

AUDITORS REPORT

I have audited the financial report of **KARUNA SOCIETY FOR ANIMALS AND NATURE**, in respect of their project for the period ended 31.03.2003.

I have conducted the audit of the said accounts and report :

- a) Separate and proper books of account as is considered necessary for the purpose of audit, have been maintained.
- b) Separate bank account for the project has been maintained.
- c) The financial report referred to above is in agreement with the books of account maintained.
- d) According to the information and explanation given, the expenditure has been adequately authorised and within the local context the expenditure is reasonable.
- e) The said accounts according to the information and explanation given reflect a true and fair view of the transactions of the project
- f) i. In the case of the balance sheet it reflects a true and fair view of the assets and liabilities as at 31.03.2003.
ii. In the case of the income and expenditure account it reflects a true and fair view of the deficit for the period ended 31.03.2003.

PLACE : BANGALORE

DATE : 03.07.2003

for ITTA RAGUNANDHAN & CO.

CHARTERED ACCOUNTANT
Proprietor

ITTA RAGUNANDHAN & CO.,
CHARTERED ACCOUNTANTS
VASAVI CHAMBERS ANNEXE,
'D' BLOCK, FIRST FLOOR,
21/1, LALBAGH FORT ROAD,
(NEAR MINERVA CIRCLE),
BANGALORE-560 004.



Vasavi Chambers Annexe, 'D' Block, First Floor 21/1, Lalbagh Fort Road (Near Minerva Circle), Bangalore - 560 004.

**KARUNA SOCIETY FOR ANIMALS AND NATURE,
 1ST CROSS, ENUMULAPALLI,
 PUTTAPARTHY - 515134**

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31.03.2003

RECEIPTS	AMOUNT	AMOUNT	PAYMENT	AMOUNT	AMOUNT
To Opening Balance -			By Purchase of fixed assets		
- Cash	951.85		- Bullock cart	12,950.00	
- Bank	89,248.00	90,199.85	- Computer equipments	4,750.00	
" Income from Clinic		2,530.00	- Furniture & Fixture	731.00	
" Interest from Bank		4,963.31	- Property	920,555.00	
" Other incomes		420.00	- Medical equipments	115,664.00	
" Donation & Grants (Foreign)		1,142,988.13	- Shed construction	13,178.00	
" Donation from Germany		2,179,053.00	- Telephone Instrument	1,100.00	1,068,928.00
" Grants & Donations (Indian)		259,266.00	" Animals Purchased		1,870.00
" Grants from AWBI -1		18,800.00	" Rent Deposit		27,000.00
" Rent received		33,000.00	" Telephone Deposit		2,000.00
" Telephone charges received		27,333.00	" Electricity deposit		10,500.00
" Loan repaid		8,000.00	" Loan repaid		131,000.00
			" F.A.C.L.A Hospital		10,000.00
			" Shed under construction		73,213.00
			" Spirulina project expenses		35,400.00
			" Rent paid		10,000.00
			" Pharmaceuticals expenses		20,624.00
			" Fodder account		100,000.00
			" Registration fee		2,105.00
			" Educational program expenses		1,500.00
			" Accounting Charges Paid		2,000.00
			" Electricity charges payable paid.		1,235.00
			" Animal Expenses		5,804.00
			" Audit Fee paid		12,500.00
			" Bank Charges		771.00
			" Books and Periodicals		350.00
			" Clinic Expenses		86,354.00
			" Miscellaneous		5,741.00
			" Consultancy Fee to Doctors		95,562.00
			" Donations Given		3,100.00
			" Electricity charges		28,010.00
			" Food Expenses		267,792.00
			" Kitchen Tools		335.00
			" Labour Charges		30,415.00
			" Legal Expenses		14,724.00
			" Lodging Expenses		1,032.00
			" Medical Expenses		290,102.70
			" Vehicle Maintenance		86,285.00
			" Office, Administration Expenses		7,962.00
			" Transportation charges		40,440.00
			" Printing, Stationery & Postage		69,773.00
			" Travelling & Conveyance		119,718.00
			" Repairs & Maintenance		81,730.00
			" Salaries & Bonus		477,540.00
			" Secreterial Service charges		69,027.00
			" Staff Welfare & Labour Charges		11,275.00
			" Telephone Charges Paid		92,645.00
			" Closing Balance -		
			- Cash	23,522.85	
			- Bank Charges	346,667.74	370,190.59
		3,766,553.29			3,766,553.29

