

**63/1 (SEM-6) DSE3/DSE2B/
COMHE6036/COMRE6036**

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COMMERCE

Paper : COMHE6036/COMRE6036

Full Marks : 80

Pass Marks : 32

Time : 3 hours

The figures in the margin indicate full marks
for the questions

Answer either COMHE6036 or
COMHE6036/COMRE6036 or COMRE6036

GROUP—A

Paper : COMHE6036

(Corporate Tax Planning)

1. Choose the correct option any six of the
following : 1×6=6

- (a) Reducing tax liability utilizing the deductions, exemptions or reliefs allowed in the Act Rules is called
 - (i) tax avoidance
 - (ii) tax planning
 - (iii) tax management
 - (iv) tax evasion

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- (b) Concealment of income or false claims to reduce tax liability is the case of
 - (i) tax evasion
 - (ii) tax avoidance
 - (iii) tax planning
 - (iv) tax management
- (c) The Income-tax Act came into force from
 - (i) 1st March, 1971
 - (ii) 1st April, 1971
 - (iii) 1st March, 1961
 - (iv) 1st March, 1962
- (d) The prime objective of tax management is
 - (i) to minimize litigation
 - (ii) productive investment
 - (iii) compliance with legal formalities
 - (iv) healthy growth of economy
- (e) Return filed after the due date is called
 - (i) revised return
 - (ii) best return
 - (iii) belated return
 - (iv) defective return

- (f) PAN stands for
 - (i) Private Account Number
 - (ii) Permanent Account Number
 - (iii) Personal Account Number
 - (iv) Permanent Account Negotiation
- (g) Which of the following is not capital expense?
 - (i) Installation expenditure of plant of a company
 - (ii) Legal expenses for reduction of capital
 - (iii) Commission to employees to achieve sales targets
 - (iv) Expenses of promoting a company
- (h) Assessee is having stock existing in the business, valuation of stock will be at
 - (i) cost price
 - (ii) market price
 - (iii) cost or market price, whichever is less
 - (iv) cost or market price, whichever is more
- (i) Income tax rates are fixed in the
 - (i) Income-tax Act
 - (ii) Finance Act
 - (iii) Income Tax Rules
 - (iv) Finance Rules

- (j) Return of income must be furnished on or before the due date as per a part of
 - (i) tax planning
 - (ii) tax evasion
 - (iii) tax management
 - (iv) tax avoidance
2. Answer any five of the following : 2×5=10
- (a) What is tax avoidance?
 - (b) Write the meaning of dividend tax.
 - (c) Explain the term 'repairs'.
 - (d) Define the term 'lease'.
 - (e) As per the Income-tax Act, 1961, define 'amalgamation'.
 - (f) Write in brief on tax evasion.
 - (g) Write a short note on payment of tax.

3. Answer any six of the following : 5×6=30
- (a) Explain the important points regarding the assessment of companies.
 - (b) Write the differences between tax planning and tax management.
 - (c) Explain the tax planning in relation to the dividends.

- (d) Explain the provision of tax planning with regards to own or lease an asset.
- (e) Write a note on 'tax planning' in relation to amalgamation of companies.
- (f) Write a brief note on double taxation relief.
- (g) Discuss the main point of tax planning in respect of employees remuneration from employer's point of view.
- (h) Discuss the provision of the Income-tax Act relating to amalgamation of companies.
- (i) Write a note on conversion of sole proprietary concern into a company.
- (j) Discuss on sale of asset used for scientific research.

4. Answer any two of the following : 10×2=20

- (a) Discuss in detail on the need for tax planning and also write the limitations of tax planning. 5+5=10
- (b) What is bonus share? How can a shareholder reduce his tax liability regarding bonus share as per tax planning in relation to bonus share? 2+8=10

- (c) What are the factors to be considered while making a lease or buy decision? When should a leasing be preferred over purchase? 5+5=10
- (d) Define amalgamation. Discuss the tax incentives to amalgamated company. 2+8=10
- 5. Answer any one of the following : 14
 - (a) What are tax planning and tax management? Discuss on the deduction of tax at source. (2+2)+10=14
 - (b) Write an essay on tax planning and financial management decision.
 - (c) Define 'slump sale' and computation of capital gain in case of slump sale. Discuss about taxation on distribution of assets at the time of liquidation of company. 6+8=14

