



**WEST BENGAL STATE UNIVERSITY**  
B.Com. Honours 3rd Semester Supplementary Examination, 2021

**FACACOR06T-B.COM. (CC6)**

**DIRECT TAXATION**

Time Allotted: 2 Hours

Full Marks: 50

*The figures in the margin indicate full marks.  
Candidates should answer in their own words and adhere to the word limit as practicable.  
All symbols are of usual significance.*

**GROUP-A**

**Answer any two questions from the following**

10×2 = 20

1. (a) Mr. Banerjee, an Indian citizen, left for Scotland on July 15, 2010 for the purpose of employment. He returned back to India on August 15, 2014 and again left for Scotland on April 5, 2015. He also stayed in India for a period of 135 days during the year 2017-18. He permanently returned back to India on November 20, 2018. Determine his residential status for the assessment year 2019-20. 5+5
- (b) From the following information, compute the amount of deduction u/s 80G for the assessment year 2019-20:

Particulars	Amount (Rs.)
Gross total income	3,00,000
Donation to National Defence Fund	15,000
Donation to Prime Minister's Relief Fund	20,000
Donation to Rajeev Gandhi Memorial Fund	10,000
Donation to Ramkrishna Mission	20,000
Donation to Bharat Sevashram Sangha (2,000 kg rice)	40,000
Donation to approved local authority for promoting family planning	15,000

2. Mr. Dutta is the owner of three house properties in Kolkata. He furnished the following particulars in respect of his houses for the year ended 31.03.2019. 10

	House-1	House-2	House-3
Construction started on	31.12.2010	1.4.2011	1.7.2015
Construction completed on	30.10.2011	1.4.2014	1.7.2017
Municipal Tax @ 15%	4,000	4,050	2,160
How used	Self occupied	Let-out for residence	Let-out for business
Rent per month	-	5,000	4,000
Fair Rent	60,000	40,000	48,000
Insurance Premium	2,000	1,000	1,500
Interest on Loan paid	15,000	-	20,000

**Additional Information:**

A loan of Rs. 2,00,000 @ 10% p.a. was taken on 1.7.2016 for the construction of House-3 which is still outstanding.

3. (a) Mr. Dhoni retired from services on 31.3.2018 and was granted a pension of Rs. 8,000 p.m. with effect from 1.4.2018. Out of his monthly pension he commuted  $\frac{3}{4}$ th of this pension with effect from 1.6.2018 and received Rs. 3,00,000 being the commuted value. 4+3+3
- Determine the taxability in respect of pension if he is a non-Government employee and did not receive any gratuity.
- (b) Mention the “due dates of furnishing return” by individual assesses.
- (c) Write a short note on belated return.

**GROUP-B**

**Answer any two questions from the following**

15×2 = 30

4. Mr. Sumit, who is 45 years old, is a Finance Manager of MS Pvt. Ltd. Following informations regarding him are available from the company for the year ended 31.3.2019. 15

Basic Salary- Rs. 6,00,000

Dearness Allowance- Rs. 2,40,000

Bonus- 2 months' basic pay

Commission- 0.1% of the turnover of the company. The turnover for the financial year 2018-19 was Rs. 25 crore.

Contribution to P.F. by employer and employee- Rs. 3,00,000 each.

Interest credited to P.F. at 9.5%- Rs. 60,000.

Rent free furnished accommodation provided by the company for which the company pays a rent of Rs. 70,000 p.a.

Children's education allowance- Rs. 5,000 p.a. each for 3 children.

He makes the following payments and investments:

- (i) Premium paid to Insure the life of his son- Rs. 15,000
- (ii) Medical Insurance premium for self- Rs. 30,000
- (iii) Medical Insurance premium for parents who are senior citizens- Rs. 40,000
- (iv) Investment in National Premium Scheme (Tier-I)- Rs. 25,000

Determine his taxable income and tax liability for the assessment year 2019-20.

5. (a) Baibhav sold his residential house on 31.10.2018 for Rs. 10,00,000. The house was purchased on 20.12.1998 for Rs. 45,000 (fair market value on 1.4.2001 Rs. 63,000). During 2005-2006, he constructed two rooms at a cost of Rs. 1,80,000. He also paid brokerage on sale amounting to Rs. 35,000. 7+5+3

Calculate the taxable income on Capital gains for the assessment year 2019-20.

[CII for 2001-02 = 100; 2005-06 = 117; 2018-19 = 280]

- (b) Define agricultural income and state the taxability of such income.  
 (c) Write a short note on 'Best Judgment Assessment'.

6. (a) Explain the provisions of Income Tax Act relating to inter-source adjustment of losses. 4+11

- (b) Mr. Niloy submits the following particulars of his income for the year ended 31st March, 2019:

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Opening Stock	90,000	By Sales	9,80,000
To Purchase	7,00,000	By Closing Stock	1,00,000
To Salary	42,000	By Bad Debt Recovered (disallowed earlier)	6,000
To Depreciation	44,000	By Dividend Received	20,000
To Advertisement	60,000		
To Provision for Income tax	20,000		
To Life Insurance Premium	12,000		
To Customers Duty	10,000		
To Provision for bad debt	12,000		
To Bad debt	2,000		
To Interest on Capital	10,000		
To Legal Expenses	4,000		
To Net Profit	1,00,000		
	<b>11,06,000</b>		<b>11,06,000</b>

**Other Information:**

- (i) Depreciation as per income tax Rs. 50,000  
 (ii) Salary include Rs. 12,000 paid to Mr. Niloy Rs. 12,000  
 (iii) Closing Stock overvalued by Rs. 10,000  
 (iv) Sales include Rs. 20,000 being the value of goods withdrawn by Mr. Nioly cost of which is Rs. 18,000 and market value Rs. 25,000.

Compute Taxable Income from business of Mr. Niloy for the assessment year 2019-20.

**N.B. :** Students have to complete submission of their Answer Scripts through E-mail / Whatsapp to their own respective colleges on the same day / date of examination within 1 hour after end of exam. University / College authorities will not be held responsible for wrong submission (at in proper address). Students are strongly advised not to submit multiple copies of the same answer script.

—×—