



CARDAMOM PLANTERS' ASSOCIATION COLLEGE

(Re-accredited with 'B' Grade by NAAC)

Pankajam nagar, Bodinayakanur – 625 582

PG and research department of commerce

Assessment of a Company



Dr.V. KRISHNAKUMAR, Ph.D.,

Assistant Professor,

PG and research department of commerce

CPA College Bodinayakanur.

A company means any Indian company
(or) any body corporate incorporated under the
law of a foreign country or many
Institutions association or body whether incorporated
are not and whether Indian or non-Indian
which is declared by general or special
order of the central Board of directors
to be a company, according to section 2(1)

Types of companies

1. Company in which the public are substantially interested
2. Indian company
3. Public sector company
4. Domestic company.
5. Foreign company
6. Company: Regulated by a company act 2013

Principle officer s 2(35)

Principle officer means the secretary.

Treasurer, manager (or) Agent of the company

Any person connected with the management

(or) Administration for the company upon

whom working officer is served

liquidity.

Substantial interest in the company

It means a person who is beneficial owner of the equity shares, possessing not less than 20% of the voting power

~~Rates of~~

Minimum Alternative Tax (MAT)

A objective of MAT is to bring in to the tax net zero tax companies which in spite of having earned substantial book profit and having paid handsome dividend do not pay any tax due to various tax concessions and incentives provided under Income Tax law

Basic provisions of minimum alternative tax

A tax liability of

Companies will be higher of the following

Tax liability of the company computed as per normal provisions of the Income Tax law

2. Tax computed under 15% surcharge which is applicable on book profit.

Rate of Income Tax Applicable to Companies

- In case of domestic company
 - ⇒ Winning from lottery - 30%
 - ⇒ Short term capital gain - 15%
 - ⇒ Long term capital gain - 10% (or) 20%
 - ⇒ Long term capital gain - 10%
 - ⇒ Other income - 30%

Surcharge

- ⇒ @ 7% on the amount of Income tax if total income exceeds 1 crore & does not exceed 10 crore
- ⇒ @ 12% if total income exceeds 10 crore

2. In case other than a domestic company

- ⇒ On the income from Royalty received from government (or) an Indian concern pursuant to agreement made after 31st March 1961 - 50%
- ⇒ On Income from fees for non-rendering technical services received from govt (or) Indian concern or an agreement made after 29th Feb 1964 - 50%
- ⇒ Winning from lottery - 30%
- ⇒ Short term capital gain - 15%
- ⇒ Long term capital gain - 10% (or) 20%
- ⇒ Long term capital gain (IIT(A)) - 10%

⇒ Other? Incompleteness. How?
Sutcliffe

⇒ @ 2%, and the amount of income
tax at total income. Need 1000
but does not need voters

⇒ @ 5% of total income. Needs

1000000