

**UG DEGREE END SEMESTER EXAMINATIONS - APRIL 2025.**

(For those admitted in June 2021 and later)

PROGRAMME AND BRANCH: B.COM., BUSINESS ANALYTICS

SEM	CATEGORY	COMPONENT	COURSE CODE	COURSE TITLE
VI	PART - III	CORE	U21BA611	INCOME TAX LAW AND PRACTICE - II

Date & Session: 24.04.2025/FN**Time : 3 hours****Maximum: 75 Marks**

Course Outcome	Bloom's K-level	Q. No.	SECTION – A (10 X 1 = 10 Marks) Answer <u>ALL</u> Questions.
CO1	K1	1.	What is the minimum holding period for an asset to qualify as a long-term capital asset for immovable property? a) 12 months b) 24 months c) 36 months d) 6 months
CO1	K2	2.	Which section of the Income Tax Act deals with exemptions on capital gains from the sale of a residential house? a) Section 80C b) Section 54 c) Section 24 d) Section 10
CO2	K1	3.	Income from other sources is a _____. a) Primary source of income b) Residual source of income c) Non-taxable income d) Exempt income
CO2	K2	4.	Which of the following is taxable under the head "Income from Other Sources"? a) Salary income b) Income from lotteries c) Profit from business d) Capital gains
CO3	K1	5.	Loss from a house property can be set off against: a) Salary income b) Business income c) Any head of income d) None of the above
CO3	K2	6.	What is the maximum deduction allowed under Section 80C for an individual taxpayer? a) Rs. 1,00,000 b) Rs. 1,50,000 c) Rs. 2,00,000 d) Rs. 2,50,000
CO4	K1	7.	Which of the following is considered exempt income for an individual? a) Salary income b) Dividend from domestic companies c) Lottery winnings d) Capital gains
CO4	K2	8.	What is the due date for filing an income tax return for individuals (not requiring audit) in India? a) 31st March b) 31st December c) 31st July d) 30th September
CO5	K1	9.	Who is the highest authority in the income tax hierarchy? a) Income Tax Officer b) Commissioner of Income Tax c) Chief Commissioner of Income Tax d) Central Board of Direct Taxes (CBDT)
CO5	K2	10.	What type of assessment is conducted when a taxpayer fails to file their income tax return? a) Scrutiny assessment b) Best judgment assessment c) Reassessment d) Regular assessment

Course Outcome	Bloom's K-level	Q. No.	<p align="center">SECTION – B (5 X 5 = 25 Marks) Answer <u>ALL</u> Questions choosing either (a) or (b)</p>
CO1	K3	11a.	Explain the kinds of 'Capital gains'. (OR)
CO1	K3	11b.	Mr. Anand, a manufacturer, acquired a factory building on June 10, 2016 for Rs. 30,00,000. The building is acquired by the Government on May 5, 2018 for which a sum of Rs. 70,00,000 is paid as compensation on February 5, 2024. Ascertain the amount of capital gains. The building is subject to depreciation at 10% p.a. Mr. Anand purchases another factory building on June 3, 2024 for Rs. 40,00,000.
CO2	K3	12a.	What are the deductions allowed while computing income from other sources? (OR)
CO2	K3	12b.	Mr. Babu received the following incomes during the year 2023-24. Compute taxable income under the head 'Income from other sources', separately for each case. A) Winnings received from Sikkim lottery Rs. 70,000 Winnings from Horse races Rs. 2,000 Winnings from Crossword puzzles Rs. 4,000 B) Winnings from Lottery Rs. 2,000 Winnings received from Horse races Rs. 56,000
CO3	K4	13a.	What are the losses which could be carried forward and set-off? (OR)
CO3	K4	13b.	Shri. Vijay has gross income from all sources for the PY of Rs. 8,50,000, he has incurred following expenditure on medical insurance for his health and his family i) Vijay has paid Rs. 55,000 for medical insurance policy by cheque for himself and his spouse. ii) Vijay has incurred medical expenditure for himself of Rs. 75,000, he being a senior citizen. iii) Vijay has incurred Rs. 65,000 on the medical insurance policy of his parents. iv) He has incurred medical expenditure of Rs. 85,000 for the health of his parents who are senior citizens. Compute the taxable income of Mr. Vijay.
CO4	K4	14a.	Write a note on deductions u/s 80C of the Income Tax Act, 1961. (OR)
CO4	K4	14b.	Mr. Arun informs you that his total income computed under the Income Tax Act, is Rs. 51,00,000. Calculate his tax liability for the AY 2024-25.
CO5	K5	15a.	What is refund of tax under Income Tax Act? (OR)
CO5	K5	15b.	What is Permanent Account Number (PAN)?
Course Outcome	Bloom's K-level	Q. No.	<p align="center">SECTION – C (5 X 8 = 40 Marks) Answer <u>ALL</u> Questions choosing either (a) or (b)</p>
CO1	K3	16a.	What is Capital gains? Write the differences between short term and long-term capital gains. (OR)

