

INDIAN INCOME TAX RETURN ACKNOWLEDGEMENT

[Where the data of the Return of Income in Form ITR-1 (SAHAJ), ITR-2, ITR-2A, ITR-3, ITR-4S (SUGAM), ITR-4, ITR-5, ITR-6, ITR-7 transmitted electronically with digital signature]

Assessment Year
2016-17

PERSONAL INFORMATION AND THE DATE OF ELECTRONIC TRANSMISSION	Name MAHILA ABHIVRUDDHI SOCIETY ANDHRA PRADESH		PAN AAATM6859M		
	Flat/Door/Block No	Name Of Premises/Building/Village		Form No. which has been electronically transmitted ITR-7	
	PLOT NO - 11 AND 12	POKALAWADA VILLAGE			
	Road/Street/Post Office	Area/Locality		Status AOP(Trusts)	
		TANESHANAGAR, MANIKONDA JAGIR			
	Town/City/District	State	Pin	Aadhaar Number	
	RANGAREDDY DISTRICT	TELANGANA	500089		
	Designation of AO(Ward/Circle)		Original or Revised ORIGINAL		
	DDIT(EXEMPTIONS)-II				
	E-filing Acknowledgement Number 503998981161016		Date(DD/MM/YYYY) 16-10-2016		
COMPUTATION OF INCOME AND TAX THEREON	1	Gross total income		1	0
	2	Deductions under Chapter-VI-A		2	0
	3	Total Income		3	0
	3a	Current Year loss, if any		3a	0
	4	Net tax payable		4	0
	5	Interest payable		5	0
	6	Total tax and interest payable		6	0
	7	Taxes Paid	a Advance Tax 7a 0	662481	
			b TDS 7b 662481		
			c TCS 7c 0		
		d Self Assessment Tax 7d 0			
		e Total Taxes Paid (7a+7b+7c +7d) 0			
8	Tax Payable (6-7e)		7e	662481	
9	Refund (7e-6)		8	0	
10	Exempt Income	Agriculture	9	662480	
		Others	10	0	

This return has been digitally signed by **T CHANDRA SEKHAR REDDY** in the capacity of **CEO AND MANAGING D**
having PAN **ACHPT2431M** from IP Address **183.83.241.151** on **16-10-2016** at **HYDERABAD**

Dsc SI No & issuer **1395976696CN=(n)Code Solutions CA 2014, OID.2.5.4.51="301, GNFC Infotower", STREET="Bodakdev, S G Road, Ahmedabad", ST=Gujarat, OID.2.5.4.17=380054, OU=Certifying Authori**

DO NOT SEND THIS ACKNOWLEDGEMENT TO CPC, BENGALURU

For Mahila Abhivruddhi Society

Authorised Signatory



V. NAGARAJAN & CO.,

Chartered Accountants

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MAHILA ABHIVRUDDHI SOCIETY, ANDHRA PRADESH.**

1. Report on the financial statements

We have audited the accompanying financial statements of **MAHILA ABHIVRUDDHI SOCIETY, ANDHRA PRADESH**, (Telangana Area) Public Societies Registration Act, 1350) which comprise the Balance Sheet as at March 31, 2016 and the Income and Expenditure statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the society in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the society's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

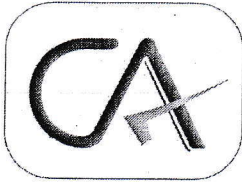
4. Basis of our opinion

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit. We report that:

1. Proper books of account have been kept by the Society as far as appears from our examination of the books.
2. The Balance sheet and Income and Expenditure account dealt with by this report are in agreement with the books of account.



For Mahila Abhivruddhi Society



V. NAGARAJAN & CO.,

Chartered Accountants

3. The Balance sheet and Income and Expenditure statement dealt with by this report comply with the accounting standards issued by Institute of Chartered Accountants of India to the extent applicable.
4. No covenants of society have been violated.
5. The activities of the society are in conformity with the objects of the society.

