

In the name of allah the most gracious most merciful

## **THE ASHRAFIA EDUCATIONAL SOCIETY ( Redg . No. 2379/91)**

**KOLLAMPALLY, NARAYANPET – 509 210, Dist: Mahabunagar (Telangana State, India)**

**Mobiles Nos. :- 09848667861 / 09908287786 / 09492072786**

Dear brothers & sisters , Assalamu alaikum.

May Allah the Alimghy shower His blessing on us during the Holy month of Ramazan. We see the onset of another Ramazan Insha Allah and Muslim all over the world turn towards Allah the Almighty with great zeal enthusiasm to offer their fasts, prayers and charity. Zakat, which forms of the five pillars of Islam, has a special significance and the Holy Quran reminds us of its importance repeatedly.

### **ALLAH HAS PROMISED MUSLIMS PROTECTION OF THEIR PROPERTY AND WEALTH IF ZAKAT IS PAID CORRECTLY AND REGULARLY.**

An organized system for collection and distribution of Zakat was practiced in the times of the Prophet(PBUH) and his rightly guided caliphs (Allah be pleased with them) . Even today , it is the opinion of Islamic scholars that cardinal principle os Islam and its overall conduct of collective system implies that Muslim communities are to join hands and make arrangements for organizational Zakat collection and disbursement.

Zakat should primarily be spent on poor relatives, further to wick Allha the almighty has directed us in the Holy Quran as in Ayah No.60 Sura 9: “ Alms are for the poor And the needy, and these employed to administer the (funds): For those whose hearts Have been (recently) reconciled (To Truth) ; For those in bondage And in dept; In the case of Allah ; And for the wayfarer :(Thus is it) ordained by Allah. And Allah is full of Knowledge And wisdom”.

**The Ashrafia Educational Society** Regd No.2379/91 established in the year 1991 in order to provide education among the poor orphan Muslim students who are living the small villages. With the help of well wishers society was running the “**DEENI**” School at Kollampally since 1991 sice date of foundation of school the society work hard to develop the Islamic education.

AlHamdullilah sice 1991 in our school 30 boys has became Hfiz of the Holy Quran and number of students learn the Quran.

The Kollampally village is the border area of Andhra Pradesh in our school about 100 students are taken admission. The society without taking fee or donation from the students providing free education, free meals with hostel facility and free medical, providing the clothes to the poor students in our school. The students are from Maharashtra, Karnataka and Andhara Pradesh.

Inspite of this the society every year gives the Ashrafia medals to the SSC topper from all media Telgu, English and urdu.

The society also performing the marriages of poor Muslims girls. Therefore the society humbly request you to give Zakat to the society for upliftment of poor Muslim students in the remote area.

To facilitate the calculation of individual Zakat, **The Ashrafia Educatinal Society** has devised a form. This enclosed form and annexure is a guideline for: **a) Who is liable to give zakat and to whom. b) How to computer zakat c) what items personal wealth are exempted from zakat.** Care has been taken to include all items on wealth and not on income. If ones wealth is in excess of Rs.5000 after detucting the labilities / exemptions allowed and one full year hase passed after acquiring it then Zakat is compulsorily due. The figure of Rs.5000 is based on present day market value of 52 ½ toals( new tolas 60.65) of silver in india (which is the fixed “Nisab”). Residetical house, personal car, rented property, household furniture, crockery, utensils are all exempted and zakat is not payable on these assets. It is extremely difficult for a persone to calculate the completion of one year for each iten of wealth because purchases dates vary. To overcome this difficulty, a practicable method is to fix a date, estimate the total wealth on that date as per the guidelines given in the enclosed form and calculate the Zakat thereon. A date for valuation and calculation has to be fixed (like 15<sup>th</sup> of Ramazan) but each year Zakat is to be calculated on the same date.

**PLEASE CALL OUR OFFICES TO HAVE ZAKAT DONATION COLLECTED BY OUR STAFF FROM YOUR**

**Mobile Nos. :- 09848667861 / 09908287786 / 09492072786**

**A/C No:34040176145, State Bank of India, Narayenpet Branch. IFSC Code SBIN0003751**

Ramazan 1431 Hijri

Syed Jalal Hussaini Ashrafi

12-8-2010


President and founder of the society.

# Collection Centers:

## 1. Mohd Shafi Chand Ashrafi

Secretary education society


Bullion Merchant, Narayanpet – 509 210

 Cell No:09949282786./09440200786/09985788786.

