

MOCK TEST

MAY 22/NOV 22

INCOME TAX VOLUME -1

ATTEMPT ALL QUESTIONS

Time allowed: 3 hours

Maximum Marks: 100

MCQ BOOKLET NO. 1234567

PAPER CODE- MKG

MULTIPLE CHOICE QUESTIONS (30 Marks)

1. Where the total income of an artificial juridical person is ₹3,10,000, the income-tax before cess payable is ₹..... and surcharge payable is ₹.....

- (a) ₹3,000; surcharge – nil.
- (b) ₹6,000; surcharge – nil.
- (c) ₹500; surcharge – nil
- (d) ₹93,000; surcharge – ₹4650

2. Tax Liability of a resident individual having LTCG 3.5 Lakh shall be

- (a) ₹7,800
- (b) ₹72,800
- (c) ₹18,200
- (d) ₹20,800

3. The maximum amount of rebate allowable under section 87A for A.Y. 2022-23 is -

- (a) ₹2,000, if the total income does not exceed ₹5 lakh
- (b) ₹5,000, if the total income does not exceed ₹5 lakh
- (c) ₹12,500, if the total income does not exceed ₹5 lakh
- (d) ₹2,500, if the total income does not exceed ₹3.5 lakh

4. Mr. X has agricultural Income of ₹4,900 and non – agricultural income of ₹2,65,000. Tax Payable shall be

- (a) Nil
- (b) ₹780
- (c) ₹1,030
- (d) ₹14,030

5. Tax Liability of a resident individual having only STCG 111A 3.5 Lakh shall be

- (a) ₹2,600
- (b) ₹15,600
- (c) ₹54,600
- (d) ₹13,000

6. Tax Liability of a resident individual having only casual income 3.5 Lakh shall be

- (a) ₹96,200
- (b) ₹18,200
- (c) ₹31,200
- (d) ₹1,09,200

7. Mr. Kashyap has acquired a building from his friend on 10.10.2021 for ₹15,00,000. The stamp duty value of the building on the date of purchase is ₹15,70,000. Income chargeable to tax in the hands of Mr. Kashyap is

- (a) ₹ 70,000
- (b) ₹ 50,000
- (c) Nil
- (d) ₹ 20,000

8. Mr. Y has received a sum of ₹51,000 on 24.10.2021 from relatives on the occasion of his marriage.

- (a) Entire ₹51,000 is chargeable to tax.
- (b) Only ₹ 1,000 is chargeable to tax
- (c) Entire ₹ 51,000 is exempt from tax
- (d) Only 50% i.e., ₹ 25,500 is chargeable to tax

9. Mr. Mayank has received a sum of ₹ 75,000 on 24.10.2021 from his friend on the occasion of his marriage anniversary.

- (a) Entire ₹ 75,000 is chargeable to tax.
- (b) Entire ₹75,000 is exempt from tax
- (c) Only ₹ 25,000 is chargeable to tax
- (d) Only 50% i.e., ₹ 37,500 is chargeable to tax

10. Ashok took possession of property on 31st August 2021 booked by him three years back at ₹25 lakhs, The Stamp Duty Value (SDV) of the property as on 31st August 2021 was ₹31 lakh and on date of booking it was ₹29 lakh. He had paid ₹2 lakh by A/c payee cheque as down payment on date of booking. Which of the following will be considered as income, if any, and in which previous year

- (a) ₹4 lakhs in P.Y. 2021-22
- (b) ₹4 lakhs in P.Y. 2018-19
- (c) ₹6 lakhs in P.Y. 2020-21
- (d) No income shall be taxable, since down payment was paid by A/c cheque while booking the property

11. In case of default in payment of advance tax, interest shall be charged

- (a) 2% p.m. u/s 234C
- (b) 1% p.m. u/s 234B
- (c) 1.5% p.m. u/s 234A
- (d) 1% p.m. u/s 234C

12. In case of default in payment of self assessment tax after last date of filing of ROI, interest shall be charged

- (a) 2% p.m. u/s 234C
- (b) 1% p.m. u/s 234B
- (c) 1% p.m. u/s 234A + 1% p.m. u/s 234B
- (d) 1% p.m. u/s 234C

13. Advance tax is payable by a senior citizen only when

- (a) he has income u/h capital gains
- (b) he has income u/h house property
- (c) he has income u/h business/profession
- (d) he has income u/h casual income

14. Which of the following statement is not correct.

- (a) advance tax payable upto 15th June of the previous year is atleast 15%
- (b) advance tax payable upto 15th Sept of the previous year is atleast 45%
- (c) advance tax payable upto 15th Dec of the previous year is atleast 70%
- (d) advance tax payable upto 15th March of the previous year is atleast 100%

15. Mr. Square, an Indian citizen, currently resides in Dubai. He came to India on a visit and his total stay in India during the F.Y.2021-22 was 135 days. He has no source of Income in India. Following is his details of stay in India in the preceding previous years:

Financial Year	Days of Stay in India
2020-21	125
2019-20	106
2018-19	83
2017-18	78
2016-17	37
2015-16	40
2014-15	35

You are his tax consultant. Advise him on his residential status for the P.Y. 2021-22.

