

MULTIPLE CHOICE QUESTIONS
PGBP BASIC CONCEPTS

- (1) Which is the charging section of income under the head profits and gains of business or profession?
- (a) Section 15 (b) Section 24
(c) Section 28 (d) Section 17
- (2) Export Incentives taxable under this head includes:
- (a) Cash Compensatory Support (b) Duty Drawback
(c) Profit on transfer of DEPB (d) All of the above
- (3) _____ includes any arrangement or understanding or action in concert whether or not it is formal or in writing or whether or not it is intended to be enforceable by legal proceedings:
- (a) Contract (b) Agreement
(c) Service (d) Profession
- (4) Which of the following conditions are to be fulfilled for charging an income under the head profits and gains of business or profession
- (a) There should be profits and gains. (b) Business or profession must be carried on by the assessee.
(c) Business or profession should be carried on at any time during previous year. (d) All of the above.
- (5) Which of the following are included in business according to section 2(13) :
- (a) Trade (b) Commerce
(c) Manufacture (d) All of the above
- (6) Assessee is having stock existing in the business. Valuation of stock will be at:
- (a) Cost price (b) Market price
(c) Cost or market price, whichever is less (d) Cost or market price, whichever is more
- (7) Method of accounting to be followed for computing income chargeable under the head PGBP shall be :
- (a) Cash system (b) Mercantile system
(c) Cash or mercantile system at the option of assessee (d) None of the above
- (8) Under the Income-tax Act, 1961, 'notional profit' from speculative business is - (June, 2015)
- (a) Taxable under the head 'income from profits and gains of business and profession' (b) Taxable under the head 'income from other sources'
(c) Taxable either as income from other sources or as income from profits and gains of business and profession (d) Not taxable.
- (9) Transaction in which a contract for the purchase or sale of any commodity including stocks and shares is periodically or ultimately settled otherwise than by the actual delivery or transfer of the commodity or scrips is known as :
- (a) Wagering transaction (b) Speculative transaction
(c) Deemed Speculation business (d) None of these
- (10) X, Manager of XYZ Ltd. since 2002 was terminated by the company on 1st August, 2019 by paying a compensation of 200 lakh. Such compensation is ----- (Dec. 2015)

- (a) Not Chargeable
(b) Not chargeable under the Income-tax
(c) Chargeable under section 17(3)(i)
(d) Chargeable under section 28.
- (11) HSK, an LLP had taken keyman insurance policy on the life of its managing partner. The policy got matured on 13th September, 2019 and an amount of ₹75lakh was paid by the insurers to the managing partner. The amount so received on maturity of the policy by the managing partner is - (Dec. 2015)
- (a) Fully exempt u/s 10(10D)
(b) 50% of 75lakh exempt
(c) ₹75lakh taxable
(d) ₹25 lakh exempt and ₹50 lakh taxable
- (12) Raman & Co., a partnership firm, received ₹5,00,000 from an insurance company under keyman insurance policy consequent to demise of partner Pramod. The amount of premium ₹2,30,000 paid earlier was claimed as deduction under section 37(1) by the firm. The amount received from the insurance company is - (June 2016)
- (a) Tax-free under section 10(10D)
(b) Fully taxable as income
(c) ₹ 2,70,000 is taxable
(d) ₹ 2,30,000 is taxable
- (13) Under the head 'profits and gains of business or profession', the method of accounting that should be followed by an assessee is - (June 2016)
- (a) Cash system only
(b) Mercantile system only
(c) Hybrid system only
(d) Cash system or mercantile system only

**DEPRECIATION, WDV, ACTUAL COST ADDITIONAL DEPRECIATION,
UNABSORBED DEPRECIATION & INVESTMENT ALLOWANCE**

- (14) As per section 30, which expenditure incurred for a building used for the business or profession shall not be allowed as deduction?
- (a) Rent, rates and taxes
(b) Insurance of building
(c) Repairs of building
(d) Capital expenditure
- (15) Group of assets falling within a class of assets comprising of tangible & intangible assets is known as :
- (a) Group of assets
(b) Block of assets
(c) Set of assets
(d) None of these
- (16) Which of the following condition should be fulfilled for claiming depreciation u/s 32 ?
- (a) Asset must be owned wholly or partly by the assessee.
(b) Asset must be used for the purpose of business or profession of the assessee.
(c) Asset should be used during the relevant Assessment year.
(d) All of the above.
- (17) Depreciation available, if asset is used for less than 180 days during the year of acquisition shall be ----- of eligible rate:
- (a) 50%
(b) 20%
(c) 100%
(d) 15%
- (18) If the Plant & Machinery is used for less than 180 days in the year of its acquisition, then, at what rate the depreciation on that asset should be provided under section 32?
- (a) 7.5%
(b) 15%
(c) 20%
(d) 10%
- (19) If the Computer is purchased on 11th May, 2019 then at what rate depreciation will be provided on it?
- (a) 40%
(b) 20%
(c) 30%
(d) 0%

- (20) If the machinery is purchased on 4th October, 2019 then at what rate depreciation will be provided on it?
- (a) 30% (b) 7.5%
(c) 15% (d) 10%
- (21) The transfer of one or more undertakings as a result of the sale for a lump sum consideration without values being assigned to the individual assets and liabilities in the sale is known as :
- (a) Lump sum sale (b) Slump sale
(c) Aggregate sale (d) Total sale
- (22) What is the rate of depreciation charged on computer software?
- (a) 10% (b) 15%
(c) 40% (d) 20%
- (23) Rate of depreciation chargeable on residential building for business for the assessment year 2020-21 is-
- (a) 10% (b) 10%
(c) 5% (d) None of the above.
- (24) Rate of depreciation chargeable on temporary wooden structure for the assessment year 2020-21 is - (Dec. 2014)
- (a) 25% (b) 10%
(c) 40% (d) 50%.
- (25) Under the Income-tax Act, 1961, depreciation on machinery is charged on ----- (Dec. 2009)
- (a) Purchase price of the machinery (b) Market price of the machinery
(c) Written down value of the machinery (d) All of the above.
- (26) If a block of assets ceases to exist on last day of the previous year, depreciation admissible for block of assets will be _____ (June, 2015)
- (a) Nil (b) 50% of the value of the block of assets on the first day of the previous year
(c) The total value of the block of assets on the first day of the previous year (d) 50% of the value of the block of assets on the last day of the previous year.
- (27) Opening WDV of the block of assets was ₹15,00,000. During the year, asset was acquired under this block on 15th June 2019 amounting to ₹10,00,000. Rate of depreciation of the block is 15%. Calculate the amount of depreciation available during the previous year for the block.
- (a) ₹ 3,25,000 (b) ₹ 3,75,000
(c) ₹ 3,00,000 (d) ₹ 2,25,000
- (28) Opening WDV of the block of assets was ₹15,00,000. During the year, asset was acquired under this block on 1st June 2019 amounting to ₹ 10,00,000. One of the asset falling within the block was sold for ₹ 5,50,000 on 14-01-2020. Rate of depreciation of the block is 10%. Calculate the amount of depreciation available during the previous year for the block.
- (a) ₹ 1,95,000 (b) ₹ 2,50,000
(c) ₹ 1,45,000 (d) ₹ 2,22,500
- (29) Opening WDV of the block of assets was ₹ 15,00,000. During the year, asset was acquired under this block on 15th January 2020 amounting to ₹ 10,00,000. One of the asset falling within the block was sold for ₹5,50,000 on 14 January 2020. Rate of depreciation of the block is 10%. Calculate the amount of depreciation available during the previous year for the block.
- (a) ₹ 1,95,000 (b) ₹ 2,50,000
(c) ₹ 1,45,000 (d) ₹ 2,22,500
- (30) Opening WDV of the block of assets was ₹ 25,00,000. During the year, asset was acquired under this block on 11th October 2019 amounting to ₹ 15,00,000. Also, moneys payable in respect of asset falling within this block was ₹ 38,00,000. Rate of depreciation of the block is 10%.

Calculate the amount of depreciation available during the previous year for the block.

- (a) ₹ 20,000 (b) ₹ 10,000
(c) ₹ 1,50,000 (d) ₹ 15,000
- (31) Adhu Ltd. owns machinery (rate of depreciation is 15%), the written down value of which as on 1st April, 2019 is ₹ 30,00,000. Due to fire, entire assets in the block were destroyed and insurer paid ₹ 25,00,000. The eligible depreciation in respect of this machinery is (June 2016)
- (a) ₹ 4,50,000 (b) ₹ 75,000
(c) ₹ 5,00,000 (d) Nil
- (32) Vaibhav, deriving business income, owns a car whose WDV as on 1st April, 2018 was ₹ 3,00,000. This is the only asset in the block of assets with rate of 15%. It is estimated that one-third of the total usage of the car is for personal use in both years. The WDV of the block of assets as on 1st April, 2020 would be - (June, 2015)
- (a) ₹ 2,16,750 (b) ₹ 2,43,000
(c) ₹ 2,55,000 (d) None of the above.
- (33) While computing the actual cost of any asset falling within a block, direct costs attributable to bring asset to its present location and working condition for its intended use (*i.e.* expenses incurred for acquiring the asset e.g. - freight, insurance, loading and handling etc. and expenses incurred in connection with the installation of the asset.) shall:
- (a) be added to the purchase price (b) be subtracted from the purchase price
(c) be subtracted from WDV (d) be claimed as revenue expenditure.
- (34) While computing the actual cost of any asset falling within a block, GST levied on it and included in its cost, in respect of which claim of credit has been made and allowed, shall be:
- (a) Added to the purchase price (b) Subtracted from the purchase price
(c) Added to the WDV (d) Claimed as revenue expenditure
- (35) While computing the actual cost of any asset falling within a block, portion of cost of asset which has been met directly by the Central Government or a State Government or any authority under any law or any other person, in the form of a subsidy or grant or reimbursement, shall be:
- (a) Added to the purchase price (b) Subtracted from the purchase price
(c) Added to the WDV (d) Claimed as revenue expenditure
- (36) In which of the following case ,no depreciation is allowable _
- (a) Block exists but WDV ceases to exist. (b) WDV exists but the block ceases to exist.
(c) WDV & Block both ceases to exist. (d) All of the above.
- (37) Sunil acquired a building for ₹ 15 lakh in June, 2017 in addition to cost of land beneath the building of ₹ 3 lakh. It was used for personal purposes until he commenced business in June, 2019 and since then it was used for business purposes. The amount of depreciation eligible in his case for the assessment year 2020-21 would be - (Dec. 2015)
- (a) ₹ 1,50,000 (b) ₹ 75,000
(c) ₹ 37,500 (d) ₹ 1,21,500
- (38) Ramson Industries acquired a factory building for self use in November, 2019. The value of land underneath the building was ₹ 5 lakh and value of building was ₹ 10 lakh. The amount of eligible depreciation allowable for assessment year 2020-21 is - (June 2016)
- (a) ₹ 1,50,000 (b) ₹ 25,000
(c) ₹ 1,00,000 (d) ₹ 50,000
- (39) Q & Co., a sole proprietary concern, was converted into a Company on 1-9-2019. Before the conversion, the sole proprietary concern had a Block of Plant and Machinery (Rate of Depreciation 15%), whose WDV as on 1-4-2019 was ₹ 3,00,000. On 1st April, itself a new Plant of the same Block was purchased for ₹ 1,20,000. After the conversion, the Company has purchased the same type of Plant on 1-1-2020 for ₹ 1,60,000.

