

B.Com. 3rd Semester (General) Examination, 2021 (CBCS)

Old Syllabus: 2017-18

Subject: Income tax Law and Practice

Paper: CC-6 (3.2 CG)

Time: 3 Hours

Full Marks: 60

The figures in the margin indicate full marks.

*Candidates are required to give their answers in their own words
as far as practicable.*

দক্ষিণপ্রান্তস্থ সংখ্যাগুলি প্রশ্নের মান নির্দেশক ।
পরীক্ষার্থীরা যথাসম্ভব নিজের ভাষায় উত্তর দাও ।

1. Answer any six questions:

5 x 6 = 30

যে কোনো ছয়টি প্রশ্নের উত্তর দাও ।

- (a) (i) Distinguish between Direct Tax and Indirect Tax.
(ii) "Assessee includes assessee-in-default"-explain in brief as per Section 2(7) of the Income Tax Act 1961.

প্রত্যক্ষ কর এবং পরোক্ষ করের মধ্যে পার্থক্য করো ।

"নির্ধারীর মধ্যে খেলাপকারী নির্ধারী অন্তর্ভুক্ত" - আয়কর আইনের 2 (7) ধারা অনুযায়ী সংক্ষেপে ব্যাখ্যা করো ।

- (b) "Scope of total income depends upon residential status of an assessee "explain in brief as per Section 5 of the I T Act 1961.

"আয়করের পরিধি নির্ধারীর আবাসিক মর্যাদার উপর নির্ভর করে" আয়কর আইনের 5 ধারা অনুযায়ী সংক্ষেপে ব্যাখ্যা করো ।

- (c) Determine the residential status of the following taxable entities for the Assessment Year 2021-22:

(i) A, B and C form a partnership business and the business is 100% controlled from Srilanka during the previous year 2020-21.

(ii) Britannia Private Limited is an Indian Company but the place of effective management of the company during the previous year 2020-21 was in England.

(iii) Mr. Sushil Agarwal lives in America and the Karta of a Hindu Undivided Family in India. Mr. Agarwal controlled and managed the family from America during the last 10 years.

(iv) Suzuki Private Limited is a Japanese company and the place of effective management of the company during the previous year 2020-21 was partly in India and partly in Japan.

(v) Mr. Abdul, a salaried employee of the Government of India, posted in the Indian Ambassador's Office in France for the last 10 years.

(ইংরেজি প্রশ্ন দ্রষ্টব্য)

- (d) Classify the following incomes as agricultural income and non-agricultural income
- (i) Income derived from the sale of seeds
 - (ii) Income from growing of flowers and creepers
 - (iii) Income from breeding of livestock
 - (iv) Rent received from land used for grazing of cattle required for agricultural activities.
 - (v) Income from poultry farming

(ইংরেজি প্রশ্ন দ্রষ্টব্য)

- (e) Mr. Kamalesh is a teacher of a non-government English Medium School. He received the following incomes from his employer during the previous year 2020-21:

- (i) Basic Salary Rs.80,000 p.m
- (ii) Dearness Allowance Rs.12,000 p.m
- (iii) Medical Allowance Rs.1000 p.m
- (iv) Motorcar for personal use (expenses met by employer) Rs 3000 p.m.
- (v) House rent allowance Rs.30,000 p.m.

Find out the amount of house rent allowance eligible for exemption for the assessment year 2021-22 assuming that Mr. Kamalesh paid a rent of Rs.32,000 p.m. for his accommodation in Delhi. DA forms part of Salary for retirement benefits.

(ইংরেজি প্রশ্ন দ্রষ্টব্য)

- (f) Mr. Sandhu who retired on 01.10.2020 is receiving Rs.20,000 p.m. as pension. On 01.02.2021, he commuted 40% of his pension and received Rs.12,00,000 as commuted pension. Determine the amount of taxable pension for the assessment year 2021-22 assuming that Sandhu is a private sector employee and received gratuity of Rs.20,00,000 at the time of retirement.

(ইংরেজি প্রশ্ন দ্রষ্টব্য)

- (g) Mrs. Ana has a property whose municipal valuation is Rs.2,60,000 p.a. The fair rent is Rs.2,20,000 p.a. and the standard rent fixed by the Rent Control Act is Rs.2,40,000 p.a. The property was let out for a rent of Rs.22,000 p.m. throughout the previous year. Unrealized rent was Rs.22,000 and all conditions prescribed by Rule 4 are satisfied. She paid municipal taxes @ 10% of municipal valuation. Compute the Net Annual Value of the House Property for the assessment year 2021-22.

