

## External Examination

**Class: SYBAF-II**

**Subject: Direct Tax**

**Time: 2 ½ hrs**

**Maximum Marks: 75**

**Q1 (a) Match the following (Any 8)**

**(8)**

**Column A**

**Column B**

- |   |                              |
|---|------------------------------|
| 1) An individual being accessible in respect of remuneration of his/her spouse  | a) Tax Planning              |
| 2) Carry forward of house property loss   | b) Bilateral relief          |
| 3) LTCG other than LTCG u/s 112 A   | c) 12                        |
| 4) Remuneration allowed to partner in case of negative book profits   | d) 15%                       |
| 5) For Individuals and HUFs Not having income From profit and gain of business or Profession  | e) Slab                      |
| 6) TDS rate on Salary   | f) ITR 2                     |
| 7) Advance tax payable before the 15th June of P.Y  | g) Rs 1,50,000               |
| 8) Interest u/s 234C is payable for 1 <sup>st</sup> instalment of 15/06 of the financial year is payable only if advance tax paid is less than % of tax payable | h) 20                        |
| 9) Relief u/s 90  | i) Maximum up to Rs 2,00,000 |
| 10) Uses benefits of tax laws.  | j) 64 (1) (ii)               |

**Q.1 (b) State True False (Any 7):**

**(7)**

- 1) Income transferred without transfer of assets is taxable in the hands of transferor.
- 2) Loss from house Property can be carried forward even if return of income is not filled within the time limit Specified u/s 139 (1).
- 3) Rebate u/s 87A shall be available to every individual.
- 4) Salary earned from partnership firm shall be taxable in the hands of partner under "Income from Salary".
- 5) A company has to file return of income exceeds Rs 2,50,000 during the previous year.
- 6) U/S 192 while deducting tax at source from salary income, surcharge and health & education loss shall also be applicable.
- 7) Advance tax is payable only if tax payable on current income is Rs 10,000 or more.
- 8) Interest u/s 234A is payable on assessed income after adjustment of advance tax paid. Self-assessment tax Paid before due date of filing the return various reliefs and Mat or AMT credit.

9) Resident of any country can take benefit of DTAA signed by two countries.

10) Tax planning may be legitimate framework of the law.

Q2) A) Mr. Suhas, a resident individual aged 55 years provides you details of this income for the year 31st March, 2022. (15)

Particulars	Rs.
1) Income from salary (Computed)	3,61,700
2) Income from capital gains on sale of house property (Short term)	5,50,000
3) Long term capital gains on sale of listed shares (before exemption)	3,55,000
4) Interest from savings account	9,870
5) Mediclaim premium paid for self & wife	28,000
6) Investment in ELSS mutual funds	1,65,000
7) Advance tax paid during the year	80,000

You are required to compute his taxable income and tax liability for previous year 2021-22. Will your answer be different if Mr. Sushas is:

(a) A resident aged (i) 63 years or (ii) 81 years.

(b) A non-resident aged (i) 63 years or (ii) 81 years

OR

Q2) B) Mr. Bhagirath (age 62 years) has following incomes during the year ending 31/03/2022. (15)

Particulars	Rs.
Income from salary (computed)	5,00,000
Income from house property (computed)	1,25,000
Income from Business (computed)	1,65,000
Interest on bank FD	60,000
Agricultural income	6,10,000
Contribution to RPF	1,10,000
Life insurance premium	30,000
Mediclaim insurance premium	10,000

Calculate taxable income and tax liability of Mr. Bhagirath for assessment year 2022-23.

Q3) A) Mr. Pramod & Mr. Prakash are partners in M/s MP & Co (a limited liability firm which satisfies all conditions of section 184 and 40(b)). Profit and Loss account of MP & Co. for the year ending March 31, 2022 is as follows: (15)

Particulars	Rs.	Particulars	Rs.
Cost of Goods Sold	8,91,000	Sales	45,00,000
Remuneration to partners	18,70,000	Interest on company	
Remuneration to employees	3,74,000	Deposit	
Income Tax	1,15,500	[Held as investments]	5,94,000
Depreciation	1,12,000		
Interest	2,81,000		
Other expenses	1,32,000		
GST outstanding	2,42,000		
Net Profit	10,76,500		
	50,94,000		50,94,000

1) Out of other expenses, Rs.56,100 is not deductible u/s 37(i).

2) Outstanding GST is paid on October 1, 2022.

3) Details of interest paid is as follows:

a) Rs. 2,00,000 paid to partners at 20% p.a.

b) Rs. 81,000 credited as interest to the account of Mr. Prakash as a representative of his minor son Mr. Aakash from whom loan was taken at 18% p.a. Interest rate charged on a similar type of loan by SBI is 15%.

4) Depreciation as per IT rules is Rs. 1,78,000.

Find out (a) book profit and (b) maximum remuneration to partners which is deductible u/s 40 (b) for the Assessment Year 2022-23.