- Compute the depreciation that would be allocated between the sole proprietary concern and the successor company.
- (a) ₹ 26,408 : ₹ 48,592 (b) ₹ 0 : ₹ 75,000
(c) ₹ 75,000 : ₹ 0 (d) No depreciation for this year
- (40) R, an assessee carries on business in respect of which it holds tenancy rights. It carries out improvements to the said building at a cost of ₹ 2lakhs and claims depreciation @ 10% thereon. Which is the correct answer?
- (a) No depreciation available on the ground that the assessee is not the owner of the building. (b) Depreciation allowed of ₹ 20,000.
(c) Deduction of ₹ 2,00,000 available. (d) The amount of ₹ 2,20,000 will be capitalised.
- (41) XYZ Ltd is engaged in production of textile articles. Opening WDV of the block of assets was ₹ 15,00,000. During the year, plant was acquired under this block on 15th June 2019 amounting to ₹ 10,00,000. One of the asset falling within the block was sold for ₹ 5,50,000 on 14-01-2020. Rate of depreciation of the block is 15%. Calculate the total amount of depreciation including additional depreciation available during the previous year for the block.
- (a) ₹ 2,92,500 (b) ₹ 4,92,500
(c) ₹ 3,92,500 (d) ₹ 3,52,500
- (42) XYZ Ltd is engaged in production of textile articles. Opening WDV of the block of assets was ₹ 15,00,000. During the year, plant was acquired under this block on 15th December 2019 amounting to ₹ 10,00,000. One of the asset falling within the block was sold for ₹ 5,50,000 on 14-01-2020. Rate of depreciation of the block is 15%. Calculate the total amount of depreciation including additional depreciation available during the previous year for the block.
- (a) ₹ 2,92,500 (b) ₹ 3,17,500
(c) ₹ 4,92,000 (d) ₹ 3,52,500
- (43) Mohit purchased an asset for scientific research in the previous year 2012-13 for ₹ 30,00,000. During the previous year 2019-20 the said asset ceased to be used for scientific research. Profit from business before depreciation ₹ 10,00,000 and Written down value of block of assets @ 15% as on 1st April, 2019 ₹ 20,00,000. The scientific research asset if used for business shall be eligible for depreciation @ 15%. The cost inflation index for 2012-13 is 200 and for 2019-20 is 289. Compute the total income if the scientific research asset is sold for ₹ 65,00,000 during 2019-20, assuming that it is sold without using for business.
- (a) ₹ 58,65,000 (b) ₹ 21,65,000
(c) ₹ 37,00,000 (d) ₹ 10,00,000
- (44) What shall be your total income in the above case, if the is sold after using for business.
- (a) ₹ 50,00,000 (b) ₹ 55,00,000
(c) ₹ 65,00,000 (d) ₹ 10,00,000
- (45) Where an asset used for scientific research for more than three years is sold without having been used for other purposes, then the sale proceeds to the extent of the cost of the asset already allowed as deduction under section 35 in the past shall be treated as.....
(June 2016)
- (a) Business income (b) Long-term capital gain
(c) Short-term capital gain (d) Exempted income.
- (46) In the case of any new machinery or plant (other than ships and aircraft), acquired by an assessee engaged in the business of manufacture or production of any article or thing as well as assessee engaged in the business of generation or generation and distribution of power, how much additional depreciation of actual cost of such plant and machinery is available?
- (a) 10% (b) 25%
(c) 5% (d) 20%
- (47) In the case of any new machinery or plant (other than ships and aircraft), acquired by an assessee on 01-04-2019 engaged in the business of manufacture or production of any article or thing in the backward areas of the State of Andhra Pradesh, how much additional depreciation of actual cost of such plant and machinery is available in AY 2020-21?

- (a) 17.5% (b) 20%
- (c) 10% (d) 35%
- (48) In the case of any new machinery or plant amounting is acquired by an assessee engaged in the business of manufacture or production of any article or thing is put to use for less than 180 days, the additional depreciation admissible in FY 2018-19 and FY 2019-20 will be _____and _____respectively.
- (a) 10%,10% (b) Nil,20%
- (c) 20%, Nil (d) 15%, Nil
- (49) In the case of any new machinery or plant amounting ₹ 25,00,000 is acquired by an assessee on 10-12-2018 engaged in the business of manufacture or production of any article or thing, the additional depreciation admissible in FY 2018-19 and FY 2019-20 will be _____and _____respectively.
- (a) ₹ 5,00,000 , NIL (b) Nil, ₹5,00,000
- (c) ₹ 2,50,000 , ₹2,50,000 (d) ₹3,75,000, Nil
- (50) Depreciation claimed by Mr.Jain while computing profit in profit and loss account: ₹50,000. Depreciation allowable as per Income Tax Rules: ₹58,000. Calculate the amount of depreciation allowable while computing gross total income.
- (a) ₹ 50,000 (b) ₹ 58,000
- (c) ₹ 1,08,000 (d) ₹ 8,000
- (51) An assessee was engaged in the business of manufacture of chemicals in Rajasthan. New machinery amounting to ₹ 5,50,000 was purchased by it on 1st June, 2019. Calculate the additional depreciation available for P/Y 19/20.
- (a) ₹ 1,10,000 (b) ₹ 82,500
- (c) ₹ 55,000 (d) Nil
- (52) Assume in the above case the new machinery was purchased on 4th October, 2019, calculate the additional depreciation available.
- (a) ₹ 1,10,000 (b) ₹ 82,500
- (c) ₹ 55,000 (d) Nil
- (53) Calculate the additional depreciation available in Q 52 for the financial year 2021-22.
- (a) ₹ 1,10,000 (b) ₹ 82,500
- (c) ₹ 55,000 (d) Nil
- (54) An assessee was engaged in trading of goods. New machinery amounting to ₹ 10,00,000 was purchased by it on 1st June, 2019. Calculate the additional depreciation available.
- (a) ₹ 1,00,000 (b) ₹ 2,00,000
- (c) Nil (d) ₹ 2,50,000
- (55) Unabsorbed depreciation can be carried forward for:
- (a) 10 years (b) 8 years
- (c) 0 years (d) Indefinite period
- (56) Investment allowance is allowed as deduction in case investment in new plant and machinery in notified backward area. Minimum Investment is
- (a) ₹ 10 crores (b) Nil
- (c) ₹ 50 crores (d) ₹ 100 crores
- (57) Who is the "eligible assessee" engaged in the business of manufacture or production of any article or thing, who can claim investment allowance under Section 32AD for notified backward area ?
- (a) Company (b) All persons
- (c) HUF (d) Assessee whose gross turnover exceeds ₹ 100 lakhs

(58) Who is eligible for claiming additional depreciation under the Income Act ?

- (a) Company
(b) All persons engaged in manufacturing of any article
(c) HUF
(d) Assessee whose gross turnover exceeds ₹ 100 lakhs

(59) Investment allowance u/s 32AD is available at rate of ____ actual cost of plant and machinery:

- (a) 10%
(b) 15%
(c) 50%
(d) 20%

(60) U/s 32AD ,New plant and machinery shall not include investment made in:

- (a) any plant or machinery which before its installation was used either within or outside India by any other person.
(b) any plant or machinery installed in any office premises or any residential accommodation (including guest house);
(c) any office appliances including computers or computer software; any vehicle; or any plant or machinery, whose whole actual cost is allowed as deduction.
(d) All of the above.

