

Let's assume that Raju works in Kolkata.

Particulars	Condition A (₹)	Condition B (₹)	Condition C (₹)
Basic $[42000 \times 12]$	5,04,000	5,04,000	5,04,000
DA $[17000 \times 12]$	2,04,000	2,04,000	2,04,000
CCA $[2000 \times 12]$	24,000	24,000	24,000
Other Allowances $[8000 \times 12]$	96,000	96,000	96,000
HRA	96,000	96,000	0
GROSS SALARY	9,24,000	9,24,000	8,28,000
Less: under section 10			
Exempt HRA [least of the following]			
a) Actual HRA 96000			
b) Rent paid - 10% of salary $108000 - 70800 \Rightarrow 37200$			
c) 50% of salary 354000	37200	0 [WN 1]	—
NET SALARY	8,86,800	9,24,000	8,28,000
Less: Deductions under section 80GG			
(least of the following)			
a) 5000 per month 60000			
b) Rent paid - 10% of salary $108000 - 70800 37200$			
c) 25% of salary 177000	—	—	37200
Total Taxable Income	8,86,800	9,24,000	7,90,800

Working note 1

Less: under section 10

Exempt HRA [least of the following]

- a) Actual HRA 96000
- b) Rent paid - 10% of salary 0
- c) 50% of salary 354000