

**(FOR THE CANDIDATES ADMITTED  
DURING THE ACADEMIC YEAR 2022 ONLY)**

22PCC310

REG.NO. :

**N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI  
END-OF-SEMESTER EXAMINATIONS : NOVEMBER-2023  
COURSE NAME: M.Com.-C.A  
SEMESTER: III  
MAXIMUM MARKS: 50  
TIME : 3 HOURS**

**PART - III  
TAXATION**

**SECTION – A**

**(10 X 1 = 10 MARKS)**

**ANSWER THE FOLLOWING QUESTIONS.**

**MULTIPLE CHOICE QUESTIONS.**

**(K1)**

1. Choose the maximum amount allowed as deduction for entertainment allowance is \_\_\_\_\_.  
a) Rs.5,000      b) Rs. 10,000      c) Rs. 15,000      d) Rs.20,000
2. Show the HRA paid to an employee residing in Patna is exempt up to the lower of actual HRA, Excess of rent paid over 10% of salary and \_\_\_\_\_.  
a) 30% salary      b) 40% salary      c) 50% salary      d) 60% salary
3. Select the cost inflation index for the year 2020-21 \_\_\_\_\_.  
a) 289      b) 301      c) 317      d) 331
4. Match the goods and services tax act commenced from \_\_\_\_\_.  
a) 1 July 2017      b) 1 April 2018      c) 1 July 2016      d) 1 April 2016
5. Recall as per section 25 of CGST Act, 2017, a casual taxable person shall apply for registration at least \_\_\_\_\_ prior to the commencement of business.  
a) 5 days      b) 10 days      c) 7days      d) 30 days

**ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES.**

**(K2)**

6. Define a person as per income tax act.
7. Interpret the standard rent.
8. Explain the capital gain
9. Extend the GST.
10. Illustrate the registration under GST.

**SECTION – B**

**(5 X 3 = 15 MARKS)**

**ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)**

11. a) Mr. Kannan a resident of Trichy, receives Rs. 1,00,000 p.a as basic salary and Rs. 20,000 p.a as DA ( $\frac{2}{3}$ <sup>rd</sup> of which is forming part of salary) and he also receives a commission on purchases of Rs. 1,000 p.m. Bonus of Rs. 15,000 p.a and HRA of Rs.24,000 p.a (Rent paid at Trichy Rs.30,000 p.a). Calculate the taxable HRA.

**(OR)**

- b) Mr. Ezhini retired on 27.7.22 after completing 27 years and 7 months of services and received Rs.5,00,000 as gratuity his employer. He is cover under the payment of gratuity act. At the time of retirement his salary was as mention below .
  - (i) Basic pay Rs. 12,000 p.m
  - (ii) DA (Enter) Rs.7,500 p.m
  - (iii) Commission on turnover Rs. 50,000 p.aFind out his taxable gratuity.

**(CONTD.....2)**

12.a) Mr. A constructed one house in 2021, 75% of the property is let out and 25% is self occupied for his residence. The let-out portion is also self- occupied for one month.

- i) Municipal values of full house – 5000 p.a,
  - ii) Annual rent of 75% portion – 4000 p.a,
  - iii) Municipal taxes- 500 p.a,
  - iv) Ground rent - 100 p.a,
  - v) Repairs – 200 p.a,
  - vi) Fire insurance premium – 150 p.a,
  - vii) Collection charges – 60 p.a,
  - viii) Interest on loan taken for construction – 600 p.a,
  - ix) His income from all other amount to Rs. 10000.
- Assess his income from house property.

(OR)

b) Compute taxable Business income from the following particulars:

**Profit and Loss Account**

Particulars	Rs.	Particulars	Rs.
To Rent	75,000	By Gross profit	5,25,000
To Salary to staff	1,20,000	By Sundry receipts	1,75,000
To Legal expenses	1,50,000	By Rent of building	2,00,000
To Donations	20,000	By Commission	1,00,000
To Fire insurance	50,000		
To Bonus to proprietors	80,000		
To Drawings	85,000		
To Depreciation	70,000		
To Net profit	3,50,000		
	10,00,000		10,00,000

13.a) Examine the capital gain from the following particulars given by Mr. Elangovan for the previous year, If CII for 2022-23: 331, 2010-11 : 167, 2001-02 : 100.

