



CA FINAL (May 2025)

GROUP I - PAPER 4

DIRECT TAX LAWS AND INTERNATIONAL TAXATION (Series 3)

Time Allowed: - 3 Hours

Maximum Marks: 100 Marks

This question paper comprises two parts, Div A and Div B. Div A comprises MCQ & Div B comprises questions which require descriptive answers.

Division A - Multiple Choice Questions (2 Marks Each)

Case Study 1

Mr. Arjun Kapoor, an Indian citizen, moved to Canada on July 1, 2014, for employment and has been staying abroad since then. He visited India during PY 2024-25 for 190 days.

He has the following sources of income during FY 2024-25:

1. Salary from Canada: ₹60 lakhs (received in a Canadian bank, but he works remotely for an Indian company for 4 months in the year).
2. House property in Delhi (rented to a tenant): ₹12 lakhs (rent received in his NRE account).
3. Capital Gains on shares of an Indian company: ₹25 lakhs (long-term, sold on NSE).
(Shared sold before 23.07.2024)
4. Interest on NRO Fixed Deposit in India: ₹5 lakhs.
5. Consultancy fees of ₹20 lakhs from an Foreign company for advisory services provided entirely from Canada.
6. Dividend from a US company: ₹3 lakhs (credited to a Canadian bank).
7. Agricultural income from land in Punjab: ₹10 lakhs.

1. What will be Arjun's residential status for A.Y. 2025-26?

- a. Resident & Ordinarily Resident (ROR)
- b. Resident but Not Ordinarily Resident (RNOR)
- c. Non-Resident (NR)
- d. Deemed Resident

2. Which of the following income will be taxable in India for Arjun?

- a. Salary from Canada
- b. Rental income from Delhi property
- c. Dividend from a US company
- d. Consultancy fees from an Foreign company (services provided from Canada)

3. What is the taxability of interest on the NRO fixed deposit of ₹5 lakhs?
- Fully taxable at 30% + SC + Cess
 - Taxable at 10% under DTAA with Canada
 - Exempt in India as per DTAA
 - Taxable at normal slab rates

Case Scenario II

A Ltd. is an Indian company which has invested in shares of other Indian and foreign companies. During the P.Y.2024-25, A Ltd. received dividend from these companies of Rs 13,15,000 and incurred 10000 of expenses to earn such income

A Ltd. declared and distributed dividend of Rs. 6 lakhs for the F.Y.2023-24 in December, 2024 and dividend of Rs. 7 lakhs for the F.Y.2024-25 in July, 2025.

Mr. Aakash and Mr. Aarav are two brothers, Both of them were born in India; their parents and grand parents were also born in India. Mr. Aakash is an Indian citizen who lives in Hyderabad. He is employed with a leading textile manufacturing unit at a salary of Rs. 1 lakh per month. His brother, Mr. Aarav is settled in Country Y since the year 2010.

He is a citizen of Country Y and is a partner with a software development firm in Country Y. His share of profit in the Country Y firm for the F.Y.2024-25 is CYD 1,20,000, which was credited to his bank account in Country Y. The value of one CYD may be taken as Rs. 25. He is not subject to income-tax in Country Y, since the share of profits of a firm is exempt in the hands of partners in Country Y. Mr. Aarav visits India for four months (in continuation) every year. He earns interest of Rs. 14 lakhs from fixed deposits with Bank of India.

- What is the amount of dividend income includible in the gross total income of A Ltd. for P.Y.2024-25 under the provisions of the Income-tax Act, 1961?
 - Rs. 11,85,000
 - Rs. 13,15,000
 - Rs. 13,05,000
 - Rs. 13,36,000
- What is the deduction allowable under section 80M to A Ltd. for P.Y.2024-25?
 - Rs. 6,00,000
 - Rs. 7,00,000
 - Rs. 9,20,000
 - Rs. 13,00,000
- What is the tax liability (rounded off) of Mr. Aakash for P.Y.2024-25 under the provisions of the Income-tax Act, 1961 if he opts for 115BAC?
 - Rs. 1,04,830
 - Rs. 1,03,580
 - Rs. 1,78,780
 - Rs. 71,500
- What is the residential status of Mr. Aarav for A.Y.2024-25?
 - Resident and Ordinarily resident
 - Resident but not ordinarily resident
 - Non-resident
 - Deemed resident

5. What is the tax liability (rounded off) of Mr. Aarav under the provisions of the Income-tax Act, 1961 for A.Y.2024-25, if he opts out for 115BAC?

