



ROLL NO.

PRESIDENCY UNIVERSITY, BENGALURU
SCHOOL OF LAW

Max Marks: 40

Max Time: 180 Mins

Weightage: 40 %

ENDTERM FINAL EXAMINATION

I Semester AY 2017-18

Course : **BCL 201 DIRECT TAXES**

23 DEC 2017

Instructions:

- i. Write legibly
- ii. Scientific and non programmable calculators are permitted

Part A

[5 Q x 2 M= 10 Marks]

1. What are Short Term Capital Gains? What are the rates of Tax for Short Term Capital Gains?
2. List out any four situations where 'Clubbing of Income' provisions become applicable under the Income Tax Act.
3. What is Agricultural Income? Also explain the concept of 'Partial Integration' of Agricultural Income.
4. What is meant by Advance Tax? What are the due dates for payment of Advance Tax for Individuals?
5. What is meant by Revised Return? What is the maximum time allowed for filing a Revised Return?

Part B

[3Q x 5 M = 15 Marks]

6. The income under various heads of a family consisting of a Father, Mother and a Son for the Previous Year 2017-18 are given below. The Son is an Artist aged 16 years.

Income	Father ₹	Mother ₹	Son ₹
Salary	1040000	820000	NIL
House Property	280000	360000	NIL
Other Sources- Interest from Bank Fixed Deposit	80000	100000	160000
Income from sale of Art Works	NIL	NIL	360000
Long Term Capital Gains - Land	-60000	NIL	NIL

From the above information, compute the Taxable Income of Father, Mother and Son for the PY 2017-18.

7. Ms Sukanya inherited a House from her Mother in the financial year 2014-15 when the property value was ₹24 lacs. Her mother purchased the property in the year 2004-05 for a price of ₹ 880000. After purchase, an additional floor was built in the year 2007-08 by incurring a cost of ₹ 420000. Ms Sukanya intends to sell this property in January 2018 for ₹ 62 lacs. She intends to invest the proceeds in purchase of another Flat for ₹ 52 lacs. The Cost Inflation Index for 2004-05 is 113, 2007-08 is 129, 2014-15 is 240 and 2017-18 is 272. Using the given information, compute the Taxable Long Term Capital Gains of Ms Sunkanya for the Previous Year 2017-18.

8. Mr Mangaldas has a Steel Casting Business. The information pertaining to two of the assets used for his Business for the year 2017-18 is as follows :

Block of Assets		
	Machinery 15% Rate	Furniture 10% Rate
Opening WDV	40000	360000
Old Machine Sold on 4 th April 2017	160000	
New Machinery Bought on 10 th December 2017	80000	
Old Furniture Sold on 8 th October 2017		60000
New Furniture bought on 17 th June 2017		40000

Compute the amount of Depreciation / Short Term Capital Gains and closing WDV of assets for Income Tax purposes for the year 2017-18.

Part C

[1Q x 15 M= 15 Marks]

9. Mr Narahari your client, provides you with his income and tax paid particulars for the previous year 2017-18, which is as follows :

Particulars	Amount ₹
Income from Salary (Computed)	740000
Income from House Property (Computed)	
House 1 Self Occupied	-124000
House 2 Let Out	-26000
House 3 Let Out	40000

Income from Business (Computed)	
Business 1 – Steel	140000
Business 2 – Textile	-280000
Business 3 – Speculative	80000
Business 4 – Speculative	-60000
Income from Capital Gains (Computed)	
Long Term Capital Gains – Gold	20000
Long Term Capital Gains – Silver	-40000
Short Term Capital Gains – Land	100000
Short Term Capital Gains – Shares	-20000
Income from Other Sources	
Gift from Girl Friend on Birthday	120000
Gift from Father on Birthday	20000

Mr Narahari has during the year purchased a Life Insurance Policy with a Premium of ₹ 90000, invested in Provident Fund ₹ 30000, spent ₹ 50000 for Children Education Tution Fees. He also purchased a Medical Insurance Plan for a premium of ₹ 27000 for himself. During the year his employer has deducted TDS to the extent of ₹ 84000.

Using the above information,

- Compute the Total / Taxable Income for the year;
- Compute the amount of Income Tax to be paid for the year after considering the TDS
- Determine the Carryforward of Losses if any to the next year



PRESIDENCY UNIVERSITY, BENGALURU
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Max Marks: 30

Max Time: 120 Mins

Weightage: 30 %

2016 B.COM., LLB III Semester
MID TERM EXAMINATION

I Semester 2017-2018

Course: **BCL 201 Direct Taxes**

14th OCT 2017

Instructions:

- i. Write legibly
- ii. Scientific and non-programmable calculators are permitted

Part A

(2Q x 10 M= 20 Marks)

1. Compute the Income from Let Out House Property (construction completed PY 2016-17) of Mr Sadharam for the AY 2018-19 based on the given information :

Municipal Value	Rs 240000 pa
Fair Rent	Rs 300000 pa
Standard Rent	Rs 280000 pa
Actual Rent	Rs 30000 per month
Arrears of Rent	1 month
Municipal Tax Paid	Rs 15000 for Year 2017-18 and Rs 5000 for next year
Insurance Premium Paid	Rs 10000
Interest on Housing Loan	
Pre Construction Total Interest	Rs 3000000
Interest for the Year 2017-18	Rs 120000

2. Mr Baburao retired from Private Service in the PY 2017-18. His Firm was covered under Gratuity Act. Upon his retirement from service, he received the following retirement benefits from his employer :

- 1) Gratuity of Rs 780000
- 2) Leave Salary of Rs 380000
- 3) Commuted Pension Rs 550000

Other related information is as follows:

- a) Last Drawn Salary Rs 45000
- b) Last 10 Months Average Salary Rs 42000
- c) Year of Service 28 Years and 4 months
- d) Leave Availed while in service 540 days
- e) Commuted Pension is 60% of Full Pension Value

Find the given information, compute the amount of taxable retirement benefits.

Part B

(5 Q x 2 M= 10 Marks)

2. What is meant by Tax Planning ? How is it different from Tax Evasion.
3. State the different types of 'persons' as provided in the Income Tax Act.
4. What are Perquisites ? Give two examples. How are they different from Allowances ?
5. How is exemption on House Rent Allowance computed ? Give example.
6. Differentiate between Long Term and Short Term Capital Assets.