

Your overall performance is not good. Try hard to achieve more score in exams. ~~Just~~ Revise all your previous topics at least once in a week rather allocate a day in a week for revision and evaluating your performance. This will help you memorize topics and bind out shortcomings in your preparation.

Profit Computed by
XYZ Ltd.

1,40,00,000

13 Total marks

(+) Depreciation
Charged on 150 lakhs

₹29,50,000

3 marks

(-) Depreciation
on WDV of 100
lakhs

(15,00,000)

You are required to take in-depth knowledge of this topic

Total Income
Before set off

1,47,50,000

(-) Business loss
set off

(1,20,00,000)

(-) Unabsorbed
Depⁿ set off

(18,00,000)

(-) Speculative
Loss

Set-off of unabsorbed capital expenditure

(-) 2,00,000
unabsorbed exp
of Capital nature

(+) Speculative Income

Total Income

Already
Included.
1,50,00,000

application of the provision is not accurate

Speculative loss and unabsorbed Capital expenditure ~~are not allowed to carry forward by amalgamated Company.~~

Q6

0.5 marks

Total Income of Trust	6,40,000 ✓
(-) applied for Charity	40,000 40,000
Profit	6,00,000 6,00,000

You are failed to properly explain the required parts of this question. Do revise the whole concept.

Total Income of X and Y not exceed 250000 and share are not known, tax will be paid at MMR, i.e. 42.744%.

$$6,00,000 \times 42.744\% = ₹ 2,56,464.$$

b) The answer will remain same as the shares of Individuals are not known, at that time. ✓

c) Though share of other Individual i.e. X and Y exceeds 250000, but share of Members are not known at that time, MMR rate will be applicable.

Note: **here a appropriate disclosure note is missing** The trust actually applied ₹ 40,000. will be ~~treated as applied~~, not meant for the purpose.

1.5 marks

Q1 Unit A : Special Economic Zone.

Export sale: 520 lacs, as
Realised upto 30-9-2021 - 70
lacs freight = 450 lacs

You are unable to interpret the whole concept properly. Revise to mark good scores.

Domestic Sale: 100 lacs

Net profit : 251 lacs + 12
lacs disallowed u/s 43B
= 263 lacs.

Less: Items of business income which are in the nature of ancillary profits and hence, do not constitute profit 'derived from' business for the purpose of exemption u/s 10AA

Deduction u/s 10AA:

Export sale x Profit
Total Sale

$$= \frac{450}{550} \times 263 = 215 \text{ lacs}$$

Unit B: Domestic Unit not u/s 10AA

Export sale, 680 lacs upto
30-9-21

wrongly calculated, sales part is wrong as per questions wording

Domestic Sale: 220 lacs

Net profit = 615 lacs + 60 lacs
disallowed.

NO, Deduction u/s 10AA

Total Income:

Unit A : ~~48 Lac~~ (263 Lac - 215 Lac)
Unit B : ~~675 Lac~~
Total ~~723 Lac~~
wrongly calculated

Q3 Calculating Total Income:

X: marks 3

Monthly Rent (House 1)
As transferred for inadequate
Consideration and Taxable
in hands of transferor **House 1 56,000**
: $1,20,000 \times 70\%$
= ~~84,000~~

Monthly Rent (House 2)
Transferred to Mrs. X on
30/6/2021 **House 2** (Taxable
for 3 months)
: $1,26,000 \times 45,000 \times 70\%$
= ~~31,500~~

Interest on self
occupied property : **(34,000)**
**adjusting points are not properly cracked, consider all the factors properly
for accurate calculations**

Interest on debentures
for Inadequate Consideration : ~~₹14,000~~
($1000 \times 100 \times 14\%$)
application of the provision is wrong

Interest on Capital : 70,000

Interest on Capital Mrs. X
half contributed by X : 40,000

Long term capital gain on transfer of debentures 40,000 ✓ 15000
 Preference Dividend 0 80,000

Interest on debentures of IFCI 16,000

Total Income 300,500

You are required to take in-depth knowledge of this topic, Practice to understand concept deeply

Mrs. X.

Income from Rentals (House 2) by X for 9 months : $135000 \times 7\% = 9450$
 approach is wrong

Interest on loan to friend will be taxable in Mrs. X. hands : 5600 ✓

Capital gain on deb. of A Ltd. : 40,000 ✓

Interest on IFCI debentures : 16000
 Dividend : 40000
 wrongly adjusted the interest part here

Salary of Mr. X taxable
in hands of Mrs.
X as holds
substantial interest
in B Ltd. and X
not hold any qualification
(17000 x 12)

: ~~201000~~

Share of profit in
firm

: exempt

Interest on capital
(80000/2), half

✓

Contributed by X

: 40,000
✓

Salary from firm

: 20,000
✓

Annual payment
Received from Trust
(5000 + 6000)

: ~~11000~~

wrongly added both the parts

Salary from D Ltd.
As preference share
is not substantial
interest. Taxable
under Mrs X hand

: 1,70,000
X

Z's Interest in Cap

: 26000

Z's Interest on debenture

: 20000
✓

proper justifications are missing

Total Income

~~687100~~

Z:

Z's professional Income : 450000

Z's fixed Deposit

Income out of
professional income,

~~10,000~~

wrong steps created

Total Income

550000.

basic points are wrong

Q2 Under liquidation, the amount distributed to the shareholder will be treated as deemed dividend and further Capital gain will also arise, the realisation in hands of company done by the liquidator is:

Fixed assets sale [Rs. 41 lakh - Rs. 2 lakh] 39,00,000

Fixed Assets	:	41,00,000
Current Assets	:	15,00,000
(-) Liability	:	(5,00,000)
(-) Expenses	:	(1,00,000)

do practice again on this question some required calculations are missing in your answer

Net Balance

50,00,000

Distributed to one share! case: 50,00,000
 $\frac{50,00,000}{2,50,000} = ₹ 20$ / share is distributed.

So, the amount received by X \Rightarrow 10,000 shares + Bonus shares 2500

12500 x ₹ 20 = ₹ 250000 will be treated as deemed dividend for the purpose of tax in hands of Mr. X

Q7

MCQs:

a 1 C ~~α~~

2 B ✓

3 B ✓

a 4 D ~~α~~

marks 2

a 5 B ~~α~~