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# ZAKAT CALCULATION FORM - 2024

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SL. No.	PARTICULARS		ZAKAT PAYABLE
<b>I</b>	<b>ZAKAT ON PURE GOLD AND JEWELLERY (See Annexure-1)</b>		
a)	24 Carat Pure gold as on 08-03-2024	Grams X ₹ 6,650/-	
b)	22 Carat gold jewellery as on 08-03-2024	Grams X ₹ 5,998/-	
c)	18 Carat gold jewellery as on 08-03-2024	Grams X ₹ 4,907/-	
d)	16 Carat gold jewellery as on 08-03-2024	Grams X ₹ 4,362/-	
		<b>Sub Total ₹</b>	
	<b>LESS: 2% of weight if studded with stones</b>		
		<b>Gross Total ₹</b>	x2.5%=
e)	Precious stones held as investment/business: estimated value	₹	
f)	Jewellery held as stock in trade in business. Add: Amt. receivable on Credit Sales	₹	
		<b>Sub Total ₹</b>	
	<b>LESS: Loans and Amount payable to suppliers</b>	<b>Balance</b>	x2.5%=
<b>II</b>	<b>ZAKAT ON PURE SILVER/JEWELLERY, HOUSEHOLD ITEMS MADE OF SILVER etc. (See Annexure-2)</b>		
a)	Pure silver @ ₹ 85,000/- per Kg as on 08-03-2024	Kg x ₹ 85,000/-	
b)	Silver jewellery @ ₹ 78,000 /- per Kg as on 08-03-2024	Kg x ₹ 78,000/-	
c)	Silver household items, utensils etc. @ ₹ 75,000/- per Kg as on 08-03-2024	Kg x ₹ 75,000/-	
		<b>Net Total ₹</b>	x2.5%=
	<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>PROPERTY (see Annexure-3)</b>		
a)	Landed property held as investment/business: estimated value	₹	
b)	Amount receivable on sale of property	₹	
c)	Value of completed unsold portion in case of builders/property dealers	₹	
		<b>Sub Total ₹</b>	
	<b>Add: Installments receivable on sold portions</b>	₹	
		<b>Sub Total ₹</b>	
	<b>Less: Loans/Payable/Liabilities on above</b>	₹	
		<b>Net Total ₹</b>	x2.5%=
		<b>Balance C/F</b>	
		<b>Total B/F ₹</b>	
<b>IV</b>	<b>BUSINESS STOCK (see Annexure-4)</b>		
a)	Value of stock	₹	
b)	Add: Value of dead/damaged stock	₹	
c)	Add: Amount receivable from credit sale	₹	
		<b>Sub Total ₹</b>	
	<b>Less: Loans/Amounts Payable and bad debts</b>	₹	
		<b>Net Total ₹</b>	x2.5%=
<b>V</b>	<b>ZAKAT ON SHARE IN PARTNERSHIP FIRMS (if not paid by the firms itself – see Annexure 5) Capital Balance as per last Balance Sheet (March, 2024 )</b>		
	<b>Add: Loans advanced by you to the firm as per last Balance Sheet (March, 2024 )</b>	₹	
		<b>Sub Total ₹</b>	
	<b>Less: Withdrawals made by you during the current year after 31-03-2024</b>	₹	
		<b>Sub Total ₹</b>	
	<b>Add: Your share of profit upto the date of valuation estimated from 1-4-2024 to 15<sup>th</sup> Ramadan</b>	₹	
		<b>Net Total ₹</b>	
<b>VI</b>	<b>ZAKAT ON CASH IN HAND AND BANK (see Annexure-6)</b>		
a)	Cash in Hand	₹	
b)	Cash in Bank	₹	
c)	In Savings and Current A/c	₹	
d)	In Fixed Deposits with Banks	₹	
		<b>Net Total ₹</b>	x2.5%=
<b>VII</b>	<b>ZAKAT ON LOANS/INVESTMENTS IN BONDS, PROVIDENT FUNDS, LIC, SHARES IN COMPANIES, MUTUAL FUNDS, DEPOSITS, CHIT FUNDS etc. (see Annexure-7)</b>		
a)	Loans Receivable from friends and relatives	₹	
b)	Investment in Govt. Bonds	₹	
c)	Provident Fund Contribution	₹	
d)	LIC premium including bonus upto date	₹	
e)	Shares in companies including Dividends Receivable and value of bonus shares if declared	₹	
f)	Government Security Deposits (including EMD)	₹	
g)	Investment in private Chits and Chit Funds	₹	
		<b>Net Total ₹</b>	x2.5%=

