

Naandi



BOARD OF TRUSTEES

Donor Trustees



Dr. K. Anji Reddy



Mr. Ramesh Gelli

Mr. K. S. Raju

Mr. B. Ramalinga Raju



Co-opted Trustees

Dr. Akkineni Nageswara Rao



Begum Bilkees Latif

Justice A. Raghuveer (Retd.)

Dr. R.V.R. Chandrasekhara Rao

Mr. M. Rajendra Prasad



A Report

November 1, 1998 – March 31, 2001

Contents

Page

Chairman's Message	2
The Foundation	4
Projects	8
Sustainable Synergies	18
Resources	20
Financials	22
Acknowledgements	28


CHAIRMAN'S MESSAGE

Dear Citizens,



I have written innumerable messages and articles, particularly both as Chairman of my company, Dr. Reddy's Laboratories and as a scientist waxing eloquent on molecular and drug discovery. But none of these gave me the pleasure I derive today as I ink this message as Chairman of Naandi Foundation – a true corporate initiative at bringing about lasting improvement in the quality of lives of the poor in Andhra Pradesh. While research and discovery addresses service of humanity, enhancing health and longevity of mankind, the mission at Naandi is to provide a panacea to the most degenerating disease of poverty. While drug discovery is my first love, the dream of vanquishing poverty is now fast becoming an addiction to me. And as I dwell more and more into the nuances of it, I am more convinced about the need for drawing the time and resources of as many as possible into this most ennobling challenge. This message is mainly a humble plea to each and every one of you to act now. For, a **beginning** has already been made.

Naandi, (meaning '*a new beginning*') was born on November 1, 1998 with the pledging of four corporates and a State Government to set up a unique not-for-profit, autonomous development organization that will channelize human and financial resources globally to design and implement projects locally – and pave the way for sustainable development even in far-flung and remote parts of Andhra Pradesh. I think it is a measure of conviction, hope and a new dawn of 'giving back to society' that made the four corporates – Satyam Computer Services Ltd., Global Trust Bank Ltd., Nagarjuna Group of Industries and Dr. Reddy's Laboratories Ltd. – set up Naandi.

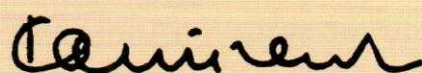


The very fact that Mr. Ramalinga Raju, Mr. Ramesh Gelli, Mr. K. S. Raju and I are life members and founding Trustees of Naandi is a vindication of our commitment – both time and resources – over and above the initial commitment of Rs.5 million each.

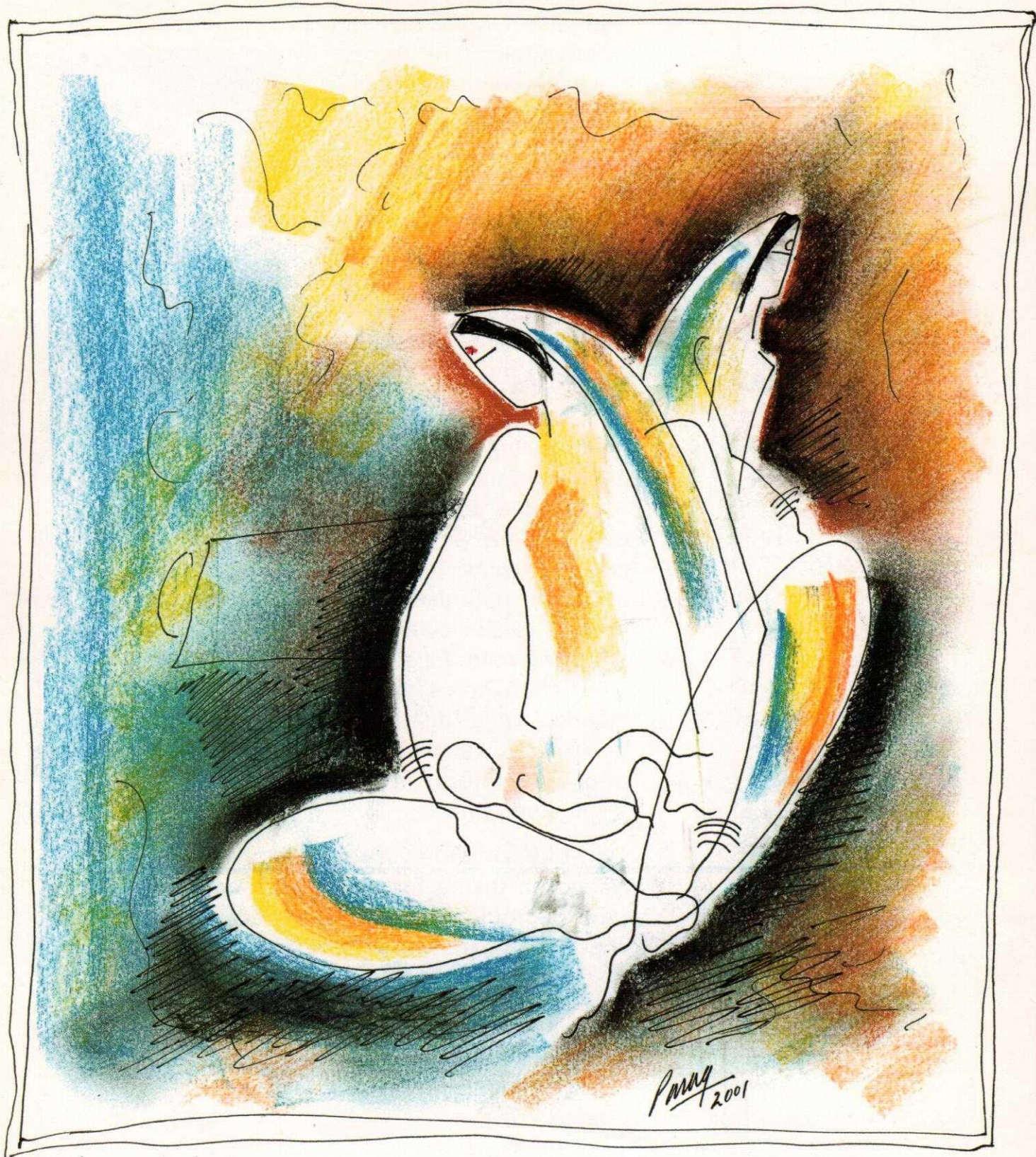
This report is a brief curtain raiser; an indication of the shape of things to come. The support of the government, entry of newer corporate partners like ABN-AMRO Bank and the stable presence of a team of highly motivated professionals led by a Robert McNamara Fellow of the World Bank are all milestones that will go a long way in changing the lives of the deprived.


