CA. RAJESH GOYAL

[ACMA, ACA, M.Com, B.Com (H)]

Visiting Faculty of ICWAI

Classes for

CWA-Final – Indirect & Direct Tax (Paper 14)

CWA-INTER – Direct Tax (Paper 7)

Indirect Tax (Paper 10)

Direct Tax Paper of CWA Exam

Dec 2012 Exam

(With Solutions)

Classes AT:

Genius Instt of Commerce	Commerce Shiksha Classes
1/10 & 1/12, 2nd Floor (Above LG Showroom), Opp. Metro Pillar – 27, Near Gurudwara, LAXMI NGR	289, 2nd Floor, SATYA NIKETAN Opp. VENKY College, Dhaula Kuan Delhi - 21
Ph: 011 - 42051063, 9910026558	Ph: 011 – 64641115; 9716670392

Note: 100% paper of Dec 2012 and last 4 attempts is covered from CA. RAJESH GOYAL TAX CLASSES.

SCHEDULE OF NEW BATCHES FOR CWA INTER

GROUP – 1

Subject	Faculty	Timing	Days	Fees
Financial A/c	CA. Ravinder VATS (AICWA, ACA, M.Com)	10.45 – 1.30 pm	TTS	5,000
Law & Audit	CA. R. K. RASTOGI	To be announced	SAT/SUN	5,100
Applied Direct Taxes	**CA. RAJESH GOYAL** (AICWA, ACA, M.Com) (ICWAI Visiting Faculty)	11 – 1 pm	MWF	4,500
		4 – 6 pm	MWF	
		To be announced	Sat/Sun	

GROUP – 2

Subject	Faculty	Timing	Days	Fees
Cost & Mgnt. A/c	CA. Ravinder VATS (AICWA, ACA, M.Com)	1.30 – 4pm	TTS	4,300
OM & IT	Mr. Ashutosh Tiwari/ Mayank Agarwal Sir	TO BE ANNOUNCED		
Applied Indirect Taxes	**CA. RAJESH GOYAL** (AICWA, ACA, M.Com) (ICWAI Visiting Faculty)	8 – 10 am	TTS	4,100
		To be announced	Sat/Sun	

(Full 100% satisfactory classes in terms of understanding, Material and course completion, as per the feedback of old students from previous batches.)

CMA DEC 2012 – APPLIED DIRECT TAXATION (With Solution)

Time allowed: 3 Hours **Max Marks: 100**

Answer Q. No. 1 which is compulsory and any 5 from the rest.
Wherever necessary suitable assumptions may be made and disclosed by way of a note.

Working Notes should form part of the answer.

Question 1(a): Choose the most appropriate alternative: **[1X13 = 13M]**

(i) The basic exemption limit for a non-resident super senior citizen above the age of 80 years for the assessment year 2012-13 is
A. Rs. 1,80,000 B. Rs. 2,50,000 C. Rs. 5,00,000 D. Rs. 1,60,000
Ans: C

(ii) When patent is transferred, the amount received is
A Not chargeable B. Chargeable under PGBP C. Taxable under IOS D. Adjusted towards the patent value in the block of assets
Ans: D (Because it's a depreciable asset @25%)

(iii) Rent derived from land located outside India, used exclusively for agricultural purpose is
A. Agricultural income B. Exempt income C. Taxable as business D. Taxable under IOS
Ans: D (Because only Indian agriculture income is exempt)

(iv) Ram introduced his building costing Rs. 10,00,000 acquired in April, 2007 into the business newly commenced by him from 01.04.2011. The actual cost of building for the purpose of depreciation for the assessment year 2012-13 would be Rs.
A. 10,00,000 B. 5,90,490 C. 6,56,100 D. None of these.
Ans: C

(v) Motor car with more than 1.6 litres cubic capacity is given to the employee both for official and pesonal use with expenditure on running and maintenance met by the employer. The car was self driven by the employee. The perquisite value shall be
A. Rs. 1,200 p.m. B. Rs. 1,800 p.m, C. Rs. 2,400 p.rn. D. Nil
Ans: C

(vi) The liability for payment of advance tax would arise only when the tax liability of the taxpayer after reducing tax deductible at source exceeds
A. Rs. 10,000 B. Rs. 5,000 C. Rs. 20,000 D. None of above
Ans: A

