



**WEST BENGAL STATE UNIVERSITY**

B.Com. Honours Part-II Examination, 2022

**DIRECT AND INDIRECT TAXATION**

**PAPER: DITA-IV**

Time Allotted: 4 Hours

Full Marks: 100

*The figures in the margin indicate full marks.  
Candidates should answer in their own words  
and adhere to the word limit as practicable.*

*প্রান্তিক সীমার মধ্যস্থ সংখ্যাটি পূর্ণমান নির্দেশ করে।  
পরীক্ষার্থীরা নিজের ভাষায় যথা সম্ভব শব্দসীমার মধ্যে  
উত্তর করিবে।*

**GROUP-A / বিভাগ-ক**

**(Income Tax)**

**Marks: 70**

1. Write short notes on any *two* of the following: 2  $\frac{1}{2}$  × 2 = 5

নিম্নলিখিত যে-কোনো **দুটি** বিষয়ের উপর সংক্ষিপ্ত টীকা লেখোঃ

- (i) Gross Total Income / মোট সমগ্র আয়
- (ii) Previous Year / পূর্ববর্তী বৎসর
- (iii) Heads of Income / আয়ের খাত

**OR / অথবা**

- Mention which of the following items can be treated as agricultural income: 5

নিম্নলিখিত বিষয়গুলির মধ্যে কোনগুলি কৃষি আয় বলে বিবেচনা করা যায় উল্লেখ করোঃ

- (i) Dividend received from a company engaged in agricultural operation only.  
শুধুমাত্র কৃষি কাজের সাথে যুক্ত কোম্পানী থেকে প্রাপ্ত লভ্যাংশ।
- (ii) Income from growing and manufacturing of tea.  
চা বাগিচায় চা উৎপাদন থেকে প্রাপ্ত আয়।
- (iii) Profit earned from sale of agricultural land.  
কৃষি জমি বিক্রয় করে প্রাপ্ত মুনাফা।
- (iv) Agricultural income from the land situated in Bangladesh.  
বাংলাদেশের কৃষি জমি থেকে প্রাপ্ত কৃষি আয়।
- (v) Income received as interest of arrear of rent receivable in respect of agricultural land.  
কৃষি জমির উপর বকেয়া খাজনার উপর প্রাপ্ত সুদ।

2. Mr. John, a Chartered Accountant from USA, comes to India for the first time on 15th September, 2017. He has not yet returned to USA. Determine the residential status of Mr. John for the Assessment Year 2018-19. 5

## OR / অথবা

From the following information compute gross total income of Mr. Sen for the Assessment Year 2018-19 assuming that he is a (i) Resident and Ordinarily Resident and (ii) Resident but not Ordinarily Resident. 5

2018-19 নির্ধারণ বছরে Mr. Sen-কে (i) আবাসিক এবং সাধারণভাবে আবাসিক এবং (ii) আবাসিক কিন্তু সাধারণভাবে আবাসিক নন ধরে মোট সমগ্র আয় নির্ণয় করো।

- Dividend paid by an Indian company credited in a bank account at London Rs. 20,000.
- Agricultural income from Bangladesh received there but later on remitted to India Rs. 10,000.
- Salary received at London for the services rendered in India Rs. 30,000.
- Gift in foreign currency received in India from a friend living in London Rs. 20,000.

3. Mr. Y, an employee of a mercantile firm, retired on 31.12.2017 after 30 years and 8 months of service. He received a gratuity of Rs. 11,00,000. His last drawn monthly salary at the time of retirement was Rs. 42,000. In June 2017 he received an increment of Rs. 1,500. 5

Calculate the amount of taxable gratuity of Mr. Y for the Assessment Year 2018-19 assuming that he is not covered by the Payment of Gratuity Act, 1972.

## OR / অথবা

Mr. Z, an employee of a firm, retired on 30.11.2017 after 24 years and 8 months of service at a monthly salary of Rs. 12,000. He received Rs. 1,68,000 as leave encashment for 14 months. From the following information, calculate taxable amount of leave encashment for the Assessment Year 2018-19. 5

Leave entailment	40 days for each year of completed service
Leave availed of in service	18 months
Leave standing to the credit at the time of retirement	14 months
Average monthly salary	Rs. 11,700

4. From the following information calculate total income of Mr. Basu for the Assessment Year 2018-19. 15

- Basic Salary Rs. 16,000 per month.
- Dearness Allowance (as per terms of employment) Rs. 2,000 per month.
- Educational Allowance @ Rs. 300 per month for each of his two childrens.
- Own contribution to Recognised Provident Fund Rs. 12,000 and Interest credited to RPF Rs. 5,460. The accumulated balance of the Provident Fund excluding the above interest is Rs. 42,000.
- The employer pass a monthly rent of Rs. 1,600 for the free accommodation provided to Mr. Basu. The cost of furniture provided: Rs. 10,000. The hiring charges of other furniture: Rs. 300 per month (paid by the employer).

