

SVKM's NMIMS
NMIMS – GLOBAL ACCESS SCHOOL FOR CONTINUING EDUCATION

Programme: DFM/PGDFM

Examination: December 2016

Subject: Corporate Taxation – Direct and Indirect

Semester: II

Course : New

Marks : 70

Date: 18.12.2016

Time: 11.00 a.m. to 2.00 p.m.

Instructions:

1. Answer to each new question to be started on a fresh page.
2. Figures in bracket indicate full marks.

Q.1) Attempt any 2 out of 4

(Marks: 2X5=10)

- a) Define Concept of Total Income
- b) Explain Residential Status of Individual
- c) What is Income deemed to be received in India?
- d) What is Agriculture Income?

Q.2) Write Short Notes on any 2 out of 5

(Marks: 2X5=10)

- a) Who can be called as Assessee?
- b) Define Company' as per IT Act 1961.
- c) Explain Travel Concession for LTA for Indian Citizen.
- d) Explain concept of Composite Rent.
- e) Define 'Scientific Research' clause in Business Income.

Q.3) Attempt any 3 out of 5

(Marks: 3X10=30)

- a) Explain concept of TDS with applicability of Form 26Q .
- b) Elaborate the concept of 'Capital Asset'.
- c) Discuss Long term Capital gain.
- d) Explain basic rules of deductions.
- e) What is Transfer Pricing ?

Q.4) Attempt both the questions

(Marks: 2X10=20)

a) E an employee of XYZ Pvt. Ltd. retired from the company on 30.11.2004. At the time of his retirement, he received Rs. 144,000 as leave salary from his employer.

The following information is provided:

- i. Salary at the time of retirement (p.m.) Rs. 9,000/-
- ii. Period of service – 20 years and 8 months
- iii. Leave availed while in service 14 months
- iv. Balance unavailed leave – 16 months
- v. Average salary for the month of Feb. 2004 to Nov. 2004 – Rs. 8,800/-
- vi. Leave entitlement 1 ½ months for every completed year of service

Compute the amount of taxable leave encashment.

b)

X Ltd. owns the following assets on April 1, 2007

	Rate of depreciation	Depr. value on 31.03.2007
Plant A	25%	405,000
Plant B	25%	195,000
Plant C	25%	705,700

On June 2007, it acquires Plant D for Rs. 20,000 (rate of depreciation 25%). The company sells the following assets 2007-08:

	Sale consideration	Expenses on transfer
Plant A	2,12,000	12,000
Plant B	6,17,500	-
Plant C	4,30,000	-
Plant D	95,000	200

Determine the amount of depreciation and capital gains for AY 2008-09.
Is it possible to avoid tax on capital gains?