- (a) Resident but Not Ordinary Resident (RNOR)
- (b) Resident and Ordinary Resident
- (c) Non-Resident
- (d) Resident but information incomplete to know whether resident but not ordinarily resident or resident and ordinarily resident

16. In the year P.Y. 2021-2022, a sailor has remained on ship as a crew member of an Indian Ship as follows:

- (1) Outside the territorial waters of India for 183 days.**
- (2) Inside the territorial waters of India for 182 days.**

Advise him on his residential status for the P.Y. 2021-22.

- (a) Resident
- (b) Non-Resident
- (c) Indian Citizen
- (d) None of the above

17. Mr. Nishant, a resident but not ordinarily resident for the previous year 2020-21 and resident and ordinarily resident for the previous year 2021-22 has received rent from property in Canada amounting to ₹1,00,000 during the P.Y.2020-21. He has deposited the same in a bank in Canada. During the financial year 2021-22, he remitted this amount to India through approved banking channels. Is such rent taxable in India, and if so, how much and in which year?

- (a) Yes; ₹ 70,000 was taxable in India during the previous year 2020-21.
- (b) Yes; ₹ 1,00,000 was taxable in India during the previous year 2020-21.
- (c) Yes; ₹ 70,000 was taxable in India during the previous year 2021-22.
- (d) No; such rent is not taxable in India either during the previous year 2020-21 or during the previous year 2021-22.

18. If Anirudh has stayed in India in the P.Y. 2021-22 for 181 days, and he is non-resident in 9 out of 10 years immediately preceding the current previous year and he has stayed in India for 365 days in all in the 4 years immediately preceding the current previous year and 420 days in all in the 7 years immediately preceding the current previous year, his residential status for the A.Y.2022-23 would be-

- (a) Resident and ordinarily resident

- (b) Resident but not ordinarily resident
- (c) Non-resident
- (d) Cannot be ascertained with the given information

19. Raman was employed in Hindustan Lever Ltd. He received a salary of ₹40,000 p.m. from 1.4.2021 to 27.9.2021. He resigned and left for Dubai for the first time on 1.10.2021 and got salary of rupee equivalent of ₹80,000 p.m. from 1.10.2021 to 31.3.2022. His salary for October to December 2021 was credited in his Dubai bank account and the salary for January to March 2022 was credited in his Bombay account directly. He is liable to tax in respect of -

- (a) Income received in India from Hindustan Lever Ltd;
- (b) Income received in India and in Dubai;
- (c) Income received in India from Hindustan Lever Ltd. and income directly credited in India;
- (d) Income received in Dubai

20. Short term capital gains on sale of shares of an Indian company received in Australia is taxable in case of-

- (a) resident and ordinarily resident only
- (b) both resident and ordinarily resident and resident but not ordinarily resident
- (c) non-resident only
- (d) All the above

21. Mr. X took a loan of ₹5,00,000 on 01.10.2018 @ 10% p.a. for construction of house which was completed on 31.03.2022. Compute interest on capital borrowed for the previous year 2021-22

- (a) 25,000
- (b) 50,000
- (c) 1,75,000
- (d) 75,000

22.

Mr. Ajay Sahu, proprietor of M/s Blue Bird Enterprises having turnover of ₹ 65 lakhs and Turnover is less than 100 lakhs during P.Y. 2020-21, has received two bills for payment. The first bill is for ₹ 42,00,000 from Vijay Associates, an advocate and property dealer firm, for his daughter's hearing and ₹ 21,00,000 from same Vijay Associates for brokerage service provided in relation to purchase of one property. Both bills were raised on 21-12-2021 but payment were made in instalments. 1st Instalment of ₹5,00,000 as advance was payment on 15-11-2021, 2nd Instalment of ₹45,00,000 on 25-03-2022 and balance amount ₹13,00,000 on 31-03-2022. Determine the TDS liability for Mr. Ajay Sahu, if any, for A.Y. 2022-23?

- (a) ₹ 2,50,000
- (b) ₹ 3,15,000
- (c) ₹ 65,000
- (d) Nil

23. Mr. A has two bank accounts maintained with ICICI Bank and HDFC Bank. From 01.09.2021 till 31.03.2022, 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

24.

