

I. CONTACTING DETAILS:

- 1. Organization name** : Human And Natural resources Development Society (HANDS)
- 2. Office Address** : D.No. 7/1054, Thadapathri road, Gooty-515 401, Ananthapuram dist., AP, India.
- 3. Email** : handsgooty1994@gmail.com; swamyhands@gmail.com
- 4. Phone** : Ph: 08552-251802; Cell: 9014485555

II. BACKGROUND OF ORGANIZATION:

The HANDS organization has constituted by a memorandum of Association in the year 1994. The organization categorically comes under a "None Govt. Organization (NGO)", registered under the registration of society's registration Act XXI of 1860. It has registered in District Societies registration office at Ananthapuramu on 4th November 1994 and its registration No: 1147 of 1994. Since 1994 it has been undertaking "Rural Development activities" with Empowerment of people through "Management of people's intuitions and its net working".

HANDS is working mainly with the people under Below Poverty Line (BPL), small & marginal farmers Particularly working with the excluded social groups resource less Dalits, (SC, ST), Single women, HRGs (HIV/AIDS High Risk groups like FSW, MSM and TG) Minorities and backward Communities. Supporting people in their livelihood and interrelated to natural resources management in Eco friendly system.

III. NATURE OF OGRANIZATION:

It is None Govt. Organization (NGO) and not profitable (no gain no loss) organization. The organization has been working for bringing up people from under poverty-line of downtrodden sections in the society. So, the organization has been working with communities and made plans for the development of those communities. For that the organization will be prepare Development projects and submit to the Govt. (Central & State) and other Donner agencies in local as well as foreign contributions.

IV. MOBILIZATION OF FUNDS:

The mobilization of funds will be as membership by its members and collect grants by submission of projects for the organization. And also the organization will be raising funds (cash or kind) to creating facilities for its own offices like its Head Office and as well as branches, where the organization will be spreads to working in the areas at throughout the Country.

And also will be constructing the Community Development Centers (CDC), training, Demonstration and research centers where its needs develop and obtained opportunities for the Sustainable Development of Agriculture in eco systems. The commons will be developing as village assets for the sustainable livelihood of rural poor. Particularly the organization will be creating facilities for Running of Bridge schools for children, shelter cum nutrition for old age people, by the support of Govt. and donations by like minded institutions, people, beneficiaries and its members of the organization.

1. GNERAL MEMBERSHIP: The membership will be mobilizing from its members. It will be open to all and there are no any criteria. The membership will be providing on their interest any citizen in India only. Through this the General body member will get all the learning and information materials by cost of price/freely based on funds availability. The GB members will be inviting to participating in annual reviews of the organization.

2. SUBSCRIPTIONS: The subscription will be collecting from who have interesting on the activities conducting by the organization. The resources will be helpful for improvement of the program and creating space for some other people to joining and enjoying benefits by the some other people of the society.

3. GRANTS: The organization will be identified the issues in the society and based on prepared the projects to solving those problems permanently in project mode. The projects will be submitting to the concerned Donner agencies and Govt. (State & Central) for the program and will be implementing the same as per the proposal and solving those issues in the society.

4. CORPUS FUND: the corpus fund will be mobilizing from the beneficiaries, who have benefited by the organization, the member will be pay in their own interest on fully satisfaction by the services provided by the organization. The corpus fund will be credited in separated bank account in the name of organization.

The fund will be utilize where the fund gap will be arise in the projects the fund will be given as advance for continuing projects and should be repay the same amount and will crediting in the same account. When the losses will be arise in the organization, through the corpus fund in the organization the losses will be fulfilled. Then the fund will be raise up to the mark as early possible. Otherwise, further losses and financial problems will not be solved and the organization will goes in to critical condition. So, the corpus fund mobilization and utilization will be common phenomena in the organization.

In some extent, the funds will be utilized for creating permanent assets like; purchasing of land and construction of buildings to office steps, training and research facilities to providing efficient services to the society. But, the fund will be raise up to the mark as early possible.

5. ADVONCES: Advances will be taking from like minded people and institutions for running of the programs in time as usual. Then, it will be pay without interest as early possible. All the advances by bank transactions only, except in some exceptional cases, where it will not be possible.

V. FUND MANAGEMENT: The funds of the association will be deposited in Nationalized and RBI approved banks only, in accordance with the provisions of sanction 11 (5) IT act.1961. The project/subject wise bank account will be opened, where the project will be implanting in the area other than FCRA account.

