

**STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86**  
(For candidates admitted from the academic year 2023 – 2024)

**B.COM. DEGREE EXAMINATION – APRIL 2026**  
**BANKING, FINANCE AND ENTREPRENEURSHIP**  
**SIXTH SEMESTER**

**COURSE** : MAJOR CORE  
**PAPER** : TAXATION  
**SUBJECT CODE** : 23BF/MC/TN64  
**TIME** : 3 HOURS

**MAX. MARKS: 100**

<b>SECTION A</b>			
<b>Q.NO</b>	<b>Answer all the Questions (theory not exceeding 50 words) . (5 x 2 = 10)</b>	<b>CO</b>	<b>KL</b>
1.	State the meaning of Previous year and Assessment year.	1	K1
2.	Write a note on Casual income.	1	K1
3.	Calculate Gross Annual Value from the particulars given below: Actual rent – Rs.6,000 p.m. MRV –Rs.60,000 p.a. FRV – Rs.65,000 p.a. Standard rent – Rs.70,000 p.a. Municipal Tax – Rs.10,000 p.a..	1	K1
4.	Calculate Tax Liability of Mr. X if his total income is Rs.10,11,549 for the Assessment year 2025-26.	1	K1
5.	W.D.V of office furniture as on 1.4.2024 –Rs.18,000 which was purchased on 15.09.2008 for Rs.20,000 and sold on 1.9.2024 (CII – 363) for Rs.26,000. Compute Capital Gain .	1	K1
<b>SECTION B</b>			
<b>Q.NO.</b>	<b>Answer any four questions (theory not exceeding 150 words) . (4 x 5 = 20)</b>	<b>CO</b>	<b>KL</b>
6.	Explain the residential status of an individual.	2	K2
7.	Calculate NAV from the particulars given below: MRV Rs.60,000 p.a      Actual Rent      Rs. 7,000 p.m. FRV Rs.66,000 p.a      Standard Rent      Rs.69,000 p.a Actual Rent of the house is Rs. 4,000 p.m. and was vacant for two months. Municipal Tax paid –Rs.5,000 50% is paid by the tenant.	2	K2
8.	Calculate the taxable amount of annual accretion to R.P.F if following information is provided by assessee: (i) Pay @ Rs. 40,000 p.m. (ii) Commission received by him on the basis of turnover achieved by him: Rs.1,36,000 (iii)Employer’s contribution to R.P.F. @13% of salary (iv)Interest credited during the year of R.P.F Balance @12% is Rs. 64,000	2	K2

