

# MOCK TEST

## AGRICULTURAL INCOME TO

## MISCELLANEOUS TOPICS

**Time allowed: 3 hours**

**Maximum Marks: 100**

### **DESCRIPTIVE TYPE QUESTION (70 Marks)**

**Question 1 (a)**

**(6 Marks)**

Examine & explain the TDS implications in the following cases along with reasons thereof, assuming that the deductees are residents and having a PAN which they have duly furnished to the respective deductors.

(i) Mr. Tandon received a sum of ₹ 1,75,000 as pre-mature withdrawal from Employees Provident Fund Scheme before continuous service of 5 years on account of termination of employment due to ill-health.

(ii) A sum of ₹ 42,000 has been credited as interest on recurring deposit by a banking company to the account of Mr. Hasan (aged 63 years).

(iii) Ms. Kaul won a lucky draw prize of ₹ 21,000. The lucky draw was organized by M/s. Maximus Retail Ltd. for its customer.

(iv) Finance Bank Ltd. sanctioned and disbursed a loan of ₹ 10 crores to Borrower Ltd. on 31-3-2020. Borrower Ltd. paid a sum of ₹ 1,00,000 as service fee to Finance Bank Ltd. for processing the loan application.

(v) Mr. Ashok, working in a private company, is on deputation for 3 months (from December, 2019 to February, 2020) at Hyderabad where he pays a monthly house rent of ₹ 52,000 for those three months, totaling to ₹ 1,56,000. Rent is paid by him on the first day of the relevant month.

**Question 1 (b)**

**(6 Marks)**

Determine the residential status of Mrs. Ria Bran and compute her gross total income chargeable to tax for the Assessment Year 2020-21 from the following information gathered from her documents:

Mrs. Ria Bran is an Australian, got married to Mr. Arjun of India in Australia on 2.01.2019 and came to India for the first time on 18.02.2019. She left for Australia on 15.9.2019. She returned to India again on 23.03.2020.

On 01.04.2019, she had purchased a Flat in Delhi, which was let out to Mr. Sahil on a rent of ₹ 28,000 p.m. from 1.5.2019. She had taken loan from an Indian bank for purchase of this flat on which bank had charged interest of ₹ 2,15,500 upto 31.03.2020.

While in India, during the previous year 2019-20, she had received a gold chain from her in-laws worth ₹1,50,000, a Car worth ₹7,50,000 from married sister of her husband and ₹1,72,000 from very close friends of her husband.

**Question 2 (a)****(4 Marks)**

Mr. Mahadev, a noted bhajan singer of Rajasthan and his wife Mrs. Dariya furnish the following information relating to the Assessment Year 2021-22.

|   |                                                                                                                                                        | ₹        |
|---|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 1 | Income of Mr. Mahadev- professional bhajan singer (computed)                                                                                           | 5,65,000 |
| 2 | Salary income of Mrs. Dariya (computed)                                                                                                                | 3,80,000 |
| 3 | Loan received by Mrs. Dariya from Ramu & Jay (Pvt) Ltd. (Mrs. Dariya holds 35% shares of the Co. has incurred losses since its inception 2 years back) | 2,50,000 |
| 4 | Income of their minor son Golu winning signing reality show on T.V.                                                                                    | 2,50,000 |
| 5 | Cash gift received by Golu from friend of Mr. Mahadev on winning the show                                                                              | 21,000   |
| 6 | Interest income received by minor married daughter Gudia from deposit with Ramu & Jay Pvt Ltd.                                                         | 40,000   |

Compute total taxable income of Mr. Mahadev & Mrs. Dariya for the Assessment Year 2021-22.

**Question 2 (b)****(4 Marks)**

Examine and compute the liability for deduction of tax at source, if any, in the cases stated hereunder, for the financial year ended 31st March, 2020

- State Bank of India pays ₹50,000 per month as rent to the Central Government for a building in which one of its branches is situated.
- Karan, a part time director of ABC Pvt. Ltd. was paid an amount of ₹ 1,75,000 as fees which was actually in the nature of commission on sales for the period 1.6.2019 to 30.9.2019.
- Fee paid on 1.11.2019 to Dr. Kashyap by Varun (HUF) ₹ 5,00,000 for surgery performed on a member of his family.
- Payment of ₹ 1,50,000 made to John Cena, an American wrestler, by an Indian newspaper agency on 1.8.2019 for contribution of articles in relation to the spot of wrestling.