(61) Which of the following companies shall be allowed investment allowance u/s 32AD in previous year 2019-20:

Company	P.Y.2019-20
A Ltd.	Notified backward Area of Uttar Pradesh
B Ltd.	Notified backward Area of Tamil Nadu
CLtd.	Notified backward Area of West Bengal

- (a) ALtd, BLtd, CLtd
(b) ALtd, BLtd
(c) BLtd, CLtd
(d) CLtd

(62) C Ltd., engaged in manufacture, acquired machineries for ₹ 10 crore in July, 2019 and for ₹ 20 crore in December, 2019. All the machines were used within 45 days of acquisition. The deduction under section 32AD for the assessment year 2020-21 will be *(June 2016)*

- (a) ₹ 4.5 crore
(b) ₹1 crore
(c) ₹ 2 crore
(d) ₹ 3 crore

(63) Compute the amount of investment allowance under Section 32AD available to industries located in notified backward areas in State of Andhra Pradesh or Bihar or Telangana or West Bengal if amount invested in new plant and machinery is ₹ 30 crore on 1st April 2019 :

- (a) ₹ 3 crore
(b) ₹ 4.5 crore
(c) ₹ 6 crore
(d) ₹ 2.25 crore

(64) What would be your answer if in the above case amount is invested on 17th October 2019 :

- (a) ₹ 3 crore
(b) ₹ 4.5 crore
(c) ₹ 6 crore
(d) ₹ 2.25 crore

(65) Under section 32AD if the new asset is sold/transferred within-----years then amount of deduction allowed in respect of such new asset shall be deemed to be the income of the assessee chargeable under the head "PGBP" of the previous year in which such new asset is sold or otherwise transferred, in addition to taxability of gains, arising on account of transfer of such new asset.

- (a) 3
(b) 5
(c) 1
(d) 10

(66) XYZ Pvt. Ltd. was engaged in the business of manufacturing fertilizers located in the backward area of State of West Bengal. Opening WDV of the block of plant and machinery was ₹ 80 crores. During the year, asset was acquired under this block on 11th July 2019 amounting to ₹ 150 crore. Rate of depreciation of the block is 15%. Calculate the amount of investment allowance available u/s 32AD.

- (a) ₹ 22.5 crore (b) ₹ 30 crore
(c) ₹ 150 crore (d) ₹ 100 crore
- (67) If in the above case, the asset was acquired on 30th December, 2019 then the amount of investment allowance available will be:
- (a) ₹ 22.5 crore (b) ₹ 30 crore
(c) ₹ 150 crore (d) ₹ 100 crore
- (68) XYZ Pvt. Ltd. was engaged in the business of manufacturing fertilizers located in the backward area of State of West Bengal. Opening WDV of the block of plant and machinery was ₹ 50 crores. During the year, asset was acquired under this block on 11th July 2019 amounting to ₹ 150 crore. Rate of depreciation of the block is 15%. Calculate the WDV of the block of asset.
- (a) ₹ 100 crore (b) ₹ 143 crore
(c) ₹ 117.5 crore (d) ₹ 150 crore
- (69) XYZ Pvt. Ltd. was engaged in the business of manufacturing fertilizers located in the backward area of State of West Bengal. Opening WDV of the block of plant and machinery was ₹ 80 crores. During the year, asset was acquired under this block on 11th July 2019 amounting to ₹ 150 crore. Rate of depreciation of the block is 15%. Calculate the WDV of the block of asset.
- (a) ₹ 100 crore (b) ₹ 165.5 crore
(c) ₹ 143 crore (d) ₹ 150 crore
- (70) XYZ Pvt. Ltd. was engaged in the business of manufacturing fertilizers. Opening WDV of the block of plant and machinery was ₹ 50 crores. During the year, asset was acquired under this block on 11th July 2019 amounting to ₹ 50 crore. Second hand machinery was also purchased amounting to ₹ 70 crores. Rate of depreciation of the block is 15%. Calculate the amount of investment allowance available.
- (a) ₹ 18 crore (b) Nil
(c) ₹ 7.5 crore (d) ₹ 10 crore

CERTAIN SPECIAL DEDUCTIONS : SECTION 33AB TO 35E

- (71) What is the amount of deduction in relation to Tea, Coffee and Rubber development A/C u/s 33AB?
- (a) 20% of profits of such business. (b) 40% of profits of such business.
(c) 60% of profits of such business. (d) 100% of profits of such business.
- (72) XYZ Ltd. has derived a profit of ₹ 100 lakhs from the business of growing and manufacturing tea in India. It has deposited a sum of ₹ 38 lakhs in Tea deposit account .What is the amount of deduction in relation to Tea, Coffee and Rubber development A/C u/s 33AB?
- (a) ₹ 20 lakhs (b) ₹ 38lakhs
(c) ₹ 40 lakhs (d) ₹ 60 lakhs
- (73) XYZ Ltd. has derived a profit of ₹ 100 lakhs from the business of growing and manufacturing coffee in India. It has deposited a sum of ₹ 42 lakhs in development account .What is the amount of deduction in relation to Tea, Coffee and Rubber development A/C u/s 33AB?
- (a) ₹ 20 lakhs (b) 42lakhs
(c) ₹ 40 lakhs (d) ₹ 60 lakhs
- (74) If an asset acquired in accordance with the site restoration scheme is sold or otherwise transferred in any previous year before the expiry of -----years from year of its acquisition and such part of the cost of asset is relatable to the deduction already allowed under this section will be deemed to be the profits of business in the year of such sale or transfer:
- (a) 5 (b) 4
(c) 8 (d) 10

- (75) The amount of deduction in relation to site restoration fund u/s 33ABA is :
- (a) Aggregate of amounts deposited in special A/ c or Site restoration A/ c. (b) 20% of profits of such business.
(c) Higher of (a) or (b). (d) Lower of (a) or (b).
- (76) The amount of deduction available for revenue expenditure incurred during the previous year, on scientific research related to the business; and expenditure incurred on scientific research within the 3 years preceding the date in which the business commences by way of salary of employees/purchase of materials will be:
- (a) Amount of expenditure incurred (b) 2 x Expenditure incurred
(c) 1.5 x Expenditure incurred (d) None of these
- (77) Mr. X has incurred revenue expenditure of ₹5,00,000 during the previous year, on scientific research related to the business. The amount of deduction admissible under Section 35 will be :
- (a) ₹5,00,000 (b) ₹ 10,00,000
(c) ₹7,50,000 (d) None of these
- (78) Mr. X has incurred capital expenditure of ₹ 5,00,000 (which includes ₹ 1,00,000 on cost of land) during the previous year, on scientific research related to the business. The amount of deduction admissible under Section 35 will be :
- (a) ₹4,00,000 (b) ₹ 8,00,000
(c) ₹ 6,00,000 (d) ₹ 10,00,000
- (79) The amount of deduction available for the sum paid to approved scientific research association, university, college or institution will be :
- (a) 2 times (b) 1.5 times
(c) 1.75 times (d) None of these
- (80) Where the assessee does not himself carry on scientific research but makes contributions to an approved university, college or institution, to be used for scientific research unrelated to the business of assessee, the amount of deduction from income of business shall be allowed on such contribution to the extent of - (Dec. 2014)
- (a) 125% (b) 150%
(c) 100% (d) 200%
- (81) Mr. Rajesh has incurred expenditure of ₹ 5,00,000 by way of payment of sum to Indian Company whose object is undertaking of scientific research. The amount of deduction admissible under Section 35 will be :
- (a) ₹ 8,75,000 (b) ₹ 5,00,000
(c) ₹ 7,50,000 (d) ₹ 10,00,000
- (82) X Ltd. paid ₹ 10 lakh to an approved college to be used for scientific research unrelated to its business. The amount eligible for deduction under section 35(1)(ii) is ----- (Dec. 2015)
- (a) ₹ 5lakh (b) ₹ 10 lakh
(c) ₹ 15 lakh (d) Nil
- (83) The amount of deduction available for the sum paid to a company having as its main object 'scientific research and development' to be used by it for scientific research; or Sum paid for social science or statistical research to a university, college, or institution will be :
- (a) 125% of sum paid (b) 200% of sum paid
(c) 150% of sum paid (d) 100% of sum paid
- (84) According to section 35(1)(iv) the amount of deduction claimed on capital expenditure on scientific research is:
- (a) Amount of expenditure incurred (b) 1.25 x Sum paid
(c) 1.5 x Expenditure incurred (d) None of these

- (85) An assessee made a capital expenditure on purchase of land amounting to ₹150 lacs during the previous year on scientific research related to the business carried on by him. Amount of deduction available to assessee for this expenditure is:
- (a) 1 x Sum Paid (b) 1.25 x Sum paid
(c) 1.5 x Sum Paid (d) NIL
- (86) According to Section 35(2AA) amount of deduction claimed for sum paid to a National Laboratory for approved programme is
- (a) Amount of expenditure incurred (b) 1.5 x expenditure incurred
(c) 2 x expenditure incurred (d) None of these
- (87) According to Section 35(2AB) expenditure incurred for the manufacture or production of Chemical fertiliser:
- (a) Amount of expenditure incurred (b) 1.25 x Sum paid
(c) 1.5 x Expenditure incurred (d) None of these
- (88) Assessee company engaged in the business of bio-technology incurred an expenditure of ₹ 10,00,000 on scientific research which includes cost of land of ₹ 2,00,000. Compute the amount of deduction available.
- (a) ₹10,00,000 (b) ₹ 8,00,000
(c) ₹12,00,000 (d) ₹ 16,00,000
- (89) The amount of deduction available for the expenditure incurred (*other than cost of land or building*) on scientific research, in-house research and development facility, by a company engaged in the business of bio-technology or manufacture or production of article or thing (*other than article or thing specified in XI Schedule*) will be:
- (a) 100% (b) 125%
(c) 150% (d) None of these
- (90) Assessee company engaged in the business of manufacture incurred an expenditure of ₹ 10,00,000 on scientific research which includes cost of land of ₹ 2,00,000. The aforesaid company does not maintain books of accounts for research and development facility and thus has not audited its accounts. Compute the amount of deduction available.
- (a) ₹ 10,00,000 (b) Nil
(c) ₹ 16,00,000 (d) ₹ 20,00,000
- (91) XYZ Ltd. engaged in the business of providing telecommunication services has incurred a capital expenditure of ₹ 10,00,000 on telecommunication licence. The period of licence is 10 years. Compute the amount of deduction available under Section 35ABB during the year.
- (a) ₹ 10,00,000 (b) ₹ 1,00,000
(c) ₹ 2,00,000 (d) ₹ Nil
- (92) Deduction in respect of expenditure incurred for obtaining license to operate telecommunication services shall be available during the period of :
- (a) 5 years (b) 4 years
(c) 10 years (d) 8 years
- (93) The amount of deduction available under section 35AC for expenditure incurred on Eligible Projects or Schemes is:
- (a) Nil (b) 125%
(c) 200% (d) 100%
- (94) Specified business under section 35AD includes:
- (a) Cross-country crude or petroleum oil pipeline project.network. (b) Slum redevelopment housing
(c) Bee-keeping and production of honey and beeswax. (d) All of the above.