OR

Q3) B) Reptile Ltd. hires M/s Jarek Advertisers, an advertising agency whose proprietor is Mr. Jarek during the year Reptile Ltd., makes following payments in the name of advertising & publicity to M/s Jarek Advertisers. (7)

Date	Charges paid for	Amount
09/04/2021	Publicity done outside Andheri station	26,000
01/05/2021	Promotion campaign outside KBC college	25,000
16/06/2021	Mobile advertisement campaign for upcoming product	29,000
10/09/2021	Promotion campaign outside Bandra station	28,000
03/03/2022	Brand promotion on Facebook	12,000

Reptile Ltd's contention is that as none of the payments exceed Rs.30,000 it is not liable to deduct tax @ us 194C is this contention tenable under the law? If not, then on which date the tax should be deducted at source and what should be the amount? What would be your answer if Promotion campaign Bandra station on 10/09/2021 was not undertaken by M/s Jarek Advertisers?

Q3) C) Mr. Roy submits the following information for A. Y. 2022-23. You are required to determine his gross total income and also compute the amount of loss that can be carried forward to the subsequent year. (8)

	Rs		Rs
Salary Income Taxable (after SD)	2,64,000	Travel business (discounted on 27/03/2022 but loss of PY 2020-21)	(2,10,000)
<b>House Property:</b>			
House A	1,37,000	Unabsorbed depreciation etc. of PY 2020-21	(1,10,000)
House B	(58,000)		
Mobile Business	2,74,000	Income from Travel business	2,40,000
Computer Business (discontinued on 07/09/2021)	(1,20,000)	Interest on Securities held as stock in trade	60,000
Brought forward loss of computer Business-AY 2020-21	(2,80,000)		

Q4) A) Mr. Balakrishnan provides you details of his income for the year 2021-22 as follows: (15)

Particulars	Gross	TDS
Rs. 89,60,000 received via cheque and online payments taxable @ 6% on proceeds received	5,37,600	10,000
Rs. 1,05,67,500 received in cash taxable @ 8%	8,45,400	12,000
Total income from Furniture retail business	13,83,000	22,000
Income from long term capital gains on sale of flat on 12/12/2021	2,95,000	
Income from salary [computed]	7,82,000	70,000
Interest on debentures	5,50,000	55,000

Life insurance premium paid on 26/03/2022	64,000	
rest on loan taken for son's education	26,000	

He paid advance tax during the year 2021-22 as follows:

Particulars	Rs
Tax paid on 14-06-2021	10,000
Tax paid on 16-09-2021	16,000
Tax paid on 14-12-2021	52,000
Tax paid on 15-03-2022	3,32,000
Tax paid on 29-03-2022	70,000

He paid Rs.35,000 as Self-Assessment tax on 14/07/2022. Due date for filling the return applicable to her is 31/07/2022, he filed the return on 14/08/2022 and you are required to compute any further Self-Assessment tax and interest payable by him u/s 234A, 234B and 234C at the time of filing the return.

OR

Q4) B) Mr. Sukesh (age 39 years), an individual who is a resident and ordinary resident in India during P.Y. 2021-22 derived business income of Rs.8,10,000 during the Assessment Year 2022-23 from a country with which India has no double taxation avoidance agreement tax of Rs. 1,62,000 was deducted at source in that country. His income from profession in India during the Assessment Year 2022-23 amounted to Rs. 13,20,000. (TDS = 25,000) Compute tax payable by him for Assessment Year 2022-23 assuming that he paid Rs. 24,300 for medical insurance premium during Previous year 2021-22. (8)

Q4) C) Mr. Mansukh submits the following information in relation to assessment year 2022-23. (7)

Particulars	Rs
Income from Salary (after standard deduction)	12,00,000
<b>Income from House Property:</b>	
House property - X-Profit	1,75,000
House property - Y - Loss	4,00,000
<b>Income from Business:</b>	
Loss from Business - I (Speculative)	1,26,000
Profit from Business - II (Non-speculative)	2,10,000
Loss from Business - III (Non-speculative)	1,06,000
<b>Income from Capital Gains:</b>	
Short Term Capital Loss	1,18,000
Long Term Capital Gains	1,80,000
<b>Income from other sources:</b>	
Winnings from crossword puzzle	1,12,000

You are required to calculate his gross total income and also compute the amount of loss that can be carried forward.

Q5) A) Explain the meaning of tax planning with appropriate examples (8 marks)

B) Explain the circumstances under various types of person are required to compulsorily file Income Tax Return u/s 139(1) (7 marks)

OR

(Q5) Short Notes on (Any 3 out of 5)

(15 marks)

- a) Clubbing of income of minor child
- b) Belated Return
- c) Due date of filing income tax return
- d) TDS on payment to contractor u/s 194 C
- e) Ethics in taxation

- N.B. 1. All the questions are compulsory  
2. Figures to the right indicate full marks

Q. P. Code :  
75 Marks

**Q.1 (A) State whether the following statements are true or false. (Any eight) [8 Marks]**

1. Management accounting is \_\_\_\_\_ in nature.
2. Use of Management accounting is \_\_\_\_\_.
3. Underwriting commission (not written off) is classified as a \_\_\_\_\_ asset.
4. Dividend received is a cash flow from \_\_\_\_\_ activity.
5. Working Capital Cycle is also known as \_\_\_\_\_.
6. Underwriting commission (not written off) is classified as a \_\_\_\_\_ asset.
7. When Current Assets are less than Current liabilities then it is called a \_\_\_\_\_ Working Capital.
8. Working capital required at the inception of the business is called \_\_\_\_\_ working capital.
9. Business that purchase goods on cash basis and sells on credit basis will need \_\_\_\_\_ working capital.
10. Dividend payout ratio = Dividend per share / \_\_\_\_\_.

