

MCQ on TDS u/s 194C 194D_ Class Date - 23.11.2025

1. Under Section 194C, TDS is applicable on payments made to:

- a) Contractors only
- b) Sub-contractors only
- c) Both contractors and sub-contractors**
- d) None of the above

Q2. What is the threshold limit for TDS under Section 194C for a single payment?

- a) ₹10,000
- b) ₹30,000**
- c) ₹50,000
- d) ₹1,00,000

Q3. The aggregate threshold limit in a financial year under Section 194C is:

- a) ₹50,000
- b) ₹75,000
- c) ₹1,00,000**
- d) ₹1,50,000

Q4. What is the TDS rate under Section 194C for payments to individual/HUF contractors?

- a) 1%**
- b) 2%
- c) 5%
- d) 10%

Q5. Which of the following is **NOT** covered under Section 194C?

- a) Advertising contracts
- b) Transport contracts (with PAN furnished)**
- c) Catering contracts
- d) Broadcasting contracts

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Q6. Section 194D applies to commission paid to:

- a) Insurance agents**
- b) Brokers of shares
- c) Mutual fund distributors
- d) None of the above

Q7. What is the threshold limit for TDS under Section 194D?

- a) ₹10,000
- b) ₹15,000
- c) ₹20,000**
- d) ₹25,000

Q8. The TDS rate under Section 194D for resident individuals is:

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

Q9. Section 194D does **NOT** apply to:

- a) Commission paid to insurance agents
- b) Commission paid to foreign agents
- c) Bonus paid to policyholders
- d) Both b and c**

Q10. Which of the following statements is correct regarding Section 194D?

- a) TDS is deducted at the time of credit or payment, whichever is earlier**
- b) TDS is deducted only at the time of payment
- c) TDS is deducted only at the time of credit
- d) No TDS is required under this section