BHAGYA ACHIEVERS TEST SERIES

CA Inter — Taxation

Exam Analysis Sept 2026

Section A — MCQs (Q1–Q16)

Q. No.	Chapter / Topic	Marks	Difficulty
INCOME TAX			
Q1	Capital Gains – Compulsory Acquisition, Cost of Acquisition & Indexation	**2**	**Moderate**
Q2	Clubbing of Income – Minor Child	**2**	**Easy-Moderate**
Q3	Return of Income – Revised Return u/s 139(5)	**2**	**Moderate**
Q4	Deemed Income – Unexplained Investment u/s 69 and Taxability	**1**	**Easy-Moderate**
Q5	Advance Tax – Presumptive Taxation & Firm/LLP	**2**	**Moderate**
Q6	Capital Gains – Renunciation of Rights	**2**	**Difficult**
Q7	Capital Gains – Demerger & Cost of Acquisition of Resulting Company Shares	**2**	**Difficult**
Q8	Capital Gains – Sale of Shares Received under Demerger	**2**	**Difficult**
GOODS & SERVICES TAX (GST)			
Q9	Tax Invoice – HSN Code Requirements	**1**	**Easy**
Q10	Final Return – Form GSTR-10	**2**	**Moderate**

Q. No.	Chapter / Topic	Marks	Difficulty
Q11	Time of Supply of Goods	**2**	**Moderate**
Q12	TDS under GST – Government Supplies	**2**	**Moderate**
Q13	E-way Bill – Acceptance/Rejection	**2**	**Difficult**
Q14	Registration – Effective Date	**2**	**Easy**
Q15	Supply – Taxability of Compensation	**2**	**Moderate**
Q16	Place of Supply of Services	**2**	**Moderate**

Q1 – Capital Gains

Topic: Capital Gains – Compulsory Acquisition of Capital Asset

The question requires determination of taxable long-term capital gain arising from compulsory acquisition of a residential house. The case involves:

- Original purchase in 1999
- FMV as on 01.04.2001
- Improvement expenditure
- Compulsory acquisition by Government
- Compensation received in instalments
- Additional compensation pursuant to court order
- Cost Inflation Index

Why it is important:
This is an **integrated Capital Gains question** rather than a straightforward sale-of-asset question.

Difficulty: Moderate

Q2 – Clubbing of Minor's Income

Topic: Clubbing of Income – Minor Child

The question asks in whose hands the income of the minor daughter would be clubbed.

The case contains:

- Cash award from a debate competition
- Interest on savings bank account
- Parents' income details

Concept tested:
Determination of income of a minor child which is subject to clubbing and the relevant exceptions.

Difficulty: Easy–Moderate

Q3 – Revised Return

Topic: Return of Income – Section 139(5)

Mrs. Manon filed her return and subsequently discovered that a genuine business expenditure had not been claimed.

The question tests:

- Whether the return can be revised
- Applicability of section 139(1)/139(4)
- Time limit for filing revised return
- Impact of the amended return-filing framework

Difficulty: Moderate

Q4 – Unexplained Investment

Topic: Income from Other Sources / Deemed Income – Section 69

Mr. Raju possesses gold bars that are not recorded in the books and can satisfactorily explain only part of the investment.

The question tests:

- Unexplained investment
- Section 69
- Deemed income

- Tax treatment of such income

Difficulty: Easy–Moderate

Q5 – Advance Tax

Topic: Advance Tax – Presumptive Taxation

The question compares:

- An individual professional opting for presumptive taxation
- An LLP/firms' advance-tax payment mechanism

Difficulty: Moderate

Q6 – Renunciation of Rights

Topic: Capital Gains – Renunciation of Right Entitlement

Mr. Rudra receives a right entitlement and renounces the entire entitlement in favour of another person for consideration.

Concepts tested:

- Rights entitlement
- Renunciation of rights
- Cost of acquisition
- Period of holding
- STCG/LTCG determination

Difficulty: Difficult

Q7 – Demerger

Topic: Capital Gains – Cost of Acquisition of Shares Received by Shareholders in Demerger

The question provides:

- Original cost of PQR Ltd. shares

- Net book value of assets transferred
- Net worth of the demerged company
- Number of shares received in ABC Ltd.

Difficulty: Difficult

Q8 – Sale of Shares Received under Demerger

Topic: Capital Gains – Sale of Shares of Resulting Company

The question follows directly from Q7 and asks for capital gain on sale of ABC Ltd. shares.