Compiled from the books of accounts produced and information and explanation provided.

for ITTA RAGUNANDHAN & CO.



[Handwritten Signature]

Proprietor

Vasavi Chambers Annexe, 'D' Block, First Floor 21/1, Lalbagh Fort Road, (Near Minerva Circle), Bangalore - 560 004.

**KARUNA SOCIETY FOR ANIMALS AND NATURE,
 1ST CROSS, ENUMULAPALLI,
 PUTTAPARTHY - 515134**

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31.03.2003.

EXPENDITURE	AMOUNT	INCOME	AMOUNT
" Accounting Charges Paid	2,000.00	By Income from Clinic	2,530.00
" Bad debts	13,662.00	" Interest from Bank	4,963.31
" Animal Expenses	5,804.00	" Donation & Grants (foreign)	1,142,988.13
" Audit Fee	12,500.00	" Donation from Germany	2,179,053.00
" Bank Charges	771.00	" Grants & Donations (Indian)	259,266.00
" Books and Periodicals	350.00	" Grants from AWBI -1	18,800.00
" Clinic Expenses	86,354.00	" Rent recived	23,000.00
" Consultancy Fee to Doctors	95,562.00	" Other Income	420.00
" Donations Given	3,100.00		
" Electricity charges	28,010.00		
" Food Expenses	267,792.00		
" Miscellaneous	5,741.00		
" Kitchen Tools	335.00		
" Labour Charges	30,415.00		
" Registration charges	2,105.00		
" Lodging Expenses	1,032.00		
" Medical Expenses	290,102.70		
" Vehicle Maintenance	86,285.00		
" Office, Administration Expenses	7,962.00		
" Fodder expenses	100,000.00		
" Printing, Stationery & Postage	69,773.00		
" Travelling & Conveyance	119,718.00		
" Repairs & Maintenance	81,730.00		
" Salaries & Bonus	477,540.00		
" Secreterial Service	69,027.00		
" Staff Welfare & Labour Charges	11,275.00		
" Telephone Charges Paid	65,312.00		
" Pharmaceuticals expenses	20,624.00		
" Transportation charges	40,440.00		
" Depreciation	124,813.00		
" Legal Expenses	14,724.00		
" Educational program expenses	1,500.00		
" Spirulina project expenses	35,400.00		
" Excess of Income over expenditure	1,459,261.74		
	3,631,020.44		3,631,020.44

Compiled from the books of accounts produced and information and explanation provided.

for ITTA RAGUNANDHAN & CO.

Proprietor



Vasavi Chambers Annexe, 'D' Block, First Floor 21/1, Laibagh Fort Road (Near Minerva Circle) Bangalore - 560 004.

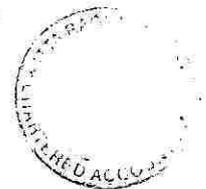
**KARUNA SOCIETY
 FOR ANIMALS AND NATURE**

SCHEDULE FOR FIXED ASSETS AS AT 31.03.2003.