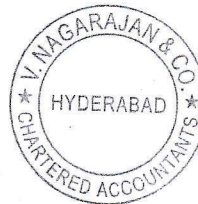
5. Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the financial statements give a true and a fair view in conformity with the accounting principles generally accepted in India:

- In the case of the Balance Sheet, of the state of the affairs of the above Society as at 31st March 2016 and;
- In the case of the Income and Expenditure statement, excess of Income over expenditure for the year ended on that date.

Place: Hyderabad

Date: 27th August, 2016



for V. Nagarajan & Co.,
Chartered Accountants

ICAI Firm Regd. No.:

04879N

A. G. Sitaraman

Partner

M. No.: 017799

For Mahila Adviruddhi Society

Authorised Signatory

MAHILA ABHIVRUDDHI SOCIETY, ANDHRA PRADESH
BALANCE SHEET AS ON March 31,2016

Sources of funds	Reference	31-Mar-16	31-Mar-15
		Total (Rs.)	Total (Rs.)
Loan fund	Sch-1	350,00,000	350,00,000
APMAS-Building Grant	Sch-2	-	50,00,000
APMAS general fund	Sch-3	205,27,167	195,23,164
Asset acquisition fund	Sch-4	215,80,314	167,31,903
Short-term loan from bank		19,00,000	19,00,000
Current liabilities	Sch-5	127,14,070	99,67,891
Provisions	Sch-6	47,27,850	56,20,214
Total		964,49,402	937,43,172

Application of funds	Reference	31-Mar-16	31-Mar-15
		Total (Rs.)	Total (Rs.)
Land & building	Sch-11	638,68,779	638,23,213
Furniture, fixtures and other assets	Sch-11	11,31,203	13,28,358
Investments	Sch-7	55,04,141	39,04,141
Current assets	Sch-8	152,10,362	172,02,320
Deposits & advances	Sch-9	42,99,464	36,91,806
Cash & bank balances	Sch-10	64,35,453	37,93,334
Total		964,49,402	937,43,172

Accounting Policies

Sch-13

Notes to Accounts

Sch-14

Schedules 1-15 form an integral part of these accounts.

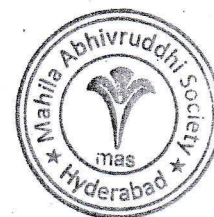
For V. Nagarajan & Co.

Chartered Accountants

Firm Regn No.: 004879N

AV Rajan

Director- Finance



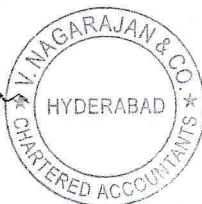
T C S Reddy
CEO & Managing Director

A.G. Sitaraman

Partner/M. No.: 017799

Date: August 27,2016

Place: Hyderabad



Nandita Ray

Chairperson-Audit Committee

K. Madhava Rao

Chairman

For Mahila Abhivruddhi Society

Authorised Signatory

MAHILA ABHIVRUDDHI SOCIETY, ANDHRA PRADESH
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED March 31, 2016

	Ref.	31-Mar-16 Total (Rs.)	31-Mar-15 Total (Rs.)
INCOME			
Grants	Sch-12	422,04,797	180,50,468
Contributions received	Sch-12	82,31,842	159,59,458
Interest on fixed deposits	Sch-12	4,72,686	3,71,260
Interest from savings account	Sch-12	1,55,676	83,238
Sale of publications & magazines	Sch-12	18,263	5,532
Miscellaneous income	Sch-12	13,65,110	19,29,264
Rental Income	Sch-12	2,46,000	1,50,000
Profit on sale of assets	Sch-12	76,994	1,06,476
Total		527,71,368	366,55,696

