



18-12-2015

DOON UNIVERSITY, DEHRADUN

Final Examination, 2015

School of Management (IMBA-5 year Vth Sem.)

Course: IMBA 506--: Corporate Governance

Time Allowed: 3 Hours

Maximum Marks: 50

(Note: Attempt All Questions from Sections A, any 5 from Section B and any 3 from Section C.)

SECTION: A

(Marks:16)

Case study

On January 08, 2009, M. Rammohan Rao (Rao), resigned as the Dean of the Indian School of Business (ISB). The resignation followed the announcement the previous day by B. Ramalinga Raju (Raju), Founder & Chairman of India's fourth largest IT Services Company. Satyam Computer services limited (Satyam) that the company had been inflating the revenue and profit figures for past several years. In his resignation letter, Rao, who had recently resigned as independent director on the Satyam board, said, "Unfortunately, yesterday's shocking revelations (by Raju), of which I had absolutely no prior knowledge, mean that we are far from seeing the end of the controversy surrounding Satyam Computers. My continued concern and preoccupation with the evolving situation are impacting my role as dean of ISB at a critical time for the school."

On December 30, 2008, Rao, resigned from the board of Satyam. With him, two other independent directors, Vinod Dham (Dham), inventor of the Pentium chip, and Krishna Palepu (Palepu), Professor at the Harvard Business School, also submitted their resignations to the board of the company.

Another independent director, Mangalam Srinivasan (Srinivasan), had resigned from the Satyam board a few days earlier, on December 25. The resignations of these directors were the result of an aborted deal by Satyam to acquire two companies run by Raju's sons, Maytas Properties Pvt. Ltd (Maytas Properties) and Maytas Infrastructure Limited (Maytas Infra) for US\$ 1.6 billion.

Offer your comments regarding *Business Ethics, Failure of Corporate Governance, Board of Directors, and the Role of independent Directors* based on the above.

SECTION B:

(Marks: 2x5=10)

Write short notes on: (any 5)

- (a) Whistle blowing
- (b) Perspectives on corporate governance
- (c) Audit committee
- (d) Rights and privileges of the shareholders
- (e) classification of director
- (f) corporate misconduct
- (g) corporate citizenship

SECTION: C

(Long Answer Type Questions; Attempt any THREE (3) Questions).

(Marks: 8 x 3=24)

- Q1. Briefly explain the various roles and responsibilities played by the board of directors.
- Q2. Corporate Governance is of vital significance for the success of any organization." Comment on the statement by highlighting the importance of Corporate Governance.
- Q3. Explain the different models of corporate governance in detail.
- Q4. Write an essay on owner structure in context with structure of Vedanta.

18-12-2015



DOON UNIVERSITY, DEHRADUN

Final Examination, 2015

School of Management (MBA-2 yrs. IIIrd Sem.)

Course: MMS – 524- Corporate Tax Planning

Time Allowed: 3 Hours

Maximum Marks: 50

(Note: Sections A and B are compulsory and attempt any 3 questions from Section C.)

SECTION : A

(Marks:16)

Q1(a) The particulars of Indian income of a non-resident individual resident (aged 70 years) for the previous year ended 31st March, 2015 are as under:

1. Income from Salary (Computed)	Rs. 1,52,000
2. Taxable Income from House Property	Rs. 35,000
3. Short-term Capital Gains	Rs. 72,000
4. Long-term Capital Gains	Rs. 1,00,000
5. Casual Income – game on T.V.	Rs. 25,000

He paid life insurance premium Rs. 6,000 on a policy taken on his own life, contribution to a Recognised Provident Fund Rs. 5,000 and a sum of Rs. 20,000 by cheque to an approved institution. Compute his net tax liability.

(b) What is meant by Allowances? Discuss tax free and taxable allowances.

SECTION : B (Write short notes on the following)

(Marks: 2x5=10)

1. Tax Evasion
2. Capital Asset
3. Leave Encashment
4. Resident
5. R.F.A

SECTION : C (Long Answer Type Questions. Attempt any three questions).

(Marks: 8 x 3)

Q1(a) Mr. Krishna purchased a piece of Land on 4.1.1978 for Rs. 50,000. This Land was sold by him on 2.9.2014 for Rs. 15,00,000. The market value of Land as on 1.4.1981 was Rs. 1,00,000. Expenses on sale were 2% of transfer price. Compute the Capital Gain (taxable) for the assessment year 2015-16. Assume Cost Inflation Index for 2014-15 to be 1024.

(b) Mr. X is the owner of a house at Agra, particulars in respect of which for the year ended 31st March, 2015 are as below:

1. Actual rent received	Rs. 4,500
2. Municipal Valuation	Rs. 4,200
3. Total Municipal Tax	Rs. 630
4. Municipal Tax paid by Mr. X	Rs. 420
5. Municipal tax paid by the tenant	Rs. 210
6. Interest on loan taken for renewing the house	Rs. 150
7. Unrealised rent allowed in the A.Y. 2011-12 recovered during the year	Rs. 2,000

Compute Mr. X's Income from House Property for the A.Y. 2015-16.

Q2. Shri Pandey is a reputed Lawyer of Bikaner. He has prepared the following Income and Expenditure Account for the year ended 31st March, 2015.

Particulars	Amount (Rs)	Particulars	Amount (Rs)
Household Expenses	12,000	Legal Fees	1,26,000
Office Expenses	7,000	Special Commission appointed fees	1,400
Charity	500	Cash gifts received from Clients	2,000
Telephone Expenses	500	House rent	15,000
Income Tax	900	Interest on Govt. Securities	3,000
Rent	4,000	Salary as part-time Lecturer in Law	6,000
Gift to daughter	2,000		
Electricity Charges	1,000		
Donation to National Defence Fund	1,000		
Contribution to PPF	2,400		
Law Journal	3,000		
Salaries	15,000		
Purchase of Motor-car	60,000		
Purchase of Furniture	2,000		
Life Insurance Premium	5,000		
Motor-car Expenses	6,000		
Purchase of Typewriter	6,000		
Excess of Income over Expenditure	25,100		
	1,53,400		1,53,400

Following other particulars were received:

(a) Shri Pandey lives in one-half of the house and the other half is used for office. Rent and Electricity charges are in respect of this house.

(b) One-half of car expenses are for personal use.

(c) Depreciate Motor-car @15%, Typewriter @ 15% and Furniture @ 10%. Compute his taxable income from business and profession for the assessment year 2015-16.

Q3. Distinguish between Tax Planning and Tax Avoidance.

Q4. The following incomes were received by Mr. A during the financial year 2014-15:

Director's Fees	Rs. 6,000
Income from Agricultural land (in Pakistan)	Rs. 40,000
Interest from Post Office Savings Bank Account	Rs. 1,500
Interest on Fixed Deposits in SBI	Rs. 1,800
Winning from Lottery (net)	Rs. 35,000
Crossword-Puzzles	Rs. 2,500
Royalty on Books	Rs. 20,000
(Expenses in this connection Rs. 4,000)	
Compute his income from other sources.	