

END SEMESTER EXAMINATION, MAY - 2026**B. Com. (Hons.) Semester - VI****Subject Name: Corporate Tax Planning****Subject Code: BCMAT104****Time allotted: 03 Hours****Max. Marks: 100****Note: Read all the instructions carefully**

Q.1	VERY SHORT ANSWER QUESTIONS – Attempt All.	(10x2 = 20 Marks)
a.	Explain the meaning of widely held company.	CO1
b.	Define tax management.	CO1
c.	Recall the methods of determining foreign company.	CO1
d.	Define unabsorbed depreciation?	CO1
e.	Recall the steps of tax planning with reference to setting up of a new business.	CO1
f.	Explain the factors considered when deciding between owning and leasing assets.	CO2
g.	Explain the meaning of closely held company.	CO2
h.	Define the "component of taxable income of companies".	CO2
i.	Explain Widely held company.	CO2
j.	What is gross total income of company?	CO2
Q.2	SHORT ANSWER QUESTIONS – Attempt any Five.	(5x4 = 20 Marks)
a.	What are the deductions available to the Assessee under section 37 of the I.T. act?	CO3
b.	Write down the short note on section u/s 80 IAC.	CO3
c.	Explain the tax planning provision in respect of hospital (Sec.35 Ad).	CO3
d.	Apply tax planning principles to determine the tax consequences of tax evasion scenarios and assess the legal consequences.	CO3
e.	Explain inter head and intra head Set off with example.	CO4
f.	Write down the tax rate and surcharges of a domestic company for the assessment year 2023-24.	CO4
g.	Explain the meaning of Indian company and domestic company.	CO4

P.T.O./-

Q.3		STRUCTURED QUESTIONS – Attempt any Three.	(3x10 = 30 Marks)																
a.	Explain the set-off and carry forward of losses in case of closely held company Sec.79 (a) & (b). CO4																		
b.	Examine the main points of tax planning in respect of starting a tea, coffee or rubber business in India. CO4																		
c.	Analyze a process of determining residential status of the company with examples. CO4																		
d.	The book profit of a company in the previous year 2021-22 computed in accordance with section 115JB of the income tax act, is Rs. 25,00,000. Its income under the Income tax act for the same period is computed at Rs. 15,50,000. How much the company has to pay as per the ‘Minimum Alternate Tax’ provision? CO4																		
Q.4		Case Analysis/ Situation Based QUESTIONS – Attempt any Two.	(2x15 = 30 Marks)																
a.	From the following information determine whether the assessee should purchase an assets or take on lease. CO5 Cost of assets Rs.100000 Rate of Depreciation 15% Rate of interest 10% Repayment of loan by assessee Rs.20000 P.a Rate of tax 26% Residual value Rs.20000 after 5 year Profit of the assessee Rs.100000 before depreciation, interest and tax/before lease rent and tax.																		
b.	What is Minimum Alternate Tax (MAT) under Section 115JB, and why was it introduced in the Indian taxation system? CO6																		
c.	A companies have three alternative to raise the capital as under: CO6 <table><tr><td></td><td>1</td><td>2</td><td>3</td></tr><tr><td>Equity</td><td>200000</td><td>160000</td><td>40000</td></tr><tr><td>Debts</td><td></td><td>40000</td><td>160000</td></tr><tr><td>Total</td><td>200000</td><td>200000</td><td>200000</td></tr></table> Rate of interest on loan 10% If Rate of return are 25%,10%,8% Rate of Tax 26% Including Cess Explain whose capital structure is best and Why?				1	2	3	Equity	200000	160000	40000	Debts		40000	160000	Total	200000	200000	200000
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