	Ref.	Total (Rs.)	Total (Rs.)
EXPENDITURE			
Direct program expenses	Sch-12		
Program -Deutscher Genossenschafts-UND Raiffeisenverband E.V.		54,64,254	17,30,955
Program -Bread for the World		49,38,097	38,72,374
Programme- GIZ		37,86,277	-
Programme- Hormann		5,12,511	-
Programme- Elliott		11,17,804	
Programme- VANI		19,967	
Programme -Ernst and Young		18,65,495	
Programme-Smarajit Ray Memmorial Event		-	52,694
Program -Quality Enhancement		11,14,008	18,78,887
Program - Informed Advocacy		20,01,771	19,69,961
Program - Integrated Watershed Management programme		32,36,281	52,05,072
Program - National Bank for Agriculture and Rural Development		10,29,262	26,09,698
Program - Mission for Elimination of Poverty in Municipal Areas.		28,63,542	32,32,354
Program - Bihar Rural Livelihoods Promotion Society		2,85,899	3,74,961
Program - West Bengal State Rural Livelihoods Mission		37,236	6,01,556
Program - National Bank for Agriculture and Rural Development-Managing Indebtedne		41,143	1,09,951
Program - SPUR-		11,52,989	36,20,988
A) Direct program expenses-Sub total		294,66,536	252,59,451

Program support expenses.	Sch-12		
Human resource cost		25,48,911	10,29,220
Honorarium		20,000	
Managerial remuneration		19,16,465	14,51,608
Gratuity		4,46,096	10,74,063
Leave salary		(4,51,913)	80,689
Rent		18,000	2,56,400
Office maintenance		7,01,715	6,37,188
Telephone expenses		1,79,539	1,83,506
Insurance premium		1,84,010	6,17,370
Printing and stationery		21,259	1,63,673
General expenses		33,704	40,518
Hospitality expenses		76,871	81,879
Consultancy charges		2,32,100	2,77,581
Water and electricity		3,93,780	3,43,540
Rates and taxes		2,150	99,487
Travelling and conveyance		1,19,938	80,398
Interest on loan from bank		1,97,910	1,89,395
Interest on Rent to AWARE			5,40,000
Repairs and Maintenance			6,96,206
G-4 Expenses		50,483	-
Stipends		9,185	-
Meeting and conference		1,05,209	22,392
Vehicle maintenance		61,357	35,048
Postage, stamps And telegrams		13,985	89,843
Bank charges		8,986	5,150
Audit fees		1,05,000	85,000

For Mahila Abhivruddhi Society

Authorised Signatory

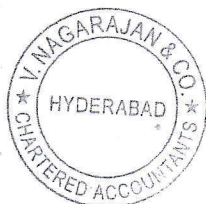
MAHILA ABHIVRUDDHI SOCIETY, ANDHRA PRADESH
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED March 31,2016

Ref.	31-Mar-16 Total (Rs.)	31-Mar-15 Total (Rs.)
Newspaper and magazine	2,488	4,542
Computer consumables	12,045	37,060
Software	48,848	61,443
Interest Written off earlier years	3,16,786	
Bad Dedbts written off		1,04,423
Grants written off	46,34,974	14,98,361
Water Plant Maintenance	94,564	31,045
Electrical and Electrical Fittings	5,636	87,777
Adjustment for WIP	20,71,771	(31,11,007)
B) Program support expenses-Sub total	141,81,852	67,93,798
Total Expenditure (A+B)	436,48,388	320,53,249
Excess of Income/(Expenditure) over Expenditure/(Income)		
Committed	57,61,622	(4,30,529)
Uncommitted	33,61,358	50,32,977
Total	91,22,980	46,02,448
	527,71,368	366,55,696

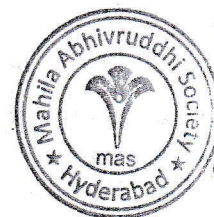
Accounting Policies
Notes to Accounts
Schedules 1-14 form an integral part of these accounts.

