



*K. Sambal*

# Avinashilingam Institute for Home Science and Higher Education for Women

Deemed to be University Estd. u/s 3of UGC Act 1956, Category A by MHRD (now MoE)

Re-accredited with an A++ Grade by NAAC CGPA 3.65/4, Category I by UGC

Coimbatore - 641043, Tamil Nadu, India

## Continuous Internal Assessment II – October 2025

### III Semester

Class : II UG

Major : B.Com Professional Accounting

Time : 2 Hrs

Max. Marks : 60

### 23BCPSE1A Direct Tax Laws

#### Course Outcomes:

CO1: Comprehend the concepts of taxation, including assessment year, previous year, assesses, person, income, total income, agricultural income and determine the residential status of persons

CO2: Compute income under different heads, applying the charging provisions, deeming provisions, exemptions and deductions;

CO3: Apply the clubbing provisions and provisions relating to set-off and carry forward of losses to determine the gross total income;

CO4: Calculate the tax liability of an individual and HUF as well as deductions from gross total income and determine the total income of an individual and HUF

CO5: Comprehend the provisions relating to filing of return of income.

#### Part A

6 x 1 = 6

#### Choose the Correct Answer

- A capital asset does not include:
  - Stock-in-trade
  - Jewellery
  - House property
  - Shares

CO3K1
- Gift received from a non-relative exceeding Rs.50,000 is taxable under:
  - Salary
  - Capital gains
  - Income from other sources
  - House property

CO3K1
- Loss under the head "House Property" can be set-off against:
  - Only salary income
  - Any other head of income
  - Only business income
  - Cannot be set off

CO4K1
- Rebate under section 87A is restricted to:
  - Rs.5,000
  - Rs.10,000
  - Rs.12,500
  - Rs.15,000

CO4K1
- Return of income can be filed:
  - Only manually
  - Only online
  - Either manually or online
  - Not required

CO5K1
- The form used for companies to file ITR is:
  - ITR-1
  - ITR-5
  - ITR-6
  - ITR-7

CO5K1

#### Part B

3 x 6 = 18

#### Answer ALL questions

Each answer should not exceed 400 words or two pages

- a) Mr. P. Kumar a non-resident sent \$ 1,80,000 to India on 1-7-2006 part of this money was utilised to purchase 15,000 shares of A Ltd. an Indian company @ Rs. 400 per share. On 15-3-2025 these shares were sold @ Rs. 810 per share. Compute the capital gain on shares is covered u/s 112. Telegraphic transfer rates are as follows:
 

CO3K2

	1-7-2006 (for US\$) Rs.	1-11-2006 (for US\$) Rs.	15-3-2025 (for US\$) Rs.
Buying Rate	46.40	46.80	80.20
Selling Rate	47.20	47.60	82.60

(or)

- b) Calculate income from other sources from the information given below:
 

CO3K2

  - Winnings from lottery Rs. 1,00,000
  - Amount received from race winnings Rs. 35,000

Gift Received during the previous year 2024-2025

  - Received Rs. 20,000 as gift from his friend.
  - Received Rs. 1,00,000 as gift from his elder brother.
  - Received Rs. 1,40,000 as gift on his marriage.
  - Received Rs. 80,000 as gift from his NRI friend on 1-1-2025..
  - Another gift of Rs. 18,000 as gift from his friend.
- a) Compute taxable income and loss to be C/F under old tax regime:
 

CO4K3

  - Business profit for the previous year 2024-2025 Rs. 20,000.
  - B/F Business Loss of 2022-2023 Rs. 10,000
  - Capital loss on shares Rs. 60,000

- 8.b) Mr. Ragul got medical insurance of all family members and paid premium in the previous year 2024-2025 as under: CO4K2
1. Medical insurance of self-paid by cheque Rs. 10,000
  2. Medi-claim premium of wife paid in cash Rs. 5,000
  3. Medical insurance premium of 16 years old son paid by cheque to a private insurance company approved by Insurance Regulatory and Development Authority Rs. 3,000.
  4. Medi-claim premium paid on the medical insurance of his father and mother Rs. 22,000
  5. Medi-claim premium on the policy of dependent younger brother Rs. 4,000
  6. Preventive medical check-up of wife Rs. 4,000
- Calculate amount of deduction u/s 80D under old tax regime.

