

CASE 13.2**Smt. Kamala Iyer**

Jaipur · 60 years or more but below 80 years · salary and pension

THE QUESTION**A. The case, in paragraphs**

1. Smt. Kamala Iyer, daughter of Shri Subramanian Iyer, was born on 22 November 1963 and is resident and ordinarily resident in India. Her permanent account number is AKJPI3856F and her Aadhaar number 7420-1935-6682. She lives at 14, Mangal Vihar, Tonk Road, Jawahar Nagar, Jaipur 302004, in the State of Rajasthan; her mobile number is 9829114570 and her e-mail address kamala.iyer@gmail.com.

2. She drew salary until retirement on 30 June and pension thereafter, both from Rajputana Cements Limited, whose tax deduction account number is JPRK03127F. The two together, in the gross amount, came to ₹ 31,20,000 for the tax year 2026-27. She received no perquisite and no profit in lieu of salary, and no allowance of any kind was paid to her. No professional tax is levied in Rajasthan.

3. She owns two houses, and no more, and is the sole owner of each, holding the whole hundred per cent in both. The first house, at 14, Mangal Vihar, Tonk Road, Jawahar Nagar, Jaipur 302004, in the State of Rajasthan, was in her own occupation throughout the year. She had acquired it with a loan of ₹ 30,00,000 from Bank of Baroda, Home Loan Account No. 29840600011257, sanctioned on 5 March 2016, the acquisition being completed in that year. Of the loan, ₹ 24,65,300 was outstanding on 31 March 2027, and the interest on it for the year came to ₹ 2,15,000.

4. The second house, at Plot 118, Shalimar Garden, Sahibabad Road, Shalimar Garden Extension, Ghaziabad 201005, in the State of Uttar Pradesh, was let for the whole year to Shri Devendra Nath Tyagi, whose permanent account number is BLQPT7734R, at a rent of ₹ 4,20,000, the whole of which was realised. She paid ₹ 21,000 to the local authority during the year. She had acquired that house with a loan of ₹ 20,00,000 from Punjab National Bank, Home Loan Account No. 0301007700045612, sanctioned on 18 July 2019; ₹ 16,72,800 of it was outstanding on 31 March 2027, and the interest on it for the year came to ₹ 1,45,000. No arrears of rent and no unrealised rent were received. The rent being below ₹ 50,000 a month, the tenant deducted no tax from it.

5. Her income from other sources was as follows —

Income	Amount
Interest credited to her savings bank account	₹ 31,000
Interest on fixed deposits, in the gross amount before the tax deducted	₹ 2,60,000
Dividend on listed equity shares, in the gross amount, declared and paid on 22 August 2026	₹ 1,40,000
Interest received on an income-tax refund	₹ 11,400
Total	₹ 4,42,400

6. She claims, under Chapter VIII, the following deductions, the particulars of which are to be furnished in Schedule XV of the return —

Payment	Amount	Policy / document no.
Life insurance premium — Life Insurance Corporation of India	₹ 38,000	LIC/2008/007315
Life insurance premium — ICICI Prudential Life Insurance Company Limited	₹ 21,000	ICPL/2014/362841
Contribution to provident fund	₹ 36,000	PF/TDS/2026-27/KI/0031582
Tuition fees, first child	₹ 32,000	JPC/2026-27/11842
Tuition fees, second child	₹ 28,000	JPC/2026-27/11843
Total — life insurance, provident fund and tuition fees	₹ 1,55,000	

Payment	Amount	Policy / document no.
Health insurance premium, paid otherwise than in cash — Star Health and Allied Insurance Company Limited	₹ 50,000	SHAI/2021/P348215
Interest on her deposits	₹ 2,91,000	

7. She paid advance tax at the Punjab National Bank, Jawahar Nagar branch, whose branch code is 0301127, by the challans below; the last of them was paid after the close of the year, at the same branch.

Date of deposit	Amount	Challan No.	Remarks
15 June 2026	₹ 35,000	00238	Advance tax
15 September 2026	₹ 55,000	01476	Advance tax
15 December 2026	₹ 60,000	02951	Advance tax
10 June 2027	₹ 80,000	06382	Self-assessment tax

8. Tax was deducted at source during the year as shown below. She claims the whole of it as credit in this tax year.

Deducted from	Amount	Deducted by	TAN / PAN
Salary and pension	₹ 4,90,000	Rajputana Cements Limited	JPRK03127F
Interest on her fixed deposits	₹ 26,000	State Bank of India	JPRS02914C
Dividend	₹ 14,000	Bharat Cements Limited	MUMB07219C
Total	₹ 5,30,000		

9. Any refund is to be credited to her savings account no. 65004321987 with the Punjab National Bank, the IFS code of that branch being PUNB0123400. It is the only account she holds in India.

