

Q1. A. Explain the following concepts (any two)

(8)

1. Income
2. Capital assets.
3. Gross annual value
4. Deductions u/s 80(c).

Answer any one from the following:

B. Ravi came to India for the first time on 20th August 2011 & stayed in India from that date. What is his residential status for the previous year ending on 31st March 2014? 7)

C. Tapan, an Indian citizen, furnishes you the following information for the yr 2013-14. Calculate the total income of Tapan if he is ROR/ RNOR/ NR. (7)

- | | |
|--|--------|
| 1. Interest on Nepal Development Bonds.
(1/3 received in India) | 60000 |
| 2. Income from agriculture in China | 45000 |
| 3. Rent from property in China received outside India | 58000 |
| 4. Income earned from business in China.
(Rs 45000 received in India) | 90000 |
| 5. Interest paid by an Indian company but received outside India. | 14000 |
| 7. Profit from business in Mumbai but managed from outside India. | 60000 |
| 8. Profit on sale of assets in Hyderabad
(1/2 received in China) | 100000 |

Q2. Answer any two from the following:

A. Omkar sells his house property during the previous year 2013-14.

1. Sale consideration on 24.07.2013 Rs. 7000000.
2. Cost of acquisition in the year 2002-03 Rs.450000
3. Stamp duty and registration charges paid at the time of purchase Rs.45000.
4. Brokerage paid at the time of sale is 2% of sale price.

Compute the capital gain for assessment year 2014-15.

[CII of 2013-14 is 939 and for 2002-03 is 447]

(7 ½)

B. Himanshu is the owner of 2 house properties, one in Thane and other in Pune.

The details of both the houses for the year 2013-14 are as follows.

Particulars	Thane (LOP)	Pune (SOP)
Municipal Valuation	1,12,000	1,12,000
Fair Rent	1,22,000	1,05,000
Rent Receivable	15,000 (P.M)	NIL
Vacancy Period	1 month	NIL
Unrealised Rent	1 month	NIL
Municipal Taxes Paid (40% paid by tenant)	14000	9000
Insurance Paid	13000	10000
Interest on housing loan Paid	25500	23000
Unrealised rent of 2012-13 received in current year	18000	NIL

Determine his net taxable income from house property.

(7 ½)

C. Umashankar retired from service on 31 August 2013 after completing 25 years of service. Before retirement he was receiving a monthly salary of Rs. 27500. He is entitled to a monthly pension of Rs.15000 from 1st September 2013. However he has opted for commutation of 65% of the same. He received Rs. 822000 as commuted pension. He also received Rs. 912000 as gratuity at the time of retirement. Compute his taxable pension and gratuity for the year 2013-14. (7½)

- Q3. A. Explain the following concepts with respect to MVAT Act, 2002.(any two): (8)
1. Sale
 2. Dealer
 3. Conditions for registration of a dealer.

Answer any one from the following:

B. The details of sales and purchases of Mr. Kedar for the financial year 2013-14 are as follows . Ascertain whether he is liable for payment of sales tax. (7)

Particulars	Purchases within Maharashtra	Purchases from outside Maharashtra	Total Purchases	Total Sales
Taxable Goods	14000	23000	37000	66000
Tax free goods	31000	11000	42000	56000
Total	45000	34000	79000	122000

C. Kumar provides you the following information regarding his purchases and sales for the year 2013-14. Determine from which month he will be liable to pay sales tax and register under MVAT Act, 2002. (7)

Month	Purchases within Maharashtra		Purchases from outside Maharashtra		Sales	
	Taxable	Taxfree	Taxable	Taxfree	Taxable	Taxfree
April	8000	60000	5000	28000	9000	60000
May	5000	55000	7000	32000	5000	55000
June	4000	40000	10000	54000	500	85000
July	5000	50000	12000	66000	6000	115000

- Q4. A. Explain the following concepts with respect to Service Tax Act. (any two): (8)
1. Input service
 2. Renting of immovable property.
 3. Courier service.

Answer any one from the following:

B. Mr. Girish runs a commercial coaching institute. He has received the following amounts during the period 1/4/2013 to 30/9/2013. Compute his service tax payable.

1. Classroom coaching Rs. 850000
2. Postal coaching Rs. 200000
3. Test series Rs. 65000
4. Receipt from providing text books prescribed
By the university at MRP less 10% to students Rs. 110000
5. Fees from RBI for coaching their staff members Rs. 88000
6. Fees from school division of class IX Rs. 67000
7. Oral coaching centre for The Institute of Chartered Accountants of India. Fees received for the same Rs. 48000
8. Amount received from note books for home work Rs. 80000

C. Mr. Doshi is a practicing chartered accountant. He provides you the following details for the year 2013-14. (7)

1. Professional fees for appearing in the tribunal against notice received Rs.500000
2. Audit fees received from client Rs. 420000
3. Tax consultation fees received Rs. 660000
4. Certification fees inside India Rs. 120000
5. Certification fees received outside India Rs. 200000
6. Audit fees from company registered in Jammu and Kashmir Rs. 400000
7. He paid telephone bill and courier charges amounting to Rs. 275282 out of which service tax paid was Rs30282. Compute his service tax payable. (7)

Q5. Harsh provides you the following details of his income during the previous year 2013-14. You are required to compute his total income from the same for the said year.

1. Salary received from Krisha Interiors Ltd. Rs. 475000
2. Bonus received during the year Rs.40500.
3. Perquisite value of Holiday home facility at Darjeeling Rs. 52000.
4. House rent allowance received during the year Rs.45000. (exempt Rs.25000).
5. Employer's contribution to RPF in excess of prescribed limit Rs. 2880
6. Interest credited to RPF in excess of prescribed limit Rs 475.
7. Profession tax deducted from salary Rs.2500
8. Rent received from vehicles let out Rs. 24000.
9. Dividend on shares of Videocon Ltd. Rs.8700.
10. Dividend on shares of Foreign companies Rs. 10200.
11. Winnings from lotteries Rs. 8800
12. Winnings from crosswords Rs. 4500.
13. During the year he deposited Rs. 43000 in PPF A/c. and paid Life insurance premium of Rs. 22000. He also paid a mediclaim premium for himself and his wife Rs.12500 by cheque. (15)

OR

Q5. Nimish is running a business of buying and selling plastic products. He provides you the following information for the year 2013-14. You are required to compute his total income from the same for the said year.

Profit & Loss A/c. for the year 2013-14.

Particulars	Rs.	Particulars	Rs.
To Salaries	195000	By gross profit b/d.	584000
To rent	78000	By dividend on shares of	
To insurance	45000	Indian companies.	22000
To bad debts	6500	By dividend on shares of	
To RDD	14500	foreign companies	13000
To depreciation	26000	By winnings from lotteries	6000
To advertising	36000		
To printing & stationery	12500		
To life insurance	16400		
To Income tax	25000		
To travelling expenses	18900		
To telephone expenses	14200		
To Net profit c/d.	137000		
	625000		625000

Additional information:

1. Salaries include an amount of Rs.14000 paid by Nimish to his wife (considered to be unreasonable).
2. Depreciation as per Income tax rules is Rs. 25000.
3. Travelling expenses include personal travelling expenses of Nimish Rs. 9800.
4. Advertising expenses of Rs. 7500 are paid to a political party.
5. Rent of Rs. 12000 included in the above was paid for residence of Nimish
6. During the year Nimish paid a mediclaim premium for himself Rs. 24000