

T.Y.B.COM. SEM – V (CBCS - 2016 Course) : SUMMER - 2019

SUBJECT: AUDITING & TAXATION – I

Day : Monday
Date : 15/04/2019

S-2019-0349

Time : 03.00 PM TO 06.00 PM
Max. Marks : 60

N. B. :

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.

Q.1 Explain the following concepts : (Any TWO) (12)

- a) Total Income (Taxable Income)
- b) Capital and Revenue Receipts
- c) Certain Income which is treated as Agriculture Income

Q.2 Mr. Taxbhai is employed in Taxgain Ltd, Pune as an Accountant. During the previous year 2017-18 he has received following emolument. (12)

- i) Basic salary Rs. 12,500/-
 - ii) D.A. 30% of basic salary (applicable for retirement benefits)
 - iii) City compensatory allowance Rs. 850/- p.m.
 - iv) Children education allowance Rs. 350/- p.m. (Mrs.Taxbhai is having two sons and one daughter studying in the school)
 - v) HRA Rs. 1,500/- p.m.
 - vi) He contributed Rs. 2,000/- as Professional Tax.
 - vii) During the year, the interest credited to his R.P.F. A/c @ 12% p.a. amounted to Rs.14,400/-
 - viii) He received Rs. 18,000/- by way reimbursement of the hospital bill in respect of his wife.
 - ix) He has taken Life Insurance Policy of Rs. 1,00,000/- in respect of his wife by paying an annual premium Rs. 14,800/-
 - x) He stays in rented house at Pune by paying rent Rs. 3,000/- p.m.
- You are required to compute the taxable income from salary of Mr. Taxbhai for the A.Y. 2018-19

OR

- a) Explain uses of working paper. (06)
- b) Explain importance of audit programme. (06)

Q.3 Miss Aishwariya has occupied for the residential purpose. (12)

Particulars	House – I	House - II
Municipal Valuation	1,60,000	50,000
Fair rent	1,80,000	80,000
Students rent (under Rent Control Act)	1,65,000	90,000
Municipal taxes (10% of municipal valuation)	10%	10%
Fire Insurance.	2,850	1,200

Miss Aishwariya has spent Rs. 20,000/- as repairing charges on house II. Your are required to calculate the income form house property of Miss Aishwariya for the A.Y. 2018-19

P.T.O.

OR

- a) State the uses of Audit Note Book. (06)
- b) Explain the exempted Income from agriculture income. (06)

Q.4 Mr. Aniket has submitted the following data regarding his income. Compute his total taxable income and deduction U/s 80 for the assessment year 2018-19 (12)

- i) Basic salary Rs. 20,000/-
- ii) D.A. Rs. 2,000/- p.m. (considered for Retirement Benefit)
- iii) Contribution to R.P.F. @ 12% of salary (by employer)
- iv) City compensatory allowance Rs. 100/- p.m.
- v) Interest on R.P.F. Balance @ 12% is Rs. 2,400/-
- vi) H.R.A. Rs. 1,000/-
- vii) Entertainment allowance Rs. 2,000/-
- viii) Travelling allowance Rs. 2,000/- (unspent amount Rs.200/-
- ix) He has been provided with an 1800cc car both official and private purpose. The assessee pays for the running and maintenance for the personal use of the car.
- x) The assessee's two children are studying in the school run by the employer. The cost of education in similar institution per student is Rs. 1,000/- p.a.
- xi) The assessee is supplied with free gas, water and electricity for which the employer pays Rs. 1,000/- p.a. to an outside agency.
- xii) The assessee is provided with free lunch during working days (In all 300 lunches Rs.60/- each)
- xiii) Rent paid by the assessee for the house is Rs. 2,500/- p.m.
- xiv) Interest from Bank deposit Rs. 7,000/- and dividend of Indian Co. Rs. 4,000/-
- xv) Income from house property Rs. 45,000 and Business Income Rs. 75,000/-
The following are his savings during the previous year.
 - a) Life Insurance Premium paid Rs. 10,000/- on a policy of Rs. 1,20,000/- which was taken on life of his wife and children.
 - b) Contribution to P.P.F. Rs. 1,500/-
 - c) U.L.I. Premium paid Rs. 6,000/-
 - d) Contribution to R.P.F. @ 12% of salary.
 - e) Purchased National Saving Certificate VII issue for Rs. 1,200/-

OR

- a) Explain objectives of Income Tax. (06)
- b) State the importance Internal Audit. (06)

Q.5 Write short notes on **Any FOUR** of the following : (12)

- a) Education cess
- b) Types of House Property
- c) Frauds of goods
- d) Nature of audit
- e) Encashment of Earned leave
- f) Residential status of an assessee