(ইংরেজি প্রশ্ন দ্রষ্টব্য)

(h) Mr. Soumen, aged 40 years, paid a medical insurance premium of Rs.18,000 during the previous year 2020-21 to insure his health as well as the health of his spouse. He also paid a medical insurance premium of Rs.48,000 during the previous year to insure the health of his father, aged 65 years, who is not dependent on him. He contributed Rs.3600 to the Central Government Health Scheme during the year. He has incurred Rs. 3000 in cash on preventive health check up of himself and his spouse and Rs.4000 by cheque on preventive health check up of his father. Compute the deduction allowable under section 80D for the assessment year 2021-22.

(ইংরেজি প্রশ্ন দ্রষ্টব্য)

2. Answer any three questions:

10 x 3 = 30

যে কোনো তিনটি প্রশ্নের উত্তর দাও

(a) Mr. Subhomay, an employee of a private concern, has drawn the following emoluments during the previous year 2020-21: (i) Basic Salary Rs.50,000 p.m. (ii) Dearness Allowance (forming part of Salary) Rs.40,000 p.m. (iii) Entertainment Allowance Rs 5000 p.m. (iv) Commission Rs. 7000 p.m. (v) Advance Salary Rs.1,50,000. Dearness Allowance of Rs.40,000 for the month of March 2021 becomes due but not paid by the employer during the previous year. He is provided with accommodation in Kolkata from August 1, 2020. The accommodation is owned by the employer, the fair rent of which is Rs.50,000p.m. Furniture costing Rs.3, 00,000 (written down value Rs.1,25,000) is also provided by the employer along with the accommodation. Subhomay pays Rs. 3000 p.m for the accommodation occupied by him. Determine the value of perquisite in respect of such accommodation for the assessment year 2021-22.

(ইংরেজি প্রশ্ন দ্রষ্টব্য)

(b) Mr. Atanu owns a house property in Kolkata comprising two flats of equal sizes. One flat was let out from April 1, 2020 on a rent of Rs.20,000 p.m. and the other flat was occupied by him for residential purposes. Other information relating to the house are as follows :

Municipal value Rs.3,00,000, Fair rent Rs.4,00,000, Standard rent Rs.3,50,000, Municipal tax levied for 2020-21 Rs. 56,000 paid on May 20, 2021. Mr. Atanu paid as interest (on loan taken from bank for construction) during the previous year ended on March 31, 2021 Rs.2,00,000, which included arrear interest for financial years 2018-19 and 2019-20 for Rs. 40,000 and 60,000 respectively. He paid Rs.6000 as fire insurance premium for the property. Compute income from house property of Mr. Atanu for the assessment year 2021-22.

(ইংরেজি প্রশ্ন দ্রষ্টব্য)

(c) Explain the detailed provisions of the Income Tax Act relating to determination of residential status of an individual assessee.

সতন্ত্র ব্যক্তির আবাসিক মর্যাদা নির্ণয় সম্পর্কে আয়কর আইনের বিস্তারিত বিধান বর্ণনা করো।

(d) Determine the value of perquisite in respect of motor car chargeable in the hands of Mr. Dipak for the assessment year 2021-22 in the different situations mentioned below (assuming that Dipak is a specified employee):

- (i) He is provided with a car of 1200CC (Cost Rs.9,00,000) on May 3, 2020 both for official and private use. Actual running and maintenance expenses of the car Rs.70,000 and driver's salary Rs.48,000, and borne by the employer. Employer charged Rs.800 p.m. to Dipak for the same. 60% of the use of the car may be attributed for private use.
- (ii) Dipak owns a car of 800CC, which is used by him both for official and private purposes. Running and maintenance expenses of the car (including driver's salary) of Rs.90,000 are entirely borne by the employer.

(iii) He owns a car of 1200 CC, which is exclusively used by him for private work. Running and maintenance expenses of the car of Rs.57,000 and driver's salary of Rs.48,000 are paid by the employer.

(ইংরেজি প্রশ্ন দ্রষ্টব্য)

(iv) Explain the meaning of the term specified employee.