With objectivity, credibility, professionalism and passion, I can visualize Naandi march ahead to bond people for a universal cause – to set a replicable and sustainable example for saving mankind from the cancer of poverty. I write with no undue unbridled optimism but from the rays of hope I see in Naandi's projects – be it providing water for sustainable irrigation (in over 2500 acres) to rainfed farmers in Mehboobnagar district or basic education, health and livelihood opportunities for the deprived tribals in Paderu region of Visakhapatnam.

I invite each and every one of you to join Naandi in taking forward this meaningful new beginning. Naandi does not mean charity, it means sustainable development. A solution, not a mere answer. It is meant to make people self-sufficient and self-reliant citizens. And this through the involvement of each and every one of you.



Dr. K. Anji Reddy





" There is one thing stronger than all the armies in the world: and that is an idea whose time has come."

– Victor Hugo

THE FOUNDATION Genesis

Like all powerful ideas that eventually capture the imagination, the genesis of Naandi was essentially from an idea that evolved out of a conversation that the Hon'ble Chief Minister of Andhra Pradesh (A.P.), Mr. Chandrababu Naidu had with the NRIs on his visit to the United States. In response to a clarion call made by Mr. Naidu, the NRIs expressed their eagerness to redeem their 'debts' to their motherland. They sought the setting up of a not-for-profit, professional organisation that can serve as a platform to receive funds globally and catalyse sustainable development locally.

Back home, the idea snowballed and Naandi was born on November 1, 1998 as a Community Public Trust set up by the four most prominent corporate houses of A.P.

Dr. Reddy's Laboratories Ltd., Global Trust Bank, Satyam Computer Services Ltd. and Nagarjuna Group of Companies joined hands to give shape to a much wanted new beginning, a **Naandi**. Not only did the four corporate houses commit Rs.5 million each towards the initial contribution to Naandi, but also took over the responsibility of managing the Trust. Dr. K. Anji Reddy, eminent scientist, visionary, well-known philanthropist and founding Chairman of Dr. Reddy's Laboratories Ltd. is the Chairman of Naandi Foundation. Mr. Ramesh Gelli, eminent banker and founder of Global Trust Bank Ltd. is the Vice-chairman. Mr. B. Ramalinga Raju, Andhra Pradesh's pride in the global new economy, Chairman, Satyam Computer Services Ltd., and Mr. K.S. Raju, Chairman of the pioneering industrial group in the State, viz., Nagarjuna Group of Companies are the other two Donor Trustees of Naandi.



Pillars of the Foundation

In spite of the corporate support, Government facilitation and guidance of an eminent Board, Naandi strongly believes that its true strength lies in the combined commitment and character of its small team of dedicated young professionals drawn from diverse backgrounds with complementary core competencies. And the team at Naandi relies on the following four tenets which they consider as the pillars of the Foundation.

