

Q. 1) a) Multiple Choice Questions. (Any Eight)

(08)

1. The assessee gets _____ days period u/s 139(a) to rectify the mistake in a defective return.
a. 5 b. 10 c. 15 d. 20
2. First due date of payment of advance tax of individual is _____.
a. 15th September b. 15th June c. 15th March d. 15th December
3. Business loss can be set off against _____.
a. Salary b. Business Income c. Winning Income d. Lottery
4. If rent is paid for Land and Building, TDS is to be deducted @ _____.
a. 2% b. 10% c. 20% d. 5%
5. An individual is entitled to an exemption of _____ in respect of income of minor child.
a. ₹150 per child p. m b. ₹15, 000 c. ₹1,500 p.m d. ₹1,500 p. m
6. In case of firm has a book profit of ₹2,00,000, maximum remuneration allowable as deduction is _____.
a. ₹1,50,000 b. 1,20,000 c. 1,80,000 d. ₹1,70,000
7. What is the rate at which interest is levied under section 234B?
a. 1% p. m b. 1.25 % p. m c. 1.5% p. m d. 2% p. m
8. Company Assessee are required to pay advance tax in _____.
a. Two installment b. Three installment c. Four installment d. Five installment
9. The first installment of advance tax is required to be deposited by non-company assessee on or before _____.
a. 15th June b. 30th June c. 15th September d. 30th September
10. All income which arises to the minor child shall be clubbed in the income of his or her _____.
a. parents b. siblings c. friends d. neighbors

Q. 1) b) State whether the statement is True Or False. (Any Seven)

(07)

1. Business loss is not eligible for set off against income from salaries.
2. Advanced tax is payable in four installments by a non-corporate assessee.
3. There cannot be a loss under the head salaries.
4. Interest under section 234B is levied in the advance tax that has been deposited is insufficient.
5. Clubbing of income aims to prevent tax avoidance by diversion of income.
6. The due date for filing return of income for an assessee whose accounts are required to be audited is 31st October.
7. Income transferred without transfer of asset is taxable in the hands of transferor.
8. Income earned by a minor child from utilization of his personal skills shall not be clubbed in the hands of any of the parents.
9. A good tax planning requires up to date knowledge of tax laws.
10. Tax planning is ethical and legal.

Q.2) a) X, Y and Z are the three partners of a firm. Sharing profit and losses as 2:3:5. It is constituted by a deed of partnership, but there has been a change in the profit-sharing ratio in the financial year 2020-21 from the earlier year. The firm did not submit a certified copy of the new deed of partnership. The profit and loss account of the firm for the year ending on March 31, 2021 shows the following. (15)

Particulars	₹	₹
Opening Stock	1,21,000	
Sales		21,40,000
Purchases	15,70,000	
Other Business Receipts		66,000
Other expenses	1,57,000	
Closing stock		32,000
Remuneration to partners (X: ₹60,000 + Y: ₹80,000 + Z : ₹ 1,02,000)	2,42,000	
Interest to partners @24%p.a (X: ₹30,000 + Y: ₹36,000 + Z : ₹ 42,000)	1,08,000	
Net Profit	40,000	
	22,38,000	22,38,000

OR

Q.2) b) Mr. Kulkarni gives you the following information for the year ended 31st March, 2021.
Profit and Loss Account for the year ended 31-03-2021. (15)

Expenses	₹	Income	₹
To salaries to staff	2,00,000	By Gross Profit	10,00,000
To salary to Mr. Kulkarni	60,000	By Winning from horse racing	1,00,000
To General Expenses	1,50,000	By Dividend from Co-operative Bank	20,000
To Conveyance	70,000	By Interest on P. P. F Account	40,000
To Rent of premises	1,00,000	By Old Debts recovered	38,000
To Fire Insurance Premium	27,000		
To Reserve for Doubtful Debts	20,000		
To Income Tax	15,000		
To Contribution to P.P.F	50,000		
To Depreciation	70,000		
To Net Profit	4,36,000		
	11,98,000		11,98,000

Other Information:

1. Depreciation allowance under Income Tax Rules is ₹ 60,000.

2. General Expenses include ₹10,000 for gifts to staff and ₹20,000 for LIC Pension Plan Premium.
3. Old debts in respect of which recovery is made were not allowed as deduction in the past, though they were written off in books.