(vii) Amount is received under the notified reverse mortgage scheme, is
A. Taxable as 'IOS" B. Exempt from tax C. 50% taxable D. Taxable as capital gain
Ans: B

(viii) Azhar, being an employee in a transport company, received Rs. 10,000 per month by way of allowance to meet his personal expenses, during running the transport system. The taxable amt is:
A. Nil B. Rs. 3,000 pm C. Fully taxable D. Fully exempt
Ans: B

(ix) Rajeev received scholarship of Rs. 20,000 to meet the cost of education:
Ans: Taxable amt is NIL

(x) Sita received family pension of Rs. 10000 pm in capacity of widow of deceased spouse of personnel

having duties in Indian army. The amount of taxable family pension:
A. Rs. 1,20,000. B. 1,05,000 C.NIL D. 30,000
Ans: C

(xi) A religious trust received during the year an anonymous donation of Rs. 2,00,000. The total amount of donation received is Rs. 15,00,000. The taxable anonymous donation is:
Ans: B. Rs. 1,00,000

(xii') Fess paid to Registrar of companies for increasing the authorized capital of a company is:
Ans: A. Capital Expenditure

(xiii) Raja gifted a building to Miss Vimala on 02.04.2011. its market value on the said date being Rs. 30 lacs. Miss Vimala got married to his son on 12.03.2012. The market value on the said date was Rs. 32 Lacs. Value of this house as on 31.03.2012, as per schedule III to the Wealth Tax Act is Rs. 15 lacs. The value of house includible in the net wealth of Raja, as on 31.03.2012 is:
Ans: B. NIL

Question 1(b): FILL IN THE BLANKS: **[1X12 = 12M]**

(i) Interest received on delayed payment of enhanced compensation shall be deemed to be___(income/ not an income/**interest relating to the concerned year alone is income**) of the year in which it is received.

(ii) Gift received from a trust registered under section 12AA is ________(included/***not included***) in the taxable income of an individual.

(iii) Any sum paid on account of wealth tax is____ (deductible/***not deductible***) while computing income from other sources.

(iv) Dividend received from a company having only agricultural income is ______(agricultural income/ non-agricultural income/50% taxable) in the hands of its shareholder.

(v) There are two schools of Hindu Law, one in Mitakshara and the other is ***DAYABHAGA LAW.***

(vi) The depreciation allowable in respect of an asset used for the purpose of business for less than 180 days shall be restricted to_____ (***50%*** / 25% / 75%) of the normal rate of depreciation.

(vii) The rate of TDS will be **20%** in all cases, if PAN is not furnished by the deductee.

(viii) The minimum alternate tax u/s 115JB for the A.y. 2012-13 shall be ***18.5%*** of book profit [Basic rate excluding surcharge, education cess, etc.].

(ix) The minimum penalty levied u/s 27lA for not maintaining books of account, documents as required u/s 44AA is ***RS. 25,000.***

(x) Prima facie, revision of any order can be made by the Commissioner of Income-tax within **2** four years.

(xi) Unabsorbed loss under the head 'Capital gains' shall be carried forward for a period of **EIGHT** years immediately following the assessment year in which such loss was incurred.

(xii) Loss from gembling_______ (can/**cannot**) be carried forward and set off in subsequent years under profits from gambling.

Question 2(a): State the difference between residential status of a Company and that of others.
Ans: See chapter 2 of CA. Rajesh Goyal Sir's Book

Question 2(b): Explain difference between 'Total Income and Gross Total income.
Ans: See Chapter 1 of CA. Rajesh Goyal Sir's Book.

Question 2(c): Mr. R who resides at Delhi, gets Rs. 6L as basic salary, Rs. 1,70000 as house rent allowance. The rent paid by him is Rs. 1,80,000. Compute taxable HRA. **[4Marks]**

Ans: HRA Received **Rs. 1,70,000**

Less: Least of below 3 is exempt

1. Actual HRA received 1,70,000
2. **Rent – 10% of salary 1,20,000**
3. 50% of salary 3,00,000 Rs. 1,20,000

Taxable HRA **Rs. 50,000**

(One of the very simplest question as expected, Almost 4 same questions discussed in CA. Rajesh Goyal Sir's Book in the "chapter of Salary")

