

SEMESTER-V B.Com (Hons.)

Discipline Specific Core Course- 5.1(DSC-5.1): Income Tax Law and Practice

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

| Course title & Code | Credits | Credit distribution of the course | | | Eligibility criteria | Pre-requisite of the course (if any) |
|---------------------------------------|---------|-----------------------------------|----------|---------------------|------------------------------------------------|--------------------------------------|
| | | Lecture | Tutorial | Practical/ Practice | | |
| DSC -5.1: Income Tax Law and Practice | 4 | 3 | 0 | 1 | Pass in Class XII with Mathematics/Accountancy | NIL |

Learning Objectives

The course aims to impart knowledge of law pertaining to levy of income tax in India.

Learning outcomes

After completion of the course, learners will be able to:

1. Analyse the basic concepts of income tax and determine the residential status of different persons.
2. Compute income under the heads 'salaries' and 'income from house property'.
3. Compute income under the heads 'profits and gains of business or profession' and 'capital gains'.
4. Compute income under the head 'income from other sources' and understand the provisions relating to clubbing of income and set-off losses.
5. Analyse various deductions and computation of total income and tax liability of individuals.

SYLLABUS OF DSC-5.1

Unit 1: Introduction (9 hours)

Basic concepts: Income; Agricultural income, Person, Assessee, Assessment year, Previous year, Gross Total Income, Total income, Maximum marginal rate of tax and Permanent

Account Number (PAN); Residential status: Scope of total income on the basis of residential status; Exempted incomes under section 10; Learning lessons from Kautilya's Taxation Policy.

Unit 2: Computation of Income from Salaries and House Property (11 hours)

Income from Salaries; Income from House Property.

Unit 3: Computation of Income from Business or Profession and Capital Gains (11 hours)

Profits and gains of business or profession; Capital gains.

Unit 4: Income from Other Sources, Clubbing of Income and Set-off (7 hours)

Income from other sources; Income of other persons included in assessee's total income; Aggregation of income and set-off and carry forward of losses.

Unit 5: Deductions and Computation of Total Income and Tax Liability (7 hours)

Deductions from gross total income; Rebates and reliefs; Computation of total income and tax liability of individuals (On-line filing of Returns of Income & TDS).

Practical Exercises:

The learners are required to:

1. Prepare a case study for a person resident but not ordinarily resident in India having income under the head other sources of income.
2. Prepare a presentation indicating the impact of alternative tax regime structure on the tax liability of an assessee.
3. Present a hypothetical case wherein the impact of change in the capital gains taxes are reflected as per the relevant Financial Act.
4. Learn about various tax services available on the official website of Government of India.
5. Prepare a list of tax deductions available in case of a senior citizen.
6. Explore and attempt on-line filing of Returns of Income & TDS on Income tax e-filing website under ITR-1 and ITR-2.

Suggested Readings:

- Ahuja, G., & Gupta, R. (2022). *Simplified Approach to Income Tax*. Delhi, India: Flair Publications Pvt. Ltd.
- Bandyopadhyay, S. B., & Das, C. (2019). *TAXATION II* (1st ed., Vol. II). Delhi, India: Oxford University Press.
- Mittal, N. (2019). *Concept Building Approach to Income Tax Law and Practice* (1st ed.,

Vol. 1). Delhi, India: Cengage Learning India Pvt.

- Singhanian, V. K., & Singhanian, M. (2021). *Students' Guide to Income Tax | University Edition*. Delhi, India: Taxmann Publications Private Limited.

Additional Readings:

- Current Tax Reporter. Jodhpur, India: Current Tax Reporter.
- Income Tax Reports. Chennai, India: Company Law Institute of India Pvt. Ltd.

Note: Suggested readings will be updated by the Department of Commerce and uploaded on the Department's website.

