



AUDITOR'S REPORT

TO

THE MEMBERS OF

SAMUTKARSH WELFARE SERVICES, VARANASI

(A Company registered under section 25 of the Indian Companies Act, 1956)

We have audited the attached Balance Sheet of 'SAMUTKARSH WELFARE SERVICES', S - 2/641 - 34, Varuna Vihar Colony, J P Mehta Road, Cantt, Varanasi as at 31st March, 2014 and the Profit and Loss Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well evaluating the overall financial statement presentation. We believe that our audit provides reasonable basis for our opinion. On the basis of our audit we report that:

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
- b) in our opinion, proper books of accounts, as required by the law, have been kept by the Company, so far as appears from our examination of the books maintained at the Head Office of the Company;
- c) the Balance Sheet and the Profit and Loss account dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Profit and Loss Statement and the Balance Sheet comply with the accounting standards issued by The Institute of Chartered Accountants of India.
- e) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and the Income and Expenditure Account read together with the notes on accounts attached thereto.
 - a. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014 and
 - b. In the case of Profit and Loss Statement, the Surplus for the year ended on that date.

For Achal Srivastava & Co.
Chartered Accountants
Firm Regn. No. 013385C



Achal
Achal Srivastava
Partner
M. No. 405982

Date: June 19, 2014
Place: Varanasi

Samutkarsh Welfare Services
Balance Sheet as at March 31, 2014

(All amounts in Indian rupees, except share data and where otherwise stated)

	Note	As at March 31, 2014	As at March 31, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	137,000	137,000
Reserves and Surplus	2.2	1,383,180	198,687
		<u>1,520,180</u>	<u>335,687</u>
Non-Current Liabilities			
Long-term Borrowings	2.3	1,666,867	500,000
		<u>1,666,867</u>	<u>500,000</u>
Current Liabilities			
Other Current Liabilities	2.4	746,747	60,167
		<u>746,747</u>	<u>60,167</u>
Total		<u><u>3,933,794</u></u>	<u><u>895,854</u></u>
ASSETS			
Non-Current Assets			
Fixed Assets			
(i) Tangible Assets	2.5	45,742	19,850
(ii) Intangible Assets		-	-
Investment	2.6	295,476	-
Other non-current Assets	2.7	7,992	15,984
		<u>349,210</u>	<u>35,834</u>
Current Assets			
Inventories	2.8	1,418,498	369,382
Cash and Bank Balances	2.9	202,634	346,674
Short term Loans and Advances	2.10	99,005	143,964
Other current Assets	2.11	1,864,447	-
		<u>3,584,584</u>	<u>860,020</u>
Total		<u><u>3,933,794</u></u>	<u><u>895,854</u></u>
Significant Accounting Policies	1		
Notes to Accounts	2		

As per our report attached

for Achal Srivastava & Co.
Chartered Accountants

Firm Registration No. 013385C

Achal Srivastava
Partner

Membership No. 405982

Place: Varanasi

Date : June 19, 2014

for Samutkarsh Welfare Services

Abhisheka Kumar

Abhisheka Kumar
Director

Sulabh Jain

Sulabh Jain
Director



Samutkarsh Welfare Services

Profit and Loss Statement for the Year ended March 31, 2014

(All amounts in Indian rupees, except share data and where otherwise stated)

	Note	For the year ended March 31, 2014	For the year ended March 31, 2013
Income			
Other Income	2.12	<u>2,751,859</u>	<u>1,205,944</u>
Expenses			
Project Expenses (Net)	2.13	167,604	122,713
Employee Benefits Expenses	2.14	825,762	687,425
Preliminary Expense Amortisation		7,992	7,992
Other Expenses	2.15	<u>683,047</u>	<u>274,729</u>
		<u>1,684,405</u>	<u>1,092,859</u>
Surplus		1,067,454	113,085

Significant Accounting Policies 1
Notes to Accounts 2

As per our report attached

for Achal Srivastava & Co.

Chartered Accountants

Firm Registration No. 013385C

Achal

Achal Srivastava

Partner

Membership No. 405982



for Samutkarsh Welfare Services

Abhisheka Kumar

Abhisheka Kumar

Director

Sulabh

Sulabh Jain

Director

Place: Varanasi

Date : June 19, 2014



Samutkarsh Welfare Services

Profit and Loss Statement for the year ended March 31, 2014

(All amounts in Indian rupees, except share data and where otherwise stated)

	Note	For the year ended March 31, 2014	For the year ended March 31, 2013
Income			
Revenue from Operation	2.16	2,170,758	-
		<u>2,170,758</u>	<u>-</u>
Expenses			
Purchases	2.17	2,629,550	-
Change in Inventory	2.18	(1,068,944)	-
Direct Expenses	2.19	80,514	-
Employee Benefits Expenses	2.20	245,818	-
Finance Cost	2.21	80,656	-
Vehicle Repair & Maintenance	2.22	23,570	-
Legal & Filing Expenses	2.23	26,980	-
Other Expenses	2.24	35,575	-
		<u>2,053,719</u>	<u>-</u>
Surplus		117,039	
Significant Accounting Policies	1		
Notes to Accounts	2		

As per our report attached

for Achal Srivastava & Co.