**Question 3 (a)****(4 Marks)**

Briefly mention the provisions of Income-tax Act, 1961 with regard to quoting Aadhar Number under section 139AA of the Act.

**Question 3 (b)****(4 Marks)**

What are the clarifications made by CBDT with respect to Section 206 C (1F) relating to following issues:

- Whether TCS on sale of motor vehicle is applicable only to luxury car?
- Whether TCS is applicable on each sale or aggregate value of sale motor vehicle, exceeding ₹ 10 lakhs?
- Whether TCS is applicable in case of an individual?
- Whether TCS on sale of motor vehicle is at retail level or only by manufacturer to distributor or dealer?

**Question 4 (a)****(6 Marks)**

Mr. Rana, a resident and ordinarily resident aged 42 years, manufactures rubber from the latex processed from rubber plants grown in Kerala. Thereafter, he sold the rubber for ₹ 47 lakhs. The cost of growing rubber plants was ₹ 25 lakhs and the cost of manufacturing rubber was ₹ 7 lakhs. He has no other income during the previous year 2019-20. Compute his tax liability for the Assessment Year 2020-21.

**Question 4 (b)****(4 Marks)**

The following details are provided by Mr. Divakar, an individual, for the assessment year 2020-21.

|                                   | <b>Amount (₹)</b> |
|-----------------------------------|-------------------|
| Total estimated tax payable       | 4,40,000          |
| TDS (deductible but not deducted) | 55,000            |

Determine the advance tax payable with their due dates for the assessment year 2020-21.

**Question 5 (a)****(4 Marks)**

Mr. Sudarshan, due to inadvertent reasons, failed to file his Income-tax return for the assessment year 2020-21 on or before the due date of filing such return of income.

- (i) Can he file the above return after due date of filing return of income? If yes, which is the last date for filing the above return?
- (ii) What are the consequences of non-filing the return within the due date under section 139(1)?

**Question 5 (b)****(6 Marks)**

Mr. Rajesh Sharma (aged 62 years), an Indian citizen, travelled frequently out of India for his business trip as well as for his outings. He left India from Delhi airport on 29th May 2019 as stamped in the passport and returned on 27th April 2020. He has been in India for less than 365 days during the 4 years immediately preceding the previous year. Determine his residential status and his total income for the assessment year 2020-21 from the following information:

- (1) Short term capital gain on the sale of shares of Tilt India Ltd., a listed Indian company, amounting to ₹ 58,000. The sale proceeds were credited to his bank account in Singapore.
- (2) Dividend amounting to ₹ 48,000 received from Treat Ltd., a Singapore based company, which was transferred to his bank account in Singapore. He had borrowed money from Mr. Abhay, a non-resident Indian, for the above-mentioned investment on 2nd April, 2019. Interest on the borrowed money for the previous year 2019-20 amounted to ₹ 5,800.
- (3) Interest on fixed deposit with Punjab National Bank, Delhi amounting to ₹ 9,500 was credited to his saving bank account.

**Question 6 (a)****(4 Marks)**

Ashwin a resident Individual carrying on business, furnishes you the following information:

| Total turnover for the financial year | ₹          |
|---------------------------------------|------------|
| 2018-19                               | 120,00,000 |
| 2019-20                               | 98,00,000  |

State whether tax deduction at source provisions are attracted for the under - mentioned expenses incurred during the financial year 2019-20:

| <b>Particulars</b>                               | <b>₹</b> |
|--------------------------------------------------|----------|
| Commission paid to Babloo                        | 18,500   |
| Payment to Vijay for repair of office building   | 23,000   |
| Payment of fees for Technical Services, to Vivek | 35,000   |

All payments are made to residents.

If Tax has to be deducted at source, state the amount of tax to be deducted at source.

