



Name:

Enrolment

No:

**UPES**  
**End Semester Examination, December 2024**

**Course: Management of Direct Taxes**  
**Program: INT BBA-MBA**  
**Course Code: FINC8042**

**Semester: VII**  
**Time : 3 hrs.**  
**Max. Marks: 100**

**SECTION A**  
**10Qx2M=20Marks**

S. No.		Marks	CO
Q1	Under New Tax Regime Rebate U/s 87A is upto: a. Rs 10,500 b. Rs 25,000 c. Rs 45,000 d. Rs 12,000	2	CO1
Q2	Standard Deduction Allowed under Income From House Property a. 25% flat b. 40% upto Rs 50,000 c. 30% flat d. No Deduction	2	CO1
Q3	The Partnership Firm Net Income is taxed at: a. 25% b. Slab Rate c. 30% d. 10%	2	CO1
Q4	A person follows Calendar year for accounting purpose. For taxation, he has to follow a. Calendar year only – 1 Jan to 31 December b. FY only - 1 April to 31 March c. Any Calendar or FY as per his choice d. He will follow extended year from 1st January to next 31st March (a period of 15 months)	2	CO1
Q5	Maximum Deduction allowed under section 80C of the Income Tax Act, 1961 under the old tax regime is: a. Rs 1,00,000 p.a. b. Rs 1,50,000 p.a. c. Rs 3,00,000 p.a. for normal citizen and Rs 3,50,000 for senior citizens d. Rs 20,000 per month	2	CO1

Q6	Under the Head “Salaries”, Dearness Allowance is: a. Fully Taxable b. Fully Exempt c. Exempt upto Rs 300 per child per month upto 2 children d. Exempt upto Rs 400 per child per month upto 3 children	2	CO1
Q7.	In Case of Foreign Company, its Taxable Income is taxed at: a. 25% b. Nil Tax c. 30% d. 15%	2	CO1
Q8.	Which of the following is the optional tax regime a. Old Tax Regime b. New Tax Regime U/s 115BAC c. Both a & b d. No default regime	2	CO1
Q9.	An Individual is always Resident in India if: a. He resides Atleast 150 Days in India in Relevant Previous Year b. He resides Atleast 60 Days in India in Relevant Previous Year c. He resides Atleast 182 Days in India in Relevant Previous Year d. None of the Above	2	CO1
Q10.	The Gift/Voucher received by an employee from his employer is exempt upto: a. Rs 5,000 in a Financial Year b. Rs 10,000 in a Financial Year c. Rs 7,500 p.m. d. None of the Above	2	CO1
<b>SECTION B</b> <b>4Qx5M= 20 Marks</b>			
Q11	Explain the slab rate Of Individual under the Default new Tax Regime as per The Income Tax Act, 1961.	5	CO2
Q12	Mr. Rajiv Garg is an Indian Citizen who is residing in South Africa since 2001 along with his Siblings. He visits India for 30 days every year to meet his relatives and old friends. He came back to India on 1.4.2023 for permanent settlement. Under the provisions of The Income Tax Act, 1961, What will be his residential status for A.Y. 2025-26?	5	CO2