3. BANK ACCOUNT OPERATIONS: The withdrawals of fund from the bank made by jointly severely by Secretary and Treasurer of the organization only as per mentioned in the organization bylaw. The project wise accounts will be prepare/maintain in the manually or in computer Tally based on interest of the project Donner. In every end of the day in the month the cash book will be close and reopen in next month by the opening balances and will finalizing quarter wise set of accounts in the organization. The organization will be prepare accounts on project/program wise but, there should consolidation and will be made audit for the end of the financial year only.

4. FUNDS & UTILIZATION: The funds of the society will be spent only for the attainment of the objectives of the organization and no portion thereof shall be paid or transferred directly or indirectly to any of its members through in any means. The funds will be utilized for the help of the beneficiaries not expecting any returns from the beneficiaries. To be furnish all the expenditure bills and attaché for the vouchers'.

VI. PREPARATION OF ACCOUNTING SYSTEMS IN ORGANIZATION:

1. RECEIPTS: Receipt is the proof of receiving. We maintained receipt book in duplicate with serial numbers. The first copy, which is in original, should be given to the donor/payer and second copy remains in the receipt book. As per our bye-law **“Executive secretary”** is an Authorized signatory on the receipt. Other than, nobody will not be sign on the receipt. Some exceptional cases the present or any executive members will be signed on the receipt.

2. VOUCHER: Whenever we make a payment, it is with reference to the particular head in budget. On the voucher apart from the date and voucher number the following also be mentioned- under what head the payment is made/received, what is the amount, by what means(like cash/check) and to whom the payment is made etc. Whenever payment is made the voucher should be made simultaneously and the bill/cash memo etc must staple along with voucher as a proof and after that the Authorized Person’s signature. After payment is made a rubber stamp of **“Paid through concerned grant”** is affixed compulsorily on the voucher as well as on all the supporting bills. All the vouchers are put in serial order in a voucher file that is kept in a safe place in the organization.

2. SUPPORTING BILLS: All support bills should be in printed with serial number. There should be clear shop name and address with phone number. The details of purchased material will be as follows; company, brand and rate for each. Then quality and quantity should be mentioned in the bill. Bill will not acceptable on quotations. The bill will be acceptable with stamped seal and signature by the shop owner with some extant bellow Rs.100/- where there no options to getting printing bill at small towns and villages. Cost of material bill will not be acceptable self attested by the persons.

3. CASH BOOK: We maintain the cash book with **“Double Columns”**. In a cash book one side is called debit or receipts and the other side is called as credit or payments. With the double column cash book we keep a track of all receipts /expenses of cash and bank. We show the closing balances in the cash book on monthly once authorized signature of the organization.

4. LEDGER: After all the receipts & payments are entered in a cashbook postings are made in a Ledger. In a Ledger each head of the budget has a separate page and at the time of posting a ledger, all the expenses of a particular head automatically come in a chronological order.

5. BANK RECONCILIATIONS: This is list out the transactions, which are differing from each other (i.e Bank pass book and Cash book). This will be done once in a month and it will reflect quarter wise.

6. REALLOCATION: If any case there is a real need to reallocate funds from one budget head to any other, we get approval from funding authorities in writing before booking/making any expenses and addressed to concerned Program Officer with full details and the amount to reallocate from head where we are saving money. Otherwise the reallocation will not be acceptable in the organization.

7. PURCHASE REGISTER: In purchase of any Assets to the organization the purchasing committee will be take decision and should be resolving the same in the minute book of the committee. The committee will be consisting of Accountant, one of the Chief Functionary and program Coordinator. Before purchasing the assets on the basis of at least three quotations and least/lowest quoted price is approved and order placed. In the same context the committee will take decision and made resolutions based on the quality and quantity also in considerations.

8. STATIONARY STOCK REGISTER: All the purchased stationary will be enter into the stock register. The tock register gives the information about what are the various items, in what quantity, size and make are available in the store/office and what value of the same. We maintain the stock register such as Stationery stock register.

9. COMMODITIES/METERIAL STOCK REGISTER: All the purchased commodities/materials will be entering into the stock register. The tock register gives the information about what are the various items, in what quantity, size and make are available in the store/office and what value of the same. We maintain the stock register such as commodities/materials stock register. The register will be maintaining as per program wise.

10. TELIPHONE REGISTER: The organization has been maintaining the land phone No 08552-251802 at Gooty office and no 08516 220109 at Dhone (Kurnool) branch only. The both one is at Head office premises at Gooty – 515 401, the chamber of accounts cum Admin officer of the organization and second will be at Dhone the branch office of the organization. The organization will be maintaining the Telephone Register for those numbers only. By maintaining this telephone register we prevent the misuse of Telephone and misuse of rouge information in outward and inward of the organization.