**Question 6 (b)****(6 Marks)**

Mr. Raghav is a chartered accountant and his income from profession for the year 2019-20 is ₹ 15,00,000. He provides you with the following information for the year 2019-20.

| <b>Particulars</b>                                                                                                        | <b>₹</b>  |
|---------------------------------------------------------------------------------------------------------------------------|-----------|
| Income of minor son Rahul from company deposit                                                                            | 1,75,000  |
| Income of minor daughter Riya (professional dancer) from her dance performances                                           | 20,00,000 |
| Interest from Canara bank received by Riya on fixed deposit made in 2015 out of income earned from her dance performances | 20,000    |

|                                                                            |           |
|----------------------------------------------------------------------------|-----------|
| Gift received by Riya from friends of Mr. Raghav on winning National award | 45,000    |
| Loss from house property (computed)                                        | 2,50,000  |
| Short term capital loss                                                    | 6,00,000  |
| Long term capital gain under section 112                                   | 4,00,000  |
| Short term capital loss under section 111A                                 | 10,00,000 |

Mr. Raghav income before considering clubbing provisions is higher than that of his wife.

Compute the Total Income of Mr. Raghav for Assessment Year 2020-21 and the losses to be carried forward assuming that he files his income tax returns every year before due date.

**Question 7 (a)**

**(8 Marks)**

|        |                                                                        | (Amount in ₹) |
|--------|------------------------------------------------------------------------|---------------|
| (i)    | Income under the head salary (computed)                                | 6,50,000      |
| (ii)   | Income from House-I                                                    | 55,000        |
| (iii)  | Loss from House-II (self-occupied property)                            | 1,25,000      |
| (iv)   | Loss from House-III                                                    | 1,90,000      |
| (v)    | Loss from leather business                                             | 68,000        |
| (vi)   | Profit from cloth business                                             | 1,70,000      |
| (vii)  | Short term capital loss in equity oriented funds on which STT was paid | 35,000        |
| (viii) | Income from crossword puzzles                                          | 12,000        |
| (ix)   | Dividend from foreign company                                          | 8,500         |
| (x)    | Loss on owning and maintenance of race horses                          | 7,500         |
| (xi)   | Income from owning and maintenance of race bulls                       | 9,000         |

Compute the gross total income and losses to be carried forward of Mr. Mustafa for assessment year 2020-21. Mr. Mustafa has filed his return of income on 25.07.2020.

**Question 7 (b)**

**(4 Marks)**

Mr. Vijay gifted a sum of ₹ 4 lakhs to his brother's wife on 19-6-2019. On 21-7-2019, his brother gifted a sum of ₹ 3 lakhs to Mr. Vijay's wife. The gifted amounts were invested as fixed deposits in banks by Mrs. Vijay and wife of Mr. Vijay's brother on 01-8-2019 at 9% interest. Examine the consequences of the above under the provisions of the Income-tax Act, 1961 in the hands of Mr. Vijay and his brother.

# MULTIPLE CHOICE QUESTION

## (MCQ) (30 Marks)

Write the most appropriate answer to each of the following multiple choice questions by choosing one of the four options given. All questions are compulsory.

1. (1 Marks)  
**Mr. Arjun, aged 53 years, has a total income of ₹51 lakhs for A.Y.2020-21. His total income comprises of salary, income from house property and interest on savings bank account. His tax liability for A.Y.2020-21 would be –**  
 (a) ₹13,96,200                      (b) ₹14,82,000                      (c) ₹15,35,820                      (d) ₹14,69,000
2. (1 Marks)  
**Mr. A gifts a sum of ₹ 1,00,000 to his brother's wife Mrs. B. Mr. B gifts a sum of ₹ 1,00,000 to Mrs. A. From the sum gifted to her, Mrs. B invests in a fixed deposit, income therefrom is ₹10,000. Aforesaid ₹10,000 will be included in the total income of .....**  
 (a) Mr. A  
 (b) Mrs. A  
 (c) Mrs. B  
 (d) Mr. B
3. (1 Mark)  
**Neeraj was working as an accountant with the company Ujala Ltd. He died on 30.04.2019 and on account of his death, his wife Neha started receiving a pension of ₹10,000 per month w.e.f. 01.06.2019. Determine under which head of income, the pension received by Neha during F.Y. 2019-20 shall be taxable. Also, compute the taxable amount in her hands.**  
 (a) Income from other sources: ₹ 1,00,000  
 (b) Income from other sources: ₹85,000  
 (c) Income from Salary: ₹1,00,000  
 (d) Income from Salary: ₹85,000
4. (1 Marks)  
**Interest from a fixed deposit received by a minor married daughter is –**  
 (a) to be assessed in the hands of the minor child  
 (b) to be clubbed with the income of that parent whose total income, before including minor's income, is higher  
 (c) completely exempt from tax  
 (d) to be clubbed with the income of her husband
5. (1 Marks)  
**Which of the following statements is/are true in respect of taxability of agricultural income under the Income-tax Act, 1961?**  
 (i) Any income derived from saplings or seedlings grown in a nursery is agricultural income exempt from tax u/s 10(1).

