LOYOLA COLLEGE (AUTONOMOUS) CHENNAI – 600 034

B.Com. DEGREE EXAMINATION – **CORPORATE SECRETARYSHIP**

FIFTH SEMESTER – **APRIL 2025**

BC 5508 – INCOME TAX, LAW AND PRACTICE

Date: 28-04-2025 Dept. No. Max. : 100 Marks

Time: 01:00 PM - 04:00 PM

SECTION A

Answer ANY FOUR of the following **(4 x 10 = 40 Marks)**

1. Explain Intra head and Inter head set off adjustments.
2. From the following particulars submitted by Srinivas, compute his income from other sources for the assessment year 2024-25.
   a. He was a director in a company from which he received Rs. 13,000 as Director's fees.
   b. Interest received on deposit with a Co-operative bank Rs. 2,000
   c. Dividends received from a foreign company Rs. 6,000
   d. Income from agriculture in England Rs. 78,000
   e. Honorarium for delivering lectures in a registered society Rs. 1,200.
   f. Received winning from lottery Rs. 27,760
   g. Srinivas owned a house property at Trichy, which was acquired by the Government in 2022-23. Along with compensation, Rs. 80,000 was paid by the Government as interest for late payment of compensation during 2023-24.
3. Briefly explain any ten exempted perquisites.
4. Enumerate the concept of casual income in detail.
5. Illustrate the format for calculating Let out House Property in detail.
6. Following details are available in respect of income of Mr.Y for the AY 24-25.
   a. Long term capital gain Rs. 2,10,000
   b. Consolidation Salary Rs. 1,00,000
   c. Rent received from a let-out property Rs. 1,00,000
   d. Dividend from an Indian Company Rs. 50,000

   Compute the total income.
7. State whether the following expenses are admissible or in admissible expenses under the business income head:
   a. Amount spent on fixing of Neon sign board
   b. Advertising expenses Rs. 30,000 paid in cash
   c. Sales tax Rs. 20,000 paid.
   d. Printing and stationery expenses Rs. 50,000 paid.
   e. Bad debts recovered (disallowed earlier) Rs. 46,000.
8. From the particulars given below compute the total income of Mr. Ramesh for the A.Y. 2024-25.
   a. Income from profession – Rs. 86,500.
   b. Income of minor son (Singing is his profession) Rs. 12,000.
   c. Winnings from lottery(ticket purchased on the name of the Mr. Ramesh's minor daughter) Rs. 6,800.
   d. Mr. Ramesh's father gifted debentures in an Indian company to Mr. Ramesh's minor son and company paid gross interest Rs. 6,650.
   e. Interest on debentures purchased by Mr. Ramesh but gifted to Mrs. Ramesh Rs. 18,000.

SECTION B

Answer ANY THREE of the following **(3 x 20 = 60 Marks)**

9. Mr. Lokesh, an employee of a company, receives the following emoluments from the company.

Particulars	Amount
Monthly salary	10,000
Monthly Dearness Allowance (not part of salary)	2,000
Rent free house at Mumbai owned by the company.	
Tuition fees for children (school not owned by the company)	20,000
Small car facility for official and personal purpose, expenses met by employee	22,000
Domestic servant engaged by employer	18,000
Gas (connection in the name of company)	6,000
Reimbursement of medical expenses (bills in a company name)	40,000
Telephone at residence	36,000
Leave travel concession (expenditure Rs. 12,000)	13,000
Books for official use	5,000
Free lunch in office (Rs. 55 x 250)	13,750

Compute taxable income from salary of Mr. Lokesh. He is neither a director of the company, nor a shareholder.

10. Explain any ten deductions under section 80 C in detail.

11. Ganesh has three houses, all of which are self-occupied. The particulars of the houses for the P.Y. 2023-2024 are as under:

Particulars	**House I**	**House II**	**House III**
Municipal valuation p.a.	3,00,000	3,60,000	3,30,000
Fair rent p.a.	3,75,000	2,75,000	3,80,000
Standard rent p.a.	3,50,000	3,70,000	3,75,000
Date of completion/purchase	31.3.1999	31.3.2001	01.4.2014
Municipal taxes paid during the year	12%	8%	6%
Interest on money borrowed for repair of property during the current year	-	55,000	-
Interest for current year on money borrowed in July 2013 for purchase of property	-	-	1,75,000

Prepare Ganesh's income from house property for A.Y. 2024-2025 and suggest which houses should be opted by Ganesh to be assessed as self-occupied so that his tax liability is minimum.

12. The following are the incomes of Shri Kishore for the previous year 2023-24:

Particulars	Amount
Profits from business in Australia received in India Profits received from business in Chennai	Rs, 15,000 Rs. 10,000
Income from House Property in U.K received in India Interest on Indian Government Securities received in India	Rs. 10,000 Rs.1,00,000
Income from House Property in USA deposited in a bank (Computed)	Rs.1,00,000
Profits earned and received from business in Mumbai	Rs. 50,000
Profits Accrued/earned in India received in Singapore	Rs. 40,000
Income from agriculture in USA earned is entirely spent for his Daughter's education.	Rs.70,000
Interest on Foreign Government Securities received in U.K and deposited there	Rs.30,000
Profits of a business established in Hongkong, deposit in a bank there Rs. 2,00,000, the business controlled from India	
Profits of a business established in Germany and received in German from a business controlled in Germany	Rs. 4,00,000
Past untaxed foreign income brought into India during the previous year	Rs.60,000

From the above prepare the taxable income of Shri Kishore for the previous year 2023-24. If he is:
(a) a Resident, (b) Not an Ordinary Resident and (c) a Non-Resident.

13. Classify and explain the types of assessment.

14. Mr. Smith is a M.P from Ahmadabad. He has submitted the following particulars of income for the year ending 31.3.24.

(a) Agriculture income from land in Sri Lanka Rs.15,000
(b) Daily allowance as M.P. Rs.15,000
(c) Salary as M.P. Rs.36,000
(d) Salary for a part-time Job with a firm Rs.21,000
(e) Royalty from a coalmine Rs.20,000 and spent Rs.3,000 for collecting royalty income.
(f) His residential house has been taken on a rent of Rs.1,000 p.m., half of which he has sub-let at Rs.1,200 p.m.
(g) Dividends from Co – operative society Rs.5,000. Collecting charges Rs.100. Calculate his income from other sources.

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