**Guidelines for the Paper Titled "Income Tax Law and Practice"
of B.Com.(Hons.) Paper No. DSC 5.1, Semester-V**

JOINTLY ORGANISED

By

Department of Commerce, Delhi School of Economics, University of Delhi

And

Department of Commerce, Shaheed Bhagat Singh College, University of Delhi

Date: 30th September 2024

MINUTES OF THE MEETING

An online meeting of the paper Titled "Income Tax Law and Practice" of B. Com. (Hons.) Semester-V, Paper No. DSC 5.1, was jointly organized by the Department of Commerce, Delhi School of Economics, University of Delhi and the Department of Commerce, Shaheed Bhagat Singh College, University of Delhi. The meeting was held through Google Meet Platform (Meeting ID: <https://meet.google.com/szf-ghmh-ryb>) on 30th September 2024 at 11.00 AM. Following faculty members of the different colleges of University of Delhi associated with the teaching of this paper were present in the meeting:

| S.No | Name of the Faculty | Department/ Affiliated College |
|-------------|--------------------------------|-------------------------------------------------------------------------|
| 1 | Dr. Pooja Goel, Representative | Department of Commerce, Delhi School of Economics |
| 2 | Prof. Shikha Gupta 1, Convener | Teacher-In-Charge, Department of Commerce, Shaheed Bhagat Singh College |
| 3 | Dr. Shalini Gupta | Shaheed Bhagat Singh College |
| 4 | Dr. Vandana Dahiya | Shaheed Bhagat Singh College |
| 5 | Mr. Aashish Jain | Sri Venkateswara College |
| 6 | Dr. Abha Wadhwa | Deen Dayal Upadhyaya |
| 7 | Ms. Aiman | Satyawati college |
| 8 | Dr. Aishwarya Nagpal | Kirori Mal College |
| 9 | Dr. Amrita Kaur | Shaheed Bhagat Singh College |
| 10 | Mr. Ankush Kumar Jindal | College of Vocational Studies |
| 11 | Dr. Anuradha Tyagi | Dr. Bhim Rao Ambedkar College |
| 12 | Ms. Bhupinder Kaur Aneja | Sri Guru Gobind Singh College of Commerce |
| 13 | Dr. Chandan Karki | Motilal Nehru College (Day) |
| 14 | Mr. Deepak Verma | Deshbandhu College |
| 15 | Ms. Deepshikha Yadav | Hansraj College |

| | | |
|----|----------------------------------|-------------------------------------------|
| 16 | Dr.Diksha | Shyam Lal College |
| 17 | Mr.Dilip Kumar Gupta | Atma Ram Sanatan Dharma College |
| 18 | Ms.Divya Gupta | Hindu College |
| 19 | Dr.Dr Raghuveer Singh Rajpurohit | Keshav Mahavidyalaya |
| 20 | Mr.Gaurav Sharma | Rajdhani College University of Delhi |
| 21 | Mr.Gopal Arora | SGND Khalsa College |
| 22 | Mr.Gulshan Kumar | DDUC |
| 23 | Dr.Gurcharan Sachdeva | PGDAV College |
| 24 | Dr.Gurminder Kaur Arora | Sri Guru Gobind Singh College of Commerce |
| 25 | Ms.Harmanpreet Kaur | Shivaji College |
| 26 | Ms.Hersheen Kaur | Sri Guru Gobind Singh College of Commerce |
| 27 | Dr.Indu | Aditi Mahavidyalaya |
| 28 | Mr.Jitender Chawla | Dyal Singh College |
| 29 | Ms.Kalyani Rajan | A.R.S.D College |
| 30 | Prof. Kamal Mohan Bansal | Dr. Bhim Rao Ambedkar College |
| 31 | Mr.Krishan Kant | Shri Ram College of Commerce |
| 32 | Ms.Kritika Khurana | Maitreyi college |
| 33 | Mr.Kundan Kumar | Rajdhani College |
| 34 | Dr.Laxman Ram Paliwal | Swami Shraddhanand college |
| 35 | Mr.Mahesh Kumar | Motilal Nehru College |
| 36 | Dr.Manish Kumar | Shyam Lal College |
| 37 | Ms.Manisha | Shivaji College |
| 38 | Dr.Manpreet Kaur | Mata Sundri College for Women |
| 39 | Ms.Maya Rani | Moti Lal Nehru College (Eve) |
| 40 | Dr.Meenakshi Yadav | PGDAV college (Eve) |
| 41 | Dr.Meera Nangia | College of Vocational Studies |
| 42 | Dr.Meetakshi Pant | Shaheed Bhagat Singh College |
| 43 | Dr.Mohd. Tariq Azizy | Keshav Mahavidyalaya |
| 44 | Dr.Mohit Kumar | Shaheed Bhagat Singh College |
| 45 | Dr.Neera Pal | Ram Lal Anand College |
| 46 | Prof. Neeta Bareja | Lakshmi Bai College |
| 47 | Dr.Neha Kashyap | Lakshmi Bai College |
| 48 | Dr.Neha Singhal | Sri Venkateswara College |
| 49 | Ms.Neyati Ahuja | Shaheed Bhagat Singh College |

