



**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**  
**End Semester Examination, December 2021**

**Course: Tax Planning and Administration**  
**Program: B.Com (Hons.) (Taxation)**  
**Course Code: FINC3018P**

**Semester : 5th**  
**Duration : 03 hrs.**  
**Max. Marks: 100**

**Instructions:**

<b>Q.No</b>	<b>Section A</b> <b>(Type the answers in test box)</b>	<b>10Qx2M=20Marks</b>	<b>COs</b>
Q1	In computing indexed cost of acquisition, ----- is not required. a) Cost of acquisition b) Cost inflation index of the year of improvement of capital asset c) Cost inflation index of the year of acquisition of capital asset d) Cost inflation index of the year of transfer of capital asset	2 Marks	CO1
Q2	Who is a person?	2 Marks	CO1
Q3	The year in which income is earned is called as -----year and the year in which the income is charged to tax is called as -----year.	2 Marks	CO1
Q4	Depict the administrative hierarchy of tax laws in India	2 Marks	CO1
Q5	An Indian company can never be a non-domestic company— a. True/False	2 Marks	CO1
Q6	What is Presumptive Taxation?	2 Marks	CO1
Q7	Why Should you pay taxes?	2 Marks	CO1
Q8	What does section 80JJAA deal with?	2 Marks	CO2
Q9	Describe a few tax considerations for Dividend Policy.	2 Marks	CO2
Q10	Describe Long Term Capital Gains and Short Term Capital Gains Tax.	2 Marks	CO2
	<b>Section B</b> <b>(Scan and upload)</b>	<b>4Qx5M= 20 Marks</b>	
Q11	Describe the conditions for a merger to qualify as an amalgamation for income tax purposes.	5 Marks	CO2
Q12	Explain the Residential status of a company according to Sec. 6(3).	5 Marks	CO2
Q13	What do you understand by Carry forward and set-off of losses for Companies. Also describe the steps to calculate the tax liability of a company.	5 Marks	CO3

Q14	Explain the concepts of Tax Audit, Section 44AB, Dual Auditing.	5 Marks	CO2
	<b>Section C</b> <b>(Scan and upload)</b>	<b>3Qx10M=30 Marks</b>	
Q15	<p>XY Ltd. wants to amalgamate with PQ Ltd. on June 30, 2017. You are required to find out the tax implication in respect of the following losses/allowances of XY Ltd. in the assessments of XY Ltd. (i.e., amalgamating company) and PQ Ltd. (i.e., amalgamated company).  Unabsorbed depreciation allowance of the previous year 1998-99 : Rs. 36,000 ;  brought forward business loss of the previous year 2007-08 : Rs. 10,00,000 ;  unabsorbed scientific research expenditure : Rs. 11,000 ;  bad debts : Rs. 15,000 ;  capital gain arising on transfer of assets to PQ Ltd. : Rs. 2,50,000 and brought forward capital loss Rs. 40,000.</p> <p>Also discuss whether PQ Ltd. can claim deduction under section 80-IA or 80-IB in respect of industrial undertaking taken over from XY Ltd.</p>	10 Marks	CO4
Q16	<p>a) Critically examine the concept of POEM. Give Examples.</p> <p>b) An Indian multinational group has a local holding company A Ltd. in Singapore. A Ltd. also has 100 per cent downstream subsidiaries B Ltd. and C Ltd. in Hong Kong and D Ltd. in Cyprus. A Ltd. has income only by way of dividend and interest from investments made in its subsidiaries. The POEM of A Ltd. is in India and is exercised by ultimate parent company of the group. B Ltd., C Ltd. and D Ltd. are engaged in active business outside India. 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.</p>	10 Marks	CO3
Q17	<p>Critically examine the amalgamation losses with respect to the Sec 72, 72AA, 72AB  OR  Analyze the concepts related to Special Taxes, Offshore Banking Units and Special Tax Zones</p>	10 Marks	CO3
	<b>Section D</b> <b>(Scan and upload)</b>	<b>2Qx15M= 30 Marks</b>	
Q18	Analyze the idea behind 15 Action Points of BEPS, with reference to tax administration.	15 Marks	CO4
Q19	Analyze the current situation of Indian tax administration in comparison with the tax administrations around the world. The focus of the analysis should include: E administration, Accelerating digital transformation, International cooperation, Digital transformation of tax administration, disputes etc.	15 Marks	CO4
	OR		

	<p>Critically examine the concept of MAT and interpret the differences between the utility of MAT and AMT.</p> <p>The tax liability of Essem Minerals Ltd. for the financial year 2021-22 under the normal provisions of the Income-tax Act is Rs. 8,40,000 and the liability as per the provisions of MAT is Rs. 10,00,000. Will the company be entitled to claim any MAT credit in the subsequent year(s) as per the provisions of section 115JAA?</p>		
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