- a. Rs. 2,64,260 b. Rs. 2,60,520 c. Rs. 2,41,800 d. Rs. 1,75,760

Case Scenario III

The following are the particulars relating to four Indian companies, namely, A Ltd., B Ltd., C Ltd. and D Ltd

Particulars	A Ltd.	B Ltd.
Date of setting up/registration	1.9.2019	1.11.2023
Main object	Manufacture of Steel	Manufacture of apparel
Place	Madhya Pradesh	Warangal in Telengana
Value of new plant and machinery installed and put to use on the date of setting up of the company	10 crore	4 crore
Gross Total Income of P.Y.2023-24	4.90 crore	2.80 crore
No. of new employees employed on the date of setting up of the company	1000	1000
Monthly emoluments to employees by account payee cheque:		
500 employees	24,000 per employee	24,000 per employee
500 employees	25,100 per employee	26,000 per employee
Particulars	C Ltd.	D Ltd.
Date of setting up/registration	1.4.2000	1.1.2005
Main object	Trading in leather goods	Trading in food grains
Place	Tamil Nadu	Karnataka
Turnover		
P.Y.2019-20	347 crore	201 crore
P.Y.2020-21	395 crore	225 crore
P.Y.2021-22	499 crore	251 crore

P.Y.2022-23	350 crore	342crore
P.Y.2023-24	424 crore	380crore
Details of income returned & assessed for A.Y. 2024-25		
As per return of income filed	14 crore	17 crore
Income determined u/s 143(1)(a)	16 crore	20crore
Income assessed u/s 143(1)(a)	20 crore	22 crore

From the information given above, choose the most appropriate answer to the following questions

- What would be the tax liability (rounded off) of B Ltd. for A.Y.2024-25, if it avails the beneficial tax rates under the special provisions of section 115BAA/115BAB, as the case may be, by fulfilling the conditions specified thereunder? Assume that the gross total income reflects the computation under the special provisions.
 - Rs. 70,47,040
 - Rs. 22,88,000
 - Rs. 25,16,800
 - Rs. 17,16,000
- What would be the tax liability (rounded off) of A Ltd. for A.Y.2024-25, if it avails the beneficial tax rates under the special provisions of section 115BAA/115BAB, as the case may be, by fulfilling the conditions specified thereunder? Assume that the gross total income reflects the computation under the special provisions.
 - Rs. 1,23,32,320
 - Rs. 59,89,980
 - Rs. 14,59,740
 - Rs. 9,95,280
- What would be the total income (rounded off) of A Ltd. and B Ltd. for A.Y.2024-25, if they do not opt for the special provisions of section 115BAA/115BAB, as the case may be? Assume that the gross total income reflects the computation under the special provisions.
 - Rs. 2,90,00,000; Rs. 2,40,00,000
 - Rs. 58,00,000; Rs. 2,40,00,000
 - Rs. 2,90,00,000; Rs. 60,00,000
 - Rs. 4,90,00,000; Rs. 60,00,000
- What would be the quantum of penalty payable by C Ltd. under section 270A, assuming that the under-reporting of income is not due to mis-reporting and none of the additions made in the assessment qualifies under section 270A(6)? Assume that C Ltd. has not opted for the special provisions under section 115BAA/115BAB, as the case may be.
 - Rs. 58,24,000
 - Rs. 69,88,800
 - Rs. 87,36,000
 - Rs. 1,04,83,200

5. What would be the quantum of penalty payable by D Ltd. under section 270A, assuming that the under-reporting of income is due to misreporting? Assume that D Ltd. has not opted for the special provisions under section 115BAA/115BAB, as the case may be.
- a. Rs. 1,16,48,000 b. Rs. 1,39,77,600 c. Rs. 2,91,20,000 d. Rs. 3,49,44,000

Case study IV

On 1.4.2023, UI Ltd., an Indian company, borrowed Rs. 50 crores@9.5% p.a. from M Inc., a US entity, thereby increasing its total borrowings to Rs. 65 crores. The said loan is guaranteed by H Inc., another US entity. The place of effective management of both M Inc. and H Inc. is in the USA. The total assets of UI Ltd. is Rs. 180 crores.