9.	<p>Following is the Profit and Loss Account of Kesari Malya for the Previous year 2024-25</p> <p style="text-align: center;"><b>PROFIT AND LOSS ACCOUNT</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%;"></th> <th style="width: 15%; text-align: center;">Rs.</th> <th style="width: 35%;"></th> <th style="width: 15%; text-align: center;">Rs.</th> </tr> </thead> <tbody> <tr> <td>To Salaries</td> <td style="text-align: right;">25,650</td> <td>By Gross Profit</td> <td style="text-align: right;">80,000</td> </tr> <tr> <td>To Rent</td> <td style="text-align: right;">1,000</td> <td>By Bank interest</td> <td style="text-align: right;">450</td> </tr> <tr> <td>To Commission on sales</td> <td style="text-align: right;">100</td> <td>By Bad Debts recovered (last year allowed)</td> <td style="text-align: right;">2,000</td> </tr> <tr> <td>To Income-tax</td> <td style="text-align: right;">2,600</td> <td>By Rent from house Property</td> <td style="text-align: right;">4,800</td> </tr> <tr> <td>To Entertainment Expenses</td> <td style="text-align: right;">600</td> <td>By Interest on commercial Securities</td> <td style="text-align: right;">2,000</td> </tr> <tr> <td>To Commission paid to Collect interest on</td> <td style="text-align: right;">25</td> <td></td> <td></td> </tr> <tr> <td>To Embezzlement by cashier</td> <td style="text-align: right;">1,000</td> <td></td> <td></td> </tr> <tr> <td>To Municipal tax of H.P.</td> <td style="text-align: right;">600</td> <td></td> <td></td> </tr> <tr> <td>To Bad Debts (allowed)</td> <td style="text-align: right;">450</td> <td></td> <td></td> </tr> <tr> <td>To Repairs to house</td> <td style="text-align: right;">1,625</td> <td></td> <td></td> </tr> <tr> <td>To Office expenses</td> <td style="text-align: right;">9,180</td> <td></td> <td></td> </tr> <tr> <td>To Depreciation</td> <td style="text-align: right;">5,000</td> <td></td> <td></td> </tr> <tr> <td>To L.I.C premium</td> <td style="text-align: right;">1,320</td> <td></td> <td></td> </tr> <tr> <td>To Net Profit</td> <td style="text-align: right;">40,100</td> <td></td> <td></td> </tr> <tr> <td><b>TOTAL</b></td> <td style="text-align: right;"><b>89,250</b></td> <td></td> <td style="text-align: right;"><b>89,250</b></td> </tr> </tbody> </table> <p>Depreciation on the assets is Rs.4,500. Compute the taxable business income for the assessment year 2025-26.</p>		Rs.		Rs.	To Salaries	25,650	By Gross Profit	80,000	To Rent	1,000	By Bank interest	450	To Commission on sales	100	By Bad Debts recovered (last year allowed)	2,000	To Income-tax	2,600	By Rent from house Property	4,800	To Entertainment Expenses	600	By Interest on commercial Securities	2,000	To Commission paid to Collect interest on	25			To Embezzlement by cashier	1,000			To Municipal tax of H.P.	600			To Bad Debts (allowed)	450			To Repairs to house	1,625			To Office expenses	9,180			To Depreciation	5,000			To L.I.C premium	1,320			To Net Profit	40,100			<b>TOTAL</b>	<b>89,250</b>		<b>89,250</b>	2	K2
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10.	<p>Mr. Avtar Singh purchased a plot in 2002-03 for Rs,3,80,000. It was sold on 15-6-2024 for Rs.15,80,000 and he paid Rs.20,000 as brokerage charges. He invested Rs. 2,00,000 in Bonds of National Highway Authority of India on 31-12-2024 and Rs. 3,10,000 in bonds issued by Rural Electrification Corporation Ltd. on 1-6-2025. Compute the taxable amount of capital gain if C.I.I for 2002-03 was 105 and for 2024-25 is 363.</p>	2	K2																																																																

