

(FOR THE CANDIDATES ADMITTED  
DURING THE ACADEMIC YEAR 2021 ONLY)

22UBM4A1

REG.NO. :

**N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI**  
**END-OF-SEMESTER EXAMINATIONS: MAY-2024**  
**COURSE NAME: B.B.A** **MAXIMUM MARKS: 50**  
**SEMESTER: IV** **TIME: 3 HOURS**

**PART - III**  
**DIRECT TAXATION**

**SECTION – A (10 X 1 = 10 MARKS)**

**ANSWER THE FOLLOWING QUESTIONS. (K1)**  
**MULTIPLE CHOICE QUESTIONS.**

- Income Tax is imposed by\_\_\_\_\_.  
a) State Government    b) Central Government    c) Both of the above    d) Constitution of India
- Salary received by member of parliament is\_\_\_\_\_.  
a) Taxable as salary income    b) Exempt from tax  
c) Taxable as income from other sources    d) none of these.
- The basis of charge for tax on income from house property is\_\_\_\_\_.  
a) annual income    b) rental value    c) municipal value    d) market value
- Rate of depreciation on residential building is\_\_\_\_\_.  
a) 5%    b) 10%    c) 15%    d) 20%
- Income from sale of household furniture is \_\_\_\_\_ capital gain.  
a) Taxable    b) Exempted    c) Short term    d) Long term

**ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES. (K2)**

- Define – Financial year.
- Define Salaries under Income Tax Act.
- Define – Annual value.
- Define – Business.
- Give the meaning of Cost of acquisition.

**SECTION – B (5 X 3 = 15 MARKS)**

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

- a) Determine the status of the following:  
a) Howrah Municipal Corporation, b) Corporation Bank Ltd., c) Mr. Amitabh Bachchan,  
d) Amitabh Bachchan Corporation Ltd. e) A joint family of Sri Ram, Smt. Ram and their son Lav  
and Kush, f) Calcutta University, g) X and Y who are legal heirs of Z, h) Sole proprietorship  
business, i) Partnership Business  
**(OR)**
- b) Classify the income of a person under various head.
- a) Mr. Mani was appointed as manager of a private Ltd., co., on 1.1.20 in the grade of rs.17,400 –  
300- 25,000 at a basic pay of Rs.17,400 p.m Compute his salary income for the previous  
year 2022-23 if a) Salary is due on 1<sup>st</sup> of every month, b) Salary is due on last date of  
every month.

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

(OR)

- b) Examine the tax treatment of allowances in the following cases for P.Y. 2022 – 23  
Mr. Kamal, receives the following allowances:  
(i) Dearness allowances – 1000 p.m  
(ii) Medical allowance – 500 p.m.  
(iii) Transport allowance – 2,000 p.m.

13. a) Determine the gross annual value in the following cases for the assessment year 23–24.

Properties	I	II	III
Fair rent (a)	87	50	70
Municipal value (b)	86	42	50
Standard rent (c)	84	64	NA
Actual rent (d)	82	92	79

(OR)

- b) Give the proforma for income from self occupied house.

14. a) Explain deemed profits u/s 41.

(OR)

- b) What do you mean by 'self generated assets'?

15. a) Explain the different kinds of capital assets.

(OR)

- b) Mr.Raja furnished the following particulars:

	Shares in A Ltd.
Date of purchase	1.2.22
Date of sale	5.10.22
Cost of purchase	25,000
Expenses on purchase	500
Sale value	50,000
Expenses on sales	1,000

Compute Capital gain.

### SECTION – C

(5 X 5 = 25 MARKS)

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

16. a) Mr. Raj left for U.S.A. along with his family, for the first time, on 14.10.2022. He returned to India on 31.05.2023. Determine his residential status for the assessment year 2023 – 2024.

(OR)

- b) A capital receipt is not liable to tax – explain the principles.

17. a) X a resident of Ajmer, receives Rs.48,000 as basic salary during the previous year 2022 – 23. In addition, he gets Rs.4,800 as dearness allowance forming part of basic salary, 7% commission on sales made by him (sale made by X during the relevant previous year is Rs.86,000) and Rs.6,000 as house rent allowance. He however pays Rs.5, 800 as house rent. Determine the quantum of house rent allowance exempt from tax.

(OR)

(CONTD .... 3)

17. b) Mr. Sekar, a private co. employee, receives the following allowances:

- |                            |   |                                 |
|----------------------------|---|---------------------------------|
| 1) D.P                     | - | 5,000 p.m.                      |
| 2) H.R.A                   | - | 1,000 p.m. (lives in own house) |
| 3) C.C.A                   | - | 1,000 p.m.                      |
| 4) Entertainment allowance | - | 500 p.m.                        |

18. a) Mrs. Jaya owns a property at Chennai (Municipal value Rs. 1,60,000; fair rent Rs. 1,80,000; Standard rent Rs. 1,50,000). The house is let out upto September 30,2022 (monthly rent being Rs.15,000). From October 1, 2022 the property is self occupied for own residential purposes. Find out the gross annual value for the assessment year 2023 – 24.

(OR)

b) From the following particulars, compute gross annual value.

- |                 |   |        |
|-----------------|---|--------|
| Municipal value | - | 60,000 |
| Fair rent       | - | 65,000 |
| Standard rent   | - | 59,500 |
| Actual rent     | - | 72,000 |

19. a) Write a note on expenditure on scientific research.

(OR)

b) Describe the procedure for computing business income.

20. a) Mr. Mohan a resident individual furnishes the following particulars of his income for the previous year ending March 31, 2023.

- |   |   |            |
|---|---|------------|
| Dividends from Microsoft, a foreign company | - | Rs. 60,000 |
| Dividends from Telco                        | - | Rs. 7,000  |
| Dividends from Units of UTI                 | - | Rs. 5,000  |

(OR)

b) During the Financial year 2022 – 2023 find out the tax to be deducted at source in the following cases, If the recipient is an individual and resident in India.

- |   |        |
|---|--------|
| 1. Income from interest on securities (Listed) (1.6.2022) | 12,000 |
| 2. Payment regarding lottery winnings                     | 1,000  |
| 3. Dividends from domestic company                        | 80,000 |
| 4. Winnings from a horse race                             | 40,000 |

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