

**EKATVAM ACADEMY**  
**DT TEST PAPER 9 : CLUBBING AND SET OFF, C/F OF INCOME**  
**CA/CMA INTER (25 Marks)**

**Question 1 [5 marks]**

Mr. A has gifted a house property valued at ₹ 50 lakhs to his wife, Mrs. B, who in turn has gifted the same to Mrs. C, their daughter-in-law. The house was let out at ₹ 25,000 p.m throughout the year. Compute the total income of Mr. A and Mrs. C.

Will your answer be different if the said property was gifted to his son, husband of Mrs. C?

**Question 2 [5 marks]**

Mr. A holds shares carrying 25% voting power in X (P) Ltd. Mrs. A is working as a computer software programmer in X (P) Ltd. at a salary of ₹ 30,000 p.m. She is, however, not qualified for the job. The other income of Mr. A & Mrs. A are ₹ 7,00,000 & ₹ 4,00,000, respectively.

- i) Compute the gross total income of Mr. A and Mrs. A for the AY 2024-25. Assuming opted out for Sec 115BAC.
- ii) Will your answer be different if Mrs. A was qualified for the job?

**Question 3 [5 marks]**

Mr. Joshi, resident Indian, aged about 58 years, furnished the following details of his income for the PY 2024-25:

- (i) Income from House property (computed) ₹ 2,00,000.
- (ii) Income from Proprietary Business ₹ 3,00,000.
- (iii) Short Term Capital Gain on sale of Land ₹ 2,00,000.
- (iv) Short Term Capital loss on sale of equity shares listed in recognized stock exchange (STT paid) ₹ 75,000.
- (v) Interest on Bank fixed deposit ₹ 50,000 received by his son, aged 21 years, out of money gifted by Mr. Joshi in 2023.
- (vi) Loss from Speculation Business ₹ 40,000.
- (vii) Loss from Owning and Maintenance of Race Horses ₹ 50,000.

Following are the brought forward losses:

- (a) Brought forward House property loss of AY 2022 -23 ₹ 2,50,000.
- (b) Brought forward business loss of Proprietary business from AY 2014-15 ₹ 50,000.
- (c) Unabsorbed Depreciation relating to AY 2015 -16 ₹ 1,00,000.
- (d) Brought forward Long Term Capital Loss from assessment year 2019-20 ₹ 90,000. Return of income for that year was filed on 31.01.2020, after due date of filing the return.

Compute the total income of Mr. Joshi for the AY 2025 -26 and show the items eligible for carry forward, assuming that he exercises the option of shifting out of the default tax regime provided under Section 115BAC(1A).

**Question 4 [5 marks]**

Mr. Rajat submits the following information for the FY ending 31st March 2025. He desires that you should:

- (a) Compute the total income and
- (b) Ascertain the amount of losses that can be carried forward.

Particulars	₹
(i) He has two houses:	
(A) House No. I – Income after all statutory deductions	72,000
(B) House No. II – Current year loss	(30,000)
(ii) He has three proprietary businesses:	
(A) Textile Business:	
(i) Discontinued from 31.10.2024 – Current year loss	40,000
(ii) Brought forward business loss of A.Y.2020-21	95,000
(B) Chemical Business:	
(i) Discontinued from 01.03.2022– hence no profit/loss	NIL
(ii) Bad debts allowed in earlier years recovered during this year	35,000
(iii) Brought forward business loss of A.Y. 2021-22	50,000
(C) Leather Business: Profit for the current year	1,00,000
(D) Share of profit in a firm in which he is partner since 2010	16,550
(iii) (a) Short Term Capital Gain	60,000
(b) Long-Term Capital Loss	35,000
(iv) Contribution to LIC towards Premium	10,000

**Question 5 [5 marks]**

Mr. A furnishes you the following information for the year ended 31.03.2025

	Particulars	(₹)
(i)	Income from plying of vehicles (computed as per books) (He owned 5 light goods vehicle throughout the year)	3,20,000
(ii)	Income from retail trade of garments (Computed as per books) (Sales turnover ₹ 1,35,70,000) Mr. A had declared income on presumptive basis u/s 44AD for the first time in AY 2025-26. Assume 10% of the turnover during PY 2024-25 was received in cash and balance through A/C payee cheque and all payments in respect of expenditure were also made through A/C payee cheque or debit card.	7,50,000
(iii)	He has brought forward depreciation relating to AY 2023-24	1,00,000

Compute taxable income of Mr. A and his tax liability for the AY 2025- 26 with reasons for your computation, assuming that he exercises the option of shifting out of the default tax regime provided u/s 115BAC(1A).