UI Ltd. imported turbo equipment worth Rs. 30 crores from H Inc. Import duty of Rs. 4.50 crores on the same was paid by UI Ltd. The equipment was sold to T Ltd. for Rs. 40 crores. Normal GP margin of UI Ltd. in similar uncontrolled transaction is 20%.

Net profit of UI Ltd. of A.Y.2024-25 was Rs. 8 crores after debiting interest of Rs. 6 crores (out of which Rs. 1.25 crores interest pertaining to local borrowings), depreciation of Rs. 2.5 crores and income tax of Rs. 1.5 crores.

From the information given above, choose the most appropriate answer to the following questions

1. What is the amount of interest to be allowed in the computation of total income of UI Ltd. for A.Y. 2024-25, if for A.Y. 2023-24 there was an interest expenditure disallowed to the extent of Rs. 4 crores under section 94B?
a. Rs. 6,65,00,000 b. Rs. 4,75,00,000 c. Rs. 6,00,00,000 d. Rs. 3,65,00,000
2. The transfer pricing adjustment for the arm's length purchase price to be made in the computation of total income of UI Ltd. for A.Y. 2024-25 would be -
a. Rs. 3,00,00,000 b. Rs. 2,50,00,000 c. Rs. 2,00,00,000
d. No adjustment is required, since transfer pricing adjustment cannot result in reduction of income

Part-B

Question no.1 is compulsory.

Attempt any four questions from the rest.

Question 1A. (14 Marks)

Sankar Ltd, engaged in the manufacture of footwear and leather products, for the past 8 years, reported a net profit of ₹ 272 lakhs as per the statement of profit and loss for the year ended 31st March, 2025. The company was subject to tax audit u/s 44AB of the Income tax Act, 1961. The net profit is arrived at after debiting or crediting the following amounts:

- (i) Depreciation charged on the basis of useful life of assets as per Companies Act is ₹32 lakhs.
- (ii) A sundry creditor whose amount of ₹32 lakhs was outstanding since long time, has been settled for ₹26 lakhs on 31st March, 2025 based on compromise settlement. The amount waived has been credited to the statement of profit and loss.
- (iii) Employers' contribution to EPF of 3 lakhs for the month of March, 2025 was deposited on 29th July, 2025.
- (iv) Interest payments debited ₹30 lakhs (Includes interest on term loan of ₹25 lakhs availed on 1-4-2024 at interest rate of 12% p.a towards purchase of machinery during the year).
- (v) Payment of ₹30 lakhs to A & Co., a subcontractor, for processing raw leather without deduction of tax is debited to statement of profit & loss. This amount includes ₹20 lakhs for purchase of chemicals and ₹10 lakhs towards labour charges which is separately shown in bills submitted.

Additional Information:

- (1). Company has not made provision for an amount of 12 lakhs being a fair estimate of the amount as payable to workers towards periodical wage revision once in 3 years in respect of existing employees. The provision is estimated on a reasonable certainty of the revision. once in 3 years.
- (2) The WDV of assets before allowing depreciation as per Income-tax Rules are as under:

Factory Buildings:	₹180 lakhs;
Plant & Machinery	₹170 lakhs (inclusive of 30 lakhs of machinery acquired on 1.11.23 and put to use)
Computers:	₹15 lakhs

It may be noted that the above values have been duly recognised while providing depreciation in the books of accounts.

- (3) During the year 2024-25, the company has employed 24 additional employees (qualified as "workman" under the Industrial Disputes Act, 1947). All these employees contribute to a recognized provident fund. 10 out of 24 employees joined on 1.6.2024 on a salary of ₹23,000 per month, 4 joined on 1.7.2024 on a salary of ₹26,000 per month, and 8 joined on 1.11.2024 on a salary of 20,000 per month. The salaries of 2 employees who joined on 1.6.2024 are being settled by bearer cheques every month.
- (4) Employees contribution to EPF of ₹3 lakhs recovered from their salaries for the month of March 2025 and shown in the Balance Sheet under the head Sundry Creditors was remitted on 31st May, 2025.

Compute the total income and tax payable of Sankar Ltd. for the Assessment Year 2025-26. The turnover of the company for the year ended 31.3.2023 was 252 crores. Ignore the provisions of MAT. Ignore the provisions of section 115BAC.

