



LOYOLA COLLEGE (AUTONOMOUS) CHENNAI – 600 034

B.Com. DEGREE EXAMINATION – CORPORATE SECRETARYSHIP

SIXTH SEMESTER – APRIL 2025

UBC 6501 – INCOME TAX II



Date: 23-04-2025

Dept. No.

Max. : 100 Marks

Time: 09:00 AM - 12:00 PM

SECTION A - K1 (CO1)

	Answer ALL the Questions	(10 x 1 = 10)
1.	Answer the following.	
a)	What is Professional Income?	
b)	What is called Casual Income?	
c)	Write a note on Intra Head Adjustment.	
d)	Section 80D is applicable for what purpose?	
e)	Write about Self-Assessment.	
2.	Fill in the blanks.	
a)	Professional income is primarily derived from _____ services and is subject to tax under specific guidelines.	
b)	_____ tax rates apply to winnings from lotteries and horse races as specified under Section 56.	
c)	Short-term Capital Loss can be set off against _____ and _____.	
d)	Maximum limit of Deduction u/s 80TTA is _____.	
e)	PAN stand for _____.	

SECTION A - K2 (CO1)

	Answer ALL the Questions	(10 x 1 = 10)
3.	Match the following.	
a)	Scientific Research	(i) 80G
b)	Gift at the Time of Marriage	(ii) 100 % deduction
c)	Loss on Horse Race	(iii) Salaried Individual
d)	Prime minister Relief Fund	(iv) Exempted
e)	ITR 1	(v) Winning from Horse Race
4.	True or False.	
a)	Current assets as well as capital assets are subject to depreciation.	
b)	TDS on Interest on Securities is at 10%.	
c)	Business Loss cannot be set off against salary Income.	
d)	Any principal amount repaid towards educational Loan is deductible u/s 80E.	
e)	Advance tax is to be paid by all Taxpayers.	

SECTION B - K3 (CO2)**Answer any TWO of the following in 100 words each.****(2 x 10 = 20)**

5. Vasana commenced production on 1st November 2023, the following expenditure on scientific research up to the year ending March 31, 2024:
- Expenditure on salary to research personnel during the 12 months ending on October 30, 2020: Rs. 40,000.
 - Expenditure on salary to research personnel and research material during the 12 months ending on October 30, 2023: Rs. 50,000.
 - Contribution made to a college for scientific research Rs. 75,000.
 - Contribution made to a university for research in social and statistics research Rs. 50,000.
- Determine the amount of deduction available for Mr. Vasana.

6. Compute the income under the head income from other sources of Mr. Arumugam for the Previous Year 2023-2024.

Interest (Gross) on investments with a company	Rs.10,000
University remuneration for workings as an examiner	Rs. 8,000
Royalty for writing books (He claims to have spent Rs.20,000 for writing these books)	Rs. 80,000
Dividend received from a domestic company	Rs. 12,000
Interim dividend	Rs. 6,000
Family Pension	Rs. 48,000

7. The following are the particulars of income of Mr. R for the previous year ended 31st March 2024.

- Dividend Rs. 20,000
- Loss from House property Rs. 32,000
- Interest from Bank Deposit Rs. 10,000
- Business Income Rs. 50,000
- Loss in speculation business Rs. 3,000
- Short term capital loss Rs. 10,000
- Long term capital gain Rs. 15,000

Compute the gross total income of Mr. R after setting of the different losses against other incomes.

8. Mr. Somu's Gross Total Income is Rs. 6,00,000 for the previous year 2023-24. He paid for the following items:

Particulars	Amount
He contributed towards medical insurance premium by cheque	16,000
He contributed towards pension fund of LIC of India	12,000
He repaid interest on loan taken for pursuing his higher study in management	15,000
He donated to National Defence Fund	10,000

Further he has deposited Rs. 60,000 in PPF and paid college fee of his children for Rs. 70,000.

Compute his taxable income and find the tax liability of Mr. Somu.

SECTION C – K4 (CO3)**Answer any TWO of the following in 100 words each.****(2 x 10 = 20)**

9. From the following information of a trader, compute the Gross Total Income for the A.Y. 2024-25.

Particulars	Rs.
Income from House Property (Computed)	1,50,000
Business Loss	60,000
Current Year Depreciation	10,000
Business Loss of Preceding Year	50,000
Unabsorbed Depreciation of Preceding year	30,000
Short term capital loss	40,000
Long term capital gain	50,000

10. From the following particulars of income of Assesses A and B, show capital losses to be set-off and carried forward for the previous year ending 31.3.2024. Compute the Gross Total Income for both the assesses.

