

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. Honours - END SEMESTER EXAMINATIONS APRIL - 2024  
SEMESTER - VI

**20UBHCT6028 - Income Tax Law and Practice-II**

Total Duration : 2 Hrs. 30 Mins.

Total Marks : 60

**Section B**

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

1. Mr.Pannerselvam owned two motor cars which were mainly used for business purposes. The written down value on April 1, 2022 of these cars is Rs.1,81,000. The block of assets comprising of only these two cars, was sold in June 2022 for Rs.1,50,000. In September 2021, he sold 1,000 shares in X Ltd.,(unlisted) an Indian company, for Rs.30,00,000. He had purchased the same during the year March, 2005 for Rs.3,10,000. A house plot purchased in March 2011 for Rs.3,00,000 was sold by him for Rs.9,35,000 on January 18, 2023. (CII 2010-11:167, 2004-05:113,2022-23:317). Compute the capital gains chargeable to tax in respect of the above transactions for the assessment year 2023-24.
2. Mr.Ashok is a Central Government employee in the ministry of finance ( date of joining, February 10,2012). During the previous year 2022-23, his basic salary is Rs.12,000 per month. Dearness allowance considered for service benefit is Rs.2,000 per month. He contributes 10 per cent of his salary towards notified pension scheme. A matching contribution is made by the central Government. Compute the taxable income of Mr.Ashok. Mr.Ashok has also contributed another 60,000 towards notified pension scheme.
3. The following are the particulars of income of Mr.M for the PY 22-23. Compute his GTI for the PY 2022-23.

S.No	Particulars	Rs.
1	Loss from HP	6,000
2	Interest received on sundry advances	3,000
3	Income from cloth business	70,000
4	Share of loss in a firm	18,000
5	Loss in speculation	3,200
6	Dividend from a domestic company	5,000
7	Short term capital gain	1,500
8	Long term capital loss	21,000

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4. Mr. C sells jewellery on 15<sup>th</sup> July 2022 for Rs.12,00,000. Cost of jewellery on 20<sup>th</sup> July 2013 was Rs.6,00,000. Brokerage and commission paid for transfer was Rs.10,000. From the earned capital gain he purchased a residential house on 10<sup>th</sup> January 2023 for Rs.4,00,000.  
Calculate taxable capital gain (CII 2013 - 14 = 220; 2022 - 23 = 331)

5. From the following particulars compute the total income of Mr.David for the assessment year 2023-24.

Loss from house property	2,60,000
Short – term capital gain on sale of shares	2,40,000
Long term capital loss on the sale of bonds	-85,000
Other sources: Interest on Government securities	10,000

The Assessee has unabsorbed depreciation of Rs.25,000 being brought forward from 2021-22. Assessee had closed the business and all the assets have been deposited off.

6. Calculate the deduction allowable under section 80GG to an Assessee having the following incomes for the assessment year 2023-24:

Business Income	55,000
Interest from Bank	5,000
Total income	60,000

Rent paid by him for a house occupied by him for the purpose of his residence is Rs.1,250 per month.

7. Explain the Best judgement Assessment.

8. Write a brief note on PAN.

## Section C

I - Answer any **TWO** questions (2 × 10 = 20 Marks)

9. Compute the amount of capital Gains exempted under Section 54 and capital gains chargeable to tax in relation to the following transactions.

Mr.Vasan sells a residential house property in Chennai for Rs.99,00,000 on April 25, 2022 which was acquired by him on May 10, 2011 for Rs.5,00,000. In August 2021, he purchases a house in Madurai for Rs.15,00,000 and another house for 5,00,000 at Tiruchi. On June 30, 2022, Vasan sells the house property in Madurai for Rs.20,00,000. CII for 2011-12 is 184, for 2022-23 it is 317.

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10. Mr.Ravi, a resident of India, submits the following particulars of his income for the 2023-24.

Income from salary (Computed)	32,400
Income from house let out	7,000
Profit from hardware business	1,600
Profit from printing business	19,000
Speculation Income	2,200
STCG	11,000
LTCG	3,000
Current year depreciation of hardware business	1,200

The following items have been brought forward from proceeding assessment year:

Loss from automobile business discontinued in 2019-20	1,200
Loss from hardware business (2008-09)	1,100
Loss from printing business (2016-17)	1,200
Unabsorbed depreciation of business	1,000
Speculation loss of AY 2015-16	5,000
Unabsorbed family planning expenditure	11,000
STCL from the year 2017-18	15,000
LTCL from the year 2010-11	16,000
Speculation loss of AY 2021-22	2,000

Compute the total income of Mr.Ravi for the AY : 2023-24.

11. Mr.S.K.Babu is in service in Calcutta drawing monthly salary of Rs.5,000. He is provided with a free unfurnished flat, the rent of which is Rs.2,000 p.m (rent being paid to land lord). He contributed 10% of his salary to RPF. The interest at 9% on his provident fund Account for the year ended 31<sup>st</sup> March 2023 amounted to Rs.250. He is also owner of a house which is let out at a monthly rent of Rs.2,500. His expenses for house were:

(a) Municipal Taxes	3,000
(b) Interest on loan for construction of the house	6,600
(c) Repairs	500

He has received interest on Govt, Securities amounting to Rs.14,000(Gross). He has also received a share of profit from a firm of Rs.5,000 and his share of firm's tax amounts to Rs.600. He has paid life insurance premium for a policy on his own life Rs.700.

He paid Rs.200 to P.M's National Relief Fund. Compute the total income of Mr.Babu interest income on post office saving account is Rs.14,000.

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12. Analyze the provisions relating to Clubbing of Incomes.

II - Compulsory question ( $1 \times 10 = 10$  Marks)

13. Explain the functions and powers of CBDT.

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