Q13	<p>Zuhu Emporium Limited is an Indian Company incorporated on 05<sup>th</sup> April 2020 with Turnover as follows:  Rs 15 crores in PY 20-21,  Rs 18 crores in PY 21-22,  Rs 33 crores in PY 22-23,  Rs 37 crores in PY 23-24, and  Rs 65 crores in PY 24-25.</p> <p>Its Taxable Income for the Financial Year 24-25 comes out to Rs 10 lacs. What will be Income Tax Liability of the company For the AY 25-26 applying the relevant tax rate as per the Income Tax Act? Show Working Noes for explanation.</p>	5	CO2
Q14	<p>Mr. Krishna is an employee of M/s Preasy Rentals Pvt. Ltd. has the following receipts from his employer:</p> <ol style="list-style-type: none"> <li>(1) Basic pay Rs 45,000 p.m.</li> <li>(2) Dearness allowance (D.A.) Rs 7,000 p.m.</li> <li>(3) Commission Rs 32,000 p.a.</li> <li>(4) House rent allowance Rs 15,000 p.m.</li> <li>(5) Children Education Allowance Rs 11,000 p.m.</li> </ol> <p>Find out the amount of HRA exempt in the hands of Mr. Krishna under the old tax regime assuming that he paid a rent of Rs 16,000 p.m. for his accommodation at Dehradun.</p>	5	CO2
<b>SECTION-C</b> <b>3Qx10M=30 Marks</b>			
Q15	<p>Compute the eligible deduction under Chapter VI-A for the A.Y. 2025-26 of Ms. Garner, aged 43 years, who has a gross total income of Rs 14,00,000 for the A.Y. 2025-26 and has exercised the option of shifting out of the default tax regime provided under section 115BAC(1A). She provides the following information about her investments/payments during the P.Y. 2024-25:</p> <ol style="list-style-type: none"> <li>1. Life Insurance premium paid (Policy taken on 31-03 2012 and sum assured is Rs 4,70,000)</li> <li>2. Public Provident Fund contribution Rs 45,000</li> <li>3. Rs 1,50,000 Repayment of housing loan to UCO Bank, Delhi Rs 20,000</li> <li>4. Payment to L.I.C. Pension Fund Rs 1,45,000</li> <li>5. Medclaim Policy taken for self, wife and dependent children, premium paid by cheque Rs 35,000</li> <li>6. Medical Insurance premium paid by cheque for parents(Senior Citizen) Rs 65,000</li> </ol>	10	CO3

<p>Q16</p>	<p>Mr. Anand Bansal, employed as Sales Manager in RGM Pvt. Ltd., furnishes you the following information for the year ended 31.03.2025:</p> <ul style="list-style-type: none"> <li>(i) Basic salary upto Rs 60,000 p.m. Note - Salary is due and paid on the last day of every month.</li> <li>(ii) Dearness allowance @ 50% of basic salary</li> <li>(iii) Bonus of the year is equal to one month salary. Paid in September 2024 on basic salary plus dearness allowance applicable for that month.</li> <li>(iv) Contribution of employer to recognized provident fund account of the employee @15% of basic salary.</li> <li>(v) Professional tax paid Rs 4,500 of which Rs 2,000 was paid by the employer.</li> <li>(vi) Facility of laptop and computer was provided to Balaji for both official and personal use. Cost of laptop Rs 55,000 was acquired by the company on 01.12.2024.</li> <li>(vii) Motor car owned by the employer (cubic capacity of engine exceeds 1.60 litres) provided to the employee from 01.11.2024 meant for both official and personal use. Repair and running expenses of Rs 35,000 from 01.11.2024 to 31.03.2025, were fully met by the employer. The motor car was self-driven by the employee.</li> </ul> <p>Compute the salary income chargeable to tax in the hands of Mr. Anand for the A.Y. 2025-26 assuming he exercises the option of shifting out of the default tax regime provided under section 115BAC(1A).</p>	<p>10</p>	<p>CO3</p>
<p>Q17</p>	<p><b><u>Attempt Any 1 Part:</u></b></p> <p>Mrs. Nandini Thakur whose gross total income was Rs 6,750,000 for the financial year 2024-25, furnishes you the following information:</p> <ul style="list-style-type: none"> <li>(i) Repayment of loan taken from HDFC for acquisition of residential house (self-occupied) – Rs 45,000.</li> <li>(ii) Five year Post Office tax saver time deposit (Fixed Deposit) - Rs 18,000</li> <li>(iii) Donation to a recognized charitable trust Rs 34,000 which is eligible for deduction under section 80G at the applicable rate.</li> <li>(iv) Interest on loan taken for higher education of spouse paid during the year - Rs 45,000.</li> </ul> <p>Compute the total income of Mrs. Nandini Thakur for the A.Y. 2025-26 if he has exercised the option of shifting out of the default tax regime provided under section 115BAC(1A).</p> <p style="text-align: center;"><b>OR</b></p> <p>Specify with reason, whether the following acts can be considered as (i) Tax planning; or (iii) Tax evasion.</p> <ol style="list-style-type: none"> <li>1. Mr. P deposits Rs 1,00,000 in PPF account so as to reduce his total income from Rs 5,90,000 to Rs 4,90,000.</li> <li>2. SQL Ltd. maintains a register of tax deduction at source effected by it to enable timely compliance.</li> <li>3. An individual tax payer making tax saver deposit of Rs 1,00,000 in a nationalised bank.</li> <li>4. A company installed an air-conditioner costing Rs 75,000 at the residence of a</li> </ol>	<p>10</p>	<p>CO3</p>

