


Name:			
Enrolment No:			
UPES End Semester Examination, May 2024			
Course: Introduction to Taxation Law and Policy Program: B.A. LL.B (Hons.)/B.Com. LLB(Hons.)/BBA.LLB(Hons.) (TL) Course Code: CLTX3003		Semester: VI Time : 03 hrs. Max. Marks: 100	
Instructions: All questions are compulsory. Calculators are permitted.			
SECTION A (5Qx2M=10Marks)			
S. No.		Marks	CO
Q1	Define Input Tax Credit.	2	CO1
Q2	Which are the Special Category States in which the turnover limit for Composition Levy for Central tax and State tax purpose shall be Rs. 75 Lakh?	2	CO1
Q3	The current Income Tax Act was passed in 1961 and went into effect on April 1, 1962. (True/False)	2	CO1
Q4	Explain the concept of BEPS.	2	CO1
Q5	Define Customs Duty.	2	CO1
SECTION B (4Qx5M= 20 Marks)			
Q6	Discuss the tax treatment of the income received by the charitable organizations.	5	CO2
Q7	State the benefits provided to the taxpayers under the e-Dispute Resolution Scheme, 2022, notified by the CBDT <i>vide</i> Notification No. 26/2022 dated 05.04.2022.	5	CO2
Q8	Explain the deductions specifically allowed under the head 'Profit and Gains from Business and Profession'.	5	CO2
Q9	Elaborate on the relevance of the Double Taxation Avoidance Agreements (DTAA).	5	CO2

SECTION-C
(2Qx10M=20 Marks)

Q10	<p>An Assessee acquired agricultural land from agriculturist on lease and constructed a greenhouse floriculture project on said land. It started growing of rose flowers/plants on bridge of plastic trays erected with help of mild steel stand 2-3 ft above said land. According to assessee, for plantation of roses a very well-treated soil was required, manures were mixed in soil for preparing a base for growing rose plants, trays were filled with a mixture of soil, insecticides were sprinkled on plants to save plants from any disease, root stocks were brought from market and placed in green house. Mother plant was otherwise reared on earth, subsequently saplings were planted on plastic trays, which were kept at height of 2-3 ft. placed on stand. Purpose of growing rose plants at a height was primarily to avoid pest and to develop in a controlled atmosphere, and green house was used for various benefits so that sun-light and humidity level both could be maintained. Assessee claimed that income earned from sale of rose flowers was an agricultural income eligible for exemption under section 10(1) of the Income Tax Act. Assessing Officer held that no basic agricultural operation was carried out by assessee, therefore, income in question was not an agricultural income.</p> <p>Considering the above facts, discuss whether the Assessing Officer was correct in his assessment.</p>	10	CO3
Q11	<p>Discuss whether the supply of a package consisting of canned foods, sweets, chocolates, cakes, dry fruits, aerated drink and fruit juices when supplied for a single price is a mixed supply or composite supply. Discuss in brief the 'taxable event' and the scope of the term 'supply' under Goods and Services Tax (GST) law.</p>	10	CO3

SECTION-D
(2Qx25M=50 Marks)

Q12	<p>A. An Indian multinational group has a holding company A Ltd. in Singapore. A Ltd. also has 100% subsidiaries B Ltd. and C Ltd. in Hongkong and D Ltd. in Cyprus. A Ltd. has income only by way of dividend and interest from investments made in its subsidiaries. The Place of Effective Management (POEM) of A Ltd. is in India and is exercised by parent company of the group. The meetings of Board of Director of these companies are held in Hong Kong and Cyprus. Find out the residential status of B Ltd., C Ltd. and D Ltd. (15 Marks)</p> <p>B. The business of a HUF is transacted from Australia and all the policy decisions are taken there. Mr. E, the Karta of the HUF, who was born in Kolkata, visits India during the PY 2022-23 after 15 years. He comes to India on 1.4.2021 and leaves for Australia on 1.12.2021. Determine the residential status of Mr. E and the HUF for AY 2023-24. (10 Marks)</p>	25	CO4
Q13	<p>A. X retires on 4.1.2005 after serving XY Company Ltd. for a period of 16 years and 11 months. At the time of retirement his basic salary was Rs. 4,400 per month and he was also entitled to Dearness Allowance of Rs. 800 per month. On his retirement he received Rs. 60,000 as gratuity. Compute the amount of gratuity exempt from tax and the amount to be included in gross salary. He is covered under the Payment of Gratuity Act. (10 Marks)</p> <p>B. An employee, working for ABC Pvt. Ltd., drawing a salary of Rs. 10,000 per month retires from service on 1.4. 2002 and becomes entitled to receive pension of Rs. 6,000 per month. He gets half his pension commuted and receives Rs. 1,20,000 as lumpsum payment. Henceforth he shall be entitled to a pension of Rs. 3,000 per month. Compute the exemption available under section 10(10A) in respect of commuted pension. He is also entitled to gratuity. (10 Marks)</p>	25	CO4

	<p>C. Mr. Tony is employed as a resident engineer in Stark Industries Pvt. Ltd. posted in Hyderabad and receives a salary of Rs. 80,000 per month. The House Rent Allowance received by Mr. Tony is Rs. 8,000 p.m. but rent paid is Rs. 6,000/- p.m. Discuss the tax treatment of this emolument received by Mr. Tony. (5 Marks)</p>		
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