

(FOR THE CANDIDATES ADMITTED
DURING THE ACADEMIC YEAR 2023 ONLY)

23UCC512

REG.NO.:

N.G.M.COLLEGE (AUTONOMOUS): POLLACHI
END-OF-SEMESTER EXAMINATIONS: NOVEMBER-2025

B.Com C.A.
SEMESTER: V

MAXIMUM MARKS: 75
TIME: 3 HOURS

PART - III
INCOME TAX
SECTION – A

(10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS.

MULTIPLE CHOICE QUESTIONS.

(K1)

1. The Year in which income is earned is called _____.
a) Previous year b) Current year c) Assessment year d) Calendar year
2. Education Allowance is exempted upto a maximum of _____.
a) One child b) Two children c) Three children d) Four Children
3. Standard Deduction u/s 24 is _____.
a) $\frac{1}{4}$ of NAV b) $\frac{1}{5}$ of NAV c) 30% of NAV d) Rs.10,000
4. Professional expenses are allowed on _____.
a) Accrual basis b) payment basis c) accrual or payment basis d) None of these
5. Family pension is subject to _____.
a) Standard deduction b) Taxable @20% c) Taxable @ 30% d) Rs.5000

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES.

(K2)

6. What do you mean by Assessment Year?
7. Define Gratuity.
8. What is unrealized rent?
9. What is unabsorbed depreciation?
10. What is Grossing up?

SECTION – B

(5 X 5 = 25 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)

11. a) Shri. Venkatesh, who was born and brought up in India, went to U.K. for further studies on 1st October 2024. Ascertain his residential status for the previous year 2024-25.

(OR)

- b) Write a short note on Gross Total Income.

12. a) Mr. X, resides in Chennai, gets Rs.3,00,000 p.a. as Basis salary, DA (forming part) Rs.40,000 and 2% commission on turnover achieved by him. (Turnover Rs.3,00,000). He receives Rs.60,000 as HRA, though he pays a rent of Rs.80,000 p.a. Calculate taxable HRA.

(OR)

- b) List any five partially taxable allowance.

13. a) Compute the capital gain for the AY 2025-26 from the following:

Date of purchase of house – May 1981
Cost of Acquisition Rs.1,80,000
FMV as on 1.4.2001 Rs.6,00,000
Sold the property in 2024-25 Rs.14,00,000
CII 2024-25 – 363

(CONTD.....2)

(OR)

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b) From the following particulars, Compute GAV

Municipal Value Rs.60,000 p.a; FRV Rs.66,000 pa.; SRV Rs.63,000 p.a.;

Actual rent Rs.66,000 pa. Date of completion 30.06.2024; Date of Letting 01.10.2024.

14a) From the P&L a/c of a business man, find out his business income.

	Rs		Rs.
Salary	25,000	Gross Profit	3,00,000
Office expenses	10,000	House Rent	10,000
Advertisement	10,000	Capital Gains	40,000
Depreciation	10,000		
Bad Debts Reserve	25,000		
Net Profit	2,70,000		
	3,50,000		3,50,000

(OR)

b) From the following statements compute the business income

Commission earned Rs.20,000

Sales Rs.1,20,000

Purchases Rs.20,000

Staff salary Rs.11,000

Purchase of typewriter Rs.8,000

15.a) From the following details find out income from other sources

Directors fees Rs.5,000

Dividend from Indian company Rs.4,000

Income from Horse Race Rs.7,000

Royalty from books Rs.9,000

Dividend from co-operative societies Rs.3,000

(OR)

b) From the following particulars calculate total income

Loss from business Rs.4,00,000

Depreciation allowance for the AY.80,000

House property income Rs.8,00,000

Items carried forward from earlier years:

Business loss of AY 2014-15 Rs.4,80,000

Unabsorbed depreciation Rs.2,00,000

SECTION – C

(5 X 8 = 40 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.

(K4 (Or) K5)

16. a) Explain the basic conditions to determine the residential status of an Individual.

