



F.No. V-27011/511/2010-SO(NAT-~~COM~~)

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 15<sup>th</sup> June, 2011

To,

Rosi Foundation,  
(Rural Organising For Social Improvement),  
No.3889, MRM Building,  
South Second Street,  
Pudukkottai 622001,  
Tamilnadu.

Subject : Notification under Section 35AC of the Income Tax Act,1961 as recommended by the National Committee for Promotion of Social and Economic Welfare – regarding.

Sir,

I am directed to refer to your letter on the above mentioned subject and to say that on the basis of recommendations of the National Committee for Promotion of Social and Economic Welfare (Department of Revenue), New Delhi, it has been decided to approve your Association/Institution and the project as notified under Notification No. S.O. 1370(E) dated 14.6.2011 a copy of which is enclosed for your ready reference.

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

- (i) 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 31<sup>st</sup> 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 31<sup>st</sup> 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(Chennai) alongwith a copy of the notification with a request to forward the same to the CIT concerned.

(Radha Krishan)

Section Officer (National Committee)

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SECTION 3, SUB-SECTION (ii)]

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
(Department of Revenue)

NOTIFICATION

New Delhi, dated the 14<sup>th</sup> June, 2011

S.O. 1370(E).- 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), the Central Government, on the recommendations of the National Committee for Promotion of Social and Economic Welfare, hereby notifies the institutions approved by the said National Committee, mentioned in column (2) of the Table below, and approves the eligible projects or schemes specified to be carried on by the said institutions and the estimated cost thereof as mentioned in column (3) of the said Table, and also specifies in the column (4) of the Table the maximum amount of such cost which may be allowed as deduction under the said section 35AC for the period of approval, namely:-

TABLE

Serial Number	Name of the Institution	Project or scheme and estimated cost thereof	Maximum amount of cost to be allowed as deduction under section 35AC
	(2)	(3)	(4)
1.	Subhag Mahila Utkarsh Trust, Plot No.2234-F, Fulwadi, Hill Drive, Bhavnagar 364 002, Gujarat.	Recurring cost of short stay home and help line for distressed and destitute women, vocational training for unemployed women.  (Cost of Rs. 2.58 crore including a corpus fund of Rs. 25 lakh)	Rs. 2.58 crore including a corpus fund of Rs. 25 lakh for three financial years commencing with 2011-12 i.e. 2011-12, 2012-13 & 2013-14.
2 ✓	Rosi Foundation, (Rural Organising For Social Improvement), No.3889, MRM Building, South Second Street, Pudukkottai 622001, Tamilnadu.	Comprehensive Development of the most backward tribe people.  (Cost of Rs. 3.04 crore)	Rs. 3.04 crore for three financial years commencing with 2011-12 i.e. 2011-12, 2012-13 & 2013-14.