- (ii) 60% of dividend received from shares held in a tea company is agricultural income exempt from tax u/s 10(1).
- (iii) While computing income tax liability of an Assessee aged 50 years, agricultural income is required to be added to total income only if net agricultural income for the P.Y. exceeds ₹5,000 and the total income (including net agricultural income) exceeds ₹2,50,000.
- (iv) While computing income tax liability of an Assessee aged 50 years, agricultural income is required to be added to total income only if net agricultural income for the P.Y. exceeds ₹5,000 and the total income (excluding net agricultural income) exceeds ₹2,50,000.

Choose from the following options:

- (a) (i) and (iii)
- (b) (ii) and (iii)
- (c) (i) and (iv)
- (d) (i), (ii) and (iv)

**6. (1 Marks)**  
**The proportion of agricultural and business income in case of income derived from the sale of coffee grown and cured by the assessee in India is -**

- (a) 65% and 35%, respectively
- (b) 75% and 25%, respectively
- (c) 60% and 40%, respectively
- (d) 70% and 30%, respectively

**7. (1 Marks)**  
 Mr. Ram acquired a house property at Chennai from Mr. Satyam, a resident, for a consideration of ₹85 lakhs, on 23.8.2019. On the same day, Mr. Ram made two separate transactions, thereby acquiring an urban plot in Gwalior from Mr. Vipun for a sum of ₹50 lakhs and rural agricultural land from Mr. Danish for a consideration of ₹75 lakhs. Which of the following statements are correct?

- (a) No tax deduction at source is required in respect of any of the three payments.
- (b) TDS @ 1% is attracted on all the three payments.
- (c) TDS @ 1% on ₹85 lakhs and ₹50 lakhs are attracted. No TDS on payment of ₹75 lakhs for acquisition of rural agricultural land
- (d) TDS @ 1% on ₹85 lakhs is attracted. No TDS on payments of ₹50 lakhs and ₹75 lakhs.

**8. (1 Marks)**  
**In case of an individual aged 61 years, partial integration of agricultural income is not required if his-**

- (a) Net agricultural income does not exceed ₹5,000.
- (b) Non-agricultural income does not exceed ₹2,50,000.
- (c) Non-agricultural income does not exceed ₹3,00,000.
- (d) Either (a) or (c) above.

**9. (1 Marks)**  
 Mrs. Shivani, wife of Mr. Anurag, is a partner in a firm. Her capital contribution of ₹5 lakhs to the firm as on 1.4.2019 included ₹3.5 lakhs contributed out of gift received from Anurag. On 10.4.2019, she further invested ₹2 lakh out of gift received from Anurag. The firm paid interest on capital of ₹50,000 and share of profit of ₹60,000 during the F.Y.2019-20. The entire interest has been allowed as deduction in the hands of the firm. Which of the following statements is correct?

- (a) Share of profit is exempt but interest on capital is taxable in the hands of Mrs. Shivani.

- (b) Share of profit is exempt but interest of ₹39,286 is includible in the income of Mr. Anurag and interest of ₹10,714 is includible in the income of Mrs. Shivani.
- (c) Share of profit is exempt but interest of ₹35,000 is includible in the income of Mr. Anurag and interest of Rs.15,000 is includible in the income of Mrs. Shivani.
- (d) Share of profit to the extent of ₹42,000 and interest on capital to the extent of ₹35,000 is includible in the hands of Mr. Anurag.

