



Avinashilingam Institute for Home Science and Higher Education for Women
Deemed to be University Estd. u/s 3 of UGC Act 1956, Category 'A' by MHRD (now MoE)
Re-accredited with 'A++' Grade by NAAC. CGPA 3.65/4, Category I by UGC
Coimbatore - 641 043, Tamil Nadu, India

Continuous Internal Assessment II – April 2025
Semester – VI

Class : III UG

Major : B.Com(CA) Campus -I

Time : 2 hrs

Max. Marks : 60

21BCCC26 - Principles of Taxation

Course Outcomes:

CO 01: Recollect the basic concepts and definitions of Income Tax Act

CO 02: Know the incomes exempted from tax

CO 03: Understand the computation of income under various heads as per the provisions of Income tax.

CO 04: Remember the exemptions, deductions and rebates under income tax rules.

CO 05: Apply income tax provisions in set off and carry forward of loss

Part – A

Answer the following questions

1 X 6=6

1. Long term capital gain on sale of unlisted shares are **CO3 K2**
 - a. Taxable
 - b. Exempted
 - c. Partially Exempted
 - d. Partially Taxable
2. Exemption under section 54 is available to **CO3 K2**
 - a. All assesses
 - b. individual only
 - c. individual + HUF
 - d. individual or HUF
3. Which of the following income from other sources is not taxable? **CO4 K4**
 - a. Dividend from co-operative society
 - b. Dividend from foreign company
 - c. Dividend from domestic company
 - d. Winnings from lottery
4. Long term capital loss can be set off from which of the following: **CO4 K4**
 - a. Short term capital gain only
 - b. Long term capital gain only
 - c. Income from business or profession
 - d. Income from salary
5. Clubbing of income is a method to discourage. **CO5 K5**
 - a. Clubbing of income
 - b. Tax evasion
 - c. Tax avoidance
 - d. Tax planning
6. Casual loss can be set-off against **CO5 K5**
 - a. Casual income
 - b. LTCG
 - c. income from other sources
 - d. STCG

Part B

3 x 6 = 18

Answer the following

Answer should not exceed 200 words or one page

7.(a) From the following information relating to previous year 2023-24. Compute taxable capital gains of Mrs. Krishna for the assessment year 2024-25: **CO3 K1**

- i. Purchased agricultural land (Agra city) in 2002-03 (self cultivated) Rs.1,60,000
- ii. Sold the land on 10-8-2023 for Rs..7,00,000
- iii. Invested in purchase of a house on 10-09-2023 Rs. 2,00,000
- iv. Purchased another piece of agricultural land on 10-10-2023 Rs. 1,20,000

The cost inflation index for 2002-03 was 105 and for 2023-24 it was 348. He does not own any other house.

(OR)

7.b. How will you distinguish between capital gain and income. Bring out four differences between exemption U/S 54 and 54F. **CO3 K2**

8. (a) From the following incomes of Mr. Lingaraj for the year ended 31st March 2023. Compute his income from other sources. **CO2 K1**

- a) Director's fees Rs. 10,000
- b) Interest on bank deposits Rs. 3,000
- c) Income from undisclosed sources Rs. 12,000
- d) Winning from lottery Rs. 28,000
- e) Royalty on book written Rs. 8,000
- f) Income from lectures delivered Rs. 5,000
- g) Interest on loan given to relatives Rs. 7,000

- h) Interest on tax free debentures of a company Rs. 3,600
- i) Dividend from a co-operative society Rs 8,000
- j) Interest on post office savings bank account Rs 500
- k) Interest on central government securities Rs.2,200

He paid Rs.1,000 for typing of the manuscript of the book.

(OR)

8.(b) From the following information compute the income from other sources for the assessment year 2024-25: **CO4 K6**

- i) Card games loss 12,000
- ii) From the activity of owing and maintain houses for race purposes
 - a) Loss at Bombay 40,000
 - b) profit at Bangalore 20,000
- iii) Divided (Gross) from Indian companies 6,000
- iv) Betting in horse races 4,000

9.(a) the following particulars are supplied to you for computation of gross total income of the assesses for the assessment year 2024-2025: **CO5 K5**

	Rs.
Salary income (computed)	1,35,000
Income from house property I	50,500
Loss from house property II	23,500
Loss from registered firm	20,000
Profit from speculation business	75,000
Long-term capital gains	55,000
Long-term capital loss	20,000
Interest on securities	22,500

(OR)

9.(b) Explain Rebate of Tax u/s 87A for the assessment year 2024-2025. **CO5 K3**

Part C

3 x 12 = 36

Answer the following

Answer should not exceed 700 words or four pages

10. a) Explain capital gains exempted under section 54 to 54 H. **CO3 K3**

(OR)

10.b) From the particulars given by Ramesh, Compute the taxable capital gain for the assessment year 2021-22: **CO3 K3**

Name of asset	Date of purchase	Cost Rs.	Date of sale	Sale price Rs	Exp. Rs
1. Govt. securities	1-10-2019	10000	30-6-2020	15000	200
2. Furniture (W.D.V on 1-4-2020 Rs. 4000)	15-2-2003	5000	20-2-2001	3000	-
3. Land (fair market value on 1-4-2021rs 60000)	10-1-1992	12000	6-1-2021	170000	1000
4. Residential House	1-12-2005	80000	5-5-2020	400000	2000

11. a) Mr.Rama Narayana submits the following particulars of his income from other sources for the year ended 31st march 2023. **CO4 K1**

- a. Royalty from books written Rs.40,000(expenses incurred for this purpose Rs.4,000).
- b. Interest on fixed deposits in a Bank Rs.30,000(Gross).

- c. Family pension from Government of Karnataka annually Rs.48,000.
- d. Winning from horse race Rs. 70,000.
- e. Rent from subletting of house Rs.3,000 per month (Rent paid to owner Rs.2,000 and repair expenses Rs.400).
- f. Cash worth Rs.90,000 was found in his private locker. The source of which could not be explained by him.
- g. Winning from lottery net Rs.1,40,000 (Purchase of lottery Rs.150).
- h. Remuneration from articles published in a magazine Rs.4,000.

Compute the taxable income from other sources for the assessment year 2024-25.

(OR)

11. b) what are circumstances income of other persons can be included in the income of assessee under Income –tax Act,1961? **CO4 K3**

- 12.a) Set-off and Carry Forward of Losses. Calculate Gross Total Income under old tax regime
House Property

Loss from self-occupied house: ₹2,50,000
Income from let-out house: ₹1,12,000
Profit and Gains of Business or Profession
Hosiery business: (+) ₹1,80,000
Cycle business: (-) ₹60,000
Speculation business: (-) ₹1,00,000

Capital Gains

Short term capital gain: ₹40,000
Short term capital loss: ₹80,000
Long term capital gain: ₹70,000
Long term capital loss: ₹90,000

Income from Other Sources

Bank interest: ₹1,24,000
Dividend from companies: ₹20,000
Loss from gambling: ₹1,00,000

CO3K4

(OR)

12. b) Describe briefly the Procedures regarding assessment u/s 143(2) **CO5K4**

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