11.	<p>Mr. Ankit received the following gifts during P.Y.2024-25:</p> <p>(I) He received the gift in cash of Rs. 20,000 from his uncle on 31-6-2024.</p> <p>(II) He received a cheque of Rs. 30,000 as gift from his brother on 10-11-2024.</p> <p>(III) He received a gift of Rs. 21,000 on his wedding from Mr. X on 1-12-2024.</p> <p>(IV) He received Rs. 25,000 as gift from his non-residential friend Mr. Y 30-12-2024.</p> <p>(V) He Received a gift of Rs. 51,000 from his brother-in-law on 31-1-2025.</p> <p>(VI) He received Rs. 5,000 from Mr. Z, his resident friend on 15-2-2025.</p> <p>(VII) Calculate the amount of taxable gifts chargeable under the head ‘Other Sources’.</p>	2	K2																				
<b>SECTION C</b>																							
<b>Q.NO.</b>	<b>Answer the following questions :</b>	<b>(4 x 10 = 40)</b>	<b>CO KL</b>																				
12.	<p>a) The following are the Income of Shree Rupak Mishra for the previous year 2024-25:</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">(i) Dividend from Indian Company</td> <td style="text-align: right;">10,000</td> </tr> <tr> <td>(ii) Profit from business in Japan received in India</td> <td style="text-align: right;">1,20,000</td> </tr> <tr> <td>(iii) Profit from business in Pakistan deposited in a bank there. This business is controlled from India.</td> <td style="text-align: right;">2,00,000</td> </tr> <tr> <td>(iv) Profit from business in Indore (Controlled by London Head Office)</td> <td style="text-align: right;">1,10,000</td> </tr> <tr> <td>(v) Interest received from a non-resident Mr. Rahim, on the loan provided to him for a business carried on in India.</td> <td style="text-align: right;">50,000</td> </tr> <tr> <td>(vi) Income was earned in America and received there, but brought in India.</td> <td style="text-align: right;">80,000</td> </tr> <tr> <td>(vii) Share of Income from Indian partnership firm</td> <td style="text-align: right;">1,50,000</td> </tr> <tr> <td>(viii) Income from house property in India received in America (Computed)</td> <td style="text-align: right;">62,000</td> </tr> <tr> <td>(ix) Interest on debentures of an Indian company Received in Dubai</td> <td style="text-align: right;">25,000</td> </tr> <tr> <td>(x) Capital Gain on sale of agricultural land Situated at Ajmer</td> <td style="text-align: right;">48,000</td> </tr> </table> <p>Compute his taxable income, if he is :</p> <p>(a) Resident (b) Not- Ordinarily resident (c) Non-resident.</p> <p style="text-align: center;"><b>(OR)</b></p>	(i) Dividend from Indian Company	10,000	(ii) Profit from business in Japan received in India	1,20,000	(iii) Profit from business in Pakistan deposited in a bank there. This business is controlled from India.	2,00,000	(iv) Profit from business in Indore (Controlled by London Head Office)	1,10,000	(v) Interest received from a non-resident Mr. Rahim, on the loan provided to him for a business carried on in India.	50,000	(vi) Income was earned in America and received there, but brought in India.	80,000	(vii) Share of Income from Indian partnership firm	1,50,000	(viii) Income from house property in India received in America (Computed)	62,000	(ix) Interest on debentures of an Indian company Received in Dubai	25,000	(x) Capital Gain on sale of agricultural land Situated at Ajmer	48,000	3	K3
