Enrollment No:	Exam Seat No:
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C. U. SHAH UNIVERSITY Summer Examination-2022

Subject Name : Taxation-II

Subject Code: 4CO04TAX2 Branch: B.Com (English)

Semester: 4 Date: 04/05/2022 Time: 11:00 To 02:00 Marks: 70

Instructions:

- (1) Use of Programmable calculator & any other electronic instrument is prohibited.
- (2) Instructions written on main answer book are strictly to be obeyed.
- (3) Draw neat diagrams and figures (if necessary) at right places.
- (4) Assume suitable data if needed.

	Attempt the following questions:	(14)
a)	Section 45 to 55 is for	1
	(A) Capital Gain (C) Salary Incomes	
	(B) Income from Other Sources (D) None	
b)) Inspectors of Income tax are appointed by	1
	(A) Commissioner (C) Central Government	
	(B) State Government (D) None	
c)	section for Incomes from other sources.	1
	(A) Section 52 to 54. (C) Section 54 to 56	
	(B) Section 56 to 59 (D) Section 69 to 72	
d)) Write the full form of LTCG	1
	(A) Long Term Capital Gain (C) Long Time Cap	ital Gain
	(B) Last Time Capital Gain (D) None of the abo	ove
e)	Dividend declared by company is	1
ŕ	(A) Fully taxable (C) Party tax free	
	(B) Fully tax-free (D) Deductible U/s 80L	
f)	• • •	1
ŕ	(A) Tax deduction and source (C) Tax deduction at sa	lary
	(B) Tax deduction at source (D) Tax deducted at so	urce
g)) Full form of C.B.D.T	1
Ů,	(A) Central Board of Direct Taxes (C) Centre Board of I	Direct Taxes
	(B) Central Board of Direct Tax (D) Centre Board of	Direct Tax
h)		
	income from	
	(A) Business Income (C) Income from other s	ources
	(B) House property Income (D) None of the above	
i)		e amount 1



		after grossing up of interest (A) Rs.8100 (B) Rs.30,000 (C) Rs. 90,000 (D) Rs. 14850		
	j)	Long term capital gain is realized if an equity share of company is	1	
		transferred after?		
		(A) After 12 months (C) Before 36 months		
	1-)	(B) After 36 months (D) none of the above	1	
	K)	What is the date of payment of first installment of advance tax for other than company assessee?		
		A) On or before 15 June C) On or before 15 December		
		B) On or before 15 September D) On or before 15 March		
	l)	Which of the following amount is deductible from business income?	1	
		(A) Interest on loan (C) Interest on capital		
		(B) LIC premium (D) Income tax		
	m)	Transfer of which type of the following assets does not give rise to capital	1	
		gain?		
		(A) Residential house (C) Bonds		
	n)	(B) Share (D) Motor carPrevious year if, Assessment year is 2021-22	1	
	11)	(A) 2018-19 (B) 2019-20 (C) 2020-21 (D) 2021-22	1	
Atten	npt any	four questions from Q-2 to Q-8		
Q-2	(A)	Attempt all questions Write short note on Permanent Account Number	(14) 7	
	(B)	From the following particulars of Harshiv calculate the taxable income		
		under the heading of 'Capital gains' for the assessment year 2021-'22.		
		Harshiv had purchased a residential house for Rs.18,59,980 during the		
		year2004-'05. He had also paid Rs.3,52,557 as additional construction		
		expense during the year 2007-'08.		
		On 7-7-2019, she sold the above house for Rs.67,97,627 and paid		
		Rs.80,000 as brokerage.		
		On 1-1-2020, she purchased another house for Rs.12,00,000. Relevant cost		
		inflation numbers are as under:		
		The related Index Numbers are as under:		
		Year Index No.		
		2004-'05 113		
		2007-'08 129		
		2019-'20 289		
Q-3	(A)	Attempt all questions Explain classification of securities	(14) 7	



