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Our Rankers

AIR 5



Sarthak Aggarwal
CA Inter May-23

AIR 19



Aman Mahajan
CA Inter Dec-21

AIR 33



Sundar B
CA Inter Dec-21

AIR 49



Ria Gupta
CA Inter May-22

What Our Students have to Say....

Aman Mahajan (CA AIR 19)

I really liked your classes, especially the practical linkages explained with amazing graphics. The full subject test series helped a lot in improving my writing speed and presentation skills.

Sundar Sri Renganathan B (AIR 33)

I took Accounting from IndigoLearn and the classes were really good. They emphasized on conceptual clarity over getting things done quickly, which is really vital to score good marks in practical papers. Other resources like Notes, Quizzes and Forum was beneficial too.

Dwarakesh

Thank you IndigoLearn team for the guidance and support throughout the past few months. I had great conceptual clarity in all the subjects and the revision classes by Suraj Sir were very helpful. Study planner and Free resources were very useful. Thank you Team IndigoLearn.

Yug Manoj Kumar Bhattad

I have cleared my CA Foundation examination with the total of 286. And this was not possible without the efforts and support of IndigoLearn. The way of teaching with utmost conceptual clarity is the best thing at IndigoLearn.

Prakash Bhatt

Superb, one stop solution for All CA and Accountancy students they serve real Education at very very reasonable price

Naveen Kumar S

Good experience, unlimited views helped a lot in last one month preparation. Looking forward for

Bhagyasree Chougule

It was only because of IndigoLearn that my concepts became very clear, and I was able to crack the exam. I wasn't 100% prepared I needed more practice but luckily I got through. I'm definitely choosing IndigoLearn for group 2 preparation. A big thanks!

Mohd Thayyab

Theoretical subjects made easier through story based examples and charts. Concept clarity 100%. Fully exam+practical oriented classes will help not only to retain the concepts during exams but for the longer duration.

Lalit Chetan Sanpal

IndigoLearn has been fantastic and brilliant. Helped me a lot in my preparations. I cleared both the groups in first attempt with your brilliant classes and notes. Thanks to all the faculties, coordinators, forum admins and everyone at IndigoLearn. Really grateful. Will go for CA Finals at IndigoLearn For sure. Thank you so much IndigoLearn.

#StudentFirst

Abishek M

I'd like to thank IndigoLearn for all the support they've provided me with. Modules were great. They were time saving and straight to the point. I extensively used the materials provided before exams, they were so helpful. Also I'd appreciate them for providing unlimited views as I kept looking into the maths modules till the end.

Munnur Nandini Sree

Accounting classes I have taken from IndigoLearn. Now I feel that it's a great choice that I have made (after seeing my result) because only in Accounting I got exemption. Thank you IndigoLearn.

Harshita G

Thank u so much IndigoLearn for your guidance. This is only possible because of u people.... For my finals also my journey will continue with IndigoLearn.

Bharathsha PS

I purchased Economics, IT, FM, EIS and Audit from IndigoLearn. All your classes are superb and anyone can easily crack the CA exams. What makes u special is your classes help us to understand the concepts very well. Special thanks to the FM faculty, I studied only 2 chapters in economics, and still managed to score exemption in the 8th paper.

Nayi Mihir kumar

This platform is very helpful in all activity like mcq practise, notes, teaching activities, revisions and the forum interaction with all students which I like the most. If anybody want to clear their exams in first attempt then IndigoLearn is the best platform for them. My all regards to IndigoLearn. Thank you so much.

Rajalaxmi CA Inter

Can't believe I cleared. Sathya Sir, Suraj Sir, Yogita Mam ... thanks to all my faculties. Basically an Eng student with zero accounts knowledge. Thanks IndigoLearn for making me clear in first attempt.

Priyanka Udeshi

All the faculties have excellent knowledge of the subject and deliver it in very crisp & effective manner. Also, quick response at Forums never let any of my doubts go unresolved no matter how small they were. Thank you once again to all the teachers & staff at IndigoLearn!

Naveen Kumar T

It been a great journey with indigo learn team. Thanks to all the facilities and forum friends who support me a lot.

(3)
FHP1
PART - I

1. AB Contractors undertakes a fixed price contract of ₹ 350 Lakhs. Information related to contract is given as under :

2

Material purchased

₹ 125 Lakhs

Labour charges

₹ 95 Lakhs

Unused material

₹ 22 lakhs

Estimated future costs to be incurred to complete the contract

₹ 115 Lakhs.

Payment received as part payment of contract

₹ 50 Lakhs

Machinery used for 4 years for the contract. Original cost of the machine is ₹ 210 Lakhs. Expected life of machinery is 20 years.

What will be the Profit / Loss on the contract ?