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	<p>b) Mr. Ramesh Swain is employed at Hyderabad at a Basic Salary of Rs.25,000 p.m. and he is also getting following allowances.:</p> <table border="1" data-bbox="297 363 1300 968"> <thead> <tr> <th>S.No</th> <th>Particulars</th> <th>Amount Rs.</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Dearness Allowance</td> <td>2000 p.m.</td> </tr> <tr> <td>2</td> <td>Lunch Allowance</td> <td>1,000 p.m.</td> </tr> <tr> <td>3</td> <td>Servant Allowance (He is paying Rs.1,200 p.m. to a servant)</td> <td>1,000 p.m.</td> </tr> <tr> <td>4</td> <td>Transport Allowance</td> <td>2,000 p.m.</td> </tr> <tr> <td>5</td> <td>Education Allowance</td> <td>200 pm per child for three children</td> </tr> <tr> <td>6</td> <td>Hostel Allowance to one child</td> <td>500 p.m.</td> </tr> <tr> <td>7</td> <td>Conveyance Allowance (He does not spend anything)</td> <td>800 p.m.</td> </tr> <tr> <td>8</td> <td>Overtime Allowance</td> <td>2,000 p.m.</td> </tr> <tr> <td>9</td> <td>Officiating Allowance</td> <td>2,000 p.m.</td> </tr> <tr> <td>10</td> <td>Cash Allowance</td> <td>1,200 p.m.</td> </tr> <tr> <td>11</td> <td>Entertainment Allowance</td> <td>2,000 p.m.</td> </tr> <tr> <td>12</td> <td>House Rent Allowance</td> <td>5,000 p.m.</td> </tr> </tbody> </table> <p>He is having a family house at the place of his posting but he is living in a rented house and is paying a rent Rs.7,000 p.m. Find out his Gross salary.</p>	S.No	Particulars	Amount Rs.	1	Dearness Allowance	2000 p.m.	2	Lunch Allowance	1,000 p.m.	3	Servant Allowance (He is paying Rs.1,200 p.m. to a servant)	1,000 p.m.	4	Transport Allowance	2,000 p.m.	5	Education Allowance	200 pm per child for three children	6	Hostel Allowance to one child	500 p.m.	7	Conveyance Allowance (He does not spend anything)	800 p.m.	8	Overtime Allowance	2,000 p.m.	9	Officiating Allowance	2,000 p.m.	10	Cash Allowance	1,200 p.m.	11	Entertainment Allowance	2,000 p.m.	12	House Rent Allowance	5,000 p.m.	3	K3
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13.	<p>a) From the particulars given below compute income from house property which consists of two independent units having 1/3<sup>rd</sup> and 2/3<sup>rd</sup> area:</p> <table border="1" data-bbox="264 1115 1312 1528"> <tbody> <tr> <td>Date of Completion</td> <td>1-11-2018</td> </tr> <tr> <td>Municipal Rental Value</td> <td>Rs. 96,000</td> </tr> <tr> <td>Fair Rental Value</td> <td>Rs. 84,000</td> </tr> <tr> <td>Self-occupied</td> <td>2/3<sup>rd</sup> portion</td> </tr> <tr> <td>Let-out</td> <td>1/3<sup>rd</sup> portion from 1-4-2024 to 31-8-2024 @ Rs. 7,200 p.m and self-occupied from 1-9-2024 onwards.</td> </tr> <tr> <td>Municipal Taxes</td> <td>Rs. 6,000 p.a</td> </tr> <tr> <td>Fire Insurance Premium</td> <td>Rs. 2,000 p.a</td> </tr> <tr> <td>Ground Rent</td> <td>Rs. 4000 p.a</td> </tr> <tr> <td>Interest on Loan</td> <td>Rs. 7,500</td> </tr> </tbody> </table> <p style="text-align: center;"><b>(OR)</b></p>	Date of Completion	1-11-2018	Municipal Rental Value	Rs. 96,000	Fair Rental Value	Rs. 84,000	Self-occupied	2/3 <sup>rd</sup> portion	Let-out	1/3 <sup>rd</sup> portion from 1-4-2024 to 31-8-2024 @ Rs. 7,200 p.m and self-occupied from 1-9-2024 onwards.	Municipal Taxes	Rs. 6,000 p.a	Fire Insurance Premium	Rs. 2,000 p.a	Ground Rent	Rs. 4000 p.a	Interest on Loan	Rs. 7,500	3	K3																					
