

Subject: (305 FIN) Direct Taxation

1. Explain the following terms under the Income Tax Act, 1961.

- | | |
|-----------------------|-----------------------|
| a) Assessment Year. | b) Person. |
| c) Assessee. | d) Previous year |
| e) Gross Total Income | f) Agriculture Income |

2. Write a short note 'Residential Status' of an individual.

3. Mr. Pawar Vinod is employed in Telco Ltd., Pune as an accountant. During the Financial Year 2016-17 he has received the following emoluments:

- (1) Basic Salary ` 15,500 p.m.
- (2) Dearness Allowance 30% on basic salary. (Applicable for retirement benefits)
- (3) City compensatory Allowance ` 850 p.m.
- (4) Children education allowance ` 300 p.m. (Mr. Pawar Vinod has two sons and one daughter)
- (5) House rent allowance ` 2,200 p.m.
- (6) He contributed ` 2,500 p.m. towards his recognised provident fund and an equal amount is contributed by the employer.
- (7) He has paid ` 2,500 as Professional Tax.
- (8) During the year the interest credited to his recognised Provident Fund A/c @ 12% p.a., amounted to ` 14,400.
- (9) He received ` 18,000 by way of re-imbusement of the Hospital bill in respect of treatment of his wife.
- (10) He has taken a Life Insurance Policy of ` 1,00,000 in respect of his wife by paying an annual premium of ` 14,800.
- (11) He stays in rented house at Pune by paying rent ` 3,000 p.m.

You are required to compute the taxable income from salary of Mr. Pawar Vinod for A.Y.17-18

4. Mr. Varun furnished the following particulars of his income for the financial year 2016-17:

Salary 15000 p.m.

D A 1250 p.m.

Entertainment Allowance 1000 p.m.

Employer's and employee's contribution to RPF 24000 each

Interest from PF @ 9.5% p.a. 19000

City compensatory allowances 200 p.m.

Medical allowances 10000

He has been provided with the facility of unfurnished house by the employer in a town

(population less than 10 lakhs) for which the employer charge Rs:500 per month. The fair rent of the house is Rs: 30,000 p.a. The house is owned by the employer.

The employer has employed for him a sweeper @ Rs:200 p.m. and a servant a2 Rs:750 p.m.

Compute taxable income under the head 'salary' for the AY 2017-18.

5. From the following information given by Mr. Pawar compute the taxable income from house property.

	House A	House B
a) Municipal value	1,10,000	1,07,000
b) Fair Rent	1,20,000	1,00,000
c) Standard rent	1,26,000	1,20,000
d) Actual Rent received	1,32,000	1,06,000
e) Municipal tax	18,000(due)	20,000(paid)
f) Repairs	6,000	8,000
g) Insurance	3,000	4,000
h) Land revenue paid	4,000	2,000
i) Interest on capital borrowed by mortgaging house A (funds are used for construction of house B) Rs. 30,000		

Determine the taxable income from house property of Mr. Pawar for current Assessment Year.

6. Mr. Abhinand constructed one house in 2016. Half of the portion is let out and the remaining half is used for his residence. The following particulars are available:

MRV Rs: 12,500; Rent received Rs:10,000 ; Municipal taxes Rs:2,500 ; Ground rent Rs;250 ; Repairs Rs:2,000 ; Interest on loan taken for construction Rs: 2,500.

Compute income from house property of Mr. Abhinand for the current Assessment Year

7. Mr. Manoj owns two houses which he occupied for his own residence. He submits the following particulars in respect of the houses for the financial year 2016-2017 :

Particulars	House No. 1	House No. 2
Municipal Valuation	1,00,000	50,000
Fair Rent	1,20,000	65,000
Standard Rent	1,00,000	66,000
Repairs	15,000	16,000
Insurance	9,000	8,000
Municipal Tax (% of Municipal Value)	10%	10%
Interest on Loan for Construction	1,05,800	5,000
Date of Completion of Construction	31st Aug. 2012	31st Aug. 2007
Date of borrowing the loans	1st July, 2006	1st Nov. 2005
Interest on Loan for Pre-construction period	50,000	—

As a Tax Consultant compute the Income from house property of Mr. Manoj for the Assessment Year 2017-18.

