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Name.....

Reg. No.....

**FIFTH SEMESTER (CBCSS—UG) DEGREE EXAMINATION
NOVEMBER 2025**

B.B.A.

BBA 5B 10—(FINANCE ELECTIVE I)—INCOME TAX

(2019 Syllabus)

Time : Two Hours and a Half

Maximum : 80 Marks

Part A*Answer all questions.*

1. What is BOI ?
2. What is MMR ?
3. What is total income, and how it is computed ?
4. What is dearness allowance ? How is it taxable ?
5. What is a recognized provident fund ?
6. Write any *two* allowable expenses while computing income under the head profits and gains of business or profession.
7. What are speculative transactions ?
8. What are long-term capital assets ? Write any *two* examples.
9. What is the indexed cost of acquisition ?
10. What are Deductions ?
11. Explain the set-off of losses.
12. Write any *two* tax-free incomes from other sources.
13. Long-term capital gains—Rs. 35,000, Long-term capital losses—Rs. 8,000, Short-term capital gains —Rs. 12000 and Short-term capital losses—Rs. 15,000. Compute taxable capital gains.

Turn over

14. Compute annual value from the following :

Expected rent = Rs. 80,000

Actual rent = Rs. 90,000

Municipal tax paid = 10,000

15. Transportation allowance received by an employee in a month is Rs. 2,500, how is it taxable in the computation of his total income ?

(15 × 2 = 30, Maximum ceiling 25 marks)

Part B

Answer all questions.

16. Explain the residential status of HUF.

17. What are the incomes exempted under the head income from house property ?

18. What are intra-head and inter-head set off of losses ? Differentiate it.

19. Explain the procedure of computation of LTCG in detail.

20. Ms. Meera Purchased a plot in 2006-07 for Rs. 4,88,000. It was sold on 15th January 2024 for Rs. 16,80,000 and he paid Rs. 1,00,000 as brokerage charges. He invested Rs. 2,00,000 in NHAI bonds on 31st March 2024 and Rs. 3,10,000 in bonds issued by Rural Electrification Corporation Ltd., on 1st October 2024. Compute his capital gains, if the CII for 2006-07 was 122 and for 2024-25 was 363.

21. From the following particulars, compute income from other sources of Mrs. Shiny for the assessment year 2024-25 :

- a) Dividend from an Indian company (gross) - Rs. 9,000
- b) Winnings from lottery (net) - Rs. 70,000
- c) Interest received on government securities - Rs. 10,000
- d) Winnings from card games - Rs. 20,000
- e) Family pension received - Rs. 48,000

She incurred the following expenses :

- a) Interest paid on the amount borrowed for purchasing shares - Rs. 3,000
- b) Collection charges in respect of Interest received on government securities at 2 % of the amount collected.

22. Mr. X, a bank officer receives Rs. 26,000 per month as salary and Rs. 1,000 per month as dearness allowance. He is also getting an entertainment allowance of Rs. 800 per month. He is also getting a bonus equal to 3 months of basic pay. He resides in a house taken on rent by the bank, whose rent is Rs. 4,000 per month. Compute his income under the head salaries.
23. Ms. Vedhika retires from a non-government job on 31.03.2023. After retirement, her pension was Rs. 60,000 per month. On 1st January 2024, her 70 % pension was commuted for Rs. 56,00,000. Compute the taxable pension in the hands of Ms. Vedhika for the AY 2024-2025 assuming she does not receive any gratuity.

(8 × 5 = 40, Maximum ceiling 35 marks)

Part C

*Answer any two question.
Each question carries 10 marks.*

24. What are fully taxable allowances ? Explain any *ten* fully taxable allowances.
25. Explain any *five* deductions in detail under the sections 80C to 80U.
26. Mr. Vinod has two let-out houses, the details are :

<i>Particulars</i>	H1	H2
Municipal valuation	1,90,000	4,00,000
Fair rental value	2,25,000	4,25,000
Standard rent	1,80,000	4,50,000
Actual rent	3,00,000	3,60,000
Unrealized rent	80,000	40,000
Loss due to vacancy	25,000	30,000
Municipal taxes paid	15,000	18,000
Interest on loan borrowed for construction	25,000	60,000

Compute taxable income from the house property.

Turn over

27. From the following details compute the business income of Mr. Karim.

Profit and loss account for the year ended 31st March 2024

<i>Particulars</i>	Amount	<i>Particulars</i>	Amount
Salaries	90,000	Gross profit	4,50,000
Rent	20,000	Dividend	4,000
Service charge	4,000	Bad debt recovered	4,400
Legal expenses	5,000	Interest on post office savings bank	1,200
Reserve for income tax	6,000		
Depreciation	12,000		
Purchase of patent rights	56,000		
Office expenses	42,000		
Contribution to RPF	12,000		
Bad debts	4,500		
Donation by cheque	2,500		
Net profit	2,05,600		
	4,59,600		4,59,600

Additional information :

- Legal expenses including Rs.2,000 is unreasonable.
- Depreciation as per rules is Rs. 16,900
- Contribution to RPF is not paid till the due date of filing of return of income

(2 × 10 = 20 marks)