Question 2A. (5 Marks)

Ms. Mishika has entered into an agreement with M/s RG Build Limited on 25.04.2019 in which she agrees to allow such Company to develop a shopping mall on land owned by her in New Delhi. She purchased such land on 05.05.2009 for ₹15,00,000. In consideration, M/s RG Build Limited will provide 20% share in shopping mall to Mishika. Certificate of completion of shopping mall was issued by authority as on 26.12.2024. On such date, Stamp duty value of shopping mall was ₹ 8,28,00,000. Subsequently on 18.03.2025, she sold her 15% share in shopping mall to Mr. Ketav in consideration of ₹3,50,00,000.

She has also purchased a house on 09.05.2024 in consideration of ₹46,00,000 and occupied for own residence. Punjab National Bank has sanctioned a loan of ₹ 35,50,000 (80% of stamp value) at the interest rate of 12% per annum on 01.05.2024 and disbursement was made on 01.06.2024. She does not own any other residential house on the date of sanction of loan. Principal amount of ₹1,30,000 was paid on 31.03.25. Cost Inflation Indices: 2024-25: 363, 2019-20:289, 2009-10: 148

Compute total income of Ms. Mishika for the assessment year 2024-25 assuming that she has not opted for the provisions under section 115BAC.

Question 2B. (4 Marks)

Mr. Amar grows sugarcane and uses the same for the purpose of manufacturing sugar in his factory. 40% of sugarcane produce is sold for ₹22 lakhs, and the cost of cultivation of such sugarcane is ₹16 lakhs. The cost of cultivation of the balance sugarcane (60%) is ₹25 lakhs and the market value of the same is ₹45 lakhs. After incurring ₹1.5 lakhs in the manufacturing process on the balance sugarcane, the sugar was sold for ₹ 50 lakhs. Compute Amar's business income and agricultural income.

Question 2C. (5 Marks)

ABC Ltd., Canada holds 35% shares in LMN Ltd., India. LMN Ltd. develops software and does both onsite and offsite consultancy services for the customers. LMN Ltd. during the year billed ABC Ltd. Canada for 120 man-hours at the rate of ₹ 1,800 per man hour. The total cost (direct and indirect) for executing this work amounted to ₹ 3,25,000.

However, LMN Ltd. billed XYZ Ltd., India at the rate of ₹ 2,800 per man hour for the similar level of manpower and earned a Gross Profit of 50% on its cost.

The transactions of LMN Ltd. with ABC Ltd. and XYZ Ltd. are comparable, subject to the following differences:

- While LMN Ltd. derives technology support from the ABC Ltd., there is no such support from XYZ Ltd. The value of technology support received from ABC Ltd. may be put at 18% of normal gross profits.
- As ABC Ltd. gives business in large volumes, LMN Ltd. offered to ABC Ltd., a quantity discount which may be valued at 10% of normal gross profits.
- In the case of rendering services to ABC Ltd., LMN Ltd. neither runs any risk nor incurs any marketing costs. On the other hand, in the case of services to XYZ Ltd., LMN Ltd. has to assume all the risk and costs associated with the marketing function which may be estimated at 12% of the normal gross profits.
- LMN Ltd. offered one month credit to ABC Ltd. The cost of providing such credit may be valued at 2% of the gross profits. No such credit was given to XYZ Ltd.

Compute the Arm's Length Price along with income to be increased under the Cost Plus Method.

Question 3A. (8 Marks)

M/s Turnip LLP is engaged in export of computer software from a Special Economic Zone. It commenced its business on 1.4.2019. Compute tax payable of M/s Turnip LLP for the A.Y. 2025-26 from the following information:

The net profit of the firm as per its Profit & Loss Account for the year ended 31-3-2025 was ₹330 lakhs after debit/credit of the following items:

- (1) Advertisement in a souvenir published by a political party ₹2.5 lakhs.
- (2) Remuneration to its working partners ₹220 lakhs
- (3) Interest provided on the current account balance of the partners @ 15% p.a. ₹ 22.5 lakhs
- (4) Depreciation ₹25 lakhs

Additional Information:

- a. Depreciation allowable as per Income-tax Rules is ₹30 lakhs.
- b. Payment of remuneration to working partners and interest on current account is authorized by the Partnership Deed.
- c. Brought forward business loss and depreciation from Assessment Year 2022-23 was ₹50 lakhs and ₹30 lakhs respectively.
- d. The total turnover and export turnover of the firm was ₹25 crores and ₹20 crores, respectively.

