DECODING THE AUDIT OF THE CHARITABLE TRUSTS OR INSTITUTIONS WITH ANALYSIS OF FORM NO. 10B & 10BB

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WHYTRUST & SOCIETY

- ☐ India Has long history of civil society based in concept of Daana (Donation) and Sewa (service) and has long established tradition of charitable engagements
- As per Bhagwat Geeta Shloka 18.6- Lord krishna says 'Act of sacrifice, Charity & penance not to be given up, but should be performed. Indeed sacrifice, charity & penance purify even the great souls.
- ☐ Futher, No matter how strong and self sufficient a government is but always needed help as wells as collaboration from civilized society & charitable organizations to carry on work for upliftment of the society.
- ☐ Traditionally civilized society, as per their respective caste and customs performed the act of charity, but in unorganized manner, therefore to get these group organized various Trust and Societies Acts were enacted at National as well as State Level.

VOLUNTEERISM

- Involvement of oneself into community services with one's own free will (Voluntarily).
- □ Volunteerism helped in penetrating advantages of education, services, facilities, opportunities and modern techniques to, the remote parts of India.
- □ It has created hopes in the lives of people.
- □ Actions taken due to free will are more effective and efficient.
- □ "Be the change you wish to see in the world"
 - Mahatma Gandhi

CHARITY - General Term

- Meaning Denotes the practice of giving and sharing.
 Also Known as:
- Zakat (Compulsory in Islam)
- □ Dan (Hinduism / Jainism)
- □ Kar Seva (Sikhism)
- □ Sadaqah (Voluntary in Islam)
- □ Daswansh (Christianity) Involvement of oneself into community services with one's own free will (Voluntarily)

DEVELOPMENT

- ☐ It is a state of well being
- ☐ It is a process of change.
- □ Synonymous to Economic Growth, Social Upliftment, Political Changes, Modernization, Improvement in quality of life, justice, sustainability, freedom.
- □ In General, it is the capacity of the state to increase its human resource with the aim of achieving higher outcome of production for satisfaction of basic need of majority of its citizens and empowering them to make demands to their government.

NGO, NPOS, TRUST, SOCIETY - Means

- NGO Stands for Non Government Organization
- NPO Stands for Non Profit Organization
- □ Trust Stands for Public Charitable Trust
- □ The word NGOs includes Foundations, Charitable Trusts, Institutions, Colleges, Hospitals, Religious Institutions, Service Clubs, Associations, Chambers of Associations, Professional Associations, Sports Association, Wel- Fare Association, Voluntary Organizations, Non Profit Organizations, Society Samiti, Committee, Civil Society, Development Organizations etc.,

History and Background of NGO in India

- □ Initially took the form of Charity, Philanthropy, Construction of temples, dharmashalas, shramdaan, annadaan, vastradaan, gyaandaan.
- □ Took a Concrete form with the appearance of Swami Vivekananda and setting up of Ramakrishna Mission. The mission is providing services in the field of education, health, relief etc.

CONSTITUTIONAL FRAME WORK

Charities can be formed in multiples ways and may be subject to various acts of legislation. The right of all citizens to form associations or unions is guaranteed by the constitution of India Article 19(1)(c). "Charities and Charitable Institution, charitable and endowments and religious institutions" is a subject of concurrent list of the Seventh Schedule to the Constitution of India, where both the centre and the states are competent to legislate and regulate charitable organisations. Under Schedule VII of the Indian Constitution, the subject "Trust and Trustees" finds mention at Entry No: 10 in the Concurrent List and "Charities & Charitable Institutions and Charitable and religious endowments and religious institutions" finds place at Entry No: 28.

CONSTITUTIONAL FRAME WORK

Introduction Charity is a concurrent subject under the 7th schedule, List III, Item 28, of the Constitution of India, which means that both the central and the state governments are competent to legislate on this subject. In practice, charity is primarily considered a state subject although presently there are both Central and state statutes which govern the non-profit sector. There is no single central legislation laying down the law of charity. Instead there are three separate laws for nonprofit registration or incorporation. Charity may take the form of a trust, an endowment, a society or a nonprofit company. For the purpose there are two Central enactments; otherwise there are state enactments.

LEGISLATIONS IN INDIA

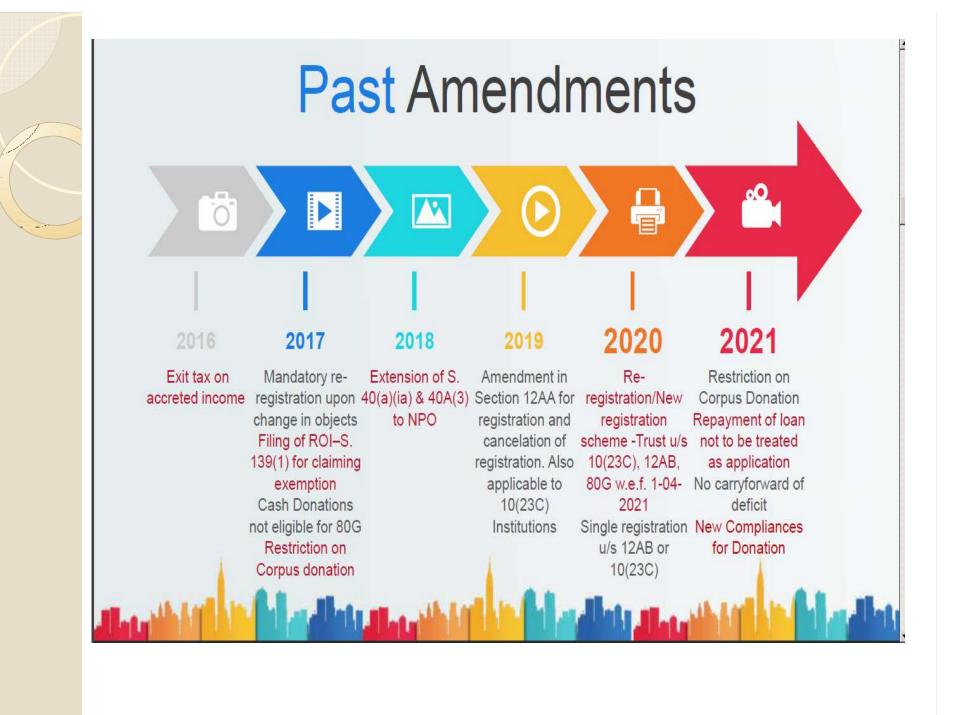
- The Indian Trust Act, 1882
- The Charitable and Religious Trust Act, 1920
- The Religious Endowment Act, 1863
- The Charitable Endowment Act, 1890
- The Societies Registration Act, 1860
- The Income Tax Act, 1961
- The Companies Act, 2013
- The Foreign Contributions Regulations Act, 2010
- The Gujarat (Bombay) Public Trust Act, 1950 (State legislatures)

Sr No.	Description	Society	Public Charitable Trust	Company Section 8
ı	Relevant Act for registration / incorporation	The societies Registration Act, 1860	Only the Trust Deed is registered under the Registration Act, 1908 or to get registered with Charity Commissioner office like Maharashtra, Gujarat etc.,	Companies Act, 2013
2	Ease of formation	·	Takes Minimum 2-3 months, if it is to be registered with Charity Commissioner office.	compared to trust and
3	Authority for registration	Registrar of Societies of the concerned State	Charity Commissioner at the District level.	Registrar of the companies of the concerned state.
4	Approval of name	Separate application not required. Name is generally granted if available	Not required	Application for name approval has to be made in accordance with law. There are strict guidelines for approval of name.
5	Minimum No. of Subscribers / Trustees required		2 (Two)	2 (Two)

6	Governing Structure	Two tier structure a) General Body b) Board of Directors.	Single tier structure the trustees are the ultimate authority.	Two tier structure a) General Body b) Board of Directors.
7	Voting Rights	All members have equal rights.	All trustees have equal rights.	The voting rights may vary on the basis of shareholding. The voting right can be based on individual votes also.
8	Types of activities allowed	•	and public utility activity	Any kind of charitable and public utility activity can be undertaken.
9	Annual Documents to be filed	This requires a list of managing body to be filed every year. But different states have different requirement for filing additional document every year. Normally the annual audited accounts, Director's report and the list of governing body member has to be filed every year.	Annual Accounts & needs to be filed.	Annual return and audited accounts are required to be filed every year with ROC.

10	General and Board / Governing Body meetings	General and Board/ Governing Body meetings are required to be held as prescribed in the bye- law of the society	No provisions are laid down in this regard. Adequate clauses should be framed in the Trust Deed itself.	Specific provisions have been laid down. At least I Annual General Meeting and 2 Board meetings are required to be held every year.
11	Transfer of Membership	•	Membership is not transferable.	Membership can be transferred. Restriction on transfer can also place.
12	Payment to functionarie s	Permitted as the general body may decide.	Provision should be available in the trust deed for any such payment.	Permitted as the general body may decide.
13	Compliance s expenditure	minimal. Consequently, compliance expenditure	minimal. Consequently, compliance expenditure	Annual returns, Balance sheet, Director KYC and ACTIVE KYC are filed along with certain government fees.
14	Area of operation	India even if registered in one particular state. No separate registration is	Can operate with the jurisdictional area of the state, however it may expand throughout India subject to other state laws.	Can operate throughout India as the registration is granted by the Central Government.

15	Income Tax Registration	Compulsory	Compulsory	Compulsory
16		Compulsory for receiving foreign funds		. ,
17	Labour and other relevant laws	To be complied with as per applicability	To be complied with as per applicability	To be complied with as per applicability
18	Foreigner as a member / trustee	Possible	Not Possible	Possible
19	_	Difficulties may be faced getting FCRA registration.	NA	Difficulties may be faced getting FCRA registration.
20	Audit		If total receipt exceeds the minimum threshold limit.	Mandatory irrespective of income



Amendments by Finance Act, 2022

- □Books of accounts to be maintained under both regimes;
- Reference to Pr. CIT or CIT for cancellation of Registration of Trusts;
- Penalty for passing the unreasonable benefits to Trustees;
- □Application will be allowed only when it is actually paid;
- ■Mandatory investment of Corpus Funds in modes specified U/s 11(5);
- □Application of Section 115TD to Trusts under the First Regime;

- □Clarity on the taxation of Trusts in the case of denial of exemption;
- ■Voluntary Contribution for the renovation & repairs of religious places notified U/s 80G(2)(b);
- □Insertion of Sec. I I 5BBI for taxation of specified income of certain trusts / institutions.

The Scheme of provisions of a Trust in the Income Tax Act, 1961 is listed below-

Sr. No.	Section	Particulars
1.	Sec. 2(15)	Definition of Charitable Purpose
2.	Sec. 10(23C)	Exemption from Income for approved universities/educational institutions/hospitals/medical institutions
3.	Sec. II	Income from property held for charitable or religious purposes
4.	Sec. 12	Income from voluntary contributions of trusts
5.	Sec.12A	Conditions for applicability of sections 11 and 12
6.	Sec. I2AA	Procedure for registration (inapplicable from 01.04.2021)
7.	Sec. I2AB	New procedure for fresh/renewal of registration
8.	Sec. 13	Sec. I I not to apply in certain cases
9.	Sec. 115TD	Tax on Accreted Income

DUE DATES FOR AY 23 -24

Types of Person	Due Date for ITR Filing 2023-24	Types of	TITR
Individual/HUF/AOP/ BOI/Firm/LLP	31st July 2023	Non Audit Case- Return.	Original
Individual/HUF/AOP/ BOI/Firm/LLP	30th September 2023	Tax Audit Case	
Individual/HUF/AOP/ BOI/Firm/LLP	31st December 2023	Revised Return	
Individual/HUF/AOP/ BOI/Firm/LLP	31st December 2023	Belated/Late Return	
Individual/HUF/AOP/ BOI/Firm/LLP	31st March 2026	Updated Return	

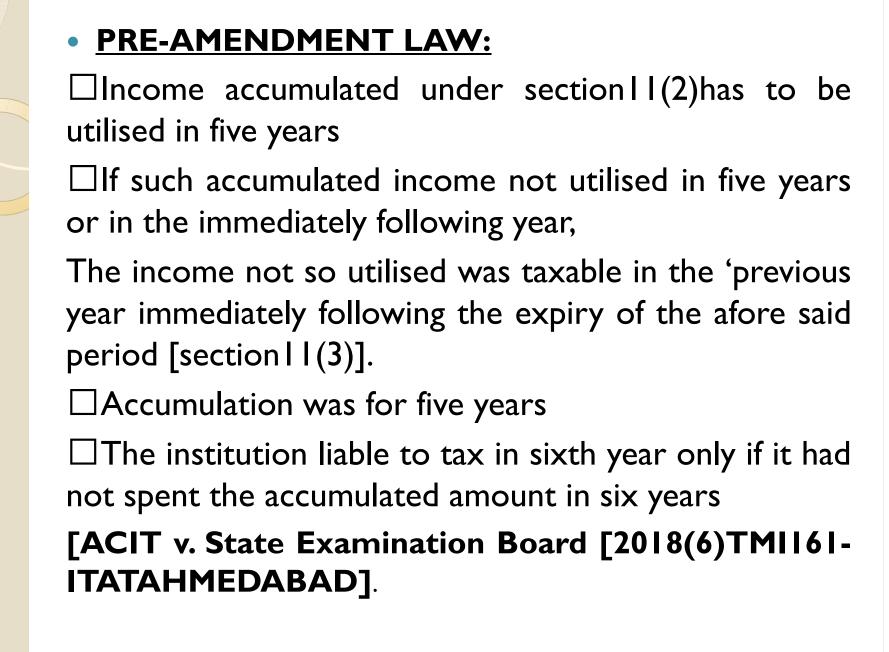
DUE DAT	TES FOR	AY 23	-24

Types of Person	Due Date for ITR Filing2023-24	Types of ITR/ FORM
Charitable Trust	31st May 2023	Form 10BD-10BE - Statement of Donations
Charitable Trust	31st July 2023	ITR 7 (Non Audit)
Charitable Trust	31st August 2023	Form 9A - Application of income of previous year in the next year or in future
Charitable Trust	31st August 2023	Form 10 - Accumulation of income for future application for 5 years
Charitable Trust	30th September 2023	Audit Report with Charity Commissioner.
Charitable Trust	31st October 2023	ITR 7 in case Trust is applicable to IOB/IOBB
Charitable Trust	30th September 2023	Audit under Income Tax - Form I 0B/I 0BB

TYPES OF ITR

ITR FORM	For Assessees	Remarks
ITR I (SAHAJ)	Individual/HUF	NR, RNOR, Rs.5K Agr Income, I+HP
ITR 2	Individual/HUF	Salaried but a Director in a Company, Not having PGBP
ITR 3	Individual/HUF	Business/Professional Income even if Presumptive Taxation
ITR 4	Individual/HUF	GTI upto INR 50L, AI < INR 5K,
(SUGAM)		X Director X Unlisted Shares
ITR 5	Partnership Firm, LLP, AOP/ BOI/ Private Trusts / AJP	
ITR 6	Corporate	
ITR 7	Charitable Trusts, Political Parties, Business Trust, Investment Fund	S. 139 (4A), (4B), (4E), (4F) Utility – 30th June, 2023
ITR – U	Any person – O/B/R ITR	Conditions apply: AY 20-21 onwards
ITR A	Modified return in the case of Business Re- organization – Rule	Within 6 months from the date of the Order of the Court/Tribunal

Amendment to Section 11(3) regarding consequences of violation of Section 11(2)



AMENDMENT:-

itself.

☐The unutilise	ed amoui	nt is tax	cable	in the	last
previous year	of the	period	for	which	the
accumulation is	made.				
□accumulation	for five y	ears/			
□accumulated	income	not uti	lised	within	five
years					
□accumulated	income	taxable	in th	e fifth	year

Substitution of second proviso to section 143(3) in respect of a reference for cancellation of registration under section 12AB or approval under section 10(23C)

• **Amendment** (with effect from 1.4.2022)

The AO is satisfied that any charitable institution has committed any specified violation as defined in Explanation to section 12AB(4) or Explanation 2 to the fifteenth proviso to section 10(23C);

The AO shall send a reference to the PCIT /CIT to withdraw the registration under section 12AB, or approval under section 10(23C)

Analysis

If the aforesaid condition is fulfilled, AO has no option but to refer the matter to the PCIT/CIT for cancellation.

Once AO sends a reference, he cannot pass an assessment order without giving effect to the order passed by the PCIT/CIT [clause (b) in second proviso].

Whether applicable from assessment year 2022-23 or for pending assessments on 1.4.2022?

Penalty for benefit to interested persons [section 271AAE]

Pre-amendment law:

- No separate penalty for violation of section 13(1)(c) Amendment (with effect from 1.4.2023)
- A charitable institution liable to penalty in respect of violation of section 13(1)(c) or
- □ twenty first proviso to section 10(23C) [corresponding to section 13(1)(c)].
- Computation of penalty
- □ Violation noticed in first year: to the extent of income applied for the benefit of any interested person referred to in section 13(3);
- ☐ For any violation in subsequent years: twice the amount of such income so applied ("double penalty").

Analysis

No clause for non-levy of penalty if there is sufficient or reasonable cause; no amendment to section 273B.

The AO 'may' direct that the Assessee shall pay penalty:

- 'may' is discretionary [CIT v. Becharbhai P. Parmar, (2012) 20 taxmann.com 644 (Guj); Miss Santosh Mehta v. Om Prakash I [MANU/SC/0476/1980]
- No penalty unless Assessee has been heard/given a reasonable opportunity of being heard [section 274(1)]
- Whether penalty leviable if assessee makes suo motu declaration?
- Whether penalty leviable if "property" of the assessee is used for the benefit of interested person?
- Whether penalty under section 270A leviable?
- CIT v. Ram Chandra Singh, (1976) 104 ITR 77 (Pat) [the rule of double jeopardy does not apply to penalties for various defaults under a taxation statute]
- Whether immunity under section 270AA available to penalty under section 270A/271AAE?
- Immunity under section 273A(4) will be available, subject to the satisfaction of conditions in the section.

- The double penalty shall apply only in a subsequent year.
- even if multiple violations of section 13(1)(c) are noticed for the first time in a previous year, literally all such violations will attract a penalty @ 100% only.
- Order is appealable under section 246A(I)(q)
- Summary of some important principles of interpretation of penal provisions
 - A penal provision must be strictly construed [Dilip Kumar Sharma v. State of Madhya Pradesh, AIR 1976 SC 133];
 - If two constructions are possible upon the language of the statute, the Court must choose the one which exempts the subject from penalty rather than the one which imposes penalty [CIT v.Vegetable Products Ltd.[1973] 88 ITR 192 (SC)];
 - Even if a minimum penalty is prescribed, the authority will be justified in refusing to impose penalty, when there is a technical or venial breach of the provisions of the Act or where the breach flows from a bona fide belief that the offender is not liable to act in the manner prescribed by the statute [Hindustan Steel Ltd. v. State of Orissa, (1972) 83 ITR 26 (SC)]
- The aforesaid principles could be applicable in deciding whether the penalty under section 271AAE is leviable or not.