Sch-13
Sch-14

For V. Nagarajan & Co.
Chartered Accountants
Firm Regn. No.: 004879N



AV Rajan
AV Rajan
Director- Finance



T C S Reddy
T C S Reddy
CEO & Managing Director

A.G. Sitaraman
A.G. Sitaraman
Partner/M. No.: 017799
Date: August 27,2016
Place: Hyderabad

Nandita Ray
Nandita Ray
Chairperson - Audit Committee

K. Madhava Rao
K. Madhava Rao
Chairman

For Mahila Abhivruddhi Society

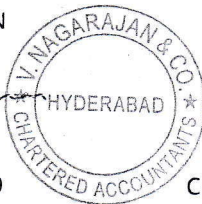
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Authorised Signatory

	31-Mar-16	31-Mar-15
	Total (Rs.)	Total (Rs.)
Schedule - 1: General and Donor Funds		
Loan fund		
Loan fund balance brought forward	350,00,000	350,00,000
Add: Receipts during the year		-
Total	350,00,000	350,00,000
Less:- Principal repaid during the year		
Loan fund balance carried forward	350,00,000	350,00,000
Schedule - 2: APMAS Building fund (Capital grant)		
Balance brought forward	50,00,000	-
Add:- Receipts during the year	-	50,00,000
Less:- Transfer to Assets acquisition fund	50,00,000	
Total	-	50,00,000
Schedule - 3: APMAS General Fund		
Balance brought forward	195,23,164	149,05,628
Add: Additions during the year	33,61,358	48,74,535
Less :Transfer to/(from) Assets acquisition fund	23,57,355	6,15,174
Total	205,27,167	191,64,989
Schedule - 4: Assets acquisition fund		
Balance brought forward	167,31,904	166,58,683
Add: Allocated during the year	77,15,535	6,78,573
Less: Assets deleted during the year	6	25
Less: Depreciation on assets till 31//03/2016	28,67,119	6,05,328
Total	215,80,314	167,31,903

For V. Nagarajan & Co.
Chartered Accountants
Firm regn no.: 004879N

AV Rajan
Director-Finance

A.G. Sitaraman
Partner/M. No.: 017799
Date: August 27,2016
Place: Hyderabad



Nandita Ray
Chairperson-Audit committee



T C S Reddy
CEO & Managing Director

K Madhava Rao
Chairman

For Mahila Abhivruddhi Society

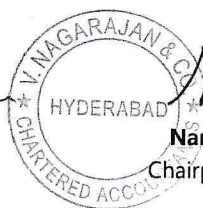
Authorised Signatory

	31-Mar-16	31-Mar-15
	Total (Rs.)	Total (Rs.)
Schedule - 7: Investments		
Term deposits with Scheduled Bank		
Andhra Bank (includes Rs. 15 lacs earmarked against bank guarantee)	15,00,000	15,00,000
Axis Bank	6,00,000	
State Bank of Hyderabad	34,04,141	24,04,141
Total	55,04,141	39,04,141
Schedule - 8: Current assets		
Grants - Overspent	(52,033)	62,92,132
Receivables	128,79,121	66,94,866
Pre-paid expenses	3,89,117	4,17,767
CENVAT credit receivable	2,30,608	2,83,451
Interest accrued on fixed deposit	7,24,313	4,03,098
Work in progress	10,39,236	31,11,007
Total	152,10,362	172,02,321
Schedule - 9: Deposits and advances		
TDS recoverable	22,03,379	16,71,647
Other advances	5,86,149	4,37,729
Advance with LIC for Gratuity and Leave Salary	12,53,828	13,11,356
Deposits	1,68,522	1,48,326
Advances to staff	87,586	1,22,748
Total	42,99,464	36,91,806
Schedule - 10: Cash and Bank Balances		
Bank balances in current and savings accounts	64,29,406	37,68,078
Cash in hand	6,047	25,256
Total	64,35,453	37,93,334

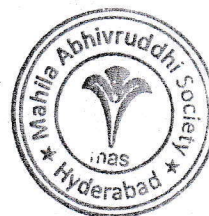
For V. Nagarajan & Co.
Chartered Accountants
Firm Regn. No.: 004879N

A.G. Sitaraman
Partner/M. No.: 017799
Date: August 27, 2016
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Chairman

