



(2 ½ Hours)

Total Marks : 75

N.B. : All Questions are compulsory, carrying 15 marks each

Q.1. (a)

(8 Marks)

Re-write the following sentences by selecting the appropriate option. (Any Eight out of ten)

- (1) Salary received by a working partner of a firm, is taxed under as, Income from _____
- Salaries Business or Profession Other Sources
- (2) Mr Surinder paid life Insurance premium of Rs 55,000 for his dependant daughter. The amount deductible under section 80C will be _____
- Rs 55,000 Rs 25,000 Rs 50,000
- (3) Mumbai University is assessed to tax, as a _____
- Company Artificial Juridical Person Association of Persons
- (4) A new business was set up on 01-11-2021. Its first previous year will end on _____
- 31st March, 2022 31st December, 2021 31st October, 2022
- (5) Receipts from Pubic Provident Fund is _____
- Fully Taxable Partly exempt Fully Exempt
- (6) Income earned outside India and received outside India, is taxable in the case of _____
- Residents Only Non-Residents Only All the assesseees
- (7) Residential house held for 26 months is treated as _____
- Long-Term Capital Asset
 - Short-Term Capital Asset
 - Not a Capital Asset
- (8) Compensation received for termination of contract is _____
- Fully Taxable Partly Taxable Not Taxable
- (9) Gift received from a brother-in law is _____
- Fully Taxable Partly Taxable Not Taxable
- (10) Sale of poultry products from animals kept on agricultural farm is _____
- Fully Taxable Partly Taxable Not Taxable

Q.1. (b)

(7 Marks)

Re-write the following statements and state whether they are True or False. (Any Seven out of ten)

- Medical Insurance premium paid by NEFT transfer is not eligible for deduction under Section 80D
- Gift received from employer is not taxable.
- Voluntary Retirement Compensation received by a retiring employee is exempt up to a maximum limit of Rs 5 Lacs.
- Traveling expenses for official travel of employees paid by an employer is a taxable perquisite
- Depreciation is not allowed as a deduction from Business Income.
- Dividend from Indian companies is not taxable.
- Municipal tax paid for self occupied house property is allowed as a deduction Annual Value .
- Interest paid on loan for construction of house property is allowed as a deduction from Net Annual Value of a Self Occupied House property up to Rs. 3,00,000.
- Gift from client is taxable under the head 'Profits and Gains of Business and Profession'.
- Agricultural income from land situated in India is exempt from tax.

Q.2.

(15 Marks)

Ms. Radha Shetty is a proprietor of Famous Enterprises. From the following particulars for the previous year ended 31st March, 2022, compute her total income for Assessment Year 2022-23.

Profit & Loss Account			
	Amount(Rs)	Income	Amount(Rs)
Expenses			
To Salaries	2,40,000	By Gross Profit	8,50,000
To Rent	1,50,000	By Income Tax Refund	12,000
		By Interest from Public Provident	
To Conveyance	64,000	Fund (PPF)	13,000
To Depreciation	78,000	By Gift from Father in Law	1,00,000
To Staff Welfare Expenses	32,000	By Interest on Govt Bonds	25,000



To Office Expenses	35,000	
To Advertisement	45,000	
To Contribution to PPF	45,000	
To Life Insurance Premium	14,000	
	2,97,000	
To Net Profit		
Totals	10,00,000 Totals	10,00,000

Additional Information:

- Depreciation as per Income Tax Rules is Rs 74,000.
- Advertisement includes payment for advertisement in souvenir of a political party Rs. 8,000.

Or

Q.2. (15 Marks)

Mr Chirayu Singh gives you following information for the previous year ended on 31st March, 2022, compute the total income for Assessment Year 2022-23.

Particulars	House A	House B
Status	Self-Occupied	Deemed to be Let-Out
Fair Rent	6,00,000	4,80,000
Municipal Valuation	7,20,000	4,40,000
Rent Received	NIL	NIL
Municipal Tax Paid	22,000	40,000
Repair Expenses	30,000	40,000
Maintenance Charges	18,000	12,000
Interest on Housing Loan	2,40,000	3,90,000

Other Information:

- He earned Interest on bank fixed deposits Rs. 2,50,000. This deposit was made out of borrowings on which he paid Interest of Rs 30,000.
- He suffers from physical disability to the extent of 60%
- He has paid Medical Insurance premium by cheque of Rs 36,000 for self and his family and Rs. 55,000 for his dependent parents, who are not senior citizens.

