



# V. NAGARAJAN & CO.,

*Chartered Accountants*

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SWAYAM KRISHI SANGAM

### Report on the financial statements

We have audited the accompanying financial statements of **SWAYAM KRISHI SANGAM** ("the society") which comprise the Balance Sheet as at March 31, 2016 and the Income and Expenditure statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the society in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

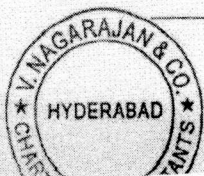
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the society's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

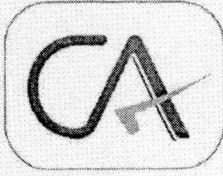
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Basis of our opinion

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. We report that:

1. Proper books of account have been kept by the Society as far as appears from our examination of the books.
2. The Balance sheet and Income and Expenditure account dealt with by this report are in agreement with the books of account.
3. The Balance sheet and Income and Expenditure statement dealt with by this report comply with the accounting standards issued by Institute of Chartered Accountants of India to the extent applicable.





# V. NAGARAJAN & CO.,

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4. No covenants of society have been violated.
5. The activities of the society are in conformity with the objects of the society.

## Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the financial statements give a true and a fair view in conformity with the accounting principles generally accepted in India:

- In the case of the Balance Sheet, of the state of the affairs of the above Society as at 31<sup>st</sup> March 2016 and;
- In the case of the Income and Expenditure statement, excess of Income over expenditure for the year ended on that date.

Place: Hyderabad

Date: 11<sup>th</sup> June, 2016

for V. Nagarajan & Co.,  
Chartered Accountants

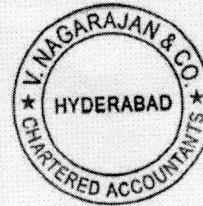
ICAI Firm Regd. No.:

04879N

A. G. Sitaraman

Partner

M. No.: 017799



**SWAYAM KRISHI SANGAM**

**BALANCE SHEET AS AT**

Rs.

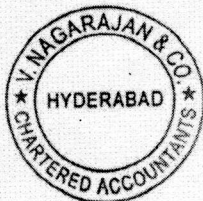
		31-Mar-16	31-Mar-15
<b>SOURCES OF FUNDS</b>			
Corpus fund		240	240
Reserves and surplus	1	1,746,450	1,626,026
<b>Total</b>		<b>1,746,690</b>	<b>1,626,266</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed assets</b>			
Gross block	2	2,542,420	2,542,420
Less: Depreciation		1,570,575	1,503,093
<b>Net block</b>		<b>971,845</b>	<b>1,039,327</b>
<b>Current assets, loans &amp; advances</b>			
Cash and bank balances	3	727,088	448,365
Loans and advances	4	246,858	208,418
		<b>973,946</b>	<b>656,783</b>
<b>Less: Current liabilities and provisions</b>			
Current liabilities	5	199,101	69,844
		<b>199,101</b>	<b>69,844</b>
<b>Net current assets</b>		<b>774,845</b>	<b>586,939</b>
<b>Total</b>		<b>1,746,690</b>	<b>1,626,266</b>
<b>Notes to accounts</b>	<b>14</b>		

The schedules referred to above and notes to accounts form an integral part of the financial statements

As per our report of even date  
for V. Nagarajan & Co.,  
Chartered Accountants  
ICAI Firm Reg. No.: 04879N

for Swayam Krishi Sangam

Place: Hyderabad  
Date: 11-06-2016



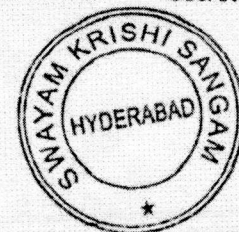
*A. G. Sitaraman*  
**A. G. Sitaraman**  
Partner  
M. No.: 017799

