

**M. COM**  
**Fourth Semester (Repeat)**  
**TAX PLANNING & MANAGEMENT**  
**(MCM – 404 A)**

**Duration: 3Hrs.**

**Full Marks: 70**

Part-A (Objective) =20  
Part-B (Descriptive) =50

**(PART-B: Descriptive)**

**Duration: 2 hrs. 40 mins.**

**Marks: 50**

**Answer any four from Question no. 2 to 8**  
**Question no. 1 is compulsory.**

1. Explain the objectives of tax planning. (10)
2. (a) Differentiate between 'Tax Planning' and 'Tax Management'. (5)  
(b) Differentiate between 'Tax Avoidance' and 'Tax Evasion'. (5)
3. (a) State the amount of gratuity exempt from tax in the case of an employee who is covered under the Payment of Gratuity Act, 1972. (5)  
(b) Write a short on short-term capital gain. (5)
4. What is advance payment of tax? State the provisions of Income Tax Act in this respect. (2+8=10)
5. What is meant by annual value of a house property? How is it determined? (4+6=10)
6. Write short notes on: (5+5=10)  
(a) Tax provisions relating to Special Economic Zones.  
(b) Tax Planning in respect of own or lease.
7. What do you mean by investment? Discuss the tax planning regarding Investment. (2+8=10)

8. What do you mean by deduction of tax at source? Who is required to deduct tax at source? State the consequences of non-deduction of tax at source. (2+3+5=10)

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**Fourth Semester (Repeat)**  
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**Duration: 20 minutes**

**Marks – 20**

**(PART A - Objective Type)**

**I. Choose the correct answer:**

**1×20=20**

1. A company wants to reduce the tax liability by making incorrect statement about the location of manufacturing process, it is.....
  - a. Tax Management
  - b. Tax Planning
  - c. Tax Avoidance
  - d. Tax Evasion
2. Consideration like.....need to be considered while setting up a new organization.
  - a. Location of undertaking
  - b. Nature of business
  - c. Form of organization
  - d. All of the above
3. In case of government employees' commuted value of pension is .....  
exempted from tax.
  - a. wholly
  - b. partly
  - c. not
  - d. none of the above
4. The Income arrived after deductions under Section 80C to under section 80U from Gross Total Income is known as:
  - a. Total income
  - b. Taxable income
  - c. Both (a) and (b)
  - d. None of the above
5. Tax .....is tax hedging within the frame of law.
  - a. Planning
  - b. Management
  - c. Evasion
  - d. Avoidance
6. When expenses incurred on replacement of an asset are capitalized it will:
  - a. Decreased tax liability
  - b. Increase tax liability
  - c. Having no impact on tax liability
  - d. Decrease in block of asset
7. The amount paid on account of current repairs shall not include any expenditure in the nature of:
  - a. Revenue expenditure
  - b. Capital expenditure
  - c. Deferred expenditure
  - d. Both (a) and (b)

8. Determine the category of Delhi University:
  - a. A company
  - b. Artificial Juridical Person
  - c. A body of Individuals
  - d. None of the above
9. In case of non-Government employee, uncommuted pension is .....
  - a. Fully chargeable
  - b. Partly chargeable
  - c. Both (a) and (b)
  - d. None of the above
10. If any amount of unrealized rent (of earlier previous years) is recovered during any subsequent previous year, the same will be taxable under the head.....
  - a. Income from salary
  - b. Income from house property
  - c. Income from other source
  - d. None of the above
11. Legal charges for acquisition of land and collection charges are .....as deduction in computing income from house property.
  - a. Allowable
  - b. Not allowable
  - c. Are allowable upto some extent
  - d. None of the above
12. Capital gains are deemed to be the income the previous year in which the transfer of the .....takes place.
  - a. Current asset
  - b. Fixed asset
  - c. Fictitious asset
  - d. Capital asset
13. ....provides exemption to capital gains arising from the transfer of a residential house property, the income of which is chargeable under the head "Income form house property".
  - a. Section 52
  - b. Section 53
  - c. Section 54
  - d. None of the above
14. Interest received by an employee on his own contribution to unrecognized provident fund is taxable under the head.....
  - a. Income from salary
  - b. Income from other source
  - c. Income from capital gain
  - d. None of the above
15. Loss from a speculation business of a particular financial year can be set off in the same financial year from:
  - a. Profit and gains from any business.
  - b. Profit and gains from any business other than speculation business.
  - c. Income of speculation business.
  - d. Income of speculation business.
16. For the financial year 2013-14, advance tax is payable is:
  - a. Rs. 5,000
  - b. Rs. 10,000
  - c. Rs. 15,000
  - d. Rs. 20,000
17. The main objectives of the Special Economic Zones Act is/are:
  - a. Generation of additional economic activity.
  - b. Promotion of exports of goods and services.
  - c. Promotion of investment from domestic and foreign sources.
  - d. All of the above.