- (95) The amount of deduction available under section 35AD for capital expenditure incurred in business of Cold chain facilities will be :
- (a) 150% (b) 125%
(c) 100% (d) None of these
- (96) The amount of deduction available under section 35AD for capital expenditure incurred in business of Inland Container Depot or a Container Freight Station:
- (a) 100% (b) 125%
(c) 150% (d) None of these
- (97) Assessee engaged in the business of Cross-country natural gas pipeline network incurred an expenditure on acquisition of goodwill. Deduction available under section 35AD:
- (a) 100% (b) 125%
(c) 150% (d) Nil
- (98) Which of the following is not one of the Specified businesses under section 35AD includes:
- (a) Slurry pipe line (b) Semi-conductor wafer fabrication manufacturing unit
(c) Hotel (d) Sugar factory
- (99) Minimum holding period of capital asset acquired under section 35AD is :
- (a) 8 years (b) 10 years
(c) 5 years (d) 15 years
- (100) Exception to the minimum holding period provision for capital asset under section 35AD is :
- (a) Cement industry (b) Infrastructure Enterprise u/s 80-IA
(c) Company carrying on scientific research and development u/s 80IB (d) Sick industrial company u/s 17(1) of the Sick Industrial Companies (Special Provisions) Act, 1985
- (101) Which of the following business commenced during August, 2019 will not be eligible for deduction under section 35AD – (June, 2015)
- (a) Setting-up and operating a cold chain facility (b) A production unit of fertilizer in India
(c) Operating of a 1 star hotel in a village (d) Building a hospital of 200 beds.
- (102) As per section 35CCA, deduction in respect of payment to association and institutions for carrying out rural development programme is:
- (a) 1 x Amount paid (b) 1.25 x Amount paid
(c) 1.5 x Amount paid (d) Nil
- (103) Amount of deduction available u/s 35CCC for expenditure incurred on notified Agricultural Extension Project :
- (a) 1 times (b) 1.25 times
(c) 1.5 times (d) Nil
- (104) Amount of deduction available under section 35CCD for expenditure (excluding expenditure incurred on cost of land or building) incurred by companies on notified Skill Development Project:
- (a) 100% (b) 125%
(c) 150% (d) Nil
- (105) What is the qualifying expenditure for deduction in relation to preliminary expenses u/s 35D for non corporate assessee :
- (a) Aggregate amount of eligible expenditure (b) 5% of cost of project
(c) Higher of (a) or (b) (d) Lower of (a) or (b)

- (106) In year 2019-20 an assessee incurred ₹6 lacs as preliminary expenditure in respect of extension of the industrial undertaking. The cost of fixed assets acquired out of such extension was ₹ 100 lacs as on 31st March 2020. Calculate the amount of deduction to be allowed to him in computation of his income for the A.Y. 2020-21.
- (a) Nil
(b) ₹1,00,000
(c) ₹1,20,000
(d) ₹ 6,00,000
- (107) Proportion of expenditure allowed as deduction each year in regard to expenditure incurred on Amalgamation or Demerger or Voluntary retirement scheme:
- (a) $1/5^{\text{th}}$ for each 5 successive previous years
(b) $1/2$ for each 2 successive previous years
(c) $1/10^{\text{th}}$ for each 10 successive previous years
(d) Nil
- (108) One of the employees of an organisation took voluntary retirement on 15 January 2020 and he was paid ₹ 15 lacs as compensation. Calculate the amount of deduction to be allowed in computation of income for the A.Y. 2020-21.
- (a) Nil
(b) ₹ 15,00,000
(c) ₹ 3,00,000
(d) ₹ 1,50,000
- (109) An assessee engaged in business of prospecting, etc., for minerals incurred an expenditure of ₹ 35,00,000 on purchase of land. The amount of deduction available u/s 35E in the previous year 2019-10 for this expenditure incurred is :
- (a) Nil
(b) ₹ 35,00,000
(c) ₹ 3,50,000
(d) ₹ 1,50,000

OTHER SPECIFIED DEDUCTIONS & GENERAL DEDUCTIONS - SECTION 36 & 37

- (110) Expenditure incurred by an assessee on the activities relating to corporate social responsibility referred to in section 135 of the Companies Act, 2013 is :
- (a) An Allowable expenditure
(b) Illegal expenditure
(c) Deferred revenue expenditure
(d) Not an allowable expenditure
- (111) An assessee paid insurance premium against risk of damage or destruction of stocks or stores used for the purposes of his business or profession. Such expenditure shall be considered as :
- (a) Revenue expenditure
(b) Capital expenditure
(c) Deferred revenue expenditure
(d) Illegal expenditure
- (112) Insurance premium was paid by a Federal Milk Co-operative Society on the life of cattle owned by member of such co-operative society. Such society was engaged in supplying milk raised by its members to such federal milk co-operative society. Such expenditure shall be considered as:
- (a) Revenue expenditure
(b) Capital expenditure
(c) Deferred revenue expenditure
(d) None of the above
- (113) An assessee purchased a computer on which depreciation is admissible. Such expenditure shall be considered as :
- (a) Revenue expenditure
(b) Capital expenditure
(c) Deferred revenue expenditure
(d) None of the above
- (114) One of the employees of the organisation was terminated in the interest of business and was paid one time compensation of ₹75,000. For the organisation such expenditure shall be considered as:
- (a) Revenue expenditure
(b) Capital expenditure
(c) Deferred revenue expenditure
(d) None of the above
- (115) M/s. Kalyani and Company paid ₹ 84,000 as advertisement in the annual magazine of Bhartiya Janata Party. For the organisation such expenditure shall be:
- (a) Considered as revenue expenditure
(b) Considered as capital expenditure
(c) Considered as deferred revenue expenditure
(d) Disallowed u/s 37(2B)

- (116) M/S R & Company paid ₹ 75,000 as Custom Duty and ₹ 84,000 as income tax during the previous year. Calculate the amount of expenditure allowable:
- (a) ₹ 1,59,000 (b) ₹ 84,000
(c) ₹ 75,000 (d) Nil
- (117) An employer paid an amount of ₹ 30,000 as insurance premium on the health of his employees under a scheme framed in this behalf by GIC. Such payment was made by cash. The insurance amount was of ₹ 3,00,000. The amount of deduction available to employer:
- (a) ₹ 30,000 (b) ₹ 3,00,000
(c) ₹ 2,70,000 (d) Nil
- (118) An employer paid an amount of ₹ 10,000 as insurance premium on the health of his employees under a scheme framed by GIC. Such payment was made by cheque. The insurance amount was of ₹ 10,00,000. The amount of deduction available to employer:
- (a) ₹ 10,000 (b) ₹ 10,00,000
(c) ₹ 1,00,000 (d) Nil
- (119) XYZ Ltd. paid a sum of ₹ 25,000 to Mrs. Sushila as employee bonus for services rendered by her which was otherwise have been payable to her as profit or dividend. The amount allowable as per section 40A(2) was ₹ 20,000. Calculate the amount of deduction available.
- (a) ₹ 25,000 (b) ₹ 20,000
(c) ₹ 5,000 (d) Nil
- (120) XYZ Ltd. paid a sum of ₹ 25,000 to Mrs. Seema as employee bonus for services rendered by her. Such amount was actually paid to her on 15th June 2019. The amount allowable as per section 40A(2) was ₹ 20,000. Calculate the amount of deduction available.
- (a) ₹ 25,000 (b) ₹ 20,000
(c) ₹ 5,000 (d) NIL
- (121) XYZ Ltd. paid a sum of ₹ 25,000 to Mrs. Geetangli as employee bonus for services rendered by her during the Previous Year 2019-20. Such amount was actually paid to her on 15th October 2020. The amount allowable as per section 40A(2) was ₹ 20,000. Calculate the amount of deduction available to XYZ ltd in Previous Year 2019-20.
- (a) ₹ 25,000 (b) ₹ 20,000
(c) ₹ 5,000 (d) Nil
- (122) XYZ Ltd. paid a sum of ₹ 25,000 to Mrs. Geetagli as employee bonus for services rendered by her during the Previous Year 2019-20. Such amount was actually paid to her on 15th August 2020. The amount allowable as per section 40A(2) was ₹ 28,000. Calculate the amount of deduction available to XYZ ltd in Previous Year 2019-20.
- (a) ₹ 25,000 (b) ₹ 28,000
(c) ₹ 3,000 (d) Nil
- (123) Mr. A took a loan of ₹ 10,00,000 on 15th June 2019 for acquisition of an asset. Such asset was put to use on 1st April 2020. Interest paid for the period till the asset was put to use was of ₹ 60,000. The amount of revenue expenditure available to assessee in Previous Year 2019-20:
- (a) Nil (b) ₹ 60,000
(c) ₹ 6,000 (d) ₹ 10,00,000
- (124) Mr. A took a loan of ₹ 10,00,000 on 15th June 2019 for acquisition of an asset and immediately put the asset on use. Interest paid for the Previous Year 2019-20 on such loan amounted to ₹ 65,000. Payment of ₹ 55,000 against the interest amount was made on 11th May, 2020 and balance amount was paid on 11th October 2020. The amount of revenue expenditure available to assessee in Previous Year 2019-20:
- (a) Nil (b) ₹ 65,000
(c) ₹ 55,000 (d) ₹ 10,00,000

