

Duration: 2 HRS

Maximum Marks: 60

Instructions:

- 1) Start each question on fresh page.
- 2) Figures to the right indicate maximum marks.
- 3) Q1 is compulsory
- 4) Answer any FIVE questions from Q2 to Q7

Q 1 A) Rachin furnishes the following information about her stay in India

A.Y.	DAYS	A.Y.	DAYS	A.Y.	DAYS
2012-13	75 days	2016-17	30 days	2020-21	72 days
2013-14	45 days	2017-18	60 days	2021-22	32 days
2014-15	70 days	2018-19	60 days	2022-23	112 days
2015-16	168 days	2019-20	155 days	2023-24	73 days

Determine her Residential status for the Assessment Year 2023-24. (06 Marks)

Q.1 B) Boulton & Co., a partnership firm engaged in the Cloth Business has gross receipts amounting to ₹. 1,22,00,000/- from such business. The partnership deed provides for Payment of Interest and Remuneration to Partners. The firm uses the machinery for its business and the WDV of Machinery is ₹. 6,00,000. The machinery is available for depreciation @15%.

Compute the profits from the business, if Firm opts for the Scheme under section 44 AD. (06 Marks)

Q.2 A) Conway Ltd furnishes the following information of its Machineries for the Previous Year 2022-23:-

W.D.V. as on 1st April, 2022 ₹. 99,98,480/-. on 01st May, 2022 new Machinery amounting to ₹. 16,43,000/- was purchased. To add to the existing machinery new purchase on 20th March, 2023 was effected which amounted to ₹. 23,22,500/-. Part of the Machinery costing ₹. 7,66,300/- was sold for ₹. 3,62,000/-.

Admissible Rate of Depreciation on Machinery is 15%.

Compute the admissible depreciation for A.Y. 2023-24.

(06 Marks)

Q. 2.B)

A. Mrs. Kylie, covered by the Payment of Gratuity Act, 1972 retires during 2022-23 from NWCB Private Ltd, and receives Rs. 14,50,000/- as gratuity after a service of 42 years 11 months. Her Last drawn salary during the last 10 months of service was ₹. 1,80,000/-.

Determine the taxable gratuity in her case.

(03 Marks)

Roll No : _____

B. Mr. Southee staying at Kolkatta receives ₹. 1,22,000/-^{xm} monthly as basic salary, ₹. 37,000 as D.A provided in terms of employment and 8% as commission on turnover achieved by him. He is paid an house rent allowance of ₹. 23,500 p.m. The turnover achieved by him for the year is Rs. 78 lakhs. House rent paid by him is ₹. 30,000 p.m.

(03 marks)

~~(10 Marks)~~

Q.3. A. Mr. Ross provides the Following details of his Income for the P.Y. 2022-23

Basic Salary: ₹. 8,63,000/- P.a.
Dearness Allowance: ₹ 17,200/- p.m.
Transport Allowance: ₹. 1,200 p.m.
Hostel Allowance: ₹. 400 p.m. per child for Three children
Children Educational Allowance : ₹. 800 P.m. for Three children.

He also owns a Self Occupied House property in Bangalore.

The Details are as follows:

Municipal Valuation: ₹. 14,00,000/-
Fair Rent : ₹. 14,85,000/-
Standard Rent : ₹. 15,00,000/-

Following expenses were incurred by him in respect of the House Property:

Property Taxes : ₹. 22,800/-
Repairs : ₹. 1,62,000/-
Insurance Paid : ₹. 63,000/-

He pays ₹. 3,16,800 /- as interest on housing loan availed by him of ₹. 38,00,000/- .

LIC Premium : ₹. 89,000/-
Provident Fund : ₹. 1,12,000 /-
Housing Loan Principal Repayment : ₹. 16,280/-

Compute Total Income and Tax Thereon for the A.Y. 2023-24.

(12 Marks)

Q4) Mr. Kane is a Doctor practicing in Chennai. The following is the Receipts and Payments for the Year Ending 31-03-2023.

RECEIPTS		AMOUNT	PAYMENTS		AMOUNT
To	Professional Income	22,93,680.00	By	Salaries	3,68,900.00
"	House Rent	1,65,000.00	"	Rent Paid	3,63,000.00
"	Share of Income from Firm	5,22,800.00	"	Telephone Expenses	18800
"	Agricultural Income	91,500.00	"	Professional Fees Paid	36,000.00
"	Maturity of LIC Policy	5,00,000.00	"	Vehicle Expenses	2,22,500.00
			"	Office Expenses	9,750.00
			"	Purchase of Car	12,22,800.00
			"	Purchase of Laptop	92,000.00
			"	Personal Expenses	41,320.00
			"	Income Tax Paid	1,22,500.00
			"	Donations	25,000.00
			"	Car Insurance	17,800.00
			"	<u>House Property Expenses:</u>	
				Municipal Taxes	7,500.00
				Repairs	12,400.00
				Insurance	9,000.00
			"	Balance C/d.	10,03,710.00
		35,72,980.00			35,72,980.00

ADDITIONAL INFORMATION:

1. Allowable depreciation of Car is 15% and on laptop is 40% .
2. Municipal Value of house property is ₹. 80,000. The house was self occupied as her residence for 4 months.
3. Mr. Kane incurred expenditure amounting to ₹. 36,400/- towards mediclaim paid by him of his spouse an children.

Compute her taxable Income for the year.

(12 Marks)

Q5) Ms. Guptill provides her Profit & Loss Account for the year ended 31 st March, 2012.

PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
To Purchases	55,86,000.00	By Sales	72,63,890.00
" Salaries	1,65,000.00	" Dividend	32,680.00
" Printing & Stationery	3,650.00	" Bank Interest	11,400.00
" Telephone Expenses	17,800.00	" Share from Firm	1,96,000.00
" Professional Fees Paid	25,000.00		
" Vehicle Expenses	1,08,900.00		
" Office Expenses	36,200.00		
" Purchase of laptop	71,850.00		
" Personal Drawings	1,50,000.00		
" Income Tax Paid	88,000.00		
" Donations	7,500.00		
" LIC Premium	21,280.00		
" Net Profit	12,22,790.00		
	75,03,970.00		75,03,970.00

ADDITIONAL INFORMATION:

1. Allowable depreciation of Computer is 60%.
2. 2/3rd of travelling expenses are for Personal use.
3. Ms. Guptill spends yearly amount of ₹. 89,000/- on her treatment as she is physically handicapped. The medical certificate certifies that she is 40% disable.

Compute his taxable Income for the year.

(12 Marks)

Q6) Write Short Notes on the following

(4*3=12 marks)

- a) Transfer
- b) Resident
- c) Long Term Capital Asset

Q7) Answer the following

(6*2=12 Marks)

- 1) Define Capital Asset ?
- 2) Note the Provisions in relation to House Rent Allowance under Section 10(13A)
