

Name: Enrolment No:



UNIVERSITY OF PETROLEUM AND ENERGY STUDIES  
Online End Semester Examination, May 2021

Course: Taxation Law  
Program: BBA. LLB (Hons) with BIFL  
Course Code: CLCC4001

Semester: VIII  
Time 03 hrs.  
Max. Marks: 100

SECTION A

1. Each Question will carry 5 Marks
2. Instruction: Explain in brief

S. No.	Question	CO
Q 1	Explain in brief the contents of Income Tax Act. To whom its applicable and how it is governed.	CO3
Ans		
Q2	Explain briefly– The Total income of a person is determined on the basis of his _____ status. Explain in brief	CO4
Ans		
Q3	Explain with example the concept of Assessment year and also Previous Year	CO3
Ans		
Q4	Income Tax is a Tax which is levied on the Total Income of the previous year of every person. Explain any 5 categories of person.	CO2
Q5	Explain in brief about CBDT?	CO3
Ans		
Q6	Briefly explain the contents of “Income from Other Sources” . What do they contain.	CO1
Ans		

SECTION B

Each question will carry 10 marks  
Instruction: Write short / brief notes

Q 1	Mr. Poori Halwa has the following receipts from his employer: Basic pay                                      Rs. 40,000 p.m. Dearness allowance (D.A.)                Rs.4,000 p.m.	CO4
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	<p>Commission Rs. 25,000 p.a.</p> <p>Motor car for personal use (expenditure met by the employer) Rs. 1,000 p.m</p> <p>House rent allowance Rs.12,000 p.m.</p> <p>Find out the amount of HRA eligible for exemption to Mr. Poori assuming that he paid a rent of Rs. 10,000 p.m. for his accommodation at Jaipur. DA forms part of salary for retirement benefits.</p>	
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Ans		
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Q 2	<p>X converts his capital asset (acquired on June 10, 2003 for Rs 60,000) into stock-in-trade on March 10, 2020. The fair market value on the date of the above conversion was Rs. 5,50,000. He subsequently sells the stock-in-trade so converted for Rs 6,00,000 on June 10, 2020. Examine the tax implication.</p> <p>Cost Inflation Index - F.Y. 2003-04: 109; F.Y. 2019-20: 289; F.Y. 2020-21: 301.</p>	<b>CO1</b>
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Ans		
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Q 3	<p>Vijay mallaya , a British national, is a resident and ordinarily resident in India during the P.Y. 2020-21. He owns a house in London, which he has let out at £ 15,000 p.m. The municipal taxes paid to the Municipal Corporation of London is £ 10,000 during the P.Y. 2020-21. The value of one £ in Indian rupee to be taken at Rs.92.50. Compute Vijay's Net Annual Value of the property for the A.Y. 2021-22.</p>	<b>CO2</b>
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Ans	—	
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Q 4	<p>Mohan Lall is in business of manufacturing customized kitchen equipments. He is also the Managing Director and held nearly 65% of the paid-up share capital of Aarav (P) Ltd. A substantial part of the business of Mohan is obtained through Aarav (P) Ltd. For this purpose, Aarav (P) Ltd. passed on the advance received from its customers to Mohan to execute the job work entrusted to him.</p> <p>The Assessing Officer held that the advance money received by Mohal is in the nature of loan given by Aarav (P) Ltd. to him and accordingly is deemed dividend within the meaning of provisions of section 2(22)(e) of the Income-tax Act, 1961. The Assessing Officer, therefore made the addition by treating advance money as deemed dividend.</p> <p>Examine whether the action of the Assessing Officer is tenable in law.</p>	<b>CO3</b>
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Ans		
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Q 5	<p>Mr. Tinu holds shares carrying 33% voting power in Yamma Ltd. Mrs. Tina is working as an accountant in Yamma Ltd. getting income from salary (computed) of Rs.3,60,000 without any qualification in accountancy. Mr. Tinu also receives ` 32,000 as interest on securities. Mrs. Tinaa owns a house property which she has let out. Rent received from tenants is ` 6,500 p.m. Compute the gross total income of Mr. Tinu and Mrs. Tinaa for the A.Y. 2021-22.</p>	CO7
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Ans		
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**SECTION C**

1. Each Question carries 20 Marks.
2. Instruction: Write long answer.

Q12	<p>Mr. Tiger Shroff (aged 35 years) submits the following particulars pertaining to the A.Y.2021-22:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th><i>Particulars</i></th> <th><i>Amount (Rs.)</i></th> </tr> </thead> <tbody> <tr> <td><i>Income from salary (computed)</i></td> <td style="text-align: right;"><i>4,20,000</i></td> </tr> <tr> <td><i>Loss from self-occupied property</i></td> <td style="text-align: right;"><i>(-)72,000</i></td> </tr> <tr> <td><i>Loss from let-out property</i></td> <td style="text-align: right;"><i>(-) 1,50,000</i></td> </tr> <tr> <td><i>Business loss</i></td> <td style="text-align: right;"><i>(-)1,20,000</i></td> </tr> <tr> <td><i>Bank interest (FD) received</i></td> <td style="text-align: right;"><i>85,000</i></td> </tr> </tbody> </table> <p style="text-align: center;">Compute the total income of Mr. Tiger for the A.Y.2021-22.</p> <p style="text-align: center;">OR</p> <p>Q) Explain in detail the assessment procedure adapted in the Income tax. Also explain the procedure of revision and also filing of appeals or revision in return of Income.</p>	<i>Particulars</i>	<i>Amount (Rs.)</i>	<i>Income from salary (computed)</i>	<i>4,20,000</i>	<i>Loss from self-occupied property</i>	<i>(-)72,000</i>	<i>Loss from let-out property</i>	<i>(-) 1,50,000</i>	<i>Business loss</i>	<i>(-)1,20,000</i>	<i>Bank interest (FD) received</i>	<i>85,000</i>	CO8  CO1, CO7, CO8
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Ans		
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