Question 2(d): Mr. A furnishes the following particulars of his income during the previous year 11-12:
(i) Income from agriculture in Bangladesh, received thereof Rs. 2,00,000 and remitted in India.
(ii) Gift of Rs. 52,000 received in foreign currency from a relative in India.
(iii) Arrears of salary Rs. 70,000 received in India from a former employer in England.
(iv) Income from property received abroad but later on remitted to India Rs. 3,20,000 (Rs. 1L used in Bahrain for educational expenses and Rs. 2 lakhs remitted in India later).
(v) Profit from business outside India managed from India Rs. 90,000 and received outside India.
Find out the GTI of Mr. A if A is (i) Resident and ordinarily resident (ii) Resident but not ordinarily resident and (1Il) Non-resident. **[7Marks]**

Ans: Computation of GTI of Mr. A

S.N	**ROR**	**RNOR**	**NR**
(i)	2,00,000	NIL	NIL
(ii)	52,000	52,000	52,000
(iii)	70,000	70,000	70,000
(iv)	3,20,000	NIL	NIL
(v)	90,000	90,000	NIL
GTI	**7,32,000**	**2,12,000**	**1,22,000**

(2 Almost similar question discussed in Chapter No -1 under the topic of "Incidence of Tax" in CA. Rajesh Goyal Sir' Book.)

Question 3(a): On 01.05.2011, Mr. Rama transferred the right to receive rental income arising from a factory godown owned by him, to his major son Mr. Lava, for a period of 10 years. The rental income derived is Rs. 10,000 per month.

On 12.03.2008, he gifted 2000 shares of face value of Rs. 100 each, in Janak Granites Ltd., a listed company, to his wife Mrs. Seetha. Mr. Rama had purchased them on 19.02.2006 at Rs. 110 each.

Janak Granites Ltd. allotted bonus shares in the ratio of 1: 1 on 12.04.2009. Mrs. Seetha sold all shares of the above company on 15.01.2012 in the National Stock Exchage for a net consideration of Rs. 180 per share, per share, paying the applicable SIT thereon.

Discuss how the above items will be treated in the hands of Mr. Rama and Mrs. Seetha for the assessment year 2012-l3 (Computation of income is not required). **[5 Marks]**

Solution:

1. As only the income is transferred to Major son, without transferring the asset, so the income shall be clubbed in the hand of Mr. Rama – Sec 60 (Chapter of Clubbing of Income)
2. The gift of shares will not be taxable to his wife Mrs. Seeths, being she is relative for him. **[See topic of Gifts u/s 56(2)]**
   Further, any income received on such shares shall be clubbed with Mr. Rama (By virtue of Sec 64(1)(iv) **(Chapter of Clubbing)**
3. Clubbing is not applicable on accretion of the gifted assets (i.e on bonus shares).

So taxability shall be decided as under:
<u>Long Term Capital gains on transfer of 2,000 original shares</u>: Shall be clubbed in the hands of Mr. Rama – **(See Sec 64(1)(iv) of clubbing)**

<u>Long Term Capital gains on transfer of 2,000 bonus shares</u>: Shall be taxable to Mrs. Seetha.

<u>Question 3(b)</u>: Excel Ltd. allotted 1000 (sweat) equity shares of Rs. 10 each to Mr. Rao, General Manager. The fair market value of the shares computed in accordance with the method prescribed under the Income-tax Act Rules was Rs. 500 per share, whereas it was allotted at Rs. 300 per share.

What is the perquisite value of sweat equity shares allotted to Mr. Rao?
In case these shares are sold subsequently, what would be their cost of acquisition in the hands of Mr. Rao? **[6Marks]**
<u>Solution</u>: As per perquisites rules in the chapter of salary,
The taxable value of sweat equity shares shall be = 1,000 shares X (Rs. 500 – 300) = Rs. 2,00,000
SO Rs. 2,00,000 shall be added to the salary income of Mr. Rao

While selling such shares, the COA shall be Rs. 500 per share for Mr. Rao

<u>Question 3(c)</u>: Determine the eligibility and quantum of deduction under Chapter VI -A in the following cases:
(i) Subscription to notified long-term infrastructure bonds Rs. 30,000 paid by Mr. A who had also paid life msurance premium of Rs. 70,000 during the year.
(ii) Contribution to notfied pension scheme (referred to section 80 CCD) by the employer Rs. 40,000 for an employee whose basic salary plus dearness allowance was Rs. 3,00,000 for the year. **[4M]**
Ans:

Deduction u/s 80C	
LIC premium	Rs. 70,000
Deduction u/s 80CCD(2)	
On employer's contribution (upto Max 10% of salary)	Rs. 30,000
Deduction u/s 80CCF	
Long term infra bonds (Max Rs 20,000)	<u>Rs. 20,000</u>
Total Ded u/c VI-A	**<u>Rs. 1,20,000</u>**

(Many similar questions are discussed in chapter no – 13 of CA. Rajesh Goyal Sir's Book)

<u>Question 4(a)</u>: Mr. Gopi carrying on business as proprietor converted the same into a limited company by name Gopi Pipes (P) ltd from 01.07.2011. The details of the assets are given below:

Block-I	WDV of Plant & Machinery (15%)	Rs. 12L
Block - II	WDV of building (rate of depreciation @l0%)	Rs. 25L

The company Gopi Pipes (P) Ltd. acquired plant and machinery for Rs. 10L in December 2011.
Compute depreciation available to Mr. Gopi and Company?
Ans: Depreciation to Mr. Gopi = 45,000 + 62500 = 1,07,500
Depreciation to Company = 3,97,500

<u>Question 4(b)</u>: Name any four specified businesses covered under section 35AD and state the fiscal incentives available to such businesses. **[5M]**
Ans: See chapter No 5 of CA. Rajesh Goyal Sir's Book

<u>Question 4(c)</u>: M Ashwin started a proprietary business on 20.04.2012 with a capital of Rs. 5,50,000. His wife Smt Padma gifted Rs. 2,00000 on the occasion of his birthday on 28.07.2010, out of which he introduced Rs. 1,00,000 into his proprietary business.
Details of his income from business are given below:

Financial year	2010-11	Loss of Rs. (1,50,000)
	2011-12	Income of Rs. 4,00,000

He did not withdraw any amount from the business for his personal use.
Determine the amount chargeable to tax in the hands of Ashwin and the amount liable for clubbing in the hands of his wife Smt. Padma. **[5M]**

Ans: (In the opinion of CA. Rajesh Goyal Sir, the starting date of the business must be 20.04.2010 instead of 20.04.2012 because otherwise point of clubbing will not be attracted in the question. So there may be printing mistake in the question).

So accordingly the answer can be given as below:

1. If date of starting of business by Mr. Ashwin is 20.04.2012 (i.e. as given in question)
   No clubbing shall be made in either FY 2010-11 or in FY 2011-12 as no business was done using the gifted funds.

2. Assuming the date of starting of business is 20.04.2010:
   Clubbing for FY 2010-11: no clubbing as no gifted funds were there as on the beginning of the previous year.

   Clubbing for FY 2011-12:
   Rs. 4,00,000 X 1,00,000 / 5,00,000 = Rs. 80,000
   So Rs. 80,000 shall be clubbed in the hands of Mrs. Padma in FY 2011-12

(Almost Similar question has been discussed in chapter no – 11 of CA. Rajesh Goyal Sir's Book)

Question 5(a): State with brief reason whether the following are 'assets' as on 31.03.2012 under the Wealth Tax Act: **[8M]**
(i) A commercial complex let out after completion of construction from 01.01.2012. **- NO**
(ii) A vacant land acquired in March 2008 by a company meant for construction of factory building. - **YES**
(iii) Residential complex building owned and let out by a company for 270 days during the 'year. **-YES**
(iv) Accommodation to an employee having aggregate annual salary of Rs. 4,50,000, let out by a company – **Yes (Assume let out for < 300 days)**
(v) Vacant lands owned by a real estate company for the past 7 years. - **NO**
(vi) A farm house beyond 30 kms from corporation limits by an individual. **- NO**
(vii) A guest house located 30 kms beyond the city limits owned by a company. **- Yes**
(viii) Equity shares in a company owned by assessee-company. **- NO**

Question 5(b): Briefly discuss the provisions of section 142(2A) of the Income-tax Act, 1961 relating to special audit. **[4M]**

Ans: 1. If the AO,
- having regard to the nature and complexity of the accounts of the assessee and
- in the interest of the revenue,

opines that it is necessary so to do, he may, direct the assessee to get the accounts audited by an accountant and to furnish an audit report, within such period as may be specified, in the prescribed form.
2. Such direction can be issued only with the previous approval of the CIT/CCIT.
3. The expenses of such audit shall be paid by the assessee.
4. These provisions of audit shall have effect notwithstanding that the accounts of the assessee have been already audited.