Q.3.

(15 Marks)

Mrs Sandy Davis works as an officer in ICICI Bank. From the following particulars for the previous year ended 31st March, 2022, compute total Income for Assessment Year 2022-23.

Sr No	Particulars	Amount (Rs)
1	Basic Salary	4,80,000
2	Dearness Allowance (100 % of Basic Salary)	
3	Ex- Gratia Received	1,50,000
4	Advance Against Salary	1,20,000
5	Entertainment Allowance (Amount spent for official purposes Rs 25,000)	40,000
6	Re-reimbursement of Medical Expenses	22,000
7	Profession Tax Paid	2,500
8	Interest on Savings Account	30,000
9	Interest on Bonds of Mahindra Motors Ltd	60,000
10	Interest on Fixed Deposit with Bank	70,000
11	Contribution to Provident Fund	60,000

Or

Q.3.

(15 Marks)

Mr Vighnesh purchased a residential house on 16-10-2000 for Rs 6,00,000. The Fair Market Value of this house on 01-04-2001 is Rs 7,50,000.

The cost incurred by him for carrying out various improvements to this house are as under:

Financial Year	Cost in Rs.
2008-09	3,00,000
2014-15	5,00,000
2017-18	4,00,000



He sold this house on 31-01-2022 for Rs 90,80,000 and paid brokerage of Rs 80,000. He had purchased a new Residential House on 31-10-2021 at a cost of Rs 30,00,000

You are required to compute Income from Capital Gains for Assessment Year 2022-23. The relevant Cost Inflation Index (C.I.I.) values are as under:

Financial Year	Cost Inflation Index (C.I.I.)	Financial Year	Cost Inflation Index (C.I.I.)
2001-02	100	2012-13	200
2002-03	105	2013-14	220
2003-04	109	2014-15	240
2004-05	113	2015-16	254
2005-06	117	2016-17	264
2006-07	122	2017-18	272
2007-08	129	2018-19	280
2008-09	137	2019-20	289
2009-10	148	2020-21	301
2010-11	167	2021-22	317
2011-12	184	2022-23	331

Q.4.

(15 Marks)

Mr Danish Shaikh, an Indian citizen, went out of India for first time, for further business to Singapore on 01/07/2021 and came back to India on 31/01/2022. Since then he is in India. Determine his residential status for Assessment Year 2022-23.



Or

Q.4.

(15 Marks)

Mr Mayank has earned following Incomes during the previous year ended on 31st March, 2022. Compute total income for Assessment Year 2022-23, assuming that he is, alternatively

- Resident and Ordinarily Resident
- Resident But Not Ordinarily Resident, or
- Non-Resident

Sr No	Particulars	Amount (Rs)
1	Income from house in Singapore	2,10,000
2	Rent received from house in Delhi	2,20,000
3	Salary earned and received from Indian Company in Singapore	2,30,000
4	Profits from Business in Singapore controlled from India.	2,40,000
5	Interest earned from bank accounts in Singapore	2,50,000
6	Dividend on shares of Indian Companies	2,60,000
7	Professional Fees received in Singapore, for services rendered in India	2,70,000
8	Past un-taxed income of 2020-21 now brought to India	2,80,000



Q.5. (15 Marks)

- (a) Explain provisions of Section 80D and List items eligible for deduction under it.
- (b) What is 'Let Out House Property'? Explain provisions of calculation of income of 'Let out House Property'.

Or

Q.5. (15 Marks)

Answer in brief, the following as per the provisions of Income Tax Laws (Any 3) 15

- (a) Explain the term 'person'
- (b) Describe any five items of Incomes which are exempt under section 10
- (c) Long Term Capital Asset
- (d) Deductions from salary income under section 16.

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