



**K. K. Wagh Institute of Engineering Education & Research, Nashik**  
(An Autonomous Institute From A.Y. 2022-23)

SUMMER-2024	
Exam Seat No.:	
Academic Year:2023-2024	Semester:III
Class: S.Y.	Program:MBA
Branch Code:M.B.A.	Pattern:2022
Name of Course:Direct Taxation	Course Code:MBA22 3 2 06
Max. Marks:60	Duration:2.30 Hrs.

**Instructions:** Candidates should read carefully the instructions printed on the Question Paper and on the cover page of the Answer Book, which is provided for their use.

1. This question paper contains 5 (five) page(s).
2. Answer to each new question is to be started on a new page.
3. Assume suitable data wherever required, but justify it.
4. Draw the neat labelled diagrams, wherever necessary.
5. The last columns indicates the Course Outcome and level of Blooms Taxonomy of the Question/sub-question.
6. Q. No. 1 and 2 compulsory, Attempt (a) or (b) and (c) or (d) from Q. No. 3,4,5

**Question No. 1 Attempt following Question**

- 1a) Define following as per Income Tax Act, 1961 (6) CO1
1. Previous Year
  2. Income
  3. Assessment Year

**Question No. 2 Attempt following Question**

- 2a) State and explain the deductions under section 24 of Income Tax Act, 1961, to be deducted from Net Annual Value of House Property irrespective of its type of occupancy. (6) CO1

**Question No. 3 Attempt following Question**

- 3a) The following is the profit & loss account of Mr. Arjun for the year ended on 31<sup>st</sup> March 2024. (8) CO3

Particulars	Dr. (Rs.)	Particulars	Cr. (Rs.)
To Salary	55,000	By Gross Profit	3,80,000
To Advertisement	3,000	By Dividend	25,000
To Office Exp.	5,000	By Gift from Father-in-Law	40,000
To Life Insurance	5,500	By Bank Interest	5,000

To Depreciation	18,000		
To Income Tax	7,500		
To Travelling Exps.	8,000		
To Interest on Bank Loan	12,000		
To RDD	4,500		
To Net Profit	3,31,500		
<b>Total</b>	<b>4,50,000</b>	<b>Total</b>	<b>4,50,000</b>

1. Salary includes Salary paid to domestic servant Rs.5000.
2. Depreciation as per Income Tax Act Rs.14000.
3. Bank loan is borrowed for Business purpose.

Calculate Income from Business and Income from Other Source.

**OR**

- 3b) The following is the profit & loss account of Mr. Krishna for the year ended on 31<sup>st</sup> March 2024. (8) CO3

To Salary	78,000	By Gross Profit	2,23,000
To Advertisement	8,000	By Dividend	8,400
To Office Exp	4,500	By Gift from Father	25,000
To Fire Insurance	3,500	By Bank Interest	11,400
To Depreciation	15,800		
To Donation	10,500		
To Bonus	12,800		
To Income Tax	8,600		
To GST	4,500		
To Interest on Capital	5,600		
To Provision for Bad Debts	3,500		
To Sundry Exp	12,500		
To Net Profit	1,00,000		

<b>Total</b>		<b>Total</b>	
	<b>2,67,800</b>		<b>2,67,800</b>

1. Advertisement includes Rs.550/- for expenses incurred for selling personal car
2. Depreciation as per Income Tax Act Rs.14000.

Calculate Income from Business and Income from Other Source.

- 3c) Explain the Chargeability U/s 28 under the head Income from PGBP. (8) CO2

**OR**

- 3d) Explain Fully Exempt Allowances and Fully Taxable Allowances under the head Income from Salary. (8) CO2

**Question No. 4 Attempt following Question**

- 4a) Mr. Nakul had purchased 150 shares of General Motors @Rs.550 on 10<sup>th</sup> December 2022, further she purchased 50 shares @Rs.600 on 2<sup>nd</sup> June 2023. On 15<sup>th</sup> December 2023, she sold all 200 shares @Rs.700/-. Calculate Capital gain for A.Y.2024-25. (8) CO2

**OR**

- 4b) Mr. Sahdeo, age 62, resident of India, provides following details of her income - (8) CO2

1. Family pension received Rs. 60,000/-
2. House rent received Rs. 1,20,000/- from a property let out on which Municipal tax paid Rs. 3,400/-
3. She sold gold for Rs. 6,40,000/- in August 2023, which was originally purchased in November 2013 for Rs. 2,20,000/-
4. She earned interest on bonds Rs. 96,000/-
5. Interest on Fixed Deposits with bank Rs. 1,20,000/-
6. Interest on Savings Deposits with bank Rs. 8,500/-
7. She had received Rs. 1,00,000/- from LIC as a compensation on death of her husband.