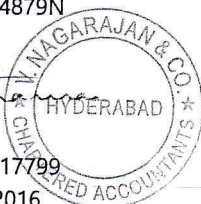
For Mahila Abhivruddhi Society

Authorised Signatory

	31-Mar-16	31-Mar-15
	Total (Rs.)	Total (Rs.)
Schedule - 5: Current liabilities		
a) Statutory liabilities		
Provident Payable	2,06,587	-
Profession Tax Payable	7,100	4,900
Service tax payable	1,04,825	1,06,766
TDS payable	1,76,695	1,06,228
Total	4,95,207	2,17,894
b) Outstanding expenses		
Expenses payable	22,47,980	27,49,879
LTC payable	3,20,932	8,44,334
Audit Fees payable	1,09,725	-
Salary Payable	91,917	2,86,576
Travel expenses payable	2,34,053	4,27,104
Total	30,04,606	43,07,893
c) Other liabilities		
Grants - unutilised	80,44,889	43,50,633
Interest on loan fund	-	-
Interest on Short Term Loan	3,72,633	1,74,723
Payable to related parties	-	-
Security deposit repayable	7,70,735	7,70,735
Rental Deposit	26,000	26,000
Contributions received in advance	-	1,20,013
Total	92,14,257	54,42,104
Grand total	127,14,070	99,67,891
Schedule - 6: Provisions		
For Gratuity	40,73,402	42,50,963
For Leave salary	6,54,448	13,69,251
Total	47,27,850	56,20,214

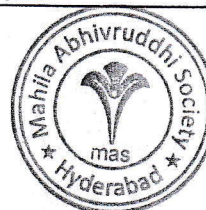
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T.C.S. Reddy
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Chairman

For Mahila Abhivruddhi Society

Authorised Signatory

MAHILA ABHIVRUDDHI SOCIETY, ANDHRA PRADESH
Schedules forming part of Financial Statements as at March, 31, 2016

Schedule - 11: Fixed Assets

Amount in Rs.

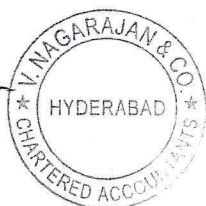
Domestic								
S No.	Particulars	W.D.V as on 01.04.15	Additions	Deletions	Total	Rate	Depreciation	W.D.V. as on 31.03.16
Land & Building								
1	Land	216,01,500	-	-	216,01,500			216,01,500
2	Building	422,21,713	22,70,160	-	444,91,873		22,24,594	422,67,279
	Total	638,23,213	22,70,160	-	660,93,373		22,24,594	638,68,779
Other assets								
1	Furniture & fixtures	38,681	7,200	-	45,881	20%	26,894	18,987
2	Office equipments	4,32,952	-	-	4,32,952	20%	1,57,024	2,75,928
3	Computers & peripherals	1,14,286	80,000	-	1,94,286	33%	67,216	1,27,070
4	Vehicles	22	-	5	17	20%	-	17
5	Solar water heating system	1	-	-	1	20%	-	1
6	Interiors	3	-	-	3	33%	-	3
	Total	5,85,945	87,200	5	6,73,140		2,51,133	4,22,007
	Grand Total	644,09,158	23,57,360.00	5	667,66,513		24,75,727	642,90,786

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S No.	Particulars	W.D.V as on 01.04.15	Additions	Deletions	Total	Rate	Depreciation	W.D.V. as on 31.03.16
1	Furniture & fixtures	21	10,875	-	10,896	20%	793	10,103
2	Office equipments	1,06,907	80,500	-	1,87,407	20%	26,409	1,60,998
3	Computers & peripherals	1,28,427	2,66,800	-	3,95,227	33%	86,303	3,08,924
4	Vehicles	5,07,058	-	1	5,07,057	20%	2,77,887	2,29,170
5	Interiors	1	-	-	1	33%	-	1
	Total	7,42,414	3,58,175	1	11,00,588		3,91,392	7,09,196
	Grand total	651,51,572	27,15,535	6	678,67,101		28,67,119	649,99,982

For V. Nagarajan & Co.
Chartered Accountants
Firm Regn. No.: 004879N

A.G. Sitaraman
A.G. Sitaraman
Partner/M. No.: 017799
Date: Augst 27, 2016
Place: Hyderabad



