



**AC-2721**  
**Second Year B.Com. Honours (Sem. IV)**  
**Examination**  
**March/April – 2015**  
**Income Tax : Paper IV - Course Code - CC 405 B**

Time : Hours]

[Total Marks :

**Instruction :**

(1)

<p>नीचे दृशायेव निशानीवाणी विगतो उत्तरवही पर अवश्य कपवी. Fillup strictly the details of signs on your answer book.</p> <p>Name of the Examination : <b>SECOND YEAR B.COM. HONOURS (SEM. IV)</b></p> <p>Name of the Subject : <b>INCOME TAX : PAPER IV - COURSE CODE - CC 405 B</b></p> <p>Subject Code No. : <b>2 7 2 1</b> Section No. (1, 2,...): <b>Nil</b></p>	<p>Seat No. : <input type="text"/><input type="text"/><input type="text"/><input type="text"/><input type="text"/><input type="text"/></p> <div style="border: 1px solid black; border-radius: 15px; height: 60px; display: flex; align-items: center; justify-content: center; margin-top: 10px;">Student's Signature</div>
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- (2) All questions are compulsory.
- (3) Figures to the right indicate full marks of the question.
- (4) Precise and to the point answers are expected.

- 1 (A) From the following information determine the taxable income under the head 'Income from other sources of Mr. Rahul for the assessment year 2014-15. 4
- (1) Interest received on deposit with co.op.bank . ₹ 2,000
  - (2) Dividends received from a foreign company . ₹ 8,000
  - (3) Income from units of Unit Trust of India ..... ₹ 4,000
  - (4) 7% capital investment bonds ..... ₹ 80,000
  - (5) Winnings from lottery (Gross)  
(Rate of TDS 30%) ..... ₹ 21,000
  - (6) Expenses for buying lottery tickets ..... ₹ 1,000
- (B) A machinery costing ₹ 12,00,000 was purchased on 1-1-2013 in a factory. Establishment expenses ₹ 2,00,000. Transportation expenses ₹ 80,000 and custom duties ₹ 1,20,000 were paid. Government subsidy of ₹ 2,00,000 was received. 4
- Same type of another machinery was purchased at ₹ 5,00,000 on 1-11-13. While some portion of old machinery was sold at ₹ 10,00,000 including profit of ₹ 3,00,00. The rate of depreciation is 15%.

Calculate the depreciation for the financial year 2012-13 and 2013-14.

- (C) Calculate income tax liability of Abhi (29 years) whose total taxable income for PY 2013-14 is ₹ 4,80,000.

2 Shri Akshay's Profit and loss Account for year ended on 31-03-14: 13

Particulars	₹	Particulars	₹
To Opening stock	2,42,000	By Closing stock	3,15,000
To Purchases	10,00,000	By House rent	14,000
To Salary	1,98,000	By Sales	17,02,555
To Depreciation on machinery	25,000	By Bad Debts Return	20,000
To Interest on capital	20,000		
To Bad- debt Reserve	19,000		
To Income tax	18,000		
To Advertisement Expenses	26,000		
To Donations	16,000		
To Net profit	4,87,555		
	<b>20,51,555</b>		<b>20,51,555</b>

**Additional information:**

- (1) Opening stock is valued at 10% more than the cost and Closing stock is valued at 5% more than the cost.
- (2) The approved depreciation on machinery is ₹ 4,000.
- (3) The advertisement expenses shown in the above P&L a/c includes ₹ 17,000 as advertisement given in the newspaper owned by a political party.
- (4) The opening balance of Motor on 1-4-13 was ₹ 90,000, on which 20% depreciation is allowable. The use of motor for business is 2/3 portion.
- (5) Goods of market price of ₹ 19,000 were purchased at ₹ 14,000 and taken for household consumption were included in the sales at ₹ 25,000.
- (6) Shri Anand (who is an author of a book) has received ₹ 10,000 as royalty.
- (7) The amount of donation shown above does not include ₹ 10,000 given as cash donation to S. G. University.
- (8) The amount of Bad debt return includes ₹ 13,000 (which was not allowed in the past).

Find out the taxable income from Business-Profession for the A.Y. 2014-'15.

- 3 (A) During previous year 2013-14, Mr. Jit (29 years) sells the following assets: 7

Particulars	Non-listed Bonds	Gold	Non-listed Debentures
Date of sale	31-3-14	10-4-13	5-3-14
Date of acquisition	10-4-13	3-6-78	10-4-62
	₹	₹	₹
Sale consideration	50,000	8,15,000	70,000
Cost of acquisition	44,000	60,000	40,000
Fair market value on 1-4-81	-	69,000	34,000

Determine capital gain for assessment year 2014-15.

Cost Inflation Index 13-14: 939; 91-92:199

- (B) Mr. A business man of Delhi furnishes the following information relevant for A.Y. 2014-15. Determine the taxable income of Ms. Neha for A.Y. 2014-15. 6

(1) Income from House property	2,60,000
(2) Business profit (before claiming depreciation)	2,34,000
(3) Allowable depreciation of current year	1,08,000
(4) Unabsorbed depreciation of the P.Y. 2006-07	13,000
	P.Y. 1996-97 3,500
(5) Unabsorbed business loss of	P.Y. 2007-08 9,000
	P.Y. 1997-98 4,000

- 4 (A) From the following information compute the advance tax payable of Mr. Neel for PY 2013-14. Also calculate the advance tax installments and due dates to pay them. 6
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|---|----------|
| Income from Salaries (taxable) .....      | 4,50,000 |
| Income from other sources (taxable) ..... | 90,000   |
| Loss from House property .....            | 20,000   |
| Deductions under section 80C .....        | 60,000   |
| Tax deducted at source .....              | 4,000    |

- (B) Short notes: 8

- (1) Tax Deducted at Source from salary (Section 192)
- (2) Deductions under section 80C