Lecture 17

(10) Redmption of Soveeeign Gold bond issued by RBI in case on individual.

(11) Transfer of capital asset under resrve mortgage scheme of senior citizen.

Note : any money received by senior citizen under resrve mortgage scheme is fully exempt u/s 10 (43)

SGB → 2.5% Intrest — Taxable IFOS

Redm → 8 year → ~~CG~~ → u/s 47

(12) Gold → EGR (Electric Gold receipt) → Sale

Transfer ~~CG~~

Trf ✓
CG ✓

- cost
- ICOA

EGR → Gold → Sale

T/S
CG

Trf ✓
CG ✓

POH
cost
Index

12) Conversion of Gold into electronic Gold receipt (EGR) or conversion of EGR into Gold is not treated as transfer and capital Gain is not applicable on conversion.

- Cost of Acq. current Asset (Gold / EGR) = Cost of Acq. of previous Asset (EGR / Gold which is so converted)

- Period of Holding of earlier asset (Gold / EGR) shall also include.

example

Mr. Satish purchase 10 gram of Gold for ₹ 9000 in (PY 12-13). on 16th Apr 2023 he converted such gold into EGR. on 14th Feb 2025 he sold such EGR for ₹ 60,000 discuss tax treatment.

a) on conversion of - it is not treated as transfer so capital Gain is not applicable on conversion of Gold into EGR.

B) Capital Gain on sale of EGR. (PY 24-25 AY 25-26)

FOVC	60000
- ICOA	(9000)
LTCG	51000

Special Case No-4.

Capital Gain in case of shares and debenture's.

a) Bonus share.

Bonus Shares.

If Bonus share's Alloted before 1/4/2001

a) COA : Nil
b) FMV on 1/4/2001 xxx
COA xxx

If Bonus Acquired on or after 1/4/2001

COA = Always Nill

Period of Holding (POH) From Allotment date to transfer date

b) Right Shares.

1000 RIL Share

200 Shares @ 40 FMV = 70

Acq. of Share holder

COA = 8000

Renounce of right

200 @

Right Share

Acquired by Share Holder

COA : Amt Paid to company

POH : from Allotment date to transfer date

Renouncement of Right

(Relinquishment of capital asset)

Capital Gain

	FVOC :	Renouncement Price
(–)	COA	Nil
	STCG	xxx

POH from offer date to Renouncement date.

* **In Hands of purchaser of Right**

COA : Amt Paid to company + Amt paid for purchase of Right

POH : from date of Allotment of Shares till date of transfer

Q9. Page NO 84.

(PY 24-25 AY 25-26)

Computation of Capital Gain

	1000 orgin 95-96	100 Bon ~~99~~-2001-02	1100 2005-06
FC FVOC.	200.000	20000	220000
(−) Transfer exp. (2% BRO)	4000	400	4400
NVOC	196000	19600	215600
(−) ICOA			
1) ~~4~~ 1000 orsh Ceo			
a) cost 30300			
b) FMV as on 1/4/1 80000	(290400)		
$80000 \times \frac{363}{100}$			
2) Bonus Share. (2000-1)		(29040)	
i) cost Nil			
ii) FMV 8000			
$8000 \times \frac{363}{100}$		~~9440~~	
3) Bonush share 1100			Nil
	94400	9440	215600

Net LTCG : 111760

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Q 10. page NO. 85. (py 24-25 Ay 25-26)

MR. R.

Computation of Capital Gain.

	1000 org SH 2001-2 ₹	200 Right py-24-25	200 Right
Fvoc	1000 X 300	(200 X 300)	(200 X 30)
	300,000	60000	6000
(-) Trf exp	-	-	-
	300000	60000	6000
i) 1000 org shares	(75000)	(~~32000~~)	-
ii) 200 right shares (200 X 160)		32000	-
iii) 200 right shares			Nill
	225000	28000	6000
	↓	↓	↓
	LTCG	STCG	STCG

MR. Q

Computation Capital Gain (py-24-25 Ay 25-26)

Fvoc	56000
- COA [200 Shares x (160+30)]	(38000)
LTCG →	18000

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(C) NO indexation in case of debenture & Bonds.

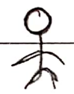
In case of debenture & Bonds index benefit is not available except
1) SGB issued of RBI
2) capital index Bond.
} इसमें indexation होगा

Note

If any asset transfer on after 23/7/2024 then index benefit is not available but in case of debenture and bonds index benefit is not available even it is transfer before this date.

Special Case NO:5

Capital Gain of in case of intangible Asset :

example
Nivrati  → Panipuri wali
2 years → 200 Stores
↓
Sale 200 crore

Asset 50 Cr | G/W - 150 Crores → capital Asset | FVOC 150 Cr
| | − COA ? NIL
| | Capital Gain 150 Cr.

In case of. 1) Goodwill of business or profession or other intangible asset
2) Trademark or brand name
3) Patent or copyright
any

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Date:

5) Tenancy right, ~~root pert~~ route permits, looms ~~cont~~ hours or any other right

COA → self generated → Nill
COA → Purchased → Purchase Price

Notes

① In case of above asset FMV as on 1/4/2001 benefit is not available.

② In case of goodwill of business, patent, copy right, right to carry on any business & profession or any other intangible asset cost of improvement is always treated as Nill

Special case : 6

Sec 50CA : Capital Gain in case of unquoted shares (unlisted shares)

BBVPL
↓
10000 Shares → FV - 10
FMV = 600

People Group
5000 SH @ 600 → 100 Bank = 500,000
5000 SH @ 600 → 500 cash = 2500,000

SP < FMV
↓
FVOC

- In case of Transfer of unlisted share If sale value is less than FMV then such FMV is treated as full value of Consideration.

MR. BB acquired 10000 shares of of BBVPL. Co. @10 on 15th oct 2017. on 10th dec 2024 he transfer 4000 shares to MR. AnuPam mittal @100 Per shares. FMV of such share @600 Per share. Compute capital Gain.

MR. BB

(PY 24-25 AY 25-26)

CG

FVOC (4000 X 600)	24,00,000
− COA (4000 X 10)	(400000)
LTCG.	23,60,000.