DIRECTORATE OF DISTANCE EDUCATION
NALSAR UNIVERSITY OF LAW, HYDERABAD

Post-Graduate Diploma in Cyber Laws (Batch 2019 – 2020)

Take Home – Supplementary Examination (January, 2021)

Paper II – 1.2. E-Commerce & Taxation

TOTAL MARKS: 100

INSTRUCTIONS TO CANDIDATES

a) **Read the instructions for Take Home Examination carefully and adhere to the same.**
b) ***Please mention your name, ID No., subject name and total number of pages on the Answer Sheet.***
c) ***Clearly indicate the question numbers while answering them.***
d) ***Answer all the five questions and each question carries 20 marks.***
e) ***The answer for the 20 marks question should be written in 1000 to 1200 words and for the 5 marks question it should be 200 words.***
f) ***Since this is a take home exam, we expect your answers to be analytical rather than straight answers.***
g) **Copying from any source including from other students is strictly prohibited. Plagiarism is considered as a serious academic mis-conduct and the University will take action as it deems fit.**

Answer the following questions:

1. Describe the various system of inscription and their utility. Also suggest a viable inscription system for an early age start-up dealing in procurement and dissemination of financial reports on stock exchange to its client. **(20 Marks)**

2. What types of electronic payment systems are required in E-Commerce? Why are there different types of payment systems? Explain the necessary characteristics of each type of payment system and give an example of each where it is used. **(20 Marks)**

3. BL Buy International (BLI) is a German tax resident and operates globally. BLI also operates two India specific websites which provided an online platform to facilitate the B2C sale of goods in India on charging nominal fee from the sellers listed on the websites. Both the websites are operated from outside India and there main server is situated at Luxemburg. The BLI has engaged two Indian affiliates BLI Logistics India and BLI Support for availing support and maintenance of website and entered into a service agreement. The Income tax department has issued a notice demanding tax on revenue earned by BLI through this transaction. The department has also issued a notice to BLI Logistics India and BLI Support to pay the amount treating them as permanent establishment of BLI. In light of the facts determine the validity of proceedings initiated by Income tax department. Also quote relevant provisions for resolution of dispute involving international parties. (**20 Marks)**

4. Ramesh took a loan of Rs. 10,000/- (Rupees ten thousand) from an unauthorized loan app called 'Zapmoney'. Zapmoney does not have any approval or registration as a non-banking or banking operators. After some time despite paying back the amount in times the Zapmoney representatives are harassing Ramesh to pay additional interest of Rs.2000 for default. Since it's a non-regulated loan platform, Ramesh filed a complaint before the regional office of RBI at Hyderabad. Based on the above fact scenario decide the validity of such complaints also suggest measures to address the issues of running unauthorized payment apps in India. **(20 Marks)**

5. Write a short note on the following: **(4X 5 marks= 20 Marks)**

   (i) Risk Management Principles
   (ii) TLS (Transport Layer Security) Protocol
   (iii) Privity of contract in e-auction
   (iv) Regulation of E- Wallets