

**C.A.
INTERMEDIATE**

NOVEMBER 2020

ANALYSIS OF

PAPER 4 :

TAXATION

J.K. SHAH[®]
CLASSES

General Overview of Paper

Question No	Compulsory/Optional	Marks
Part I	MCQ	30
Part II	Descriptive Questions	
Section A : Direct Tax		
Q. 1	Compulsory	14
Q. 2 to Q.4	Any 2 out of 3	46
Section B : Indirect Tax		
Q. 5	Compulsory	8
Q. 6 to Q. 8	Any 2 Out of 3	35
Total (including options)		133

Paper vis-a-vis JKSC Material

Total Marks including Options	133
Less: MCQ Marks	30
Total Marks excluding MCQs	103
Marks from JKSC Material	101
% of Marks Same/Similar/Partially Similar to JKSC Material	98.06%

**We are happy to share with you
that 98.06% of the paper was
same/similar / partially similar
to JKSC material**

Q.NO.

1. (a)



**COMPULSORY
QUESTION**

Analysis

Chapter: Total Income, House property, Exemptions, Deductions, Capital Gains

Analysis of Topics Covered

- | | |
|----|---|
| 1. | AMT provisions because of section 10AA and 80QQB |
| 2 | HP Income(50% SOP & 50% LOP) |
| 3. | Section 10AA-In first 5 years 100% exemption from profit of export |
| 4. | Royalty deduction u/s 80QQB limited @15% rate after deducting expenses but it can not exceed amount received from abroad upto 30.9.20 |
| 5. | Saving bank a/c interest & 80TTA deduction |

Q.NO.

1. (a)



**COMPULSORY
QUESTION**

Analysis

Chapter: Total Income, House property, Exemptions, Deductions, Capital Gains

Analysis of Topics Covered

- | | |
|----|---|
| 6. | When AOP paid tax @MMR then for member it will be exempt |
| 7. | For Capital gain u/s 50C when stamp duty exceeds 105% of actual consideration then stamp duty will become full value of consideration |
| 8. | 80C-LIC Premium deduction allowed for premium paid for dependent son but not for parents |
| 9. | Tuition Fees paid for maximum 2 children allowed u/s 80C |
| 10 | Here we have to find adjusted total income also after addition of 10AA and 80QQB to calculate AMT |



Q.NO.
2. (a)

Analysis

Chapter: Total Income, assessment procedure, Deductions, Basic concepts

Analysis of Topics Covered

- | | |
|----|---|
| 1. | CBDT circular-Mr. Mukesh is senior citizen..Can claim 80TTB,80D-50000 limit..So he has to revise return |
| 2. | No deduction u/s 80D for Rs.1500 as it is health check up not preventive health checkup. |



Q.NO.
2. (b)

Analysis	
Chapter: TDS	
Analysis of Topics Covered	
1.	194M,if contract payment exceeds Rs.50L by a person who is not a businessman then TDS @5%
2.	194C applicable for transport payment if transporter do not furnish PAN(If no PAN then TDS @20%)
3.	194EE on payment \geq 2500 for national saving certificate



OPTIONAL
QUESTION

Q.NO.
3. (a)

Analysis

Chapter: Setoff carry forward, House property, Computation of GTI

Analysis of Topics Covered

- | | |
|----|--|
| 1. | From NAV 30% u/s 24(a) to be deducted, then interest u/s 24(b) for 316000 and then take loss setoff against other income maximum upto 200000 |
| 2. | Share from partnership firm exempt u/s 10(2A) |
| 3. | Dividend from UTI exempt u/s 10(35) |



OPTIONAL
QUESTION

Q.NO.
3. (b)

Analysis

Chapter: Clubbing

Analysis of Topics Covered

1.	Deduct standard deduction of 50000 u/s 16(ia) from respective salary incomes-No clubbing
2.	Rent income is taxable to smt ram kumar only as the flat was transferred at adequate consideration-No clubbing
3.	Interest from firm taxable to respective persons assuming firm has taken full deduction and profit will be exempt-No clubbing
4.	Rs.39000 will be taxable to smt ram kumar assuming transfer was made without consideration-Clubbing applicable
5.	Minor income will be taxable to that person whose income is higher...Take standard deduction of 1500 u/s 10(32)



Q.NO.
4. (a)

Analysis	
Chapter: Scope of Income	
Analysis of Topics Covered	
1.	Interest received not taxable as money is invested in India by NR for purpose other than business/profession
2.	Royalty taxable in India u/s 9 assuming license used in India
3.	Section 9-Merely collection of news and views from transmission outside India is not taxable



Q.NO.
4. (b)

Analysis

Chapter: Capital Gains

Analysis of Topics Covered

- 1.
- 2.

Section 45(2) when capital asset is converted to stock in trade then CG arises but taxable in the year when inventory is sold.

For CG of listed shares section 55(2)(ac) applicable where we have to take FMV on 31.1.18-Highest price



OPTIONAL
QUESTION

Q.NO.

4. (c)

Analysis

Chapter: TDS

Analysis of Topics Covered

1.

Section 194N



OPTIONAL
QUESTION

Q.NO.
4. (c)

Analysis

Chapter: Income from other sources

Analysis of Topics Covered

1. Section 2(22)(e) attracted and company will pay DDT. So exempt for recipient of loan
2. Interest on enhanced compensation taxable in year of receipt after taking 50% standard deduction

Q.NO.

5.



**COMPULSORY
QUESTION**

Analysis

Chapter: Computation of GST Payable - Mostly from Input tax credit chapter

Analysis of Topics Covered

1. Input tax credit on stock in hand and damaged goods
2. Input tax credit on construction and GST Payable
3. GST Return - non filing of GSTR 1 implications



Q.NO.
6. (a)

Analysis	
Chapter: Valuation	
Analysis of Topics Covered	
1.	Subsidy treatment
2.	Interest treatment
3.	TCS and discount treatment



Q.NO.
6. (b)

Analysis	
Chapter: Charge of GST	
Analysis of Topics Covered	
1.	Reverse Charge Mechanism for Goods Transport Agency and Author



OPTIONAL
QUESTION

Q.NO.
7. (a)

Analysis	
Chapter: Registration	
Analysis of Topics Covered	
1.	Aggregate Turnover



Q.NO.

7. (b)

Analysis	
Chapter: Invoice, other documents and E-Way bill	
Analysis of Topics Covered	
1.	Part B of E-way bill



Q.NO.

7. (c)

Analysis	
Chapter: GST Returns	
Analysis of Topics Covered	
1.	Uploading of GSTR 1 invoices



Q.NO.

8. (a)

Analysis	
Chapter: Input Tax Credit	
Analysis of Topics Covered	
1.	Conditions on utilization of input tax credit



OPTIONAL
QUESTION

Q.NO.

8. (b)

Analysis	
Chapter: Payment of GST	
Analysis of Topics Covered	
1.	Order of discharge of tax dues



Q.NO.

8. (c)

Analysis	
Chapter: Supply under GST	
Analysis of Topics Covered	
1.	Importation of service



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CLASSES

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**Thank
You**