| | | |
|----|-------------------------|-------------------------------------------|
| 50 | Dr.Nirmal Jain | Maharaja Agrasen College |
| 51 | Dr.Nishi Sharma | Dr. Bhim Rao Ambedkar College |
| 52 | Ms.Parvinder Kaur | Mata Sundri College for Women |
| 53 | Mr.Pawan Kumar | Kalindi College |
| 54 | Ms.Pinkey Pandey | Sri Aurobindo College (Eve) |
| 55 | Ms.Pooja Rani | Ramjas College |
| 56 | Ms.Priya Aggarwal | Lady Shri Ram College for Women |
| 57 | Dr.Priya Harjai | Swami Shraddhanand College |
| 58 | Dr.Promila Bhardwaj | Dyal Singh College (Eve) |
| 59 | Ms.Purnima Meena | Lakshmibai College |
| 60 | Dr.Raghvendra Bochaliya | Atma Ram Sanatan Dharma College |
| 61 | Mr.Raj Kumar Aggarwal | Shaheed Bhagat Singh College |
| 62 | Dr.Rajender Singh | Ram Lal Anand College |
| 63 | Dr.Rashi Paliwal | Aditi Mahavidyalaya |
| 64 | Ms.Rasleen Kaur | Sri Guru Gobind Singh College of Commerce |
| 65 | Dr.Renu Aggarwal | Deen Dayal Upadhyaya College |
| 66 | Dr.Ritu Rani | Daulat Ram College |
| 67 | Dr.Ritu Dagar | Daulat Ram College |
| 68 | Mr.Riyaz Ali | Swami Shraddhanand College |
| 69 | Dr.Ruchi Goyal | Keshav Mahavidyalaya |
| 70 | Dr.Saba Abid | Indraprastha College for Women |
| 71 | Ms.Sakshi Meena | Vivekananda College |
| 72 | Ms.Saloni Arora | Jesus and Mary College |
| 73 | Dr.Sameer Lama | Kirori Mal College |
| 74 | Dr.Sandeep Sehrawat | Satyawati College (Eve) |
| 75 | Dr.Sangeeta Arora | Hindu College |
| 76 | Dr.Saumya Sharma | Vivekanand College |
| 77 | Dr.Shaista Sami | Rajdhani College |
| 78 | Dr.Shalini Aggarwal | Dyal Singh College |
| 79 | Dr.Shamsher Singh | PGDAV College (M) |
| 80 | Dr.Shasta Gupta | Sri Aurobindo College |
| 81 | Dr.Shikha Gupta | Kamala Nehru College |
| 82 | Dr.Shilpi Sahi | Bharati College |
| 83 | Ms.Shivani Kalra | Vivekananda College |

| | | |
|----|--------------------------|-----------------------------------|
| 84 | Dr.Shoeba | Zakir Husain Delhi College (Day) |
| 85 | Dr.Shweta kalra | Satyawati College |
| 86 | Ms.Simarpreet Kaur | Sri Guru Nanak Dev Khalsa College |
| 87 | Dr.Sonal Babbar | Maitreyi College |
| 88 | Dr.Sonal Jain | Janki Devi Memorial College |
| 89 | Ms.Soumya Sharma | Vivekananda College |
| 90 | Mr.Sumit Kumar | Ramanujan College |
| 91 | Dr.Sunil Kumar | Deen Dayal Upadhyaya College |
| 92 | Ms.Sushma Aggarwal | Vivekananda College |
| 93 | Ms.T. Jeya Christy | Indraprastha College for Women |
| 94 | Ms.Timsy Gupta | Sri Guru Nanak Dev Khalsa College |
| 95 | Dr.Tonika Rana | Daulat Ram College |
| 96 | Ms.Trishala Chauhan | Kamala Nehru College |
| 97 | Mr.Tusher Kanti Debbarma | Dyal Singh College |
| 98 | Dr.Vandana Bansal | Bharati College |
| 99 | Dr.Yask Sain | Acharya Narender Dev College |

The following guidelines were set in the meeting with the consent of the teachers present in the meeting and the Representative of the Department of Commerce, Delhi School of Economics, University of Delhi, in order to have uniformity and consistency in teaching thereby facilitating the teaching-learning process.