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	<p>b) From the following statement, compute the income from profession of Dr. S.K.Kapoor if accounts are maintained on cash/receipt system:</p> <table border="1" data-bbox="264 302 1321 982"> <thead> <tr> <th>Cash Receipts</th> <th>Rs.</th> <th>Cash Payments</th> <th>Rs.</th> </tr> </thead> <tbody> <tr> <td>To Visiting fees</td> <td>45,000</td> <td>By Dispensary rent</td> <td>36,000</td> </tr> <tr> <td>To Consultation fees</td> <td>1,25,000</td> <td>By Electricity and water charges</td> <td>6,000</td> </tr> <tr> <td>To Sales of medicines</td> <td>72,000</td> <td>By Telephone expenses</td> <td>6,000</td> </tr> <tr> <td>To Dividends</td> <td>5,000</td> <td>By Salary to nurse and compounder</td> <td>36,000</td> </tr> <tr> <td></td> <td></td> <td>By Dep. On surgical equipment</td> <td>6,000</td> </tr> <tr> <td></td> <td></td> <td>By Purchase of medicines</td> <td>38,000</td> </tr> <tr> <td></td> <td></td> <td>By Depreciation on X-ray Machine</td> <td>4,000</td> </tr> <tr> <td></td> <td></td> <td>By Income Tax</td> <td>5,500</td> </tr> <tr> <td></td> <td></td> <td>By Donation to Rama Krishna Mission</td> <td>4,000</td> </tr> <tr> <td></td> <td></td> <td>By Motor car expenses</td> <td>9,600</td> </tr> <tr> <td></td> <td></td> <td>By Dep. On Car</td> <td>4,800</td> </tr> <tr> <td></td> <td></td> <td>By Balance c/d</td> <td>91,100</td> </tr> <tr> <td></td> <td>2,47,000</td> <td></td> <td>2,47,000</td> </tr> </tbody> </table>	Cash Receipts	Rs.	Cash Payments	Rs.	To Visiting fees	45,000	By Dispensary rent	36,000	To Consultation fees	1,25,000	By Electricity and water charges	6,000	To Sales of medicines	72,000	By Telephone expenses	6,000	To Dividends	5,000	By Salary to nurse and compounder	36,000			By Dep. On surgical equipment	6,000			By Purchase of medicines	38,000			By Depreciation on X-ray Machine	4,000			By Income Tax	5,500			By Donation to Rama Krishna Mission	4,000			By Motor car expenses	9,600			By Dep. On Car	4,800			By Balance c/d	91,100		2,47,000		2,47,000	3	K3
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14.	<p>During the year ended 31<sup>st</sup> March 2025 Mr. David sold the following assets:</p> <table border="1" data-bbox="264 1075 1300 1562"> <thead> <tr> <th>Particulars</th> <th>Sale Proceeds</th> </tr> </thead> <tbody> <tr> <td>(i) Shop purchased in 2005-06 (C.I.I.: 117) for Rs. 42,000</td> <td>Rs. 1,80,000</td> </tr> <tr> <td>(ii) Machinery purchased in 2003-04 (C.I.I. : 109) for Rs.50,000 (W.D.V. on 1-4-2024 Rs.35,000)</td> <td>Rs. 60,000</td> </tr> <tr> <td>(iii) Furniture purchased on 1-5-2024 for Rs. 1,000</td> <td>Rs. 1,300</td> </tr> <tr> <td>(iv) Machinery purchased on 1-5-2024 for Rs. 10,000</td> <td>Rs. 12,000</td> </tr> <tr> <td>(v) Agricultural land in Agra purchased in 1998-99 for Rs.40,000 [F.M.V. on 1-4-2001 (C.I.I.: 100) being Rs.72,000</td> <td>Rs.3,70,000</td> </tr> <tr> <td>(vi) One residential house purchased in 2007-08 (C.I.I.:129) costing Rs.80,000</td> <td>Rs. 2,90,000</td> </tr> </tbody> </table> <p>During the year he bought a new house for his residence for Rs.8,00,000. Cost Inflation Index for 2024-25 is 363. Calculate capital gain.</p> <p style="text-align: center;"><b>(OR)</b></p>	Particulars	Sale Proceeds	(i) Shop purchased in 2005-06 (C.I.I.: 117) for Rs. 42,000	Rs. 1,80,000	(ii) Machinery purchased in 2003-04 (C.I.I. : 109) for Rs.50,000 (W.D.V. on 1-4-2024 Rs.35,000)	Rs. 60,000	(iii) Furniture purchased on 1-5-2024 for Rs. 1,000	Rs. 1,300	(iv) Machinery purchased on 1-5-2024 for Rs. 10,000	Rs. 12,000	(v) Agricultural land in Agra purchased in 1998-99 for Rs.40,000 [F.M.V. on 1-4-2001 (C.I.I.: 100) being Rs.72,000	Rs.3,70,000	(vi) One residential house purchased in 2007-08 (C.I.I.:129) costing Rs.80,000	Rs. 2,90,000	4	K4																																										
