

Roll.No.

24UPACT3010

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)
Chromepet, Chennai - 600 044.

B.Com. PA - END SEMESTER EXAMINATIONS - NOVEMBER 2025
SEMESTER - III

24UPACT3010 - Direct Taxation

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

Answer any **TWENTY** questions (20 × 2 = 40 Marks)

- Income tax in India is levied on the basis of:
 - Residential status
 - Citizenship
 - Nationality
 - Place of birth
- Agricultural income refers to income derived from:
 - Urban land
 - Agricultural land in India
 - Any land outside India
 - Industrial land
- Advance tax is payable by every assessee whose tax liability for the year is:
 - ₹5,000 or more
 - ₹7,500 or more
 - ₹10,000 or more
 - ₹15,000 or more
- Under the new tax regime (Section 115BAC, applicable from AY 2024–25), the basic exemption limit is:
 - ₹2,50,000
 - ₹3,00,000
 - ₹5,00,000
 - ₹7,00,000
- Loss from house property can be set off against:
 - Only salary income
 - Only capital gains
 - Income under any other head up to ₹2,00,000
 - Business income only
- Partial integration of agricultural income applies when:
 - Agricultural income exceeds ₹5,000 and non-agricultural income exceeds the basic exemption limit
 - Only agricultural income exceeds ₹2,50,000
 - Only non-agricultural income is taxable
 - Agricultural income is less than ₹5,000
- Due date for first installment of advance tax for non-corporate assessee is:
 - 15th June
 - 15th September
 - 15th December
 - 15th March

Contd...

8. Under the new regime, rebate under Section 87A is available up to income of:
- A) ₹5,00,000
 - B) ₹6,00,000
 - C) ₹7,00,000
 - D) ₹7,50,000
9. Which of the following is not included in the definition of 'person' under Income Tax Act?
- A) Individual
 - B) Hindu Undivided Family (HUF)
 - C) Partnership Firm
 - D) Minor child
10. Long-term capital gains on listed equity shares are taxable at:
- A) 5%
 - B) 10%
 - C) 15%
 - D) 20%
11. Tax Deduction at Source (TDS) means:
- A) Tax collected after payment
 - B) Tax deducted at the time of payment
 - C) Tax collected annually
 - D) Tax paid voluntarily
12. The income tax rates for individuals under the new regime are structured in:
- A) 3 slabs
 - B) 4 slabs
 - C) 5 slabs
 - D) 6 slabs
13. Income tax is charged under which section of the Income Tax Act, 1961?
- A) Section 2
 - B) Section 4
 - C) Section 5
 - D) Section 10
14. Percentage of agricultural income in tea business (as per rule):
- A) 40%
 - B) 60%
 - C) 70%
 - D) 100%
15. TAN stands for:
- A) Tax Account Name
 - B) Tax Assessment Number
 - C) Tax Deduction and Collection Account Number
 - D) Tax Authorization Number
16. Which of the following deductions is allowed under both regimes?
- A) 80C (LIC, PPF, etc.)
 - B) 80D (Health Insurance)
 - C) Employer's contribution to NPS under Section 80CCD(2)
 - D) HRA exemption

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17. Under which head is income from sub-letting of property taxable?
A) Salary
B) House Property
C) Other Sources
D) Business or Profession
18. Which of the following is not agricultural income?
A) Rent from agricultural land
B) Sale of seeds grown on agricultural land
C) Dividend from agricultural company
D) Income from farm house used for agricultural purposes
19. If the deductor fails to deduct TDS, he is liable to pay:
A) Interest only
B) Penalty only
C) Both interest and penalty
D) No consequence
20. The main objective of offering an alternative tax regime is to:
A) Increase tax rates
B) Reduce tax collection
C) Simplify tax compliance and provide choice to taxpayers
D) Eliminate filing of returns
21. The scope of total income depends on:
A) Type of income
B) Residential status of the assessee
C) Age of the assessee
D) Place of earning
22. Capital gain arises when there is _____
A) Sales of trade in trade
B) Sales of fixed assets
C) Sales of goods
D) Sales of services
23. Interest on bank deposits is taxable under
A) Capital gains
B) House property
C) Salary
D) Other sources
24. Agricultural income earned in India is _____
A) fully taxable
B) exempt from tax
C) taxable under other sources
D) partly exempt
25. Who is an 'assessee'?
A) A person who pays tax
B) A person liable to pay or assessed to tax under the Act
C) A person filing return of income
D) A salaried employee only

Section C

Answer any **FOUR** questions (4 × 5 = 20 Marks)

26. Following are the incomes of Arulanandam for the previous year 2024-25.

Particulars	Amount (Rs)
Profit from the business in Chennai	20,000
Income accrued in India but received in Singapore	4,000
Profit from business in USA but received in India	5,000
Income from house property in Trichy received in Kolkatta	4,000
Profit from business abroad, controlled from India	15,000
Income from house property in Srilanka and deposited there	2,000
Past untaxed income brought into India	12,000

Compute the total income of Arulanadam for the A.Y 2025-26 if he is,
a) Resident b) Not Ordinarily Resident and c) Non-Resident

27. From the following Receipts and payment account of Dr.Sundar, Compute his professional income for the P.Y 2024-25.

Receipts and Payments Account of Dr.Sundar for the year 2024-25

Particulars	Amount (₹)	Payments	Amount (₹)
To Balance b/d	1,50,000	By Establishment expenses	30,000
To Consultation fees	24,00,000	By Rent of clinic	1,20,000
To Visiting fees	3,60,000	By Staff Salary	4,80,000
To Sale of medicine	11,40,000	By Electricity	60,000
To Gift from Patients	50,000	By Investment in residential property	32,90,000
To Gift from relatives	60,000	By Books	10,000
To Dividend on shares	5,000	By Balance c/d	1,75,000
	41,65,000		41,65,000

28. Describe any 10 Exempted incomes available under section 10.

29. Differentiate Tax deduction at source and tax collection at source.

30. Mr. Rafeek (52 years) has furnished the following details regarding his income during the previous year 2024-2025. Ascertain his tax liability under alternative tax regime.

	Rs.
Income from business	15,00,000
Income from SB account	35,000
Contribution to PPF	1,50,000
Donation to Prime Ministers' relief fund	50,000

31. Illustrate agricultural income.