Students had to determine:

1. Cost attributable to ABC Ltd. shares
2. Period of holding
3. Nature of capital gain
4. Sale consideration
5. Capital gain

Difficulty: Difficult

Q9 – HSN Code

Topic: Tax Invoice – HSN/SAC requirements

Tests the mandatory HSN requirement based on turnover and nature of supply.

Difficulty: Easy

Q10 – Final Return

Topic: GST Returns – GSTR-10

The question tests the time limit for filing the final return after cancellation of registration.

Difficulty: Moderate

Q11 – Time of Supply

Topic: Time of Supply of Goods – Section 12

The case contains:

- Advance payment
- Goods made available
- Removal of goods
- Invoice issuance

Students have to identify the relevant event for determining time of supply.

Difficulty: Moderate

Q12 – GST TDS

Topic: Tax Deducted at Source under GST

The question combines two Government-related supplies and asks for total GST TDS.

Difficulty: Moderate

Q13 – E-Way Bill

Topic: E-Way Bill – Communication of Acceptance/Rejection

The question tests the time limit available to the recipient for communicating acceptance/rejection of the consignment.

Difficulty: Difficult

Q14 – Effective Date of Registration

Topic: GST Registration – Effective Date

The case provides:

- Date of application
- Date of grant of registration

Students have to determine the effective date.

Difficulty: Easy

Q15 – Compensation for Non-performance

Topic: Supply / Taxability of Compensation

The question asks whether compensation received for non-performance of a contract constitutes taxable supply.

Difficulty: Moderate

Q16 – Place of Supply

Topic: Place of Supply of Services

The case involves architectural services relating to an office building located outside India while payment is made in India.

Difficulty: Moderate

Section B — Descriptive Questions (Q1–Q8)

Q. No.	Main Topic	Sub-topics Covered	Marks	Difficulty
INCOME TAX				
Q1	**Comprehensive Income Computation**	House Property, PGBP, 10AA, 80JJAA, Other Sources, Capital Gains, 115BAC	**15**	**Difficult**
Q2(a)	**Residential Status & Scope of Total Income**	Foreign Income, Agricultural Income, Past Profits, Capital Gains	**6**	**Moderate**
Q2(b)	**TDS/TCS**	54EC Bonds, Contractor Payments	**4**	**Moderate**

Q. No.	Main Topic	Sub-topics Covered	Marks	Difficulty
Q3(a)	**Salaries**	Leave Encashment, RPF, Medical Treatment, HRA, Perquisites	**6**	**Difficult**
Q3(b)	**Return Verification**	Authorized person to verify return	**4**	**Moderate**
Q4(a)	**Comprehensive Income & Clubbing**	PGBP, Speculative Loss, Race Income, Salary from Firm, Minor's Capital Gains	**6**	**Difficult**
Q4(b)	**House Property**	Vacancy, Let-out Property, Own-use Property, Transfer to NRI	**4**	**Moderate**
Q4 OR (b)	**Advance Tax**	Section 234C	**4**	**Moderate**
GOODS & SERVICES TAX (GST)				
Q5(a)	**GST – Comprehensive**	Value of Supply, RCM, ITC, Exemptions, E-invoice	**10**	**Difficult**
Q5(b)	**GST – Taxability of Services**	Exemptions under GST	**5**	**Moderate**
Q6(a)	**GST – RCM**	Import of Services & Time of Supply	**5**	**Difficult**
Q6(b)	**GST – ITC**	ITC eligibility after cancellation/revocation	**5**	**Difficult**
Q7(a)	**GST – E-Way Bill**	Multiple e-way bills & trans-shipment	**5**	**Moderate-Difficult**
Q7(b)	**GST Registration**	Rule 14A – Electronic Registration	**5**	**Moderate**
Q8(a)	**GST – E-Invoicing**	Persons liable, supplies covered, exclusions	**5**	**Moderate**
Q8(b)	**GST – Procedural & Constitutional**	Record retention, constitutional pillars	**5**	**Easy-Moderate**

QUESTION 1 – 15 Marks

Topic: Comprehensive Income Computation

This is the **largest individual question of the paper**.

The question requires computation of total income and tax liability of Mr. Siddharth under the **default tax regime**. The question covers multiple heads and deductions.

