

EKATVAM ACADEMY
DT TEST PAPER 6 : INCOME FROM OTHER SOURCES
CA/CMA INTER (20 Marks)

Question 1 [5 marks]

From the following calculate the taxable amount under the proper head of income for the FY 2024-25 of Mr L, who is resident and 56 years old. The reasons should form part of your answer:

- (i) Dividend of ₹ 50,000 received in April 2024. The dividend was declared by the company - LMN Limited at its annual general meeting held in October 2023.
- (ii) Advance forfeited amounting to ₹ 1,00,000 on 01.05.2024 as the negotiation for transfer of capital asset did not result in transfer of Capital Asset.
- (iii) Cash Gift received from non-relative on the occasion of marriage of son ₹ 51,000.
- (iv) During the FY 2024-25, he received ₹ 99,000 as pension from employer of deceased wife.

Question 2 [5 marks]

Mr. Hari, a property dealer, sold building in course of his business to his friend Rajesh, who is dealer in automobile spare parts, for ₹ 90 lakh on 1.1.2025, when stamp duty value was ₹ 150 lakh. The agreement was, however, entered into on 1.9.2024 when SDV was ₹140 lakh. Mr. Hari had received down payment of ₹ 15 lakh by a crossed cheque from Rajesh on the date of agreement. Discuss the tax implications in hands of Hari & Rajesh, assuming that Mr. Hari has purchased the building for ₹75 lakh on 12.07.2023. Would your answer be different if Hari was a share broker instead of a property dealer?

Question 3 [5 marks]

Mr. A, a dealer in shares, received the following without consideration during the PY 2024-25 from his friend Mr. B, -

- (1) Cash gift of ₹ 75,000 on his anniversary, 15.04.2024.
- (2) Bullion, the FMV of which was ₹ 60,000, on his birthday, 19.06.24.
- (3) A plot of land at Faridabad on 1.07.2024, the stamp value of which is ₹ 5 lakh on that date. Mr. B had purchased the land in April, 2012.

Mr. A purchased from his friend Mr. C, who is also a dealer in shares, 1000 shares of X Ltd. @ ₹ 400 each on 19.06.2024, the FMV of which was ₹ 600 each on that date. Mr. A sold these shares in the course of his business on 23.06.2024. Further, on 1.11.2024, Mr. A took possession of property (building) booked by him two years back at ₹20 lakh. The SDV of the property as on 1.11.2024 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 1.03.2025, he sold the plot of land at Faridabad for ₹ 7 lakh.

Compute the income of Mr. A chargeable under the head IFOS and CG for AY 25-26.

Question 4 [5 marks]

On 10.10.2024, 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 FY 2017-18.

Out of this interest, ₹ 1,50,000 relates to the FY 2018-19; ₹ 1,65,000 to the FY 2019-20; and ₹ 1,85,000 to the FY 2020-21. 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 for the AY 2025-26?