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	<p>b) Harikrishnan, a resident individual, submits the following particulars of income for the previous year ending March 31, 2025:          Dividend from REC International Ltd. Rs.4,800.          Dividend declared on 16-5-2023 by Sundaram Finance Ltd. Rs.2,700, interest paid on capital borrowed for the purpose of investment in shares of Sundaram Finance Ltd. Rs.4,200; Dividend from C.Ltd., a foreign company, Rs.12,000. Collection charges in respect of dividend Rs.50.          Winnings from lottery: net amount Rs.70,000, Tax deducted at source Rs.30,000, Winnings from card games: Rs.23,500. Interest on securities issued by the Government of Singapore Rs.20,570.          During the year, he received following gifts:</p> <table border="1" data-bbox="285 751 1289 905"> <tr> <td>(i) Gift from a friend on 10-12-2024</td> <td>20,000</td> </tr> <tr> <td>(ii) Gift from his brother on 10-12-2024</td> <td>21,000</td> </tr> <tr> <td>(iii) Gift from his grandfather 10-12-2024</td> <td>51,000</td> </tr> <tr> <td>(iv) Gift from elder brother of grandfather on 10-12-2024</td> <td>21,000</td> </tr> </table> <p>Determine the income chargeable under the head "Income from other sources" for the Assessment year 2025-26.</p>	(i) Gift from a friend on 10-12-2024	20,000	(ii) Gift from his brother on 10-12-2024	21,000	(iii) Gift from his grandfather 10-12-2024	51,000	(iv) Gift from elder brother of grandfather on 10-12-2024	21,000	4	K4																										
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15.	<p>a) Calculate Gross Total Income for the Previous year 2024 -25 from the following details:</p> <p style="text-align: center;">Rs.</p> <table border="1" data-bbox="332 1125 1230 1755"> <tr> <td colspan="2"><b>House property</b></td> </tr> <tr> <td>Loss from self-occupied house</td> <td style="text-align: right;">Rs. 2,50,000</td> </tr> <tr> <td>Income from let-out house</td> <td style="text-align: right;">Rs.1,12,000</td> </tr> <tr> <td colspan="2"><b>Profit and gains of Business or Profession</b></td> </tr> <tr> <td>Hosiery business</td> <td></td> </tr> <tr> <td>Cycle business</td> <td style="text-align: right;">(+ 1,80,000</td> </tr> <tr> <td>Speculation business</td> <td style="text-align: right;">(-) 60,000</td> </tr> <tr> <td></td> <td style="text-align: right;">(-) 1,00,000</td> </tr> <tr> <td colspan="2"><b>Capital gains</b></td> </tr> <tr> <td>Short term capital gain</td> <td style="text-align: right;">40,000</td> </tr> <tr> <td>Short term capital loss</td> <td style="text-align: right;">80,000</td> </tr> <tr> <td>Long term capital gain</td> <td style="text-align: right;">70,000</td> </tr> <tr> <td>Long term capital loss</td> <td style="text-align: right;">90,000</td> </tr> <tr> <td colspan="2"><b>Income from other sources</b></td> </tr> <tr> <td>Bank interest</td> <td style="text-align: right;">1,24,000</td> </tr> <tr> <td>Dividend from companies</td> <td style="text-align: right;">20,000</td> </tr> <tr> <td>Loss from gambling</td> <td style="text-align: right;">1,00,000</td> </tr> </table> <p style="text-align: center;"><b>(OR)</b></p>	<b>House property</b>		Loss from self-occupied house	Rs. 2,50,000	Income from let-out house	Rs.1,12,000	<b>Profit and gains of Business or Profession</b>		Hosiery business		Cycle business	(+ 1,80,000	Speculation business	(-) 60,000		(-) 1,00,000	<b>Capital gains</b>		Short term capital gain	40,000	Short term capital loss	80,000	Long term capital gain	70,000	Long term capital loss	90,000	<b>Income from other sources</b>		Bank interest	1,24,000	Dividend from companies	20,000	Loss from gambling	1,00,000	4	K4
