

2016

M. Com.

3RD Semester Examination

CORPORATE DIRECT TAXES

PAPER – COM – 302

Full Marks : 50

Time : 2 Hours

The figures in the right-hand margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

UNIT – I

1. Answer any two questions of the following: 5 X 2

- (a) Tax Planning is very important for any assessee - discuss.
- (b) Mr. Tanmoy Basu, an employee of ABC Ltd., a small private sector company receives a monthly salary of Rs. 4000 which does not include HRA. He earned Annual Interest Rs. 18900 (Rs. 3500 from Saving Bank Account and balance from Fixed Deposit). He used to stay in a rental house at Nagpur and paid Rs. 3900 p.m. as rent. Calculate the deduction under Chapter VI A for the previous year 2015-16.
- (c) An Indian Co. received dividends from its subsidiary as below –
 - i. Rs. 10 lakh from A Ltd., an Indian Co..
 - ii. Rs. 20 lakh from B Ltd., A German Co. in which holding of Indian Co. is 60%.

The Co. wishes to declare dividends of Rs. 1 Crore to its shareholders. Calculate the Dividend Distribution Tax payable by the Indian Co.

(Turn over)

- (d) From the following particulars, calculate the amount of Tax payable for Assessment Year 2016-17.

A.Y.	Tax at normal rate (Rs.)	Tax as per book profit (Rs.)
2012-13	5,40,000/-	6,80,000/-
2013-14	7,55,000/	6,70,000/
2014-15	7,95,000/	8,10,000/
2015-16	12,41,000/	8,15,000/

2. Answer any one questions of the following: 10 X 1

- a) i) Calculate the Tax liability of Mrs. Sen, age- 64 years, from the following particulars for 2016-17 A.Y..

Income from H.P.	6,22,000/-
Re-payment part of Loan from PPF	62,500/-
Contribution to SPF	21,000/-
Subscription to Bond, issued by NHAI	10,000/-
Subscription to Bond, issued by REC	15,000/-
Insurance Premium for life of self (S.A-2,25,000/-)	31,500/-
Children Educational expenses for sister	10,200/-
6 years Fixed Deposit in a Bank	5,000/-

- ii) Write down the provision of section 80D. 6+4
- b) The N.P. of T Ltd. as per P/L A/C for the previous year 2015-16 is Rs. 1 Crore after adjusting the following items.

Provision for IT	Rs. 15 lakh
Provision for Deferred Tax	Rs. 8 lakh
Proposed Dividend	Rs. 20 lakh
Depreciation charged (including Rs. 2 lakh for revaluation of assets)	Rs. 12 lakh

The B/F losses and unabsorbed depreciation of the Company are -

Prev. Year	B/F loose	Unabsorbed Dep.
2012-13	Rs. 2 lakh	Rs. 5 lakh
2013-14	Nil	Rs. 3 lakh
2014-15	Rs. 10 lakh	Rs. 2 lakh

Compute the book profit of the company as per U/S 115JB for the A.Y. 2016-17

UNIT – II

3. Answer any two questions of the following: 5 X 2

- a) Write a short note on Revised Return and Belated Return.
- b) T Ltd. initially estimated its business income to be Rs. 8.8 lakh. Due to rise in sales in October, 2015 the said estimate raised to Rs. 9.65 lakh. On 05.12.15 it won a lottery of Rs. 0.9 lakh. It sold a land in January, 2016 and earned a Capital Gain of Rs. 1.4 lakh. Determine the amount of advance tax installment to be paid by the Company.
- c) Distinguish between Tax Evasion and Tax Avoidance.
- d) Briefly discuss the provision of TDS U/S 194C & 194J of the Indian Income Tax Act.

4. Answer any one questions of the following: 10 X 1

- a) i) Mr. V is an employee of A Ltd. since May, 2013. He earned Rs. 45,000 p.m. as salary at the time of his joining. Annual increment falls due on 01.04. E.Y.. On November 30, 2015 he joined E Ltd. at a monthly salary of Rs. 60,000. His deposits in Chapter VI A was Rs. 60,000 E.Y.. Calculate the TDS from salaries by the two employers.
- ii) Give the name of five transactions where mention of PAN is mandatory.
- b) Z Ltd. files a return of income of Rs. 10.8 lakh for the A.Y. 2016-17. A sum of Rs. 23,000 has been deducted at source on the income of Z Ltd. during the P.Y. 2015-16 the Company has paid advance tax as under –

Date	Rs. (000)
14.06.15	25
11.09.15	85
15.12.15	60
15.03.16	50

Compute the interest payable by the Company as per U/S 234B & 234C

(Internal Assessment :10 marks)