SL. No.	PARTICULARS		ZAKAT PAYABLE
<b>VIII</b>	<b>USHUR ON AGRICULTURAL PRODUCE (including fruits, vegetables etc. - see Annexure-8)</b>		<b>USHUR PAYABLE</b>
a)	Produce dependent on rain water @ 10% of product (crop) in rupees, value or in kind (crop itself)	₹	
b)	Produce from canal/tank water, bore/open well @ 5% of produce (crop) in rupees, value or in kind (crop itself)	₹	
c)	Produce dependent partially on rain water and partially on well water or canal water @ 7.5% of produce in rupees, value or in kind (crop itself)	₹	
	<b>Net Total</b>	₹	
<b>IX</b>	<b>ZAKAT ON ANIMALS (Other than milk yielding animals- see Annexure-9)</b>		<b>ZAKAT PAYABLE</b>
a)	Animals more than 6 months old @ one animal per 40 animals or rupee value of such animals	₹	
b)	Two animals per 120 animals or rupee value of such animals	₹	
	<b>Net Total</b>	₹	x2.5%=-
<b>X</b>	<b>ZAKAT ON POULTRY AND FISH FARMING (see Annexure-9)</b>		
a)	Stock of eggs and Bills Receivable	₹	
b)	Stock of milk and Bills Receivable	₹	
c)	Calculate Zakat on fish or broiler bird only at the time of catch and sale value may be taken	₹	
	<b>Gross Total</b>	₹	
	<b>Net Total</b>	₹	x2.5%=-
	<b>Less: General Liabilities (other than deducted above-see Annexur-10)</b>		
a)	Income Tax payable	₹	
b)	Loans/Debts payable/Bank Loans	₹	
	<b>Net Total</b>	₹	x2.5%=-
	<b>(Loan on interest is not permitted in Islam)</b>	<b>TOTAL ZAKAT PAYABLE</b>	₹

## ANNEXURES

### ANNEXURE-1: ZAKAT ON PURE GOLD AND GOLD JEWELLERY

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 Ramadan. There are different opinions on the value to be adopted for valuation i.e., purchase price or market price. Most of the Ulama have favored 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 08-03-2024). Please verify market rate of gold or silver on the date of calculation.

- Pure Gold 24 Carat @ ₹ 6,650/- per gram or ₹66,500/- per 10 grams.
- Gold Jewellery 22 Carat @ ₹ 5,998/- per gram or ₹59,980/- per 10 grams.
- Gold Jewellery 18 Carat @ ₹ 4,907/- per gram or ₹49,070/- per 10 grams.
- Gold Jewellery 16 Carat @ ₹ 4,362/- per gram or ₹43,620/- per 10 grams.  
(take market value on the date of calculation)

A deduction of 2% from the weight of jewellery is allowed towards studded stones as 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 the total weight of the article.

You may deduct 4 gram from the total weight of the jewellery item if there is dory (thread for tying at the back). For Kundan jewellery deduct 25% from the weight for 'lac'. Zakat is payable on precious and semi-precious stones, if you are in the jewellery business.

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

### ANNEXURE-2: ZAKAT ON PURE SILVER, SILVER JEWELLERY, HOUSEHOLD ITEM etc.

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

To arrive at the value of utensils and 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 08-03-2024

- Pure Silver at ₹ 85,000/- per Kg.
- Silver in the form of Jewellery at ₹ 78,000/- per Kg.
- Silver utensils and household items at ₹ 75,000/- per Kg.

Zakat on jewellery should be paid by the owner of jewellery. If a woman is the owner 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 is held by two or more persons jointly, then the individual should calculate zakat on his/her share of the jewellery and pay the same if the value of individual's share exceeds the value of 52.5 tolas of silver (611.42 grams).

### ANNEXURE-3: ZAKAT ON LANDED PROPERTY

Zakat is not payable on the following properties:

- Personal residential houses even if they are more in number meant for residential purposes only.
- Property given on rent irrespective of their number.
- Agricultural land used for agriculture, farm house (if any), servants quarters, godowns, tractors, bullocks and all implements for use at the farm.
- Open land owned with the intention of building a house in future for self 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, Zakat on the balance of money receivable, 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 and selling), on all completed unsold portions you have to pay Zakat at the prevailing market value. Zakat is also payable on amounts of installments receivable on such portions after deducting loans or liabilities payable on the same in case of buildings/flats ready for occupation.

