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INCOME-TAX ACT, 2025

3: Commercial activities by registered non-profit organisation

Section 346 - Restriction on commercial activities by registered non-profit organisation, carrying out advancement of any other object of general public utility.

No registered non-profit organisation, carrying out advancement of any other object of general public utility, shall carry out any commercial activity unless,—

(a) such commercial activity is undertaken in the course of actual carrying out of advancement of any object of the general public utility;

(b) the aggregate receipts from such commercial activity or activities do not exceed 20% of the total receipts of such registered non-profit organisation of the relevant tax year; and

(c) separate books of account are maintained by such registered non-profit organisation for such activities.

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