



BJ-5806

Seat No. _____

B. B. A. (Sem. V) Examination

June - 2014

Direct Taxation : CC-504

(New Cours)

Time : 3 Hours]

[Total Marks : 70

- 1 (a) Write the any seven fully exempted incomes. 5
(b) Casual incomes. 3
(c) Previous year and assesement year. 3
- 2 Compute the salary income of Mrs. Asha for 12
the previous year relevant to A.Y.-2013-14 from
the following information.
- (i) Basic salary : He joined on 1-7-2009 in the
grade of Rs. 5,500 - 500 - 9,000. The increment
become due on 1st July every year. He is a
specified employee.
- (ii) Dearness allowances : 50% of basic salary.
- (iii) Bonus and commission : Rs. 62,000 p.a.
- (iv) Entertainment allowances : Rs. 500 p.m.
- (v) Children education allowances : Rs. 350 p.m.
(He has only one child)
- (vi) The company has provided him a flat owned
by the company, the fair rental value of the
company's falt is Rs. 2,700 p.a. The company
has spent Rs. 80,000 on furniture. The flat
situated in Ahmedabad and its population is
more than 25 lakh. Company deduct token
rent 7,950 Rs. from employee's salary.

BJ-5806]

1

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- (vii) The company has appointed a gardner at monthly salary of Rs. 500.
- (viii) The company has reimbursed the medical expenses of Rs. 6,000 for Mrs. Asha.
- (ix) The company has provide a car without driver, all expenses of maintenance are borne by the employee. The car is for office use and private use and has 1.8 C.C. litre.
- (x) The company is contributing at 15% of basic pay towards his recognised provident fund.
- (xi) Interest credited to his R.P.F. at 15% Rs. 7,500.
- (xii) Employee contribution to P.F. 12% of Basic salary.
- (xiii) Professional tax Rs. 2,400.

OR

- 2** (a) The total gross income of **6**
 Shri Sanjay Patel for the accounting year 2012-13, amount Rs. 3,50,000. Compute the amount of deduction U/S 80(C) available from total gross income :

Particulars	Rs.
(1) Employee's contribution in R.P.F. at 15% of basic salary	14,500
(2) Premium paid on his life insurance policy of Rs. 40,000.	9,000
(3) Paid into public provident fund	45,000
(4) Contribution under ULIP of LIC	12,000
(5) Investment in the eligible shares of power sector company	43,000
(6) Deposit placed with SBI (5-year period)	16,000

(b) Shri Kishan is employee in limited company at Delhi. Following are the particulars of his salary for the financial year 2012-13. 6

- (1) Basic pay Rs. 6,000 p.m.
- (2) Dearness allowances Rs. 2,000 p.m.
- (3) Bonus Rs. 6,000 p.a.
- (4) Entertainment allowances Rs. 4,000 p.a.
- (5) Furnish accommodation for which company charge token rent Rs. 500 p.m.

The furniture cost Rs. 69,000 and company paid rent for house Rs. 4,500 p.m.

Determine the value of residential accommodation for the purpose of inclusion in salary income of assessment year 2013-14.

3 (a) Mr. Bharatbhai stayed in India for the period mentioned below after his first arrival. Determine his residential status for the assessment year 2013-14. 4

Previous year	Days of presence
2008-09	70
2009-10	130
2010-11	120
2011-12	100
2012-13	90

(b) Shri Janardan furnished the following particulars of his income for the financial year 2012-13. 8

Particular	Rs.
(1) Income from agriculture land situated outside India, received there, later on remitted to India.	25,000

- (2) Rent from house property situated outside India, deposited in foreign bank..... 12,000
- (3) Profit of a foreign business, which is controlled from India (Rs. 20,000 is received in India). 40,000
- (4) Interest on foreign security (of which 1/4 has become due but not yet received) balance of interest is directly received in India. 28,000
- (5) Dividend on shares of Indian company received directly outside India. 12,000
- (6) Profit from an Indian business (in Mumbai) which is managed from abroad. 5,39,000
- (7) Profit on sale of a plot of land situated in India (which was acquired for construction of residential house) entire sale process (Rs. 50,000) received outside India. 30,000
- (8) Pension from a former Indian employer received outside India 15,000
- (9) Income received outside India during 2011-12 is brought to India during the current year..... 25,000

Find out his total gross income for the assessment year 2013-14.

