

Instructions :

- 1) Section I is compulsory.
- 2) Attempt any three questions from section II.
- 3) Figures to the right indicate full marks.
- 4) Use of simple calculator is allowed.
- 5) All workings should form part of your answers.

SECTION I

Q.1. Explain any three of the following :- (15)

- 1) Person
- 2) Gross Annual Value of house property
- 3) Taxable Perquisites
- 4) Input service
- 5) Capital Assets & Capital Gains

Q.2. Given below is the information provided by Riche Rich for the financial year 2011-12. You are required to determine his total income for the A.Y. 2012-13 (15)

Profit & Loss A/c.			
To salaries	50,000	By Gross Profit	2,20,000
To Rent	25,000	By royalty received	8000
To Insurance	10,000	By dividend on	
To Repairs	5,000	Shares of foreign	
To Depreciation	12,000	company	2000
To Income Tax	8,000	By dividend or shares	
To Bad debts	4,000	of Indian company	12,000
To R.D.D.	2,000	By winnings from	
To Travelling Exp.	14,000	Lotteries	5,000
To Advertisement	7,000		
To printing	5,000		
To Interest on capital	15,000		
To Net Profit	90,000		
	2,47,000		2,47,000

Additional information.

- 1) Depreciation as per Income Tax Rules is Rs. 15,000
- 2) Salary includes Rs. 6000 paid outside India without deducting tax at source.
- 3) Advertisement includes Rs. 2500 paid for the advertisement in the brochure of a political party.
- 4) Insurance includes Rs. 3000 paid for Life insurance premium of the owner.
- 5) Travelling expenses includes Rs. 8000 paid for personal expenses of the owner.

- 6) During the year Richie Rich has paid Rs. 8500 medical premium for self by cheque.

SECTION II

Q. 3. Abhijit is the owner of two houses namely 'Shanti Niketan' & 'Shanti Dham' at pune. Shanti Niketan is occupied by him for his own residence while Shanti Dham is given on rent. The other details of the houses for the year ended 31st March, 2012 as follows

Particulars	Shanti Niketan	Shanti Dham
Fair Rent	1,10,000	1,20,000
Municipal Valuation	1,00,000	1,30,000
Actual Rent per month		15,000
Vacancy Period		2 months
Unrealised Rent		1 month
Repairs	14,000	12,000
Insurance	7,500	5,000
Municipal Taxes paid	8,000	10,500
Interest on housing Loan	12,000	28,000

50% of municipal taxes were paid by the tenant. Unrealised rent of previous year 2010-11 was received in the current year. Determine his income from house property for A.Y. 2012-13. (10)

Q. 4. Nalini furnishes you the following details of her income tax the financial year 2011-12. From the same, determine her gross total income if she is

	Outside state	within state
1) ROR		
2) RNOR		
3) NR		
1) Profit on sale of machinery in Pune. (½ is received in UK)		50,000
2) Profit on sale of building in UK (½ is received in India)		35,000
3) Interest on bank accounts in India		8,000
4) Interest on bank accounts in UK		14,500
5) Salary earned & received in India		10,500
6) Rent from property in Nepal deposited by tenant in the foreign branch of an Indian bank operating there,		42,000
7) Agricultural income from Sri Lanka		35,000
8) Profit from business in UK managed from India		55,000

(10)

- 9) Profit from business in India managed from UK 30,000
 10) Dividend on shares of British Company 21,000

Q. 5. From the following information provided by Shridhar compute his income from salaries for the A.Y. 2012-13.

- He was working as a technical for Universal Group (P) Ltd.
- 1) Salary Rs. 25,000 p.m.
 - 2) House Rent Allowance Rs. 6000 p.m. (exempt Rs. 3000 p.m.)
 - 3) bonus Rs. 30,000
 - 4) Commission on Sales received Rs. 85,000.
 - 5) Employer's contribution to recognised provident fund in excess of prescribed limits Rs. 4500.
 - 6) Interest credited to Recognised P.F. in excess of prescribed limits Rs. 1040.
 - 7) Profession tax paid by Shridhar Rs. 4050.
 - 8) Educational Allowance received Rs. 4000 p.m. (exempt Rs. 1200 p.m.)
 - 9) Award received for presentation of best design from employees Rs. 4500.
 - 10) Reimbursement of expenses incurred for office purpose Rs. 12000.
 - 11) Value of holiday home facility at Mahabaleshwar & enjoyed by Shridhar and his family Rs. 15,200/- (at the cost of employer)
 - 12) Arrears of salary received Rs. 22,000/-
 - 13) Advance against salary Rs. 12,000/- (10)

Q. 6. A) Ronak Ltd. started a factory at Pune. Find out when the company is liable for registration as per provisions of MVAT. (5)

Month	Purchase within state		Outside state		Sales	
	Taxable	Tax free	Taxable	Tax free	Taxable	Tax free
Oct 2011	8000	4000	1000	3000	-	-
Nov. 2011	16000	8000	-	-	1000	5000
Dec. 2011	8000	20000	-	2000	55000	3000
Jan 2012	16000	1000	-	1000	30000	4000
Feb. 2012	124000	0	-	-	136000	8000
Mar 2012	10000	1200	2000	4000	24000	12000

Q. 6 B) State the rules for determining the Residential Status of an assessee. [Basic as well as additional conditions] (5)



42,000
35,000

bank operating there,
 (7) Agricultural income from Sri Lanka
 (8) Profit from business in UK managed