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	<p>b) Mr. Soni whose gross total income is Rs. 40,00,000 makes the following donations during the previous year ending on 31-3-2025:</p> <table border="1" data-bbox="334 363 1256 814"> <tr> <td>(i) To Prime Minister's National Relief Fund</td> <td>1,00,000</td> </tr> <tr> <td>(ii) To National Defence Fund</td> <td>2,00,000</td> </tr> <tr> <td>(iii) To a temple of public worship for its repair (so notified)</td> <td>2,00,000</td> </tr> <tr> <td>(iv) To a local college for construction of Commerce Block</td> <td>1,00,000</td> </tr> <tr> <td>(v) To a poor student as aid</td> <td>10,000</td> </tr> <tr> <td>(vi) To Municipal Committee</td> <td>1,00,000</td> </tr> <tr> <td>(vii) To P.G.I Chandigarh for promotion of Family Planning</td> <td>50,000</td> </tr> <tr> <td>(viii) To Chief Minister's Earthquake Relief Fund Maharashtra</td> <td>20,000</td> </tr> </table> <p>The gross total income includes Rs.10,00,000 as profit on sale of long term capital assets. Compute his total income for the Assessment year 2025-26.</p>	(i) To Prime Minister's National Relief Fund	1,00,000	(ii) To National Defence Fund	2,00,000	(iii) To a temple of public worship for its repair (so notified)	2,00,000	(iv) To a local college for construction of Commerce Block	1,00,000	(v) To a poor student as aid	10,000	(vi) To Municipal Committee	1,00,000	(vii) To P.G.I Chandigarh for promotion of Family Planning	50,000	(viii) To Chief Minister's Earthquake Relief Fund Maharashtra	20,000	4	K4
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	<b>SECTION D</b>																		
<b>Q.NO.</b>	<b>Answer any two questions: (2x 15=30)</b>	<b>CO</b>	<b>KL</b>																
16.	<p>Sh. Rakesh an employee working in Dreams Ltd. (Mumbai) has presented the following particulars of his salary.</p> <p>Calculate- Salary income for the previous year 2024-25</p> <p>(i) Basic salary Rs.20,000 p.m. [Due on the last day of the month]</p> <p>(ii) D.A.-80% of salary [50% of D.A. forms part of salary]</p> <p>(iii) Bonus -10% of Basic Salary</p> <p>(iv) Commission- Rs.66,000.</p> <p>(v) He has engaged a helper at Rs.1,200 p.m. and his employer pays him Rs.1,500 p.m. on this account.</p> <p>(vi) Medical bills for Rs. 75,000 were re-imbursed in following manner:</p> <p>(a) Of a notified hospital Rs.22,000 (for nose surgery- a notified disease).</p> <p>(b) Of a private hospital Rs.53,000.</p> <p>(vii) Mobile telephone bill of employee's wife paid by employers 15,000.</p> <p>(viii) His employment tax paid by employer Rs.2,500</p> <p>(ix) He and his employer contribute Rs. 3,200 p.m. each towards RPF.</p> <p>(x) Interest credited on the accumulated balance of RPF @10% is Rs. 20,000.</p> <p>(xi) He has been provided with free use of a car of 1.8 It. C.C. Car is used partly for personal and partly for employment purposes.</p> <p>(xii) He has been provided with a rent free house owned by employer (FRV of House 8,000 p.m.) along with facility of gardener costing employer Rs.6,000 p.a. Furniture costing Rs.1,00,000 (W.D.V. 75,000) has also been provided for his use by the employer.</p> <p>(xiii) His personal club bills paid by employer Rs. 25,000 p.a.</p>	5	K5																

