D5BBH2302 (PAGES: 3) **Reg. No.....**

Name: .....

FIFTH SEMESTER UG DEGREE EXAMINATION, NOVEMBER 2025

(Regular/Improvement/Supplementary)

BBA HONOURS

GBAH5E01T: DIRECT TAXES

Time: 3 Hours **Maximum Marks: 80**

Part A: Answer *all* the questions. Each question carries *one* mark.

Choose the correct answer.

1. Income tax is _____.

   A) Direct tax. B) Indirect tax. C) Business tax. D) None of these.

2. What is self-assessment in income tax?

   A) Assessment by the tax officer. B) Assessment by the taxpayer themselves.

   C) Assessment by a third-party auditor. D) Assessment by a court of law.

3. Out of the following, which expenses is not an admissible expense?

   A) Bad debts B) GST C) Income tax D) Excise duty

4. For capital gain being a long term capital gain, an assesse should retain the asset for a period of _____.

   A) 24 months B) 36 months C) More than 36 months D) 12 months

5. What is the primary purpose of computing total income?

   A) To determine tax liability. B) To calculate deductions.

   C) To claim exemptions. D) To file returns.

Fill in the Blanks.

6. Rate of income tax is fixed under _____.
7. Sum of various heads of income is called _____.
8. Annual value of self-occupied house property is always _____.
9. The rate of depreciation on furniture is _____.
10. Gain arising on the transfer of long term capital asset is called _____.

(10 × 1 = 10 Marks)

(PTO)

Part B. Answer any *eight* questions. Each carries *two* marks.

11. List out capital assets.
12. What in casual income?
13. What are the methods of tax recovery available to income tax authorities?
14. What is annual value?
15. State the differences between municipal value and fair value of house property.
16. What is unabsorbed depreciation?
17. Differentiate between gross total income and total income.
18. Explain the deduction of preliminary expenses.
19. Define the term assessment year.
20. How is tax liability calculated for an individual taxpayer?

(8 × 2 = 16 Marks)

Part C. Answer any *six* questions. Each question carries *four* marks.

21. Explain different types of assessee.
22. From the following information compute the annual value of the house:

Municipal value	80,000
Fair rent	1,20,000
Standard rent	1,00,000

The house was self-occupied for four months and then let-out @ (a) ₹10,000 p.m. (b) ₹15,000 p.m. Municipal tax paid by the owner ₹10,000.

23. What deductions are allowed to a businessman in computing profits?
24. On 1.4.2023 Mr. Mehta had three machines as given below, for which the rate of depreciation of 15% is applicable.
    Machine I - ₹4,00,000, Machine II - ₹6,00,000, Machine III - ₹8,00,000. During July 2023 he purchased a new machine for ₹4,80,000. In June 2024 he sold the first two machines for ₹25,00,000 and purchased another machine for ₹3,80,000.
    Calculate depreciation for the financial year 2024-25.
25. Mr. X purchased a property in the financial year 2005-06 at 50 lakhs and sold the same on 1.7.2024 for 2 crores. Compute capital gain, if the selling commission was ₹6,00,000
    What will be the result, if the property sold was purchased in 2023-24?
    What will be the result, if the property was sold on 24-7-2024?
    Cost of Inflation Index for financial year 2024-25 - 363, 2005-06 - 117.
26. Briefly explain the exemptions available u/s 54 from capital gains.
27. What powers does the Commissioner of Income Tax (CIT) have under the Income Tax Act?

28. Explain the difference between LTCG and STCG.

(6 × 4 = 24 Marks)

Part D. Answer any *two* questions. Each carries *fifteen* marks.

29. Mr. Franc has the following incomes during the year 2024-25.

- Income from salary in India (computed) from a company in U.S.A. – ₹ 5,50,000
- Dividend from an Indian company received in England. - ₹1,00,000 (Entire amount received and spent in England.)
- Income from house property in India received in Pakistan (Computed.) - ₹ 20,000
- Dividend from a foreign company received in England and deposited in a bank there - ₹ 10,000.
- Income from business in Kolkata, managed from U.S.A – ₹ 1,20,000
- Income from business in U.S.A. (Controlled from Kanpur head office.) – ₹ 12,000
- Income earned in Australia and received there, but brought into India. – ₹ 25,000
- His uncle sent a bank draft from London as a gift on his marriage – ₹ 20,000

Compute the gross total income, if Mr. Franc is:

i) Resident and Ordinarily Resident.
ii) Resident but Not Ordinarily Resident.
iii) Non-resident.

30. Define allowance and explain types of allowances.

31. The following incomes were received by Mr.A during the F.Y 2024-25

i.	Director's fee	6,000
ii.	Income from agricultural land in Pakistan	40,000
iii.	Income from Post Office Saving Bank Account	1,500
iv.	Interest on Fixed Deposit in SBI	1,800
v.	Winning from lottery (Net)	35,000
vi.	Crossword puzzles	2,500
vii.	Royalty on Books (Expenses Rs. 4,000)	20,000

Compute his income from Other Sources.

(2 × 15 = 30 Marks)