Particulars	Opening Balance	Additions in the Year	Total	Rate of Dep.	Depriciation	W.D.V.AS ON 31.03.03
AMBULANCE	108,000.00		108,000.00	20%	21,600.00	86,400.00
COMPUTER, PRINTER	39,825.00	4,750.00	44,575.00	60%	25,725.00	18,850.00
FANS	3,847.00		3,847.00	10%	385.00	3,462.00
FURNITURES & FIXTURES	22,063.00	731.00	22,794.00	10%	2,279.00	20,515.00
PUMPSET	7,500.00		7,500.00	10%	750.00	6,750.00
TELEPHONE INSTRUMENTS	1,170.00	1,100.00	2,270.00	10%	172.00	2,098.00
T.V.S. MOPED	13,675.00		13,675.00	20%	2,735.00	10,940.00
WASHING MACHINE	18,596.00		18,596.00	10%	1,860.00	16,736.00
SHED ACCOUNT		13,178.00	13,178.00	5%	659.00	12,519.00
BULLOCK CART		12,950.00	12,950.00	5%	648.00	12,302.00
HOUSE (Karuna Nilayam)		920,555.00	920,555.00	5%	46,028.00	874,527.00
MEDICAL EQUIPMENTS		115,664.00	115,664.00	20%	21,972.00	93,692.00
TOTAL	214,676.00	1,068,928.00	1,283,604.00		124,813.00	1,158,791.00

for ITTA RAGUNANDHAN & CO.

Proprietor



**KARUNA SOCIETY
 FOR ANIMALS AND NATURE**

BALANCE SHEET AS AT 31.03.2003.

LIABILITIES	AMOUNT	AMOUNT	ASSETS	AMOUNT	AMOUNT
GENERAL FUND:	351,819.85		FIXED ASSETS:		
Add: Excess of Income over Expenditure.	1,459,261.74	1,811,081.59	As per Schedule	1,283,604.00	
			Less: Depreciation	124,813.00	1,158,791.00
			DEPOSITS:		
			Electricity deposit	10,500.00	
			Rent deposit	72,000.00	
			Telephone deposit	8,000.00	90,500.00
PROVISIONS:			CURRENT ASSETS:		
Audit fee payable		12,500.00	Animals		3,370.00
			Shed under Construction		190,730.00
			F.A.C.L.A.Hospital		10,000.00
			Cash in Hand		23,522.85
			Cash at Bank.		346,667.74
		1,823,581.59			1,823,581.59

Compiled from the books of accounts produced and information and explanation provided.

for ITTA RAGUNANDHAN & CO.

Proprietor



Name (Block letters)
 K A R U N A S O C I E T Y F O R
 A N I M A L S A N D N A T U R E
 Address (Block letters)
 Y E N U M I L A P A L L I
 P U T T A P A R T H Y M A N D A L
 A N A N T H P U R D I S T
 A N D H R A P R A D E S H

Assessment year
 2 0 0 2 - 2 0 0 3
 Status (*Use Codes) 8
 Residence (*Use Codes)
 Previous Year ending on
 3 1 0 3 - 2 0 0 2
 Number of months 1 2
 *See Return for correl codes

DISCLOSED IN THE RETURN		Code	Amount (Rs.)	Deduction under Chapter IV					
				Section	Code	Amount (Rs.)	Section	Code	Amount (Rs.)
Income from house property	130	NIL		32	430		35A	449	
Income and gains of business and profession		NIL		32A	441		35AB	463	
Share in profits of P.F.	141			32AB	456		35CCA	444	
Share in profits of URF/AOP/BOI	142			33A	448		35COB	445	
Own business/profession	143			33AB	457		35D	452	
Partly discontinued business	144			33B	462		35E	458	
Income of income u/s 80 HHD(5)	145			35	442		37	459	
Income from		NIL		Deduction under Chapter IV A					
Short term	151			Section	Code	Amount (Rs.)	Section	Code	Amount
Long term	152			80G	242		80HH	244	
Income from other source				80HHA	245		80HHB	246	
Dividends	161			80HHC	247		80HHD	255	
Interest on securities	120			80I	251		80J	254	
Other interest	162			80M	271		80-O	274	
Income from lotteries, cross word puzzles, race etc.	164			Others	289		Total	200	
Voluntary Contributions u/s 12	163	(26885)		PRE-ASSESSMENT TAXES :					
Dividends	169			1. Advance Tax					
Income u/s 11		NIL		Date of payment					
Aggregate of items 1 to 6	100	(26885)		Amount (Rs.)					
Losses brought forward losses or allowances (total of codes 211 & 212)	210			1)	2)	3)	Total		
Income deductible u/s 11	215			-	-	-	NIL		
Gross Total Income	220	(26885)		(351)	(352)	(353)	(350)		
Losses Admissible deductions (Chapter VI-A)	200			2. Tax deducted at source :					
80% of book profits	862			Dividends	Others	Total			
Total Income : (in figures) (in words)	300			-	-	NIL			
Income from rural income	580			(344)	(349)	(340)			
Income from other source	310			Self Assessment tax (333)			Tax collected at source (335)		
Income from other source	316			Total number of documents evidencing above payments (in words)					
Tax payable	380	NIL		Statement of Documents enclosed (Please specify)					
PRE-ASSESSMENT TAXES/ REFUND				a) Audit Report					
(330)	(360)	(360)		b) Balance Sheet					
				c) Income & Expenditure Statement					
				d)					
				e)					
				f)					
				SIGNATURE OF THE ASSESSEE + C. Sarendra Reddy.					

