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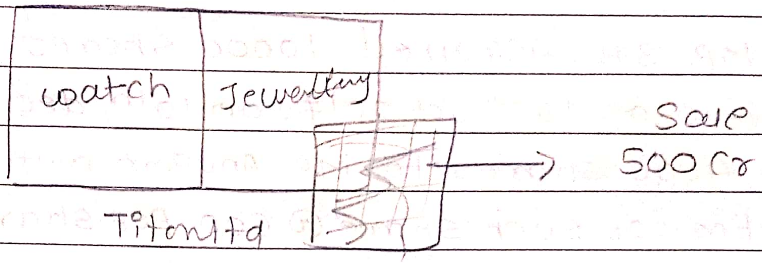
Special case No : 7

Sec 50B Slump Sale.



- Slump sale means transfer of undertaking, unit, business for lump sum consideration without assigning value of individual asset or liability.

- Computation of capital Gain.

	₹
FVOC : fmv as per rule 11UAE	
− Transfer exp	xxx
COA (Networth) (No indexation)	(xxx)
STCG / LTCG	xxx

Note 1 : Networth

Assets

Depreciable asset : WDV per IT Act

Other Asset : Book value

− liab : (Book value)

Networth xxx

FVOC : FMV as per Rule No 11UAE

FMV 1 : FMV of undertaking transfer

FMV 2 : FMV of consideration Received

Date:

Notes

1) revaluation of Asset shall be ignore

2) Indexation benefit is not available in case of Slump Sale

3) If undertaking held for more than 3 years then LTCG otherwise STCG

4) For Networth calculation value of self generated asset shall be taken as Nill

5) For Networth calculation value of asset on which deduction u/s 35AD (PGBP) claim is taken as Nill

6) No profit under PGBP shall arise even if stock is transferred under ~~sulmp sale~~. slump sale.

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MR. A

Computation of ~~Gain~~ Capital Gain (PY 24-25 AY 25-26)

	₹
FVOC (FMV as per rule No 11UAE	30,00,000
− Transfer expenses	(28000)
NC	2972,000
− COA [Networth Note 1)	(1250625)
LTCG	17,21,375.

Note 1.

Asset	₹
Building (1200,000 − 300000)	900,000
Machinery	300,000
Debtors	100,000
Other Asset (150000 − 50000)	100,000
Patent	28125
− liabilities.	
Bank loan (200,000 × 70%)	140000
Creditors (150000 × 25%)	37500
	1250625

Working Note 2. Patent

	₹
Cost	50000
(−) Dep @ 25% PY 22-23	12500
	37500
(−) Dep @ 25% PY 23-24	9375
	28125 → WDV as on 1/4/24

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* Special case No: 8.

50D Capital Gain if considration determinable.

1) FVOC = FMV of asset transfeeeed. (FMV of asset जो जा रही है।)

* Special case No: 9

Sec 50AA Capital Gain in case debt MF, MLD, & unlisted Bonds.

MR BB

$\boxed{10\text{ Cr}}$ → Bank FD, → Debentur

Interest IFOS ↓ 30%

$\boxed{\text{MR BB}}$ → Debt MF → FD, Debt, Govt sec

Sec 50AA : Capital Gain in case of Debt, MF, MLD & unlisted Bonds (Ammended by FA -24 w.e.f 23/07/24)

In case of;

a) unit of a specified Mutual funds acquired on or after 1st April, 23 or a market linked Debentures (MLD); or

b) unlisted bond or unlisted debenture which is transfered or redeemed or matures on or after the 23 July 2024

Date:

The capital gain shall be calculated as follows & it is always STCG

Computation of capital Gain

	₹
Froc on transfer, redemption or maturity	xxx
less: Transfer exp	(xxx)
NC	xxx
(−) COA	(xxx)
STCG	xxx

Note

1) In above cases there will be always short term capital asset & short capital Gain so, indexation not allowed.

2) Specified Mutual Fund (Debt mutual) Fund means mutual fund ~~wh~~ were 35% or less of total money of MF is invested in eq shares of domestic co.

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#(This point is Not relevent for exam)

Special case NO. 10. [1st proviso to sec(48)
Capital Gain in case of shares/Deb transfer by NR.

MS Sunny
(USA)

NR $1000 → India.

↓

BB ltd

₹ 20 per share.
2000 shares.

→ 27 per share
2000 X 27
= 54000
$900

~~FVOC 54000~~
~~COA 40000~~
~~CG 14000~~

If following Conditions are satisfied the we have to Calculate Capital Gain in foreing currency and after that reconvert into indian currency

1. Asseessee should be Non-resident
2. Asset should share or Debenture of Indian co.
3. such asset acquired in foreign currency

Computation of Capital Gain

		$
FVOC (Avg Rate on Date of Trf)		xxx
- Transfer exp (Avg Rate on date of Trf		xxx
	NC	xxx
- COA (Avg Rate on date of Acq)		xxx
	ST/LT in $	xxx

Convert into indian ₹ by Apply TTBR on date of Transfer

$$\text{Avg Rate} = \frac{TTBR + TTSR}{2}$$

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Ex :- 1

Miss. Sunny is a NR acquired shares of BB ltd. (Indian Co) for ₹ 75000 on 16th July 2017 in USA dollar she transfer all the shares on 10th Dec 2024 for ₹ 500,000 transfer exp is 20000. Compute Capital Gain

	TTBR	TTSR
16/7/2017	50	52
10/12/2024	63	65

Ms Sunny (PY 24-25, AY 25-26)

Computation of Capital Gain

	$
FVOC $\frac{(63+65)}{2} = 64$	7812.5
− Transfer exp	~~20000~~) 312.5
	~~7500~~
− COA	1470.5

LTCG $ 6029.41

LTCG $ 379853.

(6029.41 X 63)