



DCBB602/DCAM602

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VI Semester B.B.A.(Regular)(AM) Degree Examination, June - 2025

**BUSINESS ADMINISTRATION****Income Tax - II****(NEP Scheme)****Time : 2½ Hours****Maximum Marks : 60*****Instructions to Candidates:******Answers should be written in English only.*****SECTION - A****Answer any Five of the following questions. Each question carries Two marks.****(5×2=10)**

1. a. Give the meaning of profession.
- b. Mention any Four deduction expressly disallowed while computing income from business or profession.
- c. Give the meaning of transfer in relation to a capital asset.
- d. Give the meaning of securities.
- e. State the provision regarding set-off of capital losses.
- f. What is assessment?
- g. What do you mean by bond washing Transaction?

**SECTION - B****Answer any Four of the following questions. Each question carries Five marks.****(4×5=20)**

2. State the provisions of section 54 B and 54 EC.
3. Explain the General powers of Income Tax authorities.



(2)

**DCBB602/DCAM602**

4. The following incomes were received by Mr. Bhaskar during the financial year 2023-24.

- a) Directors sitting fees Rs. 10,000
- b) Interest on post office savings bank account Rs. 3,000
- c) Interest on Fixed deposit in BOB Rs. 8,000
- d) Winnings from crossword puzzles Rs. 10,000
- e) Winnings from Lottery (Net) Rs. 70,000
- f) Interest received on Karnataka Government Securities Rs. 15,000
- g) Income from Royalty Rs. 20,000
- h) Ground Rent Rs. 5,000

Compute his income from other sources for the assessment year 2024-25.

5. Mr. Sharma seus his residential house in Mysore on 24<sup>th</sup> August 2023 for Rs. 60,00,000 and incurs an expenditure of Rs. 1,00,000 in connection with the transfer. Cost of acquisition for him in 1998 was Rs. 1,80,000 and on 1<sup>st</sup> April 2001 the fair market value was Rs. 8,00,000 on 16<sup>th</sup> January 2024 he deposited Rs. 20,00,000 in the capital gains account scheme.

Compute the taxable capital gains for the Assessment year 2024-25.

The cost inflation index for 2001-02 was 100 and for 2023-24 it was 348.

6. The Net profit of Mr. Mohan as per his profit and loss account after charging the following items was Rs. 3,40,000.

- a) Interest on capital Rs. 20,000
- b) Salary to staff Rs. 1,16,000
- c) Office expenses Rs. 3,000
- d) Bad debts written off Rs. 13,000
- e) Provision for bad debts Rs. 10,000
- f) Provision for income Tax Rs. 16,000
- g) Donation Rs. 10,000
- h) Depreciation Rs. 17,000 (allowable as per IT Rs. 12,000)

Compute his income from business for the assessment year 2024-25.



(3)

DCBB602/DCAM602

## SECTION - C

Answer any Two of the following questions. Each question carries Twelve marks.  
(2×12=24)

7. The following is the Receipt and payments of par Rao a practising chartered Accountant for the year ended 31-03-2024.

**Receipts**

Audit fees	Rs. 19,210
Consultation fees	Rs. 10,000
Appellate tribunal appearance	Rs. 15,000
Miscellaneous	Rs. 20,000
Interest on Government securities	Rs. 10,000
Rent received	Rs. 10,000
Presents from clients	Rs. 10,000

**Payments**

Office Expenses	Rs. 11,300
Office rent	Rs. 5,000
Salaries and wages	Rs. 12,000
Printing and stationary	Rs. 1,000
Subscription to C.A. Institute	Rs. 3,000
Travelling expenses	Rs. 5,800
Interest on Bank Loan	Rs. 3,000
Donation to National Defense Fund	Rs. 5,000

Loan from bank was taken for construction of the house in which he lives  $\frac{1}{4}$  of travelling expenses are not allowable.

Compute his income from profession for the Assessment year 2024-25.

8. During the year ended 31-03-2024. Mr. Das said the following assets.

Particulars	Sale Proceeds
a) Shop purchased in 2006-07 (CII: 122) For Rs. 36,600	1,50,000
b) Machinery purchased in 2015-16 (CII:254) for Rs. 50,000 (W.D.V on 01-04-2023 Rs. 36,000)	60,000
c) Furniture purchased on 01-05-2023 for Rs. 1,000	1,300
d) Machinery purchased on 01-05-2023 for Rs. 10,000	15,000

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- e) Agricultural Land in Bengaluru purchased in 1999-2000  
for Rs. 10,000 (Fng. V on 01-04-2001 being Rs. 15,000) 2,60,000
- f) One residential house purchased in 2008-09  
(CII : 137) costing Rs. 41,500 3,00,000

During the year he bought another house for his residence for Rs. 2,50,000.

Compute the amount of Capital Gains for the Assessment year 2024-25

CII for 2001-02-100, 2023-24-348

9. Dr. Gopal is a Professor. Following information related to the Assessment year 2024-25
- Basic salary Rs. 60,000 p.m.
  - Dearness allowance 50% of basic salary.
  - Deputation allowance Rs. 4,000 p.m.
  - Examiner ship Remuneration Rs. 3,000
  - Royalty from books for colleges (Computed) Rs. 25,000
  - Gross interest on Government securities Rs. 5,000.
  - Interest on tax free debentures of a public sector company and notified (Gross) Rs. 3,000
  - Dividend on shares of a foreign company Rs. 2,500.
  - Income from house property Rs. 1,60,000 (Computed)
  - Contribution to statutory provident Fund Rs. 5,000.
  - Contribution to public provident Fund Rs. 12,000.
  - Donation to approved charitable institution Rs. 10,000 by cheque.
- Compute his total income for the A/y 2024-25.

#### SECTION - D

Answer any One of the following questions. Each question carries Six marks.

(1×6=6)

- List any six deduction available under section 80 for an individual assessee.
- Prepare a format for the computation of taxable income and tax Liability of an individual assessee with imaginary figures.