*J. Chandra*

President

*[Signature]*

Secretary



Audited financial statements for the year ended March 31, 2016

**SWAYAM KRISHI SANGAM**

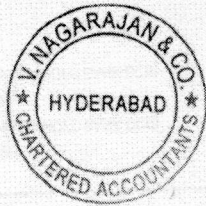
		Rs.	
<b>INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED</b>		<b>31-Mar-16</b>	<b>31-Mar-15</b>
		<i>Schedules</i>	
<b>INCOME</b>			
Income from operations	7	-	39,534
Other income	8	396,000	373,727
<b>Total</b>		<b>396,000</b>	<b>413,261</b>
<b>EXPENDITURE</b>			
Cost of materials consumed	9	-	39,534
Personnel cost	11	-	471,682
Administrative expenses	12	208,100	151,255
Stocks and receivables written off	13	-	388,513
Depreciation	2	67,477	75,177
<b>Total</b>		<b>275,577</b>	<b>1,126,161</b>
<b>Net (deficit)/surplus for the year</b>		<b>120,423</b>	<b>(712,900)</b>
Add: Surplus brought forward from previous year		1,626,026	2,338,926
<b>Balance carried to balance sheet</b>		<b>1,746,450</b>	<b>1,626,026</b>
<b>Notes to accounts</b>	<b>14</b>		

The schedules referred to above and notes to accounts form an integral part of the financial statements

As per our report of even date  
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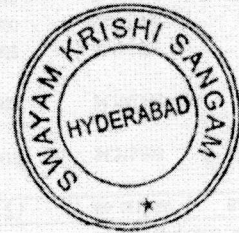
*A. G. Sitaraman*  
A. G. Sitaraman  
Partner  
M. No.: 017799

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President

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Secretary



**SWAYAM KRISHI SANGAM**

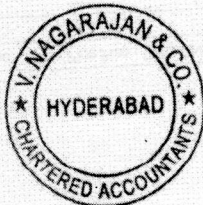
**RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2016**

PARTICULARS			Grants
	FCRA	Indian	Total
Opening balances represented by:			
Cash & bank balances	50,829	394,875	445,704
Other current assets and advances	-	211,079	211,079
Less: Current liabilities	-	69,844	69,844
<b>Total</b>	<b>50,829</b>	<b>536,110</b>	<b>586,939</b>
<b>RECEIPTS/SOURCES OF FUNDS</b>			
<i>Revenue Receipts:</i>			
Individual donations	-	-	-
Interest on term deposits with schedule banks	-	24,400	24,400
Operating Income	-	-	-
Non operating income	-	371,600	371,600
Sale of fixed assets	-	-	-
<b>Total Receipts during this year</b>	<b>-</b>	<b>396,000</b>	<b>396,000</b>
<b>TOTAL RECEIPTS (including opening balance)</b>	<b>50,829</b>	<b>932,110</b>	<b>982,939</b>
<b>PAYMENTS/APPLICATION OF FUNDS</b>			
<i>Operational expenses:</i>			
Cost of material consumed	-	-	-
Salaries, allowances and staff benefits	-	-	-
Consultancy charges	-	-	-
Administrative expenses	631	207,465	208,095
Sundry assets written-off	-	-	-
<i>Funds incurred out of FCRA</i>	-	-	-
<b>Total Payments during this year</b>	<b>631</b>	<b>207,465</b>	<b>208,095</b>
<b>CLOSING BALANCE</b>	<b>50,199</b>	<b>724,645</b>	<b>774,844.79</b>
<i>Closing balance represented by:</i>			
Cash and bank balances (including term deposits)	50,199	652,268	702,467
Add: Current assets and advances	-	271,479	271,479
Less: Current liabilities	-	199,101	199,101
<b>Total Payments including closing balances</b>	<b>50,199</b>	<b>724,646</b>	<b>774,844.57</b>

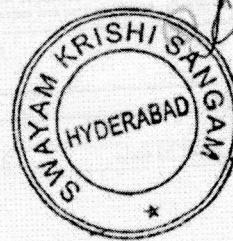
As per our report of even date  
for V. Nagarajan & Co.,  
Chartered Accountants

for Swayam Krishi Sangam

Place: Hyderabad  
Date: 11-06-2016



*A. G. Sitaraman*  
A. G. Sitaraman  
Partner  
M. No.: 017799



*Manoj*  
President

*[Signature]*  
Secretary

# SWAYAM KRISHI SANGAM

Rs.