বিশিষ্ট কর্মচারী বলতে কী বোঝায় ব্যাখ্যা করো।

(e) The following is the Profit and Loss Account of S.Roy for the year ended 31 March 2021:

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Opening Stock	36, 000	By Sales	3, 65,000
„ Purchases	2,10,000	„ Closing Stock	39, 600
„ Wages	25,000		
„ Repairs	9,000		
„ Reserve for Bad Debt	6,000		
„ Charities and Donations	9,000		
„ Provision for Income Tax	8,000		
„ Provision for Depreciation	12,500		
„ Interest on Loan	7,300		
„ Life insurance Premium	5,400		
„ Net Profit	76,400		
Total	4,04,600	Total	4,04,600

Compute income from business of S. Roy for the assessment year 2021-22 after taking into account the following information:

- (i) Stock is consistently valued at 10% below cost
- (ii) Repairs include Rs. 3,000 for cost of addition to office building
- (iii) Wages include Rs. 6,000 paid to a labour for installation of a new machine acquired in May 2020.
- (iv) Depreciation as per Income Tax Act is Rs.12,800
(ইংরেজি প্রদত্ত দ্রষ্টব্য)

B.Com. 3rd Semester (General) Examination, 2021(CBCS)

New Syllabus: 2020-21

Subject: Financial Accounting-II

Paper: CC-6 (3.2 CG)

Time- 3 Hours

Full Marks: 60

The figures in the margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

দক্ষিণ প্রান্তস্থ সংখ্যাগুলি পূর্ণমান নির্দেশক । পরীক্ষার্থীদের যথাসম্ভব নিজের ভাষায় উত্তর দিতে হবে ।

1. Answer any six questions from the following: 5x6 =30

নীচের যেকোনো ছয়টি প্রশ্নের উত্তর দাও:

- a) Distinguish between Hire Purchase System and Instalment Payment system.
ভাড়া-ক্রয় পদ্ধতি ও কিস্তিবন্দি-ক্রয় পদ্ধতির মধ্যে পার্থক্য নির্ণয় করো ।
- b) From the following details regarding West Coach Branch of Bombay Trading Co., prepare a branch account in respect of the year ended on 31st March,2021:

	Rs.
Stock on 1.4.20	12,000
Stock on 31.3.21	9,600
Debtors on 1.4.20	10,000
Debtors on 31.3.21	11,500
Goods sent to branch during 2020-21	42,000
Cash sales	25,800
Credit sales	36,000
Returns to head office	4,800
Bad debts	600
Discount allowed to customers	310
Returns from customers	3,000
Expenses paid by head office:	
Salaries and wages	8,400
Rent (from 1.4.20 to 30.6.21)	5,250
Sundry expenses	3,600
Normal loss of goods due to wastage	800
Abnormal loss of goods due to pilferage	2,200

ইংরেজি প্রশ্ন দ্রষ্টব্য।

c) State the objectives of preparing separate Departmental Accounts.

পৃথক বিভাগীয় হিসাব প্রস্তুত করার উদ্দেশ্যগুলি বিবৃত করো।

d) The Bengal Coal Co. Ltd. holds a lease of coal mines for a period of 10 years, commencing from 1st January 2016. According to the lease, the company is to pay 75 paise as royalty per ton with a minimum rent of Rs. 15,000 per year. Shortworkings can, however, be recovered out of the royalty in excess of the minimum rent of the next two years only. For the year of a strike the minimum rent is to be reduced to 60%. The output in tons for the 6 years is as under:

2016- 10,000; 2017- 12,000; 2018- 25,000; 2019-20,000; 2020- 50,000; 2021- 15,000 (Strike). Prepare Statement of Royalties Payable and Royalties Account in the books of The Bengal Coal Co. Ltd.

ইংরেজি প্রশ্ন দ্রষ্টব্য।

e) Explain the circumstances under which a firm is dissolved.

যে যে পরিস্থিতিতে একটি ফার্মের বিলোপসাধন হয় সেগুলি বর্ণনা করো।

f) On 1st April 2019, Vivek & Co. Ltd., delivered to Mr. Kushal a generating machine on hire purchase system, Rs. 5,000 being paid on delivery and the balance in three installments of Rs. 6,000 each, payable annually on 31st March. The cash price of the machine was Rs. 20,000. How will Mr. Kushal allocate interest over three accounting years 2019-20, 2020-21, 2021-22 assuming books of accounts are closed on 31st March every year.

ইংরেজি প্রশ্ন দ্রষ্টব্য।

g) Give a concept of Royalties with reference to the important terms associated with it.

স্বল্প ভাড়া-র ধারণা, এর সঙ্গে জড়িত গুরুত্বপূর্ণ বিষয়গুলি উল্লেখপূর্বক দাও।

h) Explain in brief 'Surplus Capital Method' under Piecemeal Distribution.