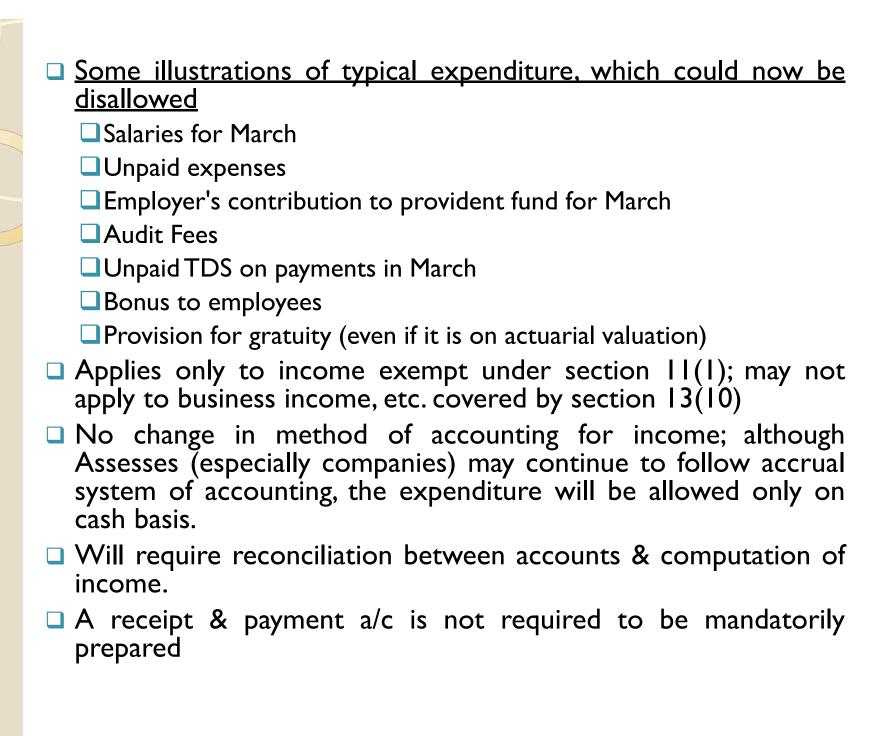
Application will be allowed only when it is actually paid [Explanation to Sec. 11] [Explanation 3 to Sec. 10(23C)]

□ PRE-AMENDMENT LAW:

- Income is exempt to the extent applied ["application of income"]
- □ Courts/Tribunals have held that the following expenses/sums are application of income :
 - Expense incurred but not paid before year-end.
 - Sum earmarked and allocated for the purposes of trust.
 - Expenses otherwise disallowable under section 43B.

Amendment (with effect from assessment year 2022-23)

- Any sum payable shall be considered as application of income only in the year in which such sum is actually paid
- ☐ The year in which the liability is incurred is not relevant
- If any sum is claimed as applied during any year, it shall not be allowed as application in any subsequent year (proviso to the Explanation)



□ Explanation to section II v. section 43B

- □ Similar language (without the proviso and Explanations in section 43B).
- Section 43B applies to specified types of expenditure (tax, bonus, interest, etc.),
- Explanation to section II covers all expenditure.
 - Section 43B does not disallow payments made up to due date of filing of return of income.
- □ Under Explanation to section II, amount paid on even 1st April of year 2 is not allowable as application of income in year I.

- ☐ Other restrictions on "application" continue to apply e.g. application "in India"
- □ Donation to corpus of another institution[Explanation 2 to section | I (I)]
- Cash payments[Explanation 3 to section 11(1)]
- □ Application out of corpus/borrowings[Explanation 4(i)/(ii) to section 11(1)]
- □ Cheque issued before 31st March but not deposited by that date: whether 'paid'?
- Income is gross receipts less expenses incurred for earning income
- Explanation applies to application of income but not to expenses which are to be reduced from gross receipts in computation of income.
- □ If expense incurred for earning income is not paid during the previous year, no disallowance can be made under the Explanation.

Amendment to provision relating to benefit to interested persons [section 13(1)(c)]

PRE-AMENDMENT LAW:

- Exemption under sections 11 or 12 denied if benefit given to an interested person listed in section 13(3).
- On a literal reading of section 13, the entire income was to be denied exemption, irrespective of the amount of benefit.
- Some Courts/Tribunals held that the entire income did not lose the exemption; and only the income applied to give benefit to the interested person was to be denied exemption.
- Amendment (with effect from assessment year 2023-24)Only such part of income which is used for the benefit of any interested person will not be exempt.

•	Other consequences
	The amount of taxable benefit is
_	liable to taxation under section 115BBI.
_	liable to penalty under section 271AAE.
	whether liable to penalty under section 270A?
□ exempti	interested party which receives the benefit is not entitled to ion under proviso (VI)/(VII) to section $56(2)(x)$
• used/ap _l	Section $13(1)(c)(ii)$ applies if any part of income or property is plied for the benefit of an interested person.
The ben	nefit could be given to an interested party in two ways:
(a)	Where income is applied, e.g. when an

- (a) Where income is applied, e.g. when an interested party is given, say, excessive remuneration;
- (b) Without application of income, e.g. rent-free use by interested party of

residential accommodation owned by the charitable institution.

Is section 13(1)(c) applicable in situation (b)?

The amendment refers to only income applied for the benefit of interested person.

• Section I3(I)(c)	(relevant portion) reads as			
"Nothing in section II shall operate so as to exclude from the total income thereof (c) any income thereof				
income thereof (c)any	income thereof			
•••				
	ome is during the previous year applied rson such part of income			
	applies only in respect of income of the year to r the benefit of interested person.			
\square Mixed fund				
Accumulated benefit of	income>income applied for the interested parties:			
Does section 13(1)(c) ap	ply?			
 When interest fr 	ee funds exceeded investment			
	ecurities, section 14A did not apply [South Indian 30 taxmann.com 178 (SC)]			
in non business a not be made [CIT v. Relia (SC)]	assets, disallowance under section 36(1)(iii) could ance Industries Ltd., (2019) 102 taxmann.com 52			
\ /=				

Insertion of Sec. 115BBI for taxation of specified income

- Where the total income of an Assessee, being a person in receipt of income on behalf of any fund or institution referred to sub-clause (iv) or any trust or institution referred to Section IO(23C)(iv) or (v) or (vi) or (via) or any trust or institution referred to in Section II includes any income by way of any specified income, notwithstanding anything contained in any other provision of this Act, the income-tax payable shall be aggregate of —
- the amount of income-tax calculated @ 30% on the aggregate of such specified income; And
- □ The amount of income-tax with which the Assessee would have been chargeable had the total income of the Assessee been reduced by aggregate of specified income referred to in clause (i) above.
- □ No deduction in respect of any expenditure or allowance or set off of any loss shall be allowed to the Assessee in computing specified income referred to in clause (i) above.

- □ For the purpose of Section 115BBI, "specified income" means
- □ Income accumulated or set apart in excess of 15% of the income where such accumulation is not allowed under any specific provision of this Act; or
- □ Deemed income referred to in Explanation 4 to 3rd proviso to Section 10(23C), or section 11(1B) or section 11(3); or
- □ Any income, which is not exempt U/s 10(23C) on account of violation of the provisions of clause (b) of the 3rd proviso to Section 10(23C), or not to be included from the total income under the provisions of Section 13(1)(d); or
- □ Any income which is deemed to be income under the 21st proviso to Section 10(23C) or which is not exclude from total income u/s 13(1)(c); or
- □ Any income which is not excluded from the total income U/s II(I)(c).

Exit Tax [sections 115TD to 115TF]

Exit tax [sections 115TD to 115TF]

- □ Pre-amendment law:
- Exit tax is leviable on an institution registered under section I2A / I2AA.
- □ **Amendment** (with effect from 1.4.2023)
- □ Exit tax is also payable by any institution covered under section I0(23C) (iv)/(v)/ (vi)/(via) [by amendment to sections II5TD/II5TE/II5TF]

Amendment to proviso to Section-56(2)(x)

Amendment to proviso to section 56(2)(x)

■ Exemptions in clause (VI) and (VII) in proviso to section 56(2)(x) shall not apply where any sum /property is received from a charitable institution by any interested person listed in section 13(3)

DuedateforfilingFormno.9A (deemed application) [Explanation1(2)tosection11(1)]

Preamendment law

■ Benefit of deemed application not available if Form 9 A not filed before the due date for filing of return of income (that is, 3 l st October)

Amendment

- □ The amendment in respect to Form No. 9A from Assessment Year 2023-24 to be filed at least 2 months before the due date of filing ROI, that is, by 3 I st August
- □ In case of if it is not submitted on or before 31st August, in such circumstances, Assessee may an application under section 119(2) for the delay condonation. The Power to grant delay condonation application is vested to CIT /CCIT /PCIT—as per Circular dated 3.1.2020 and 11.7.2022

Can Form9A be revised to align it with the amount in ROI and Form 10B/10BB?

- ☐ The law is very silent on the provision of the revision of Form 9A or prohibiting such revision application
- □ Assessee may file revision application under the general principles of law in From No. 9A on or before the due date of the filing of the Income Tax Return in prescribed Form No. 7 (i.e. 31st October, 2023 for A.Y. 2023-2024)
- □ It has been held in CIT v. Industrial Extension on Bureau, (2014)43taxmann.com392 (Guj.,) [If there is a oversight or bonafide mistakes, the Assessee may allow to rectify the same in order to get the exemption under section 11 of the Act.
- □ The Revision of Form No. 9A may not be permitted online, however the Assessee may make an application to the jurisdictional Assessing Officer in that case.

Due Date of Filing of Form No. 10 (Accumulation u/s.11(2) for 5 Year)

Preamendment law

□ Due date for filing Form No -10 = 31st October

Amendment

- □ The amendment in respect to filing of Form No. 10 for the Assessment Year 2023 24 to be filed at least 2 months before the due date of filing return, that is, by 31st August.
- □ In case of if it is not submitted on or before 31st August, in such circumstances, Assessee may an application under section 119(2) for the delay condonation. The Power to grant delay condonation application is vested to CIT /CCIT /PCIT—as per Circular dated 3.1.2020 and 11.7.2022
- □ Section 13(9) provides that benefit of secondary accumulation for five years under section 11(2) is not available if return of income not filed by due date.
- # Section 13(9) need to be changed accordingly ++++++

Donations to another charitable institution to be allowed to the extent of 85 % [Explanation 4 to section II]

□ Preamendment law

- □ Corpus donations by one charitable institution to another not allowed to the donor as application [Explanation 2 to section II].
- Non corpus donation by one institution to another institution for permitted object allowable as application by the donor.
- □ <u>Amendment</u> (With effect from A.Y. 2024-25)
- □ Only 85% of donation to another charitable institution to be allowed to the donor as application of income

Change in the time limit for furnishing return of income for claiming exemption with in time [section | 2A(|)(ba)]

- Preamendment law
- □ (a) If ROI was not furnished within the time under section 139 exemption under section 11 12 was not available
- □ (b) Section 139 (8A) provides an option to tax payers to furnish "updated ROI" up to 2 years from the end of assessment year
- □ (c) Exemption could not be denied if original ROI not filed within specified time but "updated ROI" was filed
- □ Provisions of section II and I2 shall apply only if the ROI is furnished within the time allowed under section I39(I) or section I39 (4) (belated return).
- Option to furnish updated ROI continues to be available to charitable institutions but exemption will not be allowed under section 11 and 12

TIME LIMIT AND CONDITIONS FOR TREATING REPAYMENT OF LOAN AS APPLICATION OF INCOME [EXPLANATION 4(II) TO SECTION 11(1)]

	Pre	am	end	l m	ent	law
_		aiii		4111	CIIL	iaw

- □ Any amount utilized from loan or borrowing was not to be treated as application of income;
- □ (b) Any repayment of such loan or borrowing shall be treated as application of income
- □ No time limit specified for such repayment of such borrowings
- No condition attached for such repayment being treated as application of income
- Amendment (w.e.f. assessment year 2023-24)
- □ Conditions similar to those for treating restoration of corpus as application of income, that is,
- □ Repayment of loan beyond 5 years from end of financial year in which application was made out of loan will not be allowed as application of income
- □ (b) repayment of loan allowed as application of income only if following provisions satisfied at the time of original application from the loan

- \Box (i) No application outside India without approval [section II(I)(c)]
- □ (ii) Utilization not for giving corpus donation to another charitable institution [Explanation 2 to section | I(I)]
- □ (iii) Utilization without default in payment of TDS [Explanation 3 to section II(I)]
- □ (iv) payments exceeding Rs.10,000 in specified modes (and not in cash etc.) [Explanation 3 to section II(I)]
- (v) actual payment is made before 31st March (Explanation to section 11)
- (vi) No excess application over income [Explanation 5 to section [I(I)]
- (vii)Utilization not resulting in any benefit to any interested party referred to in
- \square section 13(1)(c) [section 13(1)(c)]

CHANGES IN REGISTRATION CONDITIONS FOR UNREGISTERED INSTITUTIONS [SECTION 12A]

ONNEGIOTENED INSTITUTIONS (SECTION 12A)
□ <u>Preamendment law</u>
 (a) Provisional registration available to all institutions which were not registered
under the Preamendment regime [section I2A(I)(ac)(vi)]
 (b) Such provisional registration was required, whether or not the activities had commenced;
□ (c) Application for provisional registration required before commencement of previous year relevant to the assessment year from which the said registration is sought [section I2A(I)(ac)(vi)].
(d) Provisional registration was granted without inquiries.
(e) Subsequent regular registration required upon earlier of the following:
(i) At least six months prior to expiry of provisional registration; and
(ii) within six months of commencement of activities [section 12A(1)(ac)(iii)]
(f) Such regular registration available
☐ (i) for five years

(ii) only upon inquiries by and satisfaction of PCIT [section I2AB(I)(b)]

Changes in registration conditions for unregistered institutions [section 12A]

Amendment (with effect from 1st October 2023)

- (a) Provisional registration available only to unregistered institutions which have not commenced activity [section 12A(1)(ac)(vi)(A)]
- (b) If the unregistered institution has commenced activity, it has to seek regular registration [section I2A(I)(ac)(vi)(B)] which is available
- (i) for five years
- (ii) only upon inquiries by and satisfaction of PCIT [section 12AB(1)(b)]

CONDITIONS IN FORM NO. 10AC [Registration Certificate]

9	Order for provisional registration:	
	a. After considering the application of the applicant and the material available on record, the applicant is hereby granted provisional registration with effect from the assessment year mentioned at serial no 8 above subject to the conditions mentioned in row number 10.	
b. The taxability, or otherwise, of the income of the applicant would be separations considered as per the provisions of the Income Tax Act, 1961.		
	c. This order is liable to be withdrawn by the prescribed authority if it is subsequently found that the activities of the applicant are not genuine or if they are not carried out in accordance with all or any of the conditions subject to which it is granted, if it is found that the applicant has obtained the provisional registration by fraud or misrepresentation of facts or it is found that the assessee has violated any condition prescribed in the Income Tax Act, 1961.	
10	The registration is granted subject to the following conditions:-	

- a. Any income derived from property held under trust, wholly or in part for charitable or religious purposes, shall not be applied, other than for the objects of the trust or institution.
- b. The trust or institution shall not have income from profits and gains of business which is not incidental to the attainment of its objectives.
- c. Separate books of account shall be maintained by such trust or institution in respect of the business which is incidental to the attainment of its objectives.
- d. The trust or institution shall not apply any part of its income from the property held under a trust for private religious purposes, which does not enure for the benefit of the public.
- e. The trust or institution established for charitable purpose created or established after the commencement of this Act, shall not apply any part of its income for the benefit of any particular religious community or caste.
- f. No non-genuine activity shall be carried out by the trust or institution.
- g. No such activity shall be carried on by the trust or institution which is not in accordance with all or any of the conditions subject to which it was registered.
- h. The trust or institution shall comply with the requirement of any other law, as referred to in item (B) of sub-clause (i) of clause (b) of sub-section (1) of section 12AB.

i. The form for registration in Form No 10A has the information or documents and no false or in have been provided.	been duly filled in by providing all correct information or documents		
j. The trust or institution shall apply for registration within 6 months of commencement of the activities or at least 6 months prior to the expiry of period of provisional registration, whichever is earlier.			
k. Where the trust or institution has adopted or undertaken modifications of the objects which do not conform to the conditions of registration, the trust or institution shall make an application in the prescribed form and manner to the Principal Commissioner or Commissioner, for registration of the trust or institution, within a period of thirty days from the date of the said adoption or modification.			
Name and Designation of the Registration Granting Authority	Principal Commissioner of Income Tax/ Commissioner of Income Tax (Digitally signed)		
(Digitally signed)			

Comparison between Registration under Section 12AB and Approval under Section 10(23C)

Introduction

Section II provides for an exemption to trusts or institutions registered under Section I2AA or I2AB. Similarly, Section I0(23C) provides for an exemption to certain funds or institutions if it is approved under this provision. An organization cannot simultaneously have approval/registration under both sections and has to opt for any one form of approval/registration. In other words, approval under section I0(23C) cannot co-exist with registration under section I2AB.

I.Interplay of Section 10(23C) and Section 12AA/12AB

First Proviso to Section 11(7)[1] provides that the registration under Section 12AA shall become inoperative from later of the following dates:

- (a) The date on which the trust or institution is approved under Section 10(23C), or is notified under Section 10(23EC) or Section 10(46A)[2], as the case may be; or
- (b) The date on which the proviso comes into force, that is, 1st June, 2020.

In other words, the registration shall be inoperative if approval is obtained under section 10(23C) or the institution is notified under section 10(23EC) or 10(46) or 10(46A).

A Second Proviso has also been inserted in Section II(7)[3] to provide that the trust or institution, whose registration has become inoperative under the first proviso, may apply to get its registration operative again under Section I2AB. However, on doing so, the approval under section I0(23C) or notification under section I0(23EC) or I0(46) or I0(46A), as the case may be, to such trust or institution shall cease to have any effect from the date on which the said registration becomes operative and thereafter, it would not be entitled to exemption under the respective clause.

Thus, once the registration becomes operative the trust or institution be entitled to not exemption will under Section 10(23C)/10(23EC)/10(46)/10(46A). Section 12A(1)(a) states that Section II and Section I2 shall not apply in relation to in income of any trust or institution unless it has been duly registered. Now, if the registration is inoperative, the trust or institution will not be eligible for exemption under Section 11. It can, however, continue to claim exemption under section 10(23C) or section 10(23EC) or 10(46) or 10(46A) as the case may be. Hence, a charitable organisation has to choose between registration under Section 12AB and approval under Section 10(23C) before making an application for registration/approval under the Income-tax Act.

2. Comparison between Section 12AB registration and Section 10(23C) approval

Basis of difference	Registration under Section 12AA/AB	Approval under Section 10(23C)[4]
Requirement of registration or approval	Registration is required to claim exemption under Section 11 and 12	Approval is required to claim the exemption under Section 10(23C)
Period of validity	5 Years	5 Years
Effective year of registration or approval	No retrospective tax benefits. The tax exemption shall be available prospectively	No retrospective tax benefits. The tax exemption shall be available prospectively.

