Question no.1(a)

This question is on computing total income. It covers salary, income from other sources, clubbing.

Under salary, the understanding of perquisites has been mostly tested. The perquisites covered are rent free unfurnished house, payment of electricity bills, use of CD player; these are taxable perquisites, use of lap tops is not a perquisite.

Under Income from other source, gift received from relative is not taxable.

Car given to wife as gift from which she earns a income which has to clubbed because car has been given without consideration.

For rate purpose agricultural income has to be aggregated.

Five year time deposit made in post office, will not qualify for 80 C deductions as the deposit has not been made with banks.

Question no 1(b)

This problem intends to test the students understanding in section 32 and section 50 a good problem which tests the grasp of the students of these sections.

Question no 2

Either

In this problem the shares are sold privately so it is clear that STT tax has not been paid. A good problem with Chapter VI A combination.
OR

2(a) Section 10 (10BC) is an unexpected theory question.
This exemption is available for Individual and his legal heirs who receive Compensation from Central government, State Government or Local authority.

2 (b) This problem is on gifts which an assessee receives from her relatives, friends.
The gift received from relatives is not liable to be taxed, and gift on the occasion of Marriage is also not taxable. Cell phone is a gift from her employer which is not income from other source.

Question 3(a) and 3(b) True or false and Fill in the blanks type of question covered wide section of the portions in PE II

Question 4

Short notes questions covered Section 172, Section 131, 40A (3) and 50B. Of these two were repeated questions sourced from past examinations. Comparatively a welcome question for CA students.

Question 5(a) True/ False Question

These set of 5 questions were easy questions. Students should have found this set of questions easy to answer 10 out of 10 can scored with ease.

Question 5 (b) Fill up

These set of 5 questions.

(i) Question was on Local Sales tax rate and CST rates, in past exams this type of question was found in numerical problems only now it has appeared as a fill up question.
(ii) Question from assessment procedure which students might not have expected but it is a common sense question which can be answered even by guess!!!!
(iii) Question on Section 2(h).But the question lacks clarity whether it is sold at "controlled price"
(iv) Question on unsold newspaper this is the question in CST which has received maximum the most popular question for the examiners.
(v) Question on Section 7

Question 6

A normal question on CST it in line with past exams questions 10 marks bit on the higher side so students should have loved to solve this.

General Comment.

A easy question paper to attend especially CST a paper which should help students to boost their total. A student friendly paper.