A's Particulars	Rs.
Business Income	1,15,000
Short Term Capital Loss	1,200
Long Term Capital Gain	7,200
B's Particulars	Rs.
Business Income	1,60,000
Short Term Capital Gain	20,000
Long Term Capital Gain (Land)	17,000
Brought Forward Loss (Short term capital assets)	50,000

11. Mr. Kiran who is totally Handicapped provides you the following information. Compute the taxable income for the A.Y. 2024-25.

Particulars	Rs.
Salary Per annum	1,40,000
Interest on Savings Bank Accounts	15,000
Interest on Government Securities	4,000
Long Term Capital Gain	40,000
Short term Capital Gain	10,000
Winning from Lotteries (Gross)	20,000
Deposit in PPF	40,000
NSC (VIII) Purchased during the year	20,000

12. Explain the powers of an Assessing officer.

SECTION D – K5 (CO4)

Answer any ONE of the following in 250 words

(1 x 20 = 20)

13. Dr. Satish is a Medical practitioner. He gives you the following summary of Cash book for the year ending 31-3-2024.

Receipts	Rs.	Payments	Rs.
To Balance b/f	10,000	By Rent of Clinic	18,000
To Consultation fee	60,000	By Purchase of Medicine	38,000
To Visiting fee	45,000	By Staff Salaries	24,000
To Gifts and Presents	8,000	By Surgical equipment	40,000
To Sale of Medicine	42,000	By Motor car expenses	8,000
To Dividend from U.T.I.	6,000	By Purchase of Motor car	1,40,000
To Life Insurance maturity	1,00,000	By Household expenses	7,000
To Dividend from N.D.S.	6,000	By Closing balance	2,000
	2,77,000		2,77,000

Other information

- 50% of the Motor car expenses are incurred in connection with profession. Car was purchased in December 2023.
- Household expenses include Rs. 6,800 insurance premium.
- Gifts and presents include Rs. 3,000 from relatives.
- Closing stock of medicine Rs. 12,000 and opening stock on 1-4-2023 was Rs. 4,000.

Compute his Professional Income for the Assessment year 2024-25.

14. The following incomes were received by Mr. 'A' during the financial year 2023-24.
- Director's fees Rs. 6,000
 - Income from Agricultural Land in Pakistan Rs. 40,000
 - Interest from Post office savings Bank Account Rs. 1,500
 - Interest on Fixed deposit in SBI Rs. 1,800
 - Winning from Lottery (Net) Rs. 21,56,000
 - Cash (gift) received from Mr. 'A's father Rs. 20,00,000
 - Cash (gift) received from 'A's friend Rs. 23,000
 - Cash (gift) received from another friend of Mr. A Rs. 22,000
 - Winning from Crossword puzzle Rs. 2,500
 - Royalty on books Rs. 20,000
 - Expenses for writing books Rs. 4,000
 - Another sum of Cash (gift) of Rs. 25,000 from a friend is received by Mr. A on 11-10-23.
 - Another cash (gift) amount of Rs. 26,000 is received by Mr. A from his friend on 28-10-2023.
 - Mr. A purchases a land for Rs. 25 lakh (Stamp duty value 25.5 lakh)
 - Mr A purchases house for Rs. 6,00,000 (Stamp duty value Rs. 7,00,000)

Compute Mr. 'A's income from other sources.

SECTION E – K6 (CO5)

Answer any ONE of the following in 250 words

(1 x 20 = 20)

15. From the following information, Compute Taxable Income and Tax Liability of Mr. Kumaresan General manager of C Ltd for the Assessment year 2024-25.

Particulars	Rs
Salary	90,000
Dearness Allowance	25,000
Bonus	70,000
HRA Received	3,750
Dividends on Units of UTI	18,000
Interest on Saving Account	4,00,000
He owns the House with annual income	10,000

He incurred the following expenses:

- Rent paid by him Rs. 6,000
- Local tax Rs. 1,000; Ground Rent Rs. 500; Interest paid on loan taken for construction of House is Rs. 1,000 (The house completed on 5-4-91)
- He deposited Rs. 31,800 in a PPF account and paid LIC premium of Rs. 66,000 on a sum assured being Rs. 3,00,000.

Paid Unit Linked insurance premium of Rs. 6,000 and received dividend of Rs. 3,500 from UTI.

16. Explain in detail the different types of Assessment.