Basis of difference	Registration under Section 12AA/AB	Approval under Section 10(23C)[4]
Circumstances in which registration or approval can be cancelled	 a) PCIT/CIT has noticed the occurrence of one or more 'Specified Violations' during any previous year (b) PCIT/CIT has received a reference from the AO under the second proviso to Section 143(3) for any previous year. (c) Such a case has been selected in accordance with the risk management strategy, formulated by the Board from time to time for any previous year. Meaning of specified violation Income has been applied other than for the objects of the trust or institution. Trust has income from profits and gains of business which is not incidental to the attainment of its objectives. 	violations which do not exist under section 10(23C) Application of income from property under a trust for private religious purposes, which does not ensure for the benefit of the public;

Basis of difference	Registration under Section 12AA/AB	Approval under Section 10(23C)[4]
	Separate books of account are not maintained by such trust or institution in respect of the business which is incidental to the attainment of its objectives	
	Application of any part of its income from the property held under a trust for private religious purposes, which does not ensure for the benefit of the public	
	application of any part of its income for the benefit of any particular religious community or caste.	
	Any activity being carried out by the trust or institution is not genuine or is not being carried out in accordance with the conditions subject to which it was registered.	
	□ Not complied with the requirement of any other law for the time being in force as is material to achieve its objects	

Basis of difference	Registration under Section 12AA/AB	Approval under Section 10(23C)[4]
	Providing incomplete, false, or inaccurate in in a registration application.	formation

☐ Treatment of Donation

Corpus Donation	Corpus donation is not part of income if invested into modes specified under section 11(5)	Same
Anonymous Donation	Anonymous donations are taxable at the rate of 30% (plus surcharge and cess)	Same

Application of Income

Basis of difference	Registration under Section 12AA/AB	Approval under Section 10(23C)[4]
Depreciation	Will not be considered as charge against income if the purchase of asset has been claimed as application of income	Same
Disallowances for non- deduction or non- payment of tax deducted at source	30% of amount shall be reduced from the amount of application of income. However, it shall be allowed when TDS is paid	Same
Disallowances for cash payment exceeding Rs.10,000	100% of the payment shall be reduced from the amount of application of income	Same
Disallowances for Inter- Charity Donation	Corpus grant to other trusts or institution shall not to be considered as application of income.	Same

Basis of difference	Registration under Section 12AA/AB	Approval under Section 10(23C)[4]
Inter-charity donations not towards corpus	Only 85% of the eligible donations shall be allowed as an application of income.	Same
Inter-charity donations out of accumulated funds	The fund cannot be transferred to another trust or institution out of the accumulated amount	Same
Minimum spending	85% of the Income	85% of the Income
Statutory accumulation	15% of the Income	15% of the Income
Deemed application	If spending is less than 85%, the remaining amount may be spent in the subsequent year or in the year in which it is received	No such provision
Period of accumulation	5 years	5 years
Form for applying Deemed Application	Form 9A to be submitted at least two months before the due date of filing of ITR. [5]	Not Applicable

Basis of difference	Registration under Section 12AA/AB	Approval under Section 10(23C)[4]
Accumulation for 5 years	Form 10 is to be submitted at least two months before the due date of filing of ITR[6]	Same
Audit requirement	Audit is required to be done if the total income exceeds the maximum amount which is not chargeable to tax without giving effect to this provision	Same
Form of Audit Report	Form 10B or Form 10BB	Same
Due date for furnishing the audit report	One month prior to the due date for filing of return of income	Same
Maintenance of Books of Account	Requirement to keep and maintain books of account and other documents in such form and manner and at such place, as prescribed in Rule I7AA	Same
Form for filing of Income Tax Return	ITR 7	ITR 7

Basis of difference	Registration under Section 12AA/AB	Approval under Section 10(23C)[4]
Incidental business activities	Allowed except in case of activity of advancement for general public utility, provided separate set of books of accounts are maintained.	education and health
Investment in specified mode	Amount So accumulated should be deposited or invested in the mode Specified in Section 11(5)	Same
Requirement of submission of return	Applicable	Same
Re-validation of approval/ registration on change in object clause	Applicable	Not Applicable
Restriction on payment to specified person	Applicable	Same
Tax on accreted income	Applicable	Same

Filing of Form No. 10B Filing of Form No. 10BB

A.Y. 2023-2024

- □ Trusts are exempt under Sections II and I2 of the Income Tax Act are required to meet certain conditions, one of which is the auditing of their accounts under Section I2A(I)(b).
- □ Similarly, the tenth proviso to Section 10(23C) requires institutions approved under that clause to have their accounts audited. Trust or institutions, with income exceeding the maximum amount not chargeable to tax are required to get their accounts audited.

- □ Rule 16CC and Rule 17B of the Income-Tax Rules, 1962 have been substituted w.e.f. 01-04-2023 vide Income-tax amendment (3rd Amendment) Rules, 2023.
- □ CBDT has notified new audit reports in Form 10B and 10BB to be furnished by charitable or religious trusts and other institutions vide Notification No. 7/2023, dated 21-02-2023.
- □ As per the amended Rules, common forms have been prescribed for the organisations registered under section 12AB and the organisations approved under section 10(23C).

- The distinction for use of Form 10B and 10BB is made on the basis of specified circumstances;
- Form 10B is required to be used if the total income of the trust/institution exceeds INR 5 crore without giving the effect of Section 11, 12 & 10(23C) otherwise Form 10BB will be used.
- Form I0B is required to be used if the organisations have received foreign contribution even if the income is below INR 5 crore.
- Form 10B is required to be used if the income is applied outside India, even if the income is below INR 5 crore.

WHO IS REQUIRED TO FILE FORM 10B?

- □ The trusts or institutions registered under Section 12AB or approved under Section 10(23C) who satisfy any of the following conditions must file an audit report in Form 10B
- \Box (a) If the total income of the trust or institution, without giving effect to the provisions of sections II and I2 or Section I0(23C) (iv), (v), (vi), (via) of the Act, exceeds rupees five Crores during the previous year; or
- □ (b) If such trust or institution has received any foreign contribution during the previous year; or
- □ (c) If such trust or institution has applied any part of its income outside India during the previous year.

WHO IS REQUIRED TO FILE AN AUDIT REPORT IN FORM 10BB?

- □ The trusts or institutions registered under Section 12AB or approved under Section 10(23C) not falling into any of the above mentioned criteria must file an audit report in Form 10BB. Hence, reporting in Form No. 10BB must be used if all of the following situations are satisfied:
- □ (a) If the total income of the trust or institution, without giving effect to the provisions of sections II and I2 or Section I0(23C) (iv), (v), (vi), (via) of the Act, is up to rupees five crores; &
- □ (b) If such trust or institution has not received any foreign contribution during the previous year; &
- □ (c) If such trust or institution has not applied any part of its income outside India during the previous year.

CHANGES IN FORM NO 10B & FROM NO. 10BB

- □ There are comprehensive changes in the contents and requirements of the annexure forming part of Form 10B and Form 10BB.
- □ The annexure forming part of Form10BB consist of 15 sections and 6 schedules whereas the annexure forming part of
- □ Form 10B consist of 26 sections and 19 schedules.

OVERVIEW OF ANNEXURE TO FORM 10BB

Sr. No.	Section	Informati on Rows	Schedules Applicable
ı	Basic Details	01-06	
2	Legal	07-08	
3	Management	9	
4	Commencement of Activities	10	
5	Details of place where books of accounts and other documents have been maintained	11	
6	Voluntary Contribution	12-20	
7	Income to be applied	21-22	
8	Application of Income	23-24	TDS Disallowed, 40A(3), 40A(3A),
9	Section I I 5 B B I	25	
10	Section 115BBC	26	
11	Application of Income out of different sources	27	
12	Persons referred to in Section I 3(3)	28-29	
13	Specified Violation	30-31	
14	TDS/TCS as per the Provisions of Chapter VII-B or Chapter VII-BB	32	Schedule TDS/TCS, Statement of TDS/TCS, Interest on TDS/TCS,

ADDITIONAL SECTIONS INCLUDED IN FORM 10B

Sr. No.	Section	Informat ion Rows	Schedules Applicable
I	Registration Details	9	
2	Objects	11-12	
3	Advancement of GPU	15-16	
4	Business Undertaking	17	
5	Business Incidental to Objects	18	
6	TDS on Receipts	19	
7	Other Income	35	Schedule Corpus
8	Capital Assets	36	
9	13(10) and 22nd proviso to section 10(23C)	39	Schedule TDS Disallowable, 40A(3) 40A(3A)
10	Expenditure incurred for religious purposes	40	

'FORM No. 10B

[See rule 16CC and 17B]

Audit report under clause (b) of the tenth proviso to clause (23C) of section 10 and sub-clause (ii) of clause (b) of sub-section (1) of section 12A of the Income-tax Act, 1961, in the case of a fund or trust or institution or any university or other educational institution or any hospital or other medical institution.

- * I/We have obtained all the information and explanations to the best of *my/our knowledge and belief which are necessary for the purposes of the audit.

In * my/our opinion, proper books of account have been maintained at the registered office of the above named fund or trust or institution or university or other educational institution or hospital or other medical institution at the address mentioned at serial number 14 of the Annexure:

In *my/our opinion and to the best of *my/our information and according to explanations given to *me/us, the particulars given in the Annexure are true and correct subject to following observations or qualifications—

(a)	
(b)	
(c)	

In * my/our opinion and to the best of * my/our information, and according to information given to * me/us, the said accounts give a true and fair view—
 (i) in the case of the balance sheet, of the state of affairs of the above named * fund or trust or institution or university or other educational institution or hospital or other medical institution as on; and
(ii) in the case of the Income and Expenditure account or Profit and Loss account, of the income and application or profit or loss of its accounting year ending on
subject to the following observations/qualifications—
(a)
(b)
(c)
The prescribed particulars are annexed hereto.
Place .
Date .
Signed Accountant †
Name
Membership Number
Address
Notes:
1. *Strike out whichever is not applicable.
2. †This report has to be given by - a chartered accountant within the meaning of the Chartered Accountants Act, 1949 (38 of 1949).

3. Where any of the matters stated in this report is answered in the negative, or with a qualification, the report shall

state the reasons for the same.

BASIC DETAILS

(CLAUSE ITO 6)

	1.	PAN of the auditee	A B C D E 1 2 3 4 F
	2.	Name of the auditee	
S	3.	Assessment Year	
Basic Details	4.	Previous Year	d d m m y y y y To d d m m y y y y
	5.	Registered Address of the auditee	
	6.	Other addresses, if applicable	< refer note*>

□ Note: *In serial number 6, provide the address which has been decided by the management by way of a resolution and which has been intimated to the jurisdictional Assessing Officer in writing within seven days of such resolution as per the proviso to sub-rule (3) of rule 17AA;

LEGAL INFORMATION

(CLAUSE 7 & 8)

gal	7.	Type of the auditee	Trust Discrety Company Others Discrete
F	8.	Whether the auditee is established under an instrument?	Yes/No

Note:

- ☐ Trust means a public charitable trust registered under the provisions of The Bombay Public Trusts Act, 1950 or The Gujarat Public Trusts Act, 1950.
- ☐ Society means a societies registered under The Societies Registration Act, 1860.
- ☐ Company means a company incorporated under section 25 of The Companies Act, 1956 or Section 8 of The Companies Act, 2013.
- Others means, University, Educational Institution, Tax Bar Association, Chamber of Commerce, etc., means a institute registered under the provisions of The Gujarat Private Universities Act, 2009.

gaıl	7.	Type of the auditee	Trust Description Company Others Description
Leg	8.	Whether the auditee is established under an instrument?	Yes/No

Note:

- ☐ In many cases, the trust registered in the early of the regime on the commencement of the Act. There was a oral trust without execution of the Trust Deed, MOA, AOA, Constitution.
- ☐ The Trust Deed, Constitution, Memorandum of Association, Articles of Association, Rules and Regulations.

REGISTRATION

(CLAUSE 9)

Registration Details	9.	Details of registration/provisional registration or approval/ provisional approval or notification of the auditee under the Income-tax Act (details of all the registration/provisional registration/approval/provisional approval/notification which are valid during the previous year should be provided, however where the auditee has got the registration/approval after provisional registration/approval the details of provisional registration/approval need not be provided)						
		Section under which registered/provisionally registered or approved/ provisionally approved /notified (refer note **)	Date of registration/provisional registration or approval/ provisionally approval/ notification (dd/mm/yyyy)	Registration/Approval/ Notification/ Unique Registration No. (URN), if available	Authority granting registration/provisi onal registration or approval/provisiona l approval or notification	Date from which registration//provisional registration/approval/provi sional approval/notification is effective (dd/mm/yyyy)		
	sk.	(1)	(2)	(3)	(4)	(5)		

Note: In serial number 9, for the section under which registered or provisionally registered or approved or provisionally Approved one of the following codes shall be selected (details of all the registration/provisional registration or approval or provisional approval or notification which are valid during the previous year should be provided, however where the auditee has got the registration or approval, after provisional registration or approval the details of provisional registration or approval need not be provided):

Sr. No	Section	Code
ı	Clause (a) of sub-section (1) of section 12AB of the Act	I
2	Clause (b) of sub-section (1) of section 12AB of the Act	2
3	Clause (c) of sub-section (1) of section 12AB of the Act	3
4	Clause (i) of second proviso to clause (23C) of section 10 of the Act	4
5	Clause (ii) of second proviso to clause (23C) of section 10 of the Act	5
6	Clause (iii) of second proviso to clause (23C) of section 10 of the Act	6
7	Clause (ii) of sub-section (1) of Section 35 of the Act	7
8	Clause (iia) of sub-section (1) of Section 35 of the Act	8
9	Clause (iii) of sub-section (1) of Section 35 of the Act	9
10	Clause (i) of second proviso to sub-section (5) of section 80G of the Act	10
11	Clause (ii) of second proviso to sub-section (5) of section 80G of the Act	П
12	Clause (iii) of second proviso to sub-section (5) of section 80G of the Act	12
13	any other, please specify	13

Management

(CLAUSE 10)

	10.	Farmer of the second	and the second s	Percentage of shareholding in case of shareholder				of the Governing Cou is year Whether there is a relation during pre- audit Yes/No	any change in	If yes, specify the change
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	3	(8)
Management		Sl. No.	Name	e) of such person at Unique Identification Number	any time during the ID code < refer note##>	Address	Non- individual person [as mentioned in row no 10(a)] in which	Percentage of beneficial ownership	Whether there is any change during previous year of	If yes, specify the change
	1									

Note: In row 10(a), in column (2) for relation one or more of the following codes shall be selected

5.7	/ 5/	
S. No	Section	Code
(1)	Author	1
(2)	Founder	2
(3)	Settlor	3
(4)	Trustee	4
(5)	Members of society	5
(6)	Members of the Governing Council	6
(7)	Director	7
(8)	Shareholders holding of 5% or more of shareholding	8
(9)	Office Bearer s	9
(10)	Others	10

In serial number 10(a), in column (5), and in serial number 10(b), in column (4) for ID code, the following should be filled:

(a) If PAN or Aadhaar number is available, the same should be mandatorily filled and the following ID code shall be filled:

Type of identification	Code
PAN	1
Aadhaar number	2
(b) If neither PAN or Aadhaar is avai	ilable, one of the following should be filled:
Type of identification	Code
Taxpayer identification Number of the country	3
where the person resides;	
Passport number;	4
Elector's photo identity number	5
Driving License number	6
Ration card number	7

Objects (Clause II & I2)

11.	Objects of the auditee	Refer Note\$
11,	o o journ of the addition	Ποιοι Ποιοφ

In serial number 11, for the objects of the auditee, one or more of the following options shall be selected:

 S.no
 Object
 Code

 (1)
 Religious
 1

 (2)
 Relief of poor
 2

 (3)
 Education
 3

 (4)
 Medical relief
 4

 (5)
 Yoga
 5

 (6)
 Preservation of environment (including watersheds, forests and wildlife)
 6

 (7)
 Preservation of monuments or places or objects of artistic or historic interest
 7

 (8)
 Advancement of any other objects of general public utility
 8

12.	(i)		er the auditee, being a trust aken modification of the ob		Yes/No			
	(ii)	If yes,	please furnish following in	69				
		(A)	date of such modification	n/ adoption (DD/)	MM/YYYY)			
		(B)	within the stipulated per	iod of thirty days	is been made in the prescribed form and from the date of said adoption or modifi- section (1) of section 12A.		Yes/No	
	\vdash	(C)	If yes provide the follow	ring details regard	ding application for registration under st	sh clauses	(v) of clause (a	A CRUMON STATE
		(-)	12A			ab-clause ((v) or clause (a	c) of sub-section (1) of
		(2)	1,515 CO. 1 W. U.	Date of Applicatio	Status of registration in pursuance of application	Date of cancella	Registration or tion based on plication	100

☐ The Auditor is suppose to report for the modification of the objects and burden lies on the Auditor to report the same. Accordingly Now Income Tax (Exemption) will be able to know the changes in the objects, which will help in the assessment of the Trust.

Section-I2AB(4)Cancellation of Registration due to specified violations

Commencement of Activities

(Clause 13)

ties	13.	(i)	Where the auditee has be activities have commence		isional registration or provisional app ous year	roval, whether	Yes/No	
		(ii)	If yes in 13 (i), date of co	If yes in 13 (i), date of commencement of activities				
of activities		(iii)		(1) of section 12	ation for registration under sub-clause A or application for approval under clause has been filed?		Yes/No	
ommencement		(iv)			ng details regarding application for re or approval under clause (iii) of the first			i) of clause (ac) of s
Commen			S.No	Date of Application	Status of registration in pursuance to application	Date of Registr based on such a	ration /Cancellation application	URN of such registration
~					(Pending/ Registration granted/Registration cancelled)	(dd/mm/yyyy)		22 11

How?
Commencement
of Activities

 Ω (a) At the time of Registration?

- (b) At the time of acceptance of Donation?
- (c) At the time of Application of Income?
- (d) At the time of open a bank account?

