



B. V. M.  
SHRI. G. G. P. BY RAITHANA  
UNIVERSITY OF COMMERCE & ECONOMICS  
LIBRARY

VED - 14

**B.Com. (Semester – VI) Examination, April 2014**  
**Accounting Major – 2 : INCOME TAX, SERVICE TAX AND GOA VALUE**  
**ADDED TAX (Paper – II)**

Duration : 2 Hours

Max. Marks : 80

- Instructions :** i) Question No. 1 is **compulsory**.  
ii) Answer **any 3** questions from the **remaining** questions.  
iii) Figures to the **right** indicate marks **allotted**.  
iv) Show important **working notes** as **fair work**.

1. A) 'Mrs. Kadambari', aged 25 years, is a resident in India. She has paid by cheque, medical insurance premium during the previous year 2012-13, as under :

	₹
i) For self	6,000
ii) For spouse	8,000
iii) For her minor school going sister	2,000
iv) For her minor school going daughter	3,000
v) For her father (retired, 70 years of age)	12,000
vi) For her mother (employed, 60 years of age)	10,000

Compute the amount of Deduction u/s 80 D for the Assessment Year 2013-14.

5

- B) 'Mrs. Kahaani', a resident in India, who is 62 years of age, provides the following particulars of her income for the previous year 2012-13 :

Taxable Income for the year (after deductions under chapter VI A)	9,00,000
Advance tax paid during the year (including TDS)	64,260

Compute the amount of Tax Payable by her for the Assessment Year 2013-14.

5

- C) 'Miss. Kathaa', a resident in India, gives the following details of her house property for the Previous Year 2012-13 :

Purchase of House Property on April 1, 2010 (exclusive of commission paid ₹ 40,000)	6,00,000
Cost of alteration in June, 2011	4,00,000

P.T.O.



Sale of the House Property on December 11, 2012 20,00,000

Expenditure on transfer 24,000

Cost Inflation Index : 2009-10 = 632; 2010-11 = 711; 2011-12 = 785

Compute the amount of Capital Gain for the Assessment Year 2013-14, assuming that the assessee is not entitled for any exemptions. 5

D) 'Mr. Upanyas', who is a registered dealer in Goa, provides the following information for the quarter ended December 31, 2013 :

i) Sale Prices of goods sold for cash (not inclusive of VAT) ₹ 7,34,000

ii) Sale Prices of goods sold for deferred payment (not inclusive of VAT) 1,12,000

iii) Inter-State Sales (included in the above sales) 70,000

iv) Excess Input Tax Credit brought forward from last quarter 9,850

v) Input Tax Credit available for purchases made from registered dealers during the quarter 80,500

The rate of VAT applicable to all the above sales in Goa is 12.5%.

Calculate the amount of 'Taxable Turnover' and 'Tax Liability' for the above quarter, under Goa VAT Act, 2005. 5

2. 'Mrs. Fasaana', 50 years of age, who is a resident individual, submits the following information of her income during the Previous Year 2012-13. She is the owner of two let out house properties called 'Savali' and 'Chaaya' which have been let out during the year :

Particulars	'Savali'	'Chaaya'
	₹	₹
Fair Rent	2,90,000	2,95,000
Municipal Valuation	3,00,000	3,00,000
Standard Rent under Rent Control Act	3,10,000	2,00,000
Monthly Rent charged	20,000	18,000
Rent Unrealised during the year for a period of	2 months	1 month
Vacancy period	1 month	1 month
Municipal Taxes (borne by the owner)	1% (paid)	2% (unpaid)
Interest on capital borrowed for acquisition of house property	46,000	35,000
Minor House Repairs	4,000	2,000

She provides the following information about her investments/payments :

- 1) She paid insurance premium on life of her major son ₹ 15,000 (policy effected in May 2009, sum assured ₹ 65,000).
- 2) She acquired listed equity shares of ₹ 70,000 under 'Equity Saving Scheme'.
- 3) She paid ₹ 1,26,000 (including principal of ₹ 1,00,000) towards loan taken from a nationalised bank for higher studies of her husband who is pursuing ME degree in a recognised institution.
- 4) She contributed ₹ 15,000 towards National Pension Scheme (her basic salary inclusive of dearness allowance being ₹ 1,40,000).

Her computed Income from Profession is ₹ 3,25,000 and computed Income from 'Salaries' from a part time job is ₹ 2,20,000.

Compute her Taxable Income and Tax payable for the Assessment Year 2013-14. 20

3. 'Miss. Afsaana', 24 years of age, and ordinarily resident in India, provides the following information relating to her income earned during the Previous Year 2012-13:

	₹
a) Remuneration from articles written for newspapers	4,000
b) Amount received on maturity of Keyman Insurance Policy (including accumulated bonus of ₹ 60,000)	1,30,000
c) Interest on Bonds issued by the Government of Japan (Gross)	54,000
d) Monthly Rent from a vacant plot of land let out for parking for the entire year	8,000
e) Director's Commission for standing as guarantor to Bankers	10,000
f) Director's Fees from Anurag Ltd.	15,000
g) Gifts received during the year :	
i) Gold ring from her mother's friend (Fair Market Value : ₹ 51,000)	
ii) Gold chain from her sister on her 40 <sup>th</sup> birthday (Fair Market Value : ₹ 90,000)	
h) Agricultural income from land situated in Peru	1,70,000
i) Interest on Post Office Savings Bank Account	11,000
j) Interest received on 9% Debentures of Indiana Ltd., a domestic Co.	24,000
Interest on capital borrowed for investment in the above debentures	26,000



Further information for the year is as under :

- a) She deposited ₹ 40,000 with LIC of India for maintenance of her brother suffering from 81% disability, dependent on her.
- b) She made the following donations :
  - i) Clothes to an approved charitable institution worth ₹ 10,000
  - ii) By cheque to National Foundation for Communal Harmony ₹ 12,000.
- c) Her computed income from Business for the year is ₹ 3,80,000 and from Salaries ₹ 1,50,000.
- d) Self-assessment Tax paid during the Previous Year 2012-13 (including TDS from salaries) ₹ 1,20,000.

Compute her Taxable Income and Tax payable for the Assessment Year 2013-14. **20**

4. Answer in short **any four** of the following : **20**

- a) Deduction for interest on borrowed capital in case of Self-occupied House Property u/s 24.
- b) Provisions relating to Deduction u/s 80 CCG of the Income Tax Act, 1961.
- c) Payment of Advance Income Tax by the assessee on his own account.
- d) Summary Assessment without calling the assessee u/s 143(1) of the Income Tax Act, 1961.
- e) Definition of 'Business' under the Goa VAT Act, 2005.

5. Answer in short **any four** of the following : **20**

- a) Provisions relating to exclusion of Unrealised Rent while computing income from House Property.
- b) Provisions relating to Deduction u/s 80 U of the Income Tax Act, 1961.
- c) Due Dates and Installments of Advance Income Tax payable by a corporate assessee.
- d) Belated Return under the Income Tax Act, 1961.
- e) Definition of 'Goods' under Goa VAT Act 2005.

6. Answer the following :

- a) i) Expenditure in connection with transfer of Capital Asset **5**
- ii) Cost of acquisition of Capital Asset under the Income Tax Act, 1961 **5**
- b) Penalty for failure to File Returns under the Goa VAT Act, 2005. **10**