



# Avinashilingam Institute for Home Science and Higher Education for Women

Deemed to be University Estd. u/s 3 of UGC Act 1956, Category 'A' by MHRD (now MoE)

Re-accredited with an 'A++' Grade by NAAC CGPA 3.65/4, Category I by UGC

Coimbatore - 641 043, Tamil Nadu, India

**Continuous Internal Assessment I – August 2025**

**Semester – V**

**Class : III UG**

**Major :B.Com(CA)**

**Time : 2 hrs**

**Max. Marks : 60**

**23BCCC10- Direct tax law and practice**

## Course Outcomes:

**CO1:** Comprehend the concepts of taxation . including assessment year, previous year . assess personal income , total income, agriculture income and determine the residential status of persons

**CO2:** calculate income under the heads of salary , applying charging provisions , allowances, exemptions and deductions.

**CO3:** compute income under house property and profit and gains of business or provisions

**CO4:** Apply the clubbing provisions and provisions relating to set-off and carry forward of losses to determine the cross total income.

**CO5:** comprehend the provisions relating to filling the return of income and calculate the tax liability of individual as well as determine the total income of an individual

## Part – A

**Answer the following questions**

**6 X 1=6**

1. Income from rent of agriculture land is CO1K2  
a. Agriculture income b. House property income c. Business income d. Casual income
2. Representative assessee can also be called CO1 K2  
a. Ordinary assessee b. Deemed Assessee c. Assessee in default d. Foreign Assessee
3. Dearness allowance is taxable in the case of . CO2K1  
a. Fully exempted b. Exempted up to Rs 15,000 c. Fully taxable d. Exempted up to Rs 25,000
4. For Gratuity under payment of Gratuity Act- CO2 K3  
a. Salary = Basic pay b. Salary = Basic + Allowances  
c. Salary – Basic + Allowances + Bonus d. Salary = Basic + Full DA
5. Interest on employees own contribution towards URPF will be taxable under CO2 K1  
a. Income from salary b. Income from house property  
c. city compensatory allowance d. foreign allowance
6. Standard deduction of the net value is allowed as deduction u/s 24 CO3 K2  
a. 30 % b. 25% c. 40% d. 50 %

## Part -B

**3 x 6 = 18**

**Answer all the following**

**Answer should not exceed 400 words or Two pages**

- 7.(a) Explain the Features income tax of tax in India CO1k1  
**(OR)**
- 7.(b) Mr Sai a senior engineer goes to London on a job approved by central government , for a period of three years on 15 th September 2024. He has never been out of India before determine his residential Status of previous year 2024-2025 CO1K3
- 8(a) Mr. Ram Receives Rs 4,25,000 p.a as net salary . Employer had deducted Rs 4000 p.m . as employers contribution to R.P.F. Rs 5,000 p.a as tax deducted at source and Rs.2,000 p.a as professional tax. During the year employer had deducted rs 2.500 p.m towards the recovery of house building advance taken by Mr ram. Calculate gross salary.  
**(OR)**
- 8.(b) Explain in detail about various allowances in the head of salary. CO2 K2
- 9.(a) Define house property income . Explain the exempted income from house property CO3 K2  
**(OR)**
- 9.(b) Calculate the ARV from the particulars given below: CO3 K2  
Actual Rent Rs. 7,000 p.m MRV Rs.60,000 p.a  
FRV Rs. 66,000 p.m Standard Rent Rs. 69,000 p.a  
During the previous year 2023 – 2024 assessee could not realize rent for two months.