Form No. 10A - Not Commenced the Activities
Form No. 10AB - Commenced the Activities

Place where Books of Accounts and other documents are maintained (Clause 14)

Details of Place where books of account and other documents have been maintained	14.	14.	14.	14.	(i)		oks of account and othe at such place as prescri				the form	Yes/No	
			(ii)	Provide the fol	owing details of the boo	oks of account and o	ther documents	i			dit.		
		No I	Nature of Books of Account		Whether maintained in a computer	Whether maintained at	If maintained at any place other than the registered place			Whether the books of account have been audited			
				<refer Note\$\$></refer 	(Yes/No)	system, (Yes/No)	registered office (Yes/No)	Address of such Place	Date of decisio n by manag ement to keep accoun t at such place	Date of intimation to Assessing Officer that books of accounts are kept at such place under proviso to subrule (3) of rule 17AA	(Yes/No)		
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)			

Note: In serial number 14(*ii*), in column (2) one or more of the codes shall be selected

S.No	Nature of books of account or other document as provided in rule 17AA	Code
(1)	Cash book	1
(2)	Ledger	2
(3)	Journal	3
(4)	Copies of bills, whether machine numbered or otherwise serially numbered, wherever such bills are issued by the assessee, and copies or counterfoils of machine numbered or otherwise serially numbered receipts issued by the assessee	4
(5)	Original bills wherever issued to the person and receipts in respect of payments made by the person	5
(6)	Any other book that may be required to be maintained in order to give a true and fair view of the state of the affairs of the person and explain the transactions effected	6
(7)	Books of account, as referred in Serial Nos. 1 to 6, for business undertaking referred in sub-section (4) of section 11 of the Act	7
(8)	Books of account, as referred in Serial Nos. 1 to 6,, for business carried on by the assessee other than the business undertaking referred to in sub-section (4) of section 11 of the Act	8
(9)	Record of all the projects and institutions run by the person containing details of their name, address and objectives	9
(10)	Record of income of the person during the previous year as per rule 17AA(1)(d)(ii)	10
(11)	Record of application of income etc. out of income during the previous year as per rule 17AA(1)(d)(iii)	11
(12)	Record of application of income out of the income of any previous year preceding the current previous year as per rule 17AA(1)(d)(iv)	12
(13)	Record of voluntary contribution made with a specific direction that they shall form part of the corpus, as per rule $17AA(1)(d)(v)$;	13
(14)	Record of contribution received for the purpose of renovation or repair of temple, mosque, gurdwara, church or other place notified under clause (b) of sub-section (2) of section 80G which is being treated as corpus, as per rule 17AA(1)(d)(vi)	14
(15)	Record of loan and borrowings as per rule 17AA(1)(d)(vii)	15
(16)	Record of properties as per rule 17AA(1)(d)(viii);	16
(17)	Record of specified persons as per rule 17AA(1)(d)(ix);	17
(18)	Any other documents containing any other relevant information as per rule $17AA(1)(d)(x)$.	18

Maintenance of Books of Accounts and Other Documents for NGO Under rule – 17AA

- The Finance Act 2022 amended Section 12A and Section 10(23C) to provide that where the total income of the trust or institution under both regimes, without giving effect to an exemption under Section 10(23C) or section 11 and 12, exceeds the maximum amount which is not chargeable to tax, such trust or institution shall keep and maintain books of account and other documents in such form and manner and at such place, as may be prescribed.
- □ The Central Board of Direct Taxes (CBDT) has notified a Rule 17AA prescribing books and other documents to be kept and maintained by trust or institution registered under section 12A/10(23C). The newly notified Rule 17AA.

Every fund or institution or trust or any university or other educational institution or any hospital or other medical institution is required to keep and maintain the following books of account and other documents:

- a. Books of account, including the following:
 - □Cash Book;
 - □Ledger;
 - □Journal;
 - □Copies of bills;
 - ☐Original bills;
 - Any other book that may be required to be maintained to give a true and fair view.
- **b.** Books of account for business undertaking and business carried on by Assessee other than business undertaking referred to in section 11(4).

C. Other documents for maintaining:-

- Record of all projects and institutions run by the person containing details of their name, address, and objectives;
- Record of income in respect of voluntary contribution containing details of donor, income from property held under trust along with list of such property, and other income of fund or institution or trust, etc.;
- Record in respect of the application of income in India & outside India, deemed application of income, income accumulated or set apart, money invested in the specified mode, etc.;
- □ Record of voluntary contribution received & its application;
- □ Records of loans and borrowings;
- Record of properties held by trust;
- Record of the specified person.

- 2) The books of account and other documents may be kept in written form or in electronic form or in digital form or as printouts of data stored digitally.
- 3) The books of account and other documents shall be kept and maintained by the entities at their registered office. However, books may be kept in another place if management decided to do so by passing a resolution.
- 4) The books of account and other documents shall be kept and maintained for a period of 10 years from the end of the relevant assessment year.

Books of account [section 2(12A)]

"books or books of account" includes ledgers, day-books, cash books, account books and other books, whether kept in the written form or in electronic form or in digital form or as print-outs of data stored in such electronic form or in digital form or in a floppy, disc, tape or any other form of electro-magnetic data storage device; (as amended by the Finance Act, 2022)

☐ Accounts have to be maintained at prescribed place
☐ Accounts on laptop/LAN/cloud?
☐ Accounts maintained by Trustee at his residence or
office/CA at his office?
☐ Place where physical records are maintained

Consequence of non maintenance:

- Benefit of section 11 and 12 is not available:
 - computation as "income less application" is not applicable.
 - □No basic exemption of 15%
 - \square corpus donation not exempt under section II(I)(d)
 - \square No benefit under section II(IA) (for capital gains)
 - □No deemed application under Explanation I(2) to section II(I)
 - □No accumulation for 5 years under section 11(2)
- \square Income to be computed under section 13(10)
- Penalty under section 271A for non maintenance of books of accounts and documents.

ANNEXURES TO FORM NO. 10B

Advancement of General Public Utility (Clause 15 & 16)

15.	Where, in any of the projects/institutions run by auditee, one of the charitable purposes is advancement of any other object of general public utility the								
	(A)	Yes/No							
	(B)	If yes, then percentage of receipt from such ac	tivity vis-à-vis total receipts	%					
	(C)	Whether such activity in the nature of trade, actual carrying out of such advancement of any	commerce or business is undertaken in the course of y other object of general public utility	Yes/No					
	(D)	Whether there is any activity of rendering any for any consideration as referred to in proviso	Yes/No						
	(E)	If yes, then percentage of receipt from such ac	%						
	(F)	Whether such activity of rendering service is u advancement of any other object of general pu	undertaken in the course of actual carrying out of such	Yes/No					
16.	If 'A' or '	D' in 15 is Yes, the aggregate annual receipts from	m such activities in respect of that project/institution	45					
	S.No	Name of Project/ Institution Amo	ount of aggregate annual receipts from activities referred	in 15A and 15D (In Rs.)					
	Total								

ANNEXURES TO FORM NO. 10B

Business Undertaking & Business Incidental to Objects (Clause 17 & 18)

		(i)	Whet	ther the auditee has any business undertaking as referred to in sub-section (4) of section 11	Yes/No
1g		3	If yes	s, then provide the following details of the business undertaking:	
akir			(a)	Nature of Business Undertaking	
dert		(ii)	(b)	Business Code	
ss Un	17.		(c)	Whether separate books of account have been maintained for the business undertaking <refer note^=""></refer>	Yes/No
Business Undertaking			(d)	Income from the business undertaking for the previous year which is not to be included in the total income of the auditee as per sub-section (4) of section 11	Amount in Rs.
			(e)	Income from the business undertaking for the previous year which is to be included in the total income of the auditee as per sub-section (4) of section 11	Amount in Rs.
d to	18.	(i)		ther the auditee has any income being profits and gains from any business as referred in seventh so to Clause (23C) of section 10 or sub-section (4A) of section 11, as the case may be	Yes/No
Business Incidental Objects			If yes	s, then provide the following details of such business:	Yes/No
ss Incide Objects		(ii)	(a)	Nature of Business	ē.
s In		(11)	(b)	Business Code	
nes			(c)	Whether separate books of account have been maintained for the business <refer note^=""></refer>	Yes/No
susi			(d)	Whether the business is incidental to the attainment of the objects of the auditee	Yes/No
Щ			(e)	Profits and gains from the business during the previous year	Amount in Rs.

Section I0(23C) 7th Proviso & Section II(4) of the Act,

Audit Report in Form No. 3CA and 3CB are required to be uploaded in II(4) and II(4A)

In serial numbers 17 (ii)(c) and 18(ii)(c) upload the Balance Sheet, Profit and Loss Account and Audit Report in Form 3CA or 3CB as applicable (e-filing utility to provide upload facility) for the business undertaking or business incidental to objects

Electronic modes shall be the following modes referred in rule 6AABA of the Income-tax Rules, 1962:

- (a)_ Credit Card;
- (b)_ Debit Card;
- (c)_ Net Banking;
- (d)_ IMPS (Immediate Payment Service);
- (e)_ UPI (Unified Payment Interface);
- (f)_ RTGS (Real Time Gross Settlement);
- (g)_ NEFT (National Electronic Funds Transfer); and
- (h)_ BHIM (Bharat Interface for Money) Aadhar Pay;

ANNEXURES TO FORM NO. 10B

TDS on Receipt (Clause 19)

	19.	Details of	f the receipt	s of the aud	litee on which	tax has been	deducted at s	ource referred	to in section	194C or 194J	or 194H or 194Q	:
TDS on receipts		S. No.	Name of the deductor	TAN of deductor	Amount on which tax has been deducted at source (In Rs.)	Amount of tax deducted at source	Section under which tax has been deducted at source	Category of in Trade, commerce or business (Rs.)	Activity of rendering any service in relation to any trade, commerce or business (Rs.)	Others (specify the nature) (Rs.)	Income/receipt in column 7 or 8 which is from business incidental to the attainment of the objects of the auditee. (In Rs.)	Whether separate books of account have been maintained for activities income/receipt which is mentioned in column 10 (Yes/No)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
20.	Wheth	ner the prov	visions of t	wenty sec	ond proviso	to clause (23	C) of section	n 10 or sub-s	ection (10) o	of section 13	are applicable.	Yes/No
21.	Wheth	ner auditee	has filed F	Form No. 1	0BD for the	previous yea	ar < If No th	nen skip to ro	w 23 >			Yes/No
Section II(4A)												
								Sec	tion I	I (4A)		
							Busin	ess incid		o attain	ments	
								ess incid	dental to	o attain ects	$\overline{}$	
					Ma	aintaine	Sep	ess incide of n	dental to	o attain ects	ounts	Not maintained

ANNEXURES TO FORM NO. 10B

Donation Reported in form 10BD (Clause 22 & 23)

2.	Total S	Sum of donations reported in Form No. 10BD furnished by t	e for the previous year		(Amount in Rs)	
	Donatio	ons not reported in Form No. 10BD/Not required to fill Form				
	(i)	Donations received by fund or trust or institution of the au sub-section (2) of section 80G	Amount in Rs.			
	(ii)	Donations received by fund or trust or institution of the section 80G (other than those donations qualifying under or sub-clause (iv) of clause (a) of sub-section (2) of secti	clause	(b) of sub-section (2) of section 80G	Amount in R	S.
		Donations received by fund or trust or institution of	(a)	Cash donations exceeding Rs. 2000	Amount in Rs.	
	(iii)	the auditee approved under sub-clause (iv) of clause (a) of sub-section (2) of section 80G and which are not eligible under sub-section (5) of section 80G	(b)	Donations received from other charitable trusts and institution or from any fund or institution or trust or any university or other educational institutions or any hospital or other medical institution not eligible for deduction	Amount in R	S.
			(c)	Others < Specify the nature>	Amount in R	S.
			(d)	Total (a)+(b)+(c)	Amount in R	S.

23.	(iv)	Don done	ations which could not be reported in Form No 10BD due to non-availability or as required under Form No. 10BD	of identification of	Amount in Rs.
	(v)	Don	ations received in kind		Amount in Rs.
		Ano	nymous Donations referred to in section 115BBC		
		(a)	Amount of anonymous donation not taxable under section 115BBC of clause (i) of sub-section (1) of section 115BBC	n account of applicability	Amount in Rs.
	(vi)	(b)	Amount of anonymous donation not taxable under section 115BBC of clause (a) of sub-section (2) of section 115BBC	on account of applicability	Amount in Rs.
		(c)	Amount of anonymous donation not taxable under section 115BBC of clause (b) of sub-section (2) of section 115BBC	on account of applicability	Amount in Rs.
		(d)	Other anonymous donations taxable @ 30 % under section 115BBC		Amount in Rs.
	a	(e)	Total (a+b+c+d)		Amount in Rs.
	(vii)	Any	other voluntary contribution not part of Form No. 10BD	<please nature="" specify="" the=""></please>	Amount in Rs.
	(viii)	Tota	al donation not reported in Form No. 10BD [23(i)+23(ii)+23(iii)(d) +23(iv)+	Amount in Rs.	
		(vii)	Any other voluntary contribution not part of Form No. 10BD	<please nature="" specify="" the=""></please>	Amount in Rs.
		(viii)	Total donation not reported in Form No 10BD [23(i)+23(ii)+23(iii)(d) +23(i	v)+23(v)+23(vi)(e)+23(vii)]	Amount in Rs.
	24.	Total	voluntary contributions received by the auditee during the previous year [22+23(Amount in Rs.	
	25.	Total	foreign contribution out of the total voluntary contributions stated in 24		Amount in Rs. < Fill Schedule FC>
		Volun	tary Contribution forming part of corpus (which are included in 24)		Amount in Rs.
	26.	(A)	Corpus representing donations received for the renovation or repair of places no sub-section (2) of section 80G eligible for exemption under Explanation 1A to (23C) of section 10 or Explanation 3A to sub-section (1) of section 11	Amount in Rs. < Fill Schedule Corpus>	
		(B)	Corpus donations as referred to in clause (d) of sub-section (1) of section 11 or proviso to section 10 (23C) eligible for exemption and invested in modes specification 11		Amount in Rs. < Fill Schedule Corpus>
	27.	Volun	tary Contributions required to be applied by the auditee during the previous year	[24-{23(vi)(d)+26A+ 26B}]	Amount in Rs.

STATEMENT OF DONATION

□ The Finance Act, 2020 inserted Clause (viii) and (ix) in Section 80G(5) requiring trust or institution approved under section 80G to file a statement of donation received and also to issue the certificate to the donor. It has been further stated that deduction on account of the donation under section 80G shall be allowed to the donor only on the basis of the statement filed by the donee trust or institution. Hence, if a statement is not filed, the donor will not get a deduction for the donation.

In case of delay in filing such statement, a late fee of Rs. 200 per day shall be applicable under newly inserted Section 234G of the Income-tax Act. Further, a penalty under Section 271K, which shall not be less than Rs. 10,000 and which may extend up to Rs. I lakh, shall be liveable if the trust or institution fails to file such statement or fails to issue a certificate of donation.

The newly inserted Rule 18AB provides that the statement in Form 10BD shall be filed on or before the 31st May, immediately following the financial year in which the donation is received. The donee is also required to issue the certificate in FORM 10BE which is also required to be issued on or before the 31st May, immediately following the financial year in which the donation is received.



There could be any inadvertent mistake while filing the statement of donations. It could be name, and PAN of donor or the amount of donation. Rule 18AB doesn't provide for the filing of correction statement in any inadvertent mistake by the reporting entity.



The question may arise if there is no donation received by an entity which is approved under Section 80G, whether it is required to submit nil statement of donations for that period?

Rule 18AB doesn't contain any provision to clarify whether reporting entity is required to submit NIL statement of donation.

to be	28.	Income other than voluntary contributions derived from property held under trust referred to in section 11 or income of fund or institution or trust or any university or other educational institution or any hospital or other medical institution (other than the contribution reported in serial number 24)	Amount in Rs.
appli	29.	Income applied outside India which is eligible under clause (c) of sub-section (1) of section 11	Amount in Rs. < Fill Schedule Int App>
In	30.	Income required to be applied in India by the auditee during the previous year [27+28-29]	Amount in Rs.

Section II(I)(C)

- ☐ School or Hospital- Income that is not in the nature of voluntary contribution is to be reported
- ☐ Interest from FDR
- ☐ Income from Business undertaking
- ☐ Income from business which is incidental to main object

4								
	31.	Applica	tion of	Income (ex	xcluding application not eligible and reported under serial	number 37)		
		(i)	Total amount applied for charitable or religious purposes in India d the previous year			+Electronic (In Rs)	Other than Electronic (In Rs.)	Amount in Rs.
			(a)	Contribut year	tion or donation to any other person during the previous			Amount in Rs.
				Object w	ise application other than the application provided in (a)			
				(I)	Religious			Amount in Rs.
				(11)	Relief of poor			Amount in Rs.
				(III)	Education			Amount in Rs.
				(IV)	Medical relief			Amount in Rs.
				(V)	Yoga			Amount in Rs.
			(b)	(VI)	Preservation of environment (including watersheds, forests and wildlife)			Amount in Rs.
				(VII)	Preservation of monuments or places or objects of artistic or historic interest			Amount in Rs.
				(VIII)	Advancement of any other objects of general public utility			Amount in Rs.
				(IX)	Application which cannot be specifically categorised under (I) to (VIII)			Amount in Rs.
				(X)	Total			Amount in Rs.
			(c)	Total app	plication $[(a) + (b)(X)]$			Amount in Rs.

	S.No.	Name of person to whom amount paid or credited	PAN of such person	Amount of application (Rs)	Mod	Mode of application		TD	os.
					+Electroni c modes (Rs.)	Other than Electronic modes (Rs.)	Total	Whether any TDS has been deducted Yes/No	Section under which TDS has been deducted
(iii)	Amount which was not actually paid during the previous year [if included in (i)(c)]					Amount in Rs.	Amount in Rs.		
(iv)		ctually paid during the s application of incom			ıring any earli	er previous year	but not	Amount in Rs.	
(v)	Total amo	ount to be allowed as a	application [31(i)(c)- 31(iii) +31(i	iv)]			Amount in Rs.	
	Bifurcation	on of application in 31	(v) into Revenue	or Capital				Amount in Rs.	
(vi)	(a) I	Revenue						Amount in Rs.	
	(b) (Capital						Amount in Rs.	
(vii)	Amount invested or deposited back in corpus which was applied during any preceding previous year and not claimed as application during that previous year.					Amount in Rs. < fill Schedule C	Corpus>		
(viii)	Repayment of loan or borrowing during the previous year which was earlier applied and not claimed as application during that previous year during that previous year.						Amount in Rs. < fill Schedule LB>		

Note to Claus 31- iii to viii

(iii) Amount payable in B/S is not Allowed as application without opening as per explanation to section 11(7)/explanation 3 to 23rd proviso 10(23c)

(iv) Amount paid out of opening will be allowed as application in current year subject to it was not allowed in last year

(v)Total application

(vi) Bifurcation of application in to capital and revenue

(vii) Amount deposit back in corpus

(viii) Repayment of loan

EXAMPLE

Particulars	Opening Balance (A)	Interest amount (B)	Repayment of instalment (C)	CLS BAL as on 31-03-23 (D=A+B-C)	Principal Repayment (E=A-D)
Loan as on 31.03.2022	10,00,000	75,000	4,00,000	6,75,000	3,25,000
New Ioan 7,00,000		30,000	3,00,000	4,30,000	2,70,000

1,05,000 will be separately allowed as application

A2	Detailsof Loan A	And Borrowings					
	Opening Balance as on 01.04.2022 (1)	Loan & Borrowings taken for applications towards objectives during the year (2)	Applied for the objects of the trust or institution during the year (3)	Amount of repayment of loan or borrowing dguring the year (which was earlier applied and not claimed as application) (4)	Financial year in which (4) was applied earlier	Total Repayment of loan or borrowing during the year (6)	Closing Balance as on31.03.2023 (7) (1+2-6=7)
	10,00,000	7,00,000	3,25,000	3,25,000		5,95,000	11,05,000

Amo	unt to be disallowed from application	
(ix)	Amount disallowable under thirteenth proviso to clause (23C) of section 10 or Explanation 3 to subsection (1) of section 11 read with sub-clause (ia) of clause (a) of section 40	Amount in Rs. < fill schedule TDS>
(x)	Amount disallowable under thirteenth proviso to section 10(23C) or Explanation 3 to sub-section (1) of ection 11 read with sub-section (3) or (3A) of section 40A	Amount in Rs. < fill schedule 40A(3)/schedule 40A(3A)>
(xi)	Donation to any fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub - clauses (v), (v), (vi) or (via) of clause (23C) of section 0 of the Act or any trust or institution referred to in section 11 or 12 of the Act towards Corpus	Amount in Rs.
(xii)	Donation to Any fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub - clause (iv), (v) (vi) or (via) of clause (23C) of section 10 of the Act or any trust or institution referred to in section 11 or 12 of the Act not having	Amount in Rs.

