

Q.P. Code :09007

[Time: 2:30 Hours]

[Marks:75]

N.B:

1. Q.1 is compulsory.
2. Attempt Q.2, Q.3, Q.4 & Q.5 with internal choice.
3. All questions carry equal marks of 15 each.

1. (A) Rewrite the following sentences by selecting correct option. (Any 8).
1. Due date of filling of return of income for a company is-----  
(31<sup>st</sup> July, 30<sup>th</sup> Sept., 31<sup>st</sup> Dec.)

2. Speculation loss can be carried forward upto-----years.  
(4, 8, 6)

3. First due date of payment of advance tax for an individual is-----  
(15<sup>th</sup> Sept, 15<sup>th</sup> June, 15<sup>th</sup> Dec.)

4. Business Loss can be set off against-----  
(Salary income, Business income, Speculative income)

5. Interest paid to partners on their capital cannot be exceed-----%.  
(10, 18, 12)

6. Loss from-----cannot be set off.  
(Capital asset, Other sources, House property)

7. Clubbing of income aims to prevent avoidance by-----of income.  
(Diversion, Double taxation, Transfer)

8. If rent is paid for Land & Building, TDS is to be deducted @-----.  
(2%, 10%, 20%)

9. TDS u/s 194H is deducted @-----%.  
(10, 15, 20)

10. Minor child-----illegitimate child.  
(Includes, Excludes, None of the above)

- (B) State whether the following statements are True or False. (Any 7).

1. There are four due dates for payment of advance tax for companies.
2. Resident Indian can claim relief under section 91.
3. Clubbing of income includes clubbing of losses.
4. TDS under section 194I is deducted @ 15%.
5. There can be a loss under the head of income from salaries.
6. Speculation loss can be set off against all income.
7. Due date for filling of return for corporate assesses on 30<sup>th</sup> April every year.
8. Advance tax is payable if tax liability is more than Rs. 15,000.
9. Unabsorbed losses from house property cannot be carried forward.
10. Partners' shares in profits of the firm is exempt.



2. M/s D & G Co., a partnership firm submits the following Profits and Loss Accounts for the year ended 31-03-2016.

Particulars	Rs.	Particulars	Rs.
To Cost of Goods sold	10,00,000	By Sales	15,00,000
To Income tax paid	20,000	By Dividend from Indian company	4,00,000
To Sundry expenses	20,000		
To Other expenses	70,000		
To Interest on partner's capital @15%	90,000		
To Remuneration to partners	1,00,000		
To Depreciation	25,000		
To Net Profit	5,75,000		
	19,00,000		19,00,000

Additional information:-

- Other expenses includes Rs.25,000 not deductible under section 37.
  - Depreciation as per income tax Rs.30,000.
  - Sundry expenses includes Rs.5,000 paid for personnel expenses of partners.
- Calculate the taxable income of the firm and tax liability for the A.Y. 2016-17.

OR

2. M/s X & Y, a partnership firms submits the following Profit & Loss Account for the year ended 31-03-2016.

Particulars	Rs.	Particulars	Rs.
To Income tax	2,00,000	By Receipts from clients :	
To Expenses	4,00,000	-Audit fees	8,00,000
To Depreciation	1,00,000	-Other fees	9,00,000
To Remuneration to partners	4,00,000		
To Interest to partners' capital @18%	1,80,000		
To Net profit	4,20,000		
	17,00,000		17,00,000

Additional information:-

- Expenses not deductible Rs. 80,000.
  - Unrecorded expenses Rs. 60,000.
  - Depreciation as per income tax Rs. 1,20,000.
- Calculate the taxable income of the firm and tax liability for the A.Y. 2016-17.

3. Miss Anita is a resident individual submit the following information for the previous year ended 31-03-2016.

- Income from business Rs.2,00,000
- Long term capital gain Rs.5,00,000.
- Income from salary Rs.4,00,000.
- Taxable income from house property Rs.1,00,000.
- Income from speculative business Rs.1,50,000.
- Other details unabsorbed depreciation and brought forward loss are:
  - Unabsorbed depreciation Rs.90,000.
  - Loss from speculative business Rs.1,80,000.
  - Short term capital loss Rs.1,60,000
  - Unrealized rent Rs.80,000.

Find out the gross taxable income for the assessment Year 2016-17 applying provisions of set off and carry forward losses.



OR

3. Mr. Ramesh submit the following information for the year ended 31-03-2016: 15
- Income from business Rs.40,00,000.
  - Income from let out house property (Gross) Rs.2,80,000, (Municipal tax paid Rs.60,000)
  - Income from other sources Rs.3,50,000.
  - Contribution to Public Provident fund Rs.2,20,000.
  - Tax deducted at source Rs.5,50,000.
- Calculate advance tax liability for the assessment year 2016-17.

4. Mr. John, aged 62 years, a model deriving income of Rs.60,00,000 from modeling performed outside India. 15
- Tax of Rs.9,00,000 deducted at source @15% in the country where the source were held. India does not have any agreement with that country for avoidance of double taxation. Indian income of Mr. John for the year 2015-16 Rs.25,00,000. He invested in LIC Rs.1,50,000.
- You are required to calculate total income and tax payable by Mr. John for A.Y. 2016-17 showing relief under section 91.

OR

4. Mr. Ram owns two house properties particulars of which as follows: 15

Particulars	House I (SOP) Rs.	House II (LOP) Rs.
Municipal valuation	5,00,000	3,00,000
Fair valuation	4,50,000	3,50,000
Rent received		7,20,000
Municipal tax paid	25,000	50,000 (60% paid by tenant)
Interest on Loan (Loan taken before 01-04-99)	40,000	80,000

His other income as follows:-

- i) Dividend from Indian company Rs.50,000.
- ii) Interest income Rs. 2,90,000.
- iii) Dividend from co-operative bank Rs. 60,000.

He contributed Rs 50,000 for provident fund and he repaid Rs 80,000 housing loan principal amount. Calculate the net taxable income for the A Y 2016-17 and tax liability of Mr. Ram.

5. (a) Explain Double Taxation Relief. 08
- (b) Provisions of clubbing of income from minor child [Section 64 (1A)] 07

OR

5. Write short notes on any three of the following:- 15
- (a) Inter-head adjustment u/s 71
  - (b) Defective return
  - (c) TDS from commission or brokerage
  - (d) Loss from House Property
  - (e) Interest u/s 234A.