Objectivity

Our core values, beliefs and work ethics are all tailored and honed towards objectivity and merit – be it an NGO, a project or an idea. Meeting of minds between Naandi and the implementing NGO or community group or individual is therefore, critical. Thus an objective selection process precedes all the development projects that are undertaken. The in-house appraisal is followed by field visits, expert consultation and then approval by the Board.

Value Addition

Naandi plays the role of a platform to leverage resources and catalyze development projects. The team at Naandi is focused on optimizing the intrinsic value of the donations by identifying credible implementing NGOs; designing cost effective and sustainable projects; and monitoring the project through regular field visits for hands-on non-financial resources support. Thus, making every donation yield manifold in value to the benefactors as well as the donors.



Bonding People

The third basic credo of Naandi's functioning is to invoke the conscientiousness of the global citizens to lend a helping hand for the less fortunate and underprivileged through Naandi.

We firmly believe that mere financial resources and good projects alone cannot alter the inequality in the State. The need of the hour is therefore to net as many individuals as possible to join hands with Naandi in its endeavor to help the disadvantaged and the poor. Capturing the mind share of the donors and connecting them to the underprivileged communities is the focus of Naandi.


This human bondage is evident in Naandi's programs wherein the donors, Naandi, NGOs and communities work together through self-help, participatory process of development, through revitalization of institutions, systems or bureaucracies and facilitation of communities' efforts towards access and control to basic resources and services on all the three major domains – health, education and livelihoods.

Technology and Transparency

As custodian of public charitable funds, Naandi places highest importance in being accountable for optimal utilization of all resources. Reliance on technology and systems; move towards ISO 9002 certification and plans to go on-line are all measures adopted to uphold the principle of transparency and accountability.

Naandi's quality cell strives to effectively use technology to ensure transparency in operations and attain highest quality standards in every sphere of Naandi's activities.





" Small opportunities are often the beginning of great enterprises ".

– Demosthenes

PROJECTS

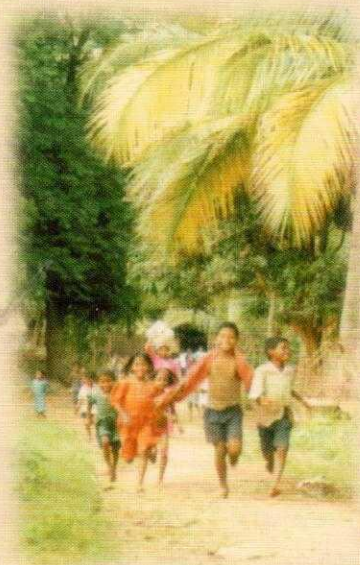
Promotion of self-reliance in tribal areas through Community Coordination Teams. (CCTs)

(Paderu, Visakhapatnam)

- Lakshmi was 19 years old. She was pregnant and in pain. She had to be reached to the nearest Public Health Centre (PHC), 22 kms away. Not in an ambulance or a bus, but on a make shift bamboo stretcher carried by four people. Barely 2 kms from the PHC, Lakshmi's unborn child died. Lakshmi did not cry. Because, she too was no more.
- Bilwan injured his leg in a mishap. Primitive villagers dressed his wounds with broken pieces of glass. By the time he travelled 14 Kms on foot to Munchingput and later 40 kms to Paderu hospital it was too late. His leg had to be amputated.

In the villages in Munchingput mandal, barely 100 kms from Visakhapatnam, death and disease is normal. Any kind of medical help is unknown. Totally cut off, with not even a motorable road connecting them to the nearest city, they are the first victims of any epidemic. Death while birthing and infant mortality are common. Malaria is a regular visitor to their village, taking away a few lives every year. Villagers bear it stoically, some even putting it down to bad *karma*!

This remote mandal with a nearly 50,000 adivasi (tribal) population caught the attention of Naandi. The unfortunate denizens of this region needed a new beginning. Naandi found an ideal Partner



in Sahayog Community Coordination Network (CCN) and chalked out a six-year program (2000-05) aimed at catalyzing development in the mandal. The unique, cost-effective and community based sustainable program strategy of mobilizing communities and forming CCTs appear to be progressing well.

The ninety hamlets divided into three clusters have young (Naandi-CCN) professionals (one each for each cluster) training the CCTs to revitalize the grass root level communities, awaken them and together leverage more developmental resources to the area.

The total grant commitment of Rs.4 million from Naandi is expected to catalyze development through the CCTs by leveraging more funds and programs into the region. The disbursed amount to the project so far is Rs.0.81 million.

In the last two years the CCTs have been trained in various areas like natural resources management, literacy and micro-finance services. Further, the initiation of maternal and infant health programs have paved for the entry of UNICEF. The entry of UNICEF is now leading to the upscaling of the Naandi-CCN initiation. Similarly, the Naandi-CCN initiation of elementary education in the region through the "Uday Kiran" ("Rays of Sunrise") schools, 177 in total run by tribal youth is now being linked to the A.P. Government's World Bank funded District Primary Education Program (DPEP). The linkage to DPEP will ensure sustainability to the Naandi-CCN initiatives.