TO BE FILLED IN BY THE INCOME-TAX DEPARTMENT

Received one return of income and annexures as per details above

Receipt No. _____

Signature of receiving official _____

Name : _____

Designation : _____

SEAL

PART I
STATEMENT OF TOTAL INCOME AND NET AGRICULTURAL INCOME

HEAD OF INCOME	CODE	INCOME/LOSS (Rupees) (if nil, write 'Nil')
1. INCOME FROM HOUSE PROPERTY (See Note 6)	130	NIL
2. PROFITS AND GAINS OF BUSINESS OR PROFESSION (Income / loss from speculation business to be compiled separately against (a), (b), (c) and (d) (See Notes 7 & 8 Loss May be indicated by a minus sign)		
(a) Share in profits of a registered firm (Annexure A)	141	NIL
(b) Share in profits of an unregistered firm/AOP/BOI (Annexure A)	142	—
(c) Any sum received in respect of a discontinued business or profession- Section 176	144	—
(d) Business or profession exclusive of item (a), (b) and (c)	143	—
(e) Amount deemed to be income under section 80 HHD (5)	145	—
3. CAPITAL GAINS (ANNEXURE-C)		
(a) Relating to short-term capital assets	151	NIL
(b) Relating to long-term capital assets		—
(i) Lands, buildings or rights therein :	152	—
(ii) Gold, Bullion or jewellery :	154	—
(iii) Other assets (Give details)	153	—
4. INCOME FROM OTHER SOURCE (See Notes 10 to 12)		
(a) Winning from a lottery, or horse race, etc. (see section 115-BB)	164	—
(b) Dividends	161	—
(c) Interest on Securities (if not included in item 2 above) (see note 11)	120	—
(d) Other Interest	162	—
(e) Voluntary Contributions	163	(26885)
(f) Other items	169	—
TOTAL [Sum of Sub-items (a) to (e)]	160	(26885)
5. AGGREGATE OF ITEMS 1 to 4	100	(26885)
6. DEDUCT		
(a) Unabsorbed losses/allowances brought forward from earlier years - under sections 32(2), 35(4) and 72 to 79	211	—
(b) Unabsorbed investment allowance/ development allowance-under sections 32A (3)(33A (2)	212	—
7. BALANCE	201	—

FORM NO. 3A RETURN OF INCOME

(For assesses including companies claiming exemption under section 11. All parts and Annexures must be filled in. If any Part or Annexure does not apply, please mention "Not Applicable")
[See Rule 12 (1)(c) of Income-tax Rules, 1962]

FOR USE IN COME TAX FICI

Ward/Circle.....

Receipt No.....

Date of Receipt.....

Name in block letters

KARUNA SOCIETY FOR ANIMALS
AND NATURE

Permanent Account No.

--	--	--	--	--	--	--	--	--	--

Ward..... Circle.....

