

MAY 2011

**P/ID 37523/PBEG**

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Time : Three hours

Maximum : 80 marks

PART A — (5 × 5 = 25 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. What are included and excluded from 'capital assets'?
2. What is the residential statue of the company?
3. What are the permissible deductions from Salary Income?
4. What are the deductions allowed for computing capital gains?
5. What is the significance of clubbing of incomes?
6. What do you mean by income escaping assessment?
7. What are the rules regarding the claim of deduction of depreciation?
8. State the provisions relating to carry forward and set off of losses.

PART B — (4 × 10 = 40 marks)

Answer any FOUR questions.

All questions carry equal marks.

9. Explain the provisions relating to deduction in computing total income and in respect of certain specified incomes.
10. What are the perquisites taxable in the hands of all employees?
11. Explain the general principles which decide whether an expenditure is deductible or not from Business Income.
12. In what circumstances is the income of one person treated as the income of another?
13. What is Total Income and how is it computed?
14. Explain the tax on income by Venture Capital Funds.

PART C — (15 marks)

(Compulsory)

15. From the following particulars, determine assessable profit or loss to be carried forward as the case may be for the assessment year 2010-11 :

	Rs.
(a) Loss for 2002–2003 carried forward	1,00,000
(b) Loss for 2003-04 carried forward	15,000
Depreciation allowance for 2003-04 carried forward	5,000
(c) Loss for 2004-05 carried forward	10,000
Depreciation allowance for 2004-05 carried forward	5,000
(d) Loss for 2005-06 carried forward	5,000
Depreciation allowance for 2005-06 C/F	2,500
(e) Loss for 2006-07 carried forward	5,000
Depreciation allowance for 2006-07 C/F	2,500
(f) Profit for 2007–08	15,000
Depreciation due for 2007-08	5,000
(g) Profit for 2008-09	50,000
Depreciation due for 2008-09	10,000
(h) Profit for 2009-10	1,20,000
Depreciation due for 2009-10	10,000

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