Instructions:

(1) All the calculations—work sheet—should be a part of your answer.
(2) Clearly mention the number of the question you are attempting.
(3) Figures to the right indicate full marks of the question.

1. (a) Write short notes: (any two) 7
   (1) Person (with illustrations)
   (2) Agriculture Income
   (3) Previous year and Assessment year.

(b) Answer the following questions: (any two) 7
   (1) Mr. Birla came to India for the first time on 11-11-1995. He stayed in India in earlier previous year as under:

<table>
<thead>
<tr>
<th>Previous year</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995-96</td>
<td>80</td>
</tr>
<tr>
<td>1996-97</td>
<td>70</td>
</tr>
<tr>
<td>1997-98</td>
<td>60</td>
</tr>
<tr>
<td>1998-99</td>
<td>200</td>
</tr>
<tr>
<td>1999-2000</td>
<td>130</td>
</tr>
<tr>
<td>2000-2001</td>
<td>–</td>
</tr>
</tbody>
</table>

   During previous year 2001-2002 he was present in India from 1-4-2001 to 31-5-2001. From above information determine residential status of Mr. Birla for A. Y. 2002–2003.
(2) Mr. Tata is an Indian Citizen and person of Indian origin. He left India for the first time on 30-8-2001 for taking employment to USA. Determine his residential status for A.Y. 2002-03.

(3) Mr. Ambani provides the following information of his income for p.y. 2001-02. Calculate his gross total income if he is (1) Ordinary resident (2) Not-ordinary resident and (3) Non-resident.

Rs.

(1) Dividend on shares of Indian companies ................................................ 10,000

(2) Agriculture income from land in Bangladesh ........................................... 1,00,000

(3) Agriculture income from land in Gujarat ................................................. 2,00,000

(4) Income from business in USA (managed from India) ............................... 80,000

2 Shri Rohit (a specified employee) is employed with a company at Ahmedabad since 1995. Particulars of his income for the year ended 31-3-2002 are as follows:

Rs.

(a) Basic Salary .......................................................... 10,000 p.m.

(b) Dearness allowance (part of salary for retirement benefits) ...................... 2,500 p.m.

(c) Children Education allowance of three children .................................... 3,600 p.m.

(d) Bonus ........................................................................... 10,000

(e) Entertainment allowance ......................................................... 500 p.m.

(f) Employer's contribution to recognized p.f. ........................................... 19,500

(g) Employee's contribution to recognized p.f. ....................................... 20,000

(h) Interest credited to Recognised p.f. @ 11% ............................. 13,200

[Contd....]
(i) With effect from 01-10-2001 he is provided with a rent-
free residential accommodation having fair rent value
of Rs. 10,20,000/-p.a. The cost of furniture provided is
Rs. 1,50,000/-. A sum of Rs. 750/- p.m. is deducted as
rent from his salary towards this facility.

(j) He is also provided with the facility of 1.5 ltr. motor-
car with driver, which is used for personal and business
purposes both. The company pays the running and
maintenance expenses including driver's salary. A sum
of Rs. 250/- p.m. is recovered from his salary for the use
of the said car.

(k) The employer has provided him with the services of the
sweeper, watchman and cook each of whom is paid
monthly salary of Rs. 400/- by the company.

(l) During the year he has made following payments :

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life insurance premium for self</td>
<td>7,500</td>
</tr>
<tr>
<td>Deposit in public provident fund A/c</td>
<td>10,000</td>
</tr>
<tr>
<td>Professional tax</td>
<td>960</td>
</tr>
<tr>
<td>Income tax</td>
<td>6,000</td>
</tr>
<tr>
<td>Repayment of housing loan</td>
<td>25,000</td>
</tr>
</tbody>
</table>

Compute his Total income from Salary and Rebate
u/s 88 of the Income Tax Act, 1961 for assessment year
2002-03.

OR

2 Mr. Shah has purchased 1200 equity shares of Tisco Ltd.
on 20-8-1979 for Rs. 100 per share.

   On 1-1-1981 the company has declared 1 bonus share
   for every four equity shares held.

