

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3902
ANSWERED ON:31.07.2009
PROPOSALS FROM CHARITABLE SOCIETIES
Mishra Shri Mahabal

Will the Minister of FINANCE be pleased to state:

- (a) the criteria adopted by National Committee for Promotion of Social and Economic Welfare(NCPSEW) for approval of project proposals;
- (b) the number of project proposals received by the Committee during last three years, year-wise and the projects approved out of them;
- (c) the number of proposals rejected during the said period alongwith the reasons;
- (d) whether a number of proposals for setting up of educational institutions in tribal dominated areas received during the recent time have still not been approved;
- (e) if so, the details thereof and the reasons therefor; and
- (f) the time by when approval is likely to be accorded on such proposals?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (S.S. PALANIMANICKAM)

(a): The criteria adopted by National Committee for Promotion of Social and Economic Welfare (NCPSEW) for approval of project proposals are contained in section 35AC of the Income Tax Act, 1961 read with Rules 11J, UK and 11M of the Income Tax Rules, 1962.

(b): The number of project proposals received during the last three years, year-wise and the projects approved out of them are as follows:-

Year	No. of project proposals received	No. of projects approved
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2006	441	75
2007	395	66
2008	409	75

(c): The number of proposals rejected during the said period is as follows:-

Year	No. of proposals rejected
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2006	188
2007	202
2008	168

The reason for rejection of the proposals is non-satisfaction of the criteria laid down under section 35AC of the Income Tax Act 1961 read with Rules 11J, 11K and 11M of the Income Tax Rules, 1962.

(d), (e) and (f): A total of 17 proposals for setting up of educational institutions in tribal dominated areas were received during the period 01.01.2009 to 14.07.2009. Out of these, the Committee has considered 7 proposals where it has approved 3, rejected 1 for non-satisfaction of the criteria laid down under section 35AC of the Income Tax Act, 1961 read with Rules 11J, 11K and 11M of the Income Tax Rules, 1962 and has raised queries in 3. The other 10 proposals have been found to be deficient. After the deficiencies are removed and queries are answered by the applicants, the remaining 13 proposals will be put up for consideration of the Committee.