

# NATIONAL LAW UNIVERSITY, DELHI

LL.M., Semester-I (Batch of 2020)

End Semester Online Examinations, January-2021

Paper: International Taxation

Time: 48 hours

Total Marks: 50

## Instructions:

1. Mail your assignments only to **submissions.llm@nludelhi.ac.in**
2. All questions are compulsory.
3. This is an open book exam. Students are free to consult their class notes as well as assigned reading materials.
4. No clarification shall be sought on the question paper.
5. Mention ONLY Name, Roll No. and Subject Paper on the Cover/First page. Start writing your answers from the next/second page only. **Do not** mention your name and roll no on any other page.

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Q.1. Discuss at least three main objectives of Double Taxation Avoidance Agreements (DTAAs), critically analyse if it is good for the developing countries to enter into DTAAs.  
(Marks 15, Maximum: 1000-1200 Words)

Q.2. Rakesh (a painter), who is a foreign national spends two days a week in one of the buildings of his main client and is performing painting for the past three years, which is his main profession/ business. In the light of the above facts, explain with the help of the decided cases, as to whether the presence of Rakesh in the premises of his main client and performing painting, would constitute a permanent establishment of Rakesh in India?  
(Marks 15, Maximum: 1000-1200 Words)

Q.3. ABC (an Assessee), a U.K. based Company entered into a service agreement with its wholly owned subsidiary, XYZ Enterprises (incorporated in UK). XYZ, thereafter established a Liaison Office (LO) in India, primarily for the purpose of sale of goods of ABC. The employees of the LO are working wholly and exclusively for the Assessee. At LO, activities such as, marketing, negotiating and selling of products were performed. In the light of the above facts, explain with the help of decided cases, as to whether, the activities performed by LO can be termed as preparatory or auxiliary in nature and as to whether LO can be termed as Permanent Establishment (PE) of the Assessee?  
(Marks 10, Maximum: 700-1000 Words)

Q.4. A foreign Newspaper Agency 'X' (British) as an Advertisement Agency 'Y' in Source State India, which takes orders in India and also collects advertisement charges from the different advertisers in India to be remitted to the foreign Newspaper Agency 'X'. The Newspaper Agency 'X' has the right to accept and reject the advertisement. In the light of the above facts, explain as to whether the Advertisement Agency 'Y' is Dependent Agent Permanent Establishment (DAPE) of 'X'?  
(Marks 10, Maximum: 700-1000 Words)