- (vi) The employer provided him a gardener and sweeper at a monthly wage (paid by the employer) of Rs. 250 and Rs. 600 respectively.
- (vii) During the year Mr. Basu received a bank interest of Rs. 10,000 from saving account and a dividend from Indian Company of Rs. 8,200.
- (viii) During the year Mr. Basu deposited Rs. 10,000 in Public Provident Fund.

**OR / অথবা**

From the following information compute Income from House Property of Mr. Maulik for the Assessment Year 2018-19.

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	<u>House-1</u>	<u>House-2</u>	<u>House-3</u>
Situated at	Kolkata	Durgapur	Haldia
Mode of use	Let out	Self-occupied	Self-occupied
	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
Rent received	66,000	-	-
Gross Municipal Value	54,000	40,000	32,000
Standard Rent	62,000	-	-
Annual Charges	8,000	-	-
Fire Insurance Premium	6,000	3,200	4,800
Interest on loan taken for construction	10,000	18,000	8,300
Salary of rent collector	4,800	-	-

Information:

- (i) The rate of Municipal tax is 15%. In case of house in Kolkata, the tenant pays Rs. 2,700 out of the total Municipal tax paid.
- (ii) In case of Kolkata house there is an unrealized rent of Rs. 10,000 relating to the previous year 2016-17.

5. A trader gives you the following Profit & Loss A/C for the Previous Year 2017-18.

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Particulars	Rs.	Particulars	Rs.
To Opening Stock	80,000	By Sales	12,00,000
To Purchases	9,20,000	By Closing Stock	90,000
To Salaries	55,000	By Bank Interest	500
To Rent	25,000		
To Commission	5,000		
To Legal Charges	4,500		
To Bad Debt	14,500		
To Provision for Bad Debt	11,500		
To Repair	1,500		
To Depreciation	26,500		
To Other Expenses	2,000		
To Income Tax	20,000		
To Net Profit	1,25,000		
<b>Total</b>	<b>12,90,500</b>	<b>Total</b>	<b>12,90,500</b>

Information:

- (i) Sales include goods value Rs. 50,000 withdrawn by the Trader for his personal use. The cost price of such goods was Rs. 45,000 and the market price was Rs. 56,000.
  - (ii) Rent includes Rs. 3,600 charged by the Trader for allowing a part of his own residence as business godown.
  - (iii) 30% of Bad Debt is disallowed by the A.O.
  - (iv) Legal charges include Rs. 500 paid for the registration of the land for the business.
  - (v) Depreciation as per Income Tax Rule was Rs. 30,000.
  - (vi) Both opening and closing stock were undervalued at 20% below cost.
- Compute Business Income of the Trader for the Assessment Year 2018-19.

**OR / অথবা**

- (a) Mr. Das gives you the following details for the previous year 2017-18.

7+8

Details	Land in urban area	Debenture
Date of acquisition	July 15, 2013	August 21, 2014
Date of sale	May 5, 2017	December 11, 2017
Cost of acquisition	Rs. 2,20,000	Rs. 1,45,000
Sale Proceeds	Rs. 18,33,500 (Stamp duty value Rs. 19,20,000)	Rs. 7,28,500

Compute the taxable capital gain of Mr. Das for the Assessment Year 2018-19.

Cost Inflation Index:

2013-14-----220, 2017-18-----272, 2014-15-----240

- (b) From the following information compute Income from Other Sources of Mrs. Mondal for the Assessment Year 2018-19.
- (i) Family pension Rs. 4,500 per month.
  - (ii) Dividend received from Indian company Rs. 7,000 and from foreign company Rs. 10,000.
  - (iii) Income from sub-letting of house Rs. 6,000 per month. Rent paid to landlord Rs. 4,500 per month and municipal tax paid Rs. 2,000 (Annual).
  - (iv) Agricultural income from the land situated in Bangladesh.
  - (v) Interest on fixed deposit Rs. 6,000 and interest on Public Provident Fund (PPF) Rs. 7,000.
  - (vi) Income from the vacant land at Kolkata Rs. 4,500.
  - (vii) Royalty on books (Expenses in this connection Rs. 4,000) Rs. 20,000.
  - (viii) Winning from lottery (net after deduction of tax @ 30%) Rs. 8,400.

6. (a) From the following information of Mrs. Mukherjee relating to the Assessment Year 2018-19, compute her total income:

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Details	Rs.
Income from House Property	(+) 8,000
<u>Business Income</u>	
Jute Business	(-) 7,500
Cloth Business	(+) 15,000
Speculation Business in cotton	(+) 3,000
<u>Income from Other Sources</u>	
Interest on securities	(+) 3,250
Interest on Fixed Deposit	(+) 7,250
<u>Capital Gains</u>	
Long term	(+) 7,500
Short term	(-) 7,500

The following items have been brought forward from the Assessment Year 2017-18:

Business Loss (Cloth business)	(-) 6,000
Speculation Loss	(-) 7,500

- (b) Mrs. Saha has a gross total income of Rs. 5,00,000 during the previous year 2017-18. During the year, she made the following donations:

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(i) Donation to Rajiv Gandhi Foundation	Rs. 10,000
(ii) Donation to National Fund for Promoting Communal Harmony	Rs. 10,000
(iii) Donation of Prime Minister's Drought Relief Fund	Rs. 10,000
(iv) Donation to Kolkata Municipal Corporation for promoting family planning	Rs. 60,000

Calculate the amount of deduction u/s 80G that Mrs. Saha is eligible during the Assessment Year 2018-19.