Assess her tax liability for the assessment year 2024-25 assuming she opts for new tax regime under section 115BAC

- 4c) Mr. Abhimanyu had purchased 400 shares of Advanced System @Rs.1,200 on 14<sup>th</sup> February 2023. On 1<sup>st</sup> August 2023, company declared bonus issue in the ratio 1:2 (1 bonus for every 2 shares held). On 15<sup>th</sup> December 2023, he sold all shares @Rs. 1,180/-. Calculate Capital gain and tax liability for A.Y.2024-25. (8) CO2

**OR**

- 4d) Mrs. Radha, age 40, resident of India, provides following details of his income - (8) CO2

1. Income from Salary- Gross Salary Rs.10,70,000/-, profession tax deducted from his salary Rs. 2,500/-
2. Bank Interest Rs. 8,500/-, out of which Rs. 5,500/- received on term deposits with bank and balance on Savings account.
3. She had received Rs. 52,000/- as a gift from his brother on the occasion of his birthday.
4. She contributed Rs. 21,600/- towards Provident Fund.
5. She had received Rs. 8,00,000/- as a professional fee for consultancy services provided, eligible for presumptive taxation under section 44ADA.
6. She paid Rs. 3,00,000/- towards housing loan, out of which Rs. 2,10,000/- paid towards interest. The said house property is self-occupied.
7. She had invested in mutual funds Rs. 48,000/- eligible for income tax benefits.

Assess his tax liability for the assessment year 2024-25 assuming he opts out from old tax regime.

**Question No. 5 Attempt following Question**

5a) Mrs. Vrushali age 60, resident of india, provides following details of his income - (8) CO2

1. Income from Salary- Gross Salary Rs.8,40,000/-, profession tax deducted from his salary Rs. 2,500/-
2. Bank Interest Rs. 4,500/-
3. She sold 100 equity shares (Listed) @1,100/- each on 1<sup>st</sup> December 2023, which was purchased on 10<sup>th</sup> March 2023@800/-each
4. She paid Rs. 1,08,000/- towards housing loan repayment and Rs.62,000/- towards housing loan interest
5. She paid Rs. 15,000/- towards Medi-claim insurance in Cash.
6. She paid Rs. 25,000/- towards Life Insurance in Cash.
7. She paid Rs. 35,000/- towards Tuition fees of her child.

Assess his tax liability for the assessment year 2024-25 assuming she opts out old tax regime.

**OR**

5b) Mr. Karna 25 year old, Provides following information for the F Y 2023-20124 – (8) CO2

1. Salary from HSBC Ltd Rs.5,70,000/-, profession tax deducted from his salary Rs. 2,500/-
2. Income from Business Rs.1,30,000/-
3. Interest on Fixed deposit Rs.12,000/- and Saving A/c Rs.12,500/-
4. Royalty Received from Mehta Publication for book writing Rs. 3,25,000/-

His Savings and Investments were as follows -

- Contribution to RPF Rs. 90,000/-
- Payment of LIC Premium Rs. 40,000/-
- Medical Insurance Premium on the health of dependent father aged 65 years Rs. 22,000/-
- Repayment of Interest on Higher Education Loan Rs. 65,000/-
- Repayment of Self-occupied housing loan (Interest Rs. 47,000) Rs. 67,000/-

Compute his Total Income and Tax Liability for the Assessment Year 2024-25.

5c) Mr. Vasudeo is working as a Manager in Mylon Ltd., Pune. He has furnished the following details of his income for the year 2023-24 - (8) CO5

1. Basic Salary Rs. 50,000 p.m., Professional Tax Deducted from his Salary Rs. 2,500/-.
2. Dearness Allowance 60% of Basic Salary (considered for retirement benefits)
3. Commission Rs. 1,20,000.
4. He has a house property in Mumbai. He has let out it at a monthly rent of Rs. 15,000 p.m. One month rent could not be received due to vacancy. He paid municipal tax Rs. 15,000 and Rs. 12,000 as fire insurance premium.
5. Income from Business Rs. 1,05,000.
6. He paid LIC Premium of Rs. 20,000 on his own policy.
7. He deposited Rs. 97,000 in P.P.F.
8. He paid Medi-claim policy premium Rs.24,000.
9. The company has deducted Rs. 5,000 p.m. as income tax from his salary.

Compute the “total taxable income” of Mr. Vasudeo for A. Y. 2024-2025.

**OR**

5d) Mrs. Kunti, age 80 years, resident of India, retail trader, provides following details of his income as under - (8) CO5

1. Income from the Retail Trade Business to be assessed under section 44AD- Gross Receipts- 1,20,00,000/-, out of which Rs.60% received in Cash.
2. Bank Interest Rs.8,500/-.
3. He sold 1000 equity shares (Listed) @125/- each on 1<sup>st</sup> December 2023, which was purchased on 10<sup>th</sup> January 2023@75/-each

4. He paid Rs. 1,08,000/- towards housing loan repayment and Rs. 62,000/- towards housing loan interest.
5. He paid Rs. 25,000/- towards Life Insurance in Cash.

Assess his tax liability for the assessment year 2024-25 assuming he opts for new tax regime under section 115BAC

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