



SDV – 3

M.Com. (Semester – III) Examination, November 2013  
ACCOUNTING AND FINANCE  
CO3A3 : Direct Taxes

Duration : 2 Hours

Total Marks : 50

1. Answer the following : (5×2=10)

- Explain the tax treatment of Gratuity U/S 10(10).
- Differentiate between tax avoidance and tax evasion.
- What are the due dates of filing income tax returns ?
- What do you mean by block of Assets ?
- Calculate the total income if :  
Family pension received Rs. 8,000 per month.  
Interest on Fixed Deposits received Rs. 15,000 per annum.

2. a) Explain the tax planning aspect with reference to owning or leasing an asset. 10

OR

- Discuss the deduction available for industrial undertakings U/S 80IB.

3. a) Discuss the provisions of set-off and carry forward of losses under the Income Tax Act. 10

OR

- Discuss the deductions available from Gross Total Income.

4. a) Income of Mr. X and Mrs. X for the previous year 2012-13 is as follows :

	Mr. X	Mr. Y
Salary from ABC Ltd.	6,20,000	NIL
Business income	10,00,000	2,70,000
Income from other sources	4,70,000	80,000
Total income	20,90,000	3,50,000

Mr. X is employed by ABC Ltd. without any technical or professional qualification. Mrs. X hold 20 percent equity share capital. Find out the net income of Mr. X and Mrs. X for the assessment year 2013-14. 10

OR

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- b) X, an employee of XYZ Ltd. submits the following information relevant for the assessment year 2013-14 :

Salary	2,56,000
Entertainment allowance	1,06,000
Bonus	1,11,200
Education allowance for her grand children	2,000
Income tax penalty paid by the employer	1,500
Medical bills reimbursed by employer	12,100
Payment of electricity bills by the employer	11,500
Fire refreshment during office hours	2,000
Salary of sweeper	6,200
Reimbursement of gas bills by employer	11,000

Calculate Income from salary for the assessment year 2013-14.

5. a) Explain the following :

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- i) Clubbing of income of minor child
- ii) The tax treatment of Pension.

OR

- b) Mrs. Salim purchased a house property of Rs. 76,000 on June 30, 1967. The following expenses are incurred by him for making addition and alteration to the house property.

- i) Cost of construction of first floor in 1975 - 76 : Rs. 1,10,000
- ii) Cost of construction of second floor in 1982 - 83 : Rs. 4,40,000
- iii) Alteration of property in 1989-90 : Rs. 2,90,000

Fair market value of the property on April 1, 1981 is Rs. 6,50,000. The house property is sold by Mr. Salim on June 17, 2012 for Rs. 1,14,00,000. Expenses incurred on transfer Rs. 50,000.



Calculate the capital gains for the assessment year 2013-14 :

Year	Cost Inflation Index
1981-82	100
1982-83	109
1983-84	116
1984-85	125
1985-86	133
1989-90	172
2010-2011	711
2011-2012	785
2012-2013	852

OR

b) Discuss the deduction available for industrial undertakings U/S 80IB

OR

4. a) Income of Mr. X and Mrs. X for the previous year 2013-14 is as follows:

	Mr. X	Mrs. Y
Salary from ABC Ltd.	5,20,000	NIL
Business income	10,00,000	2,70,000
Income from other sources	4,70,000	80,000
Total income	20,90,000	3,50,000

Mr. X is employed by ABC Ltd. without any technical or professional qualification. Mrs. X hold 20 percent equity share capital. Find out the net income of Mr. X and Mrs. X for the assessment year 2013-14.

OR