- i) Cost of residential house Rs. 5,40,000
- ii) FMV as on 1.4.2001 Rs. 5,40,000
- iii) Date of purchase 1.10.1999
- iv) Date of sale 1.10.2022
- v) Sale value Rs. 30,00,000
- vi) Cost of improvement Rs. 90,000
- vii) Date of improvement 1.10.2010
- viii) Stamp duty and legal charges Rs. 50,000

b) The following are the details relating to Mr. Siddharth for the P.Y. 2021-22. Calculate income from other sources:

- i) Income from agriculture in Pakistan Rs. 50,000
- ii) Interest on post office savings bank Rs. 10,000
- iii) Dividend from foreign company Rs. 7,000
- iv) Dividend from Indian company Rs.10,000
- v) Rent from sub-letting house Rs. 26,250
- vi) Expenses for sub-letting house Rs: 1,000
- vii) Winning from lottery (Net) Rs: 1,40,000

14. a) Show the benefits of GST:

(OR)

- b) Interpret the genesis of GST in India.

15.a) Assess the registration of liable person as per GST act.

(OR)

b) List out the services exempted from GST.

**SECTION – C**

**(5 X 5 = 25 MARKS)**

**ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K4 (Or) K5)**

16.a) From the following prepare income from salary of Mr. Krishna who is working in SCP international (P) Ltd., Chennai.

- (i) Basic salary Rs.50,000 p.m
- (ii) DA Rs. 30,000 p.m (enter)
- (iii) Bonus Rs. 1,00,000
- (iv) CCA Rs. 1,500 p.m
- (v) EA Rs.6,000 p.m
- (vi) Educational allowance Rs. 8,000 p.m (for his two children)
- (vii) Hostel allowance Rs. 10,000 p.m (for his two children)
- (viii) Academic research allowance Rs. 25,000 (Actual amount spent Rs.50,000)
- (ix) HRA Rs. 20,000 p.m (rent paid Rs.12,000 p.m)
- (x) Conveyance allowance for official purposes Rs. 3,000 p.m
- (xi) Tribal area allowance Rs. 450 p.m
- (xii) Washing allowance Rs. 1,175 (Actual amount spent Rs.795)

(OR)

b) Mr.Thiruselvan is working in a public limited company. He received Rs. 40,000 p.m as basic salary Rs. 5,000 as DA and Rs.1,200 p.m as entertainment allowance. The employer provide a small car for his official and personal use (employer including salary of driven Rs. 90,000). Besides his employer paid his professional tax Rs.3,900 during the previous year. Determine his taxable for the P. Y 2022 – 23.

17. a) Mr. X had let out his house. Measure the income from house property from the following:

- i) Fair rental value Rs. 46,000
- ii) Actual rent received Rs. 5,000 p.m.
- iii) Municipal rental value Rs. 50,000
- iv) Standard rent Rs 48,000
- v) Municipal tax 10% of MRV
- vi) Actual repair expenses Rs. 4,000
- vii) Interest on loan Rs. 11,000

(OR)

b) From the following profit & loss a/c of Mr.Ganesan, Analyze his income from business for the previous year 2022-23.

**Profit and Loss Account**

<b>Particulars</b>	<b>Rs.</b>	<b>Particulars</b>	<b>Rs.</b>
To Rent	5,000	By Gross profit	1,22,000
To Salary	15,000	By Bad debts recovered	
To Advertisement	19,000	(not allowed earlier)	10,000
To Donations	2,000	By Rent	38,000
To General expenses	7,000	By Commission	20,000
To Wealth tax	3,000		
To Sales tax	10,000		
To Income tax	1,000		
To Depreciation	3,000		
To Net profit	1,25,000		
	<b>1,90,000</b>		<b>1,90,000</b>

Other information:

- (i) Salary includes proprietor salary Rs. 3,000.

18. a) Mr. Dayaram acquired a residential house property on 15.5.14 for Rs. 4,50,000. He renovated it during 2017-18 at the cost Rs. 3,00,000. He sold the residential house on 10.10.2022 for Rs.28,00,000 for which he paid a commission of Rs. 28,000. He bought another residential house on 10.01.23 for Rs. 20,00,000. Investigate the capital for P.Y 2022-23. C.I.I for 2014-15: 240, 2017-18: 272, 2022-23: 331.

(OR)

b) From the following information inspect the income from other sources:

- (i) Royalties from books Rs.20,000
- (ii) Directors fees 5,000
- (iii) Interim dividend from X Ltd. Madurai Rs. 15,000.
- (iv) Dividend from co-operative society Rs. 25,000
- (v) Income undisclosed sources Rs. 18,000
- (vi) Income from letting of P&M along with Building Rs. 22,500
- (vii) Winning from lotteries Rs. 35,000

19.a) Classify the types of GST in India.

(OR)

b) Summarise the features of GST.

20. a) Evaluate the procedure for registration under GST act.

(OR)

b) Prepare the goods exempted from GST

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