Opportunity to the Assessee:
The assessee shall be given an opportunity of being heard in respect of any material gathered on the basis of
- any inquiry or
- any audit

and proposed to be utilized for the purposes of the assessment.

SCHEDULE OF NEW BATCHES FOR CWA INTER

GROUP – 1

Subject	Faculty	Timing	Days	Fees
Financial A/c	CA. Ravinder VATS (AICWA, ACA, M.Com)	10.45 – 1.30 pm	TTS	5,000
Law & Audit	CA. R. K. RASTOGI	To be announced	SAT/SUN	5,100
Applied Direct Taxes	**CA. RAJESH GOYAL** (AICWA, ACA, M.Com) (ICWAI Visiting Faculty)	11 – 1 pm	MWF	4,500
		4 – 6 pm	MWF	
		To be announced	Sat/Sun	

GROUP – 2

Subject	Faculty	Timing	Days	Fees
Cost & Mgnt. A/c	CA. Ravinder VATS (AICWA, ACA, M.Com)	1.30 – 4pm	TTS	4,300
OM & IT	Mr. Ashutosh Tiwari/ Mayank Agarwal Sir	TO BE ANNOUNCED		
Applied Indirect Taxes	**CA. RAJESH GOYAL** (AICWA, ACA, M.Com) (ICWAI Visiting Faculty)	8 – 10 am	TTS	4,100
		To be announced	Sat/Sun	

(Full 100% satisfactory classes in terms of understanding, Material and course completion, as per the feedback of old students from previous batches.)

Question 5(c): State the difference between Exemption u/s 10 and Deduction under Chapter VIA of the Income-tax Act, 1961. 3

Ans: Incomes which are exempt u/s 10 will not be included for computing total income while incomes from which deductions are allowable u/c VI-A will first be included in the GTI and then the deductions will be allowed.

For examples, the dividend income received on shares is exempt u/s 10(34), so it shall not form part of the total income at all.

On the other hand, deductions u/c VI-A are available from the taxable income which is deducted from the GTI in order to compute Total Income.

Question 6(a): Mr. Nitin completed construction of a residential house on 01.04.2010.
Interest paid on loans borrowed for the purpose of consturction during the 30 months prior to completion was Rs. 60,000.
The house was let-out on a monthly rent of Rs. 18,000:
Annual corporation tax paid is Rs. 35,000.
Interest paid during the year is Rs. 25,000
Amount spent on repairs is Rs. 6,000.
Fire insurance premium paid Rs. 3,000 p.a.
The property was vacant for 4 months.
Annual letting value as per corporation records is Rs. 1,50,000.
He has also received arrears of rent of Rs. 36,000 during the year, which had not been charged to tax in the earlier year.
Compute the Income under the head house property. **[8M]**

Ans:	GAV (After considering the vacancy if available)	1,44,000
	Less: Corporation Tax (i.e municipal tax)	(35,000)
	NAV	**1,09,000**
	Less: 30% statutory deduction	32,700
	Less: Interest on borrowed capital	37,000
	[Pre constt period interest = 60,000/ 5= 12,000	
	Add: current year interest = 25,000]	
	Income from house property	39,300
	Add: Arrears of rent (36000 – 30%)	25,200
	Total Income from house property	**64,500**

[Many almost similar questions has been discussed in the class and given in CA. Rajesh Goyal Sir's Book in chapter no - 3].

Question 6(b): Discuss whether it is required on the part of the assesse desiring to claim deduction of bed debts, to prove that bad debts written off in the books as irrecoverable, is incapable of recovery or that the said debt had really turned bad.

Ans: It is necessary on the part of the assesse to claim that the debt has been irrecoverable because as per Sec 36(1)(vii) (chapter PGBP) the deduction of the bad debts is allowed only if such debt has been written off as irrecoverable in the books of the accounts of the assesse.

