

**EKATVAM ACADEMY**  
**TEST PAPER 3 : AGRICULTURE INCOME**  
**CA/CMA INTER (15 Marks)**

**Question 1 (5marks)**

Mr. B grows sugarcane and uses the same for the purpose of manufacturing sugar in his factory. 30% of sugarcane produce is sold for ₹ 10 lacs, and the cost of cultivation of such sugarcane is ₹ 5 lacs. The cost of cultivation of the balance sugarcane (70%) is ₹ 14 lacs and the market value of the same is ₹ 22 lacs. After incurring ₹ 1.5 lacs in the manufacturing process on the balance sugarcane, the sugar was sold for ₹ 25 lacs. Compute B's business income and agricultural income.

**Question 2 (5 marks)**

Mr. A is engaged in growing and manufacturing of Tea coffee Rubber generates following Income:

Particulars	₹
Growing and Manufacturing Tea	5,00,000
Income from Coffee Grown and cured	7,00,000
Income from coffee grown, cured and Roasted	9,00,000
Income from growing and manufacturing Rubber	10,00,000

**Question 3 (5 marks)**

Miss Varada, a resident and ordinarily resident in India, has derived the following income from various operations (relating to plantations and estates owned by her) during the year ended 31.3.2025 :

Particulars	₹
Income from sale of centrifuged latex processed from rubber plants grown in Darjeeling.	3,00,000
Income from sale of coffee grown and cured in Yercaud, Tamil Nadu.	1,00,000
Income from sale of coffee grown cured roasted and grounded in Colombo; sale consideration was received at Chennai.	2,50,000
Income from sale of tea grown and manufactured in Shimla.	4,00,000
Income from sapling and seeding grown in a nursery at Cochin. Basic operations were not carried out by her on land.	80,000