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KHANNA THAKER AND COMPANY
CHARTERED ACCOUNTANTS

70/72, TILAK MARG, DALIBAGH, OFF. - NARMADA BHAWAN, LUCKNOW - 226001

INCOME TAX RULES
Form No. 18 B
(See Rule 17 B)

AUDIT REPORT UNDER SECTION 12 A(b) OF THE INCOME TAX ACT, 1961
IN THE CASE OF A CHARITABLE OR RELIGIOUS TRUST OR INSTITUTION.

We have examined the Balance Sheet of LAL BAHADUR SHASTRI MEMORIAL FOUNDATION, LUCKNOW as at 31st March, 2005 and the Income and Expenditure Account for the year-ended on that date, which are in agreement with the books of account maintained by the said Institution.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit. In our opinion proper books of account have been kept by the Head Office and the branches of the above named Institution visited by us, so far as appears from our examination of the books and proper returns adequate for the purposes of audit have been received from branches not visited by us, subject to the comments given below :

In opinion and to the best of our information and according to information given to us, the said account give a true and fair view :


(i) in the case of the Balance Sheet of the state of affairs of the above named Institution as at 31st March, 2005;

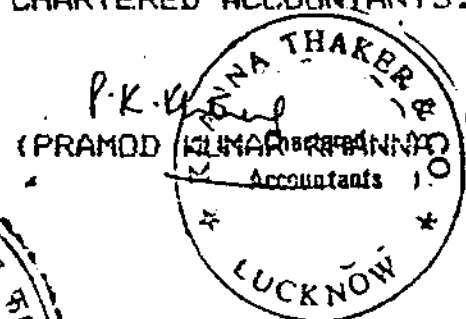
(ii) in the case of the Income and Expenditure account of the Profit of its accounting year ending on 31st March, 2005.

The prescribed particulars are annexed hereto.

for KHANNA THAKER AND COMPANY,
CHARTERED ACCOUNTANTS.

Place : LUCKNOW.
Dated : 23.07.2005

True Copy




APPENDIX - II
ANNEXURE
STATEMENT OF PARTICULARS

I. APPLICATION OF INCOME FOR CHARITABLE OR RELIGIOUS PURPOSES.

1. Amount of the income of the previous year applied JJI charitable or religious purposes in India during the year. Rs. 1400455.00
2. Whether the trust/institution has exercised the option under clause (2) of the Explanation to Sec. II(1) ? If so, the details of the amount deemed to have been applied to charitable or religious puposes in India, during the year. Rs. -252280.00
Rs. 1652735.00
Rs. 1400455.00
3. Amount of income accumulated or set apart (finally set apart) for application to charitable or religious purposes to the extent it does not exceed 15% of income derived from property held under trust, wholly (in part only) for such purposes. Rs. 210068.25
4. Amount of income eligible for exemption under Sec. II(1)(c) - Give details. --
5. Amount income in addition to the amount referred to in item 3 above, accumulated or set apart for specified purposes under Sec. II(2). --
6. Whether the amount of income mentioned in item 5 above has been invested or deposited in the manner laid down in Sec. 119(b) ? If so, the details thereof. --
7. Whether any part of the income in respect of which an option was exercised under clause (2) of the explanation to Sec. II(1) in any earlier year is deemed to be income of the previous year under Sec. II(1-B) ? If so, the details thereof. --
8. Whether during the previous year, any part of income/ accumulated or set apart for specific purposes under Sec. II(2) in any earlier year. --
 - (a) has been applied for purposes other than charitable or religious purposes or has ceased to be accumulated or set apart for application thereto. --
 - (b) has ceased to remain invested in any security referred to in Sec. II(2) (b) (i) or deposited in any account referred to in Sec. II(2)(iii) or sec. II(2) (b) (iii). --

or
 - (c) has not been utilised for purposes for which it was accumulated or set apart during the period for which it was to be accumulated or set apart or in the year immediately following the expiry thereof ? If so, details thereof. --



INCOME TAX RULES

II. APPLICATION FOR USE OF INCOME OR PROPERTY FOR THE BENEFIT OR PERSONS REFERRED TO IN SEC. 13 (3).

1. Whether part of the income or property of the trust/institution was lent or continued to be lent in the previous year to any person referred to in this Annexure as such persons. If so, give details of the amount, rate of interest charged and the nature of security, if any. --
2. Whether any land, building or other property of the trust /institution was made or continued to be made available for the use of any such person during the previous year ? If so, give details of the property and the amount of rent or compensation charged, if any. --
3. Whether any payment was made to any such person during the previous year by way of salary, allowance or otherwise ? If so, give details. --

Whether the services of the trust/institution were made available to any such person during the previous year ? If so, give details thereof together with remuneration or compensation received, if any. --
5. Whether any share, security of other property was purchased by or on behalf of the trust/institution during the previous year any such person ? If so, give details thereof together with the consideration paid. --
6. Whether any share, security other property was sold by or on behalf of the trust/institution during the previous year to any such person ? If so, give details thereof together with the consideration received. --
7. Whether any income or property of trust/institution was diverted during the previous year in favour of any such person ? If so, give details thereof together with the amount or income or value of property so diverted. --
8. Whether the income or property of the trust/institution was used or applied during the previous year for the benefit of any such person in any other manner ? If so, give details. --

This is the Annexure which is referred to in the Audit report. The annexure has been prepared by Manager of the Institution who have certified regarding persons covered by the provision of Sec. 13(3). The particulars of the Annexure has been brodly verified by the undersigned in light of the aforesaid certificate and also the information and explanations given by the said Manager.



