

Dr. Babasaheb Ambedkar Open University
Term End Examination July – 2023

Course	: BBAR	Date	: 28-July-2023
Subject Code	: BBAR-501	Time	: 09:30am to 11:45am
Subject Name	: Direct And Indirect Taxes	Duration	: 02.15 Hours
		Max. Marks	: 70

Section A

Answer the following (Attempt any three) (30)

1. Discuss the steps of Residential Status of Individual with Resident and Ordinarily Resident Status.
2. Define the concept of “Income from Business and Profession” in detail.
3. Explain the “Income from other sources (Sec 56)”.
4. What is CBDT? Discuss its roles as a Income tax Authority in India.
5. Discuss the Concept of GST in India with its salient features and Benefits.

Section B

Answer the following (Attempt any four) (20)

1. Discuss the Objective of Income Tax.
2. Write any five from House property which is not charged under income tax.
3. Discuss any five limitations of Old Indirect Tax Structure.
4. Discuss any five-difference point between the Direct Tax and Indirect Tax.
5. Discuss these two terminologies: 1. Agriculture Income, 2. Assessee
6. Draw the Chart for Computation of Taxable Salary.

Section C

Part – A (Multiple Choice Questions)

(10)

- 1 In India, GST became effective from _____.
A 1st April, 2017 B 1st January, 2017
C 1st July, 2017 D 1st March, 2017
- 2 Dearness Allowances is a Taxable in the hands of _____.
A Government Employees B Non-Government Employees
C All Employees D None of these
- 3 The basis of charge Under the head Income from house property under income tax act, 1961 is _____.
A Rent Received B Gross Annual Value
C Annual Value D None of these
- 4 Capital Gain means _____.
A An increase in the value of Assets B An increase in the stock of capital
C An increase in the yield of Assets D An increase in the capital invested
by owner
- 5 Which of the following is not included in taxable income:
A Income from smuggling activity B Casual income
C Gifts of personal nature subject to a D Income received in-kind [Dec.
maximum of ₹ 50,000 received in 2014]
cash

- 6 Income from Salary Includes _____.
A Basic Payments B Allowances
C Perquisites D All of these
- 7 Which Income is taxable in India to Non-Resident Individual?
A Any Income accrued or received in India B Any Income accrued outside India
C Any Income received outside India D No Income is Taxable in India in the hands of Non-Resident
- 8 The term "Person" includes _____.
A Registered Firm B Unregistered Firm
C Both (A) & (B) D None of these
- 9 Assessment Year is the period of 12 month commencing on 1st day of _____.
A April every year B December every year
C July every year D January every year
- 10 Income Tax comes in force in the year _____.
A 1961 B 1956
C 1963 D 1958

Part – B (Do as Directed)

(10)

State whether the following statements are true or false

- 1 Mr. A owns a house property. He lent it to Mr. B at Rs. 20,000 p.m. Mr. B sublet it to Mr. C on monthly rent of Rs. 30,000 p.m. Rental income of A is taxable under the head of "Income from other sources".
- 2 GST is a Dividend based tax on Consumption of Goods and Services.
- 3 The daily allowance received by a member of parliament is exempted from the tax.
- 4 Employees Fuel Reimbursement is an example of Perquisites.
- 5 Cash gift from a non-resident friend on marriage anniversary is considered as an income that will be taxable as income from other sources.
- 6 The charging section of the income under the head capital gains is Section 45.
- 7 Penalty has been levied on the Nonpayment of Advance Tax in India.
- 8 CGST stands for GST collected by the specific state government.
- 9 An Assessing Officer is an officer of the Income Tax Department who is responsible for ensuring correctness of Income Tax Returns filed by the taxpayers in his/her jurisdiction.
- 10 Inflation Index considers the base year to predict the inflation for specific year.
