

<b>Name:</b> <b>Enrolment No:</b>	
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**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**  
**Online End Semester Examination, May 2021**

**Course: Adjudication of Tax Related Disputes**  
**Program: INT-BCOM-LLB-TL**  
**Course Code: LLBL 488**

**Semester: X**  
**Time: 03 hrs.**  
**Max. Marks: 100**

**SECTION A**

- 1. Each Question will carry 5 Marks**
- 2. Instruction: Complete the statement**

S. No.	Question	CO
Q 1	Default of assessee on failure to afford the authorized officer the necessary facility to inspect the books of accounts or other documents as required under section 132(1)(iib) is covered under section _____ of Income Tax Act 1961 and the period of imprisonment for this offence is _____.	<b>CO 1</b>
Q 2	Mr Rahul made willfully attempt to evade income tax of Rs 75 lakh by under reporting his income. What will be the minimum and maximum period of imprisonment for Mr Rahul under Income Tax Act 1961 ?  Minimum Period of Imprisonment- _____ Maximum Period of Imprisonment- _____	<b>CO 2</b>
Q 3	Specify the amount of Penalty under Income Tax Act 1961 under following cases-  a. Failure to keep or maintain or retain books of accounts, etc as required under section 44AA- _____  b. Failure to furnish audit report as required under section 44AB- _____	<b>CO 2</b>
Q 4	Mr Ajay willfully avail wrong Input Tax Credit of Rs 60 crore during the FY 2020-21. What will be the amount of penalty and period of imprisonment which can be imposed on Mr Ajay ?  Penalty- _____  Period of Imprisonment- _____	<b>CO 1</b>
Q 5	Mr Raj was involved in the transaction of importing following types of goods in India. You are required to mention the amount of penalty leviable under Custom Act.  a. Import of Prohibited Goods- _____	<b>CO 2</b>

	b. Import of Dutiable Goods- _____	
Q 6	<p>Miss Tanvi was involved in the transaction of exporting following types of goods out of India. You are required to mention the amount of penalty leviable under Custom Act.</p> <p>c. Export of Prohibited Goods of value Rs 10 crore - _____</p> <p>d. Export of Dutiable Goods of value of Rs 100 crore (Duty rate- 15%) - _____</p>	<b>CO 2</b>

**SECTION B**

- 1. Each Question will carry 10 Marks**
- 2. Instruction: Write Short / brief notes**

Q 7	<p>From the details given below, determine the maximum amount of fine in lieu of confiscation leviable under section 130 of CGST, Act, 2017 on:</p> <p>(i) The goods liable for confiscation.</p> <p>(ii) On the conveyance used for carriage of such goods.</p> <p>Details are as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>Cost of the goods for owner excluding GST</td> <td>Rs 45,00,000</td> </tr> <tr> <td>Market Value of Goods</td> <td>Rs 60,00,000</td> </tr> <tr> <td>GST on such goods</td> <td>Rs 10,80,000</td> </tr> </table> <p>You are also required to explain relevant legal provisions in brief.</p>	Cost of the goods for owner excluding GST	Rs 45,00,000	Market Value of Goods	Rs 60,00,000	GST on such goods	Rs 10,80,000	<b>CO 1</b>
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Q 8	<p>Pursuant to audit conducted by the tax authorities under section 65, a show cause notice was issued to Office Decor, Mumbai, a registered supplier, alleging that it had wrongly availed the input tax credit without actual receipt of goods for the month of August. In the absence of a satisfactory reply from Office Decor, Joint Commissioner of Central Tax passed an adjudication order dated 28th September (received by Office Decor on 30th September) confirming a tax demand of Rs. 50,00,000 (i.e., CGST 25,00,000 and SGST 25,00,000) and imposing a penalty of equal amount under section 122.</p> <p>Office Decor does not agree with the order passed by the Joint Commissioner. It decides to file an appeal with the Appellate Authority against the said adjudication order. It has approached you for seeking advice on the following issues in this regard:</p> <p>(1) Can Office Decor file an appeal to Appellate Authority against the</p>	<b>CO 4</b>
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	<p>adjudication order passed by the Joint Commissioner of Central Tax? If yes, till what date can the appeal be filed?</p> <p>(2) Does Office Decor need to approach both the Central and State Appellate Authorities for exercising its right of appeal?</p> <p>(3) Office Decor is of the view that there is no requirement of paying pre-deposit of any kind before filing an appeal with the Appellate Authority.</p> <p>Give your opinion on the issue.</p>	
Q 9	<p>Shivam intends to start selling certain goods in Surat. However, he is not able to determine</p> <p>(i) the classification of the goods proposed to be supplied by him [as the classification of said goods has been contentious] and</p> <p>(ii) the place of supply if he supplies said goods from Surat to buyers in U.S.</p> <p>Shivam’s tax advisor has advised him to apply for the advance ruling in respect of these issues. He told Shivam that the advance ruling would bring him certainty and transparency in respect of the said issues and would avoid litigation later. Shivam agreed with his view, but has some apprehensions.</p> <p>In view of the information given above, you are required to advise Shivam with respect to following:</p> <p>(i) The tax advisor asks Shivam to get registered under GST law before applying for the advance ruling as only a registered person can apply for the same. Whether Shivam needs to get registered?</p> <p>(ii) Shivam is apprehensive that if at all advance ruling is permitted to be sought, he has to seek it every year. Whether Shivam’s apprehension is correct?</p> <p>(iii) The tax advisor is of the view that the order of Authority for Advance Ruling (AAR) is final and is not appealable. Whether the tax advisor’s view is correct?</p> <p>(iv) Rohit - Shivam’s friend - is a supplier registered in Surat. He is engaged in supply of the goods, which Shivam proposes to supply at the same commercial level that Shivam proposes to adopt.</p> <p>He intends to apply the classification of the goods as decided in the advance ruling order to be obtained by Shivam, to the goods supplied by him in Surat. Whether Rohit can do so?</p>	CO 3

