

Roll No



**PRESIDENCY UNIVERSITY  
BENGALURU**

**SCHOOL OF COMMERCE  
MID TERM EXAMINATION - NOV 2023**

**Semester :** Semester III - 2022

**Course Code :** COM2015

**Course Name :** Sem III - COM2015 - Income Tax

**Program :** B.Com. Honors

**Date :** 3-NOV-2023

**Time :** 9:30AM - 11:00AM

**Max Marks :** 50

**Weightage :** 25%

**Instructions:**

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.
- (iv) Do not write any information on the question paper other than Roll Number.

**PART A**

**ANSWER ALL THE QUESTIONS**

**(5 X 2 = 10M)**

1. What do you understand by Direct and Indirect Taxes?  
(CO1) [Knowledge]
2. How Association of Persons are different from Body of Individuals?  
(CO1) [Knowledge]
3. Distinguish between capital and revenue receipt.  
(CO1) [Knowledge]
4. Mr. Raj, an Indian citizen, left India on 22.09.2022 for the first time to work as an officer of a company in Germany. Determine the residential status of Mr. Raj for the Assessment Year 2023-24.  
(CO2) [Knowledge]
5. Mr. X, aged 19 years, left India for first time on May 31, 2022. Explain what would be his residential status for the previous year 2022-23 if he left India on world tour.  
(CO2) [Knowledge]

**PART B**

**ANSWER ALL THE QUESTIONS**

**(2 X 10 = 20M)**

6. What is Agricultural Income as per Section 2(1A) of Income Tax Act? What does Section 10(1) provide about Agricultural Income?  
(CO1) [Comprehension]

7. Discuss the conditions to be fulfilled for an individual to be declared as resident and ordinarily resident in India.

Mr. Justin, a Canadian citizen, came to India for the first time during the PY 2018-19. During the financial year 2018-19, 2019-20, 2020-21, 2021-22 and 2022-23, he was in India for 55 days, 60 days, 90 days, 150 days and 70 days, respectively. Determine his residential status for AY 2023-24.

(CO2) [Comprehension]

### PART C

#### ANSWER THE FOLLOWING QUESTION

(1 X 20 = 20M)

8. Ms. Neha and Ms. Rekha are sisters and they have earned the following incomes during the financial year 2022-23. Ms. Neha settled in Paris in the year 2006 and Ms. Rekha settled in Bengaluru. Compute their total income for the AY 2023-24.

Sl. No.	Particulars	Ms. Neha Amount (₹)	Ms. Rekha Amount (₹)
1	Interest on France Development Bonds (only 50% of interest received in India)	70,000	80,000
2	Dividend from British company, received in London	56,000	40,000
3	Profits from a business in Nagpur, but managed directly from London	2,00,000	2,80,000
4	Short term capital gain on sale of share of an Indian company, received in India	1,20,000	1,80,000
5	Income from a business in Chennai	1,60,000	1,40,000
6	Fees for technical services rendered in India, but received in Canada	2,00,000	----
7	Interest on savings bank deposit in UCO Bank, Bengaluru	14,000	24,000
8	Agricultural Income from a land situated in Karnataka	1,10,000	90,000
9	Rent received in respect of house property at Bhopal	2,00,000	1,20,000
10	Life insurance premium paid	-----	60,000

(CO2) [Application]