Unit 1: Introduction

Basic concepts: Income, agricultural income, person, assessee, assessment year, previous year, gross total income, total income, maximum marginal rate of tax, Permanent Account Number (PAN); Residential status; Scope of total income on the basis of residential status, Exempted income under section 10, Learning lessons from Kautilya's Taxation Policy.

Guidelines

- Agricultural income: Only concept & simple integration need to be covered. Cases of rubber, tea, and coffee need not be covered.
- Residential Status: Sec 9(1)(viii) need to be emphasized.
- Exempted income: The following exempted incomes need to be covered- Section 10(1), 10(2), 10(5), 10(7), 10(10), 10(10A), 10(10AA), 10(10D), 10(11), 10(12), 10(11A), 10(12C), 10(13), 10(13A), 10(14)*, 10(15), 10(16), 10(32)(Important), 10(36), 10(37).
- All six allowances under section 10(14)(i) need to be covered. Only education, hostel, and transport allowance need to be covered in special allowances under section 10(14)(ii).
- Kautilya's Taxation Policy- A brief outline of Kautilya's taxation policy.

Unit 2: Computation of Income from Salaries and House Property

Income from Salaries; Income from house property.

Guidelines

- ESOP- only concept need to be covered. Valuation of ESOP need not to be covered.
- Rent Free Accommodation (RFA): Hotel accommodation & 2 accommodations at the same time need not to be covered.
- Transport allowance for transport employees need not be covered. Tribal area, hill area, insurgency area allowance need not to be covered.
- Voluntary Retirement Scheme [Section 10(10C)] and Retrenchment Compensation need not be covered.
- Sweat equity shares only concept, valuation need not be emphasized.

Unit 3: Computation of Income from Business or Profession and Capital Gains

Profits and gains of business or profession; Capital gains.

Guidelines

A. Computation of Income from ‘Profits and Gains from Business or Profession’

- Only sections 28, 29, 30, 31, 32*, 35 (Expenditure on scientific research only), 35D, 36, 37, 40, 40(a)**, 40A***, 41, 43B need to be emphasized.
 - Sec 32*- Depreciation in case of Power units, Depreciation in case of amalgamation and business re-organization and Section 32AD not to be covered.
 - Sec 40(a)**- Provisions to be covered - Interest, royalty for technical services paid outside India or to a non-resident [40(a)(i)], amount payable to a resident [40(a)(ia)], salary payable outside India without tax deduction [40(a)(iii)], tax on non-monetary perquisite paid by employer [40(a)(v)].
 - Sec 40A***- Provisions to be covered - Payment to relative [40A(2)], Expenditure exceeding 10,000 [40A(3)], Provision for unapproved Gratuity Fund [40A(7)], Contributions to non- statutory funds [40A(9)] .
- Section 35 AD-Provisions related to specific industries e.g. cold storage, banking etc. not to be covered.
- Sections 44AA, 44AB, 44AD, 44ADA, 44AE need to be covered conceptually.

B. Computation of Income from ‘Capital Gains’

- ***Under Capital Gains in Special Cases following need not be covered***
 - Transfer of capital asset by a partner to a firm and by a firm to its partner.
 - Capital Gains on Transfer of shares/ debentures in the hands of a Non-Resident.
 - Capital Gains arising on Transfer of Sweat Equity Shares or ESOP shares.
 - Capital Gains on Buy back of Shares [Sec 10(34A), 46A and 115 QA].
 - Capital Gains in case of Joint Development Agreement [Sec 45(5A) and 49(7)].
 - Capital Gains in the case of transfer of unlisted shares in a company [Sec 50CA].
 - Slump Sale [Sec 50B]
 - Tax incentive for the development of capital of Andhra Pradesh [Sec 10(37A) and 49].
- Section 50C should be covered.