**Q.1 (B) Match the pair (Attempt any seven) : [7 Marks]**

Column A	Column B
1. Bank Overdraft	(a) 2:1
2. Standard Liquid Ratio	(b) Voluntary in case of Companies
3. Standard Current Ratio	(c) Horizontal Analysis
4. Debt Service Ratio	(d) Non Quick Current Liability
5. Management Accounting	(e) Cash flow from Investing Activity
6. Operating Activity	(f) 1:1
7. Comparative Statement	(g) Cash flow from Financing Activity
8. Interest received on Investment	(h) Compulsory in case of Companies
9. Interest paid on Borrowings	(i) Sale of Goods
10. Financial Accounting	(j) Combine Ratio

**Q. 2 (A)** Following is the Profit and Loss Account summary of M/s Alpha Ltd. for the year ended 31<sup>st</sup> March, 2022. You are required to prepare Vertical Income Statement for the purpose of analysis. [15

Marks]

Particulars	Rs	Particulars	Rs
To Opening Stock	7,00,000	By Sales	20,00,000
To Purchases	9,00,000	By Closing Stock	6,00,000
To Wages	1,50,000	By Dividend on Investment	10,000
To Factory Expenses	3,50,000	By Profit on sale of Furniture	20,000
To Office Salaries	25,000		
To Office Rent	39,000		
To Postage & Telegram	5,000		
To Directors Fees	6,000		
To Salesman Salaries	12,000		
To Advertising	18,000		
To Delivery Expenses	20,000		
To Debenture Interest	20,000		
To Depreciation			
On Office furniture	10,000		
On Plant	30,000		
On Delivery Van	20,000		
To Loss on Sale of Van	5,000		
To Income tax	1,75,000		
To Net Profit	1,45,000		
	26,30,000		26,30,000

OR

**Q.2 (B)** Following is the Profit and Loss Account summary of M/s Beeta Ltd. for the year ended 31<sup>st</sup> March, 2022. You are required to prepare Common Size Vertical Income Statement for the purpose of analysis. [15 Marks]

Dr. Trading Profit & Loss Account for the year ended 31<sup>st</sup> March, 2019. Cr.

Particulars	Rs	Particulars	Rs
To Opening Stock	70,000	By Sales	9,00,000
To Purchases	5,40,000	By Closing Stock	80,000
To Wages	2,14,000		
To Gross Profit c/d	1,56,000		
	9,80,000		9,80,000
To Office Salaries	26,000	By Gross Profit c/d	1,56,000
To Office Rent	5,000	By Interest on Investment	5,000
To Miscellaneous Expenses	15,000		
To Selling Expenses	10,000		
To Depreciation	30,000		

To Loan Interest	5,000		
To Provision for Tax	20,000		
To Net Profit c/d	50,000		
	1,61,000		1,61,000

Q.3 (A) Following is the Profit & Loss a/c and Balance Sheet of Subhash Ltd. for the year ended 31<sup>st</sup> March, 2022.

**Dr. Trading Profit & Loss Account for the year ended 31<sup>st</sup> March, 2022. Cr.**

Particulars	Rs	Particulars	Rs
To Opening Stock	70,000	By Sales	9,00,000
To Purchases	5,40,000	By Closing Stock	80,000
To Wages	2,14,000		
To Gross Profit c/d	1,56,000		
	9,80,000		9,80,000
To Office Salaries	26,000	By Gross Profit c/d	1,56,000
To Office Rent	5,000	By Interest on Investment	5,000
To Miscellaneous Expenses	15,000		
To Selling Expenses	10,000		
To Depreciation	30,000		
To Loan Interest	5,000		
To Provision for Tax	20,000		
To Net Profit c/d	50,000		
	1,61,000		1,61,000

**Balance Sheet as on 31<sup>st</sup> March, 2022.**

Liabilities	Rs.	Assets	Rs.
Equity Share Capital	1,50,000	Fixed Assets	1,60,000
8% Preference Share Capital	1,00,000	Less: Depreciation	30,000
Reserve & Surplus	62,000	Trade Investments	1,00,000
10% Debentures	50,000	Closing Stock	80,000
Bank Loan ( Payable after 5 years)	40,000	Sundry Debtors	60,000
Sundry Creditors	60,000	Bills Receivable	50,000
Provision for Tax	20,000	Cash and Bank Balances	85,000
Bank Overdraft	20,000	Preliminary Expenses	5,000
Outstanding Expenses	8,000		
	5,10,000		5,10,000

You are required to Calculate the following ratio:

[15 Marks]