Major concepts tested:

1. Income from House Property

- Partly self-occupied and partly let-out property
- Annual rent
- Municipal taxes
- Housing loan interest
- Principal repayment

2. Profits & Gains from Business/Profession

- Industrial undertaking in SEZ
- Section 10AA
- Export turnover
- Foreign exchange realization

3. Deduction relating to Employment

- Section 80JJAA
- New employees
- Employment period
- Salary/emoluments
- Recognised Provident Fund

4. Income from Other Sources

- Savings bank interest
- Fixed deposit interest

5. Capital Gains

- Sale of vacant land
- Stamp duty value
- FMV as on 01.04.2001
- Registration expenses
- Cost Inflation Index

6. Personal expenditure

- Life insurance premium paid for son

Difficulty: Difficult

QUESTION 2(a) – 6 Marks

Topic: Residential Status & Scope of Total Income

Mr. Tikam has income from India as well as Malaysia, England, Singapore and Nepal.

The question asks computation of total income assuming:

1. Resident and Ordinarily Resident
2. Resident but Not Ordinarily Resident

Concepts tested:

- Global income taxation
- Foreign income
- Income received outside India
- Business controlled from India
- Agricultural income outside India
- Past untaxed profits
- Capital gains arising in India
- Interest income

Difficulty: Moderate

QUESTION 2(b) – 4 Marks

Topic: TDS/TCS

The question asks the applicable provisions relating to deduction/collection of tax at source in independent cases.

Cases:

Case 1: Investment in Section 54EC Capital Gain Bonds

Case 2: Payments made to an individual for repair of residential house.

Concepts tested:

- TDS provisions
- Threshold limits
- Applicable rates
- Nature of payment
- Section 54EC-related interest

Difficulty: Moderate

QUESTION 3(a) – 6 Marks

Salaries – Comprehensive Practical Question

Mr. Arvind Mehta's salary question is one of the more important questions in the paper.

Concepts covered:

- Basic salary
- Dearness allowance
- Salary contribution to PMNRF
- Leave encashment
- Recognised Provident Fund
- Employer contribution
- Medical treatment abroad
- HRA
- Employer-provided computer
- Interest-free loan for medical treatment

Difficulty: Difficult

QUESTION 3(b) – 4 Marks

Topic: Verification of Return of Income

The question gives four different taxpayers and asks who is authorized to verify their return.

Cases include:

- Mentally incapacitated individual
- Partnership firm with managing partner absent from India
- Company under Corporate Insolvency Resolution Process
- Company whose management has been taken over by Central Government

Difficulty: Moderate

QUESTION 4(a) – 6 Marks

Comprehensive Income & Clubbing

This question is heavily integrated.

Topics covered:

- Income from tuition
- Income from owning and maintaining race horses
- Brought-forward loss from race-horse activity
- Speculative business loss
- Presumptive taxation u/s 44AD
- Brought-forward business losses
- Salary from partnership firm
- Clubbing of minor's income
- Capital gains on unlisted shares
- Cost Inflation Index

The question also involves different tax regimes for family members.

Difficulty: Difficult

QUESTION 4(b) – 4 Marks

Topic: Income from House Property

The case of Mr. Dhiraj involves multiple units of a residential complex:

- One unit vacant
- One unit let out as guest house
- One unit used as own office

- One unit sold to an NRI

Concepts:

- House Property
- Vacancy
- Let-out property
- Self-occupied/use for business
- Sale of property
- Capital gains

Difficulty: Moderate

QUESTION 4 – OR: Advance Tax

Topic: Section 234C – Interest for Deferment of Advance Tax

Ms. Kavita Sharma has discharged advance tax in four instalments. The question requires computation of interest for deferment.

Difficulty: Moderate

QUESTION 5(a) – GST – 10 Marks

Comprehensive GST Computation

This is the **largest GST question** and one of the most application-heavy questions.

QTR Ltd. has multiple outward and inward transactions.

Topics covered:

1. Value of supply
2. Freight charges
3. GTA services
4. Reverse Charge Mechanism
5. Composite/Mixed supply
6. Discounts
7. Exempt supplies
8. Legal services/arbitral tribunal
9. Input Tax Credit

10. E-invoicing
11. ITC eligibility
12. Utilisation of ITC
13. Minimum cash liability
14. CGST/SGST/IGST set-off

Difficulty: Difficult

QUESTION 5(b) – 5 Marks

Topic: Exemptions under GST

Mr. Satendra Yadav provides various services such as:

- Event management for a musical concert
- Artificial insemination of live horses
- News collection services
- Team manager services for a recognised sports body
- Non-air-conditioned contract carriage

Requirement:

Determine taxable supply amount.

