[This question paper contains 4 printed pages.]

Your Roll No...............

Sr. No. of Question Paper : 6861 **L**

Unique Paper Code : 2923100023

Name of the Paper : Business Tax Planning

Name of the Course : **B.A. (H) Business Economics (NEP)**

Semester : VIII

Duration : 3 Hours Maximum Marks : 90

Instructions for Candidates

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. This paper contains **six** questions. Attempt any **five** of them.
3. **All** questions carry equal marks.
4. Use of simple calculator is allowed.

1. (a) An emerging tech startup is confused between "Tax Planning" and "Tax Evasion." The founder believes that finding ways to pay zero tax is always legal. As a tax consultant, explain the three-way distinction between Tax Planning, Tax Avoidance, and Tax Evasion, and advise the founder on the potential consequences of "Evasion." (10)

   (b) Explain the concept of Minimum Alternate Tax (MAT). Why was this provision introduced for corporate entities that show high book profits but low taxable income? (8)

2. Global-Tech Solutions is reviewing its annual financial strategy. The Board of Directors is evaluating whether to fund a new Rs.10 Crore project through long-term loans or by issuing new shares. Simultaneously, they are debating whether to reinvest the current year's profits or distribute them to shareholders.

(a) From a tax planning perspective, compare the impact of Interest payments on debt versus Dividend payments on equity on the company's "Net Taxable Income." (9)

(b) Evaluate how the choice between retaining earnings and declaring dividends affects the total tax burden of the company and its corporate shareholders. (9)

3. (a) Evaluate the following independent transactions and state the applicable GST treatment in each case. Justify your answers:

A. A supplier in Delhi receives an order from a registered buyer in Rajasthan on 1st June. The buyer instructs the supplier to deliver goods directly to his customer in Gujarat. The invoice is issued on 5th June, goods are delivered on 8th June and payment is received on 20th June. Determine :

(i) Place of supply

(ii) Time of supply

(iii) Type of GST to be charged

B. Goods are supplied on board a train travelling from Delhi to Kolkata. The goods are loaded at Kanpur. The supplier is registered in Uttar Pradesh. The invoice is issued on 10th September and payment is received on 25th September. Determine:

(i) Place of supply

(ii) Time of supply

(iii) Type of GST to be charged (12)

(b) Explain the dual model and structure of Goods and Service Tax in India. (6)

OR

Distinguish between Intra-State and Inter-State supply. How does the "Place of Supply" rule determine which tax is levied, in case of goods? (18)

4. M/S Alpha Ltd, a registered manufacturer in Haryana, provides the following data for April 2026 (GST Rate 12%):

Purchases:	**Amount**	**Sales:**	**Amount**
Raw Materials from Sonipat	₹4,00,000	Sold goods to a local retailer in Rohtak	₹6,00,000
Raw Materials from Delhi	₹8,00,000	Sold goods to a dealer in Punjab	₹12,00,000
Computer for Office use (purchased locally)	₹50,000	Exported goods to the USA (Zero-rated)	₹5,00,000

Calculate :

(a) Total Input Tax Credit (ITC) available (IGST, CGST, SGST).

(b) Total Output Tax Liability.

(c) Net Tax Payable in cash after utilizing ITC as per the latest set-off rules. (18)

5. (a) A service provider has an annual turnover of Rs.18 lakhs and provides services within a single state. The provider is evaluating whether GST provisions apply. Explain the threshold exemption limits for small suppliers of goods and services. Analyse whether the service provider is liable to pay GST, with justification. (9)

(b) Explain the offences and penalties under GST. How do these provisions help in ensuring compliance? (9)

6. Write short notes on **any 3** : (3×6=18)

(a) Reverse Charge mechanism

(b) Tax Management

(c) Composition scheme

(d) Doctrine of unjust enrichment

(e) E-Way Bill