(a) Acid Test Ratio

(d) Stock Turnover Ratio

(b) Creditors Turnover Ratio

(e) Capital Gearing Ratio

(c) Debt Service Ratio

OR

P.T.O



**Q. 3 (B)** The following balances appear in the books of M/s. Bhavesh for the year 31<sup>st</sup> March, 2022.

Liabilities	Rs.	Assets	Rs.
Equity Share Capital	10,00,000	Trade Investments	4,00,000
Dividend Equalization Reserve	1,40,000	Patent	60,000
General Reserve	2,20,000	Land & Building (Cost)	6,40,000
Profit and Loss Account	3,80,000	Plant & Machinery (Cost)	13,00,000
6% Debentures	5,00,000	Cash and Bank Balances	1,76,000
Bank Overdraft	3,00,000	Closing Stock	6,20,000
Sundry Creditors	4,20,000	Sundry Debtors	4,44,000
Unpaid Dividend	20,000	Bills Receivable	60,000
Bills Payable	1,20,000	Short Term Deposit with	60,000
Provision for Tax	3,40,000	Customers	1,20,000
Provision for depreciation:		Underwriting Commission	60,000
Land & Building	1,00,000	Preliminary Expenses	
Plant & Machinery	4,00,000		
<b>Total</b>	<b>39,40,000</b>	<b>Total</b>	<b>39,40,000</b>

Calculate all Balance Sheet Ratios.

[15 Marks]

**Q.4 (A)** Nirmala Ltd. manufactured and sold 1,200 machines in the year 2021. The production cost per unit was:

	Rs.
Material	5,000
Labour	2,000
Overheads	1,000
Selling Price	10,000

For the year 2022, it is estimated that -

- (1) The output and sales will be 1,800 machines.
- (2) Price of material will rise by 20%.
- (3) Wages rate will rise by 25%.
- (4) Overheads will increase by 50%
- (5) Selling Price per unit will be Rs.12

It is also estimated that -

- (a) Raw Materials remain in stock for half month before issue to production.
- (b) Finished Goods will remain in godown for one month before sale.
- (c) All sales will be on credit and credit allowed to customers will be as follows.
  - (i) Acceptance of Bills of Exchange for three months against 60% of sales.
  - (ii) 40% of sales one month credit.

- (d) 60% for Raw materials requirements will be obtained from the suppliers from China by making three months advance payments.
- (e) Wages and Overheads are paid one month in Arrears.
- (f) Materials will be in process for half month.
- (g) Cash in hand will be Rs.50,000.

You are required to forecast Working Capital Requirements of the company. [15 Marks]

OR

Q.4 (B) Following is the summary Balance Sheets of Rudraksha Ltd as on 31<sup>st</sup> March 2021 and 2022. [15 Marks]

Liabilities	2021 Rs.	2022 Rs.	Assets	2021 Rs.	2022 Rs.
Equity Share Capital	12,00,000	10,00,000	Trade Investments	3,00,000	4,00,000
Dividend Equalization Reserve	80,000	1,40,000	Patent	2,50,000	60,000
General Reserve	1,00,000	2,20,000	Land & Building (Cost)	2,00,000	6,40,000
Profit and Loss Account	2,00,000	3,80,000	Plant & Machinery (Cost)	12,00,000	13,00,000
6% Debentures	3,20,000	5,00,000	Cash and Bank Balances	1,00,000	1,76,000
Bank Overdraft	1,50,000	3,00,000	Closing Stock	2,00,000	6,20,000
Sundry Creditors	5,00,000	4,20,000	Sundry Debtors	2,30,000	4,44,000
Unpaid Dividend	10,000	20,000	Bills Receivable	20,000	60,000
Bills Payable	1,40,000	4,20,000	Short Term Deposit with Customers	20,000	60,000
Provision for Tax	50,000	4,40,000	Underwriting Commission	1,30,000	1,20,000
Total	27,50,000	39,40,000	Preliminary Expenses	1,00,000	60,000
			Total	27,50,000	39,40,000

Other information:

- Liability for taxation for the year 2021 amounted to 65,000.
- Machinery having w.d.v. of Rs.22,000 was sold at profit of Rs.3,000 and new machinery purchased at Rs.2,30,000.
- Equity shares are issued @ 15% premium.
- Preference shares were redeemed at a premium of 10%.
- Debentures were redeemed at a premium of 10%.

You are required to prepare Cash Flow Statement for the year ended 31st March 2022.

Q.5 (A) Distinguish between Debtor turnover and Creditor Turnover Ratio. [8 Marks]

Q.5 (B) Define Management Accounting and give its Scope [7 Marks]

OR

Q.5 Write short notes on any three of the following: [15 Marks]

P.T.O

1. Functions of Management
2. Cash flow from Operating Activity
3. Working Capital and its Types
4. Distinguish between Owners Fund and Owed Fund
5. Operating Cycle

\*\*\*\*\* ALL THE BEST \*\*\*\*\*

- N.B. 1. All the questions are compulsory  
2. Figures to the right indicate full marks

Q. P. Code :  
75 Marks

Q.1 (A) State whether the following statements are true or false. (Any eight) [8 Marks]

1. Capital redemption reserve can be used only for the issue of bonus shares.
2. Patents are fictitious assets.
3. Debenture due for redemption within 3 months from the balance sheet date appears under head of long-term liability.
4. Partly paid preference shares cannot be redeemed.
5. Loss prior to incorporation is debited to goodwill account.
6. Debenture redemption reserve is created out of capital reserve.
7. Director's fees are dividend in pre and post incorporation period in time ratio.
8. Horses are disclosed under PPE.
9. Debenture holders get fixed rate of dividend.
10. Security premium can be debited for transfer to capital redemption reserve.

