



B.Com. (Semester – V) Examination, October/November 2018
ACCOUNTING MAJOR 2 : INCOME TAX AND GOODS AND SERVICE TAX
(Paper – I)

Duration : 2 Hours

Max. Marks : 80

- Instructions :**
- i) Question No. 1 is **compulsory**.
 - ii) Answer **any 3** questions from the remaining questions.
 - iii) Figures to the **right** indicate marks **allotted**.
 - iv) Show important working notes as **fair** work.

1. A) Mr. Bekaar is an Indian citizen and a member of the crew of a Singapore bound Indian ship engaged in carriage of passengers in international traffic. He joined the ship on 5th June, 2017, the date on which the ship departed from Chennai port. The ship returned back to Mumbai port on 10th December, 2017, where he signed off.

Determine the residential status of Mr. Bekaar for A.Y. 2018-19, assuming that his stay in India in the last 4 previous years (preceding P.Y. 2017-18) is 400 days and last seven previous years (preceding P.Y. 2017-18) is 750 days.

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- B) Mr. Kangaal, received education allowance of Rs. 80 p.m. for his 1st child, Rs. 90 p.m. for his 2nd child and Rs. 120 p.m. for his 3rd child. He also received children hostel allowance of Rs.6,000 p.a. per child for two children. Find taxable Children Education Allowance and Hostel allowance.

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- C) The written down value of block of assets consisting of Plant P and Q of Mr. Padisher was Rs. 1,55,000 as on 1-4-2017. The rate of depreciation is 25%. The following further information is available.

Asset	Rate of Dep.	Date of Purchase	Put to use	Actual Cost
Plant R	25%	30-04-2017	30-04-2017	40,000
Plant S	25%	20-05-2017	15-12-2017	50,000
Plant T	25%	20-02-2018	10-04-2018	35,000

Plant P was sold on 17-08-2017 for Rs. 90,000. Compute the admissible depreciation of Mr. Padisher for the assessment year 2018-19.

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- D) Define 'Composite Supply' and 'Mixed Supply' under the CGST Act, 2017.

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P.T.O.



2. Mr. Kadki is an employee of XYZ Ltd. since 1993. Apart from salary he also received an entertainment allowance of Rs. 4,500 p.m. since 1-4-1993. The other particulars for the year ended 3-13-2018 are as follows :

- a) Salary Rs. 20,000 p.m. (including entertainment allowance but net of deduction for tax and P.F.)
- b) The company gave him a loan of Rs. 5,00,000 at concessional interest rate in January 2017 for the purchase of motorcar. The company deducts Rs. 1,000 p.m. from his salary as loan repayment. The perquisite value of the same is Rs. 30,000.
- c) P.F. deducted from salary Rs. 5,000 p.m.
- d) Bonus received Rs. 28,000.
- e) Commission due Rs. 42,000 @ 0.05% of net profit.
- f) Special allowance Rs. 500 p.m.
- g) He is given a furnished house, the taxable value of the perquisite being Rs. 3,500 p.m.
- h) He was given a car for his exclusive use during office hours. The employer has spent Rs. 20,000 for petrol and other expenses.
- i) He receives conveyance allowance of Rs. 4,000 p.m. He spent Rs. 51,000 for commuting on business work.
- j) Deduction for tax Rs. 4,000 p.m.
- k) Free lunch provided by the employer Rs. 1,500 p.m. Value of the perquisite Rs. 2,400.
- l) Employer's contribution to unrecognized provident fund Rs. 3,800 p.m. (Mr. Kadki contributes the same amount). Interest @ 12% is credited to this fund.
- m) Perquisite value of free domestic servant provided Rs. 9,600.
- n) Uniform allowance Rs 2,400 (Amount actually spent Rs. 1,200).
- o) Perquisite value of free electricity provided Rs. 1,800 and free water provided Rs. 3,300.
- p) Telephone facility provided at residence Rs. 13,000 (phone is partly used for personal purposes).
- q) He spent Rs. 300 on technical books, Rs. 2,500 as profession tax and Rs. 6,850 for conveyance between office and home.
- r) Reimbursement of medical expenses for treatment in an approved hospital Rs. 48,000.

Compute his income from salary for Assessment year 2018-19.