

1961. The case was selected for scrutiny under CASS. Accordingly, a notice u/s. 143(2) of the I.T. Act, 1961 dated 22.09.2015 was issued and duly served upon the assessee on 26.09.2015. In view of change of incumbent, again notices under Sec. 143(2) and 142(1) of the I.T. Act, 1961 along with a questionnaire dated 15.06.2016 was issued and served upon the assessee.

In response to the notices issued u/s.143(2) and 142(1), Sri P.Siva Rama Krishna, CA, Authorised Representative of the assessee-trust appeared and furnished the information. The books of accounts were produced and the same were examined. During the course of assessment proceedings it was verified that the assessee-trust was registered under Sec.12A of the Income Tax Act,1961 by the Commissioner of Income Tax-III, Hyderabad vide order in F.No.H.Qrs.III/5(51)/84-85, dt.2-1-1985. Hence, the assessee-trust is eligible for claiming exemption u/s.11(1) of the Income Tax Act, 1961. After the verification of the books of accounts and the information furnished, the assessment is concluded by accepting the income returned by the assessee.

Income from Other Sources as returned Rs.5,11,63,675

Income from Capital Gains :

(1) Net consideration received on sale of investments Rs.18,70,025

Less: Re-investments in Fixed Deposits, Rs.18,70,025

Fixed Assets & Gratuity Funds U/s.11(1A)

Capital gain chargeable to tax

Rs. N I L Rs. N I L

Gross Income Rs.5,11,63,675

Less : Specific grants from AP Govt. under Sec.11 (1)(d) Rs. 19,78,641

Gross Income Rs. 4,91,85,034