

Name:

Enrolment No:



UPES

End Semester Examination, May 2025

Course: Taxation Laws

Program: B.Tech LL.B (Cyber Laws)

Course Code: CLCC5024

Semester: X

Time : 03 hrs.

Max. Marks: 100

Instructions: Read all the instructions carefully. Cite the relevant provisions and case laws.

SECTION A

(5Qx2M=10Marks)

Short answer type questions

S. No.		Marks	CO
Q 1	Define Progressive and Regressive Tax.	2	CO1
Q 2	Taxes on agricultural income is levied by _____ which is laid down under _____ of 7 th Schedule of Constitution of India.	2	CO1
Q 3	GST Council can be constituted by _____ as per Article _____ a) Prime Minister; Article 249A b) Prime Minister; Article 269A c) President; Article 269A c) President; Article 279A	2	CO1
Q 4	Profit at the time of winding up of the company will be chargeable to tax under PGBP (True/False)	2	CO1
Q 5	Define Base Erosion Profit Shifting?	2	CO1

SECTION B

(4Qx5M= 20 Marks)

Short answer type questions

Q 6	Explain the provisions on Unrealized rent under IT Act, 1961?	5	CO2
Q 7	Discuss whether remuneration received by the spouse of an individual is clubbed with his/her income? Also discuss its exception.	5	CO2
Q 8	Discuss the taxability of pension received by family members of a deceased assessee?	5	CO2

Q 9	Explain the difference between Tax Avoidance and Tax Evasion.	5	CO2
SECTION-C (2Qx10M=20 Marks) Long answer type questions			
Q 10	<p><i>Improving the empirical basis for any decision on taxation – policy or administrative – through an analysis of its impact is a key function of a modern tax administration that aims to improve the process of decision making.</i></p> <p>In the above context, discuss the observations and recommendations made by Tax Administration Reform Commission (TARC), 2014.</p>	10	CO3
Q 11	<p><i>A person who has opted to pay tax under the composition scheme cannot avail Input Tax Credit on his inward supplies.</i></p> <p>Elaborate on the categories of persons who are eligible to claim a composition scheme? Also discuss the conditions for opting for the said scheme?</p>	10	CO3
SECTION-D (2Qx25M=50 Marks) Case based analytical questions Attempt any two			
Q 12	<p>ABC Corp. is a multinational conglomerate based in Germany. It owns 75% of the shares in its Indian subsidiary, XYZ Pvt. Ltd. In 2017, ABC Corp. decided to sell its shares in XYZ Pvt. Ltd. to another foreign company, DEF Ltd., which is based in the Netherlands, for ₹800 crore.</p> <p>The shares of XYZ Pvt. Ltd. were transferred indirectly through a Singapore-based holding company, GHI Ltd., which was a wholly owned subsidiary of ABC Corp. GHI Ltd. held the shares of XYZ Pvt. Ltd. on behalf of ABC Corp. The Indian tax authorities argued that this transaction involved an indirect transfer of shares in an Indian company (XYZ Pvt. Ltd.) and, therefore, the capital gains arising from the sale should be subject to tax in India under Section 9(1)(i) of the Income Tax Act, 1961. ABC Corp. and DEF Ltd. contended that the transaction involved two foreign entities, and no Indian tax should be levied due to the India-Singapore Double Taxation Avoidance Agreement (DTAA), which grants tax exemption on such transactions.</p>	25	CO4

	<p>a) Critically analyze the above facts by citing relevant provisions of IT Act, 1961 with the help of Vodafone Case.</p> <p>b) Explain the amendments that were introduced by the Indian government after the judgement of Supreme Court in Vodafone Case.</p>		
<p>Q 13</p>	<p>ABC Ltd., a public limited company, spends ₹50,00,000 annually on its Corporate Social Responsibility (CSR) initiative, which focuses on promoting education in rural areas. The company organizes scholarship programs for underprivileged students, builds schools, and funds educational materials. However, the company is unsure whether these expenses can be claimed as a deduction under Section 37 of the Income Tax Act.</p> <p>a) Examine the admissibility of the above expense as deduction against the business profits under the Income Tax Act, 1961.</p> <p>b) Discuss various deductions available under the head Profits and Gains of Business and Profession.</p> <p style="text-align: center;">OR</p> <p>Determine whether the following transactions would constitute a mixed supply or composite supply along with necessary justification: (15 marks)</p> <p>a) ABC Electronics Ltd. is a company that sells televisions. It offers a TV bundle which includes a television (a good) and a wall mount installation service (a service). The total price of the bundle is ₹40,000, with ₹35,000 for the television and ₹5,000 for the installation service.</p> <p>b) DEF Ltd., a furniture retailer, offers a luxury furniture package. The package includes a luxury sofa set (taxable at 28%) and a set of basic kitchen utensils (taxable at 12%), all sold together at a price of ₹50,000.</p> <p>c) LMN Hospitality Pvt. Ltd., a restaurant, provides a meal package that includes food and non-alcoholic beverages (a taxable service) along with alcoholic beverages (taxable good). The restaurant charges a single price of ₹5,000 for the meal package, which includes food, drinks, and alcohol.</p>	<p style="text-align: center;">25</p>	<p style="text-align: center;">CO4</p>

	Discuss the definition and scope of Supply under section 7 of CGST Act, 2017. (10 Marks)		
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