

**VI Semester B.Com. Examination, August/September 2023  
(CBCS) (2022 – 23 and Onwards) (Freshers)  
COMMERCE**

**Paper – 6.5 : Accounting : Business Taxation**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**

1. Answer **any five** of the following sub-questions. **Each** sub-question carries **two** marks. **(5×2=10)**
- What is Minimum Alternative Tax ?
  - Mention any two advantages of limited liability partnership.
  - Expand the terms CBIC and BCD.
  - Define partnership.
  - What is customs duty ?
  - What is E-filing ?
  - What is double taxation ?

**SECTION – B**

Answer **any three** from the following. **Each** question carries **five** marks. **(3×5=15)**

- What are the various types of customs duty ?
- A, B and C are partners sharing profits and losses equally carrying on the business. The firm's net profit is ₹ 15,00,000.
  - Salary to A = ₹ 1,50,000, B = ₹ 1,00,000 and C = ₹ 2,00,000.
  - Commission to A = ₹ 50,000, B = ₹ 40,000 and C = ₹ 60,000. Calculate remuneration allowable u/s 40(b).
- Mr. Das has estimated the following incomes for the financial year 2021 – 22.
  - Income from house property ₹ 75,000.
  - Income from profession ₹ 7,07,500.
  - Dividend from Archita Limited ₹ 10,000.

Calculate the amount of advance tax payable in various instalments during the financial year 2021 – 22.
- A block of assets consists of 5 machines. The WDV of machinery as on 1-4-2021 is ₹ 1,80,000, rate of depreciation is 15%. A new machine costing ₹ 1,60,000 was acquired on May 2021 but actually put to use only on 10-10-2021. Two old machines are sold for ₹ 3,20,000 in the year 2021 – 22. Determine the amount of depreciation for the assessment year 2022 – 23.

P.T.O.



6. State whether the following are admissible or inadmissible expenses under the provisions of Income Tax Act.
- Discount allowed.
  - Annual listing fees paid towards stock exchange by a company.
  - LIC premium on director and his family member's life.
  - Payment of licence fee for obtaining franchisee.
  - Depreciation of ₹ 40,000 is debited to Profit and Loss account of Sri Ganesh Temple which was constructed inside the factory premises for the benefit of employees of the company.

### SECTION - C

Answer any three from the following. Each question carries twelve marks. (3×12=36)

7. An importer has imported a machine from USA at FOB cost of 20000\$. Other details are as follows. Find out the customs duty.
- Freight from USA to Indian port 1000\$
  - Insurance was paid to insurer in India ₹ 8,000
  - Design and development charges of 3000\$ were paid to consultancy firm in USA
  - The importer also spent an amount of ₹ 50,000 in India for development work connected with the machinery
  - ₹ 15,000 were spent in transporting the machinery from Indian port to the factory of importer
  - Rate of exchange as announced by RBI was 1\$ = ₹ 80.75, Rate of exchange as announced by CBIC by notification 1\$ = ₹ 80.70, Rate at which bank recovered the amount from importer 1\$ = ₹ 80.35
  - Foreign exporter has an agent in India. Commission is payable to the agent in India @ 5% of FOB price
  - Custom duty payable was 10%, SWS as applicable and IGST 12%.
8. The following is the Profit and Loss account of XYZ firm. Calculate taxable income and tax liability of the partnership firm.

### Profit and Loss Account for the year ended 31<sup>st</sup> March 2022

Remunerations to Partners	Sales	5,00,000
X = 25,000	Income from house property	50,000
Y = 30,000		
Z = 40,000		
	95,000	

Interest on capital @ 14%

X = 14,000

Y = 21,000

Z = 7,000                      42,000

Expenses of other heads

Income                              6,000

Net Profit                          4,07,000

**5,50,000**

**5,50,000**

9. From the following details, compute TDS amount of each transaction.

- Winning from lottery ₹ 1,00,000.
- Dividend from listed company ₹ 50,000.
- Mr. Sanju, agent of LIC earned a commission of ₹ 20,000.
- Rent paid on building ₹ 48,000 per month.
- LIC amount paid to the policy holder by a company on maturity ₹ 4,00,000.
- Interest on bank deposit ₹ 20,000.
- Withdraw of premature employee provident fund ₹ 53,000 without furnishing PAN.
- Winning from horse race ₹ 8,000.
- Compensation for acquisition of land ₹ 2,60,000.
- Payment to an individual contractor whose total payment during the financial year is ₹ 1,50,000.

10. Compute total income of Mrudula Limited for the previous year 2021 – 22 from the following Profit and Loss Account.

	₹		₹
Salaries	25,000	Gross Profit	2,50,000
Bonus from Government	25,000	Interest from Govt. securities	5,000
Postage and stationery	15,000	STCG	7,500
General expenses	10,000		
Depreciation	12,500		
Income tax	25,000		
Provision for income tax	1,00,000		
Net Profit	50,000		
	<b>2,62,500</b>		<b>2,62,500</b>

**Additional Information :**

- The amount of depreciation admissible under the Income Tax Act is ₹ 7,500.
- General expenses includes ₹ 2,500 for advertising, ₹ 1,000 for charitable donation, ₹ 1,500 paid for exchanging old car for new one, ₹ 2,500 for repairs.

11. The following is the information of Tanush and Company for the previous year 2021 - 22.

	₹		₹
Cost of goods sold	20,00,000	Sales	28,00,000
STT of LTCG	6,000	LTCG u/s 10(38)	3,00,000
Depreciation	1,70,000	Interest on Govt. Securities	30,000
Proposed dividend	2,60,000		
Income tax	1,20,000		
Net Profit	5,74,000		
	<b>31,30,000</b>		<b>31,30,000</b>

**Additional Information :**

- Depreciation allowable under the Income Tax Act is ₹ 1,00,000.
- Brought forward loss as per books of accounts is ₹ 2,50,000.
- Brought forward depreciation as per books of accounts ₹ 60,000.
- Brought forward unabsorbed depreciation as per Income Tax ₹ 1,10,000.

**Calculate :**

- Total income of the company.
- Book profit of the company as per Section 115 JB.
- Tax liability.

**SECTION - D**

Answer any one of the following question. Each question carries nine marks. (1×9=9)

12. Explain any three methods of valuation of assessable value for customs.

OR

Explain any three types of companies.

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ವಿಭಾಗ - ಎ

- ಕೆಳಗಿನ ಯಾವುದೇ ಐದು ಉಪ ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿ. ಪ್ರತಿ ಉಪ ಪ್ರಶ್ನೆಯು ಎರಡು ಅಂಕಗಳನ್ನು ಹೊಂದಿರುತ್ತದೆ. (5×2=10)
  - ಕನಿಷ್ಠ ಪರ್ಯಾಯ ತೆರಿಗೆ ಎಂದರೇನು ?
  - ಸೀಮಿತ ಹೊಣೆಗಾರಿಕೆ ಪಾಲುದಾರಿಕೆಯ ಯಾವುದೇ ಎರಡು ಪ್ರಯೋಜನಗಳನ್ನು ಉಲ್ಲೇಖಿಸಿ.
  - CBIC ಮತ್ತು BCD ಪದಗಳನ್ನು ವಿಸ್ತರಿಸಿ.
  - ಪಾಲುದಾರಿಕೆಯನ್ನು ವ್ಯಾಖ್ಯಾನಿಸಿ.