



**INDEPENDENT AUDITORS' REPORT**  
**THE MEMBERS OF TASAR DEVELOPMENT FOUNDATION**  
**(A Company registered under section 25 of the Indian Companies Act, 1956)**  
**Report on the Financial Statements**

We have audited the accompanying financial statements of **Tasar Development Foundation** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Income and Expenditure for the period 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, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). 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*

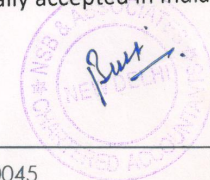
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform 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 judgment, 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 Company'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.

*Opinion*

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



- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Income and Expenditure Account, of the Excess of Expenditure over Income for the period ended on that date; and

*Report on Other Legal and Regulatory Requirements*

- 1) As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, not applicable on Section 25 Company.
- 2) As required by section 227(3) of the Act, 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 purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet and Income and Expenditure Account dealt with by this Report are in agreement with the books of accounts;
  - d) in our opinion, the Balance Sheet and Income and Expenditure Account comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

for **N S B & Associates**  
Chartered Accountants  
F.R.No.023043N

Place: New Delhi  
Dated: August 21, 2014



  
**Nandan S. Bisht**  
Partner  
M. No. 099805

## TASAR DEVELOPMENT FOUNDATION

DEAR MEMBERS,

Yours directors are pleased to present the First Annual Report and the audited financial statements for the period ended March 31, 2014.

### 1. FINANCIAL HIGHLIGHTS

(Amount in lakhs)

Particulars	Period Ended on March 31, 2014
Gross Revenue	0.49
Total Expenditures	0.82
Excess of expenditure over income for the period	(0.33)
Tax Paid/Payable	NIL
Net Surplus/(Deficit)	(0.33)
Depreciation	NIL

The Company is registered under Section 25 of the Companies Act, 1956. During the year of the business the company has incurred a loss of Rs 0.33 Lakhs. There is a no tax liability for the year on the company.

### 2. DIVIDEND:

The Company is registered under Section 25 of the Companies Act, 1956 and therefore declaration of dividend is not applicable for the company.

### 3. ORGANIZATION'S EXCELLENCE AND IMPROVEMENT INITIATIVES:

Tasar Development Foundation has been formed for providing fostering linkages between village level formal/Informal institutions and mainstream resource institutions for growth and development of Tasar silk production activities by marginalized people in remote and rural areas.

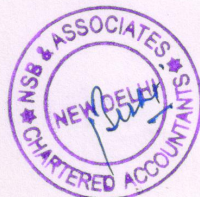
Developing appropriate organizational structures built around collectives of rural producers of Tasar silk, fostering individual entrepreneurship, or a combination of the two. Providing hand-holding support to Tasar Silk farmers organization through business support and training.

### 4. CORPORATE GOVERNANCE:

#### a. Company's philosophy on Code of Governance

Company's philosophy on Code of Governance is to ensure fairness, transparency, accountability, credibility and responsibility to all stakeholders.

The Company is committed to good corporate governance i.e. to achieve business excellence and add members value following desired disclosure practices and sound decision-making achieved through harmonious interactions amongst the Board of Directors, and Senior Management. Transparency is the key guiding principal for all decisions, transactions and policy matters.



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**b. Board of Directors:**

The company was incorporated on 5<sup>th</sup> day of November 2013 in India and there were following directors of the company after incorporation.

S. No.	Name of Directors	Designation
1	ANISH KUMAR SRIVASTAVA	Director
2	SATYABRATA ACHARYYA	Director
3	KHITISH KUMAR PANDYA	Director

**c. Director's responsibility statement**

In accordance with the provision of section 217(2aa) of the Companies Act, 1956 the Directors to the best of their knowledge and on believe and according to the information and explanation obtained by them, state that:

- i) In the preparation of the Annual Accounts, applicable Accounting Standards have been followed and there are no material departures;
- ii) The accounting policies have been consistently applied and reasonable, prudent judgment and estimates are made so as to give a true and fair view of the state of affairs of your company as at 31st March 2014.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your company and for preventing and detecting frauds and other irregularities.
- iv) The annual accounts of your company have been prepared on a going concern basis.

