

**Roll No.**  
**SAP ID**



**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**  
**End Semester Examination, July 2020**  
**Open Book – Through Blackboard Learning Management System**

**Course: Taxation Law- LLBL 443**  
**Programme: BBA-LLB-BIFL & ITIL**  
**Time: 03 hrs.**

**Semester: 8**

**Max. Marks: 100**

**Instructions:**

As this examination is in open-book format, the students are expected to demonstrate a very high degree of Academic Integrity and not copy contents from resources referred. Instructors would look for understanding of the concept by the students and any similarity found from resources online/ offline shall be penalized in terms of deduction of marks and even cancellation of paper in requisite cases. The online examination committee of the School would also look for similarity of two answer scripts and if answer scripts of two or more students are found similar, both the answer scripts shall be treated as copied and lead to cancellation of the paper. In view of the aforesaid points, the students are warned that they should desist from using any unfair means.

**All Questions are Compulsory**  
**Answer each question in not more than 500 words**

S. No.		Marks	CO			
1	<p>Mr. Shanker has a property whose municipal valuation is Rs. 2,50,000 p.a. The fair rent is Rs. 2,00,000 p.a. and the standard rent fixed by the Rent Control Act is Rs. 2,10,000 p.a. The property was let out for a rent of Rs. 20,000 p.m. However, the tenant vacated the property on 31.01.2020. Unrealized rent was Rs. 20,000 and all conditions prescribed by Rule 4 are satisfied. He paid municipal taxes @ 8% of municipal valuation. Interest on borrowed capital was Rs. 65,000 for the year.</p> <p>Further Mr. Shanker sold the above house property on 31.03.2020 for Rs. 20,00,000. This house was purchased by Mr. Shanker on 15.08.2018 for Rs. 10,00,000 and incurred Rs. 2,00,000 on the repairs &amp; maintenance of the house in September 2018.</p> <p>Compute the income from house property and amount of Capital Gain of Mr. Shanker for A.Y 2020-21.</p>	20	CO 2			
Ans.						
2	<p>Compute the amount of tax deduction at source on the following payments made by M/s. S Ltd. during the financial year 2019-20 as per the provisions of the Income-tax Act, 1961. Discuss the relevant provisions of the Act.</p>	20	CO 3			
	<table border="1"><thead><tr><th>S.No</th><th>Date</th><th>Nature of Payment</th></tr></thead></table>	S.No	Date	Nature of Payment		
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	1.	01-10-2019	Payment of Rs. 2,00,000 to Mr. R a transporter who owns 8 goods carriages throughout the previous year and furnishes a declaration to this effect along with his PAN.												
	2.	01-11-2019	Payment of fee for technical services of Rs. 25,000 and Royalty of Rs. 20,000 to Mr. Shyam who is having PAN.												
	3.	30-06-2019	Payment of Rs. 25,000 to M/s X Ltd. for repair of building.												
	4.	01-01-2020	Payment of Rs. 2,00,000 made to Mr. A for purchase of diaries made according to specifications of M/s S Ltd. However, no material was supplied for such diaries to Mr. A by M/s S Ltd.												
	5.	01-02-2020	Payment of Commission of Rs. 14,000 to Mr. Y.												
Ans.															
3	<p>(i) What will be the due date of filling Income Tax return for the FY 2019-20 in the following cases –</p> <p>a. Individual having Net Taxable Income of Rs 8,50,000</p> <p>b. Partnership Firm eligible for Audit under section 44AB, having Net Taxable Income of Rs. 6,40,000</p> <p>c. Company having profit of Rs. 6,00,000 from Business</p> <p>d. Individual eligible for Audit under section 44AB audit and having Net Taxable Income of Rs. 12,50,000</p> <p>e. Individual offering Income under section 44AD and having Net Taxable Income of Rs. 3,45,000.</p> <p>(ii) Further what will be the amount of Late fees under section 234 F in each of the above cases if date of filing the return is as follows :</p> <table border="1"> <tr> <td>Scenario – a</td> <td>13.12.2020</td> </tr> <tr> <td>Scenario – b</td> <td>20.10.2020</td> </tr> <tr> <td>Scenario – c</td> <td>03.09.2020</td> </tr> <tr> <td>Scenario – d</td> <td>15.03.2021</td> </tr> <tr> <td>Scenario – e</td> <td>30.07.2020</td> </tr> </table>			Scenario – a	13.12.2020	Scenario – b	20.10.2020	Scenario – c	03.09.2020	Scenario – d	15.03.2021	Scenario – e	30.07.2020	20	CO 4
Scenario – a	13.12.2020														
Scenario – b	20.10.2020														
Scenario – c	03.09.2020														
Scenario – d	15.03.2021														
Scenario – e	30.07.2020														
Ans.															
4	<p>a. Shivani Goyal, a software designer, is presently working in a firm in India. She has received an offer from a company in Australia. As per the offer letter, she should join the company at any time between 1<sup>st</sup> September, 2019 and 31<sup>st</sup> October, 2019. She approaches you for your advice on the following issues to mitigate her tax liability in India:</p> <p>(i) Date by which she should leave India to join the company</p> <p>(ii) Period for which she should stay in India when she comes on leave.</p> <p>b. Miss Anjali made the following investments/expenses during the F.Y. 2019-20, you are required to calculate the amount of eligible deduction under Chapter VI-A of Income Tax Act, 1961. Explain with relevant provisions.</p>			20	CO1										