M/S LAL RAHADUR SHASTRI MEMORIAL FOUNDATION, LUCKNOW
STATEMENT OF INCOME AND ITS APPLICATION DURING THE YEAR 2004-2005

INCOME :

Interest on S/B a/c (12928) Delhi	48,725.00
Interest on S/B a/c (7896) Lko.	83.00
Interest on F.D.R.	30,819.00
Interest on P.N.B. a/c Jaipur	4,922.00
Interest on S/B a/c (2699) Lko.	288.00
Donation	1,81,506.00
Grant in Aid	10,47,750.00
Sponsorship	87,242.00

14,00,455.00

APPLICATION

Accounting charges	1,000.00
Advertisement exps.	750.00
Bank charges	634.00
Books & periodicals exps.	1,178.00
Telephone exps.	44,485.00
Data processing & Consultancy	24,000.00
Electricity charges	15,851.00
H. Exhibition Display & Design	45,700.00
Insurance exps.	6,758.00
Legal exps.	6,000.00
Misc. exps.	2,125.00
Office exps.	2,595.00
Cable charges	800.00
Postage & Courier exps.	1,607.00
Printing & Stationery exps.	13,991.00
Rent	2,01,423.00
Repair & maint.	9,890.00
Salary	3,31,626.00
Audit fee	2,204.00
Photocopy exps.	1,120.00
Photographs	500.00
Seminar exps.	100.00
Staff welfare	7,419.00
Travelling conveyance & Petrol	75,979.00

Fixed Assets during the year :
 Building

8,55,000.00

-16,52,735.00

EXCESS OF INCOME OVER EXPENDITURE

2,52,260.00

True copy

[Signature]



CHANDRA THAKER AND COMPANY
CHARTERED ACCOUNTANTS

7C/72, VILAK ROAD, BULBULGAH,
OPP. - MEDICAL COLLEGE,
LUCKNOW - 226001.

LAL BHADUR SHASTRI MEMORIAL FOUNDATION, LUCKNOW.

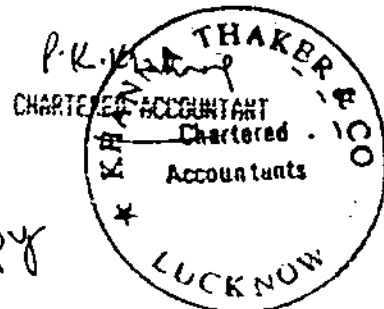
INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED ON 31.03.2005.

EXPENDITURE	AMOUNT	INCOME	AMOUNT
To Accounting charges	1,688.00	By Interest on S/D a/c (12928) Delhi	48,725.00
• Advertisement exps.	758.00	• Interest on S/B a/c (7896) Lko.	83.00
• Bank charges	634.00	• Interest on F.D.R.	36,819.00
• Books & periodicals exps.	1,178.00	• Interest on P.R.B. a/c Jaipur	4,922.00
• Telephone exps.	44,465.00	• Interest on S/B a/c (2699) Lko.	268.00
• Data processing & Consultancy	24,688.00	• Donation	1,81,566.00
• Electricity charges	15,651.00	• Grant in Aid	10,47,758.00
• H.Exhibition Display & Design	45,788.00	• Sponsorship	87,542.00
• Insurance exps.	6,758.00		
• Legal exps.	6,688.00		
• Misc. exps.	2,125.00		
• Office exps.	2,595.00		
• Cable charges	888.00		
• Postage & Courier exps.	1,687.00		
• Printing & Stationery exps.	13,991.00		
• Rent	2,81,423.00		
• Repair & maint.	9,698.00		
• Salary	3,31,626.00		
• Audit fee	2,284.00		
• Photocopy exps.	1,128.00		
• Photographs	588.00		
• Seminar exps.	188.00		
• Staff welfare	7,419.00		
• Travelling conveyance & Petrol	75,979.00		
• Excess of income over expenditure	6,82,728.00		
	<u>14,68,455.00</u>		<u>14,68,455.00</u>

AUDITOR'S REPORT

As per our report on the Balance sheet of even date.

DATED : 23.07.2005
PLACE : LUCKNOW



True copy

[Signature]

[Signature]

SUNIL SHASTRI
Chairman,
Lal Bahadur Shastri Memorial Foundation
CHAIRMAN

LAL BAHADUR SHASTRI MEMORIAL FOUNDATION, LUCKNOW.

LIST "A" - SUNDRY CREDITORS AS ON 31.03.2005

1. Satya Bal Housing & Construction	16,000.00
2. Satya Bal Housing Learning Inst.	2,08,711.00
3. Sri K.P. Lal	2,100.00
4. Mr. Sunil Shastri	3,900.00
5. South Delhi Furnishers, N.Delhi	42,000.00
6. Manu Brick Field, Saharanpur	78,400.00
7. Laxmi Cement Store, Saharanpur	2,29,250.00
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	5,60,361.00

LIST "B" - SUNDRY DEBTORS AS ON 31.03.2005

1. Agricultural Insurance Corp.	2,000.00
2. Central Warehousing Corp.	12,000.00
3. Himalaya Herbal Health Care	75,000.00
4. Nafed Ltd.	25,000.00
5. National Co-Op Development	10,000.00
6. National Horticulture Board	10,000.00
7. Sunil Kumar	50,000.00
8. Shanti Devi Metals	44,838.00
9. Naldehra Building Centre	21,590.00
10. Hindustan Wire Netting Ags.	19,021.00
11. Shirke Structural P.Ltd.	20,400.00
12. Shiv Bhhata Udyog, Saharanpur	1,40,000.00
13. Tech. & Action for Rural Dev.	10,390.00
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	4,40,239.00

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