AV Rajan
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Director- Finance

Nandita Ray
Nandita Ray
Chairperson - Audit Committee



T. C. S. Reddy
T. C. S. Reddy
CEO & Managing

K. Madhava Reddy
K. Madhava Reddy
Chairman

For Mahila Abhivruddhi Society

[Signature]
Authorised Signatory

SCHEDULES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2016

SCHEDULE 13: Significant accounting policies adopted by the Society in the preparation of Financial Statements

ACCOUNTING POLICIES:

1. Basis of Preparation of Financial Statements and Method of Accounting:-

The Financial statements are drawn up based on mercantile basis of accounting except for grants which are accounted for on cash basis in accordance with the generally accepted accounting principles in India with due regard to fundamental accounting assumptions of going concern, consistency and accrual.

2. Fixed Assets and Depreciation:

(i) The Fixed Assets are shown at the realistic value after adjusting the depreciation which is provided for on the basis of estimated life of the assets. Depreciation on additions/deletions during the period is calculated pro rata from /to the date of additions/deletions. Depreciation is calculated and shown as adjustment in the Balance Sheet from Fixed Assets and Assets Acquisition Funds and no entries for depreciation are passed through Income and Expenditure Account.

(ii) The rates adopted for calculating depreciation are as follows:

Nature of Fixed Assets	Estimated Use life	Rate of Depreciation
Building	20 Years	5%
Furniture	5 Years	20%
Computer & peripherals	3 Years	33.33%
Office equipment	5 Years	20%
Vehicle	5 Years	20%
Interiors	3 Years	33.33%

(iii) Straight Line Method is adopted to calculate depreciation.

(iv) In respect of the assets acquired out of the Assets Acquisition Fund, depreciation calculated as above is charged off to the Grant so capitalized.

3. **Employee Benefits:** - Retirement and other benefits to employees comprise of payments under defined contributions like Provident Fund and payments under defined benefit scheme like Gratuity and Leave Encashment. Payments under defined contribution plans are charged to revenue on accrual basis and payments under defined benefits are provided based on actuarial valuation.

4. Revenue recognition:-

4.1 All revenue Grants and Donations received during the financial year are recognized as income for the current period in the Financial Statements, thereby some of the surplus shown in the Income and Expenditure Account includes unutilized grant money to be used in future.

4.2 Grants received for procurement of fixed assets are credited to Assets Acquisition Fund in the Balance Sheet.

4.3 Interest income on deposits with banks is recognized on time proportion accrual basis taking into the account the amount outstanding and rate applicable.

4.4 All the transactions in Foreign Currency are recognized at the exchange rate prevailing on the date of the transaction.

5 Joint venture:-

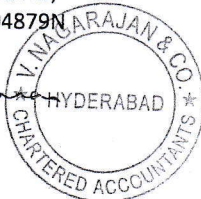
In respect of joint venture contracts, which are in the nature of jointly controlled operations, the assets controlled, liabilities incurred, the share of income and expenses incurred are recognized in the agreed proportions under respective heads in the financial statements.

6 **General:** - Accounting policies not specifically referred to above are consistent with the generally accepted accounting principles followed in India.

For V. Nagarajan & Co.,
Chartered Accountants,
Firm Regn. No.: 004879N

(A.G. Sitaraman)
Partner
M. No.: 017799

Date: August 27, 2016
Place: - Hyderabad.



A.V. Rajan
Director-Finance

Nandita Ray
Chairperson-Audit Committee.



T.C.S. Reddy
CEO & Managing Director

K. Madhava Rao
Chairman

For Mahila Abhivruddhi Society

Authorized Signatory:

NOTES TO ACCOUNTS:

1. Capital commitments: Rs.4,87,000 lacs (Building)
2. Contingent liabilities:
 - (a) Counter guarantee issued to banks: Rs. 58.98 lacs
 - (b) Interest accrued on Loan fund till 31-03-2016(Previous Year: Rs.123.80 lacs): Rs.157.05 lacs.
3. The funds received from BFTW, DGRV, IWMP, HORMAN, GIZ, ERNST&YOUNG FOUNDATION and NABARD are against specific programme activities for execution of their projects.
4. Managerial remuneration and governance expenses have been accounted under various heads, break up of which is given below.