Q.1 (B) Match the pair (Attempt any seven) :

[7 Marks]

Column A	Column B
1. Dividend to Shareholders	(a) Profit & Loss Appropriation A/c
2. Audit fees	(b) Capital Reserve
3. Issue of Bonus Shares	(c) Charged to P & L
4. Proposed Dividend	(d) Fund Investment
5. Pre-incorporation Profit	(e) Not reduction of capital
6. Mango trees	(f) Bearer Plants
7. Exchange Difference	(g) Contingent Liability as a note
8. Insurance Policy	(h) Share Capital
9. Debentures Redemption	(i) Time Ratio
10. Non- Monetary item	(j) Historic Cost

Q.2 (A) Prepare Final Accounts of the company for the year ending 31-3-2019 in the prescribed form after taking into account the following adjustments:

1. Depreciate Machinery by 15%.
2. Write off Rs.5,000 from Share Issue expenses.
3. Stock on 31-3-19 was Rs.9,50,000
4. Interest on debentures is due for 6 months.
5. Create 5% provision for doubtful debts.
6. Provide for income tax @ 50%.

The following are the balances of M/s Bhavik Ltd. as on 31<sup>st</sup> 2019. [15 Marks]

Debit Balances	Rs.	Credit Balances	Rs.
Calls in Arrears	75,000	12% Debentures	30,00,000
Premises	30,72,000	Profit and Loss	2,62,500
Machinery	33,00,000	Creditors	4,00,000
Stock	7,50,000	General Reserve	2,50,000
Debtors	8,70,000	Share Capital	40,00,000
Goodwill	2,50,000	Bills Payable	3,70,000
Bank	4,06,000	Sales	41,50,000
Interim Dividend paid	3,92,500	Provision for Bad Debts	35,000
Purchases	18,50,000		
Share Issue Expenses	50,000		
Wages	9,79,800		
General Expenses	68,350		
Salaries	2,02,250		
Bad Debts	21,100		
Debenture Interest paid	1,80,000		
	1,24,67,500		1,24,67,500

OR

Q. 2 (B) Following is the Balance Sheet of Aakash Ltd. as on 31<sup>st</sup> March, 2022.

Liabilities	Rs.	Assets	Rs.
2,000 – 8% Redeemable Preference Shares of Rs.100 each, Rs.80 paid up	1,60,000	Fixed Assets	15,75,000
1,00,000 Equity Shares of Rs. 10 each, fully paid	10,00,000	Bank	2,18,000
Securities Premium	35,000	Investments	1,50,000
Profit and Loss Account	4,50,000	(Market Value Rs.1,90,000)	
Sundry Creditors	2,58,000		
	19,43,000		19,43,000

On the above date, the directors of the company took following steps to redeem 8% Preference Shares at a premium of 5%.

(a) The company issued 4,000 Equity Shares of 10 at a premium of 2 per share for the purpose of redemption of preference shares.

b) Investments were sold at market price.

c) All the payments were made to the Preference Shareholders except those holding 100 shares who could not be traced.

You are required to:

Pass necessary Journal Entries in the books of Aakash Limited complying with requirements of Companies Act, 2013.

Prepare the Balance Sheet of the company after redemption of Preference Shares. [15 Marks]

P.T.O

**Q.3 (A)** Hindustan Manufacturing Limited gave notice of its intention to redeem its 8% Debenture, amounting to 6,00,000 of 100 each at 103 and offered the debenture holders the following three options, to apply the redemption money to subscribe for:

(a) 10% Preference shares of 20 each at 25 per share.

(b) 9% debenture at 96 and

(c) to have their holdings redeemed for cash.

Debenture holders for 1,80,000 accepted the proposal (a)

Debenture holders for 2,40,000 accepted the proposal (b)

Remaining debenture holders accepted the proposal (c).

Pass the necessary journal entries to record the above transactions in the books of the company.

The redemption in cash, wherever applicable, was made fully out of profit. **[15 Marks]**

**OR**

**Q. 3 (B)** ABC Ltd. issued 10,000 8% Debentures of 100 each at par on 01-01-2018-redeemable on 31-12-2022 at par. The company decided to invest money outside business to provide funds for redemption. The outside investments were made @ 5% p.a. on the last day of each year. On 31<sup>st</sup> December, 2022, the company sold all investments for Rs.7,25,000 and redeemed the 8% Debentures. The Sinking Fund value of 1 @ 6% interest for 4 years is 0.23012.

Prepare for all the four years:

(1) 8% Debentures Account.

(2) Sinking Fund Account

(3) Sinking Fund Investment Account

Note : Calculations to be rounded off to the nearest rupee.

**[15 Marks]**

**Q.4 (A)** BTQ Ltd. was incorporated on 1<sup>st</sup> September, 2021 to take over the business of Asha and Usha, a partnership firm with effect from 1<sup>st</sup> April 2021. The following Profit & Loss Account has been prepared for the year ended 31<sup>st</sup> March, 2022.