(OR)

b) Following are the particulars of taxable income of Mr. Hari for the previous year ended 31.03.2025.

i) Royalty received from Govt. of India Rs.24,000

ii) Income from business earned in Afganistan Rs.25,000 of which Rs.15,000 were received in India. Business is controlled from India.

iii) Interest received from Aditya, a non-resident against a loan provided to him to run a business in India Rs.5,000

iv) Royalty received outside India from Raj a resident for technical services provided to run a business outside India Rs.20,000.

v) Income from business in Jaipur Rs.40,000. This business is controlled from France. Rs.20,000 were remitted to France.

Calculate the total income a) Resident b) Not Ordinarily Resident c) Non- Resident

(CONTD.....3)

17.a) From the following details are given by Mr. Ravi, Calculate his income from salary.

Basis salary Rs.11,000 pm

DA 50% of basic salary (fully forming part)

2% commission on turnover of Rs.2,00,000

CCA Rs.500 pm

Project Allowance Rs.250 pm

Academic Research Allowance Rs.250 pm (Actual amount spent Rs.3,000)

The employer meets the following expenses of Mr. Ravi, LIC premium Rs.6,000; Electricity bill Rs.4,000, Professional Tax Rs.3,000.

(OR)

b) Write notes on i) SPF ii) RPF

18. a) From the following particulars, compute the income from house property

Particulars	House I	House II
SRV	60,000	-
MRV	50,000	70,000
FRV	54,000	77,000
Actual Rent	48,000	-
Municipal tax paid	7,000	7,500
Ground rent	6,000	4,000
Insurance Premium	3,000	1,500

The house owner borrowed Rs.1,20,000 @ 15% p.a. for construction of House II (Date of borrowing was 1st Oct. 2017. Date of repayment was 31st March 2026. Date of construction was completed during sep. 2022.

(OR)

b) What is Capital Gains? Write the difference between short term and long term capital gain?

19.a) From the following P&L a/c calculate income from business

	Rs.		Rs.
To Rent	4,000	By Gross Profit	25,000
To Salary to employees	5,000	By Business Income	45,000
To Depreciation	5,000	By Income from Lottery	25,000
To Donation	8,000		
To Income Tax	2,000		
To Patents (acquired before 1.4.98)	14,000		
To Net Profit	57,000		
	95,000		95,000

i) Depreciation to be allowed Rs.10,000.

ii) An expenditure of Rs.1,500 approved by the I.T. authority is not shown in P&L a/c.

(OR)

b)

Receipts	Rs.	Payments	Rs.
Balance b/d	1,20,000	Car Expenses	24,000
Fees from clients		Office expenses	6,000
2023-24	25,000	Salary to Staff	7,000
2024-25	30,000	Interest on loan	1,000
2025-26	32,000	Income tax	1,500
Presents from clients	20,000	Income tax penalty	600
Winnings from lotteries	24,000	Wealth tax	250
		Purchase	5,000
		Balance c/d	2,05,650
	2,51,000		2,51,000

i) Depreciation at Rs.2,500 is to be provided

ii) Consider Rs.1,500 as opening stock and Rs.1,000 as closing stock

iii) Car is 60% used for official purpose

iv) Income from other sources Rs.30,000

(CONTD.....4)

20. a) From the following compute income from other sources for the AY 2025-26

	Rs.
Interest (gross) on investment with a company	20,000
University remuneration for working on an examiner	16,000
Royalty for writing books	1,60,000
Expenses on writing these books	40,000
Dividend received from a domestic company	12,000
Interim dividend	12,000
Family pension	48,000

(OR)

- b) The particulars of income of Mr. Suresh for the financial year 2024-25 are given below
- Gross salary received from ABC Ltd., for the year Rs.4,40,000.
- Rental income received from the commercial complex Rs.8,00,000
- Arrears of rent received from the complex, which were not charged to tax in my earlier year Rs.2,60,000
- Interest paid on loan taken for the purchase of a house from schedule bank for use as own residence (completed prior to 1.4.99) Rs.1,20,000
- Compute the total income of Suresh and the tax payable theorem in respect of AY 2025-26.

ETHICAL PAPER