

Subject : Advanced Accounting -II

Day : Saturday
Date : 11/04/2015



Time : 3.00 P.M. TO 6.00 P.M.
Max Marks : 80 Total Pages : 2

N.B.:

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of **CALCULATOR** is allowed.

Q.1 Explain **ANY FOUR** of the following terms under the Income Tax Act: **[16]**

- a) Assessee
- b) Capital Expenditure and Revenue Expenditure
- c) Capital Assets
- d) Deemed Income
- e) Agricultural Income
- f) Casual Income
- g) Annual value of House Property
- h) Foreign Income

Q.2 What are the different categories of Assessee according to their residential status? How is this status is determined? **[16]**

OR

Q.2 Mr. B had sold the following properties during the year ended on 31st March, 2013: **[16]**

- a) A house property (he owned only this residential house) sold for Rs. 16,40,000 in October 2012 was actually purchased for Rs. 1,50,000 in 1982-83. He spent Rs. 50,000 for the construction of another room in 1984-85. Expenses incurred in the execution of sale deed were Rs. 35,000 which were borne by him.
- b) To meet business loss, he sold jewellery for Rs. 4,00,000 in October 2012. The cost of this jewellery is estimated at Rs. 50,000. Jewellery was actually purchased in July 1987 at the time of his marriage.
- c) He also sold his furniture (Household) for Rs. 25,000. The original cost of furniture was Rs. 6,000. The furniture was purchased in 1987 and was sold in December, 2012.

Compute his taxable Capital Gains for the assessment year 2013-14.
The cost of Inflation Index in 1982-83 was 109.
The cost of Inflation Index in 1984-85 was 125.
The cost of Inflation Index in 1987-88 was 150.
The cost of Inflation Index in 2012-13 was 852.
The cost of Inflation Index in 2013-14 is 939.

P.T.O.

Q.3 Explain the provisions of Appeal under the Income Tax Act. [16]

OR

Q.3 Mr. Ram a resident individual following cash basis of accounting has the following assets as on 31.03.2014. Compute his net wealth as on valuation date 31.03.2014. [16]

	Valuation as on 31.03.2014 (Rs. in lacs)
Self-occupied residential house	60
Owning of a guest house situated 26 kms from the municipality	30
Property used for his business	50
One residential complex consisting of 10 dwelling units. He intended to sell 5 units which are kept vacant for want of prospective buyers for the whole year. 2 units are vacant from 05.01.2014. 3 units are let out fully for the whole year.	500

Q.4 Briefly explain how VAT helps in checking evasion and achieving neutrality. [16]

OR

Q.4 What do you mean by taxable wealth? What are the assets exempt from wealth tax? [16]

Q.5 Write short notes on **ANY TWO** of the following: [16]

- a) Due date for payment of service tax and filing of service tax Return
- b) Professional tax
- c) Demerits of VAT
- d) Taxable service under Service Tax Act

* * * *