I3th proviso to sec10(23C)/Exp.3tosec I1(1)
r.w.s 40(a)(ia) and r.w.s 40A(A) or 3(A)

Corpus donation to trust approved or registered trust

Donation to unregistered trust

		same objects	
	(xiii)	Donation to any person other than any fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub - clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 of the Act or any trust or institution referred to in sections 11 or 12 of the Act	Amount in Rs.
	(xiv)	Application outside India for which approval under proviso to clause (c) of sub-section (1) of section 11 has not been obtained	Amount in Rs.
	(xv)	Application outside India for which approval under proviso to clause (c) of sub-section (1) of section 11 has been obtained	
	(xvi)	Applied for any purpose beyond the objects of the auditee Section II(I)(c)	Amount in Rs.
	(xvii)	Any other disallowance (Please specify)	Amount in Rs.
	(xviii)	Total allowable application [{31(v)+31(vii)+31(viii) - {31(ix) to 31(xvii) }]	Amount in Rs.
	(xix)	Amount deemed to have been applied during the previous year under clause (2) of Explanation 1 to subsection (1) of section 11	Amount in Rs. < fill Schedule DI>
	(xx)	Income accumulated as per the provisions of Explanation 3 to the third proviso to clause (23C) of section 10 or sub-section (2) of section 11	Amount in Rs. < fill Schedule AC>
	(xxi)	Income accumulated or set apart for application to charitable or religious purposes or stated objects of trult or institution to the extent it does not exceed 15 % of the income	Amount in Rs.

Sec3 I (v)-Total amount allowed as application

Sec3 I (vii)-Amount invested or deposited back in corpus which was applied but not claimed as application

Sec3 I (viii)-Repayment of loan or borrowing earlier applied but not claimed as application

(30)

Income required to be applied in India

30(xviii)

Total allowable application

30(xix)

Deemed application by filing Form 9A

30(xx)

Deemed application by filing Form I 0

30(xxi)

Income accumulated or set a part to the extent it does not exceed 15%

Taxability Under rule – 115BBI

—		e under section 115BBI	N DI	A C D
(a)		r the auditee has any deemed income referred to in sub-section (1B) of section 11 s chargeable to tax @ 30 % under section 115BBI and the amount of such deemed	Yes/No If yes fill Schedule DI	Amount in Rs.
(b)	to clause	r the auditee has any deemed income referred to in Explanation 4 to third proviso e (23C) of section 10 or sub-section (3) of section 11 which is chargeable to tax @ ider section 115BBI and the amount of such deemed income?	Yes/No If yes fill Schedule AC	Amount in Rs.
	(i)	Whether income accumulated is applied for the purposes other than charitable or religious purposes or ceases to be accumulated or set apart for application thereto	Yes/No	Amount in Rs.
	(ii)	Whether such income accumulated ceases to remain invested or deposited in any of the forms or modes specified in sub-section (5) of section 11	Yes/No	Amount in Rs.
	(iii)	Whether such income accumulated is not utilised for the purpose for which it is so accumulated or set apart during the period referred to in clause (a) of Explanation 3 to third proviso to clause (23C) of section 10 or clause (a) of sub-section (2) of section 11	Yes/No	Amount in Rs.
	(iv)	Whether such income accumulated is credited or paid to any trust or institution registered under section 12AA or section 12AB or to any fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10	Yes/No	Amount in Rs.
(c)	(i)	Whether the auditee has any income which is income not to be excluded from the total income under twenty first proviso to clause (23C) of section 10 or clause (c) of sub-section (1) of section 13 which is chargeable to tax @ 30 % under section 115BBI and the amount of such income	Yes/No	Amount in Rs.
	(ii)	Whether the auditee has any income which is not to be excluded from the total income under clause (b) of third proviso to clause (23C) of section 10 or clause (d) of sub-section (1) of section 13 which is chargeable to tax @ 30 % under section 115BBI and the amount of such income	Yes/No	Amount in Rs.
(d)	of the in	the auditee has any income accumulated or set apart in excess of fifteen per cent. In the come where such accumulation is not allowed under any specific provision of the which is chargeable to tax @ 30 % under section 115BBI and the amount of such accumulation?	Yes/No	Amount in Rs.
(e)		r the auditee has made any application out of India which is not excluded from ome under clause (c) of sub-section (1) of section 11	Yes/No < If yes fill schedule Int App>	Amount in Rs.
34	Anor	nymous donation which is chargeable to tax @ 30 % under section 115BBC	•	Amount in Rs.

Other Income	35.	Othe	er Income	e		
		(a)	Whether the auditee has any income chargeable under section 12(2) and the amount of such income.	Yes/No	Amount in Rs.	
		(b) Income as per Explanation 3B to sub-section (1) of section 11 in case of violation of clause (a) or (b) or (c) or (d) of Explanation 3A to sub-section (1) of section 11 read with clause (b) of sub-section (2) of section		Amount in Rs. < Fill Schedule Corpus>		
			80G			
		(c)	Income as per <i>Explanation</i> 1B to the third proviso to clause (23C) of section 10 in case of clauses (a) or (b) or (c) or (d) of <i>Explanation</i> 1A to the third proviso to clause (23C) of sections (2) of sub-section (2) of section 80G		Amount in Rs < Fill Schedule Corpus>	
		(d)	Income chargeable under sub-section (4) of section 11		Amount in Rs.	

			80G		
		(c)	Income as per Explanation 1B to the third proviso to clause (23C) of section 10 in case of clauses (a) or (b) or (c) or (d) of Explanation 1A to the third proviso to clause (23C) of section clause (b) of sub-section (2) of section 80G	Amount in Rs < Fill Schedule Corpus>	
		(d)	d) Income chargeable under sub-section (4) of section 11		Amount in Rs.
	36.	Deta	ils of capital asset transferred under sub-section (1A) of section 11		
ŧ		(1)	Whether a capital asset being property held under trust wholly for charitable or religious purpose is transferred and the net consideration for which it is transferred?	Yes/No	Amount in Rs.
tal Asset		(2)	Whether deemed application is claimed as per clause (a) of sub-section (1A) of section 11 and the amount of such deemed application?	Yes/No	Amount in Rs.
Capital		(3)	Whether a capital asset being property held under trust in part only for charitable or religious purpose is transferred and the net consideration for which it is transferred?	Yes/No	Amount in Rs.
		(4)	Whether deemed application is claimed as per clause (b) of sub-section (1A) of section 11 and the amount of such deemed application?	Yes/No	Amount in Rs.

				3	8 8
	(A)	Income accumulated under third proviso to clause (23C) of section 10 or under sub-section (2) of section 11 during any earlier previous year	+Electronic modes (Rs.)	Other than Electronic modes (Rs.)	Total Amount (Rs.) < Fill schedule AC>
	(B)	Income deemed to be applied in any preceding year under clause (2) of Explanation 1 to sub-section (1) of section 11 during any earlier previous year	+Electronic modes (Rs.)	Other than Electronic modes (Rs.)	Total Amount (Rs.) < Fill schedule DI>
37.	(C)	Income of earlier previous years up to 15% accumulated or set apart	+Electronic modes (Rs.)	Other than Electronic modes (Rs.)	Total Amount (Rs.)
57.	(D)	Corpus	+Electronic modes (Rs.)	Other than Electronic modes (Rs.)	Total Amount (Rs.) < Fill Schedul Corpus>
	(E)	Borrowed fund	+Electronic modes (Rs.)	Other than Electronic modes (Rs.)	Total Amount (Rs.) < Fill Schedule LB>
	(F)	Any other (Please specify)	+Electronic modes (Rs.)	Other than Electronic modes (Rs.)	Total Amount (Rs.) < Fill Schedule LB>

38.	Details	of application result	ing in paymen	t or credit in excess o	f Rs. 50 lakh d	luring previous year	to a sing	le person out of 37		
	S.no	Name of person	PAN	Amount of application (Rs.)	Мо	ode of Application		TI	S	
					+Electroni c modes	Other than Electronic modes	Total	Whether any TDS has been deducted (Yes/No)	Section under which TDS has been deducted	Amou nt of TDS

		(i)	Wheth	er provisions of twenty second proviso to clause (23C) of section 10 or sub-section (10) of section 13 are applicable?	Yes/No		
9				in (i) specify the reason why the provisions of twenty second proviso to clause (23C) of section 10 or ction (10) of section 13 are applicable?			
0(23			(a)	Provision of proviso to clause (15) of section 2 is applicable	Yes/No		
22nd proviso to section 10(23C)		(ii)	(b)	condition specified in clause (a) of tenth proviso to clause (23C) of section 10 or sub-clause (i) of clause (b) of sub-section (1) of section 12A have been violated	Yes/No		
			(c)	condition specified in clause (b) of tenth proviso to clause (23C) of section 10 or sub-clause (ii) of clause (b) of sub-section (1) of section 12A have been violated	Yes/No		
provis	39.		(d)	condition specified in twentieth proviso to clause (23C) of section 10 or sub-clause (ii) of clause (ba) of sub-section (1) of section 12A have been violated	Yes/No		
		(iii)				in (i), please provide computation of income chargeable under twenty second proviso to clause (23C) of section 10 or ction (10) of section 13	
13(10) and			(a)	Income for the previous year	Amount in Rs.		
13((b)	Total Expenditure incurred in India, for the objects of the auditee,	Amount in Rs.		
			(c)	Expenditure to be disallowed			

		(i)	Expenditure from the corpus standing to the credit of the trust or institution as on the end of the financial year immediately preceding the previous year relevant to the assessment year for which income is being computed	Amount in Rs.
		(ii)	Expenditure from any loan or borrowing	Amount in Rs.
		(iii)	Depreciation in respect of an asset, acquisition of which has been claimed as application of income, in the same or any other previous year; and	Amount in Rs.
		(iv)	Expenditure in the form of contribution or donation to any person.	Amount in Rs.
		(v)	Capital expenditure	Amount in Rs.
		(vi)	Amount disallowable under Explanation to sub-section (10) of section 13 or Explanation to twenty second proviso to clause (23C) of section 10 read with sub-clause (ia) of clause (a) of section 40	Amount in Rs. < fill schedule TDS disallowable >
		(vii)	Amount disallowable under Explanation to sub-section (10) of section 13 or Explanation to twenty second proviso to clause (23C) of section 10 read with sub-sections 3 or 3A of section 40A	Amount in Rs. < fill schedule 40A(3)/Schedul e 40A(3A)>
		(viii)	Any other disallowance	Amount in Rs.
		(ix)	Total expenditure to be disallowed (i)+(ii)+(iii)+(iv)+(v)+(vi)+(vii)+(viii))	Amount in Rs.
	(d)		chargeable to tax under twenty-second proviso to clause (23C) of section 10 or sub-section (10) of $13 [a - b + c(ix)]$	Amount in Rs.

		In ca	se auditee is approved unde	r second proviso to sub-section	(5) of section	80G, please provide the followi	ng details	
Incurred for Purposes		(a)	Whether any amount of exand the amount of such ex	spenditure incurred during the properties of the	previous year v	which is of a religious nature	Yes/No	If yes specify amount in Rs.
Incu		(b)	Total income of auditee d	uring the previous year				Amount in Rs.
Expenditure Incurred Religious Purposes	40.	(c)	Percentage of expenditure	which is of religious nature to	the total incon	ne [Amount in (a)/(b)]		%
		Deta	ils of specified person* as r	eferred to in sub-section (3) of	section 13			
	41.	in st 13	e of Person referred to ab-section (3) of section fer Note^^>	Name of such person	PAN of such person	Aadhar number of such person, if allotted	Address of such person	If code 2 selected in column (1) specify the amount of contribution made to the auditee

Note: In serial number 41, select one or more of the following codes for specified person:

S.	Nature of person	Code
No		
(1)	the author of the trust or the founder of the institution;	1
(2)	any person who has made a substantial contribution to the trust or institution, that is to say, any person whose total	2
	contribution up to the end of the relevant previous year exceeds fifty thousand rupees;	
(3)	where such author, founder or person is a Hindu undivided family, a member of the family;	3
(4)	any trustee of the trust or manager (by whatever name called) of the institution;	4
(5)	any relative of any such author, founder, person, member, trustee or manager as aforesaid;	5
(6)	any concern in which any of the persons referred above have a substantial interest.	6

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42.	Details of transactions referred to in section 13 (2)	
(a)	Whether any part of the income or property of the auditee is, or continues to be, lent to any specified person for any period during the previous year without either adequate security or adequate interest or both	Yes/No < If yes, fill Schedule SP-a>
(b)	Whether any land, building or other property of the auditee is, or continues to be, made available for the use of any specified person, for any period during the previous year without charging adequate rent or other compensation;	Yes/No < If yes, fill Schedule SP-b >
(c)	Whether any amount is paid by way of salary, allowance or otherwise during the previous year to any specified person out of the resources of the trust or institution for services rendered by that person to such auditee and the amount so paid is in excess of what may be reasonably paid for such services;	Yes/No < If yes, fill Schedule SP-c >
(d)	Whether the services of the auditee are made available to any specified person during the previous year without adequate remuneration or other compensation;	Yes/No < If yes, fill Schedule SP-d >
(e)	Whether any share, security or other property is purchased by or on behalf of the auditee from any specified person during the previous year for consideration which is more than adequate;	Yes/No < If yes, fill Schedule SP-e1/e2
(f)	Whether any share, security or other property is sold by or on behalf of the auditee to any specified person during the previous year for consideration which is less than adequate;	Yes/No < If yes, fill Schedule SP-f1/f2 >
(g)	Whether any income or property of the auditee is diverted during the previous year in favour of any specified person	Yes/No < If yes, fill Schedule SP-g >
(h)	Whether any funds of the auditee are, or continue to remain, invested for any period during the previous year, in any concern in which any specified person has a substantial interest.	Yes/No < If yes, fill Schedule SP-h>

	43.	Specified Violation									
				Yes/No	Amount in Rs.						
Specified Violation		(a)	Income of the auditee has been applied, other than for the objects of the trust or institution.	Yes/No	Amount in Rs.						
		(b)	Whether the auditee has income from profits and gains of business which is not incidental to the attainment of its objectives or separate books of account are not maintained by auditee in respect of the business which is incidental to the attainment of its objectives.	Yes/No	Amount in Rs.						
		(c)	Whether the auditee, referred to in clause (a) of sub-section (1) of section 13, has applied any part of its income from the property held under a trust for private religious purposes, which does not enure for the benefit of the public.	Yes/No	Amount in Rs.						
		(d)	Whether the auditee, referred to in clause (b) of sub-section (1) of section 13, has applied any part of its income for the benefit of any particular religious community or caste.	Yes/No	Amount in Rs.						
S		(e)	Whether any activity being carried out by the auditee is not genuine or is not being carried out in accordance with all or any of the conditions subject to which it was registered.	Yes/No	Amount in Rs.						
		(f)	Whether the auditee has not complied with the requirement of any other law, for the time being in force, and the order, direction or decree, by whatever name called, holding that such non-compliance has occurred, has either not been disputed or has attained finality.	Yes/No	< If yes, fill schedule other law violation>						
	44.	(23C) of	there is any claim of depreciation or otherwise has been made in terms of Explanation 1 to clause section 10 or sub-section (6) of section 11 in respect of any asset, acquisition of which has been as an application of income and the amount of such depreciation?	Yes/No	If yes specify the amount						
	45.	please s	of provisions of nineteenth proviso to clause (23C) of section 10 or sub-section (7) of section 11, pecify whether the trust or institution has claimed deduction under section 10 [other than clause se (23C) and clause (46) thereof] during the previous year and the amount of such claim?	Yes/No	Amount in Rs.						
	46.		the auditee has taken or accepted any loan or deposit or any specified sum, exceeding the limit d in section 269SS during the previous year?	Yes/No	Amount in Rs. (If yes, fill Schedule 269SS)						
	47.	a day;	the auditee has received an amount exceeding the limit specified in section 269ST, from a person in or in respect of a single transaction; or in respect of transactions relating to one event or from a person during the previous year?	Yes/No	Amount in Rs. (If yes, fill Schedule 269ST)						
	48.	Whether	the auditee has repaid any amount being loan or deposit or any specified advance exceeding the limit in section 269T, during the previous year?	Yes/No	Amount in Rs. (If yes, fill Schedule 269T)						
	49.	Whether XVII-BI	the auditee is required to deduct or collect tax as per the provisions of Chapter XVII-B or Chapter B?	Yes/No	(If yes, fill Schedule TDS/TCS/ Statement of TDS/TCS/ Interest on TDS/TCS as applicable)						

Sc	hedule C	orpus: Details	of Corp	us										
Type of corpus donation	of Openi	reated as corpus during the previous year (2)	Appli Amoun ed t investe g the d or previ deposit ous ed year back in (3) to corpus (which was earlier applied and not claime d as applica tion if such applica tion fulfille d the conditi ons) (4)	Amoun t investe d or deposit ed back in to corpus (which was earlier applied and not	Total amou nt invest ed or depos ited back in to corpu s (5)	Finan cial year in which (4) was applie d earlie r (6)	Closin g balanc e (7) [(1+2+5)-3]	Inves ted in mode s specif ied in sectio n 11(5) (8)	Amou nt taxed in previo us assess ment year (9)	Inves ted in mode s other than specif ied in sectio n 11(5) as on last day of the	oose other than for	n whetheing cond		ills the
									previous year (10)	Amount applied out of corpus for the purp which the voluntary contribution was made	Contribution or donation to any person;	Maintained as not separately identifiable	invested or deposited in the forms and modes other those	

(i) Representing donations received for the renovatio n or repair of places notified under 80G(2) (b) on or after 01.04.20 20						Yes/ No	Yes/ No	Yes/ No	Yes/ No
(ii) – Other than (i) above received on or after 01.04.20 21 (iii) Other									
than (i) and (ii) above									

Schedule FC: Details of forei	gn contribution	
Nature of foreign	Amount of foreign contribution	Details of the total application from such contribution during the previous
contribution received during	received during the previous years	year
the previous year	(In Rs.)	Amount In Rs.
(i) orpus		
(ii) on- corpus		
Total		

Schedule LB: De	etails of Loan and B	orrowing				
Opening balance as on 1 st April of the previous year	Loan and borrowings taken for applications towards objectives during the previous year	Applied for the objects of the trust or institution during the previous year	Amount of repayment of loan or borrowing during the previous year (which was earlier applied and not claimed as application if such application fulfilled the conditions as required)	Financial year in which (4) was applied earlier	Total repayment of loan or borrowing during the previous year (In Rs.)	Closing Balance as on 31st March (1+2-6=7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)

Sche	lule Int App: I	Details of income	applied outs	ide India						
S.No	Name of the person to whom remittance is made	Taxpayer Identification Number if available	Amount of remittance out of India which is reported in Form No. 15CA (In Rs.)	Amount of remittance outside India other than (4) (In Rs.)	Charitable or religious purpose for which application is made	Country of application	Whether applied for promoting international welfare in which India is interested and is and not to be included in total income of the auditee?		val for a ia has been General/ special	application taken Date of approval
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)