Office Address in block letters

VENUMULA PALLI 1ST CROSS
PUTTAPALTHY MANDAL, ANANTHAPUR DIST

Assessment Year

2	0	0	2	-	0	0	0	3
---	---	---	---	---	---	---	---	---

Telephone No.

A - P -

Residential Address in Block letter (If applicable)

Previous Year(s) ending on

2	0	3	-	2	0	2
---	---	---	---	---	---	---

Telephone No.

STATUS (use code, See Note 1)

0	8
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State whether:

(i) Resident/Nonresident/Not Ordinarily resident (Use the following codes : Resident-01, Non-resident -02, Not Ordinarily resident-03)

--	--

(ii) This is a revised return. If so, please state the receipt number and the date of furnishing the previous return(s)

Yes/No
Receipt No.

--	--	--	--	--	--

(iii) This is a return furnished in response to a notice under section 148

Yes/No

(iv) This return includes a share in profits of a firm

Yes/No

(v) This is a return furnished in support of a claim of refund under section 237

Yes/No

(vi) This return has been furnished within the statutory time limit

Yes/No

(vii) Have you been assessed to tax in any earlier assessment year

Yes/No

(viii) In case of a firm, date of furnishing Form Nos. 11/11A/12
(Strike out whichever is not applicable)

--	--	--	--	--	--

(ix) Trust or institution is registered under section 12A (Give details)

Yes/No

(x) The accounts of the trust or institution has been audited as required under section 12A (If yes, attach audit report in Form 10 NB)

Yes/No

(xi) Furnish the details of *Bank accounts

Name of the Bank.

Address of the Branch

Account Number

VYSYA BANK,

VENUMULA PALLI, PUTTAPALTHY

704010030451

*Please tick (✓) the bank account, where you would like the amount of refund to be credited.

PART I (Contd.)

HEAD OF INCOME	CODE	FORM 10 if not available
8. *DEDUCT		
(i) Amount applied to charitable or religious purposes in India during the previous year	291	
(ii) Amount deemed to have been applied to charitable or religious purposes in India during the previous year - clause (2) of the Explanation to section 11(1)	292	
(iii) Amount accumulated or set apart finally set apart for application to charitable or religious purposes to the extent it does not exceed 25 percent of the income derived from property held in trust wholly and only for such purposes	293	
(iv) Amount eligible for exemption under section 11(1)(c) (give details)	294	
(v) Amount eligible for exemption under section 11(1)(d)	295	
(vi) Amount in addition to the amount referred to in (i) to (v) set apart for specified purposes if all the conditions of section 11(2) are satisfied	296	
(vii) Amount deemed to have been applied to charitable or religious purposes under sub-section (1A) of Section 11	297	
(viii) Total of (i) to (vii)	298	
9. BALANCE (item 7 minus item 8)	299	
10. ADD :		
(a) Income chargeable under section 11 (1B)	300	
(b) Income chargeable under section 11 (3)	301	
(c) Income in respect of which exemption under section 11 is not available by reason of the provisions of section 13.	302	
11. GROSS TOTAL INCOME (item 9 plus item 10)	303	
12. Less - Deductions under Chapter VIA (Part II)	300	
13. BALANCE (Item 11 minus item 12)	229	
14. Thirty per cent of book profit as computed under section 115 (Annexure E)	304	
15. Total income item 13 or item 14, whichever is higher (as rounded off to the nearest multiple of ten rupees (Section 288A))		
(a) In figures	300	
(b) In Words		
16. Agricultural Income	580	

**PART II
DEDUCTIONS UNDER CHAPTER VIA**

(Please attach audit report/certificates wherever required by or under the Act in respect of the following deductions)

