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Total No. of Pages : 02

Total No. of Questions : 15

MBA (2015 to 2017) (Sem.-3)**DIRECT TAX PLANNING****Subject Code : MBA-923****M.Code : 70746****Time : 3 Hrs.****Max. Marks : 60****INSTRUCTION TO CANDIDATES :**

1. **SECTION-A** contains **SIX** questions carrying **FIVE** marks each and students has to attempt any **FOUR** questions.
2. **SECTION-B** consists of **FOUR** Subsections : Units-I, II, III & IV. Each Subsection contains **TWO** questions each carrying **EIGHT** marks each and student has to attempt any **ONE** question from each Subsection.
3. **SECTION-C** is **COMPULSORY** and consist of **ONE** Case Study carrying **EIGHT** marks.

SECTION-A**Write briefly :**

1. What is Direct Tax?
2. What is Joint Venture?
3. What is MAT?
4. What is TDS?
5. What is Gross Total Income?
6. What is Make or Buy Decision?

SECTION-B**UNIT-I**

7. Discuss the major features of direct tax laws in India in detail.
8. Explain the major exempted incomes under Income Tax Act.

UNIT-II

9. Write a detailed note on payment of advance tax.
10. What are the major tax planning tips in relation to capital gains? Discuss.

UNIT-III

11. What is Direct Tax Code? Discuss its features in detail.
12. What considerations you will have in mind while planning taxes under Wealth Tax Law? Discuss in detail.

UNIT-IV

13. Discuss tax considerations as per nature and location of new business.
14. Discuss tax considerations for foreign collaborations.

SECTION-C

15. **Read the following case study in detail and answer the questions :**

Dividend is the sum received by the Shareholders of a Company on the distribution of its profits. However Sec. 2(22) define dividend which are notionally or by fiction of law is treated as dividend. Dividend is not impressed with character of Profit. 'Dividend' in its ordinary connotation means the sum paid to or received by a shareholder proportionate to his shareholding in a company out of the total sum distributed. Dividend distributed by a Company being a share of its profits declared as distributable among the shareholders, is not impressed with the character of the profits from which it reaches the hands of the shareholders. A Dividend u/s 205 of the Companies Act can be paid only out of the profits of a company whether for that year or out of the profits of the company for any previous financial years as set out in that section, and in the manner set out in that section. While reading Sec.2(22) stress on these sentences: (a) To the extent to which distribution is attributable to the accumulated profits, (b) To the extent to which the company Possesses accumulated profits, (c) Distribution which entail the release of company's assets. As per sec. 2(22) following payments or distribution are not treated as dividend (a) any payment made by a company on purchase of its own shares from a shareholder in accordance with the provisions of Sec. 77A of the Companies Act, 1956. (b) any distribution of shares pursuant to a demerger by the resulting company to the shareholders of the demerged Company (whether or not there is a reduction of capital in the demerged Company).

Questions :

1. What is 'not dividend'? Explain in your own words.
2. Dividend is not impressed with character of Profit. Why? Explain.
3. A company can pay its dividends from anywhere? Do you agree? Discuss.
4. Discuss the types of dividend from the case.

NOTE : Disclosure of identity by writing mobile number or making passing request on any page of Answer sheet will lead to UMC case against the Student.