11. POSTAGE (dispatch and Receipt) REGISTERS: The organization will be maintained postage- dispatch and receipt registers separately. In dispatch register the details of all outward letters are mentioned. The receipt register is also maintained in which all the details of the letters received are entered in it. The register will be keep in the office premises and maintain by the General Accounts cum Admin officer of the organization only. In other branch offices the concerned accounts cum admin officers will be maintain the same.

12. ATTENDANCE & LEAVE RECORDS: The organization will be maintaining the Attendance register and leave records for the employees. The leaves applicable to the staff will be as furnished in HR policy of the organization only. The amount will be deducting all the unauthorized leaves/absents from the concerned employees based on their monthly salaries and the amount will be crediting in the corpus fund of the organization.

13. SALARY/HONORARIUM REGISTER: The salary/Honorarium will be pay after submitting the report and traveling statement as per the submitted action plan by the employee. The employee should submit the above reports and statements with prove/evident documents at end of the day or 1st day of the next month. The monthly reporting period will be from the 26th of last month to 25th of every month. Maintain the salary/honorarium register and will be paying the salaries through Account Payee” checks or account transfer only. In exceptional cases cash will be possible if grants will not be released as per the agreement in time to the organization particularly in reimbursement programs.

14. TRAVEL CLIMS: The format of local conveyance and outstation travel is also designed. The same person who had the journey and claiming the expenditure fill in all travel claims/locals conveyance claims. All claims should accompanied with supporting like train/bus tickets etc. The local travel bills like auto charges will be acceptable self attested statements by concerned person/persons. The monthly travel amount will not be pay as advance for the employee and it will be reimbursement only, after submission of the travel clime format based on monthly report with evident authenticating bills only. All the travel bills should be submitted in next month only. In exceptional cases should be submit at least in the period of same quarter. All the bill settlements should be made in the same quarter only. If, not submit the quarter bills before closing the quarter accounts, the payments will not be pay in the next quarter.

15. COMMUNICATION: The organization will be providing mobile Sims to all the executive staff and will be recharging directly by the organization or employee themselves also. If the employee will be recharging to the allotted mobile no, the amount will be remembers after submission of the authenticating bill by employee. But, the amount will be fixing as provisions in the concerned project. The exceeding of mobile recharging amount will be borne by the employee only.

16. PROGRAM ADVONCE & SETTLEMENTS: The organization will pay program advance to the staff. But, it should be completion of all the process in the prescribed format provided by the organization only. There should be attaching the detailed indent against the program expenditure and time line for conducting the program and its schedule with the participants details. If the advance for purchasing of material or the stationary, it should be enter in the stock register and delivering status in the same.

All the advances to be repay by producing concerned program bills along with program reports and its evidences (Photos', participant signatures and coverage's by media (Print & Electronic) clippings. After submission of bills the advance may balanced from the staff it should be pay immediately by cash and will credited in the same program bank account only. The producing bills will be more than advance, it will be pay based on provision or approved by the organization authorities only.

All the program advances to be settled in the same day when, the program was completed. If some exceptional cases the program has conducted somewhere at deferent places, those Advances will be settled at least within 15 working days only. One program advance will be possible for concerned program employee only. After submission of program bills and settlement of the advance, the employee will be getting another program advance to conducting the next program in the project.

Some extent the organization will pay some advances to others (Beneficiaries, Contractors, Constructors, Machinery owner) as approved by the concerned Program Managers (PM). But, the PM should take responsibility to completing that assignment and submit the bills as early passable to the organization. If the PM will be failure to completing the assignment at least the advance should collect and repay the same in the office after completion of the program scheduled time. Otherwise, the PM should be repaying the amount by their own.

16. MISCELLANEOUS: Any Official bills will be reimbursable under miscellaneous after submission of bills only. Where a proof of expenses (bill, Ticket etc.) can be provided, expenses can be claimed only on submission of the same. However, claim of expenses up to Rs. 5% may be allowed based on authenticating bills or self – declaration of incurring the expenses.

VII. FINANCIAL REVIEWS:

The project wise accountants will be preparing the project wise monthly financial planning sheet and discussed with the project staff for more financial transference in the projects. The monthly financial planning sheet should be approved by the total staff of the project and it should be minut in the monthly staff meeting. The same budget sheet will be submit to the (General Account cum Admin Officer) GAO through Executive Secretary of the organization.

The over all process will be complete 15 days before the concerned project period will be start. All the financial reviews will be conducting project wise based on the submitted monthly financial planning sheet

only. In all the financial review before taking any decisions, the team should be follow the project financial guidelines and concerned project PO of funding agencies.