**10. (1 Marks)**  
**Income of a minor child suffering from any disability of the nature specified in section 80U is -**

- (a) to be assessed in the hands of the minor child
- (b) to be clubbed with the income of that parent whose total income, before including minor's income, is higher
- (c) completely exempt from tax
- (d) to be clubbed with the income of father

**11. (1 Marks)**

Mr. A has two bank accounts maintained with ICICI Bank and HDFC Bank. From 01.09.2019 till 31.03.2020, Mr. A withdrew the following amounts as cash from both the said accounts;

HDFC Bank: ₹50 Lakh

ICICI Bank: ₹120 Lakh

Compute the amount of tax to be deducted at source u/s 194N by HDFC Bank and ICICI Bank, respectively, while making payment in cash to Mr. A.

- (a) ₹1,00,000 and ₹2,40,000
- (b) Nil and ₹40,000
- (c) Nil and ₹2,40,000
- (d) ₹50,000 and ₹1,20,000

**12. (1 Marks)**

**Mr. Aarav gifted a house property valued at ₹50 lakhs to his wife, Geetha, who in turn has gifted the same to her daughter-in-law Deepa. The house was let out at ₹25,000 per month throughout the P.Y.2019-20. Compute income from house property for A.Y.2020-21.**

**In whose hands is the income from house property chargeable to tax?**

- (a) ₹3,00,000 in the hands of Mr. Aarav
- (b) ₹2,10,000 in the hands of Mr. Aarav
- (c) ₹2,10,000 in the hands of Geetha
- (d) ₹2,10,000 in the hands of Deepa

**13. (1 Marks)**

Mr. Raghav has three houses for self-occupation. What would be the tax treatment for A.Y.2020-21 in respect of income from house property?

- (a) One house, at the option of Mr. Raghav, would be treated as self-occupied. The other two houses would be deemed to be let out.
- (b) Two houses, at the option of Mr. Raghav, would be treated as self-occupied. The other house would be deemed to be let out.
- (c) One house, at the option of Assessing Officer, would be treated as self-occupied. The other two houses would be deemed to be let out.
- (d) Two houses, at the option of Assessing Officer, would be treated as self-occupied. The other house

would be deemed to be let out.

**14. (1 Marks)**

Arun's gross total income of P.Y. 2019-20 is ₹ 2,45,000. He deposits ₹ 45,000 in PPF. He pays electricity bills aggregating to ₹ 1.20 lakhs in the P.Y.2019-20. Which of the statements is correct?

- (a) Arun is not required to file his return of income u/s 139(1) for P.Y. 2019-20, since his total income before giving effect to deduction under section 80C does not exceed the basic exemption limit.
- (b) Arun is not required to file his return of income u/s 139(1) for P.Y. 2019-20, since his electricity bills do not exceed ₹ 2,00,000 for the P.Y.2019-20.
- (c) Arun is not required to file his return of income u/s 139(1) for P.Y. 2019-20, since neither his total income before giving effect to deduction under section 80C exceeds the basic exemption limit nor his electricity bills exceed ₹ 2 lakh for the P.Y.2019-20.
- (d) Arun is required to file his return of income u/s 139(1) for P.Y. 2019-20, since his electricity bills exceed ₹ 1 lakh for the P.Y.2019-20.

**15. (1 Marks)**

Mr. Ritvik has purchased his first house in Gwalior for self-occupation on 5.4.2019 for ₹ 45 lakhs (stamp duty value being the same) with bank loan sanctioned on 30.3.2019 and disbursed on 3.4.2019. He paid interest of ₹ 3.8 lakhs during the P.Y.2019-20. What is the tax treatment of interest paid by him?

- (a) Interest of ₹ 2 lakhs allowable u/s 24
- (b) Interest of ₹ 2 lakhs allowable u/s 24 and ₹ 1.8 lakhs allowable u/s 80EEA
- (c) Interest of ₹ 2 lakhs allowable u/s 24 and ₹ 1.5 lakhs allowable u/s 80EEA
- (d) Interest of ₹ 1.5 lakhs allowable u/s 24 and ₹ 1.5 lakhs allowable u/s 80EEA

**16. (1 Marks)**

During the P.Y.2019-20, Mr. Ranjit has short-term capital gains of ₹ 95 lakhs taxable under section 111A, long-term capital gains of ₹ 110 lakhs taxable under section 112A and business income of ₹ 90 lakhs. Which of the following statements is correct?