- ***Under Capital Gains Exempt from tax***
 - Section 54, 54B, 54EC and 54F need to be covered.
 - Only simple questions on Section 54F.
- Capital gains provisions related to individuals need to be covered.

Unit 4: Income from Other Sources, Clubbing of Income and Set-off

Income from other sources; Income of other persons included in assessee's total income; Aggregation of income and set-off and carry forward of losses.

Guidelines

Income from Other Sources

- Section 56 (2)(viiia), 56 (2)(viib), 56(2)(viii) and Section 56(2)(xii) need not be covered.

Clubbing of Income

- Section 60 to section 64(1) to be covered in theory only.
- Section 64(2) need not be covered.

Set-off and carry forward of losses

- Sections to be covered- Section 70, 71, 72,73, 74.
- Sections need not be done- Section 72A, 73A, 74A, 79, 94(8).

Unit 5: Deductions and Computation of Total Income and Tax Liability

Deductions from gross total income; Rebates and reliefs. Computation of total income and tax liability of individuals (On-line filing of Returns of Income & TDS).

Guidelines

- Following deductions need to be emphasized for practical purpose- Section 80A, 80AB, 80AC, 80C, 80CCC, 80CCD, 80CCH, 80D, 80DD, 80DDB, 80E, 80G, 80GG, 80GGA, 80GGC, 80 TTA, 80TTB, and 80U.
- Rebates should be covered. Reliefs may not be covered.
- Only ITR-2 should be done using excel utility available on the official website of the Government of India (www.incometax.gov.in) for practical examination.
- Students to be made familiar with income tax e-filing website, tax services available, tax calculator and filing of return (no specific question on TDS).

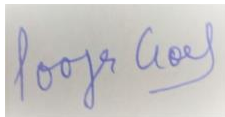
Additional Notes

- The question paper should have a wide coverage from all the sections.
- The question paper should mention the New/Old tax regime for solving the question.
- With respect to practical examination, a student is supposed to know both New/Old regime in excel utility (ITR-2).

All the faculty members participated actively in the deliberations and appreciated the timely

initiative of Sr. Prof. Ajay Kumar Singh, Dean & Head, Department of Commerce and expressed sincere thanks to Prof. Amit Kumar Singh, Coordinator, Department of Commerce, University of Delhi for the interest shown by him in executing this meeting. Sincere gratitude to Dr. Pooja Goel, Associate Professor and Representative, Department of Commerce, University of Delhi for her inputs throughout the deliberations in the meeting.

The meeting ended with a special vote of thanks to Prof. Shikha Gupta 1, Convener and Teacher-in- Charge, Department of Commerce, Shaheed Bhagat Singh College, for taking the initiative in convening, facilitating and providing valuable inputs in the meeting and Dr. Pooja Goel, Representative, Department of Commerce, Delhi school of Economics, University of Delhi.



Dr. Pooja Goel
Representative
Department of Commerce
Delhi School of Economics
University of Delhi



Prof. Shikha Gupta
Convener & TIC
Department of Commerce
Shaheed Bhagat Singh College
University of Delhi

Guidelines for the Paper Titled “Income Tax Law and Practice”

of B.Com.(Hons.) Paper No. BCH 3.2, Semester-III (CBCS)

JOINTLY ORGANISED

BY

Department of Commerce, Delhi School of Economics, University of Delhi

And

Department of Commerce, Shaheed Bhagat Singh College, University of Delhi

Date: 19th September 2020

MINUTES of the Meeting

An online meeting of the paper Titled “Income Tax Law and Practice” of B. Com.(Hons.) Semester-III, Paper No. BCH 3.2, was jointly organized by Department of Commerce, Delhi School of Economics, University of Delhi and Department of Commerce, Shaheed Bhagat Singh College, University of Delhi. The meeting was held through Google Meet Platform (Meeting ID: <https://meet.google.com/tsb-jbjy-mdn>) on 19th September 2020 at 11.00 AM. Following teachers were present in the meeting:

