

(5)

DAK

Marks

4. (A) Examine the following statements in the context of the provisions contained in the various Chapters of the Act : 3×3
= 9

(i) *"The provisions of section 115JB are not applicable in case of foreign companies".*

(ii) *"The provisions of dividend distribution tax are also applicable to an undertaking or enterprise engaged in developing, operating and maintaining a Special Economic Zone (SEZ)".*

(iii) *"A penalty for concealment can be imposed even in the case where the claim of the assessee is debatable or arguable".*

(B) Can the brought forward losses and unabsorbed depreciation be set off against the profit determined under section 44B ? 4

(C) Mr. Balram is a non-resident. The appeal pertaining to the assessment year 2010-11 is pending before the Income-tax Appellate Tribunal, the issue involved being computation of export profit and tax thereon. The same issue persists for the assessment year 2011-12 as well. Mr. Balram's brother Mr. Krishna has obtained an advance ruling under Chapter XIX – B of Income-tax Act, 1961 from the Authority for Advance Ruling on an identical issue. Mr. Balram proposes to use the said ruling for his assessment pertaining to the assessment year 2011-12. Can he do so ? 3

5. (A) Examine the taxability or allowability or otherwise treatment to be given while computing income under the head "*Income from Business or Profession*" to be declared in the return of income for the financial year ended on 31-3-2011, in the following cases : 2×6
= 12

(i) Amount received towards power subsidy with a stipulation that the same is to be adjusted in the electricity bills.

DAK

P.T.O.