

Q.1 Define any two out of three. **4**

- a. Person b. Company c. Dividend

Q.2 Explain in brief TDS provisions for contractors payment. **4**

Q.3 Mr. Kapoor is the owner of house in Mumbai. It has been let out for Rs. 100000. The tax paid by the tenant to the municipality amounted to 15000. The land lord however bears the following expenses on tenants amneties under an agreement: **7**

Particulars	Rs.
Water charges	4000
Lighting of stairs	4000

The landlord claims the following deductions.

Repairs - 35000, Collection charges - 6000.

Compute taxable income from house property for A.Y. 2005 - 06.

OR

Q.3 A is a shareholder of X Co. Ltd. holding 1000 shares of face value of Rs.10 each allotted at time of company's incorporation in May 1992. The company made a right issue in the ratio of 1 : 1 on 15 - 7 - 2004 at a premium of Rs.40 per share. Instead of taking up the right he renounced it in favour of B at a price of Rs. 10 per share. What is the capital gains chargeable in the hands of A? What will be the cost of shares in the hands of B? **7**

Q.4 Mr. Ravi is an employee of M/s. ABC Pvt. Ltd. During the year ended 31.3.05, he received net salary of Rs, 90040 after making following deductions. **10**

- | | |
|--------------------------|-------------------------------------|
| 1. Income tax - 2000 | 2. Recognised Provident fund - 3500 |
| 3. L.I.C. Premium - 3460 | 4. Profession tax - 960 |

During the year he earned interest of Rs. 15000 from securities of Central government and Rs. 16500 by way interest on fixed deposits with Canara Bank.

Compute his total income for A-Y 2005-06.

Q.5 Mr.B informs you that profit as per P & L A/c. for the year ended 31-3-05 was Rs.128000. On detailed Scrutiny the following discrepancies were noticed. **10**

- a. Depreciation allowable as per Income tax is Rs. 12000 where as amount

- b. Guest house expenses amounting to Rs. 17500 has been debited to P & L A/c.
 - c. Drawing of the proprietor amounting to Rs. 32500 has been debited to P & L A/c.
 - d. Interest paid on proprietors capital amounting to Rs. 18000 and insurance on own life amounting to Rs. 12000 were debited to Profit & Loss A/c.
 - e. Rs.3500 paid as electricity charges has however not been recorded.
- Compute his taxable income from business for A Y 2005-06.

Q.6 Mr. Tony had the following income during the year ended 31-3-05. **10**

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|---|-------|
| a. Income from house property in India | 15000 |
| b. Income from property in Rome | 10000 |
| c. Interest from bank account in India | 1200 |
| d. Income from Bangladesh, being business controlled from India | 16000 |
| e. Interest on bank account in U.S.A. | 11000 |
| f. Salary earned and received in Tokyo | 12000 |
| g. Income earned and received in London | 13000 |
| h. Dividend from British Company received in India | 17000 |

Compute his total income for A.Y. 2005-06 if he is resident in India.

Q.7 Give provision regarding service tax Act for any two of the following services. **10**

1. Credit Rating Agency
2. Banking & other financial services
3. Stock Broking Services.

Q.8 Elaborate Section 115 G relating to non - residents. **5**