(1B) of section	Details of deemed a 11	application u	nder Explana	tion 1 to sub-	section (1) of s	ection 11 and	deemed incor	ne under sub	-section			
Year in which income is deemed to be applied (F.Y.)	Date of furnishing Form 9A (dd/mm/yyyy)	Amount deemed to be applied during the previous year referred to in column 1	Reason of deeming application (a) income has not been received during that year (b) any other reason	Out of the deemed application claimed earlier, amount required to be applied	Amount taxed in any earlier assessment year out of the amount referred to in column (5) (Fill schedule DA)	Out of the deemed application clamied, amount required to be applied during the financial year pertaining to current assessment year	Amount of deemed application claimed in earlier years, applied during the financial year relating to current AY	Amount which could not be applied and deemed to be income under section 11(1B) during the previous year	Balance Amount of deemed application			
(1)	(2)	(3)	(4)	(5)	(6)	(7) =(5)- (6)	(8)	(7)-(8) = (9)	(5)- (7)=(10)			
Dropdowns to be provided			Dropdowns to be provided									
Schedule DA:	Details of accumu	lated income	taxed in earlie	r assessment	years as per su	ub-section (1B	of section 11					
							eding the curre	ent previous ye	ear			
Year of accumulation (F.Y.)	Assessment year in which the amount referred to in column (4) of schedule DI was taxed Dropdowns to be provided last five previous years beginning from the previous year preceding the current previous year Yyyy - yyyy Yyyy - yyyy Yyyy - yyyy											
			,,,,,		y – yyyy			,,,,				
Dropdowns to be provided for last five previous years beginning from the current previous year Yyyy – yyyy					у — уууу							

Sche	dule AC: 1	The detail	s of accum	nulation												
S. N o.	Year of accum ulation (F.Y.)	Date of furnis hing Form 10 dd/m m/yyy y	Amou nt accum ulated in the year of accum ulation	Purpos e of accum ulation	Amo unt appli ed for chari table or religi ous/ purp oses up to the begi nnin g of the previ ous year	Bal anc e to be app lied (3)-(5)	Amo unt taxed in any earlie r asses smen t (Fill sched ule ACA	Balan ce avail able for appli catio n (6)- (7)	Amou nts applie d for charita ble or religio us purpos e during the previo us year out of previo us years' accum ulation	Amou nt applie d for purpos es other than the purpos e for which such accum ulation was made (if applic able)	Amount credited or paid to any trust or institution registered under section 12AB or approved under subclauses (iv)or(v)or (vi)or(via) of clause (23C) of section 10 (if applicable)	Balan ce amou nt avail able for appli catio n (8) - (9) - (10) - (11)	Amo unt inve sted or depo sited in the mod es spec ified in secti on 11(5) out of (12)	Amo unt inves ted or depos ited in the mode s other than speci fied in sectio n 11(5) out of (12) (if appli cable)	Amou nt which is not utilise d during the period of accum ulation (if applic able)	Amo unt deem ed to be inco me withi n theme aning of sub- sectio n (3) of sectio n 11 (if applic able) (10)+ (11)+ (14)+ (15)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	Provid e dropdo wn															
	for the last seven financi al years															

Schedule ACA: Do	etails of accumulated inc	ome taxed in earlier assess	ment years under sub-sect	ion (3) of section 11							
Assessment year in which this amount was taxed Dropdowns to be provided last five previous years beginning from the previous year preceding the current previous											
Year of accumulation (F.Y.)	Үууу – уууу	Үууу – уууу	Үууу – уууу	Үууу – уууу	Yууу – уууу						
Dropdowns to be provided for last five previous years beginning from the current previous year Yyyy – yyyy											
Total											

Schedul previou		her any part of	income or proper	rty of the auditee i	is lent, or	continues to 1	oe lent, to the	specified perso	n during the	
S. No.	Name of specified person	PAN of specified person	De	etails		Details of Sec	urity	Details of interest		
			Nature of income or property which is lent	Amount for which income or property is, or continues to be, lent to specified person for any period during the previous year	Nature of securit y	Value of security	Value of adequate security	Actual rate of interest that is charged	Adequate rate of Interest	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	

S. No.	Name of specified person	PAN of specifie d person	Details of asset		Duration for which asset is, or continues to be, made available for the use of specified person during the previous year,		Details of rent for the previous year		Details of other compensation for the previous year		
			-	Nature of asset	Address	From dd/mm/yy yy	To dd/mm/yyy y	Amount of rent	Adequate rent	Nature	Amount of compensat
(1)	(2)	(3)	<pre>(4) < land/ building/ other property ></pre>	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)

S. No.	Name of specified person	PAN of specified person	Nature of services rendered by specified person	Details of payment for the previous year					
				Nature of payment	Amount of payment (in Rs)	Reasonable amount for services			
(1)	(2)	(3)	(4)	(5)	(6)	(7)			
				< Salary/ Allowance/ Otherwise (please specify)>					

Schedule SP-	d: Details of	the services of	the auditee ar	e made availab	le to the speci	fied person du	ring the previ	ous year?		
S. No.	Name of I	PAN of	Details o	f services		emuneration vious year	Details of compensation for the previous year			
	specified person	specified person	Nature of services made available	Value of services made available (In Rs.)	Actual amount of remunerati on for the service	Adequate remunerati on for the service	Nature of compensati on for the service	Actual amount of compensati on for the service	Adequate compensat ion	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	

	Name of	PAN of	Nature of	Details of Shares or Security					Details of other property being movable				
S. No.	specified person	specified person	property purchas ed	Name of the compan y/ concern of which the shares are purchase d	Number of shares purchase d during the previous year	Price of each share/se curity	Total consider ation paid share or security	Adequat e consider ation for shares or security	Nature of property	Number of property purchase d	Price of property	Total consider ation paid for property during the previous year	Adequ ate Consid eration
			< Share/ Security/ Other Property >										
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)

Schedule SP- e	Schedule SP- e 2 : Details in case of other property being immovable:									
S. No.	Name of		Type of asset	Address of			Details of Cons	ideration		
	specified person	specified person		property	ft)	value	Amount of considertaion paid for asset	Adequate consideratio n for asset		
			< Land/ Residential/ Commercial Property etc)>							

S.	Name of	PAN of specifi	Nature of		Detai	ls of Share	s or Security		Details of Other Property being Movable				
No ·	specifi ed person	ed person	propert y sold	Name of the Compa ny or Concer n of which the shares are sold	Numbe r of shares sold during the previo us year	Price of each share or securit y	Total considerati on share /security	Adequate considerati on for share or security	Nature of movab le propert y	Number of movabl e properti es sold	Price of movab le propert y	Total considerati on for property during the previous year	Adequate considerati on
			<share <br="">Security/</share>										
			Other Property >										
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)

Sche	Schedule SP- f 2: Details in case of other property being immovable:											
S. No.	Name of specified	PAN of specified	Type of asset	Address of property	Area (in Sq	Stamp Duty	Details of Cons		of Consideration			
	person	person			ft)	Value	Amount consideration asset	of for	Adequate consideration asset	for		
			< Land/ Residential/ Commercial Property etc>									

	Schedule SP-g: Details of any income or property which is is diverted during the previous year in favour of any specified person							
S No	Name of specified person in whose favor income or property diverted	PAN of specified person	Details of Income or property that is diverted					
			Nature of Income or property that is diverted	Value of income or property that is diverted (In Rs.)				
(1)	(2)	(3)	(4)	(5)				

Schedule l interest	n: Details of	any funds th	at are, or cor	itinue to	remain,	invested in any	concern during	g the previous	year in which	the specified	person has a s	substantial
S No			Details of the Concern in which funds are, or continue to remain, invested Details of subs								of substantial i	nterest
Nature of concern in which funds are continue to remain invested	Name of concern	Address of concern	Amount that is or continues to remain invested in concern during the year (In Rs.)	the pre	on of invertious yes	To dd/mm/yyyy	Nature of investment	Income from investment during the year	Name of specified person having substantial interest in concern	PAN of specified person	Nature of substantial interest	Nature of concern in which funds are continue to remain invested
	< Company/ Others>											

Schedul	Schedule other law violation										
S.no	Name of law under which non-compliance has occurred	Nature of non- compliance	Date of order, direction or decree, holding that such non- compliance has occurred		Whether the order, direction or decree, has been disputed before any court or appellate forum	If yes, whether dispute has attained finality	Has the dispute been finalised in favour of the auditee				
(1)	(2)	(3)	(4)		(5)	(6)	(7)				
Schedul	e TDS disallowable: Details	of amounts inadmi	issible amount disal	llowable ur	nder thirteenth pro	viso to clause (23C) of section 10 or sub-				

Schedule TDS disallowable: Details of amounts inadmissible amount disallowable under thirteenth proviso to clause (23C) of section 10 or sub section (1) of section 11 read with sub-clause (ia) of clause (a) of section 40:

(a) Details of payment on which tax is not deducted

Date of payment dd/mm/yyyy	Amount of payment (in Rs.)	Nature of payment	Name of Payee	PAN or Aadhar of payee, if available	Address of Payee
(1)	(2)	(3)	(4)	(5)	(6)

(b) Details of payment on which tax has been deducted but has not been paid on or before the due date specified in sub-section (1) of section 139

Date of Payment Dd/mm/yyyy	Amount of payment (in Rs.)	Nature of payment	Name of Payee	PAN or Aadhar of payee, if available	Address of Payee	Amount of tax deducted	Amount out of (7) deposited, if any
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

Sched	ule 40A(3): Details of	f amount is disallowable	under thirteenth p	roviso to section	10(23C) or Explanation	3 to sub-section (1) of
section	n 11 read with sub-se	ction (3) of section 40A				

,	III I CHIC II III SUS SC	etion (b) or section for					
S. No.	Date of payment	Amount of payment (In Rs.)	Nature of payment	Details of payee			
		, ,	(In Rs.)	Name	PAN or aadhar, if available	Address	

	Schedule 40A(3): Details of amount is disallowable under thirteenth proviso to section 10(23C) or Explanation 3 to sub-section (1) of section 11 read with sub-section (3) of section 40A									
S. No.	Date of payment	Amount of payment (In Rs.)								
		. ,	*,-* - \ \	Name	PAN or aadhar, if available	Address				

Schedule 40A(3A): Details of Amount disallowable under thirteenth proviso to section 10(23C)/sub-section (1) of section 11 read with subsection (3A) of section 40A

S. No.	Date of payment	Amount	Nature		Details of payee			
				Name PAN or Aadhar, if available Address				

Schedule 269SS: Details of loan or deposit or any specified sum taken, exceeding the limit specified in section 269SS during the previous year

S.No	Name of the lender or depositor	PAN or aadhar, if available	Address	Loan or deposit or any specified sum	Amount of loan or deposit taken or accepted	Whether the loan or deposit was squared up during the previous year? Yes/No	Maximum amount outstanding in the account at any time during the previous year	By cheque or Bank draft or use of electronic clearing system through a bank account or any other mode	Whether account payee if by cheque or Bank draft?

Schedule 269ST: Details of amount received exceeding the limit specified in section 269ST, from a person in a day; or in respect of a single transaction; or in respect of transactions relating to one event or occasion from a person during the previous year?

	I	Details of Pa	yee	Details of Transaction					Mode of Repayment			
S.No	Name	PAN, if available	Address	Loan or deposit or any specified advance	Amount	Please specify mode of receipt [by Cheque or bank draft or use of electronic clearing system through a bank account or any other]	Whether Account payee, if by cheque or bank draft?	Whether squared up?	Maximum amount outstanding	By cheque or Bank draft or use of electronic clearing system through a bank account or nay other mode	Whether Account Payee if by cheque or bank draft?	

Schedule 269T: Details of repayment of any amount being loan or deposit or any specified advance exceeding the limit specified in section 269T, during the previous year?

	3	Details of Pay	ree	Details of Transaction						Mode of Repayment		
S.No	Name	PAN, if available	Address	Loan or deposit or any specified advance	Amount	Please specify mode of receipt [by cheque or Bank draft or use of electronic clearing system through a bank account or any other]	Whether Account payee, if by cheque or bank draft?	Whether Squared up?	Maximum amount outstanding	By cheque or Bank draft or use of electronic clearing system through a bank account or nay other mode	Whether account payee if by cheque or bank draft?	

Particulars in Schedule 269ST need not be given in the case of receipt by or payment to a Government company, a banking Company, a post office savings bank, a cooperative bank or in the case of transactions referred to in section 269SS or in the case of persons referred to in Notification No. S.O. 2065(E) dated the 3rd July, 2017;

Schedule TD	S/TCS								
Tax Deduction and Collection Account Number (TAN)	Section	Nature of payment	Total amount of payment or receipt of the nature specified in column (3)	Total amount on which tax was required to be deducted or collected out of (4)	Total amount on which tax was deducted or collected at specified rate out of	Amount of tax deducted or collected out of (6)	Total amount on which tax was deducted or collected at less than specified rate out of (7)	Amount of tax deducted or collected on (8)	Amount of tax deducted or collected but not deposited to the credit of the Central Government out of (6) and (8)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

Schedule Statement of TDS/TO	es			
Tax deduction and collection account number (TAN)	Type of Form	Due date for furnishing	Date of furnishing, if furnished	Whether the statement of tax deducted or collected contains information about all transactions which are required to be reported
(1)	(2)	(3)	(4)	(5)

Schedule Interest on TDS/TCS			
Tax deduction and collection account number (TAN)	Amount of interest under section 201(1A) or 206C(7) is payable	Amount paid out of column (2)	Date of payment Dd/mm/yyyy
(1)	(2)	(3)	(4)

Filing of Form No. 10BB A.Y. 2023-2024

[FORM No. 10BB

[See rule 16CC and 17B]

Audit report under clause (b) of the tenth proviso to clause (23C) of section 10 and sub-clause (ii) of clause (b) of sub-section (1) of section 12A of the Income-tax Act, 1961, in the case of a fund or trust or institution or any university or other educational institution or any hospital or other medical institution which is required to be furnished under clause (b) of the tenth proviso to clause (23C) of section 10 or a trust or institution which is required to be furnished under sub-clause (ii) of clause (b) of section 12A

- * I/We have obtained all the information and explanations to the best of *my/our knowledge and belief which are necessary for the purposes of the audit.

In * my/our opinion, proper books of account have been maintained at the registered office of the above named fund or trust or institution or university or other educational institution or hospital or other medical institution at the address mentioned at row 11 of the Annexure:

In *my/our opinion and to the best of *my/our information and according to explanations given to *me/us, the particulars given in the Annexure are true and correct subject to following observations or qualifications, if any—

(a)	
(b)	
(c)	

In * my/our opinion and to the best of * my/our information, and according to information given to * me/us, the said accounts give a true and fair view—

- (i) in the case of the balance sheet, of the state of affairs of the above named * fund or trust or institution or university or other educational institution or hospital or other medical institution as on ______; and
- (ii) in the case of the Income and Expenditure account or Profit and Loss account, of the income and application/ profit or loss of its accounting year ending on

(b)		
(c)		
The prescribed pa	articulars are annexed hereto.	
Place:		
Date:		
	Signed Accountant	t†
	Nar	ne
	Membership Numb	er
	Addre	SS
Notes:		
1. *Strike out wh	nichever is not applicable.	
†This report h 1949).	has to be given by - a chartered accountant within the meaning of the Chartered Accountants Act, 1949 (38	of

3. Where any of the matters stated in this report is answered in the negative, or with a qualification, the report shall state the reasons

subject to the following observations/qualifications—

for the same.

.......

					ANNEXURI Statement of parti							
	1.	PAN of the	e auditee						A B C D	E 1 2 3	4 F	
	2.	Name of th	e auditee									
un.	3.	Assessmen	t Year									
Basic Details	4.	Previous Y	ear						d d m m y y y y y To			
	5.	Registered	address of the aud	ditee								
	6.	Other addre	esses, if applicable	95		< refer note*>		j				
	7.	Type of the auditee Trust Society Company 0										
Legal	8.	Whether th	ne auditee is estab	lished under an in	strument?				Yes/No			
	9.	Governing Council/ Director (s)/ shareholders holding 5% or more of shareholding / Office Bearer (s) of the auditee a during the previous year										
		Name of person	Relation < refer note#>	Percentage of shareholding in case of shareholder	Unique Identification Number	Id Co		Addre	Whether there is relation during pro audit Yes/No		If yes, specify the change	
		(1)	(2)	(3)	(4)	(5)		(6)	(7)		(8)	
ment		(b) deta	ails of the natural p		1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2				not an individual, th n during the previou	(3.1)	following	
Managerrent		SI. No.	Name	Unique Identification Number	ID code < refer note##>	Add ress	serial numb 9(a)] which benefit	idual on [as ioned in l per no in	Percentage of beneficial ownership	Whether there is any change during previous year of audit Yes/No	If yes, specify the change	
		(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)	(9)	

of	10.	(i)		e the auditee has been granted provisional registration or provisional approval, whether ties have commenced during the previous year	Yes/I	No
ment		(ii)	If yes	in 10 (i), date of commencement of activities	d	d m m y y y y
Commencement of activities		(iii)	of cla	answer to 10(i) is yes, whether application for registration under section sub-clause (iv) ause (ac) of sub-section (1) of section 12A or approval under clause (iii) of the first so to clause (23C) of section 10 has been filed?	Yes/N	No
0		(iv)	If yes	in 10(iii) above, the date of application for registration or approval	d	d m m y y y
r n	11.	(i)		her the books of account and other documents have been kept and maintained in the and manner and at such place as prescribed under rule 17AA by the auditee?	Yes/N	No
othe bee		(ii)	If Ye	s in (i) above, whether books of account maintained are maintained at registered office?	Yes/N	Ňo
Details of Place where books of accounts and other documents have been		(iii)		in (ii) above, provide the following details regarding any place other than the registered aintained	place w	here the books of account
f Pla			(a)	Address of such place where the books are maintained		200
ls o			(b)	Date of decision by management to keep account at such place		dd/mm/yyyy
Detail o			(c)	Date of intimation to Assessing Officer that accounts are kept at such place under prov sub-rule (3) of rule 17AA	iso to	dd/mm/yyyy
	12.	Wheth	ner audi	tee has filed Form No. 10BD for the previous year < If No then skip to serial number 14 >		Yes/No
	13.	Sum t	otal of o	donations reported in Form No. 10BD furnished by the auditee for the previous year		(Amount in Rs.)
non	14.	Donat	ions no	t reported in Form No 10BD/ Not required to fill Form No. 10BD		Amount in Rs.
ipn	15.	Total	volunta	ry contributions received by the auditee during the previous year [13+14)]		Amount in Rs.
xont	16.	Total	Foreign	Contribution out of the total voluntary contributions stated in 15		Amount in Rs.
Voluntary contributions	17.	Volun	tary Co	ntribution forming part of corpus (which are included in 15)	ľ	Amount in Rs.
lunt	18.	Anon	ymous o	lonations taxable @30% under section 115BBC		Amount in Rs.
Λ	19.		cation o	on 11	Amount in Rs.	
	20.	Volun	itary con	ntributions required to be applied by the auditee during the previous year [15-(17+18+19)]]	Amount in Rs.
	21.	Incom	e other	than voluntary contributions derived from property held under the trust referred to in section	on 11	Amount in Rs.

		ome of fund or institution or trust or any university or other educational institution or any hospital or nedical institution other than the contribution reported in serial number 15								
22.	Income	e required to be applied in India by the auditee during the previous year [20+21]	Amount in Rs.							
23.	Applic	ation of income (excluding application not eligible and reported under serial number 27)								
	(i)	Total amount applied for charitable or religious purposes in India during the previous year	Amount in Rs.							
	(ii)	Amount which was not actually paid during the previous year [if included in (i)]	Amount in Rs.							
	(iii)	Amount actually paid during the previous year which accrued during any earlier previous year but not claimed as application of income in earlier previous year	Amount in Rs.							
	(iv)	Total amount to be allowed as application [23(i)-23(ii)+23(iii)]	Amount in Rs.							
	(v)	Amount invested or deposited back in corpus which was applied during any preceding previous year and not claimed as application during that previous year	Amount in Rs.							
	(vi)	Repayment of loan or borrowing during the previous year which was earlier applied and not claimed as application during that previous year	Amount in Rs.							
	Amount to be disallowed from application									
	(vii)	Amount disallowable under thirteenth proviso to clause (23C) of section 10 or Explanation 3 to sub-section (1) of section 11 read with sub-clause (ia) of clause (a) of section 40	Amount in Rs. < Fill schedule TDS Disallowed>							
	(viii)	Amount disallowable under thirteenth proviso to section 10(23C) or Explanation 3 to sub-section (1) of section 11 read with sub-section (3) or (3A) of section 40A	Amount in Rs. < Fill schedule 40A(3)/schedule 40A(3A)>							
	(ix)	Donation to any fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub - clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 of the Act or any trust or institution referred to in sections 11 or 12 of the Act towards corpus	Amount in Rs.							
	(x)	Donation to Any fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub - clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 of the Act or any trust or institution referred to in sections 11 or 12 of the Act not having same objects	Amount in Rs.							
8	(xi)	Donation to any person other than any fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub - clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 of the Act or any trust or institution referred to in sections 11 or 12 of the Act	Amount in Rs.							