- (125) The employer made a contribution of ₹ 25,000 to recognised provident fund for the previous year 2019-20. Such payment was made on 12th March, 2020. Such expenditure shall be considered as:
- (a) Revenue expenditure (b) Capital expenditure
(c) Deferred revenue expenditure (d) None of the above
- (126) Mr. Ram made a contribution of ₹45,000 to a Pension Scheme referred under section 80CCD. The salary of the employee was of ₹ 4,00,000 in the previous year. Calculate the amount of deduction available to employer in Previous Year 2019-20.
- (a) Nil (b) ₹ 45,000
(c) ₹ 40,000 (d) ₹ 4,00,000
- (127) The assessee employer received a sum from his employee as contributions to Provident Fund or Employee State Insurance Fund or Superannuation fund or any other employee-welfare fund. Such sum is first treated as income of the employer and later claimed as expenditure. Such expenditure shall be considered as:
- (a) Revenue expenditure (b) Capital expenditure
(c) Deferred revenue expenditure (d) Illegal expenditure
- (128) An assessee was engaged in the business of cattle rearing. He incurred a loss in respect of animals which were used for the purposes of his business (otherwise than as stock-in trade) and which have died. Such expenditure shall be considered as:
- (a) Revenue expenditure (b) Capital expenditure
(c) Deferred revenue expenditure (d) Illegal expenditure
- (129) Ramesh was engaged in the business of trading of jewellery. During the previous year 2018-19 debt taken into account by him in computing the income amounted to ₹2,50,000. However, during the previous year 2019-20 it was acknowledged that ₹1,35,000 is to be considered as irrecoverable in the accounts of the assessee. Calculate the amount of bad-debts written off as irrecoverable to be allowed as a deduction in the previous year 2019-20:
- (a) ₹2,50,000 (b) ₹ 1,35,000
(c) ₹1,15,000 (d) No deduction available
- (130) Suresh was engaged in the business of trading of jewellery. During the previous year 2019-20 debt accrued to him amounted to ₹2,50,000 which was not taken into account by him while computing the income of the previous year. However, during the year itself it was acknowledged that ₹1,00,000 is to be considered as irrecoverable from this debtor. Calculate the amount of bad-debts acknowledged as irrecoverable to be allowed as a deduction in the previous year 2019-20 :
- (a) ₹ 2,50,000 (b) ₹ 1,00,000
(c) ₹ 1,50,000 (d) No deduction available
- (131) Provision for bad and doubtful debt is allowed as deduction in respect of the following :
- (a) Primary agricultural credit society (b) Primary cooperative agricultural and rural development bank
(c) Public Limited company (d) Non banking finance company
- (132) Jaipur Co-operative Bank made a provision for bad and doubtful debts account against the advances made by it. In regard to advances made by rural branches it made a provision amounting to ₹ 25,00,000 and in regard to advances made by urban branches it made a provision amounting to ₹ 35,00,000. The total credit balance provision for bad and doubtful debts account was of ₹ 60,00,000. The actual bad debts for the previous year against the urban advances only amounted to ₹ 68,00,000. Calculate the amount of bad-debts to be allowed as a deduction in the previous year 2019-20:
- (a) ₹ 33,00,000 (b) ₹ 68,00,000
(c) ₹ 8,00,000 (d) ₹ 43,00,000
- (133) A scheduled bank incorporated in India had Gross Total Income of A/Y 2020-21 [before deduction under section 36(1)(viiia) of ₹ 750 lakhs and aggregate average advances made by rural branches of the bank was of ₹ 150 lakhs. Calculate the amount of Provisions for doubtful debts to be made in the previous year.

- (a) ₹ 90 lakhs (b) ₹ 67.5 lakhs
(c) ₹ 150 lakhs (d) ₹ 78.75 lakhs
- (134) A scheduled bank incorporated in India had Gross Total Income of AY. 2020-21 [before deduction u/s 36(1)(viiia)] of ₹750 lakhs and aggregate average advances made by rural branches of the bank was of ₹150 lakhs. Provision for bad and doubtful debts under section 36(1)(viiia) upto AY.2019-20 was of ₹50 lakhs. Calculate the amount of Provisions for doubtful debts to be made in the previous year.
- (a) ₹ 90 lakhs (b) ₹ 67.5lakhs
(c) ₹ 150 lakhs (d) ₹ 78.75lakhs
- (135) A scheduled bank incorporated in India had Gross Total Income of AY. 2020-21 [before deduction under section 36(1)(viiia) of ₹750 lakhs and aggregate average advances made by rural branches of the bank was of ₹150 lakhs. Provision for bad and doubtful debts under section 36(1)(viiia) upto AY.2019-20 was of ₹ 50 lakhs. Bad debts written off (for the first time) in the books of account (in respect of urban advances only) during the previous year 2019-20 was of ₹150 lakhs. Compute the deduction allowable under section 36(1)(vii) for the AY.2020-21.
- (a) ₹ 21.25lakhs (b) ₹ 78.75lakhs
(c) ₹ 150 lakhs (d) ₹ 100 lakhs
- (136) A foreign bank had Gross Total Income of AY.2020-21 [before deduction under section 36(1)(viiia)] of ₹ 1,750 lakhs. Calculate the amount of Provisions for doubtful debts to be made in the previous year.
- (a) ₹ 175 lakhs (b) ₹ 87.5lakhs
(c) ₹ 1,750 lakhs (d) No provision to be made
- (137) X Housing Finance Co. Ltd. for the year ended on 31-3-2020 had Profits from the business computed as per Part D of Chapter IV of the Act but before claiming deduction u/ s 36(1)(viii) : ₹560 lacs, paid-up share Capital ₹ 500 lacs, General Reserve ₹ 100 lacs and balance in reserve created u/s 36(1)(viii) on 31-3-2020 ₹1,100 lacs. Profits transferred to Special Reserve a/c was of ₹ 150 lakhs. Compute the amount of deduction available under section 36(1)(viii) :
- (a) ₹ 112lakhs (b) ₹ 100 lakhs
(c) ₹ 150 lakhs (d) No deduction available
- (138) In the case of companies, capital expenditure incurred for the purpose of promoting family planning amongst the employees would be deductible to the extent _ (Dec. 2014)
- (a) Equal to 1/ 5th in each year for 5 years (b) Equal to 1/6th in each year for 6 years
(c) Equal to 1/4th in each year for 4 years (d) Equal to 1/10th in each year for 10 years.
- (139) Assessee company incurred revenue expenditure of ₹ 15,000 for promoting family planning amongst its employees. Calculate the amount of deduction available.
- (a) ₹ 3,000 (b) ₹ 15,000
(c) ₹ 18,000 (d) No deduction available
- (140) Assessee firm incurred revenue expenditure of ₹15,000 for promoting family planning amongst its employees. Calculate the amount of deduction available.
- (a) ₹ 3,000 (b) ₹ 15,000
(c) ₹ 18,000 (d) No deduction available
- (141) Assessee company incurred capital expenditure of ₹ 75,000 for promoting family planning amongst its employees. Calculate the amount of deduction available.
- (a) ₹ 75,000 (b) ₹ 15,000
(c) ₹ 60,000 (d) No deduction available
- (142) Assessee company incurred capital expenditure of ₹ 50,000 and revenue expenditure of ₹ 7,000 for promoting family planning amongst its employees. Calculate the amount of deduction available.

- (a) ₹ 50,000 (b) ₹ 7,000
(c) ₹ 17,000 (d) No deduction available

(143) Contribution was made by PFI towards Credit Guarantee Fund Trust. Such expenditure shall be considered as:

- (a) Revenue expenditure (b) Capital expenditure
(c) Deferred revenue expenditure (d) Illegal expenditure

(144) An assessee was engaged in the business of dealing in securities. He had paid Securities Transaction Tax of ₹ 25,000 on the securities. Income arising from taxable securities transactions computed under the head "Profits and Gains of Business or Profession" was of ₹ 2,50,000. Such expenditure of payment of Securities Transaction Tax shall be considered as:

- (a) Revenue expenditure (b) Capital expenditure
(c) Speculative transaction expenditure (d) Illegal expenditure

(145) An assessee was engaged in the business of dealing in commodities. He had paid Commodities transaction tax of ₹ 15,000 in respect of the taxable commodities transactions. Income arising of ₹ 3,00,000 from such taxable commodities transactions was included in the income computed under the head "Profits and gains of business or profession". Such expenditure of payment of Commodities transaction tax shall be considered as:

- (a) Revenue expenditure (b) Capital expenditure
(c) Speculative transaction expenditure (d) Illegal expenditure

(146) The assessee co-operative society was engaged in the business of manufacture of sugar, for purchase of sugarcane an amount of ₹ 50,000 was incurred by it. The price fixed or approved by the Government for such purpose is ₹ 95,000. The amount of deduction admissible will be

- (a) ₹ 1,00,000 (b) ₹ 50,000
(c) ₹ 95,000. (d) Nil

(147) To claim deduction of an expenditure u/s 37, the expenditure incurred must be:

- (a) In respect of the business or profession carried On by the assessee. (b) Not capital in nature.
(c) Not of nature described u/s 30 to 36. (d) All of the above.