8. From the following P&L account, compute income from business:

PROFIT AND LOSS ACCOUNT	
To Salaries	14,600
To household expense	2000
To income tax	900
To Gifts	900
To business expense	2,200
To LIC premium	2,100
To bad debt reserve	800
To N/P	1,11,500
1,35,000	1,35,000
	By G/P 1,35,000

9. The following is the Receipts and Payments account of Mr. Akhilesh, a practicing Chartered Accountant for the year ended 31-03-2013:

Receipts	Rs:	Payments	Rs:
Audit fee	19,210	Office expenses	10,000

Consultation	10,000	Office rent	5,000
Tribunal appearance	15,000	Salaries and wages	12,050
Miscellaneous	20,000	Printing and Stationeries	1,000
Interest on Govt. security	10,000	subscription	3,000
Rent received	10,000	Purchase of books	
(annual publication)	1,300		
Presents from clients	10,000	Travelling expenses	5,800
Interest on bank loan	3,000		
Donation to National			
Defence Fund	5,000		

Loan from bank was taken for the construction of the house in which he lives. MRV of the house is Rs: 8,000 and the local taxes Rs: 800 p.a. One-fourth of travelling expenses are not allowable. Compute income from profession for the current Assessment Year.

10. Explain the provisions under the Income Tax Act, 1961 regarding :

- a) Tax deductible at source on salary income.
- b) Tax deductible at source on payment to contractor and subcontractor.
- c) Tax deductible at source on rent.
- d) Tax deductible at source on fees for professional & technical services.

11. From the following information of a trader, compute the gross total income for the AY17-18:

- 1) Income from H.P. Rs: 2,50,000
- 2) Business Loss Rs: 60,000
- 3) Current year's depreciation Rs: 10,000
- 4) Business loss of preceding years Rs: 50,000
- 5) Unabsorbed depreciation of preceding years Rs: 30,000
- 6) STCG Rs:40,000
- 7) LTCG Rs: 50,000

12. Ram Prakash (70 years of age) gives the following information. Compute deductible amount under sec.80C for the current Assessment Year.

1. Payment of LIC premium for his own life (policy amount Rs: 60,000) Rs: 13,000.
2. Payment of LIC premium on life of his wife Rs: 5,000 (paid out of agricultural income)

3. Contribution to URPF Rs: 24,000
 4. Contribution to PPF Rs: 15,000
 5. Interest accrued on NSC (VIII issue) including 6th year's interest of Rs: 1,500 is Rs:8,000
 6. Repayment of loan taken for construction of a residential flat from Housing Development Finance Corporation (includes interest Rs: 34,000) Rs: 80,000.
13. From the following information, compute total income for the current Assessment Year.
1. Business income of Surjih, aged 70, is Rs: 13,20,000
 2. He deposited Rs: 70,000 in PPF And purchased NSC VIII issue Rs: 50,000
 3. He paid interest on loan taken from a financial institution for higher education of his grandson Rs:1,20,000.
 4. He spent Rs: 40,000 on medical treatment of disabled dependent.
14. Following details are available in respect of income of Mrs. Maya for the year 2016-17:
- a) LTCG (indexed) Rs: 2,30,000
 - b) Interest on bank time deposits Rs:10,000
 - c) Dividend from co-operative society Rs: 5,000
 - d) LIC premium paid Rs: 10,000
 - e) Contribution to Public Provident Fund Rs:10,000
- Calculate tax payable by Mrs. Maya for the current Assessment Year.
-

Financial System of India, Markets and Services (306)

- Q. 1) What is financial System? Discuss the components of a formal financial System.
- Q. 2) What is a significance of institutions in promoting economic growth?
- Q. 3) 'A financial system is a well - integrated system whose parts interact with each other', explain.
- Q. 4) Discuss fund based services & Fee based services.
- Q. 5) Which are the major financial regulatory bodies in India? State their functions / Objectives.