An amount of ₹ 40,000 was paid to Mr. X on 1.7.2021 towards fees for professional services without deduction of tax at source. Subsequently, another payment of ₹ 50,000 was due to Mr. X on 28.2.2022, from which tax @ 10% (amounting to ₹ 9,000) on the entire amount of ₹ 90,000 was deducted. However, this tax of ₹ 9,000 was deposited only on 22.6.2022. The interest, chargeable under section 201(1A) would be:

- (a) ₹ 1,080
- (b) ₹ 860
- (c) ₹ 1,620
- (d) ₹ 840

25.

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)

26.

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

27.

Mr. Ram acquired a house property at Chennai from Mr. Satyam, a resident, for a consideration of ₹85 lakhs, on 23.8.2021. 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.

28.

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.

29.

Mrs. Shivani, wife of Mr. Anurag, is a partner in a firm. Her capital contribution of ₹5 lakhs to the firm as on 1.4.2021 included ₹3.5 lakhs contributed out of gift received from Anurag. On 10.4.2021, 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.2021-22. 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.

30. Vidya received ₹90,000 in May, 2021 towards recovery of unrealised rent, which was deducted from actual rent during the P.Y. 2019-20 for determining annual value. Legal expense incurred in relation to unrealized rent is ₹20,000. The amount taxable under section 25A for A.Y.2022-23 would be -

- (a) ₹70,000
- (b) ₹63,000
- (c) ₹60,000
- (d) ₹49,000

SUBJECTIVE TYPE QUESTIONS (70 Marks)

Question 1 (a).

(5 Marks)

Mrs. X has received the following gifts during previous year 2021-22.

- (i) On the occasion of her marriage on 14.08.2021, she has received ₹90,000 as gift out of which ₹70,000 are from relatives and balance from friends.
 - (ii) On 12.09.2021, she has received gift of ₹18,000 from cousin of her mother.
 - (iii) A cell phone of ₹71,000 is gifted by her employer on 15.08.2021.
 - (iv) She gets a gift of ₹25,000 from the elder brother of her husband's grandfather on 25.10.2021.
 - (v) She has received a gift of ₹2,000 from her friend on 14.04.2021.
 - (vi) She has won ₹4 lakh from a game show on electronic media.
- Compute her tax liability for assessment year 2022-23.

Question 1 (b).

(5 Marks)

Miss Charlie, an American national, got married to Mr. Radhey of India in USA on 02.03.2021 and came to India for the first time on 16.03.2021. She left for USA on 23.09.2021.

She returned to India again on 27.03.2022. While in India, she had purchased a show room in Mumbai on 22.04.2021, which was leased out to a company on a rent of ₹25,000 p.m. from 01.05.2021. She had taken loan from a bank for purchase of this show room on which bank had charged interest of ₹97,500 upto 31.03.2022.

She had received the following gifts from her relatives and friends during 01.04.2021 to 30.06.2021:

- | | |
|---|-----------|
| - From parents of husband | ₹ 51,000 |
| - From married sister of husband | ₹ 11,000 |
| - From two very close friends of her husband, ₹1,51,000 and ₹21,000 | ₹1,72,000 |

Determine her residential status and compute the total income chargeable to tax alongwith the amount of tax payable on such income for the Assessment Year 2022-23.

Question 2 (a)

(5 marks)

Mr. X furnishes you the following information:

Raw material purchased ₹5,00,000. Manufacturing expenses (revenue nature) ₹2,00,000.

Sale price ₹18,00,000. Plant & machinery acquired ₹2,60,000. Depreciation is allowed @ 15%.

He has made the investments as given below:

- (i) Fixed deposit with State Bank for two years ₹5,000.
- (ii) Investment in National Saving Certificates ₹5,000.
- (iii) Deposit in Public Provident Fund Account in the name of major married independent son ₹5,000.
- (iv) Deposit in Public Provident Fund Account in the name of minor son ₹5,000.
- (v) Payment of premium for LIC policy in name of major married independent daughter on 15.09.2021 ₹5,000. (sum assured ₹1,00,000).
- (vi) Payment of premium for LIC policy in name of major married independent son on 11.11.2021 ₹5,000. (sum assured ₹20,000)
- (vii) Investment in Home Loan Account Scheme of National Housing Bank ₹5,000 (Investment was made out of past savings).
- (viii) Investment in units of Mutual Funds notified under section 10(23D) ₹5,000. (Investment was made out of current income exempt from income tax).
- (ix) Investment in Equity Shares of Infrastructure Companies ₹5,000.
- (x) Payment of Tuition fees of his son to a private coaching centre for coaching in taxation ₹5,000.

