

Seat No. : \_\_\_\_\_

**AE-137**

**April-2016**

**S.Y. M.B.A. Integrated**

**DIRECT TAXES – II**

**Time : 3 Hours]**

**[Max. Marks : 100**

1. (A) Answer any **two** : **10**

- (1) What is the significance of clubbing of income ?
- (2) Discuss the provisions of set off & carry forward of loss under the head 'Capital Gains'.
- (3) What is agricultural income and how is it treated for Income Tax purpose ?

(B) Mrs. Nishi, a resident individual, submits the following information, relevant to previous year ending on 31-3-2015. **10**

- (1) Income from salary (computed) ₹ 60,000
- (2) Income from House property :  
House 1 ₹ 12,000  
House 2 ₹ – 50,000  
House 3 ₹ – 10,000
- (3) Profits & gains from Business or profession :  
Business 1 ₹ 8,000  
Business 2 ₹ – 12,000  
Business 3 (Speculative) ₹ – 64,000  
Business 4 (Speculative) ₹ 36,000
- (4) Capital Gains :  
Short term capital loss ₹ – 6,000  
Long term capital gain  
on transfer of share ₹ 5,400
- (5) Income from other sources (computed) :  
Income from card games ₹ 36,000  
Income from betting ₹ 24,000  
Loss on maintenance of  
Race horses ₹ 4,600

The following items have been brought forward from preceding year :

- (1) Loss of speculative business ₹ – 2,000
- (2) Short term capital loss ₹ – 5,000
- (3) Long term capital loss ₹ – 3,000
- (4) Loss on house 1 ₹ – 2,000

Determine the gross total income for the assessment year 2015-16.

2. (A) Discuss the following deductions under Income Tax Act (any **two**) **10**

- (1) Section 80 DDB
- (2) Section 80 RRB
- (3) Section 80 TTA
- (4) Section 80 U

(B) Mr. Nishit, whose Gross Total Income for assessment year 2015-16 is ₹ 3,85,000 (which includes long term capital gain of ₹ 40,000 and short term capital gain of ₹ 20,000) submits the following information : **10**

	₹
(1) Contribution towards PPF	10,000
(2) LIP paid for married son not dependent on him	5,000
(3) Mediciam premium paid by cheque for himself	2,000
(4) Mediciam premium paid by cheque for married son not dependent on him	3,000
(5) He made the following donations by cheque :	
(a) National Defense fund	5,000
(b) P.M's National Relief fund	4,000
(c) Indira Gandhi Memorial Trust	5,000
(d) Delhi University (declared as an institute of national eminence)	2,000
(e) Zilla Saksharta Samiti	4,000
(f) An approved charitable institution	25,000
(g) Government for family planning	15,000
(h) Donation of Blankets to an Orphanage	4,000
(i) Donation to National Blood Transfusion Council	2,000

- Compute
- (1) Total income of Mr. Nishit
  - (2) Tax payable for the same.

3. Compute the total Income of Mrs. Mehta a lecturer of a college affiliated to Chennai University, for the Assessment year 2015-16 on the basis of the following Particulars : **20**

	₹
(1) Salary ₹ 50,000 per month	6,00,000
(2) Dearness Allowance @ 50% of salary	3,00,000
(3) Wardenship allowance ₹ 1,500 p.m.	18,000
(4) Examinership remuneration from University	25,400
(5) Royalty from Book of artistic nature	2,73,000
(6) Income from card games	6,400
(7) Winnings from lotteries (gross)	20,000
(8) Expenses on lottery tickets	10,000
(9) Interest on Savings Bank A/c.	17,000
(10) Deposited in PPF A/c.	72,000
(11) Life Insurance Premium Paid	30,000
(12) NSC purchased (1-1-2016)	1,00,000
(13) Mediclaim for own health	10,000
(14) Dividend received on shares of Indian company	2,000
(15) Long term capital gain	50,000
(16) Short term capital loss	– 10,000

She was given Rent free accommodation in the city area, the accommodation was owned by the employer. Also compute tax liability for A.Y. 2015-16.

4. Write a short note on (any **four**) **20**

- (1) Permanent Account Number
- (2) Self Assessment
- (3) Defective Return
- (4) Belated Return
- (5) Revised Return
- (6) Partially Agricultural Income

5. (A) Compute the Advanced tax payable by Ms. Pari from the following estimated income submitted for the financial year 2014-15. **10**

	₹
Income from Salary	5,80,000
Rent from House Property (p.a.)	3,60,000
Interest on Government Securities	25,000
Interest on Savings Bank	13,000
Agricultural Income	90,000
Contribution towards PPF	60,000
Tax deducted at source by the employer on salary is	35,020

- (B) Explain TDS Provisions on any **two** of the following : **10**
- (1) Interest other than interest on securities (Section 194 A)
  - (2) Deduction of tax from salary (Section 192)
  - (3) Winnings from lottery, crossword puzzle, card games etc. (Section 194 B)

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