

B. Com (P) Semester III

Duration: 3 Hours

Max marks: 55

Course/ Mode	Semester	Paper Name and Code
B.Com (p)	III	<u>Income Tax Law</u> <u>&Practice</u> <u>52414304</u>

1. A financial year has a double role to play: it is a previous year as well as an assessment year. Explain. Define Previous year as per section 3 of Income Tax Act, 1961. Enumerate the cases when income of previous year is not taxable in the immediately following assessment year. What will be the relevant previous year to the AY 2020-21, if the new business is established on 28.03.2018? What will be the answer if the new business is set up on 28.03.2019?
2. Mr. Satish Kapoor (55 years, a resident individual) is working as a Chief Manager (Materials Department) with M/s Kiteflying in Nasik, Maharashtra. He furnishes the following information for the Previous Year 2019-20. Compute his taxable income for the Assessment Year 2020-21.

S. No.	Particulars	Amount (Rs.)
(i)	Basic Salary	2,00,000 p.m.
(ii)	Dearness Allowance (40% forms part of all retirement benefits)	10% of basic salary
(iii)	Fees	80,000
(iv)	House Rent Allowance (Rent paid 50,000 p.m. upto November, 2019. From 01.12.2019, he shifts to his own accommodation in Nasik, Maharashtra.)	72,000 p.m.
(v)	Employer company provides two watchmen	4,000 p.m. per watchman
(vi)	Reimbursement of Medical expenses for treatment of Mr. Satish and his wife in Kailash Private Hospital.	45,000
(vii)	Employer contributed towards Recognised provident fund. Mr. Satish also makes a matching contribution.	15% of Salary
(viii)	Leave Travel Concession availed (Actual expenditure: Air fare Rs. 56,000)	46,000
(ix)	Innova Car (engine capacity = 2494 c.c. owned by Employer company, expenses met by employer, used for partly official and partly personal purposes. Expenditure recovered from Mr. Satish is Rs. 25,000)	9,500 p.m.
(x)	Gift of Phillips Airfryer on his birthday by employer in November	25,000
(xi)	Credit card provided by employer company used only for official purposes.	36,000
(xii)	Dividend received from Tata Corporation, an Indian Company	6,00,000
(xiii)	Interest on Savings account (in his own name) with Post	26,500

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During the Previous Year 2019 – 20, he has made the following investments, deposits or payments:

- Life insurance premium (policy taken in 2017) on the life of his independent daughter (Sum assured: Rs. 2,00,000): Rs. 10,000
- Life insurance premium (policy taken in 2018) on his father's life (father is a senior citizen) (Sum assured: Rs. 1,40,000): Rs. 15,000
- Mediclaim insurance premium for parents in law (both senior citizens): Rs. 60,000
- Donation to political party in bearer cheque: Rs. 10,000

3. Mr. Pawan (a resident Individual, age 68 years) owns three houses which are used by him for his residential purposes. From the following information, suggest which house should be opted as self-occupied and accordingly determine the taxable income of Mr. Pawan for AY 2020-21.

Houses		A	B	C
Municipal value		3,80,000	5,00,000	6,50,000
Fair Rent		3,88,000	5,00,000	6,30,000
Standard Rent		4,00,000	5,00,000	6,00,000
Municipal taxes paid by him		10%	10%	10%
Repairs and Insurance premium		16,000	35,000	80,000
Interest on Borrowed capital. Capital was borrowed for construction of the properties. Construction was completed within stipulated time.	Date of borrowing	20.08.2017	10.02.1999	15.10.2015
	Current year's interest	85,000	1,00,000	1,36,000
	Pre construction period interest instalment for year 2019-20 (20% of the total PCP interest)	28,000	10,000	78,000
He receives a Tagore Painting on his birthday from a family friend. Fair market value of the painting is Rs. 5,90,000. No other gift is received during the PY 2019-20.				
Donation made through account payee cheque to Prime Minister National Relief fund: Rs. 25,000				
Interest on loan for higher education of his daughter: Rs. 25,000.				