Like the above two – education and health – micro-credit, watershed management and joint forestry programs have also been initiated and are awaiting similar sustainable linkages.

Seeing the success in one mandal, Naandi is now considering replicating these interventions in similar underdeveloped neighboring regions.

Promotion of science and environment education in rural schools and communities

(Hathnura, Medak district)

- Sayeelu, 25, the only son of a family in Govindrajupalli village died. Despite raging fever eating at the youth's vitals for several days the family did not feel the need to consult a doctor, but depended on soothsayers and witch doctors, trying to ward off the evil eye, leading to the death of the youth.
- Crops failed due to natural causes and an old woman in one of the villages was beaten up for performing '*Banamati*', a form of black magic.

Primitive practices, isolation from the mainstream society, illiteracy and poverty have made the people of Hathnura mandal (one of the most backward inhabitations of the State), remain underdeveloped in the chasm of superstition, sorcery and overall backwardness. While rest of the world marched ahead, the elders of these villages seemed to condemn the children with the same fate as theirs.



Naandi driven by its objective of not only enriching but also educating the deprived sections of society, decided to work with Sadhana, an NGO working for the rights of the child, to improve the scientific temperament in the area. An amount of Rs.1 million was granted of which Rs.0.46 million has been disbursed so far. The three-year (2000-02) project aims at popularizing science amongst the communities through select 11 schools and one community science centre covering 33 villages.

Intensive and rigorous indoctrination of scientific outlook to the villagers at large has brought in a definitive change in the people's attitude and mindset. People seek out proper medical treatment and are not under the influence of "*Banamati*" or other practices. The eleven schools now have equipments for the children to experiment; regular science fairs are held; and local youth are trained to serve as community science volunteers. Exposure and training to the school's science and mathematics teachers on innovative teaching methods were also provided within the project.

In less than two years the results are beginning to show, child marriages are on the decline, herbal medicine is being promoted, people are being trained in repairing of bore-wells, compost making etc.

Sustainable Livelihoods through Irrigation

(Mehabubnagar, Nalgonda and Nellore districts)



- While Krishna river runs full, the adjoining lands lie fallow, and its owners live in penury. Worse, this is despite Government assets for irrigation worth millions of rupees lying idle and in decay right on the river bank.
- A.P. is set to have over a 100 lift irrigation schemes across river Krishna that are awaiting revitalization. Further, A.P. is implementing scores of such new projects that ought to be maintained for longer period of time.

Revitalization

With a proactive government that took the bold initiative of agreeing to hand over all such lift irrigation projects to communities/farmers that came forward to manage the projects dawned hope for the farmers. But the will of the Government alone did not suffice. Naandi decided to step in.

Prerana, a reputed NGO in the field of community mobilization and irrigation was selected as partner for this initiative in Mehabubnagar District.

The Naandi-Prerana partnership focuses on community mobilization (focusing on cohesion and unity) to lead to formation of farmer based Mutually Aided Cooperative Society (MACS) registered with separate back accounts, et al to manage the lift irrigation projects. The MACS will also take care of community mobilization of resources



for repair of pump-sets; reconnection of power and thereby pave the way for sustainable irrigation in the region.

The grant support to the tune of Rs.3.1 million from Naandi spread over three years is likely to bring over an additional 2,500 acres of land under irrigation. This translates to an estimated additional income of Rs.50 million per annum to 2,500 families. In less than 2 years, the project is in its final stages of successful completion

Empowerment

This project is aimed at providing sustainable livelihoods to nearly 600 scheduled tribe families (mostly from the Lambada tribe) of Gurramboddu Village displaced during the construction of the Nagarjuna Sagar dam. Naandi has partnered with Institute of Resource Development and Social Management (IRDAS), an NGO specialized in participatory irrigation management to work closely with the community and Andhra Pradesh State Irrigation Development Corporation Ltd. (APSIDC), the implementing agency. While the APSIDC's physical work on the lift irrigation project was getting over, the Naandi-IRDAS project simultaneously mobilized the farmers to build a MACS that can take over and manage the lift irrigation scheme on a sustainable basis. Naandi's grant of Rs.2.2 million spread over two years is aimed at



creation and strengthening of MACS that can lead to irrigation of over 1,400 acres at optimal level. Naandi's disbursement of Rs.1.5 million has led to the completion of the project coinciding with the handing over of the same to the farmers' MACS.

The remaining period of the project will be for strengthening the MACS to sustainable levels. Naandi also intends to liaison with the Government in contributing to a policy on new minor irrigation projects in the state on the lines of this project.

