

N.B:

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

Q.1 Define the following terms as per Income Tax Act. **(10)**

- a) Capital Income
- b) PAN
- c) Let Out Property
- d) Previous Year

OR

- a) Agriculture Income **(05)**
- b) Capital and Revenue Expenditure **(05)**

Q.2 Mr. Ram is a manager working in Reliance Company, Mumbai. He has submitted the following information of salary for the financial year 2017-18. **(10)**

- 1) Basic Pay Rs. 60,000/- p.m.
 - 2) Dearness allowance 45% of basic salary (Not admissible for retirement benefit)
 - 3) Medical allowance Rs. 7,000/- per annum
 - 4) Helper Allowance Rs. 5,000/- per month
 - 5) Entertainment Allowance Rs. 1,000/- per month
 - 6) Employer and his own contribution to the R.P.F. is 13% of the basic salary.
 - 7) Interest credited to R.P.F. at 12% was Rs. 60,000/-.
 - 8) Commission received Rs. 30,000/-.
 - 9) He has been given a gift in cash of Rs. 1,000/- on his birthday by the employer.
 - 10) HRA Rs. 5,000/- per month. He paid Rs. 7,000/- per month for his residence.
 - 11) Hostel allowance Rs. 400/- per month Mr. Ram has one son studying in college.
 - 12) He has been provided with a car 20HP by his employer for both official and private purpose. The running and maintenance expenses including driver's salary paid by employer.
 - 13) He has been provided Gardner and cook. The salary paid to them Rs. 7,000/- p.m.
 - 14) He paid professional tax at Rs. 2,500/- p.a.
- Compute his taxable income from salary for the A.Y. 2018-19.

Q.3 What is fraud? Explain the different types of frauds. **(10)**

OR

- a) What are the Advantages of audit? **(05)**
- b) Explain the nature of Audit Programme. **(05)**

Q.4 Write short notes on **ANY TWO** of the following: **(10)**

- a) Internal audit
- b) Working paper
- c) Objective of Income Tax