



RAO & EMMAR
CHARTERED ACCOUNTANTS

Statutory Audit Report

For the period- 01st April 2019 to 31st March 2020

Name of District-Ratnagiri

Name of Block-Ratnagiri

Name of Unit-Unnati Mahila Prabhag Sangh

Name of CLF- Unnati Mahila Prabhag Sangh (Hatkhamba)

Conducted By:

Rao & Emmar

Chartered Accountants

Office Address : 304, Savita Sadan CHS, Plot No. 7, Gut No. 16+17, Palidevad, Sukapur, New Panvel, Navi Mumbai-410206
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Office at- Pune,Kolhapur, New Delhi, Goa , Surat, Raipur, Durg, , Shimoga, Guwahati, Indore& Bengaluru



INDEPENDENT AUDITOR'S REPORT

To
The Members,
UNNATI MAHILA PRABHAG SANGH,
CLUSTER LEVEL FEDRATION (CLF),
HATKHAMBA, DIST- RATNAGIRI.

Report on the Annual Financial Statements

1. We have audited the accompanying financial statements of the **CLF UNNATI MAHILA PRABHAGSANGH, HATKHAMBA, DIST- RATNAGIRI UNDER NRLM Implemented by Maharashtra State Rural Livelihoods Missions (MSRLM), for the Government of Maharashtra**, which comprise the Balance Sheet as at March 31st 2020, Income and Expenditure Account and Receipts and Payments Account for the year ended 31st March 2020 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation and fair presentation of these financial statements. This responsibility also includes maintenance of adequate accounting records in according to the provision of the Act for the safeguarding of the Asset of the Cluster Level Federation and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting Policies, making judgments and estimates that are reasonable and prudent, and design and implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation of the financial statements that give true and fair view and free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with the standards on Auditing issued by the



Institute of Chartered Accountant 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.

4. 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 Cluster Level Federation 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 accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. 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 except observation stated in the Annexure to the report.
7. In our opinion and to the best of our information and according to the explanations given to us, subject to the comments given in the Annexure to audit report the Financial statement, give true and fair view in conformity with the accounting principles generally accepted in India.
8. In the case of balance sheet of the state of affairs of the **CLF UNNATI MAHILA PRABHAGSANGH, HATKHAMBA, DIST-RATNAGIRI UNDER NRLM Implemented by Maharashtra State Rural Livelihoods Missions