Particulars	Rs.	Particulars	Rs.
To Salaries	39,000	By Gross Profit b/d	1,80,000
To Printing & Stationery	6,000	By Interest on Fixed Deposit	12,000
To Selling Expense	24,300		
To Preliminary Expense	1,500		
To Rent	8,000		
To Bad debts	11,000		
To Directors fees	1,000		
To Debenture Interest	2,800		
To Office Expense	2,400		
To Salary to Partners	5,000		
To Net profit c/d	91,000		
	1,92,000		1,92,000

Additional Information :

1. Average monthly turnover from October 2021 to March 2022 was twice the average monthly turnover from April, 2021 to September 2021.

2. Rent is doubled from 1st December, 2021.
3. Bad debts include 2,000 in respect of sales affected two years ago. Remaining Bad debts are out of sales affected throughout the year.
4. Salaries include salary of three employees at equal monthly remuneration. However one of them was appointed as manager from 1st January 2022. His salary was doubled from that date.
5. In lieu of interest on purchase consideration the vendor would get 40% of the profit earned in Pre-incorporation period.
6. Interest on Fixed Deposit was received for the entire year.

Prepare Statement of Profit and Loss of BTQ Ltd. for the year ended 31st March, 2022 in the columnar form apportioning all the income and expenditure items between Pre-incorporation and Post-incorporation period on suitable basis. [15 Marks]

OR

**Q.4 (B)** ABCD Enterprise had a branch at Washington. Its Trial Balance as on 31<sup>st</sup> March, 2022 is as follows. [15 Marks]

Particulars	Dr. US \$	Cr. US \$	Particulars	Dr. US \$	Cr. US \$
Plant and Machinery	1,20,000	--	Rent and Taxes	2,000	--
Furniture and Fixtures	8,000	--	Insurance	1,000	--
Opening Stock	56,000	--	Trade Expenses	1,000	--
Purchases	2,40,000	--	Head Office a/c	--	1,14,000
Sales	--	4,16,000	Trade Debtors	24,000	--
Goods from Indian Co.	80,000	--	Trade Creditors	--	17,000
Wages	2,000	--	Cash at Bank	5,000	--
Carriage Inward	1,000	--	Cash in hand	1,000	--
Salaries	6,000	--			
				5,47,000	5,47,000

The following further information is given :

- (1) Wages outstanding \$ 1,000.
  - 2) Depreciate Plant and Machinery and Furniture and Fixtures @ 10 per cent p.a.
  - 3) The Head Office sent goods to Branch for Rs.39,40,000.
  - (4) The Head Office shows an amount of Rs.43,00,000 due from Branch.
  - (5) Stock on 31<sup>st</sup> March, 2022 \$ 52,000.
  - (6) There were no in transit items either at the start or at the end of the year.
  - (7) On March 1st, 2019 when fixed assets were purchased, the rate of exchange was Rs.38 to 1\$.
- On April 1<sup>st</sup> 2019 the rate was Rs.39 to 1 \$.
- On March, 31<sup>st</sup> 2019 the rate was Rs.41 to 1 \$.
- Average rate during the year was Rs.40 to 1 \$.

You are asked to prepare assuming that the foreign operation is in the nature of an integral operation

(1) Trial Balance incorporating adjustments given under 1 to 4 above converting dollars into rupees.

(2) Trading the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2022 and

(3) Balance Sheet as on 31<sup>st</sup> March, 2022.

**Q.5 (A)** Explain the basis of allocation of expenses with example in brief?

[8 Marks]

**Q.5 (B)** Explain the provisions of companies Act, 2013 about redemption of preference shares?

[7 Marks]

**OR**

**Q.5** Write short notes on **any three** of the following:

[15 Marks]

1. Debenture Redemption Reserve
2. Depreciation and Amortisation Expenses.
3. Integral Foreign Operation.
4. Capital Work in Progress.
5. Divisible Profit.

\*\*\*\*\* ALL THE BEST \*\*\*\*\*



## External Examination

**Class: SYBAF-IV**

**Subject: Business Law**

**Time: 2 ½ hrs**

**Maximum Marks: 75**

**Q1) a) Match the columns: (Any 8)**

**(8)**

**Column A**

**Column B**

- 1) Charter of the company
- 2) Internal Management
- 3) Foreign Company
- 4) Financial Year
- 5) One Person Company
- 6) Pre incorporation Contract
- 7) Private Company
- 8) Maximum 15 Director
- 9) First AGM
- 10) 1<sup>st</sup> Director

- a) Article of Association
- b) 31<sup>st</sup> March
- c) Preliminary Contact
- d) Public Company
- e) Promoter
- f) Memorandum of Association
- g) Incorporated outside India
- h) Natural Person as a member
- i) Two directors
- j) Nine Months

**Q1) b) State whether the following statements are true or false: (Any 7)**

**(7)**

- 1) Small Company is a company whose paid up capital does not be ₹50 Lakhs.
- 2) One person Company has only one member.
- 3) Certificate of incorporation means Registration of a company.
- 4) In an unlimited company liability of its member is unlimited.
- 5) Company limited by guarantee may or may not have a share capital.
- 6) Minimum Number of persons to form a public company is Nine.
- 7) Public company can't invite public through prospectus.
- 8) Private company can't make public offer of securities.
- 9) The common seal of the company mean name of the company.
- 10) Notice of meeting should be of 11 days.