## BALANCE SHEET AS AT MARCH 31, 2016 (In respect of Foreign Contributions)

### LIABILITIES

INFRASTRUCTURE - ASSETS (at cost) (Contra)		2,542,420
FOREIGN CONTRIBUTIONS:		
Project: Rural development programmes		
Opening balance	50,829	
Contributions received during the year	-	
	<u>50,829</u>	
Less: Expenditure on rural development programme	631	50,198
		<u>2,592,618</u>
Total		<u>2,592,618</u>

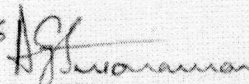
### ASSETS

INFRASTRUCTURE - ASSETS (at cost) (Contra)		2,542,420
Balance with scheduled banks	50,199	
	<u>50,199</u>	
Less: Current liabilities	-	50,199
		<u>2,592,619</u>
Total		<u>2,592,619</u>

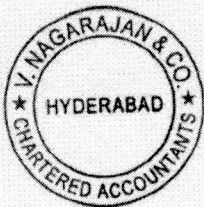
for V. Nagarajan & Co.,  
Chartered Accountants  
ICAI Firm Reg. No.: 04879N

Place: Hyderabad

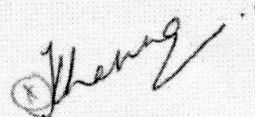
Date: 11-06-2016



A. G. Sitaraman  
Partner  
M. No.: 017799



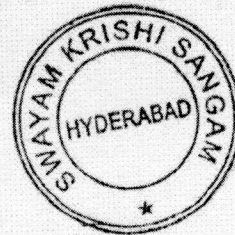
for Swayam Krishi Sangam



President



Secretary



**SWAYAM KRISHI SANGAM**

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016 (In respect of Foreign Contributions)	
	Amount (Rs.)
(A) OPENING - FOREIGN FUNDS	50,829
(B) RECEIPTS:	
Interest on term deposits with scheduled banks	-
Donations	-
<b>Total Receipts during the year</b>	-
(C) PAYMENTS:	
Programme expenses	-
Administrative expenses	631
Paid for other administrative exp	-
<b>Total Payments during the year</b>	631
<b>CLOSING BALANCES (D) = (A+B-C)</b>	<b>50,198</b>
<i>Represented by the following:</i>	
Balance with scheduled banks	50,199
<b>Total</b>	<b>50,199</b>

for V. Nagarajan & Co.,  
Chartered Accountants  
ICAI Firm Reg. No.: 04879N

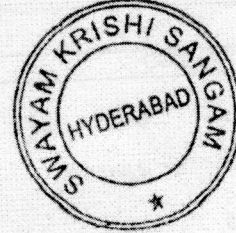
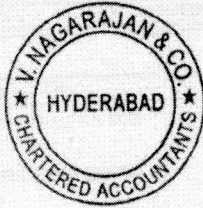
For Swayam Krishi Sangam

Place: Hyderabad  
Date: 11-06-2016

*A. G. Sitaraman*  
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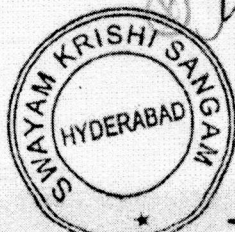
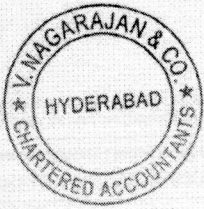
*[Signature]*  
President

*[Signature]*  
Secretary



**SWAYAM KRISHI SANGAM**

SCHEDULES TO BALANCE SHEET AS AT	Rs.	
	31-Mar-16	31-Mar-15
<b>Schedule 1: Reserves and surplus</b>		
Balance in Income and expenditure account	1,746,450	1,626,026
<b>Total</b>	<b>1,746,450</b>	<b>1,626,026</b>
<b>Schedule 3 : Cash and bank balances</b>		
Cash in hand	1,923	7,643
<i>Balance with scheduled banks</i>		
- In current and savings bank accounts	400,544	138,061
- In Term deposit accounts	300,000	300,000
<b>Add: Interest accrued [net of TDS]</b>	<b>24,621</b>	<b>2,661</b>
<b>Total</b>	<b>727,088</b>	<b>448,365</b>
<b>Schedule 4: Loans and advances</b>		
TDS recoverable	246,858	208,418
<b>Total</b>	<b>246,858</b>	<b>208,418</b>
<b>Schedule 5: Current liabilities</b>		
Statutory dues	101	4,244
creditors for expenses	24,000	24,000
Audit fee Payable	-	41,600
<b>Total</b>	<b>24,101</b>	<b>69,844</b>



