

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION DECEMBER 2023
(Third Semester)

Branch – COMMERCE (COST AND MANAGEMENT ACCOUNTING)

DIRECT TAXATION – I / DIRECT TAX - I

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(5 x 1 = 5)

1. A Person who satisfies any one of the basic condition, will be
(i) Resident (ii) Ordinary Resident
(iii) Not-Ordinary Resident (iv) Non-Resident
2. Mention the percentage of employer's contribution towards RPF in salary.
(i) 12% (ii) 9.5%
(iii) 8% (iv) 10%
3. Identify the Capital expenditure on family planning amount is allowed upto _____ on pension.
(i) 1/3rd (ii) 1/10th
(iii) 1/5th (iv) Fully allowed
4. Who is eligible to avail deduction u/s 54?
(i) Individuals only (ii) HUF
(iii) Firm (iv) Individuals and HUF
5. Maximum amount of which can be claimed u/s 80C -----.
(i) 1,00,000 (ii) 2,00,000
(iii) 1,50,000 (iv) 2,50,000

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 3 = 15)

6. a). Mr. Arun left India for the first time on 15th December 2022 and returned back to India on 2nd February 2023. Calculate his residential status for the Assessment Year 2023-24.
OR
b). Following are the incomes of Mr. Kumar for the previous year. Prepare his taxable income statement on the assumption that he is (i) Ordinary Resident (ii) Not ordinary Resident and (iii) Non-resident.
(i) Profits from business carried from Hyderabad Rs. 50,000.
(ii) Income accrued in India but received in Hongkong Rs. 75,000.
(iii) Past untaxed incomes brought to India during the previous year Rs.42,000.
(iv) Income from house property situated in Srilanka Rs. 48,000.
(v) Income from agriculture in USA Rs. 1,00,000.
7. a). Mr. Ragul retired on 31.1.2022 and his pension was fixed as Rs. 4,800 p.m. He gets 50% of his pension as commuted by which he received Rs. 2,00,000 as a lump sum from his company. Bring out the taxable amount of his commuted pension if he gets gratuity.
OR
b). Calculate the NAV from the following information:
Fair Rental Value Rs. 3,50,000
Municipal Rental Value Rs. 4,00,000
Standard Rent Rs. 3,80,000
Actual Rent received Rs. 40,000 p.m.
Municipal tax paid 10 % of MRV.

Cont...

8. a). Net profit after charging the following expenses Rs. 1,55,000. Calculate the taxable income from business

Provision for bad debts Rs. 25,000
 Provision for exercise duty Rs. 16,000
 Commission to procure business order Rs. 15,000
 Donation Rs. 12,000
 Interest on late payment of sales tax Rs. 6,000

OR

- b). Ascertain whether the following expenses are allowed while calculating income from business:

(i) Payment of excise duty.
 (ii) Expenses incurred to oppose nationalization
 (iii) Wealth tax paid during the previous year
 (iv) Expenses incurred on inaugural ceremony

9. a). Classify various assets which are not included in capital assets.

OR

- b). Mr. Jayaprakash received the following incomes during the P.Y 2022-23. Prepare the taxable income statement from other sources.

(i) Amount received from lottery Rs. 21,000
 (ii) Winnings from lottery Rs. 50,000
 (iii) Winnings from horse race Rs. 10,500
 (iv) Amount received from cross word puzzle Rs. 7,000
 (v) Amount received from horse race Rs. 28,000

10. a). From the following particulars, Calculate the qualifying amount under section 80C for the previous year 2022-23.

(i) Contribution to RPF Rs. 15,000
 (ii) Contribution to URPF Rs. 9,000
 (iii) Contribution towards NSC-VIII issue Rs. 8,500
 (iv) Insurance premium on spouse life (sum assured Rs. 50,000) Rs. 7,500
 (v) LIC premium paid on life of his brother-in-law Rs. 3,500

OR

- b). Write a note on Tax Deducted at Source. Analyze the rule followed in Tax Deducted Source.

SECTION -C (30 Marks)

Answer ANY THREE questions

ALL questions carry EQUAL Marks

(3 x 10 = 30)

11. Identify any 10 exempted incomes u/s 10 of the income tax.

12. Mr. Madhan, a software Engineer in Tech Mahindra Ltd. Has furnishes the following Information:

(i) Basic salary Rs. 40,000 p.m.
 (ii) D.A Rs. 6,000 p.m.
 (iii) Marriage gift Rs. 35,000
 (iv) Medical allowance paid by company Rs. 25,000
 (v) LIC premium paid by company Rs. 6,000 p.a.
 (vi) Cost of the Laptop provided by the company Rs. 45,000
 (vii) Employers' and his contribution to RPF 14% of salary and interest credited @ 13% amounted to Rs. 3,250.

Determine his salary income for the Assessment year 2023-24.

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13. From the following P & L account of Aravind, calculate his taxable income from business for the P.Y 2022-23.

Particulars	Rs.	Particulars	Rs.
To Salary	48,000	By Gross profit	75,000
To Donation	6,000	By Income from HP	15,000
To Electricity	5,000	By Dividend from investment	5,000
To Provision for bad debts	3,000		
To Net profit	33,000		
	95,000		95,000

14. Calculate capital gain from the following particulars given by Mr. Elangovan for the previous year, If CII for 2022-23: 33, 2010-11 : 167, 2001-02 : 100.
- Cost of residential house Rs. 3,40,000
 FMV as on 1.4.2001 Rs. 5,40,000
 Date of purchase 1.10.1999
 Date of sale 1.10.2022
 Sale value Rs. 32,00,000
 Cost of improvement Rs. 95,000
 Date of improvement 1.10.2010
 Stamp duty and legal charges Rs. 55,000
 Purchase of residential house on 1.1.2023 Rs. 8,00,000
15. Discuss the powers of CBDT.

Z-Z-Z

END