**Q.2) A) Define Company and important changes as per companies act 2013.**

**(8)**

**B) Define Small Company and its characteristics**

**(7)**

**OR**

**C) What is the meaning of formation of the company. Explain briefly the types of companies.**

**(8)**

**D) Define company and explain various cases for corporate veil and lifting.**

**(7)**

**Q3) A) Define Company. Distinguish Between Private and Public company.**

**(8)**

B) Explain the electronic fillings of documents. (7)

**OR**

C) What is Articles of Association? Explain the important contents. (8)

D) Distinction between M.OA and AOA. (7)

Q4) A) What are remedies available against the directors, promoters and experts related to prospectus.

B) Explain the term private placement and its rules. (8)

**OR**

C) Define prospectus and explain the requirements of the prospectus. (8)

D) Explain the term Private Placement by a private company. (7)

Q5) A) What do you mean by preference share capital? Explain the rules for issuing preference shares. (8)

B) What do you mean by certificate of shares as per sec 46. (7)

**OR**

**Q5) Short Notes (Any 3) (15)**

1) Nidhi Company

2) Newspaper advertisements of prospectus as per companies act 2013.

3) Foreign Company

4) Debenture Sec 71

5) One person Company

## External Examination

**Class: SYBAF-IV**

**Subject: Foundation Course**

**Time: 2 ½ hrs**

**Maximum Marks: 75**

**Q1) a) Match the columns: (Any 8)**

**(8)**

**Column A**

- 1) Scholar Chain
- 2) Equity
- 3) Division of work
- 4) Heuristic
- 5) Brainstorming
- 6) Authority
- 7) Responsibility
- 8) Objective
- 9) Grapevine
- 10) Transfers

**Column B**

- a) Social Justice
- b) Rules of THUMB
- c) Power
- d) Goals
- e) Internal Source of recruitment
- f) Line of Command
- g) Management Principle
- h) Alex Oshrom
- i) Obligation
- j) Informal Communication

**Q1) b) State whether the following statements are true or false: (Any 7)**

**(7)**

- 1) Directing is a continuous process.
- 2) Effective leader adapts situational leadership.
- 3) Co-ordination refers to inter-linking of actions.
- 4) Personality is a sum of total of physical, mental and social qualities.
- 5) Appreciation is a monetary incentive.
- 6) Staffing reduces efficiency of the sum.
- 7) Training is a process of choosing right person for right job.
- 8) Decentralisation brings specialisation.
- 9) Teamwork facilitates accomplishment of goals.
- 10) Planning refers to interlinking of activities.

**Q2) A) Define management. Explain its nature & characteristics.**

**(8)**

**B) What do you mean by term management. Explain its limitations.**

**(7)**

**OR**

**C) Define Management. Explain the principles of management.**

**(8)**

**D) Define Planning and explain the essential features sound planning.**

**(7)**

**Q3) A) What do you mean by departmentation. Explain the basis of departmentation.**

**(8)**

B) Define organising and explain the significance/importance of organising. (7)

**OR**

C) Explain the techniques of Decision Making. (8)

D) What do you mean by informal organisation? Explain its advantages and disadvantages. (7)

Q4) A) What is Delegation. Explain the barriers to effective delegation. (8)

B) What do you mean by recruitment. Explain the internal and external sources of recruitment. (7)

**OR**

C) Explain the different types of employment test. (8)

D) Explain the different types of interviews. (7)

Q5) A) Explain a good qualities of a leader. (8)

B) What is co-ordination. Explain importance of co-ordination. (7)

**OR**

**Q5) Write short notes (Any 3) (15)**

1) Management Audit

2) Budgetary Contract

3) Formal organisation

4) Need for decentralisation

5) Selection

- N.B.** 1. All the questions are compulsory  
2. Figures to the right indicate full marks

**Q. P. Code :**  
**75 Marks**

**Q.1(a) Fill in the blanks with appropriate option. (Any Eight)**

**(8 Marks)**

1. Research process starts with \_\_\_\_\_. (Literature survey / selection of problem / sampling)
2. Research design gives \_\_\_\_\_ to the researcher. (money / confidence / direction)
3. Sample is a small representative of \_\_\_\_\_. (Total / whole / majority)
4. Analysis and interpretation of data are \_\_\_\_\_. (Exactly opposite / closely connected / remotely related)
5. \_\_\_\_\_ is an indirect and impersonal method of conducting survey. (Questionnaire / experiment / observation)
6. The first section of research paper is \_\_\_\_\_. (Abstract / Introduction / Analysis)
7. \_\_\_\_\_ hypothesis states that there is no relationship between two or more variable. (Null / Alternative / Negative)
8. \_\_\_\_\_ refers to previous research studies, reference books and other published sources. (Literature review / Research design / Research report)
9. A sampling distribution is the distribution of \_\_\_\_\_. (Parameter/ Mean / Proportion)
10. Machine tabulation is \_\_\_\_\_. (Economical / costly / easy)