The organization will be conducting total financial review 12 in each financial year that will be Eight as in monthly, 2 in quarterly, one will be Half yearly and one will be as yearly. Before all the monthly review meetins the project wise monthly expenditure sheet will be submit to the Executive ASecretary through the GAO. Through the reviews the organization will be identify the gaps in utilization of funds as project wise in the month. Based on the review, if there will be financial gaps due to not conducting the particular program in the particular project will be plan and complete the next month or in the next quarter. If there will be needed will take written approval by the concerned project PO gaaru for proper utilization of project funds to the purpose. The financial reviews will be conducting as follows;

1. MONTHLY REVIEWS: The GAO will be collecting all the project wise financial statements and review the same as per the monthly financial plans/break ups. If needed the meeting will be conducted otherwise will be discuss one to one and will be taking clarifications by the concerned project accountants. The one to one discussions may be direct face to face or by telephonic communications. The GAO will be consolidate the same and should be submit to the Executive Secretary of the organization. If needed the Executive Secretary will be discussing with concerned accountants and finalizing the same for further process in the next month.

2. QUARTERLY REVIEWS: The organization will be conducting the financial quarterly reviews in the presence and presiding of the meeting by Executive Secretary of the organization. The meeting will be organizing after completion of that quarter in the 1st week of next month. All the accountants and Program Managers will be participating in the meetings. If there will be any gaps in the expenditure the programs will be plan in the meeting and conducting the same immediately as early possible by intimation or written permission of the concerned project PO only.

3. HALF YEARLY REVIEWS: The project accountants will be prepare the project budget sheet month wise and discuss with the project staff and finalize the same and submit the project wise monthly financial sheet to the General Accounts cum Admin Officer (GAO), it should be approved by the Executive Secretary of the organization.

The organization will be conducting the financial half yearly reviews in the presence and presiding of the meeting by Executive Secretary of the organization only. The meeting will be organizing after completion of that half yearly/6 months in the 1st week of the next half year/ 6 months. All the accountants and Program Managers will be participating in the meetings. If there will be any gaps in the expenditure, the programs will be plan in the meeting and conducting the same immediately as early possible in the next half yearly of the project.

4. ANNUAL REVIEWS: The organization will be conducting the financial review in the presence and presiding of the meeting by Executive Secretary of the organization. The meeting will be organizing after completion of that financial year in the 1st month of the next year. All the accountants and Program Managers will be participating in the meetings. Review all the financial performances in the year and made plan for preparation and submission of accounts to the auditor for completion of audit for the year. And also discussing and made plan for submitting the financial returns to the concerned Govt. departments in time.

VIII. FINANCIAL MONITORINGS:

The project wise day to day regular monitoring will be conducting by the concerned Project Managers under directions of Executive Secretary. The Executive Secretary will take the monthly consolidated monitoring reports and will take up monthly reviews project wise and will give necessary guidance to the Program Managers & AAOs for effective implementation of the programs. The financial monitoring will be in 2 types and it will be as follows;

1. INTERNAL MONITORING: Periodical internal monitoring will be conducted by the team of persons intended for the purpose. The internal monitoring will be conducting by other project team internally. The required tools are developed to take up monitoring. Usually the minutes books, cash books, ledgers, diaries, paper clippings, photographs are taken a means of verification. The gaps are identified and necessary suggestions for improvement will be made then and there to the concerned Program Managers.

2. EXTERANAL MONITORING: The external monitoring will be conducting by that, particular funding agencies of the project/program. The project PO will be conducting the external financial monitoring; When the PO will come to visit the project/program in his regular visit. And may send the project supported agencies their representatives/consultants to the organization for the purpose of the financial external monitoring. Under their visit, which they have suggested those gaps will be ratified immediately by the concerned AAO in the organization.

IX. FINANCIAL AUDITE:

1. INTERNAL AUDIT: The audit will be conducting by the organization internally by its staff and accountants. They will be checking all the accounts; receipts, vouchers and supporting bills in the accounts and supporting by suggesting to correct those gaps immediately by the concerned project AAP before coming external audit.

2. EXTERNAL AUDIT: The external audit will be conducting by the particular project donor only. As suggested by the auditors the gaps will be ratified and will be completing the audit.

3. AUTHENTICATING AUDIT: All the books of accounts will be submitting next financial year in 1st week of May and will be completing the audit in the Month of May only.