- (a) Surcharge@25% is leviable on income-tax computed on total income of ₹ 2.95 crore, since total income exceeds ₹ 2 crore.
- (b) Surcharge@15% is leviable on income-tax computed on total income of ₹ 2.95 crore.
- (c) Surcharge@15% is leviable in respect of income-tax computed on capital gains of ₹ 2.05 crore; in respect of business income, surcharge is leviable@25% on income tax, since total income exceeds ₹ 2 crore.
- (d) Surcharge@15% is leviable in respect of income-tax computed on capital gains of ₹ 2.05 crore; surcharge@10% is leviable on income-tax computed on business income, since the same exceeds ₹ 50 lakhs but is less than ₹ 1 crore.

**17. (1 Marks)**

Mr. Suhaan (aged 35 years), a non-resident earned dividend income of ₹ 12,50,000 from an Indian Company which is credited directly to its bank account in France and ₹ 15,000 as interest in Saving A/c from State Bank of India during the previous year 2019-20. Assuming that he has no other income, what will be amount of income chargeable to tax in his hands in India for A.Y. 2020-21?

- (a) ₹ 2,55,000
- (b) ₹ 2,65,000
- (c) ₹ 15,000
- (d) ₹ 5,000

**18. (1 Marks)**

XYZ Ltd. has two units, one unit at Special Economic Zone (SEZ) and other unit at Domestic Tariff Area (DTA). The unit in SEZ was set up and started manufacturing from 12.3.2012 and unit in DTA from 15.6.2015. Total turnover of XYZ Ltd. and Unit in DTA is ₹ 8,50,00,000 and 3,25,00,000, respectively. Export sales of unit in SEZ and DTA is ₹ 2,50,00,000 and ₹ 1,25,00,000, respectively and net profit of Unit in SEZ and DTA is ₹ 80,00,000 and ₹ 45,00,000, respectively. XYZ Ltd. would be eligible for deduction under section 10AA for -

- (a) ₹ 38,09,524
- (b) ₹ 19,04,762
- (c) ₹ 23,52,941
- (d) ₹ 11,76,471

**19. (1 Marks)**

Mr. Jha, an employee of FX Ltd, attained 60 years of age on 15.05.2019. He is resident in India during F.Y. 2019-20 and earned salary income of ₹5 lacs (computed). During the year, he earned ₹ 7 lacs from winning of lotteries. Compute his advance tax liability for A.Y. 2020-21:

- (a) ₹ 2,20,000 + Cess ₹ 8,800 = ₹2,28,800, being the tax payable on total income of ₹12 lacs
- (b) ₹ 2,10,000 + Cess ₹ 8,400 = ₹2,18,400, being the tax payable on lottery income of ₹7 lacs
- (c) ₹ 10,000 + Cess ₹400 = ₹ 10,400, being the tax payable on salary income, since tax would have been deducted at source from lottery income.
- (d) Nil

**20. (1 Marks)**

APM Ltd. is a pioneer company in textile industry. At the end of F.Y. 2019-20, it decided to distribute deposit certificates (without interest) to its shareholders (preference as well as equity shareholders). Total value of accumulated profits of APM Ltd. was ₹ 25 lakhs. Mr. A is an equity shareholder of APM Ltd. holding 10% of share capital. During F.Y. 2019 - 20, Mr. A received deposit certificates (without interest) valuing ₹ 5,00,000 from APM Ltd.

Comment upon taxability of receipt of deposit certificates in the hands of Mr. A.

- (a) Deposit Receipts (without interest) are taxable to the extent of ₹2,50,000 under Income from other sources.
- (b) Deposit Receipts (without interest) are fully taxable under Income from other sources.
- (c) Deposit Receipts (without interest) are exempt since DDT is payable by the company.
- (d) Deposit Receipts (without interest) are fully taxable and shall be included in Gross total income. But such receipt shall be allowed as deduction under Chapter-VI A.