Grass Root Initiatives

This is one innovation where Naandi has taken up the initiative of supporting a project directly at the grass roots. Naandi with the help of Gayatri Sugars Ltd., mobilized 32 marginal rain-fed farmers in Turpu Kambampadu village in Nellore District into a registered Water Users Association. The group also mobilized Rs.0.2 million, two-thirds required for initiating irrigation in their total land of 68 acres. Naandi has sanctioned a grant of Rs.0.15 million, including entire balance cost for purchasing of assets with some buffer grant for training of the farmers in the initial period.

The project is in its final stages of implementation and sowing for the coming Kharif is envisaged.

The transformation of the farmers of Turpu Kambampadu Water Users Association, has now enkindled hope amongst hundreds of similar farmers in the neighbourhood and replication of this project appears to be inevitable.

Pilot project on eradication of open defecation in rural Andhra Pradesh

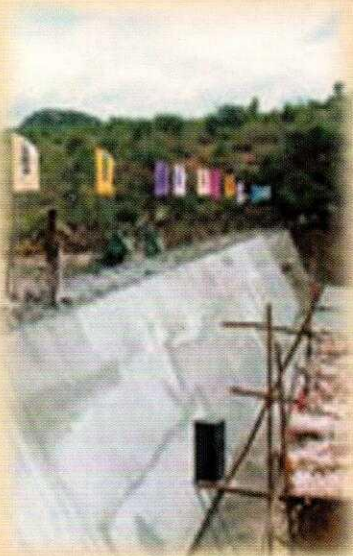


- It is said that even in the dark continent of Africa, people dig pits and cover it with mud after defecating. Sadly, in India, the cradle of human civilization, the practice of open defecation is not only common but also practiced in the most unhygienic manner.
- Ask Chinnamma or thousands of similar girls and women (who are the worst victims) what is it that they want most in life – “drinking water and a private place to defecate in dignity” will be the heartrending answers.

Can't a state that is blazing a trail of progress and glory take the lead in putting an end to this indelible stamp of dehumanization? Yes, felt the Naandi-Government of A.P-TANA combination.

Naandi at the instance of TANA instituted a pilot program in collaboration with Government of A.P to construct individual latrines in select villages and generate a movement for the eradication of open defecation.

The project aimed at constructing 4,000 individual latrines (at a cost of Rs.3, 000/- each) was divided into two Phases. In Phase-I, financial contributions were from Government of A.P and TANA (2:1 ratio); while Naandi ensured proper implementation (quality construction, appropriate selection of beneficiaries and community involvement) of the project.




The success of Phase-I is a tribute to Naandi's efforts at synergizing Government's programs with international donors on one hand and local communities on the other. Naandi, apart from close monitoring, will match TANA's share of donations of Rs.2 million grant and together with Government of A.P complete the Phase-II shortly.

Inspired by Naandi

A chance meeting with Dr. Anji Reddy in the Mumbai Airport lounge is what inspired Mr. M. Rajendra Prasad, Chairman and Managing Director, Soma Enterprises Ltd. to do something concrete for the development of Andhra Pradesh. Taking the cue from Naandi's ideas of bonding people and connecting the haves with the have nots, Soma Enterprises constructed 2 minor irrigation projects at an estimated cost of Rs. 6.3 million – one, a percolation Tank across Dayyalavanka and another a check dam across Budipaleru of Kuppam, Chittoor district. The good physical works was backed by creating procedures and systems that ensured proper handing over of the projects to the community for efficient and sustainable management.





"Our Lives are like the course of the sun. At the darkest moment there is promise of daylight".

– **London "Times"**

Editorial, December
24, 1984

SUSTAINABLE SYNERGIES

Government of Andhra Pradesh – Facilitator

Government of Andhra Pradesh acts as a facilitator to Naandi's efforts at bringing about people centred development in A.P. Apart from the statutory and legal support provided in anchoring the foundation of Naandi, the State Government continues to facilitate Naandi's programs at every level and area.

