

SECTION 35CCC OF THE INCOME-TAX ACT, 1961 - EXPENDITURE ON AGRICULTURAL EXTENSION PROJECT - NOTIFIED ELIGIBLE AGRICULTURAL EXTENSION PROJECT - GODREJ AGROVET LIMITED - OIL PALM EXTENSION PROJECT

NOTIFICATION NO. 14/2015 [F.NO.203/31/2014/ITA.II], DATED 16-2-2015

FORM NO. 3CP

1. Name, address and PAN of the applicant Godrej Agrovat Limited, Pirojshanagar, Eastern Express Highway, Vikroli (East), Mumbai-400079 (AAACG0617Q)
2. Title of the agricultural extension project **Oil Palm Extension Project**
3. Purpose of the agricultural extension project Training farmers in cultivation of oil palm crop
4. Reference No. and date of the application F.No. 203/31/2014-ITA.II received on 14.01.2015
5. Date of commencement of the agricultural extension project Already commenced. However, approval shall be effective from the date of issue of this formal Notification u/s 35CCC of the IT. Act.
6. Duration of the agricultural extension project in months Ongoing project.
7. Assessment year(s) for which the agricultural extension project is being notified (not exceeding three years) **From date of formal issue of Notification till A.Y. 2016-17.**
8. Total expenses likely to be incurred for the agricultural extension project (other than cost of land or building) For A.Yr's 2014-2015 and 2015-16 (applicant has claimed expenses of Rs. 8,53,00,000/- for each year. However, as project is being accorded approval from subsequent date in the F.Yr. 2014-2015, the expected expenditure for the relevant period would be much lesser, as far as F.Yr. 2013-2014 is concerned, no claim u/s 35CCC shall be allowed) while for A.Y. 2016-17, likely expenditure is Rs. 8,53,00,000/-.
9. Amount, if any, to be charged from each beneficiary of agricultural extension project. **NIL**
10. Conditions subject to which agricultural extension project titled 'Animal Feeds Extension Project' is being notified are as under:
 - i.* The approved entity undertaking agricultural extension project shall maintain separate books of account of the agricultural extension project notified under sub-section (1) of section 35CCC, and get such books of account audited by an accountant as defined in the Explanation below sub-section (2) of section 288.
 - ii.* The audit report referred to in sub-rule (1) shall include the comments of the auditor on the true and fair view of the books of account maintained for agricultural extension project, the genuineness of the activities of the agricultural extension project and fulfilment of the conditions specified in the relevant provisions of the Act or the rules or the conditions mentioned in the notification issued under sub-rule (6) or sub-rule (9) of rule 6AAD.
 - iii.* The approved entity shall not accept any amount from the beneficiary under the eligible agricultural extension project for training, education, guidance or any material distributed for the purposes of such training, education or guidance.
 - iv.* The approved entity shall not get any direct or indirect benefit from the notified agricultural extension project except the deduction of the eligible expenditure in accordance with the provisions of section 35CCC of the Act, rule 6AAD and this rule.
 - v.* The applicant shall furnish data sheet of oil palm farmers who have benefitted from the project to the Ministry of Agriculture.
 - vi.* All expenses (not being expenditure in the nature of cost of any land or building), as reduced by the amount received from beneficiary, if any, incurred wholly and exclusively for undertaking an eligible agricultural extension project shall be eligible for deduction under section 35CCC:
Provided that any expenditure incurred on the agricultural extension project which is reimbursed or reimbursable to the assessee by any person, whether directly or indirectly, shall not be eligible for deduction under section 35CCC.
 - vii.* Where a deduction under this section 35CC of the Act is claimed and allowed for any assessment year, deduction shall not be allowed in respect of such expenditure under any other provisions of the Act for the same *or* any other assessment year.
 - viii.* The approved entity shall, on or before the due date of furnishing the return of income under sub-section (1) of section 139, furnish the following to the Commissioner of Income-tax or the Director of Income-tax, as the case may be, namely:—

- (a) the audited statement of accounts of the agricultural extension projects for the previous year along with the audit report and amount of deduction claimed under sub-section (1) of section 35CCC;
- (b) a note on the agricultural extension project undertaken by it during the previous year and the programme of agricultural extension project to be undertaken during the current year and the financial allocation for such programme; and
- (c) a certificate from the Ministry of Agriculture, Government of India, regarding the genuineness of the agricultural extension project undertaken by the assessee during the previous year.

ix. Under the project only product neutral training will be given except a short session on company's profile and products.

11. The Central Board of Direct Taxes shall withdraw the approval if the approved entity:—

- (a) has ceased its activities; or
- (b) its activities are not genuine; or
- (c) its activities are not being carried out in accordance with all or any of the relevant provisions of the Act or Rules; or
- (d) its activities are not being carried out in accordance with all or any of the conditions subject to which the notification is being issued.

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