VI Semester B.Com. Examination, July/August 2024
(NEP Scheme) (Freshers)
COMMERCE
Assessment of Non-Individuals and Filing of ITRS

Time : 2½ Hours Max. Marks : 60

Instruction : *Answer should be written* ***completely*** *either in* ***Kannada*** *or in* ***English****.*

SECTION – A

1. Answer **any five** sub-questions. **Each** sub-question carries **two** marks. **(5×2=10)**

   a) State any two limitations of investment allowance.

   b) Define partnership.

   c) State any four types of ITR forms.

   d) What is domestic company ?

   e) Mention the any two conditions for allowance of depreciation under section 32.

   f) Expand PAN and TDS.

   g) State any four expenses disallowed under assessment of firm.

SECTION – B

Answer **any three** of the following. **Each** question carries **four** marks. **(3×4=12)**

2. Mention the eligibility criteria for investment allowance.

3. M, N and O are partners sharing profits and losses in the ratio of 2 : 2 : 1. The firms net profit before partners salary and commission is ₹ 22,00,000. The partner's salary M – ₹ 2,00,000, N – ₹ 75,000, O – ₹ 2,25,000 and commission to partner's ₹ 75,000, ₹ 85,000 and ₹ 60,000 respectively. Calculate allowable remuneration to working partners.

4. State whether the following are admissible expenses or inadmissible expenses under Provisions of Income Tax Act, 1961.
   a) Proposed dividend.
   b) Donation to Prime Minister National Relief Fund.
   c) A cash payment of ₹ 30,000 paid to a supplier of raw materials.
   d) Rent and taxes.

5. Sai Limited closes its accounts on 31st March of every year. During the P.Y. 2022 – 23 it had the total taxable income of ₹ 8,50,000 and book profit of ₹ 15,00,000.

   From the above information, compute the tax liability of Sai Limited for the A.Y. 2023 – 24.

6. From the following details of income, compute TDS amount for each transaction.
   a) A Ltd. (Domestic Co.) has taken a building on lease. It has sub-leased the building along with furniture to B Ltd. (Domestic Co.) and will receive the following amounts as consideration for the sub-lease during the financial year 2022 – 23.

      Rent ₹ 6,00,000

      Furniture hire charges ₹ 60,000
   b) Winning from lottery ₹ 2,00,000
   c) Winning from horse race ₹ 1,00,000.

SECTION – C

Answer **any three** of the following. **Each** question carries **ten** marks. **(3×10=30)**

7. Ram owns the following assets on 1st April 2022.

Assets	**WDV on 1-4-22** ₹	**Rate of depreciation (%)**
Furniture	20,000	10
Building	6,50,000	10
Plant and Machinery	25,00,000	15

During the previous year 2022 – 23, the following assets are purchased by Ram.

Date of purchase	Date when the asset is put to use	Assets	Cost ₹	Rate of Depreciation (%)
01-10-22	09-10-22	Plant and Machinery (second hand)	3,00,000	15
20-06-22	22-06-22	Books for professional use	7,500	15
01-11-22	15-11-22	Trade mark	25,000	25

Determine the amount of depreciation for the assessment year 2023 – 24.

8. Ravi, Hari and Giri are partners sharing profits and losses equally. The following is the Profit and Loss Account for the year ending 31-03-2023.

Particulars	₹	Particulars	₹
To Office expenses	10,00,000	By Gross Profit	33,20,000
To Salary to employees	2,00,000	By Income from HP (computed)	1,50,000
To GST	1,20,000	By Interest from Govt. Securities	50,000
To Income Tax	1,00,000		
To Salary to partners			
Ravi	2,00,000		
Hari	2,50,000		
Giri	3,00,000		

To Interest on par capital @ 14.5%			
Ravi	29,000		
Hari	58,000		
To Donation to NDF	20,000		
To Net Profit	12,43,000		
	35,20,000		**35,20,000**

Additional Information :

1) Out of office expenses ₹ 1,00,000 is not deductible by virtue of Section 30 to 37.

2) Salaries and interest to partners have been paid as per deed.

Calculate total income and tax liability of the firm.

9. Tata Ltd., is a company in which public are substantially interested. It showed a net profit of ₹ 35,00,000 during the 2022 – 23. Scrutiny of the accounts revealed the following :

<u>Debits to P/L Account</u> :

a) Donation to National Defense Fund ₹ 75,000

b) Reserve for bad debts ₹ 5,000

c) Purchase of raw material paid in cash ₹ 1,50,000

d) Depreciation as per income tax ₹ 1,00,000

e) Proposed dividend ₹ 2,00,000

<u>Credits to P/L Account</u> :

a) Bad debts allowed earlier recovered during the previous year ₹ 20,000

b) Interest on Govt. securities ₹ 70,000

c) Long term capital gain ₹ 1,25,000

d) Dividend from domestic company ₹ 30,000 (gross)

There was :

a) Unabsorbed depreciation ₹ 50,000 as per IT provisions and

b) Unabsorbed capital loss ₹ 25,000 brought forward from the earlier assessment years.

Compute total income and tax liability of the company for the Assessment year 2023 – 24.

10. The following particulars are provided by Nikshay Co. Ltd.

Trading, P and L A/c for the year ending 31-3-2023

Particulars	₹	**Particulars**	₹
To Purchases	6,00,000	By Sales	40,00,000
To Advertisement expenses	2,00,000	By Amount withdrawn from	
To Depreciation	3,50,000	Reserve	1,00,000
To Outstanding GST	60,000	By LTCG	2,00,000
To Proposed dividend	1,80,000	By interest on tax free Govt.	
To General expenses	3,00,000	securities	40,000
To Salaries	4,00,000		
To Provision for loss of subsidiary Co.	1,00,000		
To Net Profit	21,50,000		
	43,40,000		**43,40,000**

Additional Information :

1) Value of Machinery as on 1-4-2022 was ₹ 4,00,000 and Buildings ₹ 8,00,000.

2) Outstanding GST was paid before due date of filing the returns.

3) General expenses include an item of ₹ 32,000 paid in cash.

4) Unabsorbed business loss brought forward is ₹ 2,00,000 for income tax purpose and ₹ 2,25,000 for accounting purposes.

5) Unabsorbed depreciation b/f is ₹ 1,20,000 for accounting purposes.

Compute :

a) Book profits under 115JB

b) Tax under minimum alternative tax.

11. Shushrutha Co. Ltd., has an estimated taxable business income of ₹ 10,50,000 and taxable STCG of ₹ 80,000, taxable LTCG of ₹ 1,25,000 and taxable income from other sources of ₹ 75,000. The company donated to NDF of ₹ 1,00,000.

From the above, calculate advance tax installments, if the TDS is made ₹ 50,000 for the previous year 2022 – 23.

SECTION – D

Answer **any one** of the following. **(1×8=8)**

12. a) What are the documents required for filing ITR ?

OR

b) What are the conditions to be fulfilled by the firm to be assessed as PFAS ?