

CONCURRENT EVALUATION**MBA - SEMISTER II****FIN-219- Direct Taxation****Faculty Name: Prof. Priyanka Shinde****Important Instructions:**

The subject is evaluated on the basis of three components

Component No	Component	Marks	Submission Instructions	Submission Date
1	Situation analysis	50	1. Students are required to submit by own hand written and it should be in your own words.	16th July 2022
2	Written Home Assignment	50	2. On the top of the file write your name, class, semester and contact number.	23rd July 2022

Component No	Situation Analysis	Submission Date :
1		20 th July 2022

Situation -I

1. Assume that you are retired on 31.12.2019.
2. You are approved under voluntary retirement scheme as per Income tax rule.
3. Assume that you are drawing basic of salary of ₹.6000 p.m
4. Assume that you will get pension after retirement ₹.4000 p.m. and commuted 75% of your pension on 18th February 2020 and received ₹. 150000.
5. You were getting Dearness allowance while in service as per term of employment -₹.2000 p.m.and Compensation as per scheme received on retirement is ₹. 600000
6. Assume that you received Gratuity is received is ₹. 150000
7. Leave Salary encashment on retirement ₹. 72000
8. Assume that you has worked for 28 years and 4 Months. Leave availed while in service is 19 months. The last increment was received to you in January 2016.
9. You are required to compute your taxable salary for the A.Y. 2020-21.

Situation -II

1. Assume that you owns a house property, the construction of which was completed on 31st May, 2019. On 1st October, 2018,
2. Assume that you had borrowed a loan of ₹.500000. for the construction of the property with 12.5% interest rate.
3. Assume that your property has been let out since 1st June for a rent of Rs. 10000.
4. Other details of house property are as follows:-

Municipal Value	₹.120000
Fair Rent	₹. 135000
Standard Rent p.a	₹. 105000
Municipal Taxes Paid	10% p.a.
Repairs Charges Paid	₹. 3000
Collection Charges Paid	₹. 5500
5. On the basis of above details of your house property computer your total taxable income from house property for the A.Y. 2020-21.

Situation -III

1. Assume that you are running a business.
2. On the basis of transactions happened in your business below, you are required to calculate your taxable income from business for the A.Y. 2020-21.

Profit & Loss Account

Particulars	Rs	Particulars	Rs.
To Opening Stock	120000	By Sales	1420000
To Purchases	1000000	By Income Tax Refund	2000
To Salaries	25000	By Profit on sales of import licensed	3000
To Legal Expenses	9000	By Gift Received	18000
To Bad-Debts	6000	By Closing Stock	200000
To Rent	50000	By Bad-debts recovered	6000
To Interest On Laon	12500		
To Depreciation	15000		
To Income tax Paid	25000		
To O/s Sales Tax	3000		
To Advertisement	50000		
To Office Expenses	9500		
To Contribution towards URPF	5000		
To General Expenses	100000		
To Travelling Expenses	21000		
To Net profit	198000		
TOTAL	16,49,000	TOTAL	16,49,000

3. Some of information –Assume that Closing Stock of your business has been overvalued by 20% .
4. Assume that Legal Expenses include ₹.2000 paid for preparation of income tax return.
5. Assume that you received a gift from your supplier for achieving Target sale.
6. Assume that out of outstanding sales tax, an amount of ₹.750 has been after the due date of filling returns.
7. You are forget to record loss by theft of Rs.5000

Situation-IV

Assume that You had received income during the year 2019-2020.

1. Basic Salary ₹. 40000 p.m.
2. Dearness Allowance ₹. 15000 p.m (Consider for Retirement Benefit)
3. HRA Received ₹. 15000 p.m. and you are pays rent Rs.10000 pm
4. Transport allowance Rs. 2000 pm
5. Entertainment allowance ₹. 600 pm
6. You paid professional tax Rs. 2500pa
7. Company Contributes 11% of basis salary to PPF account and you also contribute equal amount to PPF a/c. and interest credited during the year on the balance of RPF A./c at 10% is Rs. 50000.
8. You received 18,000 p.m. as rent from house in Pune, for which he has paid municipal tax ₹.15,000 for the year 2019-20
9. You will get Income from business during the year is 50,000
10. Interest on fixed deposit is 35,000 .
11. Dividend from an Indian company ₹. 2,250
12. You paid LIC premium of 15,000 on your own policy and 10,000 for the life of his wife .
13. You paid tuition fees of 22,000 for school of your son .
14. You deposited 35,000 in public provident fund .
15. Assume that your employer has deducted 6,000 p.m. as an income tax from your salary . You are required to compute the total taxable income and tax liability for the A.Y. 2020-21.

Situation -V

1. Assume that you Son – Mr. Kartik is the owner of the a House Property.
2. Assume that - Municipal Value of House property - ₹. 245000
 Fair Rent of House property - ₹. 16500 pm
 Standard Rent ₹. 16800 pm
 Actual rent ₹. 18000 pm.
3. Assume that the house remained vacant for 1 month.
4. Mr. Kartik paid municipal taxes of Rs. 20000 out of which ₹. 8000 was contributed by the tenant.
He had borrowed a loan of Rs. 10,00,000 @11.5% pa. in the year 2019.
5. Mr. Kartik paid Rs. 5,00,000 of the loan in the year 2019 on 30th June.
6. You are calculate Mr. Kartik’s taxable Income from House property for the A.Y. 2020-21.

Component No	Written Home Assignment	Submission Date :
2		23rd July 2022

Q.1. Explain the conditions determining Residential Status of an Individual and HUF.

Q.2. What is Agriculture Income? Discuss the taxability of Agriculture Income.

Q.3. Explain: i) Assessee ii) Assessment Year iii) Person iv) Retirement benefit v) Rent free Accommodation

Q.4. Mr. Kartik has the following details of his salary. Compute the net salary for the A.Y.2020-21.

Basic Salary	Rs. 50000 pm
Dearness Allowance (60% form a part of retirement benefit)	Rs. 12000 pm
Entertainment Allowance	₹. 5000 pm
Bonus	₹. 60000 pm
Fees	₹. 5000 pa
Professional Tax	₹. 2000 pa

He has been provided with rent free accommodation in Mumbai compute the net salary if –

- 1) Accommodation is taken on a rent of ₹. 7000 pm by the employer
- 2) Accommodation is owned by the employer

Q.5. Mr. Deepak Pathak is 66 years of age. His furnishes the following details of his income for the year ending 31.03.2020.

- Pension Received @ ₹.12500 pm
- He commuted 3/4th of his pension on 1st January 2020 for ₹. 90000
- He is working as a guest Lecture in a college at a basic salary of Rs. 10000 pm. The college gives him facility of free meal in the canteen @ ₹.75 per meal for 250 days in a year .
- He has a car of 1800 cc by the college.
- He bears its maintenance cost. The car is used partly for official purposes and partly for personal purpose.
- He received ₹. 12000 as interest on his Fixed Deposit with a bank .
- He is receiving a family pension of ₹. 45000 pa.
- Compute the taxable income and tax liability of Mr. Deepak Pathak for the A.Y. 2020-21