

## **Section 35(1)(ii) of the Income-tax Act, 1961 - Scientific research expenditure - Approved scientific research associations/institutions - Institute of Seismological Research (ISR), Gandhinagar**

### **Notification No. 59/2011 [F. No. 203/66/2010/ITA-II], dated 3-11-2011**

It is hereby notified for general information that the organization Institute of Seismological Research (ISR), Gandhinagar has been approved by the Central Government for the purpose of clause (ii) of sub-section (1) of section 35 of the Income-tax Act, 1961 (said Act), read with rules 5C and 5E of the Income-tax Rules, 1962 (said Rules), From assessment year 2010-11 and onwards in the category of "Scientific Research Association", engaged in research activities subject to the following conditions namely :—

(i) The sums paid to the approved organization shall be utilized for scientific research;

(ii) The approved organization shall carry out scientific research through its factually members or its enrolled students;

(iii) The approved organization shall maintain separate books of account in respect of the sums received by it for scientific research, reflect therein the amounts used for, carrying out research, get such books audited by an in accountant as defined in the *Explanation* to sub-section (2) of section 288 of the said Act and furnish the report of such audit duly signed and verified by such accountant to the Commissioner of Income-tax or the Director of Income-tax having jurisdiction over the case, by the due date of furnishing the return of income under sub-section (1) of section 139 of the said Act;

(iv) The approved organization shall maintain a separate statement of donations received and amounts applied for scientific research and a copy of such statement duly certified by the auditor shall accompany the report of audit referred to above.

**2.** The Central Government shall withdraw the approval if the approved organization :—

(a) fails to maintain separate books of account referred to in sub-paragraph (iii) of paragraph 1; or

(b) fails to furnish its audit report referred to in sub-paragraph (iii) of paragraph 1; or

(c) fails to furnish its statement of the donations received and sums applied for scientific research referred to in sub-paragraph (iv) of paragraph 1; or

(d) ceases to carry on its research activities or its research activities are not found to be genuine; or

(e) ceases to conform to and comply with the provisions of clause (ii) of sub-section (1) of section 35 of the said Act read with rules 5C and 5E of the said Rules.