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School of Business

Bachelor of Business Administration
Semester End Examination - Nov 2023

Duration : 180 Minutes
Max Marks : 100

Sem V - D1UA505T - Income Tax

General Instructions

Answer to the specific question asked

Draw neat, labelled diagrams wherever necessary

Approved data hand books are allowed subject to verification by the Invigilator

- 1) What is the concept of "Agricultural Income" as per the Income Tax Act 1961? K1 (2)
- 2) XYZ Ltd. provided an interest-free loan of Rs. 10,00,000 to its director during the previous year. Classify if this interest-free loan taxable as per the Income Tax Act, 1961? K2 (4)
- 3) Mr. A received a gift of Rs.100,000 from his friend. Infer the taxability of this gift income under the Income Tax Act 1961. K2 (6)
- 4) Mr. H sold a piece of agricultural land for INR 15,00,000. He had inherited the land from his father five years ago, and the fair market value (FMV) of the land at that time was INR 10,00,000. Identify his capital gains and classify them as short-term or long-term. K3 (9)
- 5) Mr. B received Rs. 1,20,000 as rental income from a property he owns. He also incurred expenses of Rs. 30,000 on repairs and maintenance of the property. Identify the taxable income under the head "Income from other sources"? K3 (9)
- 6) Determine the residential status of a firm, association of persons (AOP), or a body of individuals (BOI) under the Income Tax Act of 1961? K5 (10)
- 7) Analyze the method of accounting prescribed under Section 43A for Specified Securities? How does Section 43A impact taxpayers K4 (12)
- 8) Explain the consequences of non-compliance with the provisions of Section 2(22) by companies and shareholders. Discuss the penalties and interest that may be levied for failure to report or pay tax on deemed dividends. K5 (15)

- 9) Miss Monica, a foreign national, comes India every year for 90 days since 2005-06. a) Determine her residential status for the previous year 2020-21. b) Will your answer differ, if she comes India for 100 days instead of 90 days every yea K5 (15)
- 10) Read the following case and answer the questions that follow: X came India for first time on July 24, 2016. From July 24, 2016 to December 25, 2017 he was in India. Again, he came to India on August 5, 2020 for employment purpose & left India on November 25, 2020 permanently. Discuss his residential status for the previous year 2020-21 assuming K6 (18)
- a) He is a foreign citizen
 - b) He is an Indian citizen