4. Explain the concept of Block of Assets. Also, explain the provisions applicable to set off and carry forward and set off of unabsorbed depreciation and non-speculative business losses.
5. Mr. Rahul Sharma purchased a flat (residential house property) in Ghaziabad, India on 01.07.2002 for Rs. 12,00,000. During June 2010, he gifted the property to his nephew Mr. Ratan Grover. However, Ratan passes away in August 2016 and the property is transferred through his will in the name of his son Mr. Sanchit Grover. Mr. Sanchit incurred Rs. 2,20,000 during October 2016 and Rs. 1,80,000 during December 2017 on the improvement of this

property. He sells the property to Mr. Abhishek on 12.10.2019 for a consideration of Rs. 85,00,000 (Stamp Duty Value is Rs 90,00,000). He paid commission Rs. 20,000 to the agent for arranging this deal.

He utilised the net sale proceeds as follows:

- (i) Purchased Rural Electrification Corporation bonds worth Rs. 18,00,000 on 22.12.2019
- (ii) Purchased a residential house property in NOIDA for Rs. 15,00,000 on 05.01.2020.
- (iii) Subscribed units of Notified Mutual funds (Equity Linked Savings Scheme) worth Rs. 1,95,000 on 11.02.2020.

Compute the taxable income and tax liability of Mr. Sanchit (age 47 Years, resident individual) for AY 2020-21.

<i>PY</i>	<i>Cost Inflation Index</i>
2001-02	100
2002-03	105
2009-10	148
2010-11	167
2016-17	264
2017-18	272
2018-19	280
2019-20	289

6. Explain the provisions applicable to gifts in different circumstances u/s 56(2). Also, explain the deductions available u/s 80C and 80D.

B.com (P) 3rd Sem 2020
Income Tax Law and practice (OC)
Paper code: 52414304
Time: 3 hours
Mark: 55

Q1. "The income tax act gives absolute exemptions in respect of certain income, while some income is included in the total income for determining the rate only". In the light of above statement, state ten incomes (along with their sections) which are exempt from tax.

Q2. Anamika, aged 59 years, is employed with XYZ Ltd. Her remuneration includes:

- (i) Basic salary: Rs.80, 000 p.m.
- (ii) Dearness allowance: 10% of basic salary (forming part of retirement benefits)
- (iii) House rent allowance: Rs.24,000 p.m. (rent paid Rs.20,000 p.m. in Delhi)
- (iv) City compensatory allowance: Rs.375 p.m.
- (v) Family allowance: Rs.225 p.m.
- (vi) Tiffin allowance: Rs.100 p.m.
- (vii) Servant allowance: Rs.1050 p.m.
- (viii) Over time allowance: Rs.500p.m.
- (ix) Motor car facility for official and private use. The car, 1200 cc, (cost Rs.7, 00,000), is owned by employer, Running and maintenance cost of Rs.1, 10,000 p.a. is also incurred by employer. Anamika pays Rs.600 p.m. to the employer for use of this facility.
- (x) Employer's contribution to National pension scheme (NPS): 10% of salary. Anamika also contributes an equal amount.
- (xi) The only other income of Anamika is interest on fixed deposit (net of TDS): Rs.73,800.

She paid/deposited: (a) tuition fee of Rs.30, 000 for 2 children (b) Rs.40, 000 in Sukanya Samridh scheme (III) Rs. 10,000 in Kishanvikashpatra (iv) paid med claim premium Rs.10, 000 each for herself, husband & her brother in law.

Compute Anamika's tax liability for the assessment year 2020-21.