## 2. Inamdar Poultry and Bismillah

Chicken Center, Pune

Takar Gali,Nanapet,Pune..


 020 – 26336679, Cell No:09371017541.

## 3. Gulam Dastagir Ashrafi

Nabi Nagar, Housing society,

5<sup>th</sup> flor , dharavi (w).

Mumbai.


 Cell No:09773628642.

## 4. S.K Auto Parts

Valipeer Road, Behind Nityanad

Hospital,Bail Bazra,

Kalyan (w)-421 301.

 Cell No:9869358896/9867759630/9773057861.


## 5. Shaikh Mohd Ibrahim Attar Ashrafi

Super Graphics Printing ink Company.

Factory:B-16, Banner Industrial Estate,

Opp.Soma textiles, Rakhial,

Ahmedabad – 380023

 : 079 (O) : 22774261, Cell No: 9825283884.

## In the Name of allah the Most Gracious Most Merciful

Sr.No	Particulars	Grms*Rate	Zakat Payable	
<b>1</b>	<b>ZAKAT ON PURE GOLD &amp; JEWELLERY</b> (For details See Annexure – 1)	Grms*Rate		
<b>a)</b>	24 Carat Pure Gold	Grms*Rate		
<b>b)</b>	22 Carat Gold Jewellery	Grms*Rate		
<b>c)</b>	18 Carat Gold Jewellery	Grms*Rate		
<b>d)</b>	14 Carat Gold Jewellery	Grms*Rate		
	<b>Less:2% of weight if studded with stones.</b>	<b>Sub Total Rate.</b>		
		<b>Gross Total Rs.</b>		
<b>e)</b>	Precious Stones held as investment / Business:Estimated value Rs.			
<b>f)</b>	Jewellery held as stock in trade in business. Add:Amounts Receivable on Credit Sales. Rs.			
	<b>Less : Loans &amp; Amount Payable to suppliers</b>	<b>Sub Total Rs.</b>		
		<b>Balance:</b>	<b>*2.5%=</b>	
<b>II</b>	<b>ZAKAT ON PURE SILVER;JEWELLERS,HOUSEHOLD ITMES</b> <b>MADE OF SILVER ETC.</b> (For details see Annexure – II)			
<b>a)</b>	<b>Pure Silver / Jewellery @ Rs._____ per Kg :</b>	<b>Kgs * Rs. _____</b>		
<b>b)</b>	<b>Silver Household items Utensils etc.</b> <b>@ Rs. _____ Per Kg:</b>	<b>Kgs * Rs. _____</b>		
		<b>Net Total</b>	<b>*2.5%</b>	
	<b>Note: The rate of gold and silver indicated above are only a guideline the actual rate on the day of calculation may please be taken.</b>			
<b>III</b>	<b>LANDED PROPERTY</b> (For details see Annexure III)			
<b>a)</b>	Landed Property held as investment / business Estimated value	Rs.		
<b>b)</b>	Amount Receivable on Sale of property			
<b>c)</b>	Value of completed unsold portion in case of Builders/Property dealers			
		<b>Sub Total Rs.</b>		
	<b>Add.Installments receivable on sold portions</b>	<b>Rs.</b>		
		<b>Sub Total Rs.</b>		
	<b>Less : loans / payable / liabilities on above</b>	<b>Rs.</b>		
		<b>Net Total Rs.</b>	<b>*2.5%</b>	
		<b>Balance C/F</b>		
		<b>Total B/F Rs.</b>		
<b>IV.</b>	<b>BUSINESS STOCK</b> (For details see Annexure – IV)			
	<b>Value of stock</b>	<b>Rs.</b>		
	<b>Add :Value of Dead / Damaged Stock</b>	<b>Rs.</b>		
	<b>Add :Amount receivable from credit sale</b>	<b>Rs.</b>		
		<b>Sub Total Rs.</b>		
	<b>Less : Loans / Amounts payable and bad debts</b>	<b>Rs.</b>		
		<b>Net Total Rs.</b>	<b>*2.5%</b>	

