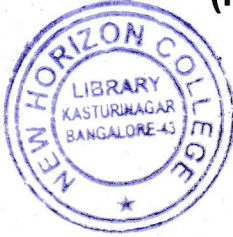


**VI Semester B.B.A. Degree Examination, May/June - 2025****(NEP 2020 Scheme Freshers and Repeaters)****BUSINESS ADMINISTRATION****Income Tax - II****Paper : 6.2****Time : 2½ Hours****Maximum Marks : 60****Instructions :***Answers should be written completely in English only.***SECTION - A**

**Answer any Five of the following questions. Each question carries Two marks.**  
**(5×2=10)**

1. a. What is vocation?
- b. What do you mean by block of assets?
- c. State the formula of calculate indexed cost of acquisition.
- d. Give the meaning of 'set - off.
- e. What are casual incomes? Give an example.
- f. State the provisions of section 80DDB.
- g. What is best judgement assessment?

**SECTION - B**

**Answer any Three of the following questions. Each question carries Four marks.**  
**(3×4=12)**

2. State whether the following expenses are admissible or not while calculating income from business :
  - a. Life insurance premium.

**[P.T.O.]**



- b. Contribution to staff welfare fund.
- c. Audit fees.
- d. Excess depreciation.

3. From the following particulars furnished by Mr. Vivek (resident) compute his income from capital gains for the A.Y. 2024-25.

Date of purchase of house property	1-12-2000
Cost of acquisition	Rs. 2,50,000
Cost of addition in 2000	Rs. 25,000
Fair market value as on 1-4-2001	Rs. 3,50,000
Cost of additions in 2004-05	Rs. 77,700
Sale consideration	Rs. 54,00,000

Cost inflation index : 2001-02 = 100; 2004-05=113; 2023-24=348.

4. Mr. Anil received the following incomes during the Financial Year 2023-24. Compute his taxable income under the head "Income from Other Sources" for the Assessment Year 2024-25.

a. Interest on savings bank account	Rs. 12,000
b. Gift received from a friend on his birthday	Rs. 60,000
c. Winnings from a television game show	Rs. 35,000 (net)
d. Rent received from sub - letting office furniture	Rs. 20,000



5. Ms. Neha, made the following investments and payments during the financial year 2023-24. Compute the eligible deduction under section 80C for the Assessment year 2024-25.
- |   |            |
|---|------------|
| a. Life Insurance Premium paid for self         | Rs. 32,000 |
| b. Contribution to Public Provident Fund (PPF)  | Rs. 50,000 |
| c. Tuition fees paid for her daughter's school  | Rs. 35,000 |
| d. 5 - year fixed deposit with a scheduled bank | Rs. 50,000 |
6. State the tax provisions for set off and carry forward of the following losses :
- |   |
|---|
| a. Unabsorbed loss from house property. |
| b. Loss from speculation business.      |

**SECTION - C**

**Answer any Three of the following questions. Each question carries Ten marks.**  
**(3×10=30)**

7. From the following profit and loss account of Rohan Mehta for the year ending March 31, 2024, compute taxable income from business for the Assessment Year 2024-25.

Particulars	Rs.	Particulars	Rs.
To Opening stock	50,000	By sales	19,40,000
To Purchases	12,00,000	By closing stock	60,000
To Wages	3,00,000		
To Salaries	45,000		
To Interest	12,000		
To Custom duty	63,000		
To General charges	35,000		
To Depreciation	55,000		
To Income tax	55,000		

**[P.T.O.]**





To Investment reserve	18,000	
To Net profit	1,67,000	
	<b>20,00,000</b>	<b>20,00,000</b>

## Adjustments :

- Both opening stock and closing stock are overvalued at 20%.
  - Wages include a sum of Rs. 5,000 paid to the proprietor's domestic servant.
  - Custom duty includes Rs. 4,000 for clearing the machinery which is inadmissible.
8. Dr. Ankit sharma, a renowned medical practitioner who maintains book of account on cash basis, furnishes his receipts and payments account for the financial year 2024-25.