**Part -C**

**3 x 12 = 36**

**Answer all the following**

**Answer should not exceed 800 words or four pages**

10. (a) Sri ram foreign national, furnishes the following particulars of his income relevant to the Previous year 2024- 2025: CO1K1

- \*Income from property in dubai received there Rs. 1, 20, 000.
- \* Income from business in Kolkata managed from England Rs. 2,40,000
- \* Profit on sales of machinery in California (One-half received in mumbai) Rs. 90,000
- \* Dividend (Gross) received in Thailand from a company registered in India but mainly operating in Thailand Rs. 15,000
- \* Income from a house property in Dhaka deposited by the tenant theren a foreign branch of SBI Rs. 36,000
- \* Gift in foreign currency Rs. 3,50,000 from a relative (One-Half received in India and the balance used in New York)
- \* Income from agriculture in Burma Rs. 45,000 received there. 1/3<sup>rd</sup> used. While visiting there and 2/3<sup>rd</sup> remitted later to Kolkata.
- \* Income from profession (as a management consultant) in Philippines received there. The profession set up in India Rs. 2,20,000

Compute his total Income, if Sri ram is:

- (a) A Resident
- (b) Not Ordinary Resident
- (c) Non – Resident

**(OR)**

10(b) Ascertain the residencical status of the assessee in the for the assesment year 2025-2026 CO1K1

- 1 .Madan is an citizen of india , he left for dubai on 18 th april 2024 and could not return to india till the end of the fnancial year 2024-2025.
2. Ram left U.S.A on 10 th march 2022 after having lived in india for 20 years . he eturn to india on 10 th september 2024.
3. Raj is citizen of india . he left on 15 th may , 2024 for london for higher education . he came back to india on 25 may 2024. He maintained a dwelling place in india during his absence .

11.(a) Mr ganesh is employed at hyderabad at a basic salary of Rs 25,000 p.m and he is also getting following allowances. CO2K3

- |  |           |
|--|-----------|
| 1. Dearness allowance  | 2,000 p.m |
| 2. Lunch allowance   | 1,000 p.m |
| 3. Servant allowance (he is paying rs 1,200 p.m to a servant ) | 1,000 p.m |
| 4. Transport allowance   | 2,000 p.m |
| 5. Education allowance @200 p.m per child for three children   |           |
| 6. Hostel allowance to one child                               | 500 p.m   |
| 7. Conveyance allowance ( he is not spent anything )           | 800 p.m   |
| 8. Over time allowance   | 2,000 p,m |
| 9. Officiating allowance                                       | 2,000 p.m |
| 10. Cash allowance   | 1,200 p.m |
| 11. Entertainment allowance                                    | 2,000 p.m |
| 12. Medical allownce   | 800 p.m   |
| 13. City compensaory allowance                                 | 600 p.m   |
| 14. House rent allownce  | 5,000 p.m |

He is having a family house at the place of his posting but he is living in a rented house and is paying a rent of Rs 7,000 p.m find out his cross salary .

- (a) If he opts to be taxed under old slab rate:
- (b) If he opted to be taxed u/s 115BAC or does not opt any options

**(OR)**

11.(b) Mr.Varun is a soft ware engineer at chennai. He furnish the following particulars compute his taxable salary CO2 K1

1. Salary 40,000 p.m
2. DA (50% entered in service benefit) 20,000 p.m
1. City compensary allowance 2,000 p.m
2. Bonus 40,000 p.a
3. HRA (actual rent paid is 8,000) 6,000 p.m
4. He is provided with a laptop costing 40,000
6. Marriage Gift given to varun 30,000
5. Medical allowance 1,500 p.m
6. Medical expenses paid by the company 8,000
7. The company is paying insurance premium of 15,000 p.a on varun life,
8. Lunch allowance rs 150 per day for 300 days during the previous year .
9. He contributes 18% of his salary to a recognised provident fund. The employer also contributed same .

12. (a) Mr. Satish owns the house properties about which the detailed information is given below: CO3: K3

Particulars	Unit – I Rs.	Unit – II Rs.
Annual MRV	24,000	38,000
Annual FRV	22,000	34,000
Annual Standard /rent	20,000	40,000
Annual Rent	30,000	36,000
Interest on loan taken for construction of House	28,000 p.a	22,000 p.a
Vacancy period	2 months	3 months
Municipal Taxes	10% of MRV	2,400

Additional Information:

- (a) Loan was taken for construction of house – I by mortgaging the house no. 11
- (b) Assesses receives salary of Rs.12,000 p.m
- (c) Both the units are let out

Calculate his Gross Total Income for the year ending 31.03.2021

(OR)

12(b) What deductions are allowed from the annual value in computing taxable income from house property? CO3K2