Your Company re-affirms its commitment to continue to fulfill the existing standard of corporate governance as guided by the National Foundation for Corporate Governance (NFCG).

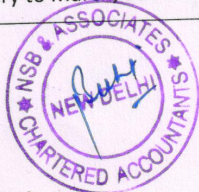
**d. Board and Shareholders meeting**

**i) Board of Directors Meetings was held during the Financial Year 2013-2014:**

During 2013-2014 financial periods the directors of the company met at least once in every calendar quarter to transact and pass necessary resolutions as recorded in the Minutes book of the company.

Details of Board Meeting convened:

S.No.	Quarter	Meeting Date
1.	5 <sup>th</sup> November to December, 2013	3 <sup>rd</sup> December 2013
2.	January to March, 2014	8 <sup>th</sup> February 2014



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**ii) Annual General Meeting of Members:**

The company has decided to convene its 1<sup>st</sup> Annual General Meeting (AGM) at its Registered Office in New Delhi on 25<sup>th</sup> September 2044 and resolutions will unanimously be passed regarding following issues:

- Adoption of Audited Accounts for the F.Y. 2013-2014.
- Re-appointment of Statutory Auditors to hold its office till conclusion of next AGM.

**5. DEPOSITS:**

The Company had neither invited nor accepted any public deposits, during the year, under Section 58A of the Companies Act, 1956 and, as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

**6. AUDITORS & AUDITORS' REPORT:**

The Auditors M/s. N S B & Associates, Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The retiring auditors have given their consent for re-appointment. The Company has received a certificate under section 224(1) of the Companies Act, 1956 from the Auditors that their appointment, if made, will be in accordance with the limits as specified in section 224(1) of the Companies Act, 1956.

The Notes on Accounts referred to in the Auditors Report, read with the relevant notes to accounts, are self-explanatory and, therefore, do not call for any further comments.

**7. EMPLOYEES:**

During the financial year the company has 7 Employees on its payroll as on 31<sup>st</sup> March 2014. There are no employees drawing remuneration beyond prescribed amount requiring disclosure under section 217(2A) of the Companies Act, 1956.

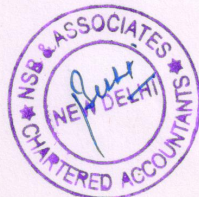
**8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The company does not fall under any of the industries covered by the companies (Disclosure of particulars in the report of the board of Directors) Rules, 1988. Hence, the requirements of disclosure in relation to the conservation of energy, technology absorption & foreign Exchange earnings and Outgo are not applicable to it.

**9. ENVIRONMENT AND SOCIAL CONCERN:**

Your Company continues its efforts for the betterment of the environment and conservation of scarce natural resources.

**10. GREEN INITIATIVES IN CORPORATE GOVERNANCE:**



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A handwritten signature in blue ink, appearing to be "S. S. S.".

Your company has been following directives issued by Ministry of Corporate Affairs on green Initiatives and communicating with shareholders and directors by way of sending electronic copies of documents like various reports, notices etc, to their e-mail IDs. Physical copies in successfully functioning of your company.

**11. AUDIT COMMITTEE:**

The paid up Share Capital of the Company is less than Rupees Five Crore and hence the Company is not required to constitute an Audit Committee under provisions of Section 292A of the Companies Act, 1956

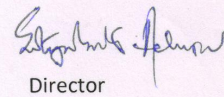
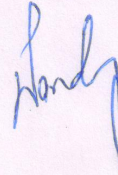
**12. ACKNOWLEDGEMENTS:**

Your Directors would like to record its appreciation for the cooperation and support received from its Shareholders, employees, Government Agencies, Central Government & State Government, Clients, Consultants, Bankers and all who have directly or indirectly contributed in successfully functioning of your Company.

