

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2025
(Fifth Semester)

Branch –COMMERCE(PROFESSIONAL ACCOUNTING)

DIRECT TAX

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(5 x 1 = 5)

- 1 The year in which income is earned is called
(i) previous year (ii) Current year
(iii) Assessment year (iv) Tax year
- 2 ERV of let out house if standard rent is not applicable is
(i) Least of MRV or FRV (ii) Higher of MRV or FRV
(iii) Lower of FRV or Actual rent (iv) None of these
- 3 Under valuation of opening stock is
(i)deducted from net profit (ii)added to net profit
(iii)credited to P&L a/c (iv)none of these
- 4 Exemption U/S 54B is allowed for investment are
(i)agricultural land (ii) residential house
(iii)shares (iv)nonagricultural land
- 5 Casual income is
(i) Fully taxable (ii) partly taxable
(iii)Fully exempt (iv) None of these

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 3 = 15)

- 6 a) Who is an assessee?

OR

- b) What is capital loss and capital expenses?

- 7 a) From the following details, compute the total income of Mr.Raja if he is not ordinary resident.

- Income from agriculture in Nepal Rs.20,000
- Income earned and received in Pakistan from bank deposit Rs.5,000
- Dividend Rs.1,000

OR

- b)From the following particulars calculate Gross Annual Value, assuming that there is no

Particulars	House 1	House 2
MRV	1,05,000	1,05,000
FRV	1,07,000	1,07,000
SR	1,35,000	1,35,000
AR	1,12,000	98,000
period in the previous year	12 months	12 months

vacant period.

- 8 a) Mr. k . kannan, receives the following allowances:

DA Rs. 1,000 p.m
Medical allowance Rs.500 p.m
Transport allowance Rs.2,000 p.m

OR

Cont...

- b) Find out the gross annual value in the following cases:

	Rs.
Municipal value	1,80,000
Fair rent	1,90,000
Actual rent	1,40,000

- 9 a) Mr.K, receives the following allowances.

Dearness allowances (D.A)	1,000 p.m
Medical allowances	500 p.m
Transport allowances	2,000 p.m

OR

- b) What is carry forward losses?

- 10 a) From the following statements compute the business income.

Commission earned	Rs.20,000
Sales	Rs. 1,20,000
Purchases	Rs.20,000
Staff salary	Rs.11,000
Purchase of typewriter	Rs.8,000

OR

- b) What is Agriculture income?

SECTION -C (30 Marks)

Answer any Three questions

ALL questions carry EQUAL Marks (3 x 10 = 30)

11. How will you determine the residential status of an individual?

- 12 From the following information calculate income from house property of Mr.Mukesh.

Municipal valuation	Rs.1,25,000 p.a
Annual rent	Rs.1,25,000 p.a
Municipal tax	Rs.4,000

The owner bears the following expenses:

- Lift maintenance Rs.7,500
- Garden Salary Rs.2,500
- Pump Maintenance Rs.4,000

The owner pays 25% of the municipal tax.

- 13 Compute the taxable portion of allowances from the information furnished by Mr.Hariharan for the A.Y 2022-23

Travelling allowance (expenditure Rs.750 p.m)	Rs.1,500 p.m
Helper allowance (expenditure Rs.1,350 p.m)	Rs.1,200 p.m
Tribal area allowance	Rs.2,400 p.m
Education allowance (per child) (for 3 children)	Rs.300 p.m
Hostel exp. Allowance (per child, for 3 children) (Actual exp.Rs.2,500 p.m per child)	
Transport allowance (exp. Rs.15,000p.m)	Rs.19,000 p.m
Conveyance allowance (50% personal)	Rs.1,000 p.m
Dog allowance	Rs.1,000 p.m

- 14 Compute annual rental value in the following case:

Municipal rental value Rs. 48,000 p.a.

Actual rent received Rs.50,000 p.a.

Lift & pump maintenance charges born by owner Rs. 6,000 p.a.

Salary of common gardener and watchman paid by tenants to the owner is Rs.500 p.m and actual expenses incurred by the owner during the year are Rs.4,200

- 15 What are the professional receipts and professional expenses?