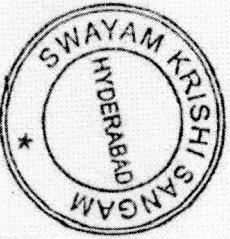
Audited financial statements for the year ended March 31, 2016



Schedule 2: Fixed assets

Particulars	Gross block				Depreciation				Net block		Rate of Depreciation
	As at April 1, 2015	Additions during the year	Deletions during the year	As at March 31, 2016	As at April 1, 2015	For the year	On deletions	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015	
Land	374,936	-	-	374,936	-	-	-	-	374,936	374,936	0%
Buildings	2,050,694	-	-	2,050,694	1,407,046	64,365	-	1,471,411	579,283	715,165	10%
Air Conditioners	43,800	-	-	43,800	42,208	239	-	42,447	1,353	1,873	15%
Borewell	32,490	-	-	32,490	31,309	177	-	31,486	1,004	1,389	15%
Telephone Tele/Fax Machine	40,500	-	-	40,500	22,530	2,696	-	25,231	15,269	21,141	15%
<b>Total</b>	<b>2,542,420</b>	<b>-</b>	<b>-</b>	<b>2,542,420</b>	<b>1,503,093</b>	<b>67,477</b>	<b>-</b>	<b>1,570,575</b>	<b>971,845</b>	<b>1,114,504</b>	
Previous year	8,550,131	-	6,007,711	2,542,420	6,323,350	234,899	5,130,332	1,427,917	1,114,503	2,226,781	

Rs.



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**SWAYAM KRISHI SANGAM**

**SCHEDULES TO INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED**

**Schedule 7: Income from operations**

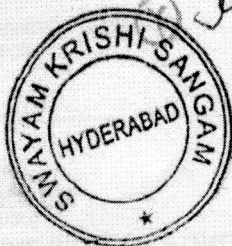
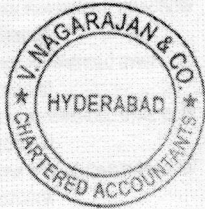
	31-Mar-16	31-Mar-15
Sales - Solar items	-	21,384
Sales - Drip items	-	18,150
<b>Total</b>	<b>-</b>	<b>39,534</b>

**Schedule 8: Other income**

	31-Mar-16	31-Mar-15
Interest on fixed deposits	24,400	2,661
Rental income	360,000	360,000
Other Income	11,600	5,185
Interest on Income tax refund	-	5,881
<b>Total</b>	<b>396,000</b>	<b>373,727</b>

**Schedule 9: Cost of materials consumed**

Opening stock		
-Drip items	-	114,600
-Solar items	-	44,894
-Bio Items	-	128,874
-Drip items	-	2,650
-Drip items	-	96,450
-Solar items	-	26,160
-Bio Items	-	128,874
<b>Total</b>	<b>-</b>	<b>39,534</b>

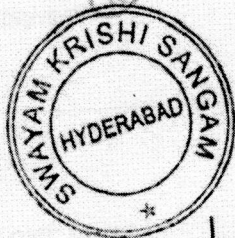
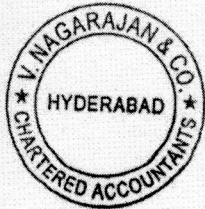


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SWAYAM KRISHI SANGAM

SCHEDULES TO INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED

	31-Mar-16	31-Mar-15
<i>Rs.</i>		
<b>Schedule 11: Personnel cost</b>		
Salaries and other allowances	-	470,925
Staff welfare expenses	-	757
<b>Total</b>	-	<b>471,682</b>
<b>Schedule 12: Administrative Expenses</b>		
Office maintenance	28,604	7,012
Consultancy charges	-	1,000
Travelling Expenses	-	3,400
Auditors' remuneration and out of pocket expenses	-	45,600
Bank Charges	988	2,466
Website domain maintenance expenses	-	25,700
Communication expenses	-	2,528
Printing and Stationary	-	76
Postage and telegram	174	321
Board Meeting expenses	-	58,795
Miscellaneous expenses	3,334	4,357
<b>Total</b>	<b>33,100</b>	<b>151,255</b>
<b>Schedule 13: Stocks and receivables written off</b>		
Trade Receivables	-	137,029
Stock	-	251,484
<b>Total</b>	-	<b>388,513</b>



# SWAYAM KRISHI SANGAM

SCHEDULE 13: NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

## 1. Significant accounting policies:

### 1.1. Basis of preparation of financial Statements:

The financial statements are prepared on accrual basis under historical cost convention except grants, which are accounted for on cash basis and are in consonance with applicable accounting standards of the Institute of Chartered Accountants of India.