Zakat is payable on property in the form of building, shop, godown or land meant for property business. **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, show-room, godown, factory building, poultry shed etc. If any property is held jointly by two or more persons the individual must calculate zakat on his share in the property.

Please note that Zakat is payable only on properties and assets on which a period of at least one year has elapsed.

### ANNEXURE-4: ZAKAT ON BUSINESS STOCK

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 bills receivable from your customers you must add the same. The following amounts are deductible from the above.

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

Dead stock should also be taken into account at the discounted rate (i.e., if sold in 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 insurance on your stock.



**ZAKAT ON FACTORY BUILDING, MACHINERY AND GOODS PRODUCED:** 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 vehicle used for personal transport and factory goods transport.

**ANNEXURE-5: 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 take 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-6: ZAKAT ON CASH AND BANK BALANCES**

Zakat is payable on all cash and bank balances in the form of balance in savings account, current accounts or fixed deposits including monthly income certificates or term deposits (remember any kind of interest is haram in Islam). The amount should be in the bank for one year, if the amount is utilized for personal or any other use at the time of calculation of zakat, zakat is payable only on balance of amount. But 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 changing as per personal requirement. You may pay Zakat only on remaining amount on the date of calculation.

**ANNEXURE-7: ZAKAT ON LOANS, GOVT. BONDS, PROVIDENT FUNDS, LIC etc.**

Zakat is payable on loans advanced by you to your friends and relatives. It should be treated as cash in hand and 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 Vikas Patra, IDBI Bonds, Units, and LIC paid up premiums and all such postal savings certificates. Zakat is also payable on provident funds, earnest money deposits in the case of contractors, tender deposits, government bills receivable, security deposits 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, if the same is left over with you.

**ANNEXUE-8: USHUR ON AGRICULTURAL PRODUCE**

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

- a) On crops dependent on rain water only, ushur 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 bore well and open well, the Ushur 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 Ushur. But the formula for average 7.5% would be fair and reasonable.
- d) If there are two or more crops in a year on the same land, you should pay Ushur on all the harvests.

Note: Grains retained for self consumption is deductible before calculating Ushur.

**ANNEXURE-9: ZAKAT ON ANIMALS INCLUDING POULTRY AND FISH FARMING**

On all grazing animals like goats, sheep, camels, cows of average size, the Zakat is one animal on every 40 animals. But if the animal is of younger age (say less than 6 months) even one 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 animals. In case of broiler chickens or fish farming you may make your own judgment and calculate Zakat as there are no fixed norms.

**ANNEXURE-10: LIABILITIES**

- a) Liabilities are deductible from net wealth/assets.
- b) If there is any income tax or sales tax etc. payable to Government on the date of calculation of Zakat such liabilities can be deducted before arriving at the net wealth.

NOTE: Payment of income tax or sales tax does not fulfill your liability towards Zakat and you cannot deduct income tax payment from your net Zakat. Only tax liability if due on the date of Zakat calculation, is deductible from the net assets. 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 appeal or otherwise, 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 facts and your intentions.

**Hyderabad Zakat and Charitable Trust**

SYED GHOUSUDDIN  
Syed & Syed Chartered Accountants, Hyd.

**HZCT RECEIPT AND PAYMENT A/C FOR THE YEAR 2023-24 (FROM APRIL 2023 TO MARCH, 2024)**

INFLOW	Beneficiaries	Amount (Rs)
OPENING BALANCE (CASH & BANK)		3,920,488
HZTC Donations (Zakat, Non Zakat and Other receipts)		55,054,484
Total Inflow		58,974,972
<b>OUTFLOW</b>		
<b>EDUCATIONAL PROJECTS</b>		
Scholarships to students	10,572	49,080,273
<b>OTHER PROJECTS</b>		
Feeding the Poor	1,070	466,552
Medical Aid Etc.	1	18,000
Orphan Housing (Roofing Project)	15	473,733
Marriages of Orphan girls	11	182,000
<b>OTHER EXPENDITURE</b>		
Over Heads (Head office and district offices)		3,096,133
Schemes Implementation and Logistic		4,972,067
EPF and ESI contribution		423,337
Total	11,669	58,712,095