**21. (1 Marks)**

**Exemption of a certain amount (not exceeding the income clubbed) is available under section 10(32), where a minor's income is clubbed with the income of the parent. The maximum exemption available is -**

- (a) upto ₹1,500 in respect of each minor child
- (b) upto ₹1,500 in respect of each minor child maximum of two children
- (c) upto ₹2,000 in respect of each minor child
- (d) upto ₹2000 in respect of each minor child maximum of two children

**22. (1 Marks)**

**Mr. X received a cell phone as a gift from his friend valued ₹ 1,00,000, in this case**

- (a) It is taxable under the head Other Sources
- (b) It is taxable under the head Business/Profession
- (c) It is not taxable
- (d) None of these

**23. (1 Marks)**  
**The deduction in respect of interest on enhanced compensation of ₹1,50,000 received during the previous year 2019-20, would be –**

- (a) ₹ 1,50,000, being 100% of ₹ 1,50,000  
 (b) ₹ 75,000, being 50% of ₹ 1,50,000  
 (c) ₹ 45,000, being 30% of ₹ 1,50,000  
 (d) Nil

**24. (1 Marks)**  
**M/S Mohan & Sons (liable to audit) paid ₹35,000 to Mr. Goel on 01.05.2019 towards fee for legal advisory services without deduction of tax at source. Another payment of ₹47,000 was due to Mr. Goel on 31.07.2019 and TDS on entire amount (i.e. ₹35,000 plus ₹47,000) was deducted and then the net amount was paid. However, the total tax deducted was deposited on 15.11.2019. The interest chargeable under section 201 will be:**

- (a) ₹650  
 (b) ₹433  
 (c) ₹486  
 (d) ₹597

**25. (1 Marks)**  
**Which of the following statement is correct.**

- (a) As per section 194H tax shall be deducted at source @ 5% provided the amount being paid or payable to a particular person during a particular year is ₹ 15,000 or more  
 (b) As per section 194H tax shall be deducted at source @ 5% provided the amount being paid or payable to a particular person during a particular year is exceeding ₹ 15,000  
 (c) As per section 194H tax shall be deducted at source @ 10% provided the amount being paid or payable to a particular person during a particular year is exceeding ₹ 15,000  
 (d) None of these

**26. (1 Marks)**  
**Mr. X paid fees for professional services of ₹40,000 to Mr. Y, who is engaged only in the business of operation of call centre, on 15.7.2019. Tax is to be deducted by Mr. X at the rate of –**

- (a) 1%                      (b) 2%                      (c) 10%                      (d) 20%

**27. (1 Marks)**  
**A registered firm pays salary and interest on capital to its resident partners. Which of the following statements is true?**

- (a) Tax has to be deducted u/s 192 on salary and u/s 194A on interest  
 (b) Tax has to be deducted u/s 192 on salary but no tax needs to be deducted on interest  
 (c) No tax has to be deducted on salary but tax has to be deducted u/s 194A on interest  
 (d) No tax has to be deducted at source on either salary or interest

**28. (1 Marks)**  
**Mr. Ravi incurred loss of ₹4 lakh in the P.Y.2019-20 in retail trade business. Against which of the following incomes earned during the same year, can he set-off such loss?**

- (a) profit of ₹1 lakh from wholesale cloth business  
 (b) long-term capital gains of ₹1.50 lakhs on sale of land  
 (c) speculative business income of ₹40,000  
 (d) All of the above

**29. (1 Marks)**  
**The maximum period for which speculation loss can be carried forward is -**

- (a) 4 years                      (b) 8 years

(c) indefinitely

(d) not allowed to be carry forward

**30.**

**(1 Marks)**

**Mr. X has a total income of ₹ 7 lakhs for A.Y. 2020-21. He files his return of income for A.Y. 2020-21 on 13th January, 2021. He is liable to pay fee of-**

- (a) ₹ 1,000 under section 234F
- (b) ₹ 5,000 under section 234F
- (c) ₹ 10,000 under section 234F
- (d) Not liable to pay any fee