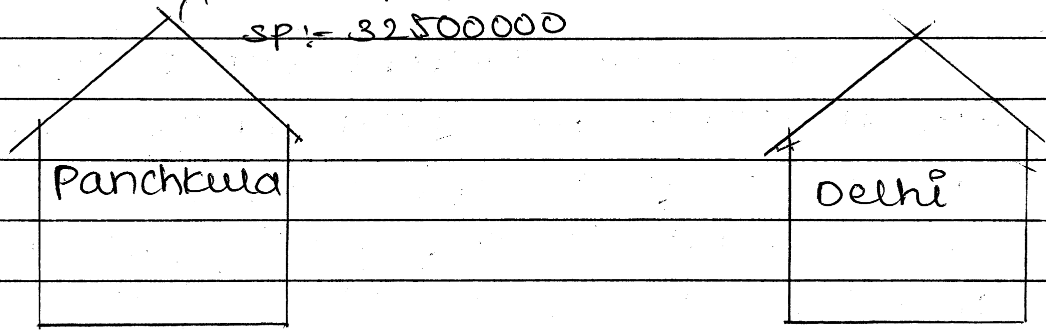
sale 3/10/25
SP:- 32500000



Acquired	2/3/26
20/7/23	cost :- 25700000
cost :- 20500000	PY 25-26 AY 26-27
	[POH 20/7/23 to 30/10/25

Capital gain on sale of Panchkula Property

FVOC		32500000
(-) Transfer exp		–
Net consideration		32500000
(-) cost of Acquisition [Note 2]		(9765000)
[cost – exemption claimed earlier]		
[20500000 – 10735000]		
		22735000
Less :- Exemption u/s 54 [Note 3]		
(i) capital gain	22735000	
(ii) cost of New Asset	25700000	(22735000)
	Net LTCG	NIL

Note 2:- As per sec 54 Assessee cannot transfer the New House within the period of 3 years from the date of acquisition. If it is transfered within 3 yrs then exemption claimed earlier shall be reduced from cost of New House while calculating capital gain.

In the present question, Panchkula House tranfered within 3 years, so exemption claimed earlier reduced from COA of Panchkula House.

Note 3:- There is a LTCG on Transfer of Panchkula House and Assessee purchase Delhi property within 2 yrs from date of Transfer so exemption can be claimed u/s 54.

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Sec 54 B :- Exemption for urban Agriculture land.

A) Eligible Assessee :- Individual / HUF

B) Transferred Asset :- Urban Agriculture land which was used by Assessee or his parents for agricu purpose for 2 years before the date of transfer

C) CG on transferred asset :- STCG / LTCG

D) Asset to be acquired :- Urban / Rural Agriculture la

E) Time limit :- New Agriculture land should be acquired within 2 years after the date of transf (+2

F) CGAS

G) Amount of exemption → same as sec 54 (10cr limit was only for sec 54)

H) Lock in period

Note :- If Assessee acquired New Asset as Rural Agricultu land and if he transfer that new Asset within the perio of 3 years then also exemption claimed earlier shall n be withdrawn because Rural Agriculture land is not Capital Asset.

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Mr. Suman PY 25-26 AY 26-27

Computation of Capital Gain ₹

FVOC		2200000
(-) Transfer expense		(50000)
Net consideration		2150000
(-) COA		(200000)
Gross LTCG		1950000
Less:- Exemption u/s 54B		
(i) Capital Gain	1950000	
(ii) Cost of New Asset / Deposit Amt (800000+400000)	1200000	(1200000)
Net LTCG		750000

Sec 54D :- Exemption for compulsory acquisition of Industrial land and Building

a) Eligible Assessee :- All Assessee

b) Transferred Asset :- Compulsory Acquisition of Industrial land and Building which was used by Assessee for Industrial purpose for 2 yrs before the date of transfer.

c) CG on Transfered Asset :- LTCG / STCG

d) Asset to be acquired :- Industrial land and Building

e) Time limit :- New Industrial land and Building should be purchased or constructed within 3yrs after the date of Receipt of compensation.

f) CGAS

g) Amount of exemption → same as sec 54 (10 cr limit was only for sec 54)

h) Lock in period.