CO1	K3	16b.	<p>Sri. Varadhan sells a residential house property in Madurai for Rs. 90,00,000 on May 20,2023 which was purchased by him on April 25, 1965 for Rs. 50,000. The fair market value on April 1, 2001 was Rs. 2,00,000. He purchases a new residential house property for Rs. 10,00,000 on 28 March, 2024 house is not fully constructed and deposited Rs. 5,00,000 on July 31, 2024 (being the last date for furnishing return of income for the assessment year 2024-2025) in a bank account specified for the purpose of section 54.</p> <p>Assuming that Sri. Varadhan withdraws from the deposit account and completes the construction of a house on January 2025, for Rs. 4,00,000, withdraw the unutilised amount in the deposit account after May 20, 2026, compute the amount of capital gains chargeable to tax. CII for 2001-02 is 100, 2023-24 is 348.</p>																		
CO2	K4	17a.	<p>Sri. Mukunda furnishes the following particulars of his income for the previous year 2023-24. Compute his total income.</p> <p>Sri. Mukunda purchases diamonds for Rs.8,00,000 (Fair market value: Rs. 8,50,000). He further purchases an art work for Rs. 9,00,000 (Fair market value: Rs. 9,50,000).</p> <table><thead><tr><th>Particulars</th><th>Rs</th></tr></thead><tbody><tr><td>i) Dividend on equity shares (Gross)</td><td>600</td></tr><tr><td>ii) Dividend on preference shares (Gross)</td><td>5,000</td></tr><tr><td>iii) Income from letting on hire of building and machinery – composite lease</td><td>17,000</td></tr><tr><td>iv) Interest on bank deposits</td><td>2,500</td></tr><tr><td>v) Director’s sitting fees</td><td>1,200</td></tr><tr><td>vi) Ground rent</td><td>600</td></tr><tr><td>vii) Income from undisclosed sources</td><td>10,000</td></tr><tr><td>viii) Income from lotteries</td><td>10,000</td></tr></tbody></table> <p>Mukunda owned a land at Chennai. It was acquired by the Government in 2017-18. Along with compensation Rs. 1,40,000 is payable by Government for late payment of compensation. The interest is received during 2023-24.</p> <p>The following deductions are claimed by him:</p> <ul style="list-style-type: none">a) Collection charges of dividend Rs. 20b) Allowable depreciation on building and machinery Rs. 4,000c) Insurance on building and machinery Rs. 100 <p style="text-align: center;">(OR)</p>	Particulars	Rs	i) Dividend on equity shares (Gross)	600	ii) Dividend on preference shares (Gross)	5,000	iii) Income from letting on hire of building and machinery – composite lease	17,000	iv) Interest on bank deposits	2,500	v) Director’s sitting fees	1,200	vi) Ground rent	600	vii) Income from undisclosed sources	10,000	viii) Income from lotteries	10,000
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CO2	K4	17b.	<p>Mr. Guna earned the following incomes during the previous year ending on 31st March 2024. Compute his taxable income from other sources</p> <table><thead><tr><th>Particulars</th><th>RS</th></tr></thead><tbody><tr><td>i) Income from agricultural land in Burma</td><td>3,60,000</td></tr><tr><td>ii) Income from agricultural land in Kerala</td><td>1,80,000</td></tr><tr><td>iii) Interest on fixed deposit in Indian bank</td><td>16,200</td></tr><tr><td>iv) Interest on post office savings bank a/c</td><td>13,500</td></tr><tr><td>v) Dividends from co-operative societies</td><td>12,000</td></tr><tr><td>vi) Director’s fees</td><td>54,000</td></tr><tr><td>vii) Net winnings from Manipur lottery</td><td>4,20,000</td></tr><tr><td>viii) Advance money received and forfeited during negotiation to sell a capital asset during 2023-24</td><td>60,000</td></tr></tbody></table>	Particulars	RS	i) Income from agricultural land in Burma	3,60,000	ii) Income from agricultural land in Kerala	1,80,000	iii) Interest on fixed deposit in Indian bank	16,200	iv) Interest on post office savings bank a/c	13,500	v) Dividends from co-operative societies	12,000	vi) Director’s fees	54,000	vii) Net winnings from Manipur lottery	4,20,000	viii) Advance money received and forfeited during negotiation to sell a capital asset during 2023-24	60,000
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CO3	K4	18a.	Mrs. Hema furnishes the following particulars of her income for the assessment year 2024-25.	
			Particulars	Rs
			Salary from Aristocracy Private Ltd., (computed)	50,000
			Dividends on TISCO shares (Gross)	1,500
			Interest on securities (Gross)	7,500
			Interest on fixed deposits in State Bank of India	3,200
			Profits from agency business	10,000
			Loss from short term capital assets	5,000
			Loss from speculation in shares	20,000
			Profit from speculation in silver	9,000
			First prize from Kerala State lottery	1,00,000
			Gains from playing bridge in the club	5,500
			Gains from playing rummy in the office	1,000
			Loss in flash (card game) with friends	7,000
			Maharashtra State lottery tickets bought	10,000
			Loss in race course on betting	20,000
			Expenditure in maintaining race horse	40,000
			Stake money received in respect of the horses	90,000
			You are required to compute the gross total income for the relevant assessment year.	
CO3	K4	18b.	(OR)	
			What are the permissible deductions from Gross Total Income?	
CO4	K5	19a.	Explain the savings that qualify for deduction u/s 80C.	
			(OR)	
CO4	K5	19b.	Mr. Raju, born on 5-1-1975 has the following information.	
			Particulars	Rs
			Salary income	1,00,000
			Rent from house (per annum)	58,000
			Municipal taxes paid during the year	6,000
			Short term capital gain on sale of listed equity shares on 1-9-23 (subject to STT)	5,000
			Long term capital gain on sale of gold	3,50,000
			Winning from lottery (Gross)	50,000
			Interest on commercial securities	6,000
			Interest on Government securities	2,000
			Interest on debentures of a listed co.	1,50,000
			Deposit in PPF account	90,000
			LIP on own life policy (sum assured Rs. 2,00,000)	20,000
			Crossword puzzle winnings	80,000
			Compute the net tax payable by Raju for the AY 2024-25.	
CO5	K5	20a.	Explain the procedure for making claim for refund.	
			(OR)	
CO5	K5	20b.	Describe the powers and functions of the Central Board of Direct Taxes.	