	(B)	Write short note on C.B.D.T		7
Q-4	(A)	Attempt all questions What is Capital Gain? Explain its types		(14) 7
	(B)	Make a list of Inadmissible expenses		7
Q-5	(4)	Attempt all questions		(14)
	(A) (B)	State powers of 'Assessing Officers' Write short note on Advance Payment of Tax		7 7
Q-6	(D)	Attempt all questions		(14)
_	(A)	From the following information, compute taxable income und of 'Income from other sources" for the financial year 2021-'22	2.	10
			Rs.	
		1) Interest received on 10% tax free debentures of Rina Ltd. (T.D.S 10%)	27,000	
		2) Dividend received on 10% Preference shares of Indian co.	20,000	
		3) Interest earned on fixed deposit with Bank of India	18,600	
		4) Interest on 7% Capital Investment Bonds	7,000	
		5) Income of rent from sub-tenant	12,000	
		6) Net income received on winning from horse-race (T.D.S 30%)	1,40,000	
		7) Dividend received on shares of foreign companies	8,400	
		8) Interest credited in public provident fund account	5,400	
		9) Received family pension	2,70,000	
		He has paid interest of Rs.6,500 on bank loan taken for shares of Indian co.	purchasing	
	(B)	Calculate taxable income under the head 'Income from Other Mohan .	Sources' Mr.	04
			Rs.	
		1) Gross dividend on equity shares of Goli Ltd.	20,000	
		2) Interest received on 9% tax free debentures	36,000	
		of Gokul Society Ltd. (TDS 10%)		
		3) Interest received on listed debenture of Gada Electronics Ltd. (TDS 10%))	1,44,000	
		He has paid as interest on loan taken for making investr Electronics Ltd.	ment in Gada	
Q-7		Electronics Ltd.		(14)
Y -1		Determine taxable income under the head of business or profe. Hreyansh traders for A.Y 2021-'22:	ssion of	(17 <i>)</i>



Particular	Rs.	Particular	Rs.
To Salaries	9,00,000	By Gross Profit	32,00,000
To Bad Debts	30,000	By Discount	1,20,000
To Bad debt reserve	60,000	By Bad debt	
To General reserve	3,80,000	recovered (50% not	
To insurance premium	1,50,000	allowed in the past)	60,000
To Interest on capital	90,000	By Interest	
To Advance income tax	54,000	÷nd	3,00,000
To Advertisement	90,000	By Interest on P.O	
To Donation	18,000	office deposit A/c	1,20,000
To Motor-car Expense	1,80,000		
To Telephone expense	36,000		
To Depreciation	72,000		
To Net Profit	17,40,000		
	38,00,000		38,00,000

Additional Information:

- 1) Salaries include Rs. 1,80,000 paid to Mr.Hreyansh
- 2) General expenses includes Rs. 60,000 for payment being made for personal purchases of Mr.Hreyansh
- 3) Advertisement includes Rs. 54,000 spent on purchase of new permanent sign board.
- 4) Motor car expense includes Rs.1,44,000 towards personal purpose
- 5) Insurance premium includes Rs. 60,000 of Life Insurance Premium
- 6) Allowable amount of depreciation is Rs. 90,000
- 7) An unrecorded income of Rs.1,20,000 of chemical trade is found of from the pass book

Q-8 (14)

Find out the taxable capital gain and exemption U/s 54 F for the A.Y.2021-'22. From the details given below by Surabhi.

Assets	Date of Purchas e	Purchase Price (Rs.)	Sales Price (Rs.)	Sales Expens es (Rs.)
1)Land	1-1-'02	1,00,000	6,02,000	750
2)Jewellery	1-1-'06	4,83,915	13,10,721	-
3)Unlisted shares				
of 'B' Ltd	1-1-'11	2,07,215	9,63,115	900
4)Listed				
Debentures of 'X'	1-1-'11	1,26,650	2,27,000	350
Ltd				
5) unlisted				
debentures of 'X'	1-1-'14	2,61,237	4,06,478	_
Ltd				
6) Residential Flat	2-11-'20	28,05,851	-	-



On 1-11-2020, all the above assets (excluding residential flat) were sold. Securities transaction tax has not been charged on sales of all the securities. The cost inflation Index numbers are as under:

2001-'02: 100 2012-'11: 167 2005-'06: 117 2020-'21: 301