Q3. Ms. For the assessment year 2020-21, X (age 65 years) submit the following information:

Particulars	HOUSE :1 (Rs)	HOUSE:2 (Rs.)
Fair rent	7,00,000	6,40,000
Municipal valuation	7,20,000	7,00,000
Standard rent	6,00,000	10,00,000
Annual rent	12,00,000	8,40,000
Unrealized rent of the previous year 2019-20	20,000	1,60,000
Unrealized rent of the previous year 2018-19	-	6,00,000

Vacancy period (months)	2	4
Municipal tax paid	80,000	10%
Loss on account of vacancy	2,00,000	2,80,000
Repairs	15,000	14,000
Fire insurance	25,000	25,000
Land revenue	55,000	85,000
Ground rent	56,000	28,000
Interest on capital borrowed by mortgaging house-1 but funds used for construction of house - 2	2,80,000	-
Nature of occupation	Let out for business	Let out for residence

Determine the taxable income and tax liability of X for the assessment year 2020-21 assuming that X paid Rs.1, 40,000 as life insurance premium on the life of his wife for Rs. 20, 00,000 policy is taken on 11-8-2011 and invested Rs.20,000 in Indira Vikas patra & Rs.50, 000 in PPF account in his own name.

Q4. "There are certain expenses those can be claimed as deduction, under the head profits from business and profession, even if paid after end of previous year". Explain. Also discuss the treatment of expenditure on scientific research under section 35?

Q5. Explain the term capital gains under the income tax act. Distinguish between short term and long term capital gains. Also explain the provision of section 54 & 54 B of the income tax act 1961?

Q6. Explain the provisions of income tax act regarding, the set off and carry forward and set off of losses under different heads of income.

Unique Paper Code

: 52414303

Name of the Paper

: Company Law (Nov/Dec) 2020

Name of the Course

: B.Com (Programme)

Semester

: III

Duration: 3 hours

Maximum Marks: 75

Instructions for Candidates

Note: Answers may be written *either* in English or in Hindi; but the same medium should be used throughout the paper.

Attempt any four questions.

All questions carry equal marks.

- Q 1. The concept of separate corporate entity is a cardinal principle of company law. Elucidate the statement citing relevant case laws.
- Q 2. 'While the power to alter the articles of association is wide, the Memorandum of Association is an unalterable document of a company'. How far you agree or disagree with the statement? Explain citing the provisions of the companies Act 2013 and relevant case laws in this regard.
- Q 3. XY Ltd. has issued 10 crore equity shares of Rs 10 each at Rs 15 per share. On March 31, 2020 it has free reserves of Rs 15 crores. The company wants to purchase some of its shares. Can the company do so? If yes, then how much shares can be purchased back? What are the sources and methods

of doing so? Also discuss the conditions laid down by the Companies Act 2013 in this regard.

Q 4. 'The powers of the directors can be exercised only in a board meeting'. Do you agree? What are those powers which can be exercised? Are there any limitations on those powers? Discuss in the light of provisions of the Companies Act 2013.

Q 5. What is the meeting of members of a company which is required to be called every year after the closing of the year? What is the purpose of such meeting? Discuss the statutory requirements and other provisions of the Companies Act 2013 in this regard.

Q 6. Can a company be wound up by the orders of the National Company Law Tribunal? If yes, what could be the grounds of such order? Explain the provisions of the Companies Act in this regard.

**B.Com(CBCS)_NC
CYBER CRIMES & LAWS
SEM –III, 52413301
SET –A**

Time Allowed: 3 Hrs

MM: 75

Note: Attempt any **four** questions. All questions carry equal marks.

- Q.1. While explaining the reasons for cybercrimes suggest a suitable Strategy to tackle cybercrimes.
- Q.2."Essence and objectives of Indian IT act 2000 are very significant in present cyber era. "Discuss.
- Q.3 Discuss the various applications of Internet of Things (IOT).
- Q.4 What are the advantages and disadvantages of digital payment methods.
- Q.5 Discuss the provisions of acknowledgement and Attribution of Electronic Record as per IT Act,2000.
- Q.6 Explain Penalties and Compensation as per Chapter IX of IT Act. Differentiate between Cyber contravention and Cyber offence.