| S. NO. | Name of the Faculty | Department/ Affiliated College |
|---------------|----------------------------|----------------------------------------------------------------------------------------------|
| 1 | Dr. Anil Kumar, Convener | Teacher-In-Charge, Department of Commerce, Shaheed Bhagat Singh College, University of Delhi |
| 2 | Dr. Shital Jhunjunwala | Department of Commerce, Delhi School of Economics, University of Delhi |
| 3 | Mr. Mohd. Rehan Alam | ARSD College |
| 4 | Dr. Shilpi Narula | Bharati College |
| 5 | Dr. Meera Nangia | College of Vocational Studies |
| 6 | Dr. Minakshi Paliwal | Daulat Ram College |
| 7 | Ms. Raman Arora | Daulat Ram College |
| 8 | Dr. Sunil kumar | Deen Dayal Upadhyaya College |
| 9 | Mr. Sanjeev Kumar | Dr. Bhim Rao Ambedkar College |
| 10 | Mr. Arun Kumar | Dyal Singh College |
| 11 | Ms. HANSIKA KHURANA | Gargi College |
| 12 | Ms. Anjali Tuli | Hansraj College |
| 13 | Ms. Deepshikha Yadav | Hansraj College |
| 14 | Ms. Sangeeta Arora | Hindu College |
| 15 | Mr. Pawan Kumar | Indraprastha College for Women |
| 16 | Ms. Sushma Kumar | Indraprastha college for Women |
| 17 | Ms. Neelam Jhawar | Indraprastha college of women |
| 18 | Ms. Shilpa Maggo | Janki Devi Memorial College |
| 19 | Ms. Shweta Gupta | Janki Devi Memorial College |
| 20 | Ms. Saloni Arora | Jesus and Mary College |
| 21 | DR. Renu Gupta | Jesus and Mary College |
| 22 | Dr. Punam Sachdeva | Kalindi College |
| 23 | Ms. Shivali Veen | Kalindi College |
| 24 | Ms. Mahima Yadav | Kamla Nehru College |
| 25 | DR. Sameer Lama | Kirori Mal College |
| 26 | Dr. Nirmal Jain | Maharaja Agrasen College |
| 27 | Ms. Sonam Bhati | Maharaja Agrasen College |
| 28 | Ms. Parvinder Kaur | Mata Sundri college for Women |
| 29 | Ms. Manpreet Kaur | Mata Sundri college for Women |
| 30 | Mr. Nishant Sharma | Motilal Nehru College (Evening) |
| 31 | Ms. Seema Agarwal | PGDAV College |
| 32 | Mr. Kundan Kumar | Rajdhani College |
| 33 | Ms. Charu Jain | Ramanujan College |
| 34 | Dr. Anshika Agarwal | Ramanujan College |
| 35 | Dr. Naresh Gupta | Ramjas College |
| 36 | Ms. Bhamini Garg | Satyawati College |
| 37 | Ms. Sandhya Taneja | Satyawati college |
| 38 | Mr. Sandeep Sehrawat | Satyawati College Evening |
| 39 | DR. Gurminder kaur | SGGSCC Pitampura |
| 40 | Mr. Gopalkrishan Arora | SGND Khalsa College |
| 41 | Dr. Amrita Kaur | Shaheed Bhagat Singh (E) College |
| 42 | Ms. Anvi Jain | Shaheed Bhagat Singh College |
| 43 | Ms. Chandni Aswal | Shaheed Bhagat Singh College |
| 44 | Mr. Hashir Mairaj | Shaheed Bhagat Singh College |