For and on behalf of the Board

Date: August 21, 2014  
Place: New Delhi

For Tasar Development Foundation

  
Director

# TASAR DEVELOPMENT FOUNDATION

Balance Sheet	Notes	As at March 31, 2014
<b>EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' Funds</b>		
(a) Share Capital	1	-
(b) Reserves and Surplus	2	(33,004)
<b>2 Current Liabilities</b>		
(a) Other Current Liabilities	3	48,454
<b>TOTAL</b>		<b>15,450</b>
<b>ASSETS</b>		
<b>1 Current Assets</b>		
(a) Cash and Cash Equivalents	4	2,250
(b) Other Current Assets	5	13,200
<b>TOTAL</b>		<b>15,450</b>

The notes referred to above are an integral part of the Financial Statement

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As per our Report of even date  
for **NSB & ASSOCIATES.,**  
Chartered Accountants  
Firm No. 023043N

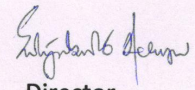
for and behalf of the Board

Place: New Delhi

Date: August 21, 2014

  
**Nandan S. Bisht**  
Partner  
M.No. 099805

  
Director

  
Director



# TASAR DEVELOPMENT FOUNDATION

(Currency: Indian Rupees )

Income and Expenditure Account for Period Ended	Notes	As at March 31, 2014
<b>Income</b>		
Grant and Donation		48,500
		48,500
<b>Revenue From Operations - Total (I)</b>		
<b>Expenses</b>		
Employee Benefits Expense	6	12,000
Other Expenses	7	69,504
		81,504
<b>Total (II)</b>		<b>81,504</b>
<b>Excess of expenditure over income for the period</b>		<b>33,004</b>
<b>Net Surplus/(Deficit) transferred to Balance Sheet</b>		<b>(33,004)</b>

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Summary of Significant Accounting Policies

The accompanying notes are an integral part of the financial statements.

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As per our Report of even date  
for **NSB & ASSOCIATES.,**  
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Firm No. 023043N

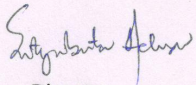
Place: New Delhi

Date: August 21, 2014

  
**Nandan S. Bisht**  
Partner  
M.No. 099805

for and behalf of the Board

  
Director

  
Director





**TASAR DEVELOPMENT FOUNDATION**

Notes to Financial Statements for the period ended

**1- Share Capital**

(Currency: Indian Rupees )

Particulars	As at March 31, 2014
Authorised Shares	-
Issued, Subscribed and Fully Paid-up Shares	-

**a. Details of Shares Held by the Holding Company, Ultimate Holding Company, their Subsidiaries and**

Particulars	Equity Shares with Voting Rights	Other Securities
	Number of Shares	
	As at 31 March, 2014	
	NIL	

**b. Details of Shares Held by Each Shareholder Holding More than 5% Shares**

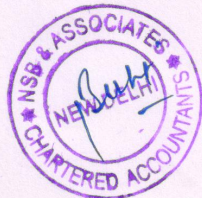
Name of Shareholder	As at March 31, 2014

**c. Reconciliation of the Shares Outstanding**

Particulars	Equity Shares	
	Number	Rs.
Shares Outstanding at the Beginning of the year	-	-
Shares Issued during the Year	-	-
Shares Bought Back During the Year	-	-
Shares Outstanding at the End of the Year	-	-

**2- Reserves and surplus**

Particulars	As at March 31, 2014
<b>Surplus</b>	
Opening Balance	-
(+) Net Profit/(Net Loss) for the Current Year	(33,004)
	-
Closing Balance	<u>(33,004)</u>



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Financial Statement for the period ended March 31, 2014

**TASAR DEVELOPMENT FOUNDATION**  
 Notes to financial statements for the period ended  
**3 - Other Current Liabilities**

(Currency: Indian Rupees `)

Particulars	As at March 31, 2014
Other Current Liabilities	48,454
<b>Total</b>	<b>48,454</b>

