



Institute of Management
JK Lakshmipat University, Jaipur
END TERM EXAMINATION -2019

BBA (V sem.) Direct Tax Laws and Practice
Subject Code: AC 07
MM: 40 Marks

Time: 2 Hours

Section-A

1. X (49 years) submits following information for the A.Y. 2019-20

- a) Purchased 1,000 shares in C ltd on January 20, 2014 from a friend at the rate of Rs. 350 per share (though shares in C ltd. are quoted in Bombay stock exchange). Highest market quotation on January 31, 2018 is Rs. 440 per share. He transfers 900 shares in C ltd. on February 18, 2018 at the rate of Rs. 470 per share.
- b) Transferred 2500 equity shares in A ltd. by way of gift to a Friend.
- c) Transferred of a residential house property on September 18, 2018 for Rs. 47,80,000 to B (cost of acquisition in 2004-05: Rs. 5,79,496, cost of improvement in 2010-11: Rs. 94,878; Stamp duty at the time of acquisition Rs. 2,00,000; Stamp duty valuation of home at the time of transfer : Rs. 60,20,000; Expenditure on transfer incurred by X and recovered from B: Rs. 11,500.
- d) Purchase of residential flat in Jaipur on September 1, 2018 for Rs. 27,00,000.
- e) Income from the other source for the previous year 2018-19 is Rs. 20,00,000.

Calculate taxable income & Tax liability of X for the A.Y. 2019-20 with the help of given data of CII. **(10 Marks)**

2001-02	100	2006-07	122	2011-12	184	2016-17	264
2002-03	105	2007-08	129	2012-13	200	2017-18	272
2003-04	109	2008-09	137	2013-14	220		
2004-05	113	2009-10	148	2014-15	240		
2005-06	117	2010-11	167	2015-16	254		

2. X (43 Years) submits the following particulars of his income for the P. Y. ending March 31, 2019.

Salary Received	16,00,000 Rs.
NAV of Housing property	15,00,000 Rs.
Business Income (Non-speculative)	2,00,000 Rs.
Bank Interest on fixed deposits	40,000 Rs.
Transfer of land (Purchased in 2002-03 for RS. 1,93,520)	6,00,306 Rs.
Transfer of Preference shares (purchased in 2004-05 for Rs. 2,17,928)	5,87,360 Rs.

P.T.O.

Loss from Business (Speculative) 1,20,000Rs.
 Contributes Rs. 1,60,000 towards recognized PF.
 Determine the net income and tax liability of X for the A.Y. 2019-20. **(10 Marks)**

3. In the case given below, information of X (69 years) during the financial year 2018-19 is provided:

Business Income 3,00,000 Rs.
 LTCG on transfer of capital assets on June 1, 2018 4,00,000 Rs.
 Bank Interest (FD) 80,000 Rs.
 Other Income 1, 90,000 Rs.

Assuming that all income is received or accrued in the beginning of financial year, compute advance payment of tax for different due dates. **(10 Marks)**

OR

Write Short note on any two: **(2*5 Marks)**

- Tax Deducted at Source (TDS)
- PAN
- Search, Seizure and Assessment Provision of Income Tax Act, 1961

Section –B

4. X submits the following information of income/loss for the A.Y. 2019-20:

	Rs.
Profits of Business I carried on in India	8,00,000
Loss of Business II carried on in India	(-)2,25,000
Profits of Business III carried on In Germany (though income is earned and received in Germany, business is controlled from Bombay)	3,90,000
Loss of Business IV (exclusive of unabsorbed depreciation mentioned below) carried on in Germany (though income is earned and received in Germany, business is partly controlled from Germany and partly from Canada)	(-) 86,000
Unabsorbed depreciation of the A.Y. 2010-11:	
Business I	(-) 90,000
Business III	(-) 1,10,000
Business (IV)	(-) 2,70,000
Income from property situated in India	8,00,000
Income from property in Germany (rent is received in Germany)	11,55,000

Determine the net income of X for the A.Y. 2019-20 on the assumption that he is (a) resident and ordinary resident in India, (b) resident and non-ordinarily resident in India, and (c) non resident in India. **(10 Marks)**