

G.V.M's G.G.P.R. COLLEGE OF COMMERCE & ECONOMICS  
FARMAGUDI, PONDA-GOA

**ACCOUNTING AND ALLIED LAWS**  
(ONE YEAR UGC SPONSORED CERTIFICATE COURSE)  
EXAMINATION JUNE 2013

MARKS: 80

TIME : 2 HOURS

- Instructions: 1. Section A, B and C carries 30, 20 and 30 marks respectively.  
2. Each section should be answered separately on separate answer papers.  
3. Figures to the right indicate full marks.

**PART A (30 marks)**

Q.No.1) State whether the following statements are true or false. (3 mks)

- Bank Account is a personal account.
- Capital Account is a nominal account
- In case of overdraft, Bank Account will show credit balance.

Q.No.2) Fill in the blanks. (2mks)

- Assets minus liabilities is -----,
- For payment of salaries, ----- A/c is debited.

Q.No.3) Record the following transactions in Journal. (6 mks)

- Business commenced with a capital of ₹ 6,00,000
- Deposited in bank account ₹ 4,50,000.
- Withdrawn by proprietor ₹ 35,000 cash for personal use.

Q.No.4) From the following transactions of Mr. Vinod, prepare Bank Reconciliation statement as on March 31, 2012. (6 mks)

- Bank balance as per cash book ₹ 50,000.
- Cheques issued but not presented for payment ₹ 60,000.
- Bank charges of ₹ 400 were not entered in the cash book.

....2/-

Q.No.5) The following balances were extracted from the books of Yogita as on March 31<sup>st</sup>, 2012. (10 mks)

Particulars	Amount	Particulars	Amount
Cash in hand	4,000	Sales	1,00,000
Cash at bank	5,000	Sundry creditors	10,000
Purchases	40,000	Capital	55,000
Fuel and power	5,000	Rent	15,000
Carriage on sales	4,000		
Carriage on purchases	3,000		
Opening stock	6,000		
Building	40,000		
Freehold land	10,000		
Machinery	20,000		
Salaries	15,000		
Patents	10,000		
General expenses	3,000		
Sundry debtors	15,000		
	1,80,000		1,80,000

Taking into account the following adjustments, prepare trading A/c; Profit and loss A/c and Balance sheet as on March 31<sup>st</sup> 2012:

- Stock in hand on march 31<sup>st</sup>, 2012 was ₹ 6,800.
- Machinery is to be depreciated @ 10% and patent@ 20% p.a.
- Salaries for the month of March 2012, amounting to ₹ 1,500 were outstanding.

Q.No.6) Trial balance of Rahul did not agree. Subsequently he located the following errors. Rectify the errors: (3 mks)

- Wages paid for installation of machinery ₹ 600 was posted to wages account.
- Repairs to machinery ₹ 400 debited to machinery account.
- Furniture purchased for ₹ 5,000 was posted to purchase account as ₹ 500.



**PART B (20 Marks)**

- Q.No.1) RDM & Co is CA firm who has conducted audit of GVMS collage. Audit fees amounting to ₹ 32,000 was credited to RDM & Co. account as on 30<sup>th</sup> August 2012. Whether GVM's College. is liable to deduct income tax U/S 194J(TDS on Fees for professional or technical services) of Income Tax Act 196. If yes what is amount of TDS deduction and on which date TDS should be deducted by the company. TDS rate is 10% . **(3 marks)**
- Q.No.2) Mr. Savio owner of Metro Bar & Restaurant. He purchased liquor worth ₹ 50,000 for his restaurant and ₹ 5,000 for his own consumption from Wines & Wines (partnership firm) a wholesale dealer in liquor. Whether Wines & Wines should collect TDS from Mr. Savio and if yes what will be the amount of TCS that Wines and Wines should collect. TDS rate is 1%. **(4 marks)**
- Q.No.3) Mr. Sagar was working with EY ltd. from April 2012 to June 2012. Total salary for 3 months was ₹ 2,50,000 and TDS deducted by EY Ltd. was ₹ 5,000. From 1<sup>st</sup> July 2012 Sagar joined KPG Ltd. for salary of ₹ 85,000 p.m. wherein ₹ 4,000 was exempted u/s 10 of income tax act 1961. Further Mr. Sagar has declared that he has made investment worth ₹ 25,000 U/s 80C of Income tax act 1961. You are required to calculate the TDS on Sagar's Salary that should be deducted by KPG Ltd. U/s 192 (TDS on salary) for the month of July 2012. **(7 marks)**
- Q.No.4) Who is liable to deduct TDS U/S 192 (TDS on Salary) of Income Tax Act 1961. **(2 marks)**
- Q.No.5) when a person is liable to deduct TDS U/S 193 (TDS on Interest on securities) of Income Tax Act 1961. **(2 marks)**
- Q.No.6) When a person is liable to deduct TDS U/S 194B (TDS on Winnings from lottery or crossword puzzle) of Income Tax Act 1961. **(2 marks)**

**PART C (30 Marks)**

- Q.No.1) What are the rates of tax under VAT against each schedule as per Goa Value Added Tax Act 2005. (3 mks)
- Q. No.2) List out any eight purchases where dealers are not eligible for input tax credit. (8mks)
- Q.No.3) Compute VAT amount payable by Mr. A who purchases goods from a manufacturer at a payment of ₹ 2,25,000(including vat) and earn profit of 10 % on sales? VAT rate on purchases and sales is 12.5% (4 mks)
- Q.No.4) Give the definition of "Declared goods" under CST Act 1956. List out the declared goods. (8 mks)
- Q.No.5) What are the benefits of e-filing of returns. (3 mks)
- Q.No.6) When the accounts of the dealers are required to be audited under Goa Value Added Tax Act 2005? What is the time limit for submitting VAT audit report with respect to financial year 2012-2013? (4mks)

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