

BACHELOR OF COMMERCE (CBCS-2016 COURSE)

T.Y. B.Com. Sem-V : WINTER :- 2021

SUBJECT: AUDITING & TAXATION-I

Day : Saturday
Date 29-01-2022

W-14443-2021

Time : 02:00 PM-05:00 PM
Max. Marks: 60

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. Umakant is employed in Will Power Ltd. Pune. As a sales manager (12)
During the year 2019 – 2020. He has received the following emoluments.

- 1) Basic salary Rs. 15,200 p.m. up to 31st Oct. 2019 Rs. 16,000 p.m. from 1st Nov. 2019 on wards.
 - 2) Dearness allowance 20% of the basic salary.
 - 3) City compensatory allowance Rs. 850 p.m.
 - 4) Children Educational Rs. 350 p.m. (He is having one daughter studying in collage).
 - 5) House rent allowance Rs. 1500 p.m.
 - 6) He contributes Rs. 2,000 p.m. towards the R.P.F. & an equal amount is contributed by the employer.
 - 7) He has been provided with the car, having a cubic capacity 1,600 CC. which is used partly office and partly for personal purpose. Petrol & other expenditure (including salary of chauffer) of the car during the year amounted to Rs. 36,000 paid by the employer. Employer recovered from that from Umakant Rs. 30,000.
 - 8) He has been given a gift of Rs. 8,000 on his birthday by the employer.
 - 9) He purchases goods of Rs. 10,000 on credit card. This amount along with annual credit card fees Rs. 1,000 was paid by the company.
 - 10) During the year interest credited to his Recognized Provident Fund 11% p.a. was Rs. 12,100.
 - 11) During the year he paid Rs. 2,500 as professional tax and Rs. 60,000 rent for his residence
- Compute the taxable income from salary of Mr. Umakant for A. Y. 2020 – 21.

Q.2 Mr. Raju owns three houses for his residential purpose. (12)

Particulars	House I	House II	House III
Municipal Valuation	40,000	50,000	60,000
Fair rent	35,000	55,000	60,000
Standard rent (as per control act)	30,000	60,000	58,000
Municipal taxes	4,000	5,000	5,000
Repairs	-	8,000	16,000
Ground rent	15,000	-	-
Interest on loan borrowed on 1/4/2000 for	-	-	-
Construction of the house	-	-	15,000

You are required to determine the taxable income from house property of Mr. Raju for the year 2020 – 21.

OR

- a) Explain the vouching of payment side of cash book. (06)
- b) Explain the deductions allowed u/s 80C. (06)

P.T.O.

Q.3 What is auditing? State the various principles of auditing. **(12)**

OR

a) Distinguish between capital and revenue receipts and expenditures. **(06)**

b) What is the scope of income tax? **(06)**

Q.4 Answer any **TWO** of the following questions **(12)**

a) Explain meaning of Gross Total Income

b) What are deductions in respect of health insurance premium U/S 80D?

c) What are uses of internal check?

Q.5 Write short notes on any **THREE** of the following: **(12)**

a) Advantages of internal audit

b) Concept in working paper

c) Objectives of income tax

d) Concept of PAN & TAN

e) Education cess.

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