| | | |
|----|----------------------------|-------------------------------------------|
| 45 | DR. Nisha Gupta | Shaheed Bhagat Singh college |
| 46 | Ms. Preeti Choudhary | Shaheed bhagat singh college |
| 47 | Ms. Ankita Kashyap | Shaheed Bhagat Singh College |
| 48 | Ms. Mansi Babbar | Shaheed Bhagat Singh College |
| 49 | Ms. Neyati Ahuja | Shaheed Bhagat Singh College |
| 50 | Mr. Rajkumar Aggarwal | Shaheed Bhagat Singh College |
| 51 | Dr. Shalini Gupta | Shaheed Bhagat Singh College |
| 52 | Dr. Shikha Gupta1 | Shaheed Bhagat Singh College |
| 53 | Mr. Vishal Garg | Shaheed Bhagat Singh College |
| 54 | Dr. Kamaldeep Bajaj | Shri Guru Tegh Bahadur Khalsa College |
| 55 | Mr. Deepak Kumar | Shri Ram College of Commerce |
| 56 | Ms. Ruchika Choudhary | Shri Ram College of Commerce |
| 57 | Ms. Saumya Aggarwal | Shri Ram College of Commerce |
| 58 | Mr. Mohd Sajid | Shyam Lal College |
| 59 | Dr. Neha Bothra | Shyam Lal College |
| 60 | Ms. Meenakshi Thakur | Sri Aurobindo College (Eve) |
| 61 | Ms. Bhupinder Kaur | Sri Guru Gobind Singh College of Commerce |
| 62 | Mr. Arvinderpalsingh Arora | Sri Guru Nanak Dev Khalsa College |
| 63 | Ms. Sushma Aggarwal | Vivekananda college |
| 64 | Mr. Ashok Sharma | Zakir Husain Delhi College |
| 65 | Ms. Shabana Wiquar | Zakir Hussain Delhi College (Evening) |
| 66 | Ms. Abha Wadhwa | Not mentioned by the teacher |
| 67 | Dr. Alka Gupta | Not mentioned by the teacher |
| 68 | Ms. Kritika Khurana | Not mentioned by the teacher |
| 69 | Ms. Renu Aggarwal | Not mentioned by the teacher |
| 70 | Mr. Bunny Bhatia | Not mentioned by the teacher |
| 71 | Dr. Gurmeet Singh | Not mentioned by the teacher |
| 72 | Ms. Madhu Jain | Not mentioned by the teacher |

The following guidelines were set in the online meeting with the consent of the teachers present in the meeting and the Representative of the Department of Commerce, Delhi School of Economics, University of Delhi; in order to have uniformity and consistency thereby facilitating the teaching-learning process.

Unit I: Introduction

Basic concepts: Income, agricultural income, person, assessee, assessment year, previous year, gross total income, total income, maximum marginal rate of tax, Permanent Account Number (PAN); Residential status; Scope of total income on the basis of residential status, Exempted income under section 10

Guidelines

- Agricultural income: Only concept & simple integration need to be covered. Cases of rubber, tea, and coffee need to be emphasized conceptually only.

- Exempted income: The following exempted incomes need to be covered- Section 10(1), 10(2), 10(2A), 10(5), 10(7), 10(10), 10(10A), 10(10B), 10(10C), 10(10D), 10(11), 10(12), 10(13), 10(13A), 10(14)*, 10(15), 10(16), 10(32)(Important), 10(34), 10(35), 10(36), 10(37).

*All six allowances under section 10(14)(i) need to be covered. Only education, hostel, and transport allowance need to be covered in special allowances under section 10(14)(ii).

Unit II: Computation of Income under different heads-1

Income from Salaries, Income from house property

Guidelines

- Salary: ESOP- only concept need to be covered. Valuation of ESOP need not to be covered.
- Rent Free Accommodation (RFA): Hotel accommodation & 2 accommodations at the same time need not to be covered.
- Transport allowance for transport employees need not to be covered. Tribal area, hill area, insurgency area allowance need not to be covered.
- Voluntary Retirement Scheme[Section 10(10C)] and Retrenchment Compensation need to be covered conceptually only.

Unit III: Computation of Income under different heads-2

Profits and gains of business or profession; Capital gains; Income from other sources.

A. Income under the head 'Profits and Gains from Business or Profession'

Guidelines

Only sections 28, 29, 30, 31, 32, 35 (Expenditure on scientific research only), 36, 37, 40, 40(a), 40(b), 40A, 41, 43B, 44AD, 44ADA, 44AE, 44AB, 44AA need to be covered.