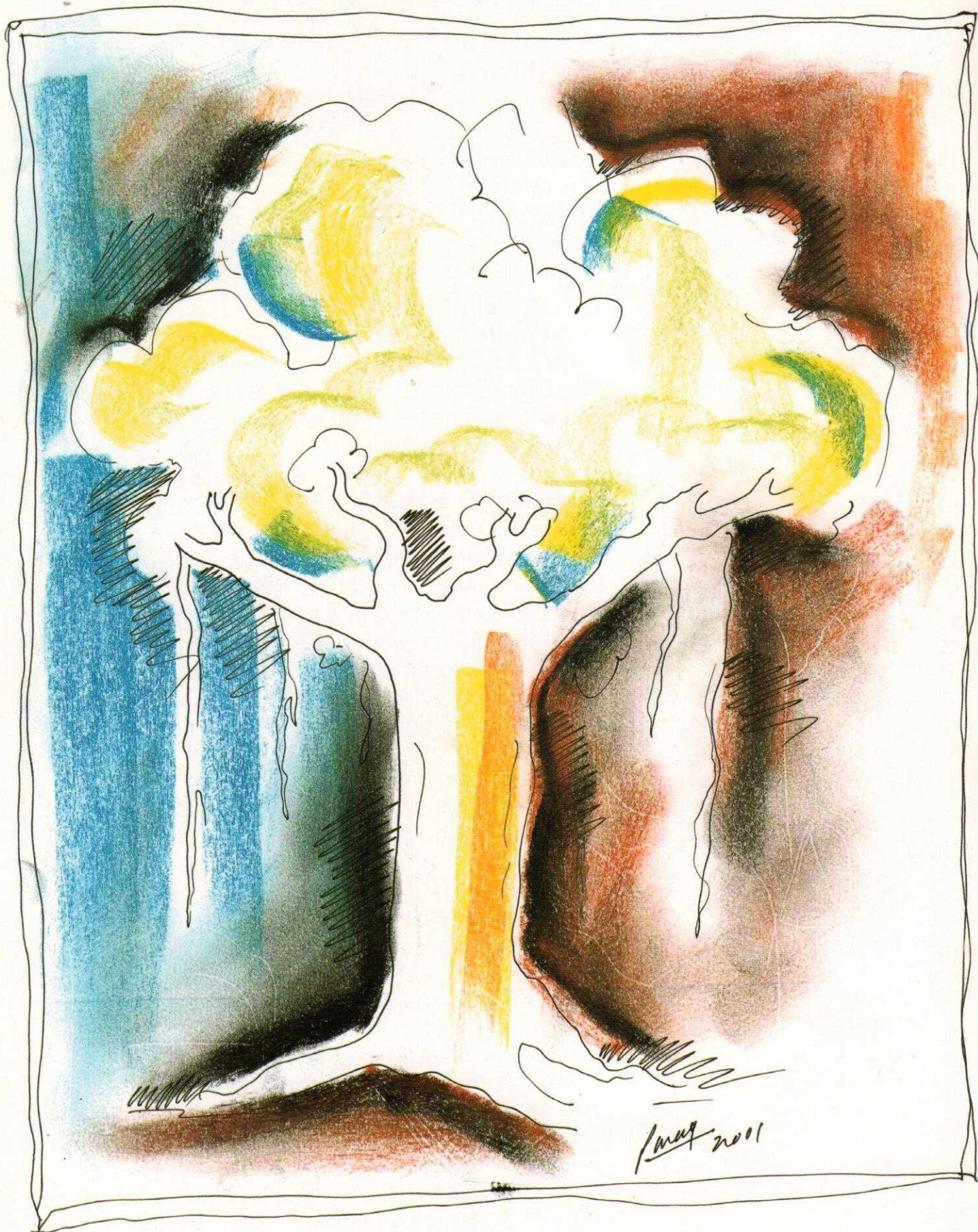
In fact, right from the Chief Minister, officials at the district, mandal and village level not only complement but also proactively support Naandi's projects – be it revitalization of irrigation projects or implementation of rural sanitation programs.

ABN AMRO Bank NV – Global Banking Support


When ABN AMRO Bank NV, one of the world's top ten banks decided to set up office in Hyderabad (their first in A.P.), they found their soul mate for corporate social responsibility in Naandi. Accordingly, ABN AMRO has agreed to become our Partner in facilitating cost-free transfer of donations from across the globe to Naandi's account (No.558607) with them. Their strong techno-banking skills and global presence is expected to synergize Naandi's resource raising efforts.

ActionAid India – Fellowship Partner

Naandi has agreed in principle to have a collaboration with ActionAid India, an international development organization with over three decades of presence in India. The Naandi-ActionAid India collaboration is aimed at jointly managing a unique Fellowship program, that will groom 20 Development Fellows (select representatives of marginalized communities) to become catalysts for development in their region amongst their own brethren. The three-year (2001-2003) program on more or less equal cost sharing basis (aggregate cost of Rs.4.1 million) is expected to begin implementation soon.



May 2001



"If a free society cannot help the many who are poor, it cannot save the few who are rich".

- John F. Kennedy

RESOURCES

The initial corpus of Naandi came from its four founding corporate houses namely, Dr. Reddy's Laboratories Ltd., Satyam Computer Services Ltd., Global Trust Bank Ltd. and Nagarjuna Group of Companies.

The first major external support to Naandi came from Telugu Association of North America (TANA), the Non-Resident Indian (NRI) association of people of A.P. origin, for working towards eradication of open defecation in A.P.

Various channels are being made available to receive contributions from different types of donors (individuals as well as institutions) viz., direct payments, through salary deduction (Power of 10), through standing instructions to bank, etc. The web site with facility to receive donations on-line is in its final stages of completion. In the individual category, the thrust will be to capture the mind share of the people by concentrating on evoking their conscientiousness rather than the magnitude of their contribution. The idea is to sensitize people that even a token contribution in large numbers can go a long way in creating lasting impact on the lives of the poor.

