

**SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN**  
**(AUTONOMOUS)**  
**(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)**  
**Chromepet, Chennai — 600 044.**  
**B.Com.(Hons) END SEMESTER EXAMINATIONS APRIL - 2022**  
**SEMESTER - VI**  
**14UBHCT6A28 & UBH/CT/6A30 - Income Tax Law and Practice - II**

**Total Duration : 3 Hrs.**

**Total Marks : 60**

**Section A**

Answer any **SIX** questions ( $6 \times 5 = 30$  Marks)

1. Mrs. Neelavathy furnishes the following particulars: Compute capital gain.

Particulars	Shares in A Ltd.
Date of purchase	01.02.2020
Date of sale	05.10.2020
Cost of purchase	Rs.25,000
Expenses on purchase	Rs.500
Sales value	Rs.50,000
Expenses on sale	Rs.1,000

2. An agricultural land purchased in the year 1991-1992 for Rs.2,50,000. During the year 2020-2021 it was sold for Rs.15,00,000. Calculate long term capital gain. CII for 2001-2002 is 100 and 2020-2021 is 301.
3. Mrs X gives you the following particulars in respect of her income for the financial year 2021-22. Compare his income under the head income from other sources.

Particulars	Rs.
Interim dividend	4,000
Dividend from a company on equity shares	3,000
Dividend on preference shares	4,000
Director fees	1,800
Ground rent	3,000
Income from sub-letting	6,000
Dividend from foreign company (net)	5,000
Interest on National Defence Gold Bonds, 1980	3,000

4. What are the losses which can be carry forwarded and set off in subsequent years?
5. Explain the different stages in assessment.
6. Compute the taxable income and loss to be carry forwarded:  
Business profit for the current previous year Rs.20,000;  
Carry forwards business loss Rs.10,000;  
Capital loss on shares Rs.60,000;  
Loss from self occupied house Rs.5,000.

**Contd...**

7. Mr.Narasiman previous year gross total income is Rs.5,00,000. He has made the following donations. National foundation for communal harmony Rs.10,000; National Children's fund Rs.20,000; National Defence fund Rs.25,000. Calculate his net income.
8. Mr.Neeraj Chopra's previous year gross total income is Rs.4,50,000. He has made the following donations. Calculate his net income. Jawaharlal Nehru Memorial Fund Rs.12,000; Rajiv Gandhi Foundation Rs.8,000; Africa Fund Rs.15,000; Indira Gandhi Memorial Fund Rs.14,000.

## Section B

### Part A

Answer any **TWO** questions ( $2 \times 10 = 20$  Marks)

9. Mr. Mohan Provided the following data regarding his transactions for the sale of his residential house. Compute the amount of capital gain to be included in the total income for the Assessment year:  
House purchased in 2005-2006 Rs.5,00,000;  
Sold in November 2020 Rs.25,50,000;  
Purchased another house in September 2020 Rs. 3,50,000;  
Deposited in capital gain account scheme, in January 2021 Rs.4,00,000;  
The cost inflation indices were as follows: 2005-2006 is 117 and 2020-21 is 301.
10. Mr. Bharath own horses at Mumbai and Bangalore. These horses run for races at the race course. During the year, he submits the following information:
  - a) Expenses on race horses at Mumbai Rs.2,60,000;
  - b) Expenses on race horses at Bangalore Rs.4,30,000;
  - c) Stake money earned by horses at Mumbai Rs.1,20,000;
  - d) Stake money earned by horses at Bangalore Rs.5,00,000;
  - e) Mr. Bharath received Rs.1,03,650 on betting horse races at Mumbai.
 Compute his taxable income under other sources.
11. What are the powers of Income Tax Officer?
12. The following are the particulars of income of Mr. Rangasamy for the current previous year:  
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. Rangasamy after setting of the different losses against other incomes.

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**Part B**

Compulsory question (1 × 10 = 10 Marks)

13. Mr. Babaji earned gross total income of Rs.5,00,000 in the previous year and made the following donations during the year:

Rs.10,000 to Chief Minister's Earthquake relief fund;

Rs.15,000 to National foundation for communal harmony;

Rs.40,000 to Municipal Corporation approved for promotion of family planning;

Donations to Rs.25,000 to Approved institutions;

Donations to clean Ganga fund Rs.12,000;

Donations to Swach Bharath Kosh Rs.8,000;

Donations to National fund for control of drug abuse Rs.15,000.

Calculate the amount deductible u/s. 80 G and his taxable income.

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