M.B.A.

(SEM. IV) EXAMINATION, 2006-07
TAX PLANNING AND FINANACIAL REPORTING

Time : 3 Hours] [Total Marks : 100

Note : (1) Attempt all questions
(2) All questions carry equal marks.

1 Attempt any two of the following : 2×10=20
   (a) Taxation, in a developing economy, helps in minimisation of inequalities of income.
   (b) Taxation has a direct role to play in promoting savings and investments in a country.
   (c) Discuss the concept of Tax Planning, Tax Evasion and Tax Avoidance.

2 Attempt any two parts of the following : 2×10=20
   (a) Discuss the provisions of Section 80 IA and 80 IB of the Income Tax Act, 1961.
   (b) "Compulsory Acquisition of an asset under any law is not taxable as capital gains." Explain.
   (c) Explain 'Income' under the head 'Salaries'.

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3 Attempt any **four** of the following. **4×5=20**

(a) Discuss the conditions subject to set off and carry forward of accumulated losses and unabsorbed depreciation in case of amalgamation.

(b) Discuss the tax incentives provided by the government for export promotion.

(c) Why should a firm take into consideration taxation factor while entering into a joint venture agreement with a foreign firm.

(d) What are the tax implications you would like to keep in mind while designing capital structure? Give suitable example.

(e) What is meant by Zero-Tax Planning? What are the various deductions available to business units to reduce the tax incidence.

4 Attempt any **two** of the following. **2×10=20**

(a) "Wealth Tax discourages savings and productive efforts." Discuss.

(b) Discuss the provisions relating to valuation of Assets for the purpose of calculating Wealth Tax.

(c) Discuss the procedure of Review, Revision and Rectification in case of Wealth Tax.

[Contd...]
Attempt any two of the following:  2x10=20

(a) Explain the meaning of 'Manufacture' under the Central Excise Act. Give two examples each of 'deemed manufacture' and process not amounting to manufacture.

(b) Explain the important provisions of Customer Protection Act, 1962.

(c) Explain levy of and exemption from Central Excise duties.