647510 **BBA5DitA506x** **Seat No :________**

B.B.A. Semester - 5 (*CBCS*) Examination
Oct/Nov - 2023 (NEW COURSE)
Direct Taxes(Allied)

Time: 2:30 Hours **Marks: 70**

Instructions:
1. All questions are compulsory.
2. Figures to the right indicate marks.

Que-1 Write a Short notes on. (14)
1. Who is an Assessee? Is Assessee always liable to pay Income-tax?
2. Gross Total Income and Total Income.

OR

Que-1 Define the following terms (Any Two):
1. Person
2. Previous year and assessment year
3. Agricultural Income
4. Income

Que-2 Write short notes: (Any Two) (14)
1. Powers of Assessing Officer
2. Explain in brief any Seven exempted incomes
3. Commissioner of Income tax
4. Objects of Settlement Commission

Que-3 Following is the profit and loss Account of business of Mr. Puspak Pande for the financial year 2021-22. (14)

Particulars	Rs.	Particulars	Rs.
To opening stock	52,000	By sales	97,35,500
To purchases	60,04,375	By closing stock	1,05,000
To Salaries & Wages	5, 87,500	By share Dividend	40,000
To Rent & rates	65,500		
To Commission	10,750		
To Household Expenses	3,50,000		
To Income tax	1, 28,050		
To Advertisement	2,500		
To postage & Telegram	2,000		
To interest on capital	42,000		
To Reserve for bad debts	1,700		
To Depreciation on Furniture	9,000		
To Net Profit	**26,25,125**		
	98,80,500		**98,80,500**

Additional information:

1. Closing Stock and opening stock have consistently been valued at 20% below cost price.
2. Depreciation on furniture, as per income-tax provisions is Rs. 8,600.
3. Amount of sales includes a sum of Rs. 20,625 representing the value of goods withdrawn for personal use. These goods were purchased at cost Rs. 13,925 and its market value on the date of withdrawal was Rs. 22,620.
4. Household expenses include a contribution of Rs. 10,000 towards public provident fund.

You are required to prepare statement showing the taxable business income of Mr. Puspak Pande for the assessment year 2022-23.

OR

Que-3 Following is the information related to receipts and payments of Dr. Rajnandani for the year ended on 31-3-2018.

Receipts	Rs.	Payments	Rs.
Visit fees	4,80,000	Rent of dispensary	2,16,000
Consultation fees	4,50,000	Staff salary	2,70,000
Sales of medicines	60,000	Rent of consulting room	72,000
Rent income of operation theatre	2,40,000	Electricity	45,000
Dividend	42,000	Medical journal	15,000
Interest on treasury saving certificate	15,000	Purchase of surgical instruments	60,000
Gift from patients	1,00,000	Diwali expenses	30,000
Sales of surgical instruments	28,000	Purchase of medicines	60,000
		Motor car expenses	1,08000
		Audit fees	6,000
		Association fees	1,800

Additional information:

1. Half of the use of motor car is for personal use.
2. Admissible depreciation on car is Rs. 24,000.
3. Opening and closing stock of medicine were Rs. 32,000 and Rs. 12,000 respectively.
4. Depreciation on surgical instruments is @ 20% opening balance (W.D.V) of surgical instruments was Rs. 48,000.
5. Rs. 20,000 of gift received from patients has not been recorded in the books.
   From the above information, prepare statement showing taxable income from profession of Dr. Rajnandani for Assessment Year 2018-19.

Que-4 Compute the salary income of Mr. Sahaj for the previous year relevant to A.Y. 2018-19 from the following information. (14)

1. Basic Salary: He joined on 1-7-2014 in the grade of Rs. 7,000 -1000-14,000. The increment becomes due on 1st July every year. He is a specified employee.
2. Dearness allowance: 50% of basic pay.
3. Bonus and commission: Rs. 62,500 p.a.
4. Entertainment allowance: Rs. 500 p.m.
5. Children education allowance: Rs. 350 p.m. (He has only one child)
6. The company has provided him a flat owned by the company, the fair rental value of the said flat is Rs. 2,700 p.a. The company has spent Rs. 2,80,000 on its furnishing.
7. The company has appointed a gardener at a monthly salary of Rs. 1,000.
8. The company has reimbursed the medical expenses of Rs. 6,000 incurred by him for the treatment of his family members.

9. The company has provided a car without driver, all expenses of maintenance are borne by the employer. The car is for office use and privet use and has 1.8 cubic liters capacity.
10. The company is contributing @ 15% of basic pay towards his recognized provident fund.
11. Interest credited to his RPF @ 15% Rs. 7,500.
12. The company has made following deductions from his pay:
    i. Employees contribution to RPF 12% of Basic pay.
    ii. Professional tax Rs. 2,400.
    iii. Recovery of token rent for accommodation @ 10% of basic pay.
    iv. Recovery of excess commission paid during the year Rs. 2,500.
13. He is working at Ahmedabad having a population of more than 25 lakhs.

OR

Que-4 Mr. Het Rathod furnished following information for previous year ended on 31-03-2018. Calculate his taxable income for the P. Y. 2017-18.

1. Monthly basic salary Rs. 20,000 which is increased to Rs. 25,000 from 1-9-2017.
2. Monthly Dearness Allowance Rs. 12,500.
3. Bonus Rs. 25,000.
4. Monthly Entertainment Allowances Rs. 1,250.
5. Education Allowances (annual) Rs. 2,000 (for two children).
6. He contributes in the Recognized provident fund @ 15% of his basic salary and company contributes Rs. 35,000.
7. He paid Rs. 2,400 as professional tax.
8. Company gave him fully furnished flat for his residence, whose fair rent is Rs. 1,50,000 and cost price of furniture was Rs. 3,15,000. The population of city is 22 lakhs.
9. Interest credited at 14% in Recognized provident Fund is Rs. 28,000.

Que-5 Divya is the owner of three houses. From the following details, find out the taxable income from house property for the A. Y 2018-19. (14)

Particulars	House No.1	House No.2	House No.3
Usage	Let-Out	Let-Out	Self-Occupied
	Rs.	Rs.	Rs.
Municipal Value	60,000	30,000	-
Fair Rent	96,000	44,400	-
Standard Rent	84,000	42,000	-
Rent Receivable	1,14,000	48,000	-
Un-realized rent	9,500	-	-
Vacancy period	3 Month	½ Month	-
Local Taxes	5 %	4%	10%
Interest on loan for Construction	?	-	43,790

On 31-12-12 a loan of Rs. 2,40,000 was taken at the rate of 12% for the construction of House No.1. The Construction was finished on 1-5-2014. Entire loan was repaid on 30-9-2017.

OR

Que-5 Malay is the owner of three house. Find out the taxable income from house property for the A.Y 2018-19 from the details given below:

Particulars	**House No.1 Rs.**	**House No.2 Rs.**	**House No.3 Rs.**
Usage	Let Out	Let Out	Self –Occupied
Municipal Value	63,600	61,200	200,000
Fair Rent	96,000	60,600	-
Standard Rent	84,000	62,400	-
Rent receivable	1,14,000	84,000	-
Local taxes paid	2500	2500	5%
Vacancy period	3 months	½ month	-
Unrealized rent	9500	7,000	-
Unpaid Interest on loan for construction	24,850	12000	48,250

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