- (i) If he is an ordinary resident
- (ii) If he is resident but not ordinary resident
- (iii) If he is non-resident.

OR

BJ-5806]

4

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- 3 (a) Explain agriculture income. 4
 (b) Explain income tax officer and CBDT. 4
 (c) Shri Krishna went to Africa for a job on 1-1-2010. He returned to India on 1-2-2011 again, he went to Africa on 31-10-2011, returned to India on 1-7-2012 and went back on 1-2-2013. 4

Determine his residential status for the assessment year 2013-14.

- 4 The following is the Profit and Loss A/c. 11
 Mr. Dhaval who is into trade of chemical goods, for the year ended 31-3-2013.

Dr.

Cr.

To salaries	1,50,000	By gross profit	5,00,000
To bad debts	5,000	By discount	20,000
To bad debts reserve	10,000	By bad debts	
To general expenses	25,000	recovered (50% of	
To insurance premium	25,000	B.D. not allowed in	
To sales tax	5,000	the past)	10,000
To interest on capital	15,000	By interest and	
To advance income-tax	9,000	divident	50,000
To advertisement	15,000	By interest on P.O.	
		office deposite A/c.	20,000
To donation	3,000		
To motor-car expenses	30,000		
To telephone expenses	6,000		
To depreciation	12,000		
To net profit	2,90,000		
	6,00,000		6,00,000

Additional information :

- (1) Salaries include Rs. 30,000 paid to Mr. Dhaval.
- (2) General expenses includes Rs. 10,000 for payment being made for personal purchase of Mr. Dhaval.
- (3) Advertisement includes Rs. 9,000 spent on purchase of new permanent sign board.
- (4) Motor-car expenses includes Rs. 24,000 towards personal purpose.
- (5) Insurance premium includes Rs. 10,000 of life insurance premium.
- (6) Allowable depreciation as per income-tax Act is Rs. 15,000.
- (7) An unrecorded income of Rs. 20,000 of chemical trade is found out from the pass book.

Compute Mr. Dhaval's taxable business income for P.Y. 2012-13.

5 Following details have been provided by **12**
Mr. Sameer.

- (1) Purchased 500 equity shares of A Ltd. on 1st Oct. 1997 for Rs. 50,000. He paid 1% brokerage on purchase of these shares.
- (2) A Ltd. issued one right share for every two shares held by him at Rs. 80 per share on 1st July, 1999.
- (3) The company issued one bonus share for every one share held by him on 1st Nov. 2007.

(4) He sold all the shares on 27th Feb. 2013 at Rs. 330 per share.

(5) Cost inflation index number are as under.

Year	Cost inflation index
1997-98	331
1999-00	389
2012-13	852

OR

5 Kumari Anjana has done following transactions 12
for the accounting year 2012-13. Find out taxable
capital gain.

Assets	Urban land	Residential house	Jewellery	Personal car
(1) Date of purchase	1-1-75	1-1-97	1-1-87	1-1-03
(2) Purchase price Rs.	9,000	61,000	28,000	44,700
(3) Date of sales	1-1-2013	1-1-2013	1-1-2013	1-1-2013
(4) Selling price Rs.	1,08,400	4,07,000	2,01,800	25,000
(5) Transfer fee Rs.	3,100	6,400	1,200	1,000
(6) Index No.	100	305	140	447

Other information :

- (1) Fair market value of urban land on 1-4-1981 was Rs. 10,000.
- (2) She purchased a new residential flat for Rs. 1,43,600 on 1-3-2013.
- (3) Index number for the financial year 2012-13 is 852.

- 6** Write the following questions : (any three) **12**
- (1) Explain direct versus indirect taxes.
 - (2) Dividend.
 - (3) Permanent Account Number (PAN)
 - (4) Explain the condition of residential status.
 - (5) Explain gross income and total income.
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