### 1.2. Use of estimates:

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amount reported in the financial statements and notes thereto. Differences between actual and estimates are recognized in the period they materialize.

### 1.3. Revenue recognition:

1.3.1. Sales are recognized at the point of dispatch of goods. Sales are net of returns, discounts and allowances.

1.3.2. Interest income on deposits with banks is recognized on time proportion accrual basis taking into the account, the amount outstanding and rate applicable.

### 1.4. Fixed assets:

1.4.1. All fixed assets have been shown at cost less accumulated depreciation. The cost comprises of purchase price and all incidental costs related to acquisition and installation.

1.4.2. Depreciation has been provided on assets based on written down value method at the rates appropriate for the useful life of the assets.

1.4.3. In respect of additions, the depreciation is provided on a half yearly basis, during which half year in which assets are put to use.

1.4.4. In case of sale of Fixed Assets, no depreciation has been charged in accounts during the year for period of usage.

1.4.5. Each fixed asset, which has a value less than Rs. 5,001/- is written off completely during this year. For physical control purpose, these assets are still carried over in fixed asset schedule with a nominal value of Rs. 1/- per asset.

1.4.6. In respect of assets acquired out of the Capital Grant, depreciation calculated as above, is charged off to the Grant so capitalized.

1.4.7. The fixed assets, which have been received as donation in kind, are incorporated in fixed asset register & schedule and correspondingly depreciation has been charged from accounts like other fixed assets.

### 1.5. Employee benefits:

1.5.1. Contribution to Provident Fund is accounted on actual liability basis and paid.

1.5.2. Leave encashment to employees also stands fully provided for.

### 1.6. Foreign currency transactions:

1.6.1. All transactions in the foreign currency are recognized at the exchange rate prevailing on the date of transactions.

1.6.2. Liabilities and receivables in foreign currency are converted at the exchange rate as on date of transaction and gain or losses are recognized on the date of settlement of liabilities.

## 2. Notes to accounts:

### 2.1. Note on activities:

SWAYAM KRISHI SANGAM (the 'Society' or 'SKS') undertakes the following activity:

#### 2.1.1 Micro Irrigation Systems and services for small and marginal farmers in drought areas:

During the year under report, SKS has could sell part of its Micro Irrigation Systems and is in the process of disposing off the existing stocks.



# SWAYAM KRISHI SANGAM

SCHEDULE 13: NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

## 2.2. Income tax:

The Society is registered under Andhra Pradesh Society Registration Act, 2001 as a non-profit society and having registration under section 12 A (a) of the Income Tax Act, 1961. The Society has complied with the necessary provision and conditions of the section 2(15) of the Income Tax Act 1961 relating to the charitable organization. Hence no provision for Income Tax is considered necessary.

2.3. The Society falls under level II enterprise as classified by the Institute of Chartered Accountants of India. Accordingly, the Society has complied with the accounting standards to the extent applicable to level II entity.

## 2.4. Supplementary information:

### 2.4.1. Auditors' remuneration:

Particulars	Rs.	
	31-Mar-2016	31-Mar-2015
Audit fee (Inclusive of service tax)	46,000	44,944
<b>Total</b>	<b>46,000</b>	<b>44,944</b>

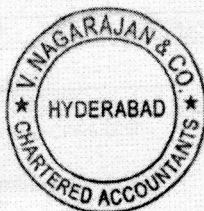
2.4.2. Previous year figures have been regrouped and rearranged wherever necessary to conform to current year's classification.

As per our report of even date  
for V. Nagarajan & Co.,  
Chartered Accountants  
ICAI Firm Reg. No.: 04879N

for Swayam Krishi Sangam

Place: Hyderabad

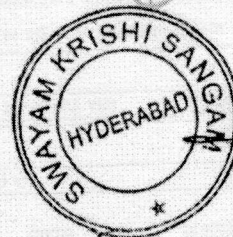
Date: 11-06-2016



*A. G. Sitaraman*

A. G. Sitaraman  
Partner

M. No.: 017799



*Jhanshi*

President

*[Signature]*  
Secretary