Application of income out of different sources	27.	(A) (B)	Income accumulated under the third proviso to clause (23C) of section 10 or under sub-section (2) of section 11 during any earlier previous year Income deemed to be applied in any preceding year under clause (2) of Explanation 1 to sub-section (1) of section 11 during any earlier previous year Income of earlier previous years up to 15% accumulated or set apart	Total Amount (Rs.) Total Amount (Rs.) Total Amount (Rs.)	
nt of		App (A)	lication of income out of the following sources during the previous year Income accumulated under the third proviso to clause (23C) of section 10 or under sub-section (2) of	Amount in Rs. Total Amount (Rs.)	
	26.	Ano	nymous donation which is chargeable to tax @ 30 % under section 115BBC	Amount in Rs.	
	25.	_	me taxable under section 115BBI	Amount in Rs.	
	24.	(xix	Income accumulated or set apart for application to charitable or religious purposes or stated objects of trust or institution to the extent it does not exceed 15 % of the income able income 22-[23(xvi) to 23(xix)]	Amount in Rs.	
		(xvi	section 10 or sub-section (2) of section 11	Amount in Rs.	
	3	(xvi	to sub-section (1) of section 11	Amount in Rs.	
		(xvi	Total allowable application [{23(iv)+23(v)+23(vi) - {23(vii) to 23(xv)}]	Amount in Rs.	
	1	(xv)	Any other disallowance	Amount in Rs.	
		(xiii	of section 11 has been obtained	Amount in Rs.	
		(xii)	Application outside India for which approval under the proviso to clause (c) of sub-section (1) of section 11 has not been obtained	Amount in Rs.	
		(xi)	Donation to any person other than any fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub - clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 of the Act or any trust or institution referred to in sections 11 or 12 of the Act	Amount in Rs.	

29.	Details of income/property referred to in section 13 (2)		
(a)	Whether any part of the income or property of the auditee is, or continues to be, lent to any specified person for any period during the previous year without either adequate security or adequate interest or both	Yes/No	If yes amount in Rs.
(b)	Whether any land, building or other property of the auditee is, or continues to be, made available for the use of any specified person, for any period during the previous year without charging adequate rent or other compensation	Yes/No	If yes amount in Rs.
(c)	Whether any amount is paid by way of salary, allowance or otherwise during the previous year to any specified person out of the resources of the auditee for services rendered by that person to such auditee and the amount so paid is in excess of what may be reasonably paid for such services	Yes/No	If yes amount in Rs.
(d)	Whether the services of the auditee are made available to any specified person during the previous year without adequate remuneration or other compensation	Yes/No	If yes amount in Rs.
(e)	Whether any share, security or other property is purchased by or on behalf of the auditee from any specified person during the previous year for consideration which is more than adequate	Yes/No	If yes amount in Rs.
(f)	Whether any share, security or other property is sold by or on behalf of the auditee to any specified person during the previous year for consideration which is less than adequate	Yes/No	If yes amount in Rs.
(g)	Whether any income or property of the auditee is diverted during the previous year in favour of any specified person	Yes/No	If yes amount in Rs.
(h)	Whether any funds of the auditee are, or continue to remain, invested for any period during the previous year, in any concern in which any specified person has a substantial interest	Yes/ No	If yes amount in Rs.

	(a)	Income of the auditee has been applied, other than for the objects of the trust or institution.	Yes/No	Amount in Rs,
	(b)	Whether the auditee has income from profits and gains of business which is not incidental to the attainment of its objectives or separate books of account are not maintained by auditee in respect of the business which is incidental to the attainment of its objectives.	Yes/No	Amount in Rs.
	(c)	Whether the auditee, referred to in clause (a) of sub-section (1) of section 13, has applied any part of its income from the property held under a trust for private religious purposes, which does not enure for the benefit of the public.	Yes/No	Amount in Rs.
	(d)	Whether the auditee, referred to in clause (b) of sub-section (1) of section 13, has applied any part of its income for the benefit of any particular religious community or caste.	Yes/No	Amount in Rs.
	(e)	Whether any activity being carried out by the auditee is not genuine or is not being carried out in accordance with all or any of the conditions subject to which it was registered.	Yes/No	Amount in Rs.
	(f)	Whether the auditee has not complied with the requirement of any other law, for the time being in force, and the order, direction or decree, by whatever name called, holding that such non-compliance has occurred, has either not been disputed or has attained finality.	Yes/No	
i.	(23C	ther there is any claim of depreciation or otherwise has been made in terms of Explanation 1 to clause of of section 10 or sub-section (6) of section 11 in respect of any asset, acquisition of which has been need as an application of income and the amount of such depreciation?	Yes/No	If yes specify the amount
2.		ther the auditee is required to deduct or collect tax as per the provisions of Chapter XVII-B or ster XVII-BB	(If yes, TDS/TCS/ TDS/TCS a	fill Schedule Interest on s applicable)

Schedules to fill as may be applicable < refer to instructions> Form 10BB

Schedule TDS disallowable: Details of amounts inadmissible and amount disallowable under thirteenth proviso to clause (23C) of section 10 or sub-section (1) of section 11 read with sub-clause (ia) of clause (a) of section 40:

(a) Details of payment on which tax is not deducted

Date of Payment dd/mm/yyyy	Amount of payment (in Rs.)	Nature of payment	Name of payee	PAN or Aadhar of payee, if available	Address of payee
(1)	(2)	(3)	(4)	(5)	(6)

(b) Details of payment on which tax has been deducted but has not been paid on or before the due date specified in sub-section (1) of section 139

Date of Payment dd/mm/yyyy	Amount of payment (in Rs.)	Nature of payment	Name of Payee	PAN or Aadhar of payee, if available	Address of payee	Amount of tax deducted	Amount out of (7) deposited, if any
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

S. No.	Date of payment	Amount of payment (In Rs)	Nature of payment (In Rs)	Details of payee		
		(111 150)	(,)	Name	PAN or Aadhar, if available	Address

. No.	Date of payment	Amount	Nature		Details of payee		
				Name	PAN or Aadhar, if available	Address	

Tax deduction and collection account number (TAN)	Section	Nature of payment	Total amount of payment or receipt of the nature specified in column (3)	Total amount on which tax was required to be deducted or collected out of (4)	Total amount on which tax was deducted or collected at specified rate out of (5)	Amount of tax deducted or collected out of (6)	Total amount on which tax was deducted or collected at less than specified rate out of (7)	Amount of tax deducted or collected on (8)	Amount of tax deducted or collected but not deposited to the credit of the Central Government out of (6) and (8)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

Schedule Statement of TDS	or TCS			
Tax deduction and collection account number (TAN)	Type of Form	Due date for furnishing	Date of furnishing, if furnished	Whether the statement of tax deducted or collected contains information about all transactions which are required to be reported
(1)	(2)	(3)	(4)	(5)

Schedule Interest on TDS/TCS					
Tax deduction and collection account number (TAN)	Amount of interest under section 201(1A) or 206C(7) is payable	Amount paid out of column (2).	Date of payment of amount		
(1)	(2)	(3)	(4)		

Notes to Form 10BB

- Any fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub - clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 of the Act or any trust or institution referred to in sections 11 or 12 of the Act shall be referred as "auditee" in this form;
- 2. **Any person referred to in sub-section (3) of section 13 shall be referred as specified person in this form;
- *In serial number 6, provide the address which has been decided by the management by way of a resolution and which has been intimated to the jurisdictional Assessing Officer in writing within seven days of such resolution as per the proviso to subrule (3) of rule 17AA;
- 4. #In serial number 9(a), in column (2) for relation one or more of the following codes shall be selected

S. No	Section	Code
(1)	Author	1
(2)	Founder	2
(3)	Settlor	3
(4)	Trustee	4
(5)	Members of society	5
(6)	Members of the Governing Council	6
(7)	Director	7
(8)	Shareholders holding 5% or more of shareholding	8
(9)	Office Bearer (s)	9
(10)	Others	10

 ##In serial number 9(a), in column (5), and in serial number 9(b), in column (4) for unique identification number and if code, the following should be filled: (c) If PAN or Aadhar number is available, the same should be mandatorily filled and the following ID code shall be filled:

Type of Identification	Code
PAN	1
Aadhar Number	2

(d) If neither PAN or Aadhar is available, one of the following should be filled:

Type of Identification	Code
Taxpayer Identification Number of the country where the person resides;	3
Passport number;	4
Elector's photo identity number	5
Driving License number	6
Ration card number	7

6. ^^In serial number 28, select one or more of the following codes for specified person:

S. no	Nature of person	Code
(1)	the author of the trust or the founder of the institution;	
(2)	any person who has made a substantial contribution to the trust or institution, that is to say, any person whose total contribution up to the end of the relevant previous year exceeds fifty thousand rupees;	2
(3)	where such author, founder or person is a Hindu undivided family, a member of the family;	3
(4)	any trustee of the trust or manager (by whatever name called) of the institution;	4
(5)	any relative of any such author, founder, person, member, trustee or manager as aforesaid;	5
(6)	any concern in which any of the persons referred above have a substantial interest.	6

Issues in relation to revalidation of registration under section 12AB of Income Tax Act, 1961

[Old Registration u/s.12A, 12AA]

The Scheme of provisions of a Trust in the Income Tax Act, 1961 is listed below-

Sr. No.	Section	Particulars						
1.	Sec. 2(15)	Definition of Charitable Purpose						
2.	Sec. 10(23C)	Exemption from Income for approved universities/educational institutions/hospitals/ medical institutions						
3.	Sec. II	Income from property held for charitable or religious purposes						
4.	Sec. 12	Income from voluntary contributions of trusts						
5.	Sec.12A	Conditions for applicability of sections 11 and 12						
6.	Sec. I2AA	Procedure for registration (inapplicable from 01.04.2021)						
7.	Sec. I2AB	New procedure for fresh/renewal of registration						
8.	Sec. 13	Sec. II not to apply in certain cases						
9.	Sec. I I 5TD	Tax on Accreted Income						

- □ The Finance Act, 2020 enacted radical changes pertaining to the exemptions, registrations and taxations in the Non-Government/Charitable/religious/Non profitable sectors.
- □ This is perhaps proposed to bring the transparency in receiving and utilizing the fund in the organized manner and to control/eradicate the siphoning and channelizing of the black money through these sectors.
- Also the objective might be to regulate these sectors in-order to ensure proper utilization of fund in a legal way. Prior to the Finance Act, 2020, all the existing charitable and religious institutions are registered/exempted/approved under the following sections of the Income Tax Act, 1961;
- □ □ Section I2A (Organizations registered prior to 1996)
- □ □ Sections I2AA (Organizations registered after 1996)
- □ □ Section 10(23C)
- □ □ Section (80G)

Relevant Law/Portal	To be enabled when the following codes are selected in row 2	Mandatory / Non- mandatory	Registration No.	Date of Registratio n	Authority Granting Registration	Date from Which Registration Effective
Registration u/s 10(23C) clauses (IV)(V)(VI)(VIA) of Income-tax Act, 1961	03 or 04 or 05 or 06	Mandatory	Number of order granting approval	Date of Order	Jurisdiction details of the Income Tax authority which granted the registration is to be provided.	First date of the previous year from which the approval is effective.
Registration u/s 10(46) of Income tax Act, 1961.	01-19	Mandatory if notified under section 10(46)	Number of Notification by the central government	Date of Notification	Central Government.	Date from which such Notification is effective.
Registration u/s 12A/12AA/12AB of Income Act, 1961.	01	Mandatory	Number of order granting registration is to be provided	Date of Order	Jurisdiction details of the Income tax authority which granted the registration is to be provided	First date of the previous year from which registration is effective
Registration u/s 35 of Income – tax Act, 1961.	13-19	Mandatory	Number of Notification by the central government	Date of Notification	Central Goverment	First date of the previous year from which the Notification is effective.

Registration u/s 80 G of Income Tax Act, 1961.	H	Mandatory	Number of order granting registration .	Date of Order	Jurisdiction details of the Income tax authority which granted the registration is to be provided	Date from which such registration is effective
FCRA,2010	01-19	Mandatory if registered under FCRA	Registration number is to be provided	Date of Order	Ministry OF Home Affairs	Date from which such approval is effective
Registration number with Darpan Portal of Niti Aayog	01-19	Mandatory if the applicant receives or intends to receive n any grant or assistance from either the central Government or state government	Registration number is to be provided	Date Of Registration	Nit i Aayog	Date from which such approval is effective
Others	01-19	Mandatory if applicant has any other registration under the Income-tax Act.	Registration number is to be provided	Date Of Registration	Appropriate authority	Date from which such approval is effective

- □ As per new registration scheme effective from Ist April, 2021, all the existing trusts as on 31.03.2021 were required to apply for registration / approval on or before 30.06.2021.
- □ However, on consideration of difficulties in the electronic filing of Form No. 10A, the CBDT had made several extension of the due date for filing of Form No. 10A as under:
- ☐ Circular No. 12 of 2021 dated 25.06.2021 31.08.2021
- Circular No. 16 of 2021 dated 29.08.2021 31.03.2022
- ☐ Circular No. 22 of 2022 dated 01.11.2022 25.11.2022
- ☐ Circular No. 6 of 2023 dated 24.05.2023 30.09.2023

No Application for fresh registration u/s. I 2AB as on date

In case of

- □ (a) Application under clause (i) of the first proviso to clause (23C) of Section 10
- □ (b) Application under sub clause (i) of clause (ac) of sub section (1) of section 12A
- □ (c) Application under sub clause (i) of the first proviso to sub section (5) of section 80G

Not filed as on date, required to be file on or before 30.09.2023

Applied for provisional registration in event of missed the deadline of the earlier due date 25.11.2022

- □ Trust have not applied on or before 25.11.2022 and missed to get registration
- ☐ Thereafter, obtained provisional registration for the period of three years.
- ☐ Surrender the previous registration
- ☐ May make a new application in Form No. 10A for registration within the extended period up on 30.09.2023

Provisional Registered Trust

- □ All new trusts are required to apply for provisional registration / approval at least one month prior to the commencement of the previous year relevant to the assessment year from which the said registration / approval is sought.
- □ Such provisional registration / approval is valid for a maximum period of three years.
- □ Such provisional registered / approved trusts are required to apply again for regular registration / approval in Form No. IOAB at least six months prior to the expiry of the period of provisional registration or within six months of the commencement of activities, whichever is earlier.

- (a) If no application has been made so far
- □ (b) if application has already been made before the specified time but order yet to be passed
- □ (c) if application made in form no. IOAB has been rejected solely on the ground that the application was furnished after the due date.

MAINTENANCE OF ACCOUNTS [under various Acts]



- Accounting Standards applicable prescribed by ICAI
- □ Indian Government Accounting Standards (IGAS)
- □ Indian Government Financial Reporting Standards (IGFRS)
- International Public Sector Accounting
- Standards (IPSAS)
- Accounting for Local Bodies

Accounting under The Gujarat Public Trusts Act, 1950

Gujarat Public Trusts Act, 1950

- S. 32 Maintenance of Accounts
- S. 33 –Balancing and auditing of accounts
- S. 34 –Auditor's duty to prepare Balance Sheet

Gujarat Public Trust Rules, 1951

Rule 17 – Maintenance of Accounts

Rule 18 –Powers for Audit

Rule 19 - Manner of Audit

Rule 20 –Fee for Special Audit

Rule 21 –Time for audit and submission of audit report u/s.34

ACCOUNTING SOCIETIES REGISTRATION ACT

Societies Registration Act, 1860

S. I2D –Maintenance of Accounts and Balancing and auditing

S. I2E –Auditor's duty to prepare Balance Sheet and report irregularities

Societies Registration (Gujarat) Rules, 1971

Rule 9 – Maintenance of Accountants

Rule 10 -Audit

Rule II -Manner of Audit

Rule 12 – Time limit for Audit and submission of the audit report u/s.12E

Accounting under The Companies Act, 2013

Applicable Provisions The Companies Act, 2013

- □ Section 8 Formation of Companies with Charitable Objects.
- □ Section 128 Books of Accounts etc., to be Kept of the Company
- Section 129 Financial Statement
- □ Section I33 Central Government to prescribe Accounting Standards
- Section I34 Financial Statements, Board Report
- Section 137 Copy of Financial Statement to be filed with Registrar

Accounting under FCRA

Applicable Provisions:

Foreign Contribution (Regulation) Act, 2010

- Section -19 Maintenance of Accounts
- Section -20 Audit of Accounts
- □ Section -23 Inspection of Accounts
- □ Section -24 Seizure of Accounts or Records

Foreign Contribution (Regulation) Rules, 2011

□ Rule - II — Maintenance of Accounts

Forms - Requiring Certification by Chartered Accountant

- □ FC-6
- □ FC-7
- □ FC-8

AUDIT REPORT FORMAT

[under The Gujarat Public Trusts Act, 1950]





The Gujarat Government Gazette

EXTRAORDINARY

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Separate paging is given to this Part in order that it may be filed as a Separate Compilation.

PART IV-B

Rules and Orders (Other than those published in Parts I, I-A, and I-L) made by the Government of Gujarat under the Gujarat Acts

LEGAL DEPARTMENT

Notification

Sachivalaya, Gandhinagar, 20th May, 2015

Gujarat Public Trusts Act, 1950.

No. GK/13/2015/ECO/102014/32/E:— WHEREAS certain draft rules further to amend the Bombay Public Trusts (Gujarat) rules, 1961 were published as required by sub-section (3) of section 84 of the Gujarat Public Trusts Act, 1950 (Bom. XXIX of 1950) at pages 316-1 to 316-6 in the Gujarat Government Gazette, Extraordinary Part IV-B, dated 5th November 2014 under the Government Notification, Legal Department No.GK/32/2014/ECO/102014/32/E, dated 5th November 2014 inviting objection or suggestion from all persons likely to be affected thereby within a period of thirty days from the date of publication of the said notification in the Official Gazette:

AND WHEREAS, the objections or suggestions have received in the said draft rules, have been considered by the Government.