- 1. Choose the correct option any six of the following : 1×6=6
 - (a) Which Constitutional Amendment has been done to pass the GST Bill?
 - (i) 115th Amendment
 - (ii) 122nd Amendment
 - (iii) 120th Amendment
 - (iv) 101st Amendment
 - (b) What is the maximum rate that can be imposed by the government under the IGST Act?
 - (i) 28 percent
 - (ii) 20 percent
 - (iii) 40 percent
 - (iv) 30 percent
 - (c) Which of the following taxes is/are applicable in the case of supply of services for Kokrajhar to Udalguri?
 - (i) CGST and SGST
 - (ii) IGST
 - (iii) CGST
 - (iv) SGST

(d) Which was the first State in India to pass the GST Bill?

- (i) Tamil Nadu
- (ii) Gujarat
- (iii) Assam
- (iv) Madhya Pradesh

(e) Which of the following taxes is/are applicable in the case of supply of goods and services from Puducherry to Chennai?

- (i) UTGST and CGST
- (ii) CGST and SGST
- (iii) UTGST
- (iv) IGST

(f) Which of the following is/are correct about Goods and Services Tax?

- 1. It is a destination-based tax.
- 2. Quorum of GST Council meeting should be 50%.

- (i) 1 only
- (ii) 2 only
- (iii) Both 1 and 2
- (iv) None of the above

(g) Which of the following taxes is not subsumed in GST?

- (i) VAT
- (ii) Entry tax
- (iii) Entertainment tax
- (iv) Stamp duty

(h) GST registration is

- (i) Aadhaar-based
- (ii) Passport-based
- (iii) PAN-based
- (iv) Credit Card-based

(i) Under GST, 'value addition' refers to

- (i) expenses plus profit
- (ii) cost plus profit
- (iii) cost plus tax plus profit
- (iv) tax plus profit

(j) Which of the following taxes is applicable in the case of supply of goods from Assam to Meghalaya?

- (i) CGST
- (ii) SGST
- (iii) UTGST
- (iv) IGST

2. Answer any five of the following : $2 \times 5 = 10$
- (a) Explain any two features of VAT.
 - (b) State the goods covered under VAT after GST implementation.
 - (c) What is GSTN?
 - (d) When is a supply not treated as intra-State supply?
 - (e) What is credit note in GST?
 - (f) Mention the composition of GST Council.
 - (g) What do you mean by CENVAT?

3. Answer any six of the following : $5 \times 6 = 30$
- (a) Mention the different types of indirect taxes in India levied by the Union and State Governments before the implementation of GST.
 - (b) What is GSTIN? State the characteristics of GSTIN. $1+4=5$
 - (c) What are the Central and State taxes not subsumed in GST?
 - (d) What documents are required for claiming ITC under GST?
 - (e) What is aggregate turnover? How is it calculated?

- (f) When is a supply of goods or services treated as inter-State supply under the IGST Act, 2017?
- (g) What are GST rates notified for supply of various goods?
- (h) Mention the persons who are not eligible for composition scheme under the GST Law.
- (i) What is reverse charge mechanism? Explain with an example.
- (j) Discuss the functions of GSTN.

4. Answer any two of the following : $10 \times 2 = 20$
- (a) Write a brief note on the introduction of GST in India.
 - (b) What is meant by dual GST model? Distinguish among CGST, SGST, UTGST and IGST giving five points. $2+8=10$
 - (c) Write short notes on the following (with reference to the CGST Act, 2017) : $2 \times 5 = 10$
 - (i) Input tax
 - (ii) Anti-dumping duty
 - (iii) Business
 - (iv) Place of business
 - (v) Goods
 - (d) Explain the scope of supply under the GST Law.