(A) Loss on contract ₹ 5 lakhs

(B) Loss on contract ₹ 49 Lakhs

(C) Profit on contract ₹ 45 Lakhs

(D) Profit on contract ₹ 26.5 Lakhs

$$\begin{array}{r} 125 \\ + 95 \\ - 22 \\ + 115 \\ + \frac{210}{20} \times 4 = 42 \\ \hline \end{array}$$

$$\begin{array}{r} \text{Cost } 2355 \\ - 350 \\ \hline \end{array}$$

$$\text{Loss} = 5$$

FHP1

(4)

FHP1

2. Ace Limited borrowed ₹ 25 Lakhs from ABN Bank during the financial year 2023-24. Ace Limited used these funds to invest in Equity shares of Kay Limited.

Kay Limited is implementing a new Project, so with these future prospects, Ace Limited invested ₹ 25 Lakhs in Kay Limited.

As on 31st March, 2024, since the said project was not complete, the directors of Ace Limited capitalised the interest on loan amounting to ₹ 2 lakhs and thus added the amount of interest to the cost of Investments.

Market value of these investments on 31st March, 2024 is ₹ 24 Lakhs.

Identify the correct statement, considering the above facts as per AS 16 :

- (A) Interest paid is acquisition charge, hence directors of Ace Limited correctly added the amount of interest in cost of investment.
- (B) Since project is qualifying Asset, directors of Ace Limited correctly added the amount of interest in cost of investments.
- ✓ (C) Ace Limited invested in equity share which is not a qualifying asset, therefore directors are wrong to add the interest in cost of investments, rather it should be charged to profit and loss account.
- (D) Since project is qualifying asset, directors of Ace Limited should capitalise the interest amount to market value of investments, rather than cost of investments.

(5)

FHP1

Case Scenario – I :

The following summary cash account has been extracted from the Nextspace Limited's accounting records :

	₹	₹
Cash Balance as on 01-04-2023		72,000
Inflow of Cash		
Cash Sales	15,56,000	
Trade Receivable	7,40,000	
Rent from Property held as investment	64,000	
Income tax refund	25,000	
Loan from Bank	5,00,000	
Issue of Shares	2,50,000	
Sale of Investment	49,500	31,84,500
Outflow of Cash		
Trade Payable	19,60,000	
Office and Selling Exp.	1,20,000	
Trade Commission	40,500	
Underwriting Commission	25,000	
Redemption of Preference shares	8,00,000	
Brokerage on Sale of Investment	9,200	
Interest on long term borrowings	85,600	
Payment for Overheads	46,000	
Purchases of Goodwill	50,000	(31,36,300)
Balance as on 31-03-24		1,20,200

FHP1

(6)

FHP1

Based on the information given in above Case Scenario, answer the following Question No. 3 - 6 :

3. What would be the value of Cash Flow from Financing Activities ?

2

(A) ₹ (50,000)

(B) ₹ (1,35,600)

(C) ₹ 54,300

(D) ₹ (1,60,600)

500000
+ 250000
- 25000
- 800000
- 85000

154300

4. Which of the following would be considered as 'Cash Flow item from an Investing Activities' ?

(A) Underwriting Commission

(B) Trade Commission

(C) Purchase of Goodwill

(D) Interest on Long Term Borrowings

5. What would be the value of Cash Flow from Operating Activities ?

2

(A) ₹ 1,29,500

(B) ₹ 1,54,500

(C) ₹ 1,45,300

(D) ₹ 4,04,000

1550
740
25
- 1960
- 120
- 40.5
- 40

154300

FHP1

6. What would be the value of Cash Flow from Investing Activities ?

2

(A) ₹ 54,300

(B) ₹ 1,04,300

(C) ₹ 29,300

(D) ₹ (500)

64050
49500
- 9200
- 50050

7. Glow Limited had taken a loan of ₹ 5,00,000 in June, 2023. The loan is to be repaid in 10 half yearly equal installments starting from December, 2023. Determine how the remaining loan will be classified in the Balance Sheet as on 31st March, 2024 as per Schedule III of the Companies Act, 2013 ?

2

(A) ₹ 3,50,000 is to be shown under the head 'Long term borrowings' and ₹ 1,00,000 is to be shown under the head 'Short term borrowings.'

(B) ₹ 3,50,000 is to be shown under the head 'Long term borrowings' and ₹ 75,000 is to be shown under the head 'Short term borrowings' and ₹ 25,000 is to be shown under the head 'Other Current liabilities.'

(C) ₹ 4,50,000 is to be shown under the head 'Long term borrowings.'

(D) ₹ 3,50,000 is to be shown under the head 'Long term borrowings' and ₹ 1,00,000 is to be shown under the head 'Other Current liabilities.'

Case Scenario – II :

On 1st April, 2019, Black Limited received a government grant of ₹ 15,00,000 for acquisition of a Machine costing ₹ 50,00,000. The grant was credited to the cost of the Machine. The life of the Machine is expected to be 10 years and estimated residual value at the end of 10 years is ₹ 5,00,000. The company charges depreciation on straight line basis.

