Time : 2 Hours   **Cost Accounting & Taxation**

Subject Code

| V | 2 | 2 | 1 |

Total No. of Questions : 5   **(Printed Pages : 4)**   **Maximum Marks : 50**

INSTRUCTIONS :   (*i*)   *All* questions are compulsory.

(*ii*)   Write the number of each question and sub-question clearly.

(*iii*)   Figures to the right indicate full marks.

(*iv*)   All sections referred are from Income Tax Act, 1961, as applicable to the assessment year 2018-19.

(*v*)   Answer each question on a fresh page.

1.   (A)   Select and write the most appropriate alternative from those given below and complete the following statement :   1

(*i*)   The rate of depreciation under section 32, applicable in respect of residential buildings other than hotels and boarding houses is..

(*a*)   5%

(*b*)   10%

(*c*)   15%

(B)   Answer the following in a word or a phrase *or* a figure :   1

(*i*)   State the rate of deduction allowable under section 35 in respect of contribution made to national laboratory for the purpose of scientific research.

(C) State any *three* conditions to be satisfied by an assessee to claim general deductions under section 37. 3

(D) State any *five* incomes chargeable to tax under the head 'profits and gains of business or profession' under section 28. 5

2. (A) Select and write the most appropriate alternative from those given below and complete the following statement : 1

(*i*) The maximum amount of deduction allowable under section 80 U in respect of a person with severe disabilities is Rs..............

(*a*) 1,25,000

(*b*) 1,00,000

(*c*) 75,000

(B) Answer the following in a word or a phrase *or* a figure : 1

(*i*) State the maximum amount of deduction available under section 80 D, in respect of medical insurance premium for senior citizen.

(C) Compute the maximum amount of deduction available under section 80 C from the following savings/contributions. 3

Contribution to public provident fund Rs. 30,000 per annum.

Tuition fees paid Rs. 40,000 during the year. Life insurance premium paid Rs. 60,000 per annum. Subscription to national savings certificates Rs. 50,000 during the year.

(D) Expalin any *five* applicable provisions of section 80 DDB, a deduction in respect of medical treatment of certain specified diseases or ailments. 5

Or

Explain any *five* applicable provisions of section 80 CCD, a deduction in respect of contribution to National pension scheme notified by Central Government.

3. (A) Select and write the most appropriate alternative from those given below and complete the following statement : 1

   (*i*) The amount donated by resident individual towards national children fund is eligible for deduction under section 80 G @ of...

   (*a*) 125%

   (*b*) 100%

   (*c*) 50%

   (B) Answer the following in a word or a phrase or a figure : 1

   (*i*) State the maximum amount of rebate on tax allowed under section 87 A in respect of an individual whose total income does not exceed Rs. 3,50,000.

   (C) State the rates of income tax applicable for individuals below 60 years of age for the assessment year 2018-19. 3

   (D) Explain the following techniques of costing :

   (*i*) Marginal costing. 2½

   (*ii*) Standard costing. 2½

Or

Explain the following methods of costing :

(*i*)   Job order costing.   2½

(*ii*)   Process costing.   2½

4.   (A)   Answer the following in *one* sentence :   1

(*i*)   What is material requisition note ?

(B)   Write a note on last in first out (LIFO) method of pricing the material issue.   2

(C)   State any *two* objectives of inventory control.   2

(D)   Explain briefly perpetual inventory system of material control.   2

(E)   Explain any *three* functions and duites of storekeeper.   3

5.   (A)   Answer the following in a word *or* a phrase :   1

(*i*)   State *one* example of distribution overhead.

(B)   Write a note on apportionment of overhead.   2

(C)   From the following, identify only the service departments :   2

(*i*)   Finishing process

(*ii*)   Accounting

(*iii*) Inspection

(*iv*)   Crushing process

(*v*)   Time keeping

(*vi*)   Canteen.

(D)   Explain the role of payroll department. (any *two* points).   2

(E)   Enumerate any *three* disadvantages of overtime.   3