**OR / অথবা**

Mr. Sen gives you the following information for the previous year 2017-18:

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Details	Rs.
Income from salary	5,50,000
Income from House Property	90,000
Interest on bank deposits	18,000
Long-term capital gain	40,000
Short-term capital loss	5,000

Mr. Sen has made the following payments during the previous year 2017-18.

Details	Rs.
Life insurance premium on own life (sum assured Rs. 1,00,000)	22,000
Life insurance premium on wife's life (sum assured Rs. 80,000)	10,000
Deposit in Public Provident Fund (PPF)	25,000
Payment of Medical Insurance Premium by cheque (on own health)	20,000
Payment of Medical Expenses on treatment of dependent (physically handicapped brother)	25,000
Donation to National Sports Fund	10,000
Donation to Rama Krishna Mission 10 kgs of cement (Kind)	1,800

Compute Total Income and Tax Payable by Mr. Sen for the Assessment Year 2018-19.

7. Write short notes on: (any *two*) 5×2 = 10

টীকা লেখোঃ (যে-কোনো দুটি)

- (i) Tax Planning / কর পরিকল্পনা
- (ii) Tax Evasion / কর ফাঁকি
- (iii) Permanent Account Number (PAN) / স্থায়ী হিসাব সংখ্যা

**OR / অথবা**

What do you mean by Advance Tax? Who are liable to pay Advance Tax? Discuss the consequences for non-payment of Advance Tax. 2+3+5

অগ্রিম কর কাকে বলে ? কারা অগ্রিম কর প্রদানে বাধ্য ? অগ্রিম কর প্রদান না করার ফলাফলগুলি আলোচনা করো।

**GROUP-B / বিভাগ-খ**

**Indirect Tax (অপ্রত্যক্ষ কর)**

**[Marks: 30]**

8. (a) Mr. Pahari, a registered dealer in West Bengal furnished the following information for the month of February 2017. Calculate input VAT, output VAT and VAT payable by Mr. Pahari. 10+5

- (i) Schedule A goods purchased for Rs. 2,14,600 from a registered dealer and sold for Rs. 2,99,500.
- (ii) Schedule C goods (VAT @ 5%) purchased for Rs. 84,000 (excluding VAT) from a registered dealer and sold for Rs. 1,72,000 (excluding VAT).
- (iii) Schedule C goods (VAT @ 5%) purchased for Rs. 55,400 from an unregistered dealer and sold for Rs. 1,26,000 (excluding VAT).
- (iv) Schedule CA goods (VAT @ 14.5%) purchased for Rs. 1,25,950 (including VAT) from a registered dealer and sold for Rs. 2,29,000 (including VAT).
- (v) Opening balance of VAT input credit account as on 01/02/2017 Rs. 12,500.

(b) Define 'casual dealer' under the WBVAT Act.

পশ্চিমবঙ্গ VAT আইন অনুসারে 'অনিয়মিত ডিলারের' সংজ্ঞা দাও।

**OR / অথবা**

(a) State four important advantages of VAT system. 4+4+7

মূল্যযুক্ত কর ব্যবস্থার চারটি গুরুত্বপূর্ণ সুবিধা বিবৃত করো।

(b) Define 'Goods' under the WBVAT Act.

পশ্চিমবঙ্গ VAT আইন অনুযায়ী 'পণ্যের'-এর সংজ্ঞা দাও।

(c) Discuss the provisions of the WBVAT Act regarding registration of dealers.

পশ্চিমবঙ্গ VAT আইন অনুসারে ডিলারের নিবন্ধনের নীতিগুলি আলোচনা করো।

9. (a) Mr. Chawla is a registered dealer and manufacturer under the West Bengal VAT Act. 10

Particulars of his transactions during the month of January, 2016 are as follows:

(i) Purchases made from West Bengal:

	<b>Rs.</b>
Schedule C goods	4,50,000
Schedule CA goods	2,60,000

(ii) Purchases made from outside West Bengal against C Form Rs. 1,70,000.

(iii) Sales made in West Bengal:

	<b>Rs.</b>
Schedule C goods	4,30,000
Schedule CA goods	2,10,000

(iv) Inter-state sale of goods against C Form Rs. 60,000.

(v) Branch transfer outside West Bengal Rs. 45,000.

Assume that all figures given above are exclusive of tax. Compute the VAT liability of Mr. Chawla.

(b) Define 'Input tax' as per West Bengal VAT Act. 5

**OR / অথবা**

(a) What is meant by CENVAT Credit Scheme? Who are entitled to get such credit? 6+3

(b) How is service tax determined? Who are liable to pay service tax? 4+2

**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.

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