



**ROMESH KUMAR & CO.**  
CHARTERED ACCOUNTANTS

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**AUDIT REPORT**

We have audited the attached Balance Sheet of **GRAM-UTTHAN, AT/PO: PIMPURI, VIA: RAJKANIKA, DIST.: KENDRAPARA, ODISHA** as at 31<sup>st</sup> March, 2024, the Income & Expenditure Account and the Receipt and Payment account of the Society for the year ended on that date annexed thereto. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the 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 as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We further report that, we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit. In our opinion, proper books of accounts have been kept by the Society so far as it appears from our examination of the said books and the financial statements are in agreement with the books of accounts maintained by the said Society. Proper returns adequate for the purpose of audit have been received from the Branch offices and those have been incorporated at the Head Office.

Subject to Notes on Account in Schedule 19, in our opinion and to the best of our information and according to the explanations give to us, the said accounts give a true and fair view:

1. In the case of the Balance Sheet, of the state of affairs of the above named Society as at March 31, 2024 and
2. In the case of the Income & Expenditure Account, of the excess of expenditure over income for its accounting year ended on March 31, 2024.
3. In the case of the Receipt and Payment Account, of the receipts and payments for its accounting year ended on March 31, 2024.

**For Romesh Kumar & co.**  
Chartered Accountants

**Place: Bhubaneswar**  
**Date: 07<sup>th</sup> October 2024**  
**UDIN - 4057213BKEQPL8977**



*At ally...*  
**Bharatendra Tripathy**  
(Partner)



**NOTES ON ACCOUNTS**

**ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

**A. ACCOUNTING POLICIES:**

1. The accounts are maintained on mercantile basis.
2. The Fixed Assets have been accounted for at historical cost i.e. cost of acquisition and direct expenses made for its creation and none of the fixed assets has been revalued during the year.
3. The Corpus fund constitutes the initial seed money transferred from the General Account. Surplus or deficit is added to or deducted there from every year. Contributions received in kind are valued on estimated basis and accounted for accordingly by corresponding debit to the assets.
4. Depreciation on Fixed Assets is provided for on WDV basis at the rates specified by the Income Tax Act, 1961. Cash proceeds/realization up to the end of the year against the sale of assets is credited to the respective block of assets and no profit/loss is worked out thereon. Full year's depreciation is charged in case of assets purchased during the year.
5. Expenditure of revenue nature on specific projects out of grants received is charged to appropriate revenue heads and credit is taken to the extent of such expenditure to the Income and Expenditure Account. In case of expenditure of Capital nature made out of grants, the respective fixed assets are debited and the credit to the same extent is taken to the Capital Reserve Account. The amount of grants pending utilization against such projects is treated as liability.

**B. NOTES ON ACCOUNTS**

1. Financial returns from various Branch Offices are received and compiled at Head Office.
2. The Society is setting aside 1% of the amount advanced every year in pursuance of its Development finance objects in reserve for any resultant bad debts.
3. The Society has taken loans from SAMUNNATI FINANCIAL INTERMIDITION AND SERVICES, MILLAP (KASI BISWANATH), HABITAT FOR HUMANITY, for onward lending to SHGs towards development finance of the vulnerable section of society. Accordingly, the Borrowings are reflected under loan with disclosure as to its security or otherwise. The advances made to SHGs are classified under "Loans to Member".
4. The Society is acting in a contractual capacity as a Business Correspondent (BC) for Swarna Pragati Housing Loan (SPHL) at the request of the Organisation/Company on a principal to principal basis. This inter alia entails identification of its customer beneficiary base for providing microfinance to them on behalf of the Organisation/Company, collect interest, charges and principal from them and remits the same to SPHL. This is in furtherance of Gram Utthan's objective of facilitating credit to the poorest of poor at their doorstep.

