

S.D.E.
M. Com. Sem-I (CBCS 2018 Course) : WINTER - 2018
SUBJECT : ELECTIVE – A GROUPS: ADVANCED ACCOUNTING – II

Day : Monday
Date : 03/12/2018

W-2018-4351

Time : 02.00 PM TO 05.00 PM
Max. Marks : 70

N.B.:

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of non-programmable **CALCULATOR** is allowed.

Q.1 Mr. Manak, a Director of Omega Co. Ltd., Delhi, receives the following salary and perquisites from his employer. **[16]**

Basic Pay	₹ 16,000 p.m.
Profit Bonus	₹ 18,000 p.a.
D.A. ₹ 2,000 p.m. (enters into retirement benefit)	
Commission on sales @ 4% of sales. Sales made by him	₹ 18,50,000
Advance salary for April to July	₹ 48,000
Employer's contribution towards R.P.F.	₹ 8,000 p.m.
Interest credited to R.P.F @ 13%	₹ 26,000

A Rent free accommodation in Delhi. The rent of unfurnished house paid by the employer ₹ 84,000. Rent paid by the employer for the Furniture ₹ 18,000. He has been provided with the services of a Gardener - @ ₹ 2,000 p.m, cook – salary ₹ 1,500 p.m. and services of watchman ₹ 4,000 p.m.

Mr. Manak's two children are studying (free) in the school run by the employer. The cost of education in similar institution per students is ₹ 2,000 per month. Electricity Bill paid by the employer ₹ 7,000.

He has been provided with a car for personal use along with a chauffer. The cost of the car is ₹ 5,00,000. The salary of driver amounting to ₹ 3,000 p.m. is paid by the company. The maintenance expenses are paid by the employee. The assessee is provided with free lunch during all working days (in all 250 lunches at ₹ 70 each).

He received ₹ 17,000 by way of reimbursement of the Hospital bill paid by the employer. He paid professional tax of ₹ 2,500 p.a.

Compute income from salary for the A.Y. 2018-19.

OR

- a) Explain the deductions expressly disallowed while computing the Income from business and profession. **[08]**
- b) Explain various house properties that are taxable under the head 'Income from house Property'. **[08]**

Q.2 Attempt **ANY TWO** of the following: **[12]**

- a) What is perquisite? Explain the valuation of any three perquisites.
- b) Explain the items of Incomes which are exempted from tax under the head Income from other source.
- c) What is the difference between capital Income and Revenue Income.

P.T.O.

Q.3 Attempt **ANY TWO** of the following: [12]

a) Compute Gross Annual Value for the following house properties.

Particulars	H ₁ (₹)	H ₂ (₹)	H ₃ (₹)
Gross Municipal Value	1,58,000	1,80,000	1,20,000
Fair Rent	1,40,000	1,45,000	2,40,000
Standard Rent	1,20,000	2,40,000	3,00,000
Annual Rent	1,80,000	3,00,000	1,50,000
Unrealized Rent of the previous year 2017-18	25,000	40,000	20,000
Unrealized Rent of 2016-17	30,000	50,000	60,000
Period of vacancy (in months)	3 months	1 month	2 months

b) Explain the conditions determining residential status of an individual assessee.

c) Explain the term 'Long term capital gain' and 'Short term capital gain'.

Q.4 Attempt **ANY THREE** of the following: [15]

a) Explain the income forming part of total income but not taxable.

b) Explain income of charitable and religious trusts and institutions.

c) Explain the term 'Income' under Income Tax Act.

d) Discuss the taxability of pension.

Q.5 Write short notes on **ANY THREE** of the following: [15]

a) Set off and carry forward of losses

b) Previous year and Assessment year

c) Income from other sources

d) Education cess

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