সম্পত্তির ক্রম-আদায় ও সংগৃহীত অর্থের ক্রমবন্টন এর অধীন 'উদ্ধৃত মূলধন পদ্ধতি'-টি সংক্ষেপে বর্ণনা করো।

2. Answer any three questions from the following:

10x3=30

নীচের যেকোনো তিনটি প্রশ্নের উত্তর দাও:

a) You are given the following particulars of a business having three departments:

	Purchase	Opening Stock	Closing Stock
Deptt. A	1,500 units	200 units	100 units
Deptt. B	1,000 units	300 units	160 units
Deptt. C	2,000 units	150 units	200 units

Additional information:

- Purchases were made at a total cost of Rs.1,84,000.
- The percentage of gross profit on turnover is the same in each case.
- Purchases and sales prices are constant for the last few years.
- Selling price per unit:

Deptt. A	Rs.40
Deptt. B	Rs.50
Deptt. C	Rs.60

You are required to prepare Departmental Trading Accounts.

ইংরেজি প্রশ্ন দ্রষ্টব্য।

b) A Ltd. holds a lease of coal mine from B Ltd. at a royalty of Rs. 2 per ton of coal produced with a minimum rent of Rs. 4,000 per annum, the shortworkings being recoverable out of royalties of next two years.

After working the mine for two years A Ltd. sublets part of the mine to X Ltd. at a royalty of Rs.2.50 per ton with a minimum rent of Rs. 2,000. X Ltd has the right to recover shortworking during the first three years of the sub-lease.

Annual Production

Year	A Ltd. (Tons)	X Ltd. (Tons)
2016	1,200	--
2017	1,400	--
2018	1,900	700
2019	2,000	800
2020	2,200	900
2021	1,200	600

Write up the necessary accounts in the books of A Ltd. for the period from 2016-2021.

ইংরেজি প্রশ্ন দ্রষ্টব্য।

c) On 1st April, 2019, A acquired on hire purchase from B, machinery valued at Rs.12, 000 payable in three yearly installments of Rs. 4,000, plus interest at 6% per annum. Only one instalment was paid, and B arranged immediately the second instalment had become due, to take back machinery which cost Rs. 8,000, allowing Rs. 4,500 therefore, providing that A paid all the interest due to that date on the full amount owing.

A had written off depreciation at 10% per annum on diminishing balance. Show machinery Account and B's Account in the books of A.

ইংরেজি প্রশ্ন দ্রষ্টব্য।

- d) Krishna and Arjun are partners in a firm. They share profits and losses in the ratio of 4:1. They decided to dissolve the firm on 31.03.2021 on which date the Balance Sheet of the same stood as follows:

Liabilities		Rs.	Assets		Rs.
Capital accounts			Trade Marks		1,200
Krishna	16,000		Machinery		12,000
Arjun	<u>6,000</u>	22,000	Furniture		400
Bank Loan		1,500	Stock-in-trade		6,000
Creditors for Goods		8,000	Debtors	9,000	
Bills payable		500	Less: Provision for		
			Bad Debts	<u>400</u>	8,600
			Cash in hand		2,800
			Advertisement Suspense		1,000
		-----			-----
		<u>32,000</u>			<u>32,000</u>

The realization shows the following results:

- Debtors were realised at book value less 10%.
- Goodwill was sold for Rs. 1,000.
- Trade Marks realized Rs.800
- Machinery and Stock-in- trade were taken over by Krishna for Rs. 14,400 and Rs. 3,600 respectively.
- An unrecorded asset estimated at Rs. 600 was sold for Rs. 200.
- Creditors for goods were settled at a discount of Rs. 80.
- The expenses of realization were Rs. 400.

Prepare Realization Account, Cash Book and Capital Accounts of the partners.

ইংরেজি প্রশ্ন দ্রষ্টব্য।

- e) i) Distinguish between Branch Accounting and Departmental Accounting.

শাখা হিসাব ও বিভাগীয় হিসাবের মধ্যে পার্থক্য লেখো।

- ii) Write the usual accounting entries in the books of Head office for the following

transactions under Stock and Debtors Method of Branch Accounting:

I For cash price of goods sent to Branch by Head Office.

II. For remittance to Branch for expenses.

III. For cash sales at Branch.

IV. For credit sales at Branch.

V. For depreciation charged on Branch assets

5+ 5=10

ইংরেজি প্রশ্ন দ্রষ্টব্য।