class-C 1400 equity shares of Rs. 100 each (Rs. 50 paid up).

Assets including machinery realized Rs. 4,20,000. Liquidation expenses amount to Rs. 15,000.

B Ltd., has borrowed a loan of Rs. 50,000 from 'P' brothers against the mortgage of machinery (which realised Rs. 80,500). In the books of the company salaries of four clerks for four months at a rate of Rs. 300 per month and salaries of four persons for three months at a rate of Rs. 150 per month, are outstanding. In addition to this, the company's books show the creditors worth Rs. 87,400. Prepare liquidator's statement of receipts and payments.

7. The following information of a company is given :

Current Ratio 2.5 : 1

Acid Tax Ratio 1.5 : 1

Current liabilities Rs. 50,000

Find out :

- a) Current Assets
- b) Liquid Assets
- c) Inventory.

8. From the following information compute the amount of claim to be debited in the revenue account. Claim paid during the year Rs. 16,00,000, Claims outstanding at the begining of the year Rs. 80,000, Reinsurances claims Rs. 90,000, expenses on claims Rs. 15,000, claim intimated and accepted but not paid at the end of the year Rs. 6,00,000, claim intimated but not accepted at the end of the year Rs. 45,000.

(8×5=40)



SECTION – B

Answer **any two**. Each carries **20** marks.

9. X Ltd., absorbed the business of Y Ltd., on 31-12-2006, the balance sheet of the latter company on the date being as under :

L		A	
Capital 20000 shares of Rs. 10 each	2,00,000	Goodwill	25,000
General reserve	15,000	Land and Building	1,00,000
Creditors	15,000	Plant and Machinery	50,000
Bills payable	10,000	Debtors	25,000
		Stock	17,500
		Cash at Bank	15,000
		P and L A/c	7,500
	2,40,000		2,40,000

The terms of agreement were :

- 1) That every 10 equity shares of Y Ltd., X Ltd., issued 12 fully paid equity shares of Rs. 10 each and paid Rs. 10 in cash.
- 2) That all assets and liabilities were taken over except cash to the extent of Rs. 2,500 which was left for meeting realisation expenses.
- 3) That plant and machinery were revalued at Rs. 80,000 and other assets and liabilities remaining at this book values.

You are required to

- a) Calculate the purchase consideration
- b) Ascertain the net value of assets
- c) Calculate goodwill/capital reserve.

10. From the following details find out the claim under a loss of profit policy.

Indemnity period – 6 months

Policy value – Rs. 30,000

Date of fire – 1-4-2010

Dislocation upto – 1-18 2010



Sales for 2009 accounting year	Rs. 1,20,000
Net profit for 2009 accounting year	Rs. 13,000
Standing charges for 2009 accounting year	Rs. 17,000
Sales from 1-4-09 to 31-3-2010	Rs. 1,60,000
Sales from 1-4-10 to 1-8-2010	Rs. 15,000
Sales from 1-4-09 to 1-8-09	Rs. 50,000

There is a clear 10% upward trend in the business.

11. The following is the income statement of a company for the year ending 31st March, 2008. Prepare common size income statement.

(in Thousands)

Sales	Rs. 500
Income	20
	520

Expenses :

Cost of sales	325
Office expenses	20
Selling expenses	30
Interest	25
	400
Net profit	120
	520

Tata Electricity Supply Company Ltd., replaces $\frac{3}{4}$ of an electric line installed 20 years back at a cost of Rs. 20,000 and lays an auxiliary line for the balance length. The total replacement cost for the replaced position amounts to Rs. 45,00,000 and for the auxiliary line Rs. 22,00,000. The old materials realised Rs. 1,20,000. By the time of replacement the cost of laying has increased by 80%. Show the amounts to be capitalised and also show the amount transferred to Revenue A/c and journal entries. (2×20=40)