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(FOR THE CANDIDATES ADMITTED

SUBJECT CODE

21UEC515

DURING THE ACADEMIC YEAR 2021–2024 ONLY)

REG.NO

N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI

END-OF-SEMESTER EXAMINATIONS : NOVEMBER – 2023

B.Com. - E-COMMERCE

MAXIMUM MARKS: 70

SEMESTER : V

TIME : 3 HOURS

PART – III

INCOME TAX LAW AND PRACTICE

SECTION – A

(10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS.

MULTIPLE CHOICE QUESTIONS.

(K1)

1. Income Act was passed in the Year _____
a) 1961 b) 1960 c) 1956 d) 1991
2. The entertainment allowance is applicable to _____
a) Private sector Employees b) Government Employees
c) Public Sector Employees d) Private and Public Sector Employees
3. A standard deduction of ----- of the net annual value is allowed as deduction u/s 24.
a) 25% b) 40% c) 30% d) 50%
4. The capital gain arises on transfer of right shares ---
a) Will be long term capital gain c) May be short term or long term capital gain
b) Will be short term capital Assets d) Will be short term capital gain
5. Loss incurred from activity of owning and maintaining race horses can be carried forward for a period of
a) Four years b) Eight years c) Six years d) Two years

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES

(K2)

6. Construct the term Resident.
7. Indicate the meaning of Pension.
8. Define Profession.
9. Explain any four Casual Incomes.
10. Explain deduction u/s 80DD.

(CONTD 2)

ETHICAL PAPER

SECTION – B (5 X 4 = 20 MARKS)

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

11. a) Write a short note on: (i) Assessment Year (ii) Previous Year

(OR)

- b) Ms. Rachel, a foreign citizen (not being a person of Indian origin) came to India for the first time in the last 20 years on 01.05.2022. On 10.11.2022 she left India for Japan on a business trip. She came back on 02.02.23. Determine her residential status for the P.Y. 2022-23.

12. a) Ms. Sharmila resides in Chennai, gets Rs.3,00,000 p.a. basic salary, D.A (enter into service benefits) Rs.40,000 and 2% commission on turnover achieved by her. Turnover achieved by her during the previous year is Rs.3,00,000. She receives Rs.60,000 as HRA though she pays a rent of Rs.80,000 p.a. Determine the taxable and exempted portions of HRA.

(OR)

- b) After 33 years and 9 months in a factory. Ms.Malar who is covered under the payment of Gratuity Act retires from service on 30th September 2022. The employer pays her a gratuity of Rs.3,30,000. Her monthly basic salary at the time of retirement was Rs.14,400 D.A Rs.1,200 and House rent allowance Rs.2,500. You are required to determine the amount of exempted and taxable gratuity.

13. a) From the following particulars, Compute the GAV.

	Rs.
Municipal value	36,000
Fair Rental Value	33,000
Standard Rent	30,000
Annual Rental Value	42,000
Loss due to Vacancy	2 Months

(OR)

- b) From the following P&L A/c of Mr.Mani, Calculate his taxable Income from Business for the P.Y.2022-2023.

(CONTD 3)

Particulars	Amount Rs.	Particulars	Amount Rs.
To Salary to Staff	48,000	By Gross Profit	75,000
To Donation	6,000	By Income from HP	15,000
To Electricity	5,000	By Dividend from	5,000
To Provision for bad debt	3,000	Investment	
To Net Profit	33,000		
	95,000		95,000

14. a) Ms. Dhamini sold gold for Rs.10,00,000 on May 20, 2022, which she acquired 16.04.2000 at the cost of Rs.1,70,000. The fair market value of gold on 1.4.2001 was Rs.2,50,000. She invested Rs.5,00,000 in buying another residential house on 15.06.21. Ascertain the capital gain chargeable during the P.Y 2022-23. [C.I.I 2001-02 100, 2022-23: 331]

(OR)

- b) Ms. Kamala received the following income during the P.Y 2022-23. Compute her taxable income from other sources.

	Rs.
Directors sitting fees	7,500
Rent from sub letting a house	15,000
Rent payable to the house owner for the sub let house	5,000
Income from examinership	6,000
Ground rent	4,000

15. a) Ms. Subathra has submitted the following information. Compute her gross total income for the previous year 2022-23.