Particulars	Section	Code	Gross Amount (Rupees)	Code	Lower claim (Rupees)
1. Donations to certain funds, charitable institutions etc.	80G	012		242	
2. Profits and gains from newly established industrial undertaking or hotel business in backward areas	80HH	041		244	
3. Profits and gains from newly established small-scale industrial undertakings in certain areas	80HHA	045		245	
4. Profits derived from exports	80HHC	047		247	
5. Earnings in convertible foreign exchange	80HHD	045		248	
6. Profits and gains from newly established industrial undertakings, ship or hotel business	80-I	051		251	
7. Other deductions, if any (give details)		089		284	
Total amount of deductions taken to item 12 in Part-I				243	

PART III
STATEMENT OF TAXES

		Code	Amount (Rupees)
1.	TAX ON TOTAL INCOME (Attach a statement showing the computation of total income)	310	
PRE - ASSESSMENT TAXES		Code	Date of Payment
2.	TAX DEDUCTED / COLLECTED AT SOURCE (Attach Certificates)		
1.	Interest on securities	342	
2.	Other Interest	343	
3.	Dividends	344	
4.	Tax collected at source	345	
5.	Any other income (Please specify)	349	
	TOTAL	349	
3.	ADVANCE TAX (Attach challans)		
	(i) 1st Instalment	351	
	(ii) 2nd Instalment	352	
	(iii) 3rd Instalment	353	
4.	Tax on self assessment (Attach challans)	354	
5.	Other prepaid tax, if any (Please specify and furnish proof)	355	
6.	Total of items 2 to 5	355	
7.	Tax payable or refund due (Item 1 minus item 6. If item 6 is more than item 1, put a minus sign to indicate the refund due)	356	

PART IV
PARTICULARS OF INCOME CLAIMED TO BE EXEMPT FROM TAX AND NOT INCLUDED IN PART-I

PARTICULARS	Amount (Rupees)	Reason why not taxable

VERIFICATION

C. Narendra Reddy

(Name in full and in block letters)

Shri *son/daughter/wife of Sambashini Reddy solemnly declare that my knowledge and belief, the information given in this return and the annexure and statements accompanying and complete and that the amount of total income and other particulars shown therein are truly stated and correct for the previous year(s) relevant to the assessment year 2002-2003

I further solemnly declare that during the said previous year(s) -

- (a) no other income accrued or arose to or was received by me from any asset held in my name;
- (b) there is no other income, including income of any other person, in respect of which I am chargeable under the income-tax Act, 1961.

I further solemnly declare that during the said previous year(s) -

- (a) no other income accrued or arose to or was received by the person for and on whose behalf this return is furnished/from any asset held in the name of the person for and on whose behalf this return is filed in the name of any other person;
- (b) there is no other income, including income of any other person, in respect of which the person for and on whose behalf this return is furnished is chargeable to tax under the Income-tax Act, 1961.

I further declare that I am making this return in my capacity as Secretary Karur Vysya Bank Ltd Secy

I am competent to make this return and verify it.

Date _____

Place _____

C. Narendra Reddy
Signature

- * Strike out whichever is not applicable.
- ** Before signing the declaration, the signatory should satisfy himself that this report and the accompanying annexures and statements are correct and complete in all respects. Any person making a false statement in this return or the accompanying annexures or statements shall be liable to prosecution under section 277 of the Income Tax Act, 1961 and on conviction be punishable under that section with rigorous imprisonment and with fine.

ANNEXURE-A PROFITS AND GAINS OF BUSINESS OF PROFESSION

1. SHARE FROM A FIRM OR ASSOCIATION OF PERSONS OR BODY OF INDIVIDUALS				
Particulars	Code	Business (Other than speculation) and profession (Rupees)	Code	Speculated Income (Rupees)
A. Registered firms :				
1. Amount of share in profit / loss	531		531	
2. Deduct (Add, if the above figure is a loss) Expenses claimed (give details)	532		532	
3. Net profit/loss, carried to item 2(a) in Part I	533		533	
B. Unregistered firm/association of persons bodies of individuals :				
1. Amount of share profit/loss	541		541	
2. Deduct (Add, if the above figure is a loss) Expenses claimed (Give details)	542		542	
3. Net profit/loss carried to item 2(b) in Part I	543		543	