Due to non-fulfillment of certain conditions the company had to refund the entire grant on 1st April, 2021.

On 31st March, 2023, Black Limited received certain indications of impairment of the Machine and the recoverable amount was ascertained to be ₹ 28,00,000 with revised useful life of 4 years and nil residual value.

On 1st April, 2024, the company exchanged the Machine by paying cash of ₹ 2,00,000 and new Machine valued at ₹ 18,00,000.

Based on the information given in above Case Scenario, answer the following Question No. 8 – 11 :

8. What will be the impact of test of impairment on Profit & Loss Account of the company ?

2

- (A) Impairment loss of ₹ 4,00,000 to be debited to Profit & Loss A/c.
- (B) Impairment loss of ₹ 4,25,000 to be debited to Profit & Loss A/c.
- (C) Impairment loss of ₹ 6,25,000 to be debited to Profit & Loss A/c.
- (D) Impairment loss of ₹ 15,25,000 to be debited to Profit & Loss A/c.

$$\begin{array}{r} \text{Cost} = 5000 \\ \text{Grant} = (1500) \\ \hline \text{Net} \\ \text{RV} \end{array} \quad \begin{array}{r} 3500 \\ 500 \\ \hline \end{array}$$

$$\text{Dep Amt} = 3000$$

$$\text{Dep per year} = 300$$

$$\text{Dep for } 2020/2021 = 600$$

$$\boxed{\text{WDV on } 31/3/21} = 2900 [3500 - 600]$$

$$\text{Add Refund} = 1500$$

$$\text{Revised (1/4/21)} = 4400$$

RV

$$\begin{array}{r} - 500 \\ \hline 3900 \end{array}$$

$$\text{Dep per year} = 3900 / 8 = 487.5$$

$$\text{Dep for } 2022/2023 = 975$$

$$\text{WDV on } 31/3/23 = 3425$$

$$= 2800$$

Rec amt

imp loss

$$= 625$$

$$\text{Dep for } 31/3/24 = 2800 / 4 = 700$$

$$\text{CA on } 31/3/24 = 2100$$

(9)

FHP1

9. What will be the amount of Profit or Loss on exchange of Machine as on 1st April, 2024 ?

Question not clear

(A) Loss of ₹ 8,00,000

✓ (B) Loss of ₹ 1,00,000

(C) Profit of ₹ 1,00,000

(D) Loss of ₹ 3,00,000

10. What will be the carrying amount of the Machine as on 31st March, 2021 after charging depreciation for the year ?

(A) ₹ 28,00,000

(B) ₹ 26,00,000

(C) ₹ 41,00,000

✓ (D) ₹ 29,00,000

11. What will be the amount of depreciation to be charged on the Machine for the year ended 31st March, 2022 ?

✓ (A) ₹ 4,87,500

(B) ₹ 6,37,500

(C) ₹ 4,50,000

(D) ₹ 5,37,500

FHP1

(10)

FHP1

Case Scenario – III :

The following particulars are stated in the Balance Sheet of Star Limited as on 31st March, 2023 :

Deferred Tax Assets (Dr.) ₹ 1,20,000

Deferred Tax Liabilities (Cr.) ₹ 2,10,000

The following transactions were reported during the year 2023-24 :

	₹
1. Depreciation as per accounting records	12,00,000
2. Depreciation as per income tax records	18,00,000
3. Interest paid accounted in books on accrual basis but paid on 15-05-2024	4,50,000
4. Employer PF Contribution exp. disallowed for tax purpose in year 2022-23 but allowed in year 2023-24	82,000
5. Unamortized preliminary expenses as per tax records	1,00,000
6. Donation	70,000
7. Tax Rate	20%

FHP1

(11)

FHP1

Based on the information given in above Case Scenario, answer the following Question No. 12 – 15 :

12. What would be the value of reversal of Deferred Tax Assets as on 31-03-2024 ? 2
- (A) ₹ 20,000
(B) ₹ 1,04,000
☒ (C) ₹ 16,400 *82000 x 20 %*
(D) ₹ 90,000
13. Which is the permanent difference item as per AS 22 ? 2
- (A) Employer PF Contribution exp.
☒ (B) Donation *as per 27 Act*
(C) Unamortized preliminary expenses
(D) Depreciation
14. What would be the value of the Deferred Tax Assets as on 31-03-2024 ? 2
- (A) ₹ 1,52,000
(B) ₹ 3,30,000
☒ (C) ₹ 1,23,600 *120000 - 16400 (PF) + 20000 (Prelim)*
(D) ₹ 4,50,000
15. What would be the value of the Deferred Tax Liabilities as on 31-03-2024 ? 2
- (A) ₹ 1,23,600
☒ (B) ₹ 3,30,000 *210000 + 120000 (60000 x 20 %)*
(C) ₹ 1,52,000
(D) ₹ 1,20,000