(For detailed discussion, see class notes of CA. Rajesh Goyal Sir.)

Question 6(c): Explain how jewellery has to be valued as per Wealth Tax Act.

Solution: The value of jewellery shall be estimated to be the price which it would fetch if sold in the open market on the valuation date (i.e. fair market value). The return of net wealth shall be supported by –

(a) a statement in Form O-8A where the value of jewellery does not exceed Rs. 5L.
(b) a report of a registered valuer in Form O-8 where the value of the jewellery exceeds Rs. 5L.

However, the report is not binding on assessing officer (Valuation Officer) and he can determine fair market value of jewellery.

The value of jewellery determined by the Valuation Officer for any assessment year shall be taken to be the value of such jewellery for the subsequent 4 AY's subject to the prescribed adjustments.

Question 7(a): 'A' Ltd. owns two plant: Plant X and Plant Y, as on 01.04.2011 (rate of depreciation 15% depreciated value as on 01.04.2011: Rs. 2,37,000).
The company purchases Plant Z on May 31, 2011 for Rs. 20,000.

It selIs Plant X (on April 10, 2011) and Plant Y (on December 11, 2011) and Plant Z (on March I, 2012) for Rs. 40,000; Rs. 36,000 and Rs. 24,000 respectively.

Find out the WDV of the block of assets on 31.03.2012. Explain the treatment relating to depreciation and allied issues relating to the above. What is the opening WDV of the block as on 01.04.2012?
Ans: The above issue has been discussed in detail in class. In the above case, the ***block of the assets ceases to exist*** and such above situation is discussed in Sec 50.

As per Sec 50, the assese shall not be allowed depreciation in this case, rather, short term capital gain (or loss) shall be calculated as under

Sale consideration	1,00,000
Less: Opening WDV	(2,37,000)
Less: New purchase	(20,000)
STCL	**(1,57,000)**

Further, the opening WDV as on 01.04.2012 = NIL
(Tax Advice: The assesse is advised to purchase one more asset into the block in order to claim depreciation.)

Question 7(b): State the provisions for valuation of self-occupied property under section 7(2) of the Wealth Tax Act. **[5M]**
Ans: Refer class notes.

Question 7(c): State ten instances/transactions where Permanent Account Number (PAN) has to be compulsorily quoted. **[5M]**
Ans: Below are the transactions requiring quoting of PAN:-

a. Sale or purchase of any immovable property valued at Rs. 5,00,000 or more;
b. Sale/ purchase of a motor vehicle (except 2-wheeler);
c. A contract for sale or purchase of securities exceeding Rs. 1,00,000;
d. Opening an account with banking company/institution;
e. Applying for telephone connection (including cell-phone connection);
f. Making an application to any company/institution for issue of a credit card;
g. Payment to hotels/ restaurants against bills exceeding Rs. 25,000 at any one time;
h. Payment in cash in connection with travel to any foreign country of an amount exceeding Rs. 25,000 at any one time.
i. Payment in cash for purchase of DD/PO/Banker's cheques from a banking company for Rs. 50,000 or more during any one day;
j. Deposit in cash Rs. 50,000 or more with a banking company during any one day;
k. Deposit exceeding Rs. 50,000 with a bank / Post office/ institution;
l. Payment of Rs. 50,000 or more for purchase of mutual fund units;
m. Payment of Rs. 50,000 or more to a company for acquiring shares issued by it;
n. Payment of Rs. 50,000 or more to a Company for acquiring debenture/bonds;
o. Payment of Rs. 50,000 or more to RBI for acquiring Bonds.

Question 8(a): Please state the deductibility of the following expenses: **[6M]**

(i) Litigation expenses for restraining another company from using assessee's trade mark. – **Allowed as business expenditure u/s 37(1)**

(ii) Brokerage paid for raising loan to finance assessee-company's business. - **Allowed as business expenditure u/s 37(1)**

(iii) Compensation paid to cancel purchase order of a machine due to abnormal rise in its price. Assessee claims it as a trading loss - **Allowed as business expenditure u/s 37(1)**

Question 8(b): Explain the provisions for carry forward and set off of business losses under section 72. Explain the order of priority amongst business loss, current depreciation and brought forward unabsorbed depreciation. **[6M]**

Ans **Sec.72 – CARRY FORWARD AND SET-OFF OF BUSINESS LOSSES**

Business loss *other than speculation loss*

- to the extent not set-off u/s.71
- shall be carried forward to the next AY and
- set-off against the income **u/h. PGBP** of the next AY(s) up to maximum for 8 AY immediately succeeding the AY in which loss was first computed.