- (i) LIC Premium paid- Rs 1,40,000
- (ii) Term Insurance Premium Paid- Rs 20,000
- (iii) School Tuition fees of his friend's daughter- Rs 40,000
- (iv) Medical checkup expenses incurred in cash – Rs 4,000
- (v) Donation in Prime Minister's National Relief Fund – Rs 40,000

Ans.

5 Mr. Harish Gupta, aged 35 years, working in Reliance Industries, Mumbai, produces the following information for the Assessment Year 2020-21 before you. As a tax consultant, you are required to answer the following:

- a. Income Tax amount which is required to be paid by Harish Gupta while filling his Income Tax Return

S no	Particulars	Amount
<b>A.</b>	<b><u>Salary Details</u></b>	
	Basic Pay	Rs. 40,000 p.m.
	Dearness Allowance (Forming Part of Retirement benefits)	Rs. 15,000 p.m
	Commission	Rs. 10,000 p.m.
	Entertainment Allowance	Rs. 20,000 p.a
	Children Education Allowance for his son	Rs. 1,100 per month
	House Rent Allowance	Rs. 15,000 p.m.
	Actual Rent paid during the year	Rs. 2,40,000
<b>B.</b>	<b><u>Capital Gain Details</u></b>	
	He purchased a residential house in January 2019 for Rs. 50,00,000/- in Kanpur seeking his upcoming transfer in job in April 2021. However due to change in plan of transfer from Mumbai to Kanpur, he sold out the house in December 2019 for Rs. 57,00,000/-.	
<b>C.</b>	<b><u>House Property Details of house at Kanpur</u></b>	
	Expected Rent	Rs. 15,000 p.m.
	Actual Rent received from April to December 2019	Rs. 20,000 p.m.
	Municipal Taxes Paid	Rs. 40,000
<b>D.</b>	<b><u>Investment Details</u></b>	
	Premium Paid of LIC	Rs. 50,000
	Premium Paid for Term Insurance	Rs. 25,000
	Investment in Public Provident Fund	Rs. 50,000
	Medical Insurance policy covering him only	Rs. 10,000
	Donation in Prime Minister's National Relief Fund by online transfer	Rs. 50,000
<b>E.</b>	<b><u>Tax Details</u></b>	
	TDS deducted by employer	Rs. 54,000
	Self-assessment Tax deposited in March 2020	Rs. 1,50,000

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CO 3

Ans.			
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I, ....., understand that submitting work that isn't my own may result in failure in this paper and I may also be subject to Disciplinary Proceedings as per the Academic Integrity policy of the University.

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