**4 - Cash and Cash Equivalent**

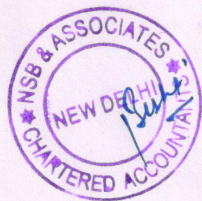
(Currency: Indian Rupees `)

Particulars	As at March 31, 2014
Balances with Axis	-
Cash in Hand	2,250
<b>Total</b>	<b>2,250</b>

**5 - Other Current Assets**

(Currency: Indian Rupees `)

Particulars	As at March 31, 2014
Preliminary Expenses	13,200
<b>Total</b>	<b>13,200</b>



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## TASAR DEVELOPMENT FOUNDATION

### 6 - Employee benefit expenses

(Currency: Indian Rupees )

Particulars	As at March 31, 2014
<u>Salaries and incentives</u>	
Staff Salary	12,000
<b>TOTAL</b>	<b>12,000</b>

### 7 - Other Expenses

(Currency: Indian Rupees)

Particulars	As at March 31, 2014
Audit Fee	16,854
Research and Experimentation Expenses	16,750
Training and Capacity Building	7,250
Office expenses	2,400
Field Visit Expenses	5,350
Workshop Expenses	7,500
Telephone and Communication	1,850
Printing and Stationary	450
Travelling & Conveyance Charges	7,800
Preliminary Expenses written off	3,300
<b>TOTAL</b>	<b>69,504</b>



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## TASAR DEVELOPMENT FOUNDATION

### NOTE NO 8: NOTES TO ACCOUNTS FOR THE PERIOD ENDED ON MARCH 31, 2014

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2014

(All amounts are in Indian Rupees)

#### 1. Background

Tasar Development Foundation has been set up as a section 25 company in India with the vision to fostering linkages between village level formal/Informal institutions and mainstream resource institutions for growth and development of Tasar silk production activities by marginalized people in remote and rural areas. Developing appropriate organizational structures built around collectives of rural producers of Tasar silk, fostering individual entrepreneurship, or a combination of the two. Providing hand-holding support to Tasar Silk farmers organization through business support and training.

#### 2. Significant Accounting Policies:

##### a. Basis of preparation of financial statements:

The financial statements have been prepared under historical cost conventions and on accrual system unless stated otherwise elsewhere, assuming the principle of going concern and applying all the accounting standards notified under Companies Act, 1956 and also complying with mandatory accounting standards issued by Institute of Chartered Accountants of India. Various accounting standards and accounting policies are consistently followed by the company unless stated otherwise.

##### b. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

##### c. Fixed Assets:

There are no fixed assets purchased by the company during the period.

##### e. Taxation :

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the Income-tax Act, 1961), and deferred tax charge. The current charge for income tax is based on estimated tax liability as computed



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after taking credit for allowances and exemptions in accordance with the Income-tax Act, 1961 applicable for the period. In accordance with the Accounting Standard-22, Accounting for Taxes on Income, the company has provided for deferred tax liability for all temporary differences that arise in one accounting year and are capable of reversal in subsequent accounting year. As a prudent policy, any deferred tax asset is not recognized.

**4. Notes to Accounts**

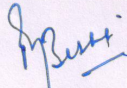
- a. Contingent Liability during the year Nil.
- b. Deferred Tax Assets or Liability arising during the year Nil
- c. Directors Remuneration for the year Rs. Nil/-
- d. Auditors Remuneration for the year Rs. 15,000/-
- e. Depreciation for the year N.A.
- g. The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on information received and available with the Company, there are no amounts payable to Micro and Small Enterprises as at 31<sup>st</sup> March 2014.

As per our report of even date

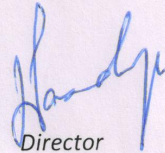
For **NSB & Associates**  
Chartered Accountants

for and on behalf of Board of Directors

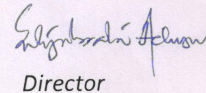
Place: New Delhi,  
Date: August 21, 2014



**Nandan S. Bisht**  
Partner  
M. No. 099805  
Firm No. 0203043



Director



Director

