

**EKATVAM ACADEMY**  
**TEST PAPER 7 INCOME FROM OTHER SOURCES**  
**CA/CMA INTER (20 Marks)**

**QUESTION 1 (6 Marks)**

Mr. A, a dealer in shares, received the following without consideration during the P.Y. 2023-24 from his friend Mr. B -

- (1) Cash gift of ₹ 75,000 on his anniversary, 15<sup>th</sup> April, 2023.
- (2) Bullion, the fair market value of which was ₹ 60,000, on his birthday, 19<sup>th</sup> June, 2023.
- (3) A plot of land at Faridabad on 1<sup>st</sup> July, 2023, the stamp value of which is ₹ 5 lakh on that date. Mr. B had purchased the land in April, 2009.

Mr. A purchased from his friend Mr. C, who is also a dealer in shares, 1000 shares of X Ltd. @ ₹ 400 each on 19<sup>th</sup> June, 2023, the fair market value of which was ₹ 600 each on that date. Mr. A sold these shares in the course of his business on 23<sup>rd</sup> June, 2023.

Further, on 1<sup>st</sup> November, 2023, Mr. A took possession of property (office building) booked by him two years back at ₹ 20 lakh. The stamp duty value of the property as on 1<sup>st</sup> November, 2023 was ₹ 32 lakh and on the date of booking was ₹ 23 lakh. He had paid ₹ 1 lakh by account payee cheque as down payment on the date of booking. On 1<sup>st</sup> March, 2024, he sold the plot of land at Faridabad for ₹ 7 lakh. Compute the income of Mr. A chargeable under the head "Income from other sources" and "Capital Gains" for A.Y. 2024-25.

**QUESTION 2 (4 Marks)**

Mr. Hari, a property dealer, sold a building in the course of his business to his friend Mr. Rajesh, who is a dealer in automobile spare parts, for ₹ 90 lakh on 1.1.2024, when the stamp duty value was ₹ 150 lakh. The agreement was, however, entered into on 1.9.2023 when the stamp duty value was ₹ 140 lakh. Mr. Hari had received a down payment of ₹ 15 lakh by a crossed cheque from Rajesh on the date of agreement. Discuss the tax implications in the hands of Hari and Rajesh, assuming that Mr. Hari has purchased the building for ₹ 75 lakh on 12<sup>th</sup> July, 2022. Would your answer be different if Hari was a share broker instead of a property dealer?

**QUESTION 3 (5 Marks)**

On 10.10.2023, Mr. Govind (a bank employee) received ₹ 5,00,000 towards interest on enhanced compensation from State Government in respect of compulsory acquisition of his land effected during the financial year 2015-16. Out of this interest, ₹ 1,50,000 relates to the financial year 2016-17; ₹ 1,65,000 to the financial year 2017-18; and ₹ 1,85,000 to the financial year 2018-19. He incurred ₹ 50,000 by way of legal expenses to receive the interest on such enhanced compensation. How much of interest on enhanced compensation would be chargeable to tax in the A.Y. 2024-25?

**QUESTION 4 (5 Marks)**

The following details have been furnished by Mrs. Hemali pertaining to the year ended 31.3.2024 :

- (i) Cash gift of ₹ 51,000 received from her friend on the occasion of her “Shastiaptha Poorthi”, a wedding function celebrated on her husband completing 60 years of age. This was also her 25th wedding anniversary.
  - (ii) On the above occasion, a diamond necklace worth ₹ 2 lacs was presented by her sister living in Dubai.
  - (iii) When she celebrated her daughter's wedding on 21.2.2024, her friend assigned in Mrs. Hemali's favour, a fixed deposit held by the said friend in a scheduled bank; the value of the fixed deposit and the accrued interest on the said date was ₹ 52,000.
- Compute the income, if any, assessable as “Income from other sources” for A.Y.2024-25.