It is not necessary that the loss should be set-off against the PGPB of the business in relation to which the loss was incurred.

Sec 72(2): PRIORITY OF SET –OFF:

i. Current year Depreciation, Current year Scientific Research Capital Expenditure, Current Year Family Planning Capital expenditure;
ii. Brought forward Business/profession loss;
iii. Brought forward Depreciation, Brought forward Scientific Research Capital Expenditure, Brought forward Family Planning Capital expenditure.

Question 8(c): Explain the provisions in regard to a reference to Valuation Officer for valuation of a capital asset under the provisos of the Income-tax Act, 1961. **(3M)**

Ans: Discuss Sec 55A in Chapter No-8, Capital gains in CA. Rajesh Goyal Sir's Book

SCHEDULE OF NEW BATCHES FOR CWA INTER

GROUP – 1

Subject	Faculty	Timing	Days	Fees
Financial A/c	CA. Ravinder VATS (AICWA, ACA, M.Com)	10.45 – 1.30 pm	TTS	5,000
Law & Audit	CA. R. K. RASTOGI	To be announced	SAT/SUN	5,100
Applied Direct Taxes	**CA. RAJESH GOYAL** (AICWA, ACA, M.Com) (ICWAI Visiting Faculty)	11 – 1 pm	MWF	4,500
		4 – 6 pm	MWF	
		To be announced	Sat/Sun	

GROUP – 2

Subject	Faculty	Timing	Days	Fees
Cost & Mgnt. A/c	CA. Ravinder VATS (AICWA, ACA, M.Com)	1.30 – 4pm	TTS	4,300
OM & IT	Mr. Ashutosh Tiwari/ Mayank Agarwal Sir	TO BE ANNOUNCED		
Applied Indirect Taxes	**CA. RAJESH GOYAL** (AICWA, ACA, M.Com) (ICWAI Visiting Faculty)	8 – 10 am	TTS	4,100
		To be announced	Sat/Sun	

(Full 100% satisfactory classes in terms of understanding, Material and course completion, as per the feedback of old students from previous batches.)

About classes by CA. RAJESH GOYAL

1. Best results since last many no. of attempts.
2. Interaction with each and every student.
3. Detailed and satisfactory Query session after class.
4. 100% backup of class is available in case student is not able to attend the class.
5. 100% disciplined classroom.
6. 100% examination paper covered from book issued, concept and examples covered in the class continuously in the attempts of Dec 10, June 11, Dec 11, June 12 & now in Dec 12.

ABOUT CA. RAJESH GOYAL

CA. RAJESH GOYAL is an Associate Member of the "Institute of Chartered Accountants of India" (ICAI) and an Associate Member of the "Institute of Cost and Works Accountants of India" (ICWAI). He has had a bright scholastic career throughout his academics.

CA Rajesh Goyal has been practicing as a leading Tax Consultant in Delhi and has also been teaching "Direct and Indirect Taxation" for more than 7 years and very much popular amongst the students for his lively session and practical approach to the subject.

He is a visiting faculty of ICWAI-NIRC for Taxation since the last two years. He has also been a visiting faculty member for various management institutes and other professional institutes.

CA Rajesh Goyal has long years of varied knowledge application and hands on experience. He has a vast exposure in multifarious spheres involving Direct and Indirect taxation; both at the corporate and the individual level. He has been associated with the best of the renowned academia and has unmatched acumen, and expertise in his field.

At present he is taking tax classes at NIRC (ICWAI) and at

GENIUS INSTITTUE OF COMMERCE

1/10 – 1/12, 2ND Floor (Above LG showroom), Opp. Metro Pillar No – 27, (Near Gurudwara), LAXMI NAGAR, Delhi – 92

&

COMMERCE SHIKSHA CLASSES

289, 2nd Floor, SATYA NIKETAN, Opp. VENKY College, Dhaula Kuan, Delhi – 21.

[A dream is not something that you wake up from, but something that wakes you up…..]

All the best

CA. RAJESH GOYAL