Chartered Accountants

Firm Registration No. 013385C

Sulabh



Achal Srivastava

Partner

Membership No. 405982

for Samutkarsh Welfare Services

Abhisheka Kumar

Abhisheka Kumar

Director

Sulabh

Sulabh Jain

Director

Place: Varanasi

Date : June 19, 2014



Samutkarsh Welfare Services

Notes to Financial Statements for the year ended March 31, 2014

(All amounts in Indian rupees, except share data and where otherwise stated)

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Accounting:

- a. The Financial statements are drawn up based on historical costs and mercantile basis of accounting has been followed.
- b. Accounting Policies not specifically referred to are in consideration with generally accepted accounting policies.

1.2 Income Tax:

Since the company is registered under section 25 of the Companies Act, 1956 as a non-profit company on 12th August, 2010 and also under section 12 A (a) of the Income Tax Act, 1961 for exemption from tax on 28th July, 2011. Hence under section 12 A (a) for claiming income as exempted income under section 11 & section 12, no Provision has been made in accounts for Income Tax.

2 NOTES TO ACCOUNT

	As at March 31, 2014	As at March 31, 2013
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2.1 Share Capital

Authorised:

Equity Shares

50,000 (Previous year:50,000) Equity shares of Rs. 10 each	500,000	500,000
	<u>500,000</u>	<u>500,000</u>

Issued, Subscribed and Paid-up

Equity Shares

Rs. 10 each fully paid up	137,000	137,000
	<u>137,000</u>	<u>137,000</u>

The reconciliation of the number of equity shares outstanding is set out below:

Particulars	Number of Shares	Amount	Number of Shares	Amount
Equity Shares				
Outstanding at the beginning of the year	13,700	137,000	12,700	127,000
Issued during the year	-	-	1,000	10,000
Outstanding at the end of the year	<u>13,700</u>	<u>137,000</u>	<u>13,700</u>	<u>137,000</u>

The details of shareholders holding more than 5% equity shares are set below:

Name of the Shareholders	Number of Shares	% of Holding	Number of Shares	% of Holding
Ramesh Chandra Singh	3,500	25.55%	3,500	25.55%
Gyanendra Mishra	2,600	18.98%	2,600	18.98%
Abhisheka Kumar	2,600	18.98%	2,600	18.98%
Trilok Nath Shukla	2,500	18.25%	2,500	18.25%
Govind Singh	1,500	10.95%	1,500	10.95%
Ankur Govind Singh	1,000	7.30%	1,000	7.30%
	<u>13,700</u>	<u>100.00%</u>	<u>13,700</u>	<u>100.00%</u>



2.2 Reserves and Surplus

Surplus in the Profit and Loss Statement

Opening Balance		
Service	198,687	85,602
Trading	-	-
Add: Surplus for the year		
Service	1,067,454	113,085
Trading	117,039	-
	<u>1,383,180</u>	<u>198,687</u>

2.3 Long Term Borrowings

Unsecured		
Term Loan From FWWB (Solar)	1,666,867	-
Advances		
From others (Service)	-	500,000
	<u>1,666,867</u>	<u>500,000</u>

2.4 Other Current Liabilities

BC collection pending acknowledged by Bank	-	19,816
Expenses Payable	1,385	5,060
Salary Payable	12,806	1,791
Mobile Expenses Payable	11,423	
Security Deposit	51,500	33,500
Advance received	310,298	
Sundry Creditors	348,600	
Rent Payable	8,000	
TDS Payable	2,735	
	<u>746,747</u>	<u>60,167</u>

2.5 Fixed Tangible Assets

Tangible Assets		
Weighing Machine	7,080	7,080
Furniture	14,402	6,750
Scenting Tray	6,020	6,020
Office Equipment	1,240	-
Paddle Operated Aggarbatti Machine	17,000	-
	<u>45,742</u>	<u>19,850</u>

2.6 Investment

Reliance Mutual Fund	295,476	-
	<u>295,476</u>	

2.7 Other Non Current Assets

Unamortised Preliminary Expenses	7,992	15,984
	<u>7,992</u>	<u>15,984</u>



2.8 Inventories

Raw Materials of Agarbatti	95,499	135,137
Finished Goods of Agarbatti	254,055	234,245
Sunking Eco Solar Laltern	163,403	-
Sunking Pro Solar Laltern	687,818	-
Sunking Solo Solar Laltern	217,723	-
	<u>1,418,498</u>	<u>369,382</u>

2.9 Cash and Bank Balances

Cash and cash equivalents

Cash in hand	9,893	24,266
Balances with banks		
- in current accounts	165,230	218,816
- in savings accounts	27,511	103,592
	<u>202,634</u>	<u>346,674</u>

2.10 Short Term Loans and Advances (Unsecured, Considered Good)

Recoverables from Others	25,970	143,964
Sale Tax Security	35,000	-
Personal Advance	15,100	-
Duties & Taxes	22,935	-
	<u>99,005</u>	<u>143,964</u>

