

Seat No.	
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**B.Com. (Part - III) (Semester - VI) (CBCS) Examination, March - 2023**

**ADVANCED ACCOUNTANCY**

**Taxation (Paper - IV)**

**Sub. Code : 80275**

**Day and Date : Wednesday, 31 - 05 - 2023**

**Total Marks : 40**

**Time : 2.30 p.m. to 4.30 p.m.**

- Instructions :**
- 1) All questions are compulsory.
  - 2) Figures to the right indicate full marks.
  - 3) Use of calculators is allowed.

**Q1) Mr. Ganesh of Bangalore Submits the following trading and profit and loss account for the year ending 31.3.2022. [16]**

Particulars	Rs.	Particulars	Rs.
To Opening stock	60,000	By sales	4,20,000
To Purchase	3,80,000	By closing stock	80,000
To Freight	15,000		
To Gross profit c/d	45,000		
	<u>5,00,000</u>		<u>5,00,000</u>
To Salaries and Wages	14,800	By Gross profit b/d	45,000
To Rent and Taxes	3,800	By Dividend from	
To Income Tax	600	Co-operative Society	2,000
To Household expenses	4,200	By Rent from buildings	
To Postage and Telegram	400	Let Out	4,800
To Donation	500		
To Audit Fees	200		
To Provision for Bad debts	680		
To Bad debts	420		
To Miscellaneous ex.	600		
To Depreciation	500		
To Net profit	25,100		
	<u>51,800</u>		<u>51,800</u>

**P.T.O.**

Following Information is available:

- a) He is also an employee in a Cinema Company and receives Salary of Rs. 2,60,000 during the year and paid professional tax @ Rs. 100 p.m.
- b) Purchases include Rs. 5,000 being advance to suppliers in March, 2021 against goods to be delivered in April, 2022.
- c) Rent and taxes include Rs. 2,300 being Municipal taxes paid for the building let out.
- d) Donation is paid to the Indian Naval Bene-Volent Fund.
- e) Miscellaneous expenses include Rs. 400 being purchases of books for the employment.
- f) Depreciation allowable as per rules is Rs. 400.

Compute his total Income for the A.Y. 2022-23.

**Q2)** Attempt any two of a, b and c of the following:

- a) Mr. Suresh Deshmukh is Sales Manager of a Telco Company Ltd., Mumbai. He furnished the following particulars regarding his taxable salary for the A.Y. 2022-23. [8]
  - i) Basic Salary ₹ 23,000 p.m.
  - ii) Dearness Allowance ₹ 4,400 p.m. not considered for retirement benefit.
  - iii) Employees contribution to RPF at 15% of his Salary and his company contributed equal amount.
  - iv) Interest was credited Recognised provident Fund at 13% ₹ 26,000.
  - v) Education allowances for his two daughters ₹ 4,000.
  - vi) Employer paid Life Insurance Premium of ₹ 6,000 for an Insurance Policy of ₹ 1,00,000 on Suresh's Life.
  - vii) The Company has provided him free water and electricity, the expenses of which amounting to ₹ 12,000 were paid by the company.
  - viii) The company also provided him free service of a sweeper and cook whose salary ₹ 800 p.m. each have paid by the company.
  - ix) The Company paid his club bill ₹ 20,000.
  - x) The Company provided him rent Free house owned by Company the annual fair rental value is ₹ 43,000.

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- b) Mr. Paresh has two houses, the particulars of which are as follows. [8]

Particulars	House - I	House - II
Nature of occupation	Self-occupied	Let out
	Rs.	Rs.
Municipal Valuation	1,00,000	1,50,000
Fair Rent	1,20,000	1,80,000
Standard Rent as per Rent Control Act	96,000	1,35,000
Actual Rent Received	-	1,75,000
Expenses on the House:		
White was expenses	10,000	12,000
Collection charges	-	5,000
Fire Insurance	5,000	6,500
Land Revenue due	2,000	3,000
Municipal Taxes Paid	10%	10%
Instalment of Interest on Loan for construction-completed on 1.7.2020	10,000	12,000
Interest on Loan for the year ending 31.3.2022	45,000	50,000

Compute the Income from House property for the A.Y. 2022-23.

- c) From the following profit and loss A/c and other information of a business for the year ended 31.3.2022 ascertain the Income from Business of Mrs. Sarita. [8]

**Profit and Loss Account**

(For the year ended 31<sup>st</sup> March, 2022)

Particulars	Rs.	Particulars	Rs.
To office salaries	88,000	By Gross profit	5,80,000
To Interest on capital	20,000	By Profit on sale of	
To General expenses	50,000	Investments	20,000

To Bad debts	20,000	By Bad debts recovered	
To Advertisement	45,000	(previously disallowed)	40,000
To Fire Insurance		By Interest from	
premium	20,000	Government Securities	40,000
To Depreciation on Car	52,000	By Interest on NSC	20,000
To Reserve for future		By Rent from property	28,000
Losses	1,00,000	By Miscellaneous	
To Income Tax	30,000	Receipts	4,500
To Sales Tax	10,000		
To Donations	10,000		
To Interest on Bank			
Loan	5,000		
To Loss of Building by			
Fire (Uninsured)	12,000		
To Car expenses	10,000		
To Net Profit	2,60,500		
	<u>7,32,500</u>		<u>7,32,500</u>

- i) Advertising includes ₹ 30,000 cost of permanent signs.
- ii) Motor Car is used half for private purpose.
- iii) Allowable depreciation on Car is ₹ 45,000 (Adapted).

**Q3)** Write short notes (any two out of four):

[8]

- a) Person (Sec. 2(31)).
- b) Assessment year (Sec. 2(9)).
- c) Features of GST.
- d) GST Council.