Compute his total taxable income and Tax for Assessment Year 2022-23.

Q. 3) a) Mr. P, a resident individual, furnishes the following particulars of his income and other details for the previous year 2021-22.

(15)

1. Income from salary (computed)	₹18,000
2. Net annual value of House Property	₹ 70,000
3. Income from Business	₹ 80,000
4. Income from speculative business	₹ 12,000
5. Long term capital gain on sale of land	₹ 15,800
6. Loss on Gambling	₹ 8,000

Depreciation allowable under the Income Tax Act comes to ₹8,000 for which no treatment is given above.

The other details of unabsorbed depreciation and brought forward losses are:

1. Unabsorbed Depreciation	₹9,000
2. Loss from speculative business	₹16,000
3. Short term capital loss	₹7,800
4. Unrealised Rent	₹ 17,000

Compute the gross total income of Mr. P, for the assessment year 2022-23 and the amount of loss that can or cannot be carried forward.

OR

Q. 3) b) Mr. Suraj Vike is an employee of L&T Ltd. and has a substantial interest in the company. His salary is ₹30,000 p. m. Mrs. Suraj vike also is working in that company at a salary of ₹11,000p.m. without any professional qualifications. Mr. Suraj also receives ₹20,000 as income from securities. Mrs. Suraj owns a house property which she has let out. Income from house property is ₹1,00,800. Both the husband and wife have three minor children- two twin daughters and one son. Income of the twin daughters is ₹2,000p.a. each and that of his son is ₹1,200p.a. Compute the income of Mr. Suraj Vike and Mrs. Suraj vike for assessment year 2022-23.

(08)

Q. 3) c) Mr. Khanna is a doctor. His tax liability for the financial year 2021-22 amounted to ₹12,400. The due date of filing the return of income in his case is 31st July, 2022. On 1st August, 2022 he paid tax of ₹12,400 and filed the return of income. Will he liable to pay interest under section 234A and 234B? If yes, calculate the same.

(07)

Q. 4) a) Roshan a resident Indian, has derived the following incomes for the previous year relevant to the assessment year 2022-23.

(15)

Particulars	₹
1. Net Income from Profession in India	6,00,000
2. Coaching Receipt received in foreign Country X (Tax paid in country X for his income in equivalent Indian rupees 60,000)	6,00,000
3. Fees received from foreign country Y (Tax paid in country Y @20%) converted in Indian rupees.	1,00,000
4. Fixed Deposit Interest from Indian Banks	2,00,000

Roshan wishes to know whether he is eligible to any double taxation relief and if so, it's quantum. Indian does not have any Double Taxation Avoidance Agreement with Countries X and Y.

OR

Q. 4) b) Ruchita Ltd. has made payment on various dates in financial year 2021-22 to Raja Ltd. towards work done under different contract as follows. (08)

Contract Number	Date of Payment	Amount (₹)
1	05-05-2021	20,000
2	06-06-2021	18,000
3	08-08-2021	22,000
4	10-09-2021	47,000
5	10-10-2021	10,000

Ruchita Ltd. claims that it is not liable to deduction of tax at source under section 194C. Examine the correctness of the claim made by the company. What would be the position if the value of the contract no. 5 is ₹5,000 only and there is no other contract during the year.

Q. 4) c) Tax payable by Ms. Smita is ₹15, 000 and T. D. S is ₹ 1,000. Calculate Advance Tax Payable on the respective due dates. (07)

Q. 5) a) Distinguish between Tax Avoidance and Tax Planning. (08)

Q. 5) b) Discuss the provisions of Income of minor child. (07)

OR

Q. 5) c) Write Short notes on. (Any Three) (15)

1. Tax Evasion
2. Belated Return
3. Provision of section 194J
4. Double Taxation Relief
5. Loss under the head capital gain