NOW THEREFORE, in exercise of the powers conferred by section 84 of the Gujarat Public Trusts Act,1950 (Bom. XXIX of 1950), the Government of Gujarat hereby makes the following rules further to amend the Bombay Public Trusts (Gujarat) Rules, 1961, namely:-

- These rules may be called the Bombay Public Trusts (Gujarat) (Amendment) Rules, 2015.
- 2. In the Bombay Public Trusts (Gujarat) Rules, 1961 (hereinafter referred to as "the said rules"), in rule 1A, after clause (2), the following clause shall be added, namely:-
 - "(3) "F.C.R.A" means the Foreign Contribution (Regulation) Act, 2010.".
- 3. In the said rules, in rule 23, for sub-rule (2), the following shall be substituted, namely:"(2) The fees for the supply of copies shall be:-
 - (a) the rate of copying fees @ Rs. 5.00 per page;
 - (b) the charge for comparing copies @ Rs. 2.00 per page;
 - (c) the charge for coping a map or plan or Schedule/Statement, etc. @ Rs. 10.00 per page;
 - (d) for supplying; certified copy generated by computer, Xerox, etc. @ Rs. 1.00 per page;
 - (e) in case of requirement of urgent copy, an additional of Rs. 0.50 shall be levied over and above charges prescribed for copy and comparing and will be added to the total charges.".
- 4. In the said rules, for Schedule VIII and Schedule IX, the following shall be substituted, namely:-

SCHEDULE VIII

(see rule 17(1))

Name of Public Trust	Trust No	Date of Registration:
		Phone No.
Balance Sheet as on	31/03/	
Bank Account No. of Trust	for transaction of Foreign	
contribution:	F.C.R.A. No	Date :

FUNDS AND LIABILITIES	Rs.	PROPERTY AND ASSETS	Rs.
Trust Funds or Corpus		Immovable Properties (suitably classified giving mode of valuation)	
Balance as per last balance sheet		additions or deductions (including those for depreciation)	
Adjustment during the year (give details)		if any, during the year	
Other earmarked Funds (Created under the provisions of the Trust-deed or scheme or out of the income)		Investments (Suitably classified, giving mode of valuation)	
Depreciation Fund		Furniture and fixtures	
Sinking Fund		Balance as per last Balance Sheet	
Reserve Fund		Additions of deductions (including those for deprecation)	
Any other Fund		If any, during the year	
Loans (secured or unsecured)-		Loans (Secured or unsecured)	
From trustees		Good/doubtful	
From others		Loans scholarships	
Liabilities		Other loans	
For Expenses		Advances	
For Advances		To trustees	
For rent and other deposits		To employees	
For sundry credit balances		To contractor	
Income and Expenditure Account		To lawyers	
Balance as per last balance sheet		To others	

FUNDS AND LIABILITIES	Rs.	PROPERTY AND ASSETS	Rs.
Less appropriation, if any		Income Outstanding	
Add/Less : Surplus of deficit		Rent	
As per income and Expenditure Account		Interest	
		Other income	
		Cash and Bank Balances (give name of the banks) (give type of account and account No.)	
		(a) In current account and fixed deposit account (give names of banks and state in whose name the account stands)	
		(b) In F.C.R.A. Account No. or fix deposit Account (give names of banks and branches)	
		(c) With the trustee (give name)	
		(d) With the manager (give name)	
Total:		Total:	

In case the accounts are maintained on cash basis, state the income outstanding here below:

The above Balance Sheet to the best of my/our belief contains a true account of the Funds and Liabilities and of the property and Assets of the trust.

	As per our report to even date
Place:	CHARTERED ACCOUNTANT
Date:	
	Auditors
Trustees	
	(Name/Address/ Phone No. of the Auditors)

(Name/Address/ Phone No. of the Trustee)

- Note: (1) Market value as on the date of the Balance Sheet should also be given by way of a note.
 - (2) Particulars of investments in concerns in which the trustees are interested shall be given separately by way of a note.

SCHEDULE IX

(see rule 17(1))

Name of Public Trust	Trust NoD	ate of Registration:
Address of the Trusts' office	Phone N	No
Income and Expenditure Account for	the year ending	31/03/
Bank Account No. of Trust	for transaction of Foreign	
contribution:	F.C.R.A. No	Date :
Bank Address:		

EXPENDITURE	Rs.	INCOME	Rs.
To Expenditure in respect of properties		By Rent (accrued/realized)	
Rates, Taxes, Cesses			
Repairs and Maintenance			
Salaries		By interest (accrued/realized)	
Insurance			
Depreciation (by way of provision or adjustments)			
Other expenses	en en en en	On securities	
To Establishment expenses		On loans	
To remuneration (in the case of a math)		On Bank account	
To the head of the math, including his House hold expenditure, if any.		By Dividend	
To legal expenses		By Donations in cash or kind	
To audit Fees		Domestic	
To contribution and fees		International F.C.R.A. No. and Date	

To amounts written off-	By Income from other
	sources
	(in details as far as possible)
(a) Bad debts.	
(b) Loan scholarships	By Transfer from Reserve
(c) Irrecoverable rents	
(d) Other items	By Deficit carried over to Balance Sheet.
To Miscellaneous expenses	
To Depreciation	
To Amounts transferred to Reserve of specific funds	
To Expenditure on objects of the trust (Specify if any from FCRA)	
(a) Religious	
(b) Educational	
(c) Medical Relief	
(d) Relief of poverty	
(e) Other Charitable objects	
to surplus carried over to Balance Sheet.	
Total:	Total:

	As per our report to even date
Dated at	CHARTERED ACCOUNTANT
Trustees	Auditors
(Name/Address/ Phone No. of the Trustee)	Name and address with Phone No. of the Auditors.".

5.	In the sai	d rules, for Schedule IX-C, the following shall be substituted in the substitute of	uted, namely:-
		"SCHEDULE IX-C	
		(see rule 32)	
State	ment of inc	ome liable to contribution for the year ending	
		Trust	
		Phone No E-mail	
Nam	e, Addres	s and Phone number of trustees, whom sul	
Deta	ils of Relati	ng Bank Account:	
		Branch Address	
		umber relating to transaction of foreign contribution of	
		F.C.R.A. No.	Data
Gro	ss annual i	ncome	Rs.
Deta	ails of incor	ne not chargeable to contribution under section 58	
(i)	Donation (a)	corpus (1) From Country	
		(2) From Foreign Country; F.C.R.A.No. and Date	
	(b)	General	
		(1) From Country (2) From Foreign Country; F.C.R.A.No. and Date	
(ii)	Grants (a) (b)	by Government and Local authorities Government and Local authorities From Foreign Country	
	(c)	By Funding agencies	
		(1) From Country (2) From Foreign Country; F.C.R.A.No. and	

Date:

		Income liable to contribution	
(viii)	per cent	collection of income or receipts from securities, stocks, etc. at 1 t, of such income: Deductions on account of repairs in respect of buildings not rented and yielding to income, @ 8.33 per cent, of the estimated gross annual rent	
		ome from lands used for non-agricultural purpose.	
	(e)	Cost of collection @ 4 per cent, of gross rent of buildings let out:	
	(d)	Repairs @ 8.33 per cent, of gross rent of building	Maria de la companya della companya
	(c)	Insurance premium.	
	(b)	Ground rent payable to the superior landlord	
	(a)	Assessment, Cesses and other Government or Municipal Taxes	
(vii)		ductions out of income from lands used for non- agricultural pose:	
	(B) Inco	ome from lands used for agricultural purpose.	
(iii) (iv) (vi)	Amount (A) Ded (a) (b)	t spent for the purpose of education t spent for the purpose of medical relief luctions out of income from lands used for agricultural purpose: Land Revenue and Local Fund Cess Rent payable to superior landlord Cost of production, if lands are cultivated by trust.	

Date	:	

CHARTERED ACCOUNT

Trustes:....

Auditors:

By order and in the name of the Governor of Gujarat,

J. G. VADODARIA,

I/c. Deputy Secretary to Government.

Identification of specified date for computing accreted income, payment of tax on accreted income

S. n o	Situation	PY in which accreted Income is taxable	Specified date for computing accreted income	Date of Payment of Tax (max time)
I	No appeal has been filed against cancellation order	FY in which order is passed by Commissioner cancelling the registration	Date of order of Commissioner cancelling the registration	74 (60+14) days from the date, on which order of Commissioner cancelling the registration is received
2	Appeal is filed but cancellation of registration is confirmed in appellate proceedings	FY in which appellate order is received	Date of order of Commissioner cancelling the registration	14 days from the date on which appellate order is received
3	Has not applied for fresh registration u/s 12AA on modification of objects	FY in which modification of object is done	Date on which modification of object is done	14 days from the end of the previous year in which modification of object is done
4	No appeal is filed against order rejecting application	FY in which order is passed by Commissioner rejecting the application.	Date on which modification of object is done	74 days from the date, on which order of Commissioner rejecting the application is received.
5	Appeal is filed but rejection of registration in confirmed in appellate proceedings	FY in which appellate order is received	Date of order of Commissioner rejecting the application.	14 days from the date on which appellate order is received
6		FY in which merge is done	Date of Merger	14 days from the date of merger
7		FY in which 12 months from end of month in which dissolution take place falls	Date of dissolution	14 days from the date on which said period of 12 months expires.

Circumstances under which exit tax would be levied

- <u>Section 115TD</u> prescribes circumstances under which exit tax is leviable. There are three conditions under which exit tax would become leviable:
- 1. Trust is converted into any form which is not eligible for grant of registration under section 12AA. Trust or an institution shall be deemed to have been converted into any form not eligible for registration under section 12AA:
 - i) The registration granted to it under section 12AA has been cancelled or
 - ii) Trust has **adopted or undertaken modification of its objects** which do not conform to the conditions of registration and it:
 - *has not applied for fresh registration under section I2AA in the said previous year.
 - *has filed application for fresh registration under section 12AA but the said application has been rejected.
- 2. Trust **is merged with an entity** which is not having similar objectives and not registered u/s 12AA.
- 3. Trust failed to transfer upon dissolution all its assets to any other trust or institution registered under section 12AA or approved u/s 10(23C) within a period of twelve months from the end of the month in which the dissolution takes place.

Rate of accreted income tax & Meaning of accreted income

- Tax on accreted income is to be paid at **Maximum Marginal Rate**; this levy is in addition income-tax chargeable in hands of entity and is calculated as below:
- Accreted Tax = Accreted Income * Maximum Marginal Rate (42.744%)

Meaning of accreted income

- Accreted income is FMV of assets and Liabilities of trust/institution as on specified date. In computing FMV of assets, following assets shall not be included:-
- i) Assets, which have been acquired directly out of agriculture income referred to in section 10(1).
- ii) Assets which have been acquired between the period beginning from the date on which trust in created and ending on the date on which registration u/s I2AA become effective, if no benefit u/ II and I2 is given during said period.
- iii) In case of dissolution of trust, the assets which have been transferred to either Trust/institution registered u/s I2AA or other institution registered u/s I0(23C)((iv)/(v)/(vi/(via), within period of I2 months from the end of the month in which dissolution take place.

Tax and Interest payable Timeline

(i) "Date Specified" means as follows,

Scenario	Date of Payment
Cancellation of Registration	No appeal filed – Expiry of time allowed u/s 253 Appeal filed – Date of receipt of order by trust
Adoption or Modification of objects and not applied for fresh registration	End of the Previous Year
Adoption or Modification of objects and not applied for registration but application gets rejected	No appeal filed – Expiry of time allowed u/s 253 Appeal filed – Date of receipt of order by trust
Merge	Date of Merger
Dissolution	Date of expiry of 12 months

Tax Treatment of Anonymous Donations u/s. 115BBC

- ☐ Finance Act, 2006 has inserted a new section 115BBC with regard to treatment of anonymous donation.
- Earlier all voluntary donation received by charitable institution, including anonymous donation (except voluntary donation with a specific direction that they shall form a part of corpus of the trust) shall be included in the income and charitable trust or institution is a part of income of that trust or institution and this income is subject to application for charitable purpose.
- □ To curtail the inflow of unaccounted money in the form of anonymous donation, Finance Act, 2006 has inserted a new section I I 5BBC in which anonymous donation is taxable at the rate of thirty percent.
- ☐ This thirty percent tax rate is applicable without any deduction or set off of in any other head.

- □ Finance Act, 2009, Section 115BBC was amended to provide some relief to the genuine voluntary organization receiving anonymous donation. In Finance Act, 2009 section 115BBC was amended to provide that anonymous donation to such organization up to 5% of total donation or one lakh rupees, whichever is higher, would be exempt.
- □ Taxability of anonymous donations:- As per sub-section (I) of Section I I5BBC anonymous donation shall be taxable at the rate of thirty percent on anonymous donation received in excess of the higher of the following two amount;- Five percent of the total donation received; or Onelakh rupees.

□ Cases when section 115BBC will not apply

- Anonymous donation shall not be taxable in the following cases;
- When anonymous donation is received by wholly religious institution, when any trust or institution created or established wholly for religious and charitable purposes other than any anonymous donation made with a specific direction that such donation is for any university or other educational institution or any hospital or other medical institutions run by such trust or institution.
- □ Any university or other educational institution covered under 10(23C) (iiiab) wholly or substantially financed by the Government.
- □ Any hospital or other institution covered u/s. 10(23C)(iiiac) wholly or substantially financed by the Government.

Tax Treatment of Corpus Donation u/s. 11(1)(d)

Sr. No	Particulars	Voluntary Contribution with a Specific Direction	Voluntary Contribution
I	Direction	To Constitute corpus donation, there should be direction from the donor to the done	There is no direction from the donor to the done.
2	Specific Purpose	direction may be for a	There is no specific purpose as such and funds can be used for any charitable or religious purposes.
3	Receipt	It has the character of capital receipt.	It has a character of revenue receipt.
4	Exemption	The entire income is exempt under section II(I)(d) of the Income Tax Act, 1961.	
5	Accumulation Provision	·	If the application is less than 85%, then the option is there to accumulate the income.

- As per section II(I)(d), income in the form of voluntary contributions made with a specific direction that they shall form part of the corpus of the trust or institution are exempt, subject to the condition that such voluntary contributions are invested or deposited in one or more of the forms or modes specified in section II(5) maintained specifically for such corpus.
- (a) Direction from Donor to Donee regarding the capital nature of the donation.
- (b) The amount of corpus donation has to be invested within the same year in investments specified u/s. I I (5)

- As per the Finance Act, 2022 the corpus donation received from 01.04.2021 is to be compulsorily invested in specified mode, and earmarked as corpus investment.
- □ The investment in subsequent year may not qualify for exemption u/s.II(I)(d), and such corpus donations which are not invested may be treated as income of which 85% is required to be applied for charitable purposes.

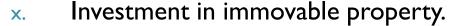
- □ Corpus Donation in kind would be an Income. It would not qualify for exemption u/s. II(I)(d) if not falling under investment u/s. II(5).
- □ If the direction is given by the donor that whatever income that is generated through the corpus donation given to the trust or institution.
- □ If the direction is given by the donor that whatever income that is generated through the corpus donation given to the trust or institution, must also be considered as corpus donation then interest on corpus investments will also be part of corpus

- □ CIT vs. Mata Amrithanandamayi Math, Amritapure 256 Taxman 0062 (SC) [2018]
- □ ACIT vs. Ahmedabad Urban Development Authority [2022] 449 ITR 389 (SC)
- □ CIT vs. Gujarat Maritime Board [2008] 166 Taxman 58(SC)
- □ CIT(Addl) vs. Surat Art Silk Cloth Manufacturers' Association (1980) 121 ITR I (SC)
- T.M.A. Pai Foundation vs. State of Karnataka 2002(8) (SC)
- □ Loka Shikshana Trust Vs. CIT (1975) 101 ITR 234
- □ New Noble Education Society vs. CCIT (2022) 143 taxmann.com 276

The Forms and Modes of Permitted Investments under Section 11(5) Are the Following Namely

- i. Investment in saving certificates, and any other securities or certificates issued by the central government under the small saving schemes of that government;
- ii. Deposit in any account with the post office savings bank;
- iii. Deposit in any account with a scheduled bank or a co-operative bank.
- iv. Investment in any central or state government security.
- v. Investment in debentures issued by, or on behalf of, any company or corporation both the principal whereof and the interest whereon are fully and unconditionally guaranteed by the central government or by a state government;

- vi. Investment or deposit in any public sector company;
- vii. Deposits with or investment in any bond issued by a financial corporation which is engaged in providing long term finance for industrial development in India and which is eligible for deduction under section 36 (1))(viii);
- viii. Deposits with or investment in any bonds issued by a public company formed and registered in India with the main object of carrying on the business of providing long term finance for construction or purchase of house in India for residential purposes and [which is eligible for deduction under section 36 (1)(viii);
- ix. Deposits with or investment in any bonds issued by a public company formed and registered in India with the main object of carrying on the business of providing long term finance for urban infrastructure in India.



- xi. Deposits with the industrial development bank of India.
- xii. Other prescribed forms or mode of investment or deposit as per rule 17C, which include:
 - a) Investment in unites of mutual funds
 - b) Deposits with an authority for housing accommodation or for planning, development or improvement of cities, towns and villages
 - c) Equity shares of a depository
 - d) Investment in equity shares of an incubate by an incubator
 - e) Debt instrument issued by an infrastructure finance company registered with RBI
 - f) Stock certificates issued under sovereign gold bonds scheme

Withdrawal of Exemption of Charitable or Religious Trust

☐ Introduction

Section 13 of the Act specifies the circumstances under which the exemption under Section 11 and Section 12 would not be available to trust. These circumstances include creation of a trust for a particular religious community or caste, application of income for the benefit of the interested person, investment of funds in impermissible mode, etc.

I. When is an exemption withdrawn?

- □ Section II provides for an exemption to trusts or institutions in respect of income derived from property held under trust and voluntary contributions subject to various conditions. These conditions are mentioned in Section II, Section I2 and Section I2A.
- Section 13 contains limiting conditions in addition to the conditions provided for exemption. The exemption to a charitable or religious organization will be withdrawn if any of the provisions of Section 13 are violated, even if other conditions of Sections 11, Section 12 and Section 12A are complied with. Thus, incomes which are otherwise exempt will not be exempted if the provisions of Section 13 are contravened.
- The applicability of this provision arises only when an organization is eligible for exemption. Therefore, only those organisations, which are claiming exemption under Section II and Section I2, are subject to the provisions of Section I3. An organization, under the following circumstances, may lose its exemptions under Section II and Section I2:

- (a)Income does not ensure for the benefit of the public [Section 13(1)(a)];
- (b)Trust created for a particular religious community or caste [Section 13(1)(b)];
- (c)Income applied for the benefit of the interested person [Section 13(1)(c)];
- (d) Investment of funds in impermissible mode [Section 13(1)(d)];
- (e) Taxable portion of anonymous donation [Section 13(7)];
- (f) Violation of Proviso to Section 2(15) [Section 13(8)];
- (g) Non-furnishing of Form 10 or return of income [Section 13(9)];
- (h) Non-fulfilment of conditions specified in Section 12A.

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