(148) An assessee paid penalty of ₹ 42,000 paid for non-compliance of the provisions of Customs Act. Such expenditure shall be considered as:

- (a) Revenue expenditure (b) Capital expenditure
(c) Speculative transaction expenditure (d) Disallowed under Section 37(1)

(149) An assessee incurred expense of tax on non monetary perquisites of employees. Such expenditure shall be considered as:

- (a) Revenue expenditure (b) Capital expenditure
(c) Deferred revenue (d) Expressly disallowed

(150) An assessee made an expenditure on issue of shares. Such expenditure, including fees paid to Registrar of Companies, was incurred to increase the authorized share capital, resulting in expansion of the capital base. Such expenditure shall be considered as:

- (a) Revenue expenditure (b) Capital expenditure
(c) Deferred revenue expenditure (d) Expressly disallowed

(151) An assessee incurred an expenditure on stamp duty and registration fees for the issue of bonus shares. Such expenditure shall be considered as:

- (a) Revenue expenditure (b) Capital expenditure
(c) Deferred revenue expenditure (d) Expressly disallowed

- (152) XYZ & Co. incurred a liability by giving discount on issue of debentures. Such expenditure shall be considered as:
- (a) Revenue expenditure (b) Capital expenditure
(c) Deferred revenue expenditure (d) Illegal expenditure
- (153) Assessee company redeemed its debentures on premium. Such expenditure of paying premium shall be considered as:
- (a) Revenue expenditure (b) Capital expenditure
(c) Deferred revenue expenditure (d) Illegal expenditure
- (154) Expenditure incurred by a hotelier on replacement of linen and carpets in his hotel. Such expenditure shall be considered as:
- (a) Revenue expenditure (b) Capital expenditure
(c) Deferred revenue expenditure (d) Illegal expenditure
- (155) An assessee made a payment of ₹ 25,000 as a secret commission, prohibited by law, for some offensive purpose. Such expenditure shall be considered as:
- (a) Revenue expenditure (b) Capital expenditure
(c) Deferred revenue expenditure (d) Non deductible expenditure
- (156) An assessee incurred a sum of ₹ 35,000 for perfecting title or removing defects in title. Such expenditure shall be considered as:
- (a) Revenue expenditure (b) Capital expenditure
(c) Deferred revenue expenditure (d) Non deductible expenditure
- (157) An assessee incurred a sum of ₹ 1,10,000 for alteration of the memorandum and articles of association. Such expenditure shall be considered as:
- (a) Revenue expenditure (b) Capital expenditure
(c) Deferred revenue expenditure (d) Non deductible expenditure
- (158) An assessee incurred a loss of ₹ 50,000 on account of foreign exchange fluctuations on loans taken from foreign banks for revenue purposes or trading liabilities. Such loss/ expenditure shall be considered as:
- (a) Revenue expenditure (b) Capital expenditure
(c) Deferred revenue expenditure (d) Non deductible expenditure
- (159) An assessee incurred an expenditure of ₹ 35,000 on shifting of its administrative office. Such loss/ expenditure shall be considered as:
- (a) Revenue expenditure (b) Capital expenditure
(c) Deferred revenue expenditure (d) Non deductible expenditure
- (160) Under the Income-tax Act, 1961, which of the following outlays incurred by Sun Ltd. during the previous year ended 31st March, 2020 will not be admissible as deduction while computing its business income - (June, 2015)
- (a) Contribution to a political party in cash (b) Interest on loan taken for payment of income-tax
(c) Capital expenditure on advertisement (d) All of the above.

SPECIFIC DISALLOWANCES - SECTION 40 & 40A

- (161) Mr. Ram during the previous year 2019-20 made a payment outside India to a non-resident on which TDS was not paid upto time allowed u/s 200. However, such TDS was deducted and paid on 15th February 2020. When shall deduction of this expenditure be allowed to assessee?
- (a) Previous Year 2018-19 (b) Previous Year 2019-20
(c) Previous Year 2020-21 (d) Not allowed deduction

- (162) Mr. Kalpesh during the previous year 2019-20 made a payment outside India to a non-resident on which TDS was not paid upto time allowed u/s 200. However, such TDS was deducted and paid on 30th September 2020. When shall deduction of this expenditure be allowed to assessee?
- (a) Previous Year 2018-19 (b) Previous Year 2019-20
(c) Previous Year 2020-21 (d) Not allowed deduction
- (163) Payments to residents on which tax has not been deducted/ paid shall be disallowed to the extent of -----
- (a) 0% (b) 30%
(c) 100% (d) 50%
- (164) XYZ Ltd. has made a payment of ₹10,00,000 to Mr. C a contractor on which tax was not deducted at source during the previous year. The amount of expenditure to be disallowed under Section 40(a) will be-
- (a) ₹10,00,000 (b) ₹3,00,000
(c) ₹5,00,000 (d) Nil
- (165) Laxmi & Co. paid ₹6,10,000 as contract payments to Monu Ltd. during the financial year 2019-20. It did not deduct tax at source under section 194C. The amount liable for disallowance is - (Dec. 2015)
- (a) ₹6,10,000 (b) ₹3,05,000
(c) ₹12,200 (d) ₹1,83,000
- (166) XYZ Ltd. has credited a sum of ₹10,00,000 to Mr. C a contractor on which tax was deducted at source during the previous year 2019-20. The payment of such TDS was made on 30-09-2020 being the due date of filing return of income. The amount of expenditure to be disallowed under Section 40(a) in previous year 2019-20 will be :
- (a) ₹10,00,000 (b) ₹3,00,000
(c) ₹5,00,000 (d) Nil
- (167) Mr. Ram paid the income tax due of the previous year 2019-20 on 15th May 2020. When shall deduction of this expenditure be allowed to him?
- (a) Previous Year 2018-19 (b) Previous Year 2019-20
(c) Previous Year 2020-21 (d) Not allowed deduction
- (168) Which of the following taxes are allowed as deduction while computing the business income (June 2013)
- (a) CDT (b) Income-tax
(c) CTT (d) None of the above.
- (169) Which of the following taxes are not allowed as deduction while computing the business income
- (a) GST (b) Property tax
(c) Professional tax (d) Equalization levy
- (170) Son of Mr. Ramesh was appointed as a manager in his firm. Ramesh made a payment of salary of ₹30,00,000 to his son whereas Assessing Officer is of opinion that such expenditure is excessive or unreasonable having regard to the FMV which comes to be of ₹24,00,000. Calculate the amount to be disallowed.
- (a) ₹24,00,000 (b) ₹30,00,000
(c) ₹6,00,000 (d) Nil
- (171) A person shall be deemed to have a substantial interest in a business or profession, if-
- (a) In a case where the business or profession is carried on by a company, such person, at any time during the previous year, is the beneficial owner of equity shares carrying not less than 20 % of the voting power. (b) In any other case, such person, at any time during the previous year, is beneficially entitled to not less than 20% of the profits of such business or profession.
- (c) Both of the above. (d) None of the above.

- (172) Mr. Kailash claims the deduction (on accrual basis) of payment to Ramesh of ₹25,000. Next year he paid this amount through a crossed cheque. What are the consequences of this transaction?
- (a) This deduction is already claimed. (b) It will be disallowed and deemed to be the profit and gains of Business and Profession of the next year.
- (c) Deduction can be claimed in next year too. (d) None of these
- (173) Anish made a cash payment of ₹ 2,85,000 on 28th March, 2020 as the banks were on strike that day and the payment was to be made urgently. Calculate the amount of expenditure to be disallowed u/s 40A(3).
- (a) ₹ 2,85,000 (b) ₹2,65,000
- (c) Nil (d) ₹ 20,000
- (174) Under section 40A(3) which of the following payment for an expenditure incurred would not be admissible as deduction from business income _ (June, 2015)
- (a) ₹ 15,000 paid in cash to a transporter (b) ₹ 9,000 paid in cash to a dealer in the morning and ₹ 8,000 paid in cash to the same dealer in the evening
- (c) ₹ 40,000 sent through NEFT to the bank account of the dealer for goods purchased (d) ₹ 9,000 paid through bearer cheque to the dealer for goods purchased.
- (175) When a cash payment of ₹ 30,000 is made on 10th May, 2019 towards purchase of raw material effected in the earlier year, i.e., on 5th June, 2018, the amount liable for disallowance under section 40A(3) would be - (Dec. 2015)
- (a) Nil (b) 100% of payment
- (c) 20% of such payment (d) 30% of such payment
- (176) M Ltd. purchased goods on credit from S Ltd. on 6th May, 2019 for ₹ 86,000 which is paid as ₹ 10,000 in cash on 11th May, 2019; ₹ 35,000 by a bearer cheque on 3rd May, 2019; and ₹41,000 by an account payee cheque on 16th May, 2019. The amount of disallowance under section 40A(3) is ----- (June, 2011)
- (a) ₹ 15,000 (b) ₹35,000
- (c) ₹ 41,000 (d) ₹ 86,000
- (177) Where an assessee doing a business incurs any expenditure in respect of which payments made to a person in a day exceeds ₹ 10,000 should be paid through account payee cheque or demand draft to claim deduction for such expenditure. This restriction does not apply to ----- (June 2016)
- (a) Payments made to RBI (b) Payments made to cultivators
- (c) Payment of terminal benefits to employees not exceeding ₹ 50,000 (d) All of the above
- (178) Ashutosh made two separate cash payments for plying, hiring or leasing goods amounting to ₹32,000 and ₹39,000. Discuss about the allowability of the two payments made.
- (a) Both the payments will be allowed. (b) Payment amounting to ₹ 32,000 will be allowed and the other one will be disallowed.
- (c) Payment amounting to ₹ 39,000 will be allowed the other one will be disallowed. (d) Both the payments will be disallowed.
- (179) Payment of ₹ 50,000 by using credit card for fire insurance. The amount of disallowance under section 40A(3) is _____
- (a) ₹ 50,000 (b) ₹ 30,000
- (c) Nil (d) ₹ 20,000
- (180) Payment of ₹ 50,000 made in cash towards purchases of medicines. The amount of disallowance under section 40A(3) is _____
- (a) ₹ 50,000 (b) ₹30,000
- (c) Nil (d) ₹20,000