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POR Ltd   PY 25-26 AY 26-27

Computation of capital gain

		₹
FVOC		1400000
(-) Transfer expense		–
Net consideration		1400000
(-) COA		(350000)
Gross LTCG		1050000
(-) Exemption u/s 54D		
(i) Capital Gain	1050000	
(ii) Cost of New L&B	200000	(200000)
Net LTCG		850000

Sec 54EC :- Exemption for Immovable property

a) Elegible Assessee :- All Assessee

b) Transfered Asset : Immovable property (land, Build
Land & Build

c) CG on transfered Asset :- LTCG

d) Asset to be acquired :- Bonds of specified compan
redeemable after five years.

NHAI :- National Highway Authority of India
RECL :- Rural electrification corporation ltd.
PFCL :- Power finance corporation ltd
IRFCL :- Indian Railway finance corporation ltd
with effect of 1/4/25 HUDCO :- Housing and urban development corporation ltd
with effect of 9/7/25 IREDA :- Indian Renewable energy Development agency ltd.

e) Time limit :- Bonds should be acquired within 6 months after the date of transfer

f) CGAA :- Not applicable

g) Amount of exemption :-

a) Capital Gain xx
b) Cost of Bonds xx

Note :- Assessee can claim max exemption of 50 lac for bonds acquired within the period of 6 months

h) Lock in period :- Assessee cannot transfer Bonds <u>or</u> convert it into money within 5 years from the date of acquisition. If it is transfered / converted into money, exemption claimed earlier shall be withdrawn and it is treated as LTCG the year in which Bonds transfered or convert it into money.

Note 1 :- Convert it into money means loan / advance taken on the security of Bonds.

Note 2 :- U/S 54 EC, Time limit of 6 months calculated from the date of transfer but as per CBDT in case of conversion of capital Asset in SIT this time limit of 6 month calculated from the date of stock sold.

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Mr. Rahul PY 25-26 AY 26-27

Computation of capital Gain

FVOC		10000000
(-) Transfer expense		—
Net consideration		10000000
(-) COA		(999300)
Gross LTCG		9000700
less:- Exemption u/s 54EC		
(i) capital Gain	9000700	
(ii) cost of Bonds	7000000	
	7000000	
Max exempt.	5000000	(5000000)
Net LTCG		4000700

Transfer	20/3/26	16/11/26	27/4/26
28/10/25	RECL	NHAI	

$\underbrace{5000000 + 2000000}_{\text{Max } 50,00000}$

Sec 54F :- Exemption for Any LTCA

a) Elegible Assessee :- Individual / HUF

b) Transfered Asset :- Any LTCA except Residential House Property.

c) CG on Transfered Asset :- LTCG

d) Asset to be acquired :- One Residential House Property in India.

e) Time limit :- same as sec 54 (−1, +2, +3)

f) CGAS :- same as sec 54

g) Amount of exemption :-

(i) If Net consideration is fully utilised then capital gain is fully exempt

(ii) NC is partly utilised then capital gain is partly utilised

$$LTCG \times \frac{\text{cost of New Asset / Deposit Amt}}{\text{Net consideration}}$$

Note :- If cost of New house is more than 10 cr, amt in excess of 10 cr shall not be considered for purpose of exemption under this section.

h) Lock in period :- Assessee should not transfer HP within the period of 3 years from the date of its acquisition.

If it is transfered within 3 yrs, exemption claimed earlier shall be withdrawn and it is treated as LTCG in the year in which New HP transferred.

Note 1:- On the date of transfer of any LTCA, Assessee should not own more than one Residential HP. (other than acquired under this section)

Note 2:- Assessee should not purchase any other HP within 2 yrs after the date of transfer or construct within 3 yrs after the date of transfer.

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Computation of capital Gain

	₹
FVOC	1150000
(-) Transfer expense	7000
Net consideration	1143000
(-) COA	(252000)
Gross LTCG	891000
Less:- Exemption u/s 54F	
$\frac{\text{LTCG} \times \text{Cost of New Asset}}{\text{Net consideration}}$	
$\frac{891000 \times 500000}{1143000}$	(389764)
Net LTCG	501236