<b>V ZAKAT ON SHARE IN PARTNERSHIP FIRMS</b> (If not paid by the firms itself) (for.details see Annexure-V_ Capital Balnace as per last Balance Sheet (March,2003) Rs.			
Add:Loans advanced by you to the firms as per last Balance Sheet,(March, 2003) Rs.			
Sub Total Rs.			
Less : Withdrawals made by you during the current Year. Rs.			
Sub Total Rs.			
Add : Your share of profit upto the date of valuation Estimated From 1-4-2003 to 15 <sup>th</sup> Ramazan Rs.			
Net Total Rs.		*2.5%	
<b>VI</b>	<b>ZAKAT ON CASH IN HAND &amp; BANK(for details see Annexure-VI)</b>		
a)	Cash in Hand Rs.		
b)	Cash in Bank Rs.		
c)	In savings & Current A/C Rs.		
d)	In Fixed Deposits with Banks Rs.		
Net Total Rs.		*2.5%	
<b>VII ZAKAT ON LOANS / INVESTMENTS IN BONDS,PROVIDENT FUNDS,L.I.C SHARES IN COMPAIES,MUTUAL FUNDS,DEPOSITS,CHIT FUNDS ETC.(for details see Annexure-VII)</b>			
a)	Loans received from friends & relatives Rs.		
b)	Investments in Government bonds Rs.		
c)	Provident fund contribution Rs.		
d)	LIC Premius including bonous upto date Rs.		
e)	Shares in companies including dividends receivable & value of bonus shares if declared Rs.		
f)	Government , Security deposite (including EMD) Rs.		
g)	Investment in private Chits& Chit Funds Rs.		
Net Total Rs.			
Balanace C/F		*2.5%	
Total B/F Rs.			
<b>VIII ZAKAT ON AGRICULTURAL PRODUCE(including fruits,Vegetables,etc.(for details see Annexure-VIII)</b>			
a)	Produce dependent on rain water @10% of product (crop) in Rupees,Values or in kind (crop itself) Rs.		
b)	Produce from canal / tank water,Bore/Open well@5% of produce (crop) in rupees,Values or in kind (crop itself) Rs.		
c)	Produce partially on rain water and partially on well water or canal water @ 7 ½% of produce in Rupees value or in kind (crop itself) Rs.		
d)	Calculate zakat on fish only at the time of catch and sale value may be taken Rs.		
Net Total Rs.			
<b>IX ZAKAT ON ANIMALS / BIRDS(Other than egg laying birds &amp; milk yielding animals) for details see Annexure-IX</b>			
a)	Animals / Birds (broilers)more than 6 months old @ one Animal / Bird per 40 Animals/ Birds or Rupee value of such Animals / birds Rs.		
b)	Two Animals / Birds per 120 Animals / Birds or Rupee value of such animals / birds Rs.		
Net Total Rs.			
<b>X</b>	<b>ZAKAT ON POULTRY AND FISH FARMING</b>		

a)	Stock of eggs & bills receivable	Rs.		
b)	Stock of milk and bills receivable	Rs.		
c)	Calculate zakat on fish only at the time of catch and see value may be taken	Rs.		
Net Total Rs.			*2.5%	
<b>LESS:GENERAL LIABILITIES(Other than deducted above)</b>				
a)	Income Tax/WealthTax payable	Rs.		
b)	Loans /Debts payable/ bank loans	Rs.		
Net Total Rs.				
(Loans on interest is not oermitted in Islam)				
<b>TOTAL ZAKAT PAYABLE Rs.</b>				

## ANNEXURE # I

### ZAKAT ON PURE GOLD AND GOLD JEWELLARY:

Zakat should be calculated on pure gold and jewellery at a value as on the date of valuation, preferably 15<sup>th</sup> day of Ramazan. There are different opinions on the value to be adopted for valuation(i.e.) purchase price or market price. Most of the Ulema have favoured market value prevailing as on date of calculation of Zakat and not the purchase price. The prevailing market rate of gold in india is taken as under for computation of Zakat (Value as on 15<sup>th</sup> day of ramazan).

- a) Pure Gold 24 Carats at Rs.5620 per 10 grams (take the market value on the date of calculation)
- b) Gold Jewellery-22 Caratas at Rs 559 per gram or Rs.5590 per 10 grams.
- c) Gold Jewellery-18 Caratas at Rs 457 per gram or Rs.4750 per 10 grams.
- d) Gold Jewellery-14 Caratas at Rs 355 per gram or Rs.3550 per 10 grams.

A deduction of 2% from the weight of jewellery is allowed towards studded stones zakat is not payable on any kind of stones including diamonds, rubies, emeralds, pearls etc. If there are rows of pearls or any other beads you have to make a rough estimate and deduct 25% from total weight of the article.

You may deduct 4 grams from the total weight of the jewellery item if there is a dory (theard for tying at the back).

For Kundan jewellery deduct 25% from the weight for lac.

Note: The amount receivable on credit sales is to be added to the total value and the amount payable to your suppliers of loans taken , if any, for thr business is to be deducted to arrive at the net value on which Zakat due and payable.

