



F.No.NC-270 / 123 / 2001

भारत सरकार
वित्त मन्त्रालय
राजस्व विभाग
सामाजिक और आर्थिक कल्याण की
अभिवृद्धि के लिये राष्ट्रीय समिति

Government of India
Ministry of Finance
Department of Revenue
National Committee for Promotion
of Social and Economic Welfare

New Delhi, dated the 30th March, 2007

To,

The Trustee,
Shraddha Rehabilitation Foundation,
Shraddha Mansarovar, Opp. Eskay Club,]
Off New Link Road, Borivali (West),
Mumbai - 400 103.

Sub:- Request for Amendment of Notification S.O.No. 1273(E) dated 09.12.2002.

Sir,

Please refer to your letter on the above captioned subject. Find enclosed herewith a copy of the Notification S.O.No. 488(E) dated 29.03.2007 amending Notification No. 1273(E) dated 09.12.2002.

2. The approval is subject to the following conditions:-


- (vii) Out of total beneficiaries of the project, at least 50% beneficiaries must belong to economically weaker sections of the society whose income is below Rs. 18000 per annum and they should be provided freeship. However, this shall not apply to cases, where the services or facilities are to be provided free of cost completely to all the beneficiaries.
- (ii) A complete record of such beneficiaries is maintained including their names and addresses, the nature of services provided and the fee charged, if any. The record should be open for verification at any given time
- (iii) Violation of conditions may entail taxation of the entire amount of donation in the hands of the institution.

- (iv) A complete record of projects undertaken, its location, specific activities done, amount spent on each activity and the assets, if any, created should be maintained for verification, if necessary.
 - (v) The institution would file a report from a Chartered Accountant alongwith the return of income of each assessment year certifying that the existing records of the Institution adequately demonstrate that 50% of total beneficiaries came from the economically weaker sections of the society and that full benefits were rendered to them free of cost.
 - (vi) The trust should display public notices at prominent places indicating the extent of services to be provided alongwith the free or concessional benefits and the facilities, which are reserved for people belonging to weaker sections of the society who will not be charged any fee. The address and contact numbers of the office of National Committee (being the approving authority) must also be displayed.
3. In term of Rule 11K(iv) of the Income Tax Rules, 1962, the organization is required to maintain a separate account for each approved project. In addition to inspection by the Income Tax Department, the accounts shall be open for inspection of the National Committee or any official deputed by the Committee for this purpose.
4. It may be ensured that Annual Status Reports are duly submitted in respect of the approved project indicating the amount of donations collected/received under Section 35AC of the Income Tax Act,1961; the amount spent and the extent of work carried out, duly certified by a senior executive of the organisation/Institution alongwith photographs relating thereto, if any, in the prescribed Form 58D. The status reports should be sent in the prescribed format only. Additional comments, if any, may be sent separately, but in no case, shall any annual report or performance report be accepted as a substitute for the prescribed status report in form 58D. These reports have to be prepared and submitted as on 31st March of every year alongwith a statement of accounts, and addressed to the Secretary (National Committee) so as to reach the Secretariat of the National Committee by 31st May of every year.
5. While receiving the donations u/s 35AC of the I.T. Act,1961 for the notified project, it may be ensured that receipts are issued in the form 58-A/58-B. These certificates are required to be issued in terms of Income Tax Rule 110 and specimen of these forms are available in the Income Tax Rule,1962.
6. On completion of the project or scheme, a final report has also to be submitted alongwith a certificate from the Local Administration/ Gram Panchayat in all such cases where assets created were to be handed over to such authorities.

7. Failure to conform to these terms and conditions may result in the withdrawal of the approval of the project or scheme and will also be taken note of while considering any other project or scheme submitted by an Association/Institution/Organisation. The withdrawal of approval may entail taxation of the entire amount of donation in the hands of the organisation.

8. Receipt of this letter may please be acknowledged.

Yours faithfully,



(Radha Krishan)

Section Officer (National Committee)

Copy to :-

CCIT (Mumbai-I) alongwith a copy of the notification with a request to forward the same to the CIT concerned.

(Radha Krishan)

Section Officer (National Committee)

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART-II,
SECTION 3, SUB-SECTION (ii)]
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(Department of Revenue)

NOTIFICATION

New Delhi, dated the 29th March, 2007

S.O. 488 (E).- Whereas by notification of the Government of India in the Ministry of Finance (Department of Revenue), number S.O.1273(E) dated the 9th December, 2002, issued under sub-section (1) read with clause (b) of the Explanation to section 35AC of the Income-tax Act, 1961 (43 of 1961), the Central Government had specified at serial number 11, for Shraddha Rehabilitation Foundation- Centre for mentally ill destitute. Garnet, Behind Shanti Ashram, Borivli (W), Mumbai-400003, by Shraddha Rehabilitation Foundation, Garnet, Behind Shanti Ashram, Borivli (W), Mumbai-400 003, as an eligible project or scheme for a period of three years beginning with assessment year 2003-2004 and which was extended further vide notification number S.O.1598(E) dated the 14th November, 2005 for a period of three years beginning with financial year 2005-2006;

And whereas the said project or scheme is likely to extend beyond six years;

And whereas the National Committee for Promotion of Social and Economic Welfare, being satisfied that the said project or scheme is being executed properly, made a further recommendation under sub-rule (5) of rule 11M of the Income-tax Rules, 1962 for specifying the said project or scheme for a further enhancing the project cost from Rs.43.30 lakhs to Rs. 150.00 lakhs;

Now, therefore, the Central Government, in exercise of the powers conferred by sub-section (1) read with clause (b) of the Explanation to section 35AC of the Income-tax Act, 1961 (43 of 1961), -

(a) hereby specifies the scheme or project for Shraddha Rehabilitation Foundation, Centre for mentally ill destitute. Garnet, Behind Shanti Ashram, Borivli (W), Mumbai-400003, which is being carried out by Shraddha Rehabilitation Foundation, Garnet, Behind Shanti Ashram, Borivli (W), Mumbai-400 003; and

(b) further amends the said notification number S.O.1273(E) dated the 9th December, 2002, to the following effect, namely :-

In the said notification, in the Table against serial number 11, in column (4), relating to maximum amount of cost to be allowed as deduction under section 35 AC, for the letters, figures and word "Rs.40.30 lakhs", the letters, figures and word "Rs. 150.00 lakhs" shall be substituted.

[No 125 /2007/ F.No. NC-274/03/2007]



J.P. Chandrakar,
Deputy Secretary (National Committee)