10. She has no income from any business or profession and no capital gain, and no agricultural income. She is not a director in any company, she holds no unlisted equity share, no tax has been deducted from her on a cash withdrawal, and she has neither any asset nor any signing authority in any account outside India. She is not a representative assessee and files no return in response to any notice. She verifies and furnishes the return herself at Jaipur on 25 July 2027, on or before the due date of 31 July 2027, and it is not a revised return.

B. The same facts, field by field

How to read this question

The column headed Ref. is the number the field carries on the face of Form ITR-1 SAHAJ — A1 the Permanent Account Number, A4a the age category, A20 the regime, B1(i)(a) the gross salary, 1a to 1k the first house property and 2a to 2k the second — and the workbook prints the same references beside its fields (B1 to B4, C1 to C3 and D1 to D11 on the Income Details sheet, a to k on the HP sheet), so that every row can be found without counting down the sheet.

The tax year is 2026-27, running from 1 April 2026 to 31 March 2027. The return is furnished on 25 July 2027, within the due date of 31 July 2027.

Part A — general information

Ref.	Field	What is to be entered
A1	Permanent Account Number	AKJPI3856F
A2 / A2a / A3	First, middle and last name	Kamala / (none) / Iyer
A4	Date of birth	22/11/1963
A4a	Age category — the sheet computes it from A4	60 years or more but below 80 years
A5	Aadhaar number	7420-1935-6682
A6(a)	Primary mobile number	9829114570
A7(a)	Primary e-mail	kamala.iyer@gmail.com
A8(a)	Flat / Door / Block No.	14
A9(a)	Name of premises / building	Mangal Vihar
A10(a)	Road / Street / Post Office	Tonk Road
A10(a)	Area / Locality ★ mandatory	Jawahar Nagar
A11(a)	Town / City / District ★ mandatory	Jaipur
A12(a) / A13(a)	State / Country	Rajasthan / India
A14(a)	PIN code	302004
A15	Filed under section	263(1) — on or before the due date
A15a	Date on which the return is furnished	25/07/2027
A16 / A17	Notice / Nature of employment	Not applicable / Pensioners - Others
A18	Is this a revised return?	No
A20	Do you wish to opt out of the default regime? [section 202(4)]	No for Solution 1, the new regime; Yes for Solution 2, the old regime
A21 / A22	Return under the seventh proviso / representative assessee	No / No
Verification	Son or daughter of · capacity · place	Shri Subramanian Iyer · Self · Jaipur

Part B1 — salary and pension

Ref.	Particulars	Amount
B1(i)(a)	Salary drawn until retirement on 30 June, and pension thereafter, both from Rajputana Cements Limited, TAN JPRK03127F	₹ 31,20,000
B1(i)(b)	Value of perquisites	₹ 0
B1(i)(c)	Profits in lieu of salary	₹ 0
B1(ii)	Amounts excluded under Schedule II or Schedule III — no allowance of any kind was received	₹ 0
B1(iv)(b)	Entertainment allowance — no deduction under the Income-tax Act, 2025	₹ 0
B1(iv)(c)	Tax on employment — no professional tax is levied in Rajasthan	₹ 0

The standard deduction at B1(iv)(a) is computed by the sheet from the answer at (A20) and is never entered.

Part B2 — the two house properties

Ref.	Particulars	Property 1	Property 2
	Flat / Door / Block No.	14	Plot 118
	Premises / building	Mangal Vihar	Shalimar Garden
	Road / Post Office	Tonk Road	Sahibabad Road
	Area / Locality ★	Jawahar Nagar	Shalimar Garden Extension
	Town / City ★	Jaipur	Ghaziabad
	State · PIN	Rajasthan · 302004	Uttar Pradesh · 201005
	Occupancy	Self-occupied	Let out
	Co-owned? · share	No · 100%	No · 100%
	Name of the tenant	—	Shri Devendra Nath Tyagi
	PAN of the tenant	—	BLQPT7734R
1a / 2a	Gross rent received or receivable	Nil — self-occupied	₹ 4,20,000
1b / 2b	Rent which could not be realised	₹ 0	₹ 0
1c / 2c	Taxes paid to the local authority	₹ 0	₹ 21,000
1h / 2h	Interest on borrowed capital (col. vii)	₹ 2,15,000	₹ 1,45,000
h (i)	Loan taken from	Bank	Bank
h (ii)	Name of the bank / institution	Bank of Baroda	Punjab National Bank
h (iii)	Loan account number	29840600011257	0301007700045612
h (iv)	Date of sanction of the loan	05/03/2016	18/07/2019
h (v)	Total amount of the loan	₹ 30,00,000	₹ 20,00,000
h (vi)	Loan outstanding on 31/03/2027	₹ 24,65,300	₹ 16,72,800
1j / 2j	Arrears or unrealised rent received	₹ 0	₹ 0

Columns (i) to (vii) are the loan table under 1h / 2h in the HP sheet; column (vii) is the interest shown against 1h / 2h. Property 2 is let out, so its loan particulars are entered under both regimes. For Property 1, the self-occupied house, the interest is allowed only where (A20) is Yes, that is, for Solution 2; under the new regime the sheet greys out its loan table and it is left blank.