17. Following is the Profit and Loss Account of Mr. A for the year ending 31-3-2026.

5

K5

<b>Debits</b>	<b>Rs.</b>	<b>Credits</b>	<b>Rs.</b>
To Salary	3,00,000	By Gross Profit	10,85,000
To Office expenses	48,000	By bad debts recovered	15,000
To Depreciation	80,000	By Commission	22,000
To Audit fees	25,000	By Sundry receipts	13,000
To Repairs	48,000	By custom duty recovered (disallowed earlier)	30,000
To Amount transferred to special reserve	90,000		
To Expenditure on Diwali festival	10,000		
To Contribution to unapproved gratuity fund	18,000		
To Interest payable	70,000		
To Interest on loan from Mrs. A	20,000		
To Expenses on Research	50,000		
To Provision for income tax	60,000		
To Bonus	18,000		
To Provision for GST	15,000		
To Employer's contribution to employees' PF	11,000		
To Legal expenses	10,000		
To Net Profit	2,92,000		
<b>TOTAL</b>	<b>11,65,000</b>	<b>TOTAL</b>	<b>11,65,000</b>

Other information is:

- i) Depreciation includes Rs.20,000 being unabsorbed depreciation of earlier years.
- ii) Repairs include Rs.18,000 being expenditure on construction of wash rooms which were complete on 31-12-2024..
- iii) GST is actually paid on 10-4-2025.
- iv) Interest payable includes Rs.5,000 on account of penalty for late payment of interest.
- v) Salary includes payment Rs.40,000 given as compensation to the widow of a deceased employee.
- vi) Out of bad debts recovered only Rs.10,000 were allowed as deduction earlier.
- vii) Loan was taken from Mrs. A for the payment of Income tax.
- viii) Research expenses include Rs.30,000 being cost of a computer acquired for research which is not connected to assessee's field of business.

From the information given above calculate the business income of Mr. A for the assessment year 2025-26.

18.	<p>From the particulars given below, determine total income of Mr. Rohit Sharma (under old tax regime) for the assessment year 2025-26.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Particulars</th> <th style="text-align: right;">Rs.</th> </tr> </thead> <tbody> <tr> <td>Salary Income (Computed)</td> <td style="text-align: right;">4,50,000</td> </tr> <tr> <td>House property income (Computed)</td> <td style="text-align: right;">30,000</td> </tr> <tr> <td>Business Loss</td> <td style="text-align: right;">(-)80,000</td> </tr> <tr> <td>Capital gain:</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Short term</td> <td style="text-align: right;">20,000</td> </tr> <tr> <td style="padding-left: 20px;">Long term</td> <td style="text-align: right;">12,000</td> </tr> <tr> <td>Income from other sources:</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Winnings from lottery</td> <td style="text-align: right;">50,000</td> </tr> <tr> <td style="padding-left: 20px;">Winning from card games</td> <td style="text-align: right;">16,000</td> </tr> <tr> <td style="padding-left: 20px;">on Securities</td> <td style="text-align: right;">10,000</td> </tr> </tbody> </table> <p>Mr. Rohit savings are:</p> <p>(i) Recognized provided fund Rs.1,000 p.m.</p> <p>(ii) Life insurance premium Rs. 20,000 p.a. on a policy values of Rs.1,50,000.</p> <p>(iii) .Mr. Rohit paid medical insurance as under:</p> <p style="padding-left: 40px;">(i) Own medical insurance premium paid Rs.16,000 and also paid Rs.12,000 as medical insurance premium of his spouse. Both these premiums are paid by cheque.</p> <p style="padding-left: 40px;">(ii) Medi-claim insurance premium of his old father (Paid by Cheque) Rs. 8,000</p> <p>Mr. Rohit's old father is handicapped and he spent Rs.30,000 on his treatment during the previous year 2024-25.</p> <p>Mr. Rohit is suffering from a specified disease and during the year he spent Rs.60,000 on the treatment.</p> <p>Mr. Rohit's son is studying in a reputed management college and doing MBA and he took a loan of Rs. 2,00,000 @ 12% from a Nationalized Bank in 2019.</p>	Particulars	Rs.	Salary Income (Computed)	4,50,000	House property income (Computed)	30,000	Business Loss	(-)80,000	Capital gain:		Short term	20,000	Long term	12,000	Income from other sources:		Winnings from lottery	50,000	Winning from card games	16,000	on Securities	10,000	5	K5
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