X. TAX DEDUCTIONS:

1. PROFISSIONAL TAX (PT): In the section-37 of the Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987 (Act No.22 of 1987), the Governor of Andhra Pradesh hereby makes the following amendments to the First Schedule of the said Act. In the said Act, namely- THE ANDHRA PRADESH TAX ON PROFESSIONS, TRADES, CALLINGS AND EMPLOYMENTS ACT, 1987 First Schedule Tax Per month (PM) deduction of PT as follows; (I). Salary and wage earners whose monthly salaries or wages will be Rs: 15,000/- no PT will not be applicable, (II) Up to Rs: 15,001/- to Rs:20,000/- will be deduct Rs:150/-, and Above 20,000 per month deduction will be Rs: 200/-. The organization has been following the same as per the Anadra Predesh tax on professions, traders, Callings and Employment Act,1987.

XI. DEDUCTION OF TDS:

The Tax deducted at source (TDS), as the very name implies aims at collection of revenue at the very source of income. It is essentially an indirect method of collecting tax which combines the concepts of “pay as you earn” and “collect as it is being earned.” Its significance to the government lies in the fact that it prepones the collection of tax, ensures a regular source of revenue, provides for a greater reach and wider

base for tax. At the same time, to the tax payer, it distributes the incidence of tax and provides for a simple and convenient mode of payment.

The concept of TDS requires that the person, on whom responsibility has been cast, is to deduct tax at the appropriate rates, from payments of specific nature which are being made to a specified recipient. The deducted sum is required to be deposited to the credit of the Central Government. The recipient from whose income tax has been deducted at source gets the credit of the amount deducted in his personal assessment on the basis of the certificate issued by the deductor.

The statute requires deduction of tax at source from the income under the head salary. As such the existence of "employer-employee" relationship is the "sine-qua-non" for taxing a particular receipt under the head salaries. Such a relationship is said to exist when the employee not only works under the direct control and supervision of his employer but also is subject to the right of the employer to control the manner in which he carries out the instructions. Thus the law essentially requires the deduction of tax when;

- (a) Payment is made by the employer to the employee.
- (b) The payment is in the nature of salary and
- (c) The income under the head salaries is above the maximum amount not chargeable to tax.

Male	Female	Senior Citizen	Super Senior Citizen	Tax (%)
For Income Between 0 to 2,00,000	For Income Between 0 to 2,00,000	For Income Between 0 to 2,50,000	Nil	0
For Income Between 2,00,001 to 5,00,000	For Income Between 2,00,001 to 5,00,000	For Income Between 2,50,001 to 5,00,000	Nil	10
For Income Between 5,00,001 to 10,00,000	For Income Between 5,00,001 to 10,00,000	For Income Between 5,00,001 to 10,00,000	For Income Between 5,00,001 to 10,00,000	20
For Income above 10,00,001	For Income above 10,00,001	For Income above 10,00,001	For Income above 10,00,001	30
Surcharge			0	0
Education Cess			3	3

Note: Age of senior citizen is 60 and above years. New category of assessee "Very Senior Citizen", aged above 80 years, is exempted till 5,00,000 of income.

XII. INCOME TAX RETURNS:

The organization has got 12 A dated on 6th August 2004 from commissioner of INCOME TAX – Thirupathi. Grant of registration 12A of income tax Act 1961 in the name of Human And Natural resources Development Society (HADNS). As per above the registration, the organization will be come under automatically Tax exempt under section 11 & 12 of the Income Tax Act 1961.

In above the context, the organization will be done Income tax returns in every financial year in the month of September. The same copy will be keeping in office premises. The overall responsibility will be taken up by the General Accountants Officer of the organization.

XIII. FCRA RETURNS:

As Applied by the organization, the FC registration certificate was issued with registration No:1010120198 under Foreign contribution (Regulation) Act, 1976 to the organization. The organization will be intimate within the prescribed time to the Central Government of the amount of each foreign contribution received by the organization, the source and manner in which the foreign contribution utilized as per provisions of the FC(R) Act, 1976 and the rule formed hereunder. The organization will be furnished even though the particulars are NIL. The bank account mentioned in the issued certificate should be used for receiving foreign contributions and other amount should not be credited in this account. The association will be

immediately intimate to this Minister and obtained written confirmation regarding any changes in the organization, the address and bank accounts.

XIV. FCRA RENEWAL:

As per the Central Govt. (Ministry of Home affairs) under section 13 of the Foreign Contribution (Regulation) Act, 2010 (42 of 2010) the Application for renewal to be submit six months before the date of expiry of the certificate of registration. As per the above the notification the organization has been following and Application will be submit to the ministry Govt. of India for seeking renewal of 'registration certificate'

M.Narayana Swamy,
Executive Secretary,
HANDS