	<p>director as per terms of his appointment but treats it as fitted in quality control section in the factory. This is with the objective to treat it as plant for the purpose of computing depreciation.</p> <p>5. A company remitted provident fund contribution of both its own contribution and employees' contribution on monthly basis before due date.</p>		
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**SECTION-D**  
**2Qx15M= 30**  
**Marks**  
**Attempt any 2**  
**questions**

Q18	<p>Mr. Dubey owns one residential house in Calcutta. The house is having two identical units. First unit of the house is self-occupied by Mr. X and another unit is rented for Rs 12,000 p.m. The rented unit was vacant for 2 months during the year. The particulars of the house for the previous year 2024-25 are as under:  Standard rent Rs 1,75,000 p.a.  Municipal valuation Rs 1,80,000 p.a.  Fair rent Rs 1,85,000 p.a.  Municipal tax (Paid by Mr. X) – 10% of Municipal valuation  Light and water charges – Rs 700 p.m.  Interest on borrowed capital Rs 2,500 p.m.  Insurance charges Rs 5,000 p.a.  Repairs Rs 13,500 p.a.</p> <p>Compute income from house property of Mr. Dubey for the A.Y. 2025-26 if he exercises the option of shifting out of the default tax regime provided under section 115BAC(1A).</p>	<b>15</b>	<b>CO4</b>
Q19	<p><b><u>Attempt any 1 Part:</u></b></p> <p>Examine the allowability of the following as per The Income Tax Act, 1961, if the assessee has exercised the option of shifting out of the default tax regime provided under section 115BAC(1A):</p> <p>(i) Mrs. Kukreja, a resident individual, has to pay to a hospital for treatment Rs 54,000 and spent nothing for life insurance or for maintenance of dependent disabled.</p> <p>(ii) Siddharth Ranjan, a resident Indian, has spent nothing for treatment in the previous year and deposited Rs 28,000 with LIC for maintenance of dependant disabled.</p> <p>(iii) Mr. Karthik Aggarwal, a resident individual, has incurred Rs 20,000 for treatment and Rs 40,000 was deposited with LIC for maintenance of dependant disabled.</p> <p style="text-align: center;"><b>OR</b></p> <p>Mrs. Saloni Khanna, a citizen of the U.S.A., is a resident and ordinarily resident in</p>	<b>15</b>	<b>CO4</b>

	<p>India during the financial year 2024-25. She owns a house property at Los Angeles, U.S.A., which is used as her residence. The annual value of the house is \$20,000. The value of one USD (\$) may be taken as Rs 75. She took ownership and possession of a flat in Chennai on 1.7.2024, which is used for self-occupation, while she is in India. The flat was used by her for 7 months only during the year ended 31.3.2025. The municipal valuation is Rs 3,84,000 p.a. and the fair rent is Rs 4,20,000 p.a. She paid the following to Corporation of Chennai: Property Tax Rs 21,600 Sewerage Tax Rs 1,800</p> <p>Compute the income chargeable from house property of Mrs. Saloni Khanna for the A.Y. 2025-26 if she has exercised the option of shifting out of the default tax regime provided under section 115BAC(1A). Would your answer change if she pays tax under the default tax regime under section 115BAC?</p>		
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