

TIME : 2 Hrs.

MARKS : 60

Note :

- 1) All questions are compulsory
- 2) Fig to the right indicate full marks.

- Q.1. Mr. Rakesh shah furnishes the following information of his income and investments for the previous year 2010-11 (15)
- a) Information regarding his House property.

Particulars	House I (Let Out)	House II (SOP)
Fair rent	90,000	60,000
Gross Municipal valuation	80,000	50,000
Rent received	100000	-
Municipal Taxes		
a) Paid by the Tenant	5000	-
b) Paid by the owner	10,000	10,000
Interest (due but not paid) on capital borrowed for construction of House property	20,000	20,000

b) Other information

- 1) He paid premium of Rs. 25,000 towards approved pension plan of LIC of India.
 - 2) He received Dividend from UTI Rs. 5000
 - 3) He received interest from Debentures in Tata steel ltd Rs.25,000
- Corrrpute the net taxable Income pof Mr. Rakeh shah for the Assessment year 2011-12

OR

- Q.1. Mr. Prakash Patil owns three houses, the details regarding which for the year ended 31st March 2011 are as follows.
- 1) The first house of the annual value of Rs. 12,500 was let out at Rs. 1800 per month. He paid Rs. 2000 as interest on money borrowed for construction of this house Rs. 450 as ground rent and Rs. 600 as fire insurance premium.
 - 2) The second house of the annual rental value of Rs. 55,000 was occupied by him for his residence its muncipal taxes were Rs. 12,500. He had borrowed Rs. 20,0000 from ICICI ltd. in April 2006 for its construction on which Rs. 30,000 interest was due for the year. He had repaid. However Rs. 20,000 out of the Loan amount during the year. Fire Insurance premium paid was Rs. 2000.
 - 3) The fair rent of the third house is Rs. 30,000 and its actual rent is Rs. 25,000 but in respect of this house a legal maintenance charge of Rs. 7000 per year existed in favour of his mother as per terms of a family arrangement.

The detail his other receipts during the year are as follows

- 1) Winnings from Lottery Rs. 80,000
- 2) Dividend received from ACC Ltd. Rs. 700, Zuary Industries ltd. 900.
- 3) Interest received on fixed deposit with Hindustan lever ltd Rs. 10,600.
- 4) Directorship fees received from R.N.A. ltd. Rs. 22,000.
- 5) Income from unit Trust of India Rs. 6000

Mr. Prakash Patil paid Rs. 7,600 by cheque for a mediclaim policy,
Compute his Total Taxable Income for the assessment year 2011-12.

- Q. 2. Bahadur owns a building consisting of three identical units whose construction was completed on March 31, 2010. The building was occupied from April 1, 2010 onwards. The particulars pertaining to the three units for the year ended March 31, 2011 are given below. (15)

Particular	Unit I	Unit II	Unit III
Fair rent	60000	60000	60000
Rent received	-	72000	-
Municipal taxes paid	3000	5000	3000
due but not yet paid	3000	5000	3000
Land revenue due but o/s	1200	1200	1200
Ground rent due not yet paid	2400	2400	2400

Nature of occupation : Unit I self occupied for residence, Unit II : let out for residence, Unit III - Used for own business.

On April 1, 2008 he had borrowed a sum of Rs. 5,00,000 bearing interest at 12% per annum for construction of this building. The total cost of construction of the building Rs. 12,00,000.

Compute the income from house property of Bahadur for the assesment year 2011-12.

OR

- Q. 2. Mr. Rohit purchased a house property for rs. 10,00,00 on 27 August 1978. He made the following additions/alteration to the house property

Cost of construction of 1st floor in Rs. 3,00,000

F.Y. 1983 - 84

Cost of Construction of 2nd floor in Rs. 4,00,000

F. Y. 1990-91

Fair Market value of the property on 1.4.1981 was Rs. 5,00,000. He sold the property on 20th Oct, 2010 for Rs. 85,00,000. He paid the brokerage of Rs. 5,50,00 for the sale transaction. The cost Inflation Index for financial year 1981-82 is 100. for Financial year 1983-84 is 116 for financial year 1990-91 is 182 and for financial year 2010-11 is 711.

Compute the capital gain of Mr. Rohit chargeable to tax for the Assessment year 2011-12.

Q. 3. From the following information furnished by Professor Vikrant compute his taxable income for the year ending 31st March 2011. (15)

1. Received Rs. 500 for paper setting of the university examination.
2. Dividend from Indian Companies Rs. 2000.
3. Received honorarium Rs. 6000 during the year for various lectures delivered at various universities. He spent 40% of this amount as incidental expenses for delivering these lectures.
4. Rent of rs. 2000p.m. for sub-letting a tenancy flat. Rent paid by him to the landlord for the said flat was Rs. 100 p.m.
5. For writing a book, royalty of Rs. 10,000 was received Expenses incurred for typing manuscript etc Rs. 1000.
6. Medi-claim Insurance premium paid Rs. 16,500 for insurance on the health of himself and his dependant children and Rs. 17,000 for insurance on the health of his father aged 65.
7. Interest on 6 years National savings certificate Rs, 9,200
8. Income from Unit Trust of India Rs. 6000.
9. Dividend from foreign company Rs. 2,500.
10. Amount of rs. 50,000 received from LIC on maturity of LIC policy.
11. Interest occurred on public provident fund account Rs. 1200.

OR

Q. 3. a) Aniket a young Indian, went abroad for the first time on 10th March, 2009 for his higher studies. He returned to India on 28th March, 2011 and started his own business in Mumbai.

He went to U.K. on 12th April, 2011 for a negotiation on foreign collaboration and returned to India on 27th April, 2011. His other visits to U.K. for business purpose were as under. (7)

Date of departure from India	Date of return to India
2-05-2011	8-07-2011
26-08-2011	9-09-2011
3-01-2012	25-03-2012

Determine the residential status of Aniket for the Assessment year 2012-13 and give your reasons for the same.

b) Mr. Pratik an Indian citizen, Furnishes the following particulars of his income earned during the previous year. relevant to assessment year 2011-12

Particular	Rs.
1. Interest on Nepal Development Bond (1/3 received in India)	21,000
2. Rent from property in Japan received outside India	10,000
3. Income from Agriculture in Bangladesh	40,000
4. Past untaxed profit brought to India	33,000

5. Profit on sale of Building in Mumbai but received in Srilanka	40,000
6. Interest paid by an Indian company but received outside India.	9,000
7. Income earned from business in London which is controlled from Delhi (Rs. 15000 received in India)	35,000
8. Interest on Bank accounts in India	5000

- Q. 4. a) Define the following (any 3) (6)
1. Previous year.
 2. Income
 3. Assessment year
 4. Resident and ordinarily resident
- b) Enumerate any five item of income which are totally exempt from Income Tax? (9)

OR

- Q. 4. a) Define the following. (any 3) (6)
1. Annual value
 2. Transfer
 3. Person
 4. Capital assets
- b) Discuss the exemption available on capital gain? (9)