Q. 6) What are the powers vested with SEBI to promote the development of Securities market & to protect the interests of investors?

Q. 7) Discuss the role of RBI as a 'Regulator & Supervisor of financial system in India'.

Q. 8) Elaborate the structure of money market. Discuss in detail the players in the Indian Money Market.

Q. 9) What are the Characteristics & Functions of financial markets?

Q. 10) Explain how SEBI has helped in the growth of the Indian Stock market with example.

Q. 11) What are the stages of growth of mutual funds in India? Comment on how mutual funds have become a more important investment source in the country.

Q.12) Define Financial Services. Explain the importance, Scope & Evolution of Financial Services.

Q. 13) Define Merchant Banking. Explain its importance & Scope.

Q. 14) What do you mean by Factoring? Explain the advantages & disadvantages of Factoring.

Q. 15) What do you understand by Commercial Banking? What are the functions of Commercial Banking?

Q. 16) What is the role of NABARD & how does it help in extension of credit cooperative institutions in India?

Q.17) Give a brief Profile of CRISIL & ICRA.

307FIN STRATEGIC COST MANAGEMENT

1. Define strategic cost management. Also explain the objectives of SCM.
2. Explain the Strategic positioning and SCM of any organisation with the help of following points:
 - a. How does the future look like?
 - b. How could the organization be roughly positioned in the future?
 - c. How are things in the organization at present?
 - d. How can opportunities be seized and how can threats be met?
 - e. How can this be put into practice in a systematic way?
3. Explain the Various techniques of strategic cost management.

4. What is the role of activity based costing and activity based management in decision making in any company.
 5. “The balanced scorecard as a performance management tool for third sector organizations” Explain.
 6. Explain in details Learning Curve Theory in manufacturing organisation.
 7. How to implement the lean approach in service industries. Explain with example.
-

SUBJECT: (309) FM CORPORATE FINANCE

1. Select any one organisation and download Income statement and Balance Sheet of that particular company from the website and study on following topics:
 - a. Financial position and performance of a company.
 - b. Capital structure of a company.
 - c. Dividend policy of a company.
 - d. Goals and Corporate governance of a company.
 - e. Understanding the relationship between net present value and multiple approaches to valuation.
 - f. Determining overall financial strategy in a dynamic and competitive environment.
 - g. corporate restructuring (If Any)
-

313 FIN Banking Operations – I

1. What is a bank? What are the major functions of any bank?
2. In how many types you may categorize the bank in India?
3. How many types of fund transferring service are there? Explain in details.
4. What are the banking operations? Explain the following concepts.

- a) What is “Cheque”? How Cheque is different from bill of exchange?
 - b) What are “Saving Bank Account” and “Current Deposit Account”?
 - c) Electronic Banking,
 - d) RTGS,
 - e) MICR,
 - f) What is CRAR?
 - g) What is “Money Laundering”? What are the common factors of “Money Laundering”?
5. Make a report on MUDRA of any bank.
 6. Write a detail note on “RBI monetary policy of India.’
-

316FIN FINANCIAL INSTRUMENTS & DERIVATIVES

1. What are the various forms of derivative instruments?
2. Name the financial institutions that provide credit to various sectors of economy?
3. Name the types of NBFCs registered with RBI?
4. Name the type of “ALL-INDIA DEVELOPMENT BANKS” (AIDB)?
5. Prepare a report on: ‘Broad Regulatory Framework and Instruments.’

Hint:

Major market segments under the regulatory ambit of the Reserve Bank are interest rate markets, including Government Securities market and money markets; foreign exchange markets; derivatives on interest rates/prices, repo, foreign exchange rates as well as credit derivatives.