- Provisions related to specific industries e.g. cold storage, banking etc. not to be covered.
- Sec 32- Depreciation in case of Power units, Depreciation in case of amalgamation and business re-organisation and Section 32AD not to be covered.
- Sec 40(a)- Provisions to be covered - Interest, royalty for technical services paid outside India or to a non-resident [40(a)(i)], amount payable to a resident [40(a)(ia)], salary payable outside India without tax deduction [40(a)(iii)], tax on non-monetary perquisite paid by employer [40(a)(v)].

- Sec 40(A)- Provisions to be covered - Payment to relative [40A(2)], Expenditure exceeding 10,000 [40A(3)], Provision for unapproved Gratuity Fund [40A(7)], Contributions to non- statutory funds [40A(9)] .

B. Income under the head ‘Capital Gain’

Guidelines

- Under exemption of capital gains Section 54, 54B, 54EC, 54F and 54H need to be emphasized.
- Only simple questions on Section 54F.
- Section 50C should be covered.
- Capital gains provisions related to Individuals and Firms need to be covered.
- ***Under Capital Gains Exempt from Tax following need not be covered***
 - Conversion of Indian Branch of a Foreign bank into Indian Subsidiary [Sec 115 JG (1)].
 - Land Pooling Scheme of Andhra Pradesh Govt. [Sec 10(37A)].
- ***Under Capital Gains in Special Cases following need not be covered***
 - Capital Gains arising on Transfer of Sweat Equity Shares or ESOP shares.
 - Capital Gains on Buy back of Shares [Sec 10(34A), 46A and 115 QA].
 - Capital Gains on Transfer of Shares in the hands of a Non-Resident.
 - Capital Gains in case of Joint Development Agreement [Sec 45(5A) and 49(7)].
 - Special cases- Section 50B Slump Sale.

C. Income under the head ‘Income from Other Sources’

Guidelines

- Income from other Sources: Section 56(2)7B, 56(2)8, 94(7), 94(8) need not to be covered.

Unit IV: Computation of Total Income and Tax Liability

Income of other persons included in assessee’s total income; Aggregation of income and set-off and carry forward of losses; Deductions from gross total income; Rebates and reliefs. Computation of total income of individuals and firms; Tax liability of an individual and a firm; Five leading cases decided by Supreme Court.

Guidelines

A. Deductions

- Deductions from gross total income: Following sections need to be emphasized for practical purpose- Section 80A, 80AB, 80AC, 80C, 80CCC, 80CCD, 80CCF, 80D, 80DD, 80DDB, 80E, 80G, 80GG, 80GGA, 80GGC, 80TTA, and 80U.
- Deductions under section 80EE, 80EEA, 80EEB, 80TTB should be covered.

B. Clubbing of Income, Set off and carry forward of losses

- Sections to be covered- Section 70, 71, 72,73, 74.
- Sections need not be done- Section 72A, 73A, 74A, 79.
- Sec. 60 to Sec 64(2) related to clubbing of income to be covered in theory only.

C. Rest of Unit IV

- Assessment of AOP and BOI not to be done. AMT not to be done.
- Rebates should be covered. Reliefs may not be covered.
- Cases:
 1. Gestetner Duplicators Pvt. Ltd. Vs. CIT (1979) 117 ITR 1 (SC)
 2. CIT Vs. Raja Benoy Kumar Sahas Roy (1957) 32 ITR 466 (SC)
 3. Shiela Kaushisk Vs. CIT (1981) 131 ITR 435 (SC)
 4. Philip John Plasket Thomas Vs. CIT (1963) 49 ITR 97 (SC)
 5. CIT Vs. B.C. Srinivasa Setty (SC) (1981)

Unit V: Preparation of Return of Income

Filing of returns; Manually, On-line filing of Returns of Income & TDS; Provision & Procedures of Compulsory On-Line filing of returns for specified assesses.

Guidelines

- **Only ITR-2 should be done using excel utility** available on the official website of the government (www.incometaxindiaefiling.gov.in).
- Practical examination is of 20 marks.

Additional Notes

- The question paper should have a wide coverage from all the sections.
- Theory question from Unit V to be included in the question paper (No specific question on TDS).

The meeting ended with a vote of thanks to Dr. Shital Jhunjunwala, Representative, Department of Commerce, Delhi school of Economics. and Dr. Anil Kumar (Convener), Teacher in charge, Department of Commerce, Shaheed Bhagat Singh College.