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5. Answer any one of the following : 14
- (a) What do you mean by Input Tax Credit (ITC)? What are the eligibility and conditions for claiming ITC? $2+(4+8)=14$
- (b) What is composition levy? What are the threshold limits up to which a registered person may opt for composition scheme under the CGST Act, 2017? What are specified GST rates under composition scheme? $2+6+6=14$
- (c) Mention the person who are mandatorily liable to obtain registration as per the provisions of Section 24 of the CGST Act, 2017. What advantages does a taxpayer enjoy by registering under GST? $8+6=14$

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GROUP—C

Paper : COMPRE6036

(Management Accounting)

1. Choose the correct option any six of the following : $1 \times 6 = 6$
- (a) Which personnel of a financial firm play a key role in Management Accounting?
- (i) Investors
(ii) Managers
(iii) Suppliers
(iv) Customers
- (b) Contribution margin is known as
- (i) marginal income
(ii) gross profit
(iii) net profit
(iv) None of the above
- (c) Management Accounting relates to
- (i) recording of accounting data
(ii) recording of costing data
(iii) presentation of accounting data
(iv) None of the above

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(d) A flexible budget requires careful study and classification of expenses into

- (i) past and current expenses
- (ii) fixed, semi-variable and variable expenses
- (iii) administrative, selling and factory expenses
- (iv) None of the above

(e) The term 'Management Accounting' was first coined in

- (i) 1950
- (ii) 1945
- (iii) 1955
- (iv) 1960

(f) Management Accounting deals with

- (i) qualitative information
- (ii) quantitative information
- (iii) Both (i) and (ii)
- (iv) None of the above

(g) Standard costing is a technique of

- (i) planning business activities
- (ii) cost control
- (iii) staffing
- (iv) motivating

(h) The difference between actual cost and standard cost is known as

- (i) profit
- (ii) loss
- (iii) standard cost
- (iv) variance

(i) Fixed cost is also known as

- (i) period cost
- (ii) total cost
- (iii) product cost
- (iv) All of the above

(j) Which of the following statements is true about responsibility accounting?

- (i) Responsibility accounting results in inter-departmental conflicts
- (ii) In responsibility centre, more focus is paid on products, processes or job
- (iii) No focus is paid on controlling of costs
- (iv) None of the above

2. Answer any five of the following : 2x5=10

- (a) What is Management Accounting?
- (b) State two limitations of budgetary control.
- (c) What is control ratio?

- (d) Write the formula of labour efficiency variance.
- (e) What is P/V ratio?
- (f) What is relevant cost?
- (g) Write any two responsibility centres.

3. Answer any six of the following : $5 \times 6 = 30$

- (a) What are the natures of Management Accounting?
- (b) Write the difference between Cost Accounting and Management Accounting.
- (c) Write the five objectives of budgetary control.
- (d) Distinguish between fixed cost and flexible cost.
- (e) What are the major factors influencing pricing decision?
- (f) Write a short note on make or buy decision.
- (g) Discuss the significance of Management Accounting.
- (h) Mention the different steps in decision-making process.

- (i) What is variance analysis? What is its significance in decision making?
- (ii) X Co. Ltd. has an overall P/V ratio of 40%. The marginal cost of product A is estimated to be ₹ 30. Determine the selling price for product A.

4. Answer any two of the following : $10 \times 2 = 20$

- (a) What is break-even analysis? Discuss the assumptions and limitations of marginal costing. $2 + (4 + 4) = 10$
- (b) The standard material required for production is 10500 kg. A price of ₹ 2 per kg has been fixed for the materials. The actual quantity of materials used for the product is 11000 kg. A sum of ₹ 24,750 has been paid for the materials.
Calculate the—
 - (i) Material Cost Variance;
 - (ii) Material Price Variance;
 - (iii) Material Usage Variance.

- (c) What is responsibility accounting? What are the significances of responsibility accounting? $2 + 8 = 10$

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(d) The expenses for the production of 5000 units in a factory are given as follows :

	Per unit (₹)
Materials	50
Labour	20
Variable overheads	15
Fixed overheads (₹ 50,000)	10
Administrative expenses (5% variable)	10
Selling expenses	6
Distribution expenses (10% fixed)	5
Total costs of sales	116

You are required to prepare a budget for the production of 7000 units.

5. Answer any one of the following : 14

- (a) What are the objectives of Management Accounting? Discuss the functions of Management Accounting. 7+7=14
- (b) What is meant by standard costing? State the application of standard costing. Distinguish between standard costing and budgetary control. 3+3+8=14

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(c) The following data are available from the records of a company :

	₹
Sales	60,000
Variable cost	30,000
Fixed cost	15,000

You are required to calculate the—

- (i) P/V ratio, break-even point and margin of safety;
- (ii) effect of 10% increase in sale price;
- (iii) effect of 10% decrease in sale price. 4+5+5=14

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