Particulars	31-Mar-16(Rs.)	31-Mar-15(Rs.)
Salary to CEO	18,69,965	13,81,108
Sitting fees to Board members	46,500	70,500

5. The Society has kept all the unspent balance of funds in investments, which is in conformity with section 11(5) of the Income Tax Act, 1962.

6. Loan Fund

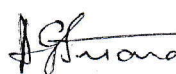
- (a) The unified Government of Andhra Pradesh had sanctioned a total assistance of Rs. 5,00,00,000 towards establishing SHG training Center cum APMAs office under Additional Central Assistance of the Central Government scheme. The breakup of the assistance is 70% by way of loan and 30% by way of Grant. Thus the Planning Department of the unified Andhra Pradesh Government had released Rs. 3,50,00,000 by way of loan and Rs. 1,50,00,000 as Grant for the project.
- (b) The loan is to be repaid by way of forty half yearly installments along with interest @9.5% after moratorium period of five years. The repayment of loan along with interest should have commenced from April, 2015 onwards. However, due to bifurcation of the State of Andhra Pradesh into Telangana and Andhra State has resulted in postponement of the repayment of loan.
- (c) Moreover, APMAS has also made representations at various levels with the two State Governments to convert the loan into Grant in view of the charitable nature of the organization and also due to inability to mobilize separate funds for the repayment of the loan. Hence the matter is under consideration of the Governments to convert the loan into grants. However the interest due on the loan till 31ST March, .2016 is Rs. 1,57,05,949 which is being shown as contingent liability in Notes to Accounts.

7. Short Term loan from State Bank of Hyderabad

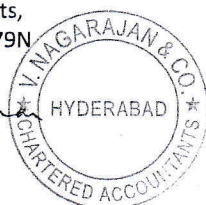
- (a) The Society had took a short term loan of Rs. 19,00,000 for construction of the SHG Learning Centre cum Office by pledging the Fixed Deposits bearing numbers 62325242894 and 62341481978 on 9th May, 2014. The interest rate agreed was 2% higher than the rates on the fixed deposits pledged. The loan is still outstanding as on 31st March, 2016 and the interest due as on 31st March, 2016 was Rs. 3,72,633/-.
8. The Society is registered under the A.P. (Telangana Area) Public Societies Registration Act, 1350 Fasli (Act 1 of 1350F) as a non-profit Society and also has registration u/s 12 (A) and u/s 80G of IT Act, 1961 designating it as Charitable Society. Hence no provision of Income Tax is considered necessary.
 9. The society entered Memorandum of Understanding with Sadhikaratha Foundation on February 24, 2014 for implementing jointly SPUR (Support Programme for Urban Reforms) project of Government of Bihar titled "formation and establishment of separate town (45) & state level federations for Self-Help-Groups (SHGs)" for a term of three years. The Society recognized its share of income and expenses in its income and expenditure statement as per AS 27 'financial reporting of Interests in Joint ventures'.
 10. Disclosure required under AS 27 are as follows:
 - (a) Contingent liabilities (Counter guarantee issued to banks): 58.98 lacs
 - (b) Capital commitments (society's share): Nil
 - (c) Income recognized: Rs. 43,33,187
 - (d) Work in progress: Rs. 10,39,236
 11. Audit fee excluding service tax: Rs.1,05,000(Previous year: Rs. 85,000)
 12. Figures of the previous year are reclassified/regrouped to conform to the current year's classification.

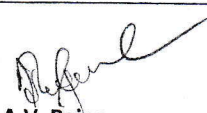
As per our report of even date

For V. Nagarajan & Co.,
Chartered Accountants,
Firm Regn. No.: 004879N

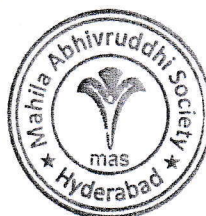

(A.G. Sitaraman)
Partner

M. No.: 017799
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