   On 20-8-1986 the company offered one right share for
every three shares held at Rs. 140 per share Mr. Shah
   applied and got all the shares.

   On 1-4-1996 the company has declared one bonus share
   for every four equity shares held.

   On 7-11-2001 the company offered on right share for
every five equity share held at Rs. 400 per share. Mr. Shah
   applied and got all the shares.

41174] 3 [Contd....
Mr. Shah has sold all the shares of Tisco Ltd. on 31-1-2002 @ Rs. 500 per share and paid Rs. 3,000 as brokerage.

Market value of equity share of Tisco Ltd. as on 1-4-81 was Rs. 120 per share.

Compute taxable Capital Gain of Mr. Shah for A.Y. 2002-03:

Relevant Index No.:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981-82</td>
<td>100</td>
</tr>
<tr>
<td>1986-87</td>
<td>140</td>
</tr>
<tr>
<td>1996-97</td>
<td>305</td>
</tr>
<tr>
<td>2001-2002</td>
<td>426</td>
</tr>
</tbody>
</table>

3 (a) Yogesh owns a building consisting of three identical units, the construction of which was completed on April 1, 2001. The building was occupied from April 1, 2001 onwards. The particulars pertaining to the three units for the year ended March 31, 2002 are given below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Unit I Rs.</th>
<th>Unit II Rs.</th>
<th>Unit III Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair rent</td>
<td>70,000</td>
<td>70,000</td>
<td>70,000</td>
</tr>
<tr>
<td>Rent received</td>
<td>-</td>
<td>84,000</td>
<td>-</td>
</tr>
<tr>
<td>Municipal taxes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Paid by owner</td>
<td>4,500</td>
<td>6,000</td>
<td>4,500</td>
</tr>
<tr>
<td>- Due but not yet paid</td>
<td>4,500</td>
<td>6,000</td>
<td>4,500</td>
</tr>
<tr>
<td>Land revenue due but</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>outstanding</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Ground rent due, not yet paid</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Insurance</td>
<td>1,250</td>
<td>1,250</td>
<td>1,250</td>
</tr>
<tr>
<td>Repairs</td>
<td>1,520</td>
<td>2,500</td>
<td>2,100</td>
</tr>
<tr>
<td>Nature of occupation</td>
<td>Self-occupied for residence</td>
<td>Let out for residence</td>
<td>Used for own business</td>
</tr>
</tbody>
</table>

[Contd....]
On April 1, 2000, Yogesh had borrowed a sum of Rs. 4,00,000 bearing interest at 12 percent per annum for construction of this building. The total cost of construction of the building was Rs. 10,00,000.

Compute his income under the head "Income from House Property" for Assessment Year 2002-03.

(b) Write notes on:

1. Gross Annual Value
2. Deductions allowed from Net Annual Value.

OR

Dr. Lakum provides his receipt and payment account for the year ended 31-3-2002:

<table>
<thead>
<tr>
<th>Receipts</th>
<th>Rs.</th>
<th>Payments</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>To Balance b/d</td>
<td>20,000</td>
<td>By Purchase of medicine</td>
<td>28,000</td>
</tr>
<tr>
<td>To Operation theatre rent</td>
<td>1,00,000</td>
<td>By Hospital rent</td>
<td>2,10,000</td>
</tr>
<tr>
<td>To Hospital room rent</td>
<td>3,40,000</td>
<td>By Electricity exp.</td>
<td>17,000</td>
</tr>
<tr>
<td>To Sale of medicine</td>
<td>40,000</td>
<td>By Telephone exp.</td>
<td>23,000</td>
</tr>
<tr>
<td>To Consulting fees</td>
<td>85,000</td>
<td>By Surgical equipment</td>
<td></td>
</tr>
<tr>
<td>To Interest</td>
<td>15,000</td>
<td>purchased (1-1-2002)</td>
<td>2,00,000</td>
</tr>
<tr>
<td>To Dividend</td>
<td>10,000</td>
<td>By House hold exp.</td>
<td>37,000</td>
</tr>
<tr>
<td>To Gift from patient</td>
<td>35,000</td>
<td>By Insurance Premium :</td>
<td></td>
</tr>
<tr>
<td>To Sale of jewellery</td>
<td>55,000</td>
<td>- Hospital</td>
<td>10,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Residential Bunglow 5,000</td>
<td>15,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>By Staff salaries</td>
<td>1,10,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>By Donation</td>
<td>20,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>By Balance c/f</td>
<td>40,000</td>
</tr>
<tr>
<td></td>
<td>7,00,000</td>
<td></td>
<td>7,00,000</td>
</tr>
</tbody>
</table>