9.a) What are the modes of filing return of income under the Income-tax Act, 1961? CO5K3

(Or)

9.b) Who are the "specified assesseees" required to file returns online under the Income Tax law? What are the requirements for such compulsory e-filing? CO5K2

**Part C**

**3 x 12 = 36**

**Answer ALL questions**

**Each answer should not exceed 800 words or four pages**

- 10.a) Find out the indexed cost and capital gain in following cases: CO3K3
- a) W.D.V of office furniture as on 1-4-2024 Rs. 18,000  
(which was purchased on 15-9-2008 for Rs. 20,000 and sold on 1-9-2024 [C.I.I = 363] for Rs. 26,000)
  - b) Bonds purchased on 1-11-2006 [C.I.I.=122]  
For Rs. 2,60,000 were sold on 1-1-2025 [C.I.I.=363] for Rs. 4,00,000
  - c) Cost of acquisition of house at Delhi in 1996-97 Rs. 1,00,000  
Cost of improvement made in 1999-2000 Rs. 3,20,000  
Fair Market Value on 1-4-2001[C.I.I.=100] Rs. 4,60,000  
Cost of additions made in 2008-2009 [C.I.I.=137] Rs.3,20,000  
Sale price of the house on 1-4-2024 [C.I.I.=363] Rs. 28,60,000  
Expenses on sale Rs. 60,000
  - d) Mr. Raman Raju inherited a house at Ludhiana from his father Mr. D. Raju on 1-1-2006. [C.I.I.=117]. The house was acquired by D. Raju in 1989-90 for Rs. 60,000 and its F.M.V as on 1-4-2001 was Rs. 5,20,000 and it was sold in 2024-2025 on 245-2024 [C.I.I.=363] for Rs. 17,80,000.

(or)

- 10.b) Compute income from other sources under new tax regime from particulars given below: CO3K2
1. Interest on deposits with a company Rs. 10,000
  2. University remuneration for working as examiner Rs. 6,000
  3. Royalty for writing books Rs. 60,000  
He claims to have spent Rs. 20,000 on writing these books
  4. Dividend declared by R. Co. on 1-3-2025 but paid on 1-5-2025 Rs. 6,000
  5. Interim dividend paid on 1-5-2024 Rs. 3,000
  6. Stake money on race horses Rs. 1,50,000  
Horses are maintained by him and expenses on maintenance of these horses are Rs. 2,40,000
  7. Family pension received Rs. 36,000

11. a. From the particulars given below, compute the total income under new tax regime for the previous year 2024-2025. CO4K3

1. Income from Let-out house (computed) Rs. 6,000
2. Annual Rental value of his self-occupied house Rs. 4,000
3. Municipal Taxes Rs. 4,00
4. Profit from electric goods business after depreciation Rs. 10,000
5. Profit from agency business Rs. 3,000
6. Speculation gain from Gold Rs. 2,000
7. Long-term Capital Gain from Land Rs.7,000
8. Short-term Capital Gain Rs. 2,000

Following losses have been brought forward from 2023-2024 previous year

- I. Loss from electric goods business Rs.6,000
- II. Loss from an agency business Rs. 1,000
- III. Speculation loss from silver Rs. 4,000

(or)

11.b. Calculate the amount of rebate of tax u/s 86 and final tax liability of the assessee in following case for the assessment year 2025-2026 under old regime CO4K3

- I. 1/4<sup>th</sup> share from AOP Rs. 15,000
- II. Interest on Govt. securities Rs. 17,000
- III. Business income Rs. 5,65,000