	Rs.
Profit from iron business	15,000
Loss from stationery business	9,000
Loss from speculative business	13,000
Profit from speculative business	4,200

(CONTD ... 4)

(OR)

- b) Analyse e-filing and its Merits.

SECTION - C

(4 X 10 = 40 MARKS)

ANSWER ANY FOUR OUT OF SIX QUESTIONS

(16th QUESTION IS COMPULSORY AND ANSWER ANY THREE QUESTIONS

(FROM Qn. No : 17 to 21)

(K4 (Or) K5)

16. From the following particulars of Mr.Hari. Calculate total income if he is OR, NOR and NR.
- ❖ Profit from a business in Delhi, but received in Singapore Rs.40,000
 - ❖ Income from agriculture in Tamil Nadu, received in Delhi Rs.25,000
 - ❖ Profit on sale plant at Sri Lanka (one third is received in India) Rs.30,000
 - ❖ Profit on sale of plant at Bombay (one half is received in Singapore) Rs.40,000
 - ❖ Income from agriculture in Sri Lanka, remitted to India Rs.20,000
 - ❖ Income from business in Singapore business being controlled from Chennai (Rs.20,000 received in India) Rs.70,000
 - ❖ Interest on loan to Menon, a non-resident on the loan provided to him for a business in India Rs.50,000
17. Explain any ten exemptions available u/s 10.
18. Ms. Silviya is a manager in a private Ltd. at Chennai. She furnished the following particulars for the P.Y 2022-23. Compute her taxable salary.

	Rs.
i. Basic Salary	18,000 p.m.
ii. D.A. (50% forms part of salary)	6,000 p.m.
iii. C.C.A.	1,000 p.m.
iv. Medical allowance	4,000 p.m.
V. House rent allowance (actual rent is Rs.5,000 p.m.)	2,000 p.m.
vi. E.A	2,000 p.m.
vii. She is provided with a small car for both official and personal use. Expenses including driver salary are met by the employer.	
viii. She contributes 15% of her salary towards RPF. Her employer also contributes an equivalent amount.	
ix. Interest on RPF credited @ 14% Rs.4,900	
X. Professional tax paid by Ms. Silviya is Rs.1,500	

(CONTD 5)

19. Ms. Ramya is a Chartered Accountant in Mysore. She has submitted the following income and expenditure account for the year that ended on 31.03.2023. Compute her income from profession.

Expenditure	Amount Rs.	Income	Amount Rs.
To Salary to staff	60,000	By Consultancy service	75,000
To Institute fees	12,000	By Audit fees	2,20,000
To Subscription of journals	8,000	By Accountancy work	55,000
To Car expenses	15,000	By Dividend	30,000
To Household expenses	22,000		
To Stipend given to trainees	10,000		
To Donations	5,000		
To Office rent	22,000		
To Surplus	2,26,000		
	3,80,000		3,80,000

Additional information:

- (i) 40% of car expense is in connection with personal use.
(ii) Rs.2,000 of office rent paid was not recorded.
(iii) Depreciation of car during the year is Rs.5,000.
20. Ms.Deepika furnished the following particulars regarding her transactions during the P.Y. 2022-23.

	Agricultural Land	Gold	Commercial Building
Sale price	5,00,000	5,00,000	10,00,000
Cost of acquisition	2,00,000	2,00,000	5,00,000
Year of Acquisition	2009-10	2017-18	2016-17
C.I.I	148	272	264

She made investment in a residential house for Rs.16,00,000 on 10.09.2022. Compute her taxable capital gain. CII for 2022-23 is 331.

(CONTD ... 6)

21. Ahamed Brothers of Trichy submit the following particulars. Compute their gross total income for the previous year 2022-23.

	Rs.
Loss from business before depreciation	15,000
Depreciation allowable	4,000
Income from house property (computed)	15,000
Interest on securities	60,000
Income from other sources	30,000
Brought forward business losses from 2021-22	25,000
Unabsorbed depreciation from 2021-22	50,000
Brought forward loss of house property from 2021-22	7,000