**Receipts and Payments Account**

Receipts	Rs.	Payments	Rs.
To Balance b/d	74,000	By Rent of clinic	
To Consultation fees		2022-23	600
2022-23	3,000	2023-24	4,800
2023-24	15,000	2024-25	600
2024-25	2,000		
To Visiting fees	30,000	By Electricity and water bills	2,000
To Loan from bank (professional		By Professional books	4,000
purpose)	25,000	By Household expenses	7,800
To Sale of medicines	60,000	By Motor car purchased	30,000
To Gifts and presents	5,000	By Surgical equipments	4,800
To Remuneration from articles		By Income tax	10,000
published in professional journals	6,000	By Salary to staff	15,000
To Dividend	10,000	By Life insurance premium	20,000



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To Interest on POSBA/c	7,000	By Interest on loan	2,000
		By Car expenses	15,000
		By Purchase of medicine	40,000
		By Balance c/d	80,400
	<b>2,37,000</b>		<b>2,37,000</b>

Compute his professional income for the assessment year 2024-25, after taking into account the following additional information :

- 1/3 of the use of car relates to his personal use.
- Depreciation allowable as per IT Rules : Motorcar @ 15%, Books @ 40%, Surgical equipments @ 15%.
- Gifts and presents include Rs. 3,000 from patients in appreciation of his medical services and Rs. 2,000 received as Birthday gifts from relatives.

9. During the previous year ending 31<sup>st</sup> march 2024. Vikram sold the following assets.

Asset	Date of sale	Sale proceeds (Rs.)	Cost of acquisition (Rs.)	Year of purchase	FMV on 1.4.2001 (Rs.)
a) shares (unlisted)	10.04.2023	15,50,000	1,70,000	2009-10	-
b) Agriculture land in rural area (outside municipal limits)	25.05.2023	17,00,000	2,30,000	1973-74	3,40,000
c) Personal car	01.07.2023	1,25,000	70,000	2001-02	-
d) Agricultural land in Urban area	10.06.2023	30,00,000	2,50,000	1979-80	2,00,000

On March 31<sup>st</sup> 2024. Vikram purchases another agricultural land for Rs. 95,000. The cost inflation index for 2001-02 is 100, for 2009-10 is 148 and for 2023-24 is 348. Find out the capital gains chargeable to tax for the assessment year 2024-25.

[P.T.O.]





10. Rahul, a resident individual, earned the following incomes during the Financial year 2023-24. Compute his Taxable Income under the head "Income from other sources" for Assessment Year 2024-25.

	Rs.
a) Interest on Bank Fixed Deposits	45,000
b) Dividend from a Foreign Company	12,000
c) Interest from Post Office Savings Account	9,500
d) Winnings from a Game show (net)	70,000
e) Family pension	96,000
f) Gift from a friend (non - relative)	65,000
g) Rent from letting out plant and machinery	50,000
h) Interest on Income Tax Refund	5,000
i) Amount from Keyman Insurance Policy	1,20,000
j) Winnings from a Lottery (net)	60,000

11. Compute the tax liability of the following individuals under Old Tax Regime for Assessment Year 2024-25, considering that advance tax paid is Rs. 80,000 in each case :
- a) Total income of Karan Rs. 18,50,000 (40 years)
- b) Total income of Amit Rs. 16,00,000 (45 years).

### SECTION - D

**Answer any One of the following questions. Each question carries Eight marks.**  
(1×8=8)

12. Deepak, a resident individual aged 40 years, has submitted the following details of his income and deductions for the Assessment year 2024-25. Compute his total income and Tax Liability as per Old Tax Regime :

Incomes :	Rs.
a) Income from salary	3,45,000
b) Income from house property	55,000
c) Income from business	2,10,000



d)	Dividend from Indian company	4,000
e)	Interest on Savings Bank Deposits	5,000
f)	Winnings from Karnataka State Lottery (Net)	35,000
g)	Winnings from Crossword puzzle (Net)	21,000

**Payments and Investments :**

a)	Life Insurance Premium on own life	20,000
b)	Contribution to Public Provident Fund (PPF)	30,000
c)	Deposit in Sukanya Samriddhi Scheme	10,000
d)	Cash payment for Preventive Health check - up (self)	10,000
e)	Medical insurance premium paid for self	13,000

13. Explain the procedure for e-filing of income tax returns.

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