2.11 Other Current Assets

Sundry Debtors

Aurai	177,450	-
Chandwak	431,250	-
Durgawati	408,750	-
Harhua	573,600	-
Lalganj	250,650	-
Others	22,747	-
	<u>1,864,447</u>	<u>-</u>

2.12 Other Income

Contribution received towards social responsibilities	2,717,165	1,198,176
Interest from bank	5,748	3,342
Interest on FDR	-	4,426
Dividend Received from Mutual fund	25,476	-
Miscellaneous income	3,470	-
	<u>2,751,859</u>	<u>1,205,944</u>



2.13 Agarbatti Project

Material Purchase	208,690	697,430
Add: Opening Stock	369,382	57,875
Less : Closing stock	349,554	369,382
Material Consumption	228,518	385,923
Producer Payment	91,530	249,989
Godown Rent	1,000	14,700
Consumables	1,845	1,140
Freight	300	900
Daily Wages	84,607	74,098
Packing Expenses	4,252	16,133
Producer Training Expenses	1,158	4,240
Total Expenses	413,210	747,123
Less : Sale of Agarbatti	245,606	624,410
	<u>167,604</u>	<u>122,713</u>

2.14 Employees Benefits Expenses

Basic Salary	431,759	327,678
Incentive	65,786	-
Allowances	327,677	358,307
Insurance of Staff	540	1,440
	<u>825,762</u>	<u>687,425</u>

2.15 Other Expenses

Traveling & Conveyance Expenses	58,246	53,015
Auditors Remuneration:		
Audit Fees	11,236	11,236
Return Filing Fees	-	2,247
Interest on late payment of TDS	504	-
Legal & filing Expenses	10,371	12,888
Health Camp Expenses	486,089	174,255
Bank Charges	629	242
Office Rent	72,000	14,250
Mobile Expenses	71	1,609
Refreshment	2,450	-
Stationery & Photocopy	16,835	330
Miscellaneous Expenses	21,346	4,656
Financial Awareness Programm	2,920	
Hotel & Fooding Expenses	350	
	<u>683,047</u>	<u>274,729</u>

2.16 Revenue from Operations

Sales solar lamps	2,170,758	-
	<u>2,170,758</u>	



2.17 Purchases

Solar lamp purchases	2,629,550	-
	<u>2,629,550</u>	<u>-</u>

2.18 Changes in Inventory

Opening Stock	-	-
Less: Closing Stock	1,068,944	-
	<u>(1,068,944)</u>	<u>-</u>

2.19 Direct Expenses

Freight	80,514	-
	<u>80,514</u>	<u>-</u>

2.20 Employees Benefits Expenses

Basic Salary	110,715	-
Allowances	68,940	-
Bonus	26,600	-
Arrear of Salary	12,837	-
Payment for Internship	26,726	-
	<u>245,818</u>	<u>-</u>

2.21 Finance Cost

Interest on Term Loan	80,656	-
	<u>80,656</u>	<u>-</u>

2.22 Vehicle Repair & Maintenance

Travelling & Conveyance Expenses	9,425	-
Transportation Expenses	14,145	-
	<u>23,570</u>	<u>-</u>

2.23 Legal & Filing Expenses

Legal & Filing Expenses	26,980	-
	<u>26,980</u>	<u>-</u>

2.24 Other Expenses

Insurance of Customers	6,969	-
Refreshment	1,076	-
Stationery & Photocopy	14,095	-
Office Rent	1,950	-
Training Expenses	10,032	-
Other Expenses	905	-
Miscellaneous Expenses	400	-
Depreciation	148	-
	<u>35,575</u>	<u>-</u>



2.25 Notes on Operation: The objective of "SAMUTKARSH WELFARE SERVICES' is to provide welfare services, development, help and assistance to the under privileged inhabitants, groups of rural and urban slum sectors by way of financial products, market linkages, opportunities, education, health and vocational training programs. SAMUTKARSH WELFARE SERVICES aims to attract development funding for projects undertaken by it, by seeking grant contributions from both individuals and institutions based on demonstrable results achieved. By emphasizing on results and thereby reducing the risk of opportunity cost for social returns, the result based funding model aims to attract more individual and institutional donors and funders, to create a larger and efficient market for philanthropy and development finance.

SAMUTKARSH WELFARE SERVICES has started Behavioral Training programs to rural poor. During the year, sale of low cost solar lamps were made with the object of minimising use of kerosene and thus reducing risk of poor health caused due to excessive use of kerosene.

2.26 MISCELLANEOUS:

- i) The Company has kept all the unutilized balance of fund in the form of bank balance with scheduled banks, which are in conformity with section 11(5) of the Income Tax Act, 1961.
- ii) a) 1/5th portion of Preliminary Expenses incurred by the company has been written off during the year.
b) Figures of Previous year has been rearranged / regrouped wherever needed.
c) Figure in bracket represents negative.

for Achal Srivastava & Co.

Chartered Accountants

Firm Registration No. 013385C



Achal Srivastava

Partner

Membership No. 405982

Place: Varanasi

Date : June 19, 2014

for Samutkarsh Welfare Services

Abhisheka Kumar

Abhisheka Kumar

Director

Sulabh

Sulabh Jain

Director

