Roll No. Total No. of Pages : 02

Total No. of Questions : 17

MBA (Sem.–4)

TAXATION & PERSONAL FINANCIAL PLANNING

Subject Code : MBA-916-18

M.Code : 77815

Date of Examination : 29-05-2023

Time : 3 Hrs. **Max. Marks : 60**

INSTRUCTIONS TO CANDIDATES :

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

SECTION-A

Write short notes on the following :

1. Define Risk.
2. Objectives of Investment.
3. What is SIP?
4. What is Demat?
5. Define Indemnity.
6. What is NSE?
7. What is ULIP?
8. What is Sec 80C?

SECTION-B

UNIT-I

9. What is Tax Avoidance? How it is different from Tax Evasion? Discuss.
10. Discuss the advantages and significance of Tax Management in detail.

UNIT-II

11. Discuss the nature and scope of tax planning in detail.
12. Discuss the major types of exempted incomes in detail.

UNIT-III

13. Discuss the nature and significance of personal financial planning in detail.
14. What is the impact of time value of money on personal financial statements? Discuss with examples.

UNIT-IV

15. Discuss major tax saving instruments in detail.
16. Discuss the major types of debt instruments for personal investment in detail.

SECTION-C

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

The main tax consideration which one has to keep in mind is whether expenditure on repair, replacement or renewal is deductible as revenue expenditure u/s 30, 31, or 37(1). If the expenditure is deductible as revenue expenditure under these sections, then cost of financing such expenditure is reduced to the extent of tax save. On the other hand if such expenditure is not allowed as deduction u/s 30, 31 or 37(1) then it may be capitalized and on the amount so capitalized depreciation is available if certain conditions are satisfied. "Repair" implies the existence of a thing that has malfunctioned and can be set right by effecting repairs which may involve replacement of some parts, thereby making the thing as efficient as it was before or close to it as possible. After repair the thing to which the repair was carried out continues to be available for use. Replacement is different from repair. "Replacement" implies the removal or discarding of the things that was in use, by a different or new thing capable of performing the same function with the same or greater efficiency. The replacement of a section in a series of machines which are inter-connected, in a segment of the production process which together form an integrated whole may in some circumstances be regarded as amounting to repair when without such replacement that unit in that segment will not function. That logic cannot be extended to the entire manufacturing facility from the stage of Raw Material to the delivery of the final finished product. "Current Repair" implies the expenditure must have been incurred to 'preserve and maintain' an already existing asset and the object of the expenditure must not be to bring a new asset into existence of for obtaining a new advantage.

Questions:

a. Summarize the whole case in your own words.

b. What is Repair and what is Current Repair? Differentiate.

c. What are tax considerations while debating repair, replacement or renewal?

NOTE : Disclosure of Identity by writing Mobile No. or Marking of passing request on any paper of Answer Sheet will lead to UMC against the Student.