(FOR THE CANDIDATES ADMITTED DURING THE ACADEMIC YEAR 2024-2025 ONLY)

SUBJECT CODE 24PCO312

REG.NO. :

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

END-OF-SEMESTER EXAMINATIONS : NOVEMBER – 2025

M.COM | **MAXIMUM MARKS: 75**

SEMESTER : III | **TIME : 3 HOURS**

TAXATION

SECTION – A (10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS. (K1)

1. The maximum limit for deduction under Section 80C is ________________
   a) ₹1,00,000 b) ₹1,50,000 c) ₹2,00,000 d) ₹2,50,000
2. Advance tax is payable by an individual if the tax liability exceeds______________
   a) ₹2,000 b) ₹5,000 c) ₹15,000 d) ₹10,000
3. Transfer pricing is applicable to ______________
   a) International transactions b) Export transactions
   c) Local Sales d) None of these
4. Input Tax Credit is available under which of the following taxes?
   a) Income Tax b) GST c) Service Tax d) Customs Duty
5. Customs duty is levied under ___________________
   a) Finance Act b) Income Tax Act c) GST Act d) Customs Act, 1962

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

6. State the meaning of faceless jurisdiction authorities under the Income Tax Act?
7. Define Tax Evasion.
8. Expand DTAA and its main significance
9. Show any two differences between IGST and CGST.
10. What do you understand by the term Transaction Value under Customs Act?

SECTION – B (5 X 5 = 25 MARKS)

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

11. a) Apply your understanding of the Income Tax Act to explain the different classes of Income Tax Authorities and how their powers are exercised in real-world tax administration.

(OR)

b) Mr. Suresh, a resident Indian, sold gold for Rs. 30,00,000 on May 20, 2024, which he acquired on April 16, 1977 at a cost of Rs. 1,70,000. The Fair market value of gold on April 1, 2002 was Rs. 1,50,000. He has invested Rs. 4,00,000 in buying a residential house on June 15, 2025. Ascertain the capital gains chargeable to tax during the Assessment year 2025- 2026.
Cll for 2001-02 is 100, for 2024-25 is 363.

12. a) Identify the statutory obligations for filing returns under the Income Tax Act.

(OR)

b) Illustrate how effective tax planning can be applied to improve business decisions, using a suitable example.

13. a) Construct the concept of transfer pricing in the context of a business scenario involving international transactions, and explain any two anti-avoidance measures.

(OR)

b) Determine the significance of the Equalization Levy under Income Tax Act 1961.

(CONTD …. 2)

ETHICAL PAPER

14. a) Develop and explain the procedure for registration under GST.

(OR)

b) Demonstrate how a business can claim Input Tax Credit. What conditions must be fulfilled to ensure the credit is allowed under GST?

15. a) Classify and briefly explain the different types of customs duties under the Customs Act.

(OR)

b) Calculate assessable value and customs duty for goods imported with the following details:
FOB: ₹2,00,000; Freight: ₹20,000; Insurance: ₹5,000; BCD: 10%; IGST: 18%.

SECTION – C (5 X 8 = 40 MARKS)

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

(K4 (Or) K5)

16. a) From the particulars furnished by Suman for the previous year ending March 31, 2025. Compute the taxable income from house property for the assessment year 2025-26.

He owns a house property at a metro city. Its Fair rental value per annum is Rs. 27,000 and Municipal value Rs. 24,000. The house was let out from April 1, 2024 to August 31, 2024 @ Rs. 2,100 per month. From September 1, 2024, Suman occupied the house for his residence.

Expenditure incurred and paid on the property:

(a) Municipal tax Rs. 4,000 (b) Fire insurance Rs. 2,500

(c) Land revenue Rs. 4,600 and (d) Repair Rs. 1,000.

Interest paid on borrowings for construction:

(a) for the year Rs. 21,600

(b) Proportionate preconstruction interest Rs. 12,960.

(OR)

b) Compute the Income from other Sources of Miss. Anu from the following details furnished:

1. She holds Rs.50,000, @ 10% tax free government securities
2. She received Rs.10,000, interest on Tamilnadu State Government Securities.
3. She holds Rs.1,00,000. 10% Tax free debentures of P & R Co., Ltd. (Listed)
4. Rs.12,000, interest was received by her on Tax free securities of a Ltd., Company.
5. Rs.60,000, 15% debentures are held by her in a Ltd Co.
6. Rs.8,000, interest was received by her on Securities of a Paper Mill Company (Listed)

17. a) Evaluate the different types of returns under the Income Tax Act

(OR)

b) Distinguish between the Tax Avoidance and Tax Evasion

18. a) Prioritize on the taxation of Non-Residents and the concept of DTAA.

(OR)

b) Analyze the concept of Transfer Pricing and explain how Arm's Length Price is determined.

19. a) Assess briefly the various types of assessment under GST.

(OR)

b) Classify in detail the process of filing GST returns and various penalties under the GST Act.

20. a) Recommend the process of valuation and computation of customs duty with an illustration

(OR)

b) Defend in detail the constitutional and legal framework for levy of customs duty in India.