By seeking donations from Indian corporate houses Naandi would attempt to carve a niche for itself in developing corporate role in the development sector.

National and International Development Organizations will be approached to partner with Naandi for learning both resources and complementary skills:



FINANCIALS

BRAHMAYYA & CO.

Chartered Accountants
Flat No.403 & 404
Golden Green Apts.
Erramanzil Colony
HYDERABAD - 500 082

Auditor's Report

To the Members of NAANDI FOUNDATION, HYDERABAD (A.P)

We have audited the attached Statement of Affairs of NAANDI FOUNDATION, HYDERABAD, (A.P), as at 31st March, 2001 and the Income and Expenditure Account for the year ended on that date annexed thereto and report that:

1. 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.
2. In our opinion, proper books of account as required by law have been kept by the Trust so far as appears from our examination of such books.
3. The Statement of Affairs and the Income and Expenditure Account referred to in this report are in agreement with the books of account.
- 4.i) a) During the year under reference the Trustees of the Trust have terminated the Collaboration with Sir Ratan Tata Trust (SRTT) and as per the terms of agreement the entire grant fund of Rs.160,00,000/- received from them in earlier years along with the interest earned on the deposits made out of the said fund upto the date of termination was returned.
b) The interest so returned as referred to above amounting to Rs.13,70,878/- was reduced from the interest receipts shown in Income and Expenditure Account for the year.
c) Consequent to the termination of the Collaboration, the Trust has terminated all the programs/projects taken up under the agreement and charged the entire expenditure incurred on such projects/programs to revenue.
ii) We are unable to comment on the deviations from the Budget for the year as it was prepared by taking the Sir Ratan Tata Trust (SRTT) Collaboration agreement into consideration which was terminated during the year.
5. In our opinion and to the best of our information and according to the explanations furnished to us, the said Statement of Affairs and the Income and Expenditure Account read together with the Notes annexed therewith and subject to our comments in Para 4 above give a true and fair view:
 - i. Insofar as it relates to the Statement of Affairs, of the statement of affairs of the Trust as at 31st March, 2001.

AND

- ii. Insofar as it relates to the Income and Expenditure Account Excess of Expenditure over Income of the Trust for the year ended on that date.

Place: Hyderabad

For BRAHMAYYA & CO.,
Chartered Accountants

Date: June14, 2001

STATEMENT OF AFFAIRS As At 31st March, 2001

As At 31.03.00	Liabilities	Details (Rs.)	Details (Rs.)	Amount (Rs.)	As At 31.03.00	Assets	Details (Rs.)	Amount (Rs.)
	Corpus Fund					Fixed Assets		
10,000	Opening Balance	90,10,000			4,54,172	As per annexure-I		7,43,147
90,00,000	Add: Contributions towards membership	90,00,000						
		180,10,000						
	Less: Excess of Expenditure Over Income					Current Assets Loans and Advances		
(5,57,280)	Opening Balance	36,95,188			552	Cash in Hand	3,374	
(31,37,908)	Additions during the year	53,33,035						
			90,28,223	89,81,777				
53,14,812					12,48,494	Cash at Bank: in Current/Saving A/c.s	19,44,590	
	Sir Ratan Tata Trust Grant Devp. Fund			-	195,37,307	Deposits	61,88,399	
150,00,000	81,36,363							
	Sir Ratan Tata Trust Grant Devp. Fund (Program Component)			-				
10,00,000						Loans and Advances		
	Current Liabilities				97,000	Deposits recoverable		1,01,000
22,740	Liability for Capital Items				5,667	Advance for Capital Work		-
5,640	Liabilities for other finances			9,233		Advance to staff		10,500

213,43,192

TOTAL

Rs.

89,91,010 213,43,192

TOTAL

Rs.