Part B3 — income from other sources

Ref.	Particulars	Amount
B3(a)	Interest credited to the savings bank account	₹ 31,000
B3(b)	Interest on fixed deposits, gross, before the tax deducted	₹ 2,60,000
B3(c)	Interest received on an income-tax refund	₹ 11,400
B3(d)	Dividend on listed equity shares, gross — declared and paid on 22 August 2026, so period (ii) — 16 June to 15 September 2026	₹ 1,40,000

Part C — the deductions claimed

Section	Particulars	Claimed
123	Life insurance premia, provident fund and the tuition fees of her children	₹ 1,55,000
126	Health insurance premia paid otherwise than in cash	₹ 50,000
153	Interest on deposits, the assessee being a senior citizen	₹ 2,91,000

Schedule XV — section 123: the payments, with their policy or document numbers

Sl. No.	Nature of payment	Amount eligible for deduction u/s 123	Policy number or Document Identification number
1	Life insurance premium	₹ 38,000	LIC/2008/007315
2	Life insurance premium	₹ 21,000	ICPL/2014/362841
3	Contribution to provident fund	₹ 36,000	PF/TDS/2026-27/KI/0031582
4	Tuition fees — first child	₹ 32,000	JPC/2026-27/11842
5	Tuition fees — second child	₹ 28,000	JPC/2026-27/11843

Schedule XV — section 126: details of insurance

Sl. No.	Name of the Insurer (Insurance company)	Policy Number	Health Insurance amount
1	Star Health and Allied Insurance Company Limited	SHAI/2021/P348215	₹ 50,000

These particulars are entered where (A20) is Yes, that is, for Solution 2. Every payment is entered at its full amount, exactly as it was paid.

Part E, Schedule IT and Schedule TDS

Ref.	IFS code	Name of the bank	Account number	For refund?
Part E B1	PUNB0123400	Punjab National Bank	65004321987	Yes

Schedule IT — advance tax and self-assessment tax paid by the assessee herself

Sl.	BSR code	Date of deposit	Challan No.	Tax paid	Which it is
R1	0301127	15/06/2026	00238	₹ 35,000	Advance tax
R2	0301127	15/09/2026	01476	₹ 55,000	Advance tax
R3	0301127	15/12/2026	02951	₹ 60,000	Advance tax
R4	0301127	10/06/2027	06382	₹ 80,000	Self-assessment tax

Every challan was deposited at the Punjab National Bank, Jawahar Nagar branch. A challan deposited on or before 31 March 2027 is advance tax under sections 404 to 408; one deposited after that date is self-assessment tax under section 266. On these facts the advance tax comes to ₹ 1,50,000 and the self-assessment tax to ₹ 80,000.

Schedule TDS — tax deducted at source, claimed in full in this year

Sl.	TAN of the deductor	PAN of the tenant	Name of the deductor	Section	Deducted
T1	JPRK03127F	—	Rajputana Cements Limited	392	₹ 4,90,000
T2	JPRS02914C	—	State Bank of India	393(1) Sl.5(ii)	₹ 26,000
T3	MUMB07219C	—	Bharat Cements Limited	393(1) Sl.7	₹ 14,000

The whole of the tax deducted is claimed as credit in this year, so the two money columns of the Schedule carry the same figure. No tax was deducted from the rent, the monthly rent being below ₹ 50,000.

The eligibility block, and other information

Ref.	Question	Answer
E1	Is the assessee a director in any company?	No
E2	Has she held any unlisted equity share?	No
E3	Has tax been deducted from her on a cash withdrawal?	No
E4	Has she any agricultural income?	No
E5	Has she any asset, or signing authority in any account, outside India, or is income-tax on any employee stock option deferred?	No
—	Residential status	Resident and ordinarily resident
—	Ownership of both house properties	Sole owner, one hundred per cent
—	Income from business or profession, and capital gains	None
—	Any other advance tax or self-assessment tax	None beyond Schedule IT

What you are required to do

Fill Form ITR-1 SAHAJ from the facts above, and compute the total income and the amount payable or refundable twice over, under each regime of the tax year.

- Solution 1 — the NEW regime, which is the default. Answer No at (A20); income-tax is computed under section 202(1).
- Solution 2 — the OLD regime. Answer Yes at (A20); the option under section 202(4) is exercised.

Note. Interest under sections 423, 424 and 425 is NOT COMPUTED in this paper. The rows remain on the form, because they are on the notified return, but nothing is worked out against them. In practical life the interest is charged, and the return of a real assessee would carry it.