Other information:

1. Written down value of surgical equipments as on 1-4-2001 is Rs. 80,000 and the rate of depreciation is 25%.
2. Donation is given to approved institution.

From the above information calculate taxable business income of Dr. Lakum for the A.Y. 2002-2003.

41174] 5 [Contd....
4 (a) Write short notes : (any two)

(1) Set-off and carry forward of losses
(2) Tax Deducted at Source (TDS)
(3) Any seven exempted income
(4) Permanent Account Number (PAN).

OR

4 (a) (1) Dhirubhai has furnished the following particulars of his investments for the year ending 31st March, 2002:

Rs.

(i) 10% port Trust Bond ......................... 2,00,000
(ii) 12% preference shares of Reliance Ltd. ......................... 2,00,000
(iii) 10% Tax free debentures of Reliance Infocom Ltd. .................. 1,99,000 (TDS 20.40%)
(iv) 8% debentures of Reliance Agro Ltd. ....... 3,00,000

On 30-11-2001 he has sold Rs. 1,00,000 debentures of Reliance Agro Ltd. and purchased 8% debentures of Reliance Capital Ltd. of Rs. 1,50,000.

He had borrowed balance amount at 15% p.a. interest.

Interest on all above investment were paid on 30th June and 31st December.

Calculate his taxable income from other sources for A.Y. 2002-2003.

(2) Mr. Anil has gross income of Rs. 2,54,000 which includes winning from Horse-Race Rs. 3,500 and winning from card games Rs. 1,500.
Find out his net income for A.Y. 2002-2003 taking into consideration the following payment:

Rs.

(1) P.M. National Relief Fund ..................... 20,000
(2) Indira Gandhi Memorial Fund ............... 20,000
(3) Approved Charitable Hospital ............... 40,000

(b) Write notes on:


OR

(b) Answer briefly keeping in mind the provisions of Gujarat Sales Tax Act:

1. Sales Tax is the direct tax. Do you agree?
2. State the persons who are not considered dealer.
3. Specify the eligibility criteria for obtaining licence.
4. Specify the eligibility criteria for obtaining recognition.
5. Specify the eligibility criteria for obtaining permit.
6. Resale of goods purchased from other state is not taxable. Do you agree?
7. The transfer of right to use is taxed under the act. Give two illustrations.

5 (a) Write notes on:

1. Registration under Excise Act

OR

(a) Answer briefly keeping in mind the provisions of Excise Act:

1. Excise duty is collected at the stage of production. Do you agree?
(2) Excise duty is the direct tax. Do you agree?
(3) Give definition of factory.
(4) Excise duty is levied by the Central Government. Do you agree?
(5) What do you understand by the term Retail Selling Price?
(6) What do you understand by the term Sale and Purchase?
(7) Mention any two provisions Under Section 4a (MRP)

(b) Write notes on:

1. Anti Dumping Duty under Customs Tariffs of India
2. Countervailing Duty under Customs Tariffs of India.

OR

(b) Answer briefly (keeping in mind the provisions of Customs Act)

1. There can be Custom Duty on importation of articles only. Do you agree?
2. Is protective duty levied on the permanent basis?
3. When can safeguard duty be imposed by Central Government?
4. Custom Duty is the direct tax. Do you agree?
5. The rates of Customs Duty are prescribed by Excise Act. Do you agree?
6. Who recommends the protective duty to Central Government?
7. The anti dumping duty can be levied for the maximum period of 36 months.