Question 3B (6 Marks)

The following are the particulars of income of four investment funds for P.Y.2024-25:

Particulars	A	B	C	D
₹ in lakh				
Business Income		2	(2)	5
Capital Gains	16	14	(6)	20
Income from other sources	4	4	8	(2)

Compute the total income of the investment funds and each unitholder for A.Y.2025-26, assuming that:

1. each investment fund has 20 unitholders each having one unit held by them for a period exceeding 12 months; and
2. income from investment in the investment fund is the only income of the unitholder

If Investment Fund C has the following income components for A.Y.2026-27, what would be the total income of the fund and the unit holder for that year?

Business Income ₹ 2 lakh

Capital Gains ₹ 9 lakh

Income from Other Sources ₹ 8 lakh

Question 4A. (8 Marks)

Mr. Rohan (33 years) is a resident individual. He does not submit his return of income for the AY 2022- 23 u/s 139(1)/(4). Income-tax Department has not initiated any proceeding for the AY 2022-23. He intends to submit return of income for the AY 2022-23 u/s 139(8A) on 10th December, 2023. The following information is available:-

Total Income for AY 22-23	45,15,000
Advance Tax paid on 1st January, 2022	3,00,000
TDS/TCS as per 26AS	70,000

Due date of return filing is 31st July, 2022. Mr. Rohan wants to know whether (or not) updated return can be submitted and tax liability which he is required to pay. Assume assessee not opted 115BAC.

Question 4B. (6 Marks)

ABC (P) Ltd., Bangalore is engaged in the manufacture of electronic goods and exporting the same to various associated and other enterprises across Southeast Asia. The report with respect to its international transactions with AE has been furnished for all years. The company has applied for APA in respect of the transactions with its AE. Application was filed on 15th February 2023 which was signed on 5th May 2023.

The company also applied in respect of the international transactions to which APA applies for rollback benefit which was agreed and signed in January 2024. The details of the status of income tax assessments are as follows:

- A.Y. 2018-19 - The matter is pending before High Court with regard to acquisition of a company by the assessee and the dispute is about set off of loss of the erstwhile company.
- A.Y. 2019-20 and A.Y. 2020-21 - There is no dispute and the assessments have been completed.

- A.Y. 2021-22 - The assessment for the A.Y. 2021-22 was completed by making reference to the TPO who enhanced the arm's length price of the international transaction by ₹ 500 lakhs.
- A.Y. 2022-23 - ALP of international transaction was disputed before the tribunal which set aside the order for fresh consideration by the Assessing Officer in November 2023.
- A.Y. 2023-24 - The income tax return ('ITR') was filed on 29th December 2023.

If the APA is applied, the ALP determined for the A.Y. 2021-22 would get enhanced by ₹ 300 lakhs as against ₹ 500 lakhs originally determined by TPO.

Discuss the applicability of rollback agreement for various assessment years in case of ABC (P) Ltd.

Question 5A (6 Marks)

STYLE Inc., a notified Foreign Institutional Investor (FII), derived the following incomes for the financial year 2024-25:-

- (1) Interest received on investment in Rupee Denominated Bonds of ABC Ltd., an Indian company (investment was made in the F.Y.2022-23) - ₹ 17,00,000
- (2) Dividend from listed shares of Indian companies - ₹ 6,20,000
- (3) Interest on securities - ₹ 17,32,000 (Expenses of ₹ 26,000 has been incurred to earn such income)
- (4) Income from sale of securities and shares:

(i) **Bonds of J Ltd. [Date of purchase 5 May, 2018;**

Date of sale 7 March, 2025]

Sale proceeds : ₹ 47,00,000

Cost of purchase : ₹ 32,00,000

Cost Inflation Index: F.Y.2018-19:272; F.Y.2024-25:363

(ii) **Listed Shares of E Ltd.**

[Date of purchase - 2 May, 2024; Date of sale - 9 February, 2025]

Sale Consideration ₹ 12,40,000

Purchase cost ₹ 7,80,000

[STT paid both at the time of purchase and sale]

(iii) **Unlisted equity shares of M Ltd.**

[Date of purchase - 1 July, 2024; Date of sale - 7 March, 2025]

Sale Consideration ₹ 8,40,000

Purchase cost ₹ 3,72,000

Compute the total income and tax liability of the FII, STYLE Inc., for the P.Y. 2024-25 as per section 115AD, assuming that no other income is derived by STYLE Inc. during the F.Y.2024-25.