- (181) An assessee made a provision of ₹5,00,000 for the payment of gratuity to his employees on their retirement. The gratuity fund was unapproved. Calculate amount of deduction allowable to assessee in respect of this provision.
- (a) ₹5,00,000 (b) ₹ 10,00,000
(c) ₹ 1,00,000 (d) NIL
- (182) Deemed profits chargeable to tax under section 41 includes:
- (a) Taxability of Balancing Charge in case of Power Generating Undertakings. (b) Sale of an asset used for scientific research without having been used for the purposes of business or profession.
(c) Recovery of bad debts. (d) All of the above.
- (183) X discontinued wholesale trade in medicines from 1st July, 2015. He recovered ₹ 1,50,000 in October, 2019 being a bad debt which was written-off and allowed in assessment year 2013-14. He has eligible brought forward business loss of wholesale trade in medicines of ₹ 1,70,000. The consequence of bad debt recovery is that - (June 2016)
- (a) It is chargeable to tax (b) It is eligible for set-off against brought forward business loss
(c) The brought forward business loss is taxable now (d) 50% of the amount recovered now is taxable
- (184) Sameer sold goods worth ₹ 50,000 at credit on 1st April, 2016. However, he has written off ₹ 10,000 of it as bad debts and claimed deduction for the same during the year 2018-19. On 4th April, 2019, the defaulting debtor made payment of ₹ 45,000. The taxable amount of bad debts recovered for the year 2019-20 would be - (June, 2015)
- (a) ₹ 5,000 (b) ₹ 50,000
(c) ₹45,000 (d) ₹ 10,000
- (185) An assessee discontinued his textile business during the previous year 2016-17 and incurred a loss of ₹1,50,000. During the previous year 2019-20 assessee earned deemed profits in the discontinued business of ₹1,75,000. Calculate the amount taxable as business income.
- (a) ₹ 1,75,000 (b) ₹ 1,50,000
(c) ₹ 25,000 (d) Nil
- (186) Saraswati Ltd. made provision of ₹121akh for bonus payable for the year ended 31st March, 2020. It paid ₹71akh on 31st July, 2020; ₹ 3 lakh on 30th September, 2020; and ₹ 2 lakh on 15th December, 2020. The amount eligible for deduction under section 43B for p/y 19/20 would be - (Dec. 2015)
- (a) ₹ 10 lakh (b) ₹ 121akh
(c) ₹ 71akh (d) ₹ 31akh
- (187) As per section 43B, certain payments are to be allowed as deduction only on actual payment. Such sums include:
- (a) Any sum payable by the assessee to the Indian Railways for the use of railway assets. (b) Employer's contribution to provident fund or superannuation fund or gratuity fund or any other fund for the welfare of employees.
(c) Bonus or commission to employees for services rendered as referred u/s 36(1)(ii). (d) All of the above.
- (188) As per section 43B, certain payments are to be allowed as deduction only on actual payment. Such sums include:
- (a) Sum payable by assessee by way of tax, duty, cess or fee, by whatever name called, under any law for the time being in force. (b) Employer's contribution to provident fund or superannuation fund or gratuity fund or any other fund for the welfare of employees.
(c) Bonus or commission to employees for services rendered as referred u/s 36(1)(ii). (d) All of the above.
- (189) Assessee incurred an expenditure of municipal tax of ₹51,000 relating to office building for the Previous Year 2019-20 but did not pay the same till 30-09-2020. Such sum was paid on 15th March, 2021. In which assessment year deduction shall be allowed to assessee?

- (a) AY.2019-20 (b) AY.2020-21
(c) A.Y.2021-22 (d) Nil
- (190) XYZ Ltd. took a loan of ₹3,50,000 from a Public Financial Institution. It incurred an interest expense of ₹35,000 against this loan in the Previous Year 2019-20 but did not pay the interest amount to bank. The assessee paid this amount on 15th March 2021. In which assessment year deduction shall be allowed to assessee?
- (a) AY.2019-20 (b) AY.2020-21
(c) AY.2021-22 (d) Nil
- (191) If in the above question, assessee makes the payment of interest amount to bank on 15th September, 2020 then in which assessment year deduction shall be allowed to assessee?
- (a) AY.2019 -20 (b) AY. 2020-21
(c) AY. 2020-22 (d) Nil
- (192) A Ltd. contributed ₹8,70,000 towards provident fund account of its employees. It actually remitted ₹5,00,000 upto 3rd March and ₹ 2,50,000 upto the due date for filing the return specified in section 139(1).The amount liable to tax in its assessment would be _____ (June 2016)
- (a) ₹ 3,70,000 (b) ₹1,20,000
(c) Nil (d) ₹ 8,70,000
- (193) XYZ Ltd. took a loan of ₹10,00,000 from a Public Financial Institution. It incurred an interest expense of ₹70,000 against this loan in the Previous Year 2017-18 but did not pay the interest amount to bank. It requested the bank to convert the amount of interest into loan on 15th September, 2018. Such converted loan is actually paid on 15th December, 2019. In which assessment year deduction shall be allowed to assessee?
- (a) AY. 2017-18 (b) AY.2018-19
(c) AY . 2019-20 (d) AY.2020-21
- (194) An assessee transferred his land (stock in trade) on 15th May 2019 for ₹75,00,000. However, the value adopted by State Government authority for the purpose of payment of stamp duty in respect of such transfer was ₹90,00,000. What shall be the full value of the consideration received or accruing as a result of such transfer for the purposes of computing profits and gains from transfer of such asset.
- (a) ₹75,00,000 (b) ₹ 90,00,000
(c) ₹ 15,00,000 (d) ₹ 1,65,00,000
- (195) Manish transferred his land (stock in trade) on 21st June 2019 for ₹80,00,000. However, the value adopted by State Government authority for the purpose of payment of stamp duty in respect of such transfer was ₹72,00,000. What shall be the full value of the consideration received or accruing as a result of such transfer for the purposes of computing profits and gains from transfer of such asset.
- (a) ₹ 72,00,000 (b) ₹ 80,00,000
(c) ₹ 8,00,000 (d) ₹ 1,52,00,000
- (196) Mohan transferred his land (stock in trade) on 1st June 2019 for ₹ 70,00,000. However, the value adopted by State Government authority for the purpose of payment of stamp duty in respect of such transfer on the date of agreement fixing the value of consideration for transfer of the asset was ₹ 85,00,000 and on the date of registration of such transfer of asset was ₹ 89,00,000. He received consideration of ₹25,00,000 by cheque before the date of agreement. What shall be the full value of the consideration for the purposes of computing profits and gains from transfer of such asset.
- (a) ₹70,00,000 (b) ₹85,00,000
(c) ₹83,00,000 (d) ₹ 25,00,000
- (197) Hari transferred his land on 1st September 2019 for ₹ 80,00,000. However, the value adopted by State Government authority for the purpose of payment of stamp duty in respect of such transfer on the date of agreement fixing the value of consideration for transfer of the asset was ₹75,00,000 and on the date of registration of such transfer of asset was ₹73,00,000. He received consideration of ₹25,00,000 by cheque before the date of agreement. What shall be the full value of the consideration for the purposes of computing profits and gains from transfer of such asset.

- (a) ₹ 80,00,000 (b) ₹ 75,00,000
(c) ₹ 73,00,000 (d) ₹ 25,00,000

(198) ABC Ltd. credited the interest on bad and doubtful debts of ₹ 35,000 on 18th March, 2019. However, the interest amount was received on 11th April, 2019. As per section 43D when such interest shall be chargeable to tax?

- (a) P.Y. 2018-19 (b) P.Y.2019-20
(c) P.Y. 2020-21 (d) Not taxable

(199) ABC Ltd. credited the interest on bad and doubtful debts of ₹ 75,000 on 18th July, 2018. However, the interest amount was received on 30th March, 2019. As per section 43D when such interest shall be chargeable to tax ?

- (a) P.Y. 2018-19 (b) P.Y.2019-20
(c) P.Y. 2020-21 (d) Not taxable

(200) The profits and gains of any business of insurance, including any such business carried on by a mutual insurance company or by co-operative society, shall be computed in accordance with rules contained in First Schedule to the Act. The profits and gains derived from life insurance business is taxable at what rate?

- (a) 11.5% (b) 12.5%
(c) 10% (d) Nil

(201) ABC & Association (trade association) furnishes profits of business before allowing deficiency was of ₹80,000. The deficiency amount was of ₹75,000 and the total income of assessee before allowing deficiency was of ₹1,40,000. What shall be the amount of deduction available to assessee for the deficiency?

- (a) ₹ 75,000 (b) ₹ 70,000
(c) ₹ 80,000 (d) Nil

(202) ABC & Association (trade association) furnishes profits of business before allowing deficiency was of ₹90,000. The deficiency amount was of ₹ 75,000 and the total income of assessee before allowing deficiency was of ₹2,00,000. What shall be the amount of deduction available to assessee for the deficiency?

You with the following information-

- (a) ₹ 75,000 (b) ₹ 1,00,000
(c) ₹ 90,000 (d) Nil

(203)ABC & Association (trade association) furnishes profits of business before allowing deficiency was of ₹90,000.The deficiency amount was of ₹75,000 and the total income of assessee before allowing deficiency was of ₹1,40,000. The amount of deduction available to assessee for the deficiency is of ₹ 70,000. For how many years the remaining balance of deficiency amounting to ₹ 5,000 shall be allowed to be carried forward?

- (a) 5 years (b) 1 year
(c) Infinite years (d) Not allowed to be carried forward

ACCOUNTS AND AUDIT - SECTION 44AA & 44AB

(204) Which amongst the following are specified books of account?

- (a) Cash Book (b) Carbon copies or counterfoils of bills
(c) Original bills issued (d) All of the above

(205) The books of accounts are to be kept and maintained for a period of how many years from the end of the relevant assessment year.

