

MAY 2012

P/ID 37523/PBEG

Time : Three hours

Maximum : 80 marks

PART A — (5 × 5 = 25 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. Distinguish between maximum marginal rate and the average rate of IT.
2. Write a short note on Carry forward and set off of speculation loss.
3. Detail the implications of 'Demerger' with reference to Income tax.
4. Write Short Note on Residual Method of valuation of imported goods.
5. What are tax free incomes?
6. Who is known as Assessee-in-default?
7. What do you mean by —Partnership firm as per Income Tax Act?
8. Briefly explain the provision relating to set-off of the speculation loss.

PART B — (4 × 10 = 40 marks)

Answer any FOUR questions.

All questions carry equal marks.

9. Explain the basic concepts of Income Tax.
10. Discuss the characteristics of salary.
11. Explain in brief the procedure for assessment and clearance of imported goods from customs port.
12. Briefly explain with reference to the Central Excise Act, 1944
 - (a) Factory
 - (b) Whole sale dealer
 - (c) Dutiability of Waste and Scrap
13. Explain briefly the procedure for fixing anti-dumping duty on a product.
14. Write a short note on :
 - (a) Tax Implication — Make or Buy Decision
 - (b) Tax Implication — Own or Lease

PART C — (1 × 15 = 15 marks)

(Compulsory)

15. (a) Mr. R held the following investments :
- (i) Rs. 89,800 10% (Tax free) Debentures of a listed company (rate of TDS 10.2%).
 - (ii) Rs. 100,000 Punjab Govt. Loan.
- Compute his income from interest on securities for the year ending 31.3.06 if Interest accrues annually on 1st January.
- (b) Explain the Income Tax provisions relating to the assessment of individuals.
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