## ANNEXURE # II

## ZAKAT ON SILVER,SILVER JEWELLERY,HOUSE HOLD ITEMS E.T.

Zakat is payable on silver in pure form or in form of jewellery,utensils, decorative items and all household items prevailing crockery, cutlery made of silver at the prevailing market rates.

For arriving at the value of utensils, household items, 10% of the value is to be deducted, as it is not pure silver. The prevailing market rate of silver is to be taken as under for computation of zakat. Value as on 15<sup>th</sup> day of ramazan.

- a) Silver – Pure and in the form of Jewellery at Rs.8000/- per kg.
- b) Silver utensils and household items at Rs.7500/- per kg.

Zakat on jewellery should be paid by the owner of jewellery if a women of the jewellery and has no liquid cash, her husband ,son or father can pay the zakat on her behalf,but if they are also not paying,then the owner should sell part of the jewellery and pay zakat.If the jewellery and pay the same if the value os individuals share exceeds Rs. 5000.

## ANNEXURE # III

### ZAKAT ON LANDED PROPERTY:

Zakat is not payable on the following properties:

- a) Personal residential houses even if they are more in residential purposes only.
- b) Property given on rent irrespective of their number.
- c) Agricultural land if meant for agriculture and farm house (if any) on agricultural land , servants quarters,godowns, tractors, bullocks and all implements for use at the farm.
- d) Open land owned with the intention of building a house in future for sell or for the benefit of the family.

Zakat is payable on the properties held with the intention to sell at a future date for a profit or as an investment.However, if your intention of holding the property changes in the current year i.e, from self use to business purpose,be honest to Allah and pay Zakat on it at the current market value from the year your intention had changed.

If you have sold property that was meant for business or have entered into an agreement of sale, on the balance of money receivable,Zakat is to be paid. Any loans taken for purchase of property meant for business should be deducted from the net figure before calculating zakat.

If you are a builder and in property business (purchasing and selling , purchasing developing&selling) on all completed unsold portion you have to pay zakat at the prevailing market value. Zakat is also payable on amounts of installments receivable on such portion after deducting loans or liabilities payable on the same.

On property in the form of building ,shop, godown or land meant for property business,zakat is payable, **Zakat should also be calculated on property meant for business.** However, there is no zakat on property self occupied for running your business like shops, showroom, godown, factory building, poultry shed etc.If any property is held jointly by two or more persone the individual must calculate zakat on his share in the property.

## ANNEXURE # IV

### ZAKAT ON BUSINESS STOCKS:

No matter what your business is , you have to pay zakat on all Stock-in-trade. The stock must be valued at cost price (purchase price plus transport,insurance etc.)

If you have any receivable from your customers you must add the same.

The following amounts are deductible from the above:

- a) All amount due to your suppliers.
- b) All loans on the date of calculation.

Dead stock should also be taken into account at the discounted rate(i.e., if sold is the open market by way of discount sale etc.) You should not calculate dead stock at purchase rate or cost price. Damaged stock need not be taken for calculation. Business stock includes old parts,scrap,car if in car business(excluding taxies,lorries,pick-ups,autos meant for transport business.) Hence zakat is payable on all business stock after adding bills receivable and deducting bills payable. **By paying zakat regularly you are creating an insurance on your stock.**

### **ZAKAT ON FACTORY BUILDING, MACHINERY AND GOODS PRODUCES.**

There is no zakat on factory building or on any kind of machinery, But there is zakat on products produced in the factory (finished stock). If there is any loan or liability on the finished stock you should deduct the same for calculation of the stock value. Similarly amount receivable on credit sales should be added to the net stock. Bad debts should be deducted from net calculation. Sometimes bad debts are recovered and you should pay zakat on such recoveries in the year of recovery only and not retrospectively. There is no zakat payable on vehicles used for personal transport and factory goods transport.

## **ANNEXURE # V**

### **ZAKAT ON PARTNERSHIP FIRMS:**

Zakat can be paid by the firm itself. But if the firm is not paying zakat and partner wants to calculate zakat on his share in the firm, he should taken the amount standing to his capital and loans given to partnership as per last balance sheet. Add his share of profit till the date zakat is calculated.( This has to be estimated only as it is difficult to calculate the profit during an accounting year) Deduct any loans or drawings taken by you from the firm till date of calculation.

