

**B.COM DEGREE END SEMESTER EXAMINATION - MARCH 2026**  
**SEMESTER – 6: (OPTIONAL COURSE FOR FINANCE & TAXATION)**  
**COURSE: 19U6OPCFT4 - INCOME TAX ASSESSMENT AND PROCEDURE**

*(For Regular 2023 Admission and Supplementary 2022/2021/2020/2019 Admissions)*

Time: Three Hours

Max. Marks: 75

**SECTION - A**

Answer **all** questions. Each question carries **2 marks**.

1. What is meant by "Income from Other Sources" under the Income Tax Act?
2. What is the concept of "grossing up of interest" in taxation?
3. What is a Bond Washing Transaction?
4. What is the purpose of clubbing of income?
5. What is the order of set-off for losses under the Income Tax Act?
6. What are deductions under Chapter VI-A of the Income Tax Act?
7. What is the role of the Tax Administrative Reforms Commission (TARC)?
8. What is Transfer Pricing in taxation?
9. What are the different types of income tax assessments?
10. What is the purpose of e-filing of income tax returns?

**(2 x 10 = 20)**

**SECTION - B**

Answer **any five** questions. Each question carries **5 marks**.

11. Mr. A received the following incomes during the financial year:
  - Interest on Fixed Deposits: ₹50,000
  - Dividend from a domestic company: ₹20,000
  - Winning from a lottery (net of TDS @30%): ₹70,000Calculate his total income under the head "Income from Other Sources."
12. Compute the amount of tax deducted at source (TDS) in the following cases:
  - Mr. A won ₹80,000 in a game show.
  - Mr. B won ₹1,50,000 in a lottery.
  - Mr. C received ₹50,000 as professional fees.

13. Mr. D has the following losses:

- Business Loss: ₹2,00,000
- Loss from House Property: ₹1,50,000
- Loss from Other Sources (Horse Racing): ₹30,000

His total income (before setting off losses) is ₹5,00,000. Compute his taxable income.

14. Mr. E has Gross Total Income of ₹6,00,000. He made the following payments:

- Life Insurance Premium : ₹50,000
- Contribution to PPF : ₹70,000
- Donation to a recognized charity : ₹40,000

Under 80 G

Compute his total taxable income after deductions under Chapter VI-A.

15. Mr. F has the following incomes and expenses:

- Salary: ₹7,00,000
- Income from Other Sources: ₹80,000
- Long-Term Capital Gain: ₹1,50,000
- Interest on Home Loan: ₹2,00,000

Compute his Taxable Income.

16. Briefly explain any five deductions under chapter VI A of income tax Act.

17. Explain the residential status of a company?

(5 x 5 =25)

### SECTION - C

Answer any **three** questions. Each question carries **10 marks**.

18. Who are the various authorities envisaged under the Income Tax Law? What are their functions?

19. Explain the different assessment procedures in detail?

20. Mr. Rohan submits the following details of his income for the A.Y. 2025-26.

Particulars	Rs.
Income from salary (computed)	3,00,000
Loss from let out house property	(-) 40,000

Income from sugar business	50,000
Loss from iron ore business b/f (discontinued in P.Y. 2017-18)	(-) 1,20,000
Short term capital loss.	(-) 60,000
Long term capital gain	40,000
Dividend	5,000
Income received from lottery winning (Gross)	50,000
Winning from card games (Gross)	6,000
Agricultural income	20,000
Short term capital loss under section 111A	(-)10,000
Bank interest on Fixed Deposit	5,000

Calculate gross total income and losses to be carried forward, assuming that he does not opt for provisions of section 115 BAC.

21. XYZ Ltd., a domestic company, provides the following details for the **A.Y 2025 - 26**:

<b>Particulars</b>	<b>Amount (₹)</b>
Net Profit as per Profit & Loss A/c	18,00,000
Depreciation as per books	2,50,000
Depreciation as per Income Tax Act	3,20,000
Donation to a Political Party	1,20,000
Provision for Doubtful Debts	60,000
Expenditure on Scientific Research	1,80,000
Dividend received from an Indian Company	70,000
Income from House Property	2,20,000
Brought Forward Business Loss	1,50,000

**Additional Information:**

1. The company follows the **Old Tax Regime**.
2. Corporate tax rate applicable: **25% (since turnover < ₹400 crore in the previous year)**.
3. Health & Education Cess: 4%.

**Compute:**

(a) **Total Taxable Income**

(b) **Tax Liability**

22. A resident individual has the following income details for the financial year:

- Salary income: ₹8,00,000
- Income from house property (self-occupied): ₹(50,000) (loss due to interest on home loan)
- Business income: ₹3,50,000
- Capital gains (long-term): ₹1,20,000
- Other sources (interest income): ₹30,000
- Deductions under Section 80C: ₹1,50,000
- Deduction under Section 80D (medical insurance): ₹25,000

Compute the **Total Income** for the assessment year.

**(10 x 3 = 30)**