**Q1 (b) Match the columns (Any Seven)**

**(7 Marks)**

<b>Group A</b>	<b>Group B</b>
1. Qualitative research	a. Data source
2. Applied research	b. Test hypothesis
3. Technical report	c. Academicians and professionals
4. Descriptive research	d. academicians and professionals
5. Popular report	e. Study behavioral sciences
6. Analytical research	f. executives and non technical users
7. Interim report	g. Solves practical problems
8. Empirical research	h. First analysis report
9. Footnotes	i. Cause effect relationship
10. Bibliography	j. Superscripted numbers

- Q. 2 (a) What are the sources of research problem? (8 Marks)  
Q. 2 (b) State the factors influencing selection of Research Problem. (7 Marks)

**OR**

- Q. 2 (c) Describe the stages in research process. (8 Marks)  
Q. 2 (d) Discuss the importance of Research in Accounting and Finance. (7 Marks)

- Q. 3 (a) Explain the meaning and nature of hypothesis. (8 Marks)  
Q. 3 (b) What are the different types of Research Design? (7 Marks)

**OR**

- Q. 3 (c) Define research design. State the need and importance of research design. (8 Marks)  
Q. 3 (d) What are the essential of a good research design? (7 Marks)

- Q. 4 (a) Explain in brief the stages in data processing. (15 Marks)

**OR**

- Q. 4 (b) Find out Arithmetic Mean by short cut method and Median from the following data. (15 Marks)

Marks	Number of students
0-20	4
20-40	6
40-60	10
60-80	25
80-100	15

- Q. 5 (a) Explain the structure of report writing. (8 Marks)  
Q. 5 (b) Explain the induction method of data interpretation. (7 Marks)

**OR**

- Q. 5 Write short note on (any three) (15 Marks)

1. Features of Research
2. Advantages of primary data
3. Exploratory Research
4. Sampling
5. Essentials of a good report.

\*\*\*\*\* ALL THE BEST \*\*\*\*\*

## External Examination

**Class: SYBAF-VI**

**Subject: IT in Accountancy**

**Time: 2½ hr**

**Maximum Marks: 75**

**Q1) A. Select one correct option from the following and re-write the sentence: (Any 8) (8)**

1) \_\_\_\_\_ is a supporting process.

(Develop product, HR system, Set direction)

2) In Tally, \_\_\_\_\_ short cut key is used to accept and save all data.

(Ctrl+A, Shift+A, Alt+A)

3) \_\_\_\_\_ report is one of the MIS reporting alternative.

(Exception, Software, Hardware)

4) \_\_\_\_\_ is one of the component of Information System.

(BP, Data, BPM)

5) \_\_\_\_\_ accounting package is mainly used to meet the special requirement of the user.

(Tailored, Ready to use, Customised)

6) \_\_\_\_\_ is a formalised graphic representation of a logic sequence work or manufacturing process, organisation chart or similar formalised structure.

(Algorithm, Flowchart, Workflow)

7) \_\_\_\_\_ is one of the type of MIS.

(DSS, BP, BPM)

8) \_\_\_\_\_ risk is that material error exists that will not be prevented or detected in a timely manner by internal control system.

(Audit, Control, Detection)

9) In Tally, \_\_\_\_\_ voucher type is used to account all the payments made by company either by cash or bank.

(Receipt, Contra, Payment)

10) EDI stands for \_\_\_\_\_.

(Electronic Data Interchange, E-Commerce Document Internet, Electronic Data Internet)

**Q.1) B. State whether the following statements are True or False and rewrite the sentences: (Any 7) (7)**

1. AIS is about providing right information to right person at right place, right time in right form and cost.

2. Flowcharts use simple geometric symbols and arrows to define relationships.

3. OAS stands for Office Accounting Software is one of the type of MIS.

4. There are 28 pre-defined ledgers available in Tally 9.0.

5. Keyboard is an example of hardware of computer.
6. TQM is management approach to long term success through customer satisfaction.
7. The function of inventory control is important as it takes away large capital and working capital.
8. In Tally, Ctrl+D is common key to either delete company or ledger.
9. A Business Process has to be manual only.
10. CAAT stands for Computer Advanced Accounting Audit.

Q.2) A. Explain in detail benefits of AIS. (8)

B. Explain in detail benefits of BPA. (7)

OR

C. Explain the concept: Total Quality Management in detail. (8)

D. Explain life cycle of Business Process Management. (7)

Q.3) A. Explain in detail features of Tally ERP 9.0. Explain with one proper example: How to create a company in Tally. (8)

B. Explain in detail limitations of Computerised Accounting System. (7)

OR

C. Explain features of Computerised Accounting. (8)

D. Explain in short all pre-defined vouchers present in Tally. Explain with one proper example of passing a contra voucher entry in Tally starting with a company, ledger, and voucher entry. (7)

Q.4) A. Explain types of MIS. (8)

B. Explain meaning and objectives of MIS. (7)

OR

C. List and explain guidelines for developing effective MIS report. (8)

D. Explain HRIS in detail. (7)

Q.5) A. What is an IT Audit? Explain advantages of IT Audit. (8)

B. What are the steps included in an application of CAAT. (7)

OR

Q.5) Write Short Notes: (Any Three) (15)

- 1) Explain: Advantages and Disadvantages of CAAT.
- 2) Explain: Marketing Decision Support System.
- 3) Explain: generic considerations of sourcing on accounting software.
- 4) What knowledge is required for studying MIS.
- 5) Explain: Cloud Computing