Question 5B. (4 Marks)

Explain the correctness or otherwise of the following statements giving proper reasons thereof:

- A. Mr. Rikky, a resident individual, is aggrieved by an order passed by the Board for Advance Ruling on 1.10.2023. Since the decision of the Board is binding on the applicant, he has no other option but to accept the ruling of the Board.
- B. M/s Aritri Ltd., an Indian public sector company, wants to seek advance ruling from the Board for Advance Ruling (BOAR) in respect of a matter relating to computation of its total income involving a question of law relating to such computation. However, the matter is already pending before the Income-tax Appellate Tribunal (ITAT) as on the date of application for advance ruling i.e., 12.12.2023. It cannot seek the BOAR ruling till the matter is pending before the ITAT.

Question 5C. (4 Marks)

Mr. Z, a resident individual, starts a new business on 01-11-2024 for sale of unique T-shirts. He obtained a valid PAN in his name and registers himself on ABC.com (a Singapore based website), an e-commerce operator, for sale of his products in India.

Mr. Z sold goods worth 60 lakhs through ABC.com upto 31-03-2025. E-commerce operator credited the following payments from time to time payable to Mr. Z in its books of accounts.

31-12-2024	₹ 20 lakhs
28-02-2025	₹ 15 lakhs

Full and final payments have been released by ABC.com to Mr. Z on 31-03-2025 after deducting a commission of 10% on gross sale proceeds.

Mr. Z received ₹10,00,000 directly in his bank out of above ₹60 lakhs through PayTM Wallet directly connected by ABC.com to the account of Mr. Z.

Discuss the TDS provisions applicable on the above transactions alongwith the date and amount of tax deductible.

Question 6A. (8 Marks)

Mr. Kamesh, an individual resident in India aged 52 years, furnishes you the following particulars of income earned in India, Country "X" and Country "Y" for the previous year 2024-25. India has not entered into double taxation avoidance agreement with these two countries.

Particulars	₹
Income from profession carried on in India	7,50,000
Agricultural income in Country "X" (gross)	50,000
Dividend from a company incorporated in Country "Y" (gross)	1,50,000
Royalty income from a literary book from Country "X" (gross)	6,00,000
Expenses incurred for earning royalty	50,000
Business loss in Country "Y" (Proprietary business)	65,000
Rent from a house situated in Country "Y" (gross)	2,40,000
Municipal tax paid in respect of the above house in Country "Y" (not allowed as deduction in country "Y")	10,000

Note: Business loss in Country "Y" not eligible for set off against other incomes as per law of that country. The rates of tax in Country "X" and Country "Y" are 10% and 20%, respectively.

Compute total income and net tax liability of Mr. Kamesh in India for Assessment Year 2025-26, assuming that he opted out of the default tax regime under section 115BAC.

Question 6B. (6 Marks)

M/s Mahan Charitable Trust is running an Institution with hostel facility for the orphan children. It is registered u/s 12AB.

- a. Voluntary contributions received during the year ₹150 lakhs. This includes:
 - (i) Corpus donation ₹20 lakhs
 - (ii) Donation of 20 lakhs from Mr. Michael, a foreign donor, which was received on 31-3-2024.
- b. Salary paid to teachers and administrative staff ₹40 lakhs.
- c. Other general expenses ₹10 lakhs include payment to grocery stores of ₹30,000 by crossed cheque.
- d. A land belonging to the Trust in a nearby village which was purchased in the year 2022-23 for ₹5 lakhs was sold for ₹10.50 lakhs and another land adjacent to the Trust premises was purchased for ₹12 lakhs to be used as playground for the children.
- e. Five laptops costing ₹50,000 each were purchased during the year for teaching purposes.
- f. The Trust had accumulated ₹30 lakhs u/s 11(2) for 5 years in the financial year 2019-20 for constructing a school building. Amount spent for the said purpose till 31-3-2024 was ₹27 lakhs. The project is completed with a saving in project cost.
- g. Two additional rooms measuring 1500 sq. ft each was constructed in the existing hostel for the children. Cost of construction is ₹1200 per sq. ft.
- h. It made a corpus donation of ₹20 lakhs to a charitable trust registered u/s 12AB having similar objects.

Compute taxable income of Mahan Charitable Trust for the assessment year 2024-25. Support your answer with necessary working notes.