Difficulty: Moderate

QUESTION 6(a) – 5 Marks

Topic: Reverse Charge Mechanism + Time of Supply

Sam International Co. Ltd., Japan provides professional services to its associated enterprise in India.

Concepts:

- Import of services
- Related/associated enterprise
- Reverse Charge
- Time of supply under RCM
- Payment of consideration
- Interest for delayed payment

Difficulty: Difficult

QUESTION 6(b) – 5 Marks

Topic: Input Tax Credit after Cancellation and Revocation of GST Registration

The question deals with Mahesh Enterprises purchasing goods from Deep Traders whose registration was cancelled retrospectively and later restored.

Concepts tested:

- Validity of supplier's registration
- Cancellation of registration
- Retrospective cancellation
- Revocation
- ITC eligibility
- Conditions for claiming ITC

Difficulty: Difficult

QUESTION 7(a) – 5 Marks

Topic: E-Way Bill – Multiple Transporters / Trans-shipment

The goods move from Delhi to Chennai and the original transporter hands over the goods to another transporter at Bhopal because of vehicle failure.

Concepts:

- E-way bill
- Validity
- Change of transporter
- Trans-shipment
- Generation of additional e-way bill
- Procedure for updating details

Difficulty: Moderate-Difficult

QUESTION 7(b) – 5 Marks

Topic: GST Registration – Rule 14A

The question asks:

- Eligibility criteria for small taxpayers
- Electronic registration
- Withdrawal from the option
- Whether more than one registration can be applied for against the same PAN in a State

Difficulty: Moderate

QUESTION 8(a) – 5 Marks

Topic: E-Invoicing

The question specifically asks about the recent clarification relating to post-sale discounts and when such discounts are or are not considered consideration for supply.

Concepts:

- Post-sale discount
- Consideration
- Supply
- Dealer/distributor
- Manufacturer
- Conditions for treatment as consideration

Difficulty: Moderate

QUESTION 8(b) – 5 Marks

It contains two short conceptual questions.

(i) Books & Records – 2 Marks

Topic: Retention of Books of Account and Records

The question asks about the period for which books and records must be retained when the registered person is involved in an appeal/proceeding.

Difficulty: Easy

(ii) Constitutional Pillars of GST – 3 Marks

Topic: Constitutional Framework of GST

Students have to write a short note on the main constitutional pillars of GST.

Difficulty: Easy-Moderate

📊 ANALYSIS SAVE KAR LIYA ???

AB BATAO — ISKO APNI PREPARATION MEIN **IMPLEMENT** KAB KAROGE ? 🤔📚

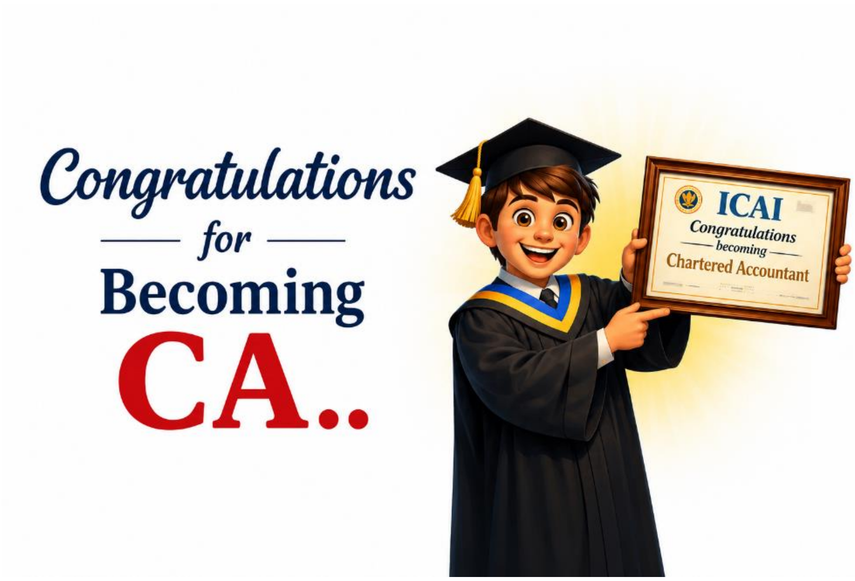
Sirf chapters dekh lena enough nahi hai! ✕

📌 Kya **pehle** padhna hai ,

⏳ Kis chapter ko **kitna time** dena hai ??

Kya tum bhi apni preparation ko **isi analysis ke basis par PLAN** karna chahte ho?

Aur kya tum bhi yeh sunna chahte ho ?



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