89,91,010

Place: Hyderabad

Per our report of even date
for Brahmayya & Co.,

For Naandi Foundation

Date: June 14, 2001

(P. CHANDRAMOULI)
Partner

Chairman

Vice Chairman

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2001

Previous Year (Rs.)	Expenditure	Amount (Rs.)	Previous Year (Rs.)	Income	Amount (Rs.)
56,000	To Rent	1,82,000	37,307	By Interest receipts	4,33,973
21,207	To Printing & Stationery	63,272	66	By Miscellaneous receipts	550
20,998	To Communication Cost	66,152	6,201	By Contributions	6,616
2,28,057	To Travelling & Conveyance	1,29,097	--	By Foreign Contribution for Rural Sanitation	20,98,550
3,25,005	To Salaries & Allowances	10,56,056	31,37,908	By Excess of Expenditure over Income	53,33,035
—	To Staff recruitment, Training & Workshops	1,72,424			
2,580	To Entertainment Expenditure	5,470)			
1,764	To Electricity Charges	8,205			
1,000	To Setting fee for PAC members	—			
36,422	To Office Maintenance	59,636			
—	To CEO home office expenditure	11,597			
—	To Naandi-SRTT Fellowship Program	2,76,351			
—	To Software Expenses	1,55,850			
4,11,466	To Professional Charges	4,41,900			
825	To General Expenses	14,579			
5,677	To Newspapers and Periodicals	9,586			
45,200	To Publicity Expenses	24,708			
19,00,000	To Grants Sanctioned and Disbursed	27,95,000			
—	To Expenditure on Rural Sanitation Program	20,94,629			
1,25,231	To Depreciation	3,06,212			
31,81,482	TOTAL	78,72,724	31,81,482	TOTAL	78,72,724

Place: Hyderabad

Per our report of even date
for Brahmayya & Co.,

For Naandi Foundation

Date: June 14, 2001

(P. CHANDRAMOULI)
Partner

Chairman

Vice Chairman

Annexure - I

STATEMENT OF FIXED ASSETS AND DEPRECIATION

Description	Rate (%)	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		Opening balances 31.03.00	Additions	As at 31.03.01	Up to 30.03.00	For the year	Up to 31.03.01	As at 31.03.01	As at 31.02.00
Furniture & Fixtures	10	1,54,590	1,25,292	2,79,882	7,730	21,618	29,348	2,50,534	1,46,860
Office equipment	25	9,961	38,685	48,646	1,245	4,238	5,483	43,163	8,716
Library	25	16,852	43,150	60,002	2,106	14,475	16,581	43,421	14,746
Electrical Installations	25	7,000		7,000	875	1,531	2,406	4,594	6,125
UPS	25	23,000	26,100	49,100	2,875	8,576	11,451	37,649	20,125
Dataprocessing equipment	60	3,68,000	3,61,960	7,29,960	1,10,400	2,55,774	3,66,174	3,63,786	2,57,600
TOTAL Rs.		5,79,403	5,95,187	11,74,590	1,25,231	3,06,212	4,31,443	7,43,147	4,54,172

Place: Hyderabad

Per our report of even date
for Brahmayya & Co.,

For Naandi Foundation

Date: June 14, 2001

(P. CHANDRAMOULI)
Partner

Chairman

Vice Chairman

NAANDI FOUNDATION

103, Golden Green Apartments
Erramanzil Colony
Hyderabad - 500 082

Annexure - II

NOTES ON ACCOUNTS

1. The following are the significant accounting policies adopted by the Trust in the preparation and presentation of financial statements.
 - i. Financial statements are based on historical costs and on Cash basis except for Capital Accounts which are accounted for on Mercantile basis.
 - ii. Tangible Fixed assets are stated at cost net of depreciation provided.
 - iii. Depreciation on the assets is provided on written down value method at the rates mentioned in the Annexure.
 - iv. All contingent liabilities are indicated by way of a note and will be paid/provided on crystallisation.
 - v. Contributions received towards Corpus and Membership are taken to Capital Fund as Capital receipts.
2.
 - i) During the year under reference the Trustees of the Trust have terminated the Collaboration with Sir Ratan Tata Trust (SRTT) and as per the terms of agreement the entire grant fund of Rs.160,00,000/- received from them in earlier years along with the interest earned on the deposits made out of the said fund upto the date of termination was returned.
 - ii) The interest so returned as referred to above amounting to Rs.13,70,878/- was reduced from the interest receipts shown in Income and Expenditure Account for the year.
 - iii) Consequent to the termination of the Collaboration, the Trust has terminated all the programs/projects taken up under the agreement and charged the entire expenditure incurred on such projects/ programs to revenue.
3. The Trust reserves the right to call back Grants disbursed to agencies if the amounts so disbursed have not been utilised at the end of their project or if such amounts were not utilised according to the terms of the agreement.

Per our report of even date

for Brahmayya & Co.,
Chartered Accountants

for Naandi Foundation

Chairman

Place: Hyderabad

(P. CHANDRAMOULI)
Partner

Vice Chairman

Date: June 14, 2001



ACKNOWLEDGEMENTS

Naandi places on record its deep-felt gratitude towards each and every individual and organization that may have even remotely contributed to the causes for which Naandi works. Be it by a deed, word, or even a thought.

"From what we get,
we can make a living;
what we give, however,
makes a life."

– **Arthur Ashe**



the
POWER
of **10** TM

Naandi

An Autonomous Foundation for the Development of Andhra Pradesh

103, Golden Green Apartments,
Erramanzil Colony, Punjagutta,
Hyderabad 500 082.

Ph: +91 40 6508331, 6504395
Fax: +91 40 3371613

e-mail: naandiap@yahoo.com,
naandi@nettlinx.com