Q 10	<p>A petition for stay of demand was filed before ITAT by Reliance Ltd. in respect of a disputed demand for which appeal was pending before it, on which stay was granted by the ITAT vide order dated 1.1.2021, on deposit of 20% of the amount of tax by Reliance Ltd. The bench could not function thereafter till 1.02.2022 and therefore, the disputed matter could not be disposed off. The Assessing Officer attached the bank account on 16.2.2022 and recovered the amount of Rs 30 lacs against the arrear demand of Rs 50 lacs. The assessee requested the Assessing Officer to refund back the amount as it holds stay over it. The Assessing Officer rejected the contention of the assessee.</p> <p>Now the assessee seeks your opinion.</p>	CO 4
Q 11	<p>An assessee, who is aggrieved by all or any of the following orders, is desirous to know the available remedial recourse and the time limit against each order under the Income Tax Act, 1961:</p> <p>(i) Passed under section 143(3) by the Assessing officer  (ii) Passed under section 263 by the Commissioner of Income tax  (iii) Passed under section 272A by the Director General  (iv) Passed under section 254 by the ITAT.</p>	CO 1

**SECTION C**

1. Each Question will carry 20 Marks
2. Instruction: Write Long Answer

Q 12	<p>What would be the penalty leviable under section 270A in case of the following assessee, if none of the additions or disallowances made in the assessment or reassessment qualify under section 270A(6) and the under-reported income is not on account of misreporting?</p> <table border="1" data-bbox="246 1310 1362 1682"> <thead> <tr> <th data-bbox="246 1310 318 1465"></th> <th data-bbox="318 1310 883 1465">Particulars of total income of A.Y.2021-22</th> <th data-bbox="883 1310 1109 1465">M/s. Alpine, a resident firm</th> <th data-bbox="1109 1310 1362 1465">Balaji Ltd., an Indian company</th> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">(Rs)</td> <td style="text-align: center;">(Rs)</td> </tr> </thead> <tbody> <tr> <td data-bbox="246 1465 318 1549">(1)</td> <td data-bbox="318 1465 883 1549">As per the return of income furnished u/s 139(1)</td> <td data-bbox="883 1465 1109 1549" style="text-align: center;">70,00,000</td> <td data-bbox="1109 1465 1362 1549" style="text-align: center;">(24,00,000)</td> </tr> <tr> <td data-bbox="246 1549 318 1591">(2)</td> <td data-bbox="318 1549 883 1591">Determined under section 143(1)(a)</td> <td data-bbox="883 1549 1109 1591" style="text-align: center;">90,00,000</td> <td data-bbox="1109 1549 1362 1591" style="text-align: center;">(12,00,000)</td> </tr> <tr> <td data-bbox="246 1591 318 1633">(3)</td> <td data-bbox="318 1591 883 1633">Assessed under section 143(3)</td> <td data-bbox="883 1591 1109 1633" style="text-align: center;">1,24,00,000</td> <td data-bbox="1109 1591 1362 1633" style="text-align: center;">(4,00,000)</td> </tr> <tr> <td data-bbox="246 1633 318 1682">(4)</td> <td data-bbox="318 1633 883 1682">Reassessed under section 147</td> <td data-bbox="883 1633 1109 1682" style="text-align: center;">1,62,00,000</td> <td data-bbox="1109 1633 1362 1682" style="text-align: center;">12,00,000</td> </tr> </tbody> </table> <p data-bbox="224 1703 1386 1776">Note – Balaji Ltd. is a trading company. The total turnover of Balaji Ltd. for the P.Y.2018-19 was Rs. 401 crore and the company has not exercised option under section 115BAA.</p>				Particulars of total income of A.Y.2021-22	M/s. Alpine, a resident firm	Balaji Ltd., an Indian company			(Rs)	(Rs)	(1)	As per the return of income furnished u/s 139(1)	70,00,000	(24,00,000)	(2)	Determined under section 143(1)(a)	90,00,000	(12,00,000)	(3)	Assessed under section 143(3)	1,24,00,000	(4,00,000)	(4)	Reassessed under section 147	1,62,00,000	12,00,000	CO 4
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