



Plot No. 2, Knowledge Park-III, Greater Noida (U.P.)–201306

**POST GRADUATE DIPLOMA IN MANAGEMENT (2017-19)
MID TERM EXAMINATIONS (TERM -IV)**

Subject Name : **Corporate Tax Planning**

Time: **01.30 hrs**

Sub. Code : **PGF-05**

Max Marks: **20**

Note:

- 1. Writing anything except Roll Number on question paper will be deemed as an act of indulging in unfair means and action shall be taken as per rules.**
- 2. All questions are compulsory in Section A, B & C. Section A carries a Case Study with 2 questions of 4 marks each. Section B carries 3 questions of 2 marks each and Section C carries 2 questions of 3 marks each.**

SECTION – A

04+04 = 08 Marks

Q. 1: Read the Case Study and answer the question given below:

Poulomi, a chartered accountant, is presently working in a firm in India. She is received an offer for the post of Chief Financial Officer from a company at Singapore. As per the offer letter, she should join the company at any time between 1st September, 2016 and 31st October, 2016. She approaches you for your advice on the following issues to mitigate her tax liability in India:

- (i) Date by which she should leave India to join the company.**
- (ii) Period for which she should stay in India when she comes on leave.**

SECTION – B

02×03 = 06 Marks

Q. 2: Arjun who works as a Finance Controller of ABC Ltd. was deputed to work at the company's office in U.K. on 29.09.2016 for a period of 2 years. He claims that he is non-resident for the A.Y. 2017-18. Is his claim valid? Discuss.

Q. 3: X is an employee of ABC Ltd, getting a salary of Rs 50,000 per month which is 'due' on the 1st of next month and is paid on the 7th of the next month. Salary for which months will be taxable for assessment year 2018-19?

Q. 4: How would you determine the residential status of an individual? Explain.

SECTION – C

03×02 = 06 Marks

Q.5. Mr. Raj Kumar has the following receipts from his employer:

Basic Pay	Rs 3,000 p.m
Dearness Allowance (D.A)	Rs 600 p.m
Commission	Rs 6,000 p.m
Motor Car for personal use (expenditure met by employer)	Rs 500 p.m
House Rent Allowance	Rs 900 p.m

Find out the amount of HRA eligible for exemption to Mr. Raj Kumar assuming that he paid a rent of Rs 1,000 p.m for his accommodation at Kanpur. DA forms part of salary for retirement benefits.

Q. 6. A is working as a General Manager of P Company Ltd. Particulars of his salary for the financial year 2017-18 are as under:

	Particulars	Rs
(i)	Salary	10,000 p.m
(ii)	Bonus	19,200
(iii)	Conveyance Allowance(70% spent on official duties)	14,000
(iv)	Medical Allowance	500 p.m

He has been provided with a rent free accommodation in Delhi. The cost of furniture is Rs 1, 50,000 and three air- conditioners, which have been taken on hire by the company, have also been provided in the accommodation. The hire charges of each air conditioner is Rs 2,000 per annum. Compute the value of the rent-free accommodation if the accommodation has been taken on rent by the company at Rs 4,000 p.m.