## **ANNEXURE # VI**

### **ZAKAT ON CASH AND BANK BALANCE:**

Zakat is payable on al cash and bank balance in the form of balance in saving account,current accounts of fixed deposits including monthly income certificates or term deposite(remember any kind of interest is haram in islam).The amount should be in the bank for one year, if the amount has been withdrawn and is lying as cash in hand, you should pay zakat on both bank and cash balances added together. Usually it happens that the balance keeps on charging as per personal requirement. You may pay zakat on remaining amount on the date of calculation.

## **ANNEXURE # VII**

### **ZAKAT ON LOANS, GOVERNMENT BONDS, PROVIDENT FUNDS, LIC ETC:**

Zakat is payable on loans advanced by you to your friends and relative. It should be treated as cash in hand zakat is payable on it. You may deduct loans payable by you if any for arriving at the net amount.

Zakat is also payable on all Government bonds such as indira Bikas Patra, IDBI bonds, Units and LIC paid up premiums and all such postal saving certificates. Zakat is also payable on provident funds, earnest money deposit in the case of contractor, tender deposit, government bills receivable, security deposit etc.

### **ZAKAT ON COMPANY SHARES AND MUTUAL FUNDS:**

You should pay zakat on investment in company shares calculated at quoted value on the date of zakat calculation. If the shares of your company are not quoted in any stock exchange then you may use the services of a chartered accountant to arrive at the values. Similarly, zakat is payable on all mutual Funds, private chits and chit funds. Your contribution in chit funds till the date of zakat calculation should be taken as your wealth. If you have withdrawn any amount then the amount also should be added to your wealth.

## **ANNEXURE # VIII**

### **ZAKAT ON AGRICULTURAL PRODUCE:**

Zakat is payable on all agricultural produce including fruits, commercially grown flowers, and all types of grains at the time of harvest itself. The passing of one does not apply for agricultural produce.

- a) On crops dependent on rain water only zakat is payable at 10% of the crop. You can give the produce itself in kind or the cash value may also be given.
- b) On crops produced with canal water, tank water or above well open well, the zakat is 5% of the crop produced. There is no deduction out of this on any account.
- c) If land is partly irrigated by rainwater, partly by well or canal water you may make your own judgment and calculate zakat. But the formula of average 7 ½% would be fair and reasonable.
- d) If there are two or more crops in a year on the same land, you should pay zakat on all the harvests. Note: Grains retained for self- consumption is deductible before calculating zakat.

## **ANNEXURE # IX**

### **ZAKAT ON ANIMALS INCLUDING POLULTRY AND FISH FARMING:**

On all grazing animals like goats, sheep, camels, cows, broiler chicken of average size, the zakat is one animal or bird on every 40 animals or birds. But if the animal is of younger age (say less than 6 months) even on animal out of 100 can be given, There is no zakat on egg laying birds and milk giving animals such as cow, buffalo etc. You can calculate and give zakat in cash, in lieu of birds or animals.



In case of broiler chickens you may make your own judgement and calculate zakat as there are no fixed norms.

**Number of Animals- birds**

**Zakat payable**

For 0 to 120 goats/sheep/birds	One goat/sheep/bird of a year or more
For 121 to 200 goats/sheep/birds	Two goats/sheep/bird of a year or a more.
For 30 to 39 cows/buffaloes	One calf of a year or more
For 40 to 59 cows/buffaloes	One calf of not less than two years old
For 60 cows/buffaloes	Two calves,each 1 year old
For every additional 30 cows/buffaloes	One calf of a year old
For every additional 40 cows/buffaloes	One calf of two years old.

## ANNEXURE # X

**Liabilities:**

If there is any income tax or sales tax payable to Government on the date calculation of zkat, such liabilities can be deducted before arriving at the net wealth.

**Note:** Payment of income tax or slaes tax does not fulfill your liability towards zakat and you cannot deduct income tax payment from your net zkat. Only tax liabilityif due on the date of zakat calculation, is deductible from the net asset. Zakat is apart from income tax and wealth tax payments. If you feel that certain I.T. demand is disputed, unpaid and / or pending in appeal. You may deduct the entire outstanding tax liability. But if the tax liability is reduced in appear or therwise in future you have to pay zakat on such savings for all the years you have not paid zakat. Allah is well aware of the fact and intentions.

Syed Jalal Hussaini Ashrafi.

President and foudur of the society.

Your cheques/DDs may be sent to:

**THE ASHRAFIA EDUCATIONAL SOCIETY**

**(Regd.No. 2379 / 91)**

KOLLAMPALLY NARAYANPET -509 210,Dist:Mahabubnagar(Telangana State)

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