



6. Mr. X has received offers from companies of Delhi for service as under :

	Offer A (₹)	Offer B (₹)
Basic Salary	14,40,000	10,80,000
HRA	—	1,44,000
Travelling allowance (for coming to office from residence and back)	—	24,000
Contribution to approved superannuation fund by the employer	—	1,68,000
Mobile Phone	—	24,000
Total	14,40,000	14,40,000

Other Information :

a) His qualifying savings u/s 80C will be Rs. 1,20,000.

b) He will pay house rent Rs. 15,000 PM.

c) He needs mobile phone for private purposes.

Which offer should he accept and why ? Assume Mr. X has not opted for Section 115BAC of the Income Tax Act, 1961.

7. Explain the procedure for payment of TDS and penalty provisions for non-deduction of TDS.
8. Describe the different personal tax saving techniques with reference to old tax regime.

**SECTION – C
(Compulsory)**

Sri Dharmasri B. S. Chavhan
College of Business Administration, Mangalore
Post Graduate Centre for Management
Studies and Research (1x14=14)

Answer to this question should **not** exceed **6** pages.

9. Salary of an employee consist of basic. Dearness allowance and HRA as follows :

Basic Salary Rs. 75,000 PM

Dearness Allowance 57 percent of basic salary.

HRA 10 percent

Acceptable savings and investments of the employee for the financial year as follow :

Life Insurance : Rs. 7,500 PM and Term Insurance Rs. 24,000 PA

PPF Rs. 3,000 PM

Medical insurance for Self and dependent Rs. 35,000 PA

Sukanya Samriddhi Scheme Rs. 24,000 PA

National Pension Scheme Rs. 60,000 PA

He has availed a home loan on April 2021, whose instalment for the financial year 2025 - 26 is Rs 4,80,000 lakhs including the interest component of Rs. 2.5 lakhs for the registered value of Rs. 44 lakhs. He spends Rs. 80,000 for medical treatment of one handicapped dependent with 50 percent disability.

Compute his tax liability of employee for the Assessment Year.2026 - 27. Which tax regime best suits him ? Why ?