Compute his income and tax liability for assessment year 2022-23.

Question 2 (b)**(5 marks)**

Write a brief note on payment of interest for late payment of income tax u/s 234A, 234B & 234C and what are the due dates of instalments and the quantum of advance tax payable.

Question 3. (a)**(5 Marks)**

State in brief the applicability of provisions of tax deduction at source, the rate and amount of tax deduction in the following cases for the financial year 2021-22 under Income Tax Act, 1961. Assume that all payments are made to residents:

- (i) Mr. Mahesh has paid ₹6,00,000 on 15.10.2021 to M/s Fresh Cold Storage Pvt. Ltd. for preservation of fruits and vegetables. He is engaged in the wholesale business of fruits & vegetable in India having turnover of ₹3 Crores during the previous year 2020-21.
- (ii) Mr. Ramu, a salaried individual, has paid rent of ₹60,000 per month to Mr. Shiv Kumar from 1st July, 2021 to 31st March, 2022. Mr. Shiv Kumar has not furnished his Permanent Account Number.

Question 3 (b).**(5 Marks)**

A partnership firm made the following payments of advance tax during the financial year 2022-23:

	₹
Upto June 15, 2021	4,15,000
Upto September 15, 2021	8,25,000
Upto December 15, 2021	16,64,000
Upto March 15, 2022	26,23,000

Return of income filed by the firm is ₹88,00,000 under the head “profits and gains of business or profession” and ₹9,50,000 by way of long term capital gains on sale of a property effected on December 1, 2021. What is the interest payable by the assessee under section 234B and section 234C for assessment year 2022-23? Assume that the return of income was filed on 31.10.2022 i.e. the due date and tax was fully paid on self assessment.

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

Mr. X has income from business/profession ₹6,00,000 and long term capital gain ₹4,00,000 and short term capital gain u/s 111A ₹2,00,000 and casual income ₹1,00,000.

He has paid premium of a mediclaim policy amounting to ₹20,000 taken in the name of his dependant grand father who is senior citizen and payment was made by a cheque on 09.01.2022.

He has given premium of Jeevan Suraksha policy ₹7,000, has donated ₹12,000 to the National Defence Fund, ₹4,000 to Rajiv Gandhi Foundation and ₹3,00,000 to a charitable institution and ₹1,00,000 to a social organization and ₹4,00,000 to religious organization and all such organization are notified under section 80G. (all the donations was made by cheque)

Compute his total income and tax liability for A.Y. 2022-23.

Question 4 (b).**(5 Marks)**

Mr. X owns one residential house in Mumbai. The house is having two units. First unit of the house is self occupied by Mr. X and another unit is rented for ₹55,000 p.m. The rented unit was vacant for 2 months during the year.

The particulars of the house for the previous year 2021-22 are as under:

Standard rent	₹ 10,62,000 p.a.
Municipal valuation	₹ 8,90,000 p.a.
Fair rent	₹ 10,85,000 p. a
Municipal tax	15% of municipal valuation
Light and water charges paid by the tenant	₹ 500 p.m.

Interest on borrowed capital	₹ 1,500 p.m.
Insurance charges paid by Mr. X	₹ 3,000 p.a.
Repairs	₹ 12,000 p.a.

Compute income from house property of Mr. X and tax liability for the A.Y. 2022-23.

Question 5 (a).**(5 Marks)**

Mr. Ravi, a resident and ordinarily resident in India, owns a let out house property having different flats in Kanpur which has municipal value of ₹27,00,000 and standard rent of ₹29,80,000. Market rent of similar property is ₹30,00,000. Annual rent was ₹40,00,000 which includes ₹10,00,000 pertaining to different amenities provided in the building. One flat in the property (annual rent is 2,40,000) remains vacant for 4 months during the previous year. He has incurred following expenses in respect of aforesaid property:

Municipal taxes of ₹4,00,000 for the financial year 2021-22 (10% rebate is obtained for payment before due date.) Arrears of municipal tax of financial year 2020-21 paid during the year of ₹1,40,000 which includes interest on arrears of ₹25,000.

Lift maintenance expenses of ₹2,40,000 which includes a payment of ₹30,000 which made in cash.

Salary of ₹88,000 paid to staff for collecting house rent and other charges. .

Compute the total income of Mr. Ravi for the assessment year 2022-23 assuming that Mr. Ravi has not opted provisions under section 115BAC.

Question 5 (b).**(5 Marks)**

Mr. X earns the following incomes during the financial year 2021-22.

	₹
(1) Profits from a business in Japan, controlled from India, (half of the profits received in India)	40,000
(2) Income from property in Bombay, received in UK	70,000
(3) Income from a property in USA, received there but subsequently remitted to India	2,00,000
(4) Income from property in USA, received there (₹50,000 remitted in India)	80,000
(5) Salary received in India for services rendered in USA	50,000
(6) Income from profession in Paris, which was set up in India, received in Paris	80,000
(7) Interest from deposit with an Indian company, received in Japan	9,000
(8) Income from profession in Bombay received in Paris	30,000
(9) Profits of business in Iran, deposited in a bank there, business controlled from India (out of ₹4,00,000, ₹ 1,00,000 is remitted in India)	4,00,000
(10) Interest on German development bonds, half of which is received in India	10,000
(11) Income from property in Canada, one-fifth is received in India	50,000

(Presume all the above incomes are computed income i.e. all the exemptions and deductions have already been allowed)

Determine the gross total income of Mr. X if he is (i) resident and ordinarily resident, (ii) resident but not ordinarily resident, (iii) non-resident in India during the financial year 2021-22.

Question 6 (a).**(5 Marks)**

Examine the tax implications of the following transactions for the assessment year 2022-23: (Give brief reason)

- Government of India has appointed Mr. Rahul as an ambassador in Japan. He received salary of ₹7,50,000 and allowances of ₹2,40,000 during the previous year 2021-22 for rendering his services in Japan. He is an Indian citizen having status of non-resident in India for the previous year 2021-22.
- Ms. Juhi, a non-resident in India is engaged in operations which are confined to purchase of goods in India for the purpose of export. She has earned ₹2,50,000 during the previous year 2021-22.

- (iii) Mr. Naveen, a non-resident in India, has earned ₹3,00,000 as royalty for a patent right made available to Mr. Rakesh who is also a non-resident. Mr. Rakesh has utilized patent rights for development of a product in India and 50% royalty is received in India and 50% outside India.
- (iv) Mr. James, a NRI, borrowed ₹10,00,000 on 01.04.2021 from Mr. Akash who is also non-resident and invested such money in the shares of an Indian Company. Mr. Akash has received interest @ 12% per annum.

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

Examine the following transactions with reference to applicability of the provision of tax collected at source and the rate and amount of the TCS for the Assessment year 2022-23.

- (i) Mr. Kalpit bought an overseas tour programme package for Singapore for himself and his family of ₹5 lakhs on 01.11.2021 from an agent who is engaged in organising foreign tours in course of his business. He made the payment by an account payee cheque and provided the permanent account number to the seller. Assuming Kalpit is not liable to deduct tax at source under any other provisions of the Act.
- (ii) Mr. Anu doing business of textile as a proprietor. His turnover in the business is ₹11 crores in the previous year 2020-21. He received payment against sale of textile goods from Mr. Ram ₹75 lakhs against the sales made to him in the previous year and proceeding previous years. (Assuming all the sales are domestic sales and Mr. Ram is neither liable to deduct tax on the purchase from Mr. Anu nor he deducted any tax at source).

Question 7 (a).**(5 Marks)**

Explain Deduction in case of Units established in Special Economic Zone. Section 10AA

Question 7 (b).**(5 Marks)**

Details of Income of Mr. R and his wife Mrs. R for the previous year 2021-22 are as under :

- (i) Mr. R transferred his self-occupied property without any consideration to the HUF of which he is a member. During the previous year 2021-22 the HUF earned an income of ₹50,000 from such property.
- (ii) Mr. R transferred ₹4,00,000 to his wife Mrs. R on 01.04.2006 without any consideration which was given as a loan by her to Mr. Girish. She earned ₹3,50,000 as interest during the earlier previous years which was also given as a loan to Mr. Girish. During the previous year 2021-22, she earned interest @ 11% per annum.
- (iii) Mr. R and Mrs. R both hold equity shares of 27% and 25% respectively in AMG Limited. They are also working as employees in such Company. During the financial year 2021-22 they have withdrawn a salary of ₹3,20,000 and ₹ 2,70,000 respectively.
- (iv) Mrs. R transferred 5,000 equity shares of RSB Ltd. on 17.09.2013 to Mr. R without any consideration. The Company issued 3,000 bonus shares to Mr. R in 2016. On 04.03.2022, Mr. R sold entire share holdings and earned ₹5,20,000 as capital gains.

Apart from above income, Mr. R has income from commission ₹4,00,000 and Mrs. R has interest income of ₹3,30,000.

Compute Gross Total income of Mr. R and Mrs. R for the assessment year 2022-23.