- (a) 6 years (b) 5 years
(c) 8 years (d) Unlimited period

- (206) A person carrying specified profession will have to maintain books of account prescribed by Rule 6F of the Income-tax Rule, 1962, if gross receipts are more than ₹1,50,000 for - (June, 2015)
- (a) All preceding 5 years (b) Any of the preceding 5 years
 (c) All preceding 3 years (d) Any of the preceding 3 years.
- (207) In case of specified professions, what is the minimum amount the Gross receipts should exceed in all of the three immediately preceding previous years or, where the business is newly setup, the amount that gross receipts are likely to exceed during current previous year, so as to maintain the books of accounts.
- (a) ₹1,00,000 (b) ₹ 1,20,000
 (c) ₹ 1,50,000 (d) ₹ 10,00,000
- (208) In which case newly set up business or profession other than specified profession is required to maintain accounts?
- (a) If total sales turnover is likely to exceed 10,00,000 during such previous year. (b) ₹ 1,12,000 If turnover likely to exceed ₹1,12,000 during such previous year.
 (c) If turnover is likely to exceed ₹ 1,00,000 during such previous year. (d) ₹ 1,00,000 If turnover is likely to exceed ₹1,00,000 during such assessment year.
- (209) Accounts of a person carrying on business are required to be audited for previous year in which total sales, turnover or gross receipts exceeds _____
- (a) ₹ 60,00,000 (b) ₹ 1,00,00,000
 (c) ₹ 15,00,000 (d) ₹ 50,00,000
- (210) A person carrying on profession is required to get his accounts compulsorily audited by a Chartered Accountant if his gross receipts from profession for the previous year exceed - (Dec. 2012)
- (a) ₹ 10,00,000 (b) ₹ 25,00,000
 (c) ₹ 50,00,000 (d) ₹ 1,00,00,000
- (211) A person carrying on profession will also have to get his accounts audited before the specified date, if gross receipts from the profession for a previous year or years relevant to assessment year exceed - (Dec. 2014)
- (a) ₹ 25lakh (b) ₹ 10 lakh
 (c) ₹1 crore (d) ₹ 50 lakh.
- (212) The penalty for failure to maintain accounts under section 44AA is -
- (a) ₹10,000 (b) ₹20,000
 (c) ₹ 50,000 (d) ₹ 25,000.
- (213) The maximum penalty for failure to get accounts audited under section 44AB or furnish audit report along with return of income is _ (June, 2009)
- (a) ₹10,000 (b) ₹ 20,000
 (c) ₹ 50,000 (d) ₹ 1,50,000.
- (214) The maximum penalty leviable for failure to get accounts audited or to furnish report under section 44AB is - (Dec. 2015)
- (a) ₹ 75,000 (b) ₹ 1,00,000
 (c) ₹ 1,50,000 (d) ₹ 3,00,000

DEEMED PROFITS IN CASE OF CERTAIN BUSINESSES - SECTION 44AD & 44AE

- (215) Accounts of a person carrying on business referred to u/ s 44AD are required to be audited for previous year if -
- (a) The assessee has claimed profits. (b) Profits from such business to be lower than the profits and gains deemed u/ s 44AD.
 (c) The "total income" exceeds maximum amount, which is not chargeable to tax in any PY. (d) All of the above.

- (216) For computation of profits of business on presumptive basis under section 44AD, the deemed profits shall be calculated at the rate of _____ of the total turnover or gross receipts of such business:
- (a) 8% (b) 10%
(c) 20% (d) 5%
- (217) The total turnover of the business of assessee was of ₹ 30,00,000. The assessee declared a profit of ₹ 2,80,000. What shall be the deemed profits of assessee under section 44AD?
- (a) ₹ 2,80,000 (b) ₹ 2,40,000
(c) ₹ 40,000 (d) ₹ 2,60,000
- (218) The provisions of section 44AD shall not apply to :
- (a) Person carrying on specified profession referred to Section 44AA. (b) A person earning income in nature of commission or brokerage.
(c) Person carrying on any agency business. (d) All of the above.
- (219) Provisions of section 44AD for computation of presumptive income are not applicable to ----- (June, 2015)
- (a) Limited liability partnership (b) Partnership firm
(c) Resident Hindu Undivided Family (d) Resident individual.
- (220) When a partnership firm has total sales of ₹ 90 lakh, the maximum amount deductible as salary of working partners on the basis of presumptive income determined under section 44AD is - (Dec. 2015)
- (a) ₹ 4,92,000 (b) ₹ 3,60,000
(c) ₹ 3,30,000 (d) NIL
- (221) For computation of profits of profession on presumptive basis under section 44ADA, the deemed profits shall be calculated at the rate of _____ of the gross receipts of such profession:
- (a) 8% (b) 50%
(c) 20% (d) 5%
- (222) The provisions of Section 44ADA are applicable if gross receipts from profession does not exceed----- ₹
- (a) ₹ 50,00,000 (b) ₹ 2,00,00,000
(c) ₹ 1,00,00,000 (d) 15000000
- (223) When a person carries on the business of carrying goods for hire for the whole year with 5 self-owned and 3 leasehold heavy goods vehicles(14 tonne each), the presumptive income chargeable to tax under section 44AE would be - (Dec. 2015)
- (a) ₹4,80,000 (b) ₹13,44,000
(c) ₹ 7,20,000 (d) ₹ 3,36,000
- (224) Mr. X is carrying of profession of company secretary. His gross receipts from profession is ₹ 45,00,000 in Previous year 2019-20. His deemed profits as per provisions of Section 44ADA are:
- (a) ₹3,60,000 (b) ₹ 22,50,000
(c) ₹ 4,50,000 (d) ₹ 9,00,000
- (225) Anupam owns 6 goods carriage vehicles. Out of these 2 are heavy goods vehicle (13 tonne) acquired by him on 15th January, 2020. His taxable income under section 44AE will be - (Dec. 2014)
- (a) ₹ 4,38,000 (b) ₹ 3,24,000
(c) ₹ 4,05,000 (d) ₹ 3,60,000.
- (226) Assessee who owns not more than ----- goods carriages at any time during the previous year and engaged in the business of plying, hiring or leasing such goods carriages shall be eligible to compute profits under Section 44AE:

- (a) 10 (b) 8
(c) 6 (d) 15

(227) For computing deemed profits under section 44AE in case of goods carriage being a goods vehicle other than heavy good vehicle the amount with which per vehicle per month has to be multiplied is:

- (a) ₹ 10,000 (b) ₹ 7,500
(c) ₹ 50,000 (d) ₹ 1,50,000

(228) For computing deemed profits under section 44AE in case of goods carriage other than a heavy goods vehicle the amount with which per vehicle per month has to be multiplied is:

- (a) ₹10,000 (b) ₹5,000
(c) ₹ 50,000 (d) ₹7,500

(229) An assessee was engaged in the business of plying, hiring or leasing of goods carriages. He held 4 heavy goods vehicle (15 tonne) for the entire year and three goods carriage other than heavy goods vehicle which were acquired on 15th July 2019.

Compute the deemed profits u/s 44AE.

- (a) ₹9,22,500 (b) ₹ 5,00,000
(c) ₹4,20,000 (d) ₹ 3,78,000

(230) An assessee was engaged in the business of plying, hiring or leasing of goods carriages. He owned 6 light goods vehicle for the entire year. He claimed amount to have been actually earned from such vehicle(s) ₹3,80,000. Compute the deemed profits u/ s 44AE.

- (a) ₹ 5,40,000 (b) ₹ 3,80,000
(c) ₹ 20,000 (d) ₹ 3,70,000

ANSWER KEY

1.C	2.D	3.B	4.D	5.D	6.C	7.C	8.D	9.B	10.D
11.C	12.B	13.D	14.D	15.B	16.D	17.A	18.A	19.A	20.B
21.B	22.C	23.C	24.C	25.C	26.A	27.B	28.A	29.C	30.B
31.D	32.B	33.A	34.B	35.B	36.D	37.D	38.D	39.A	40.B
41.B	42.B	43.A	44.B	45.A	46.D	47.D	48.A	49.C	50.B
51.A	52.C	53.C	54.C	55.D	56.B	57.B	58.B	59.B	60.D
61.D	62.A	63.B	64.B	65.B	66.A	67.A	68.C	69.C	70.C
71.B	72.B	73.C	74.C	75.D	76.A	77.A	78.A	79.B	80.B
81.B	82.C	83.D	84.A	85.D	86.B	87.C	88.C	89.C	90.B
91.B	92.C	93.A	94.D	95.C	96.A	97.D	98.D	99.A	100.D
101.C	102.A	103.C	104.C	105.D	106.B	107.A	108.C	109.A	110.D
111.A	112.A	113.B	114.A	115.D	116.C	117.D	118.A	119.D	120.B
121.D	122.A	123.A	124.C	125.A	126.C	127.A	128.A	129.B	130.D
131.D	132.C	133.D	134.D	135.A	136.B	137.B	138.A	139.B	140.D
141.B	142.C	143.A	144.A	145.A	146.B	147.D	148.D	149.D	150.C
151.C	152.C	153.C	154.A	155.D	156.B	157.A	158.A	159.A	160.D
161.B	162.B	163.B	164.B	165.D	166.D	167.D	168.C	169.D	170.C
171.C	172.B	173.C	174.B	175.B	176.B	177.D	178.B	179.C	180.A
181.D	182.D	183.B	184.A	185.C	186.A	187.D	188.D	189.C	190.C
191.B	192.B	193.D	194.B	195.B	196.B	197.A	198.A	199.A	200.B
201.B	202.A	203.D	204.D	205.A	206.C	207.C	208.A	209.B	210.C
211.D	212.D	213.D	214.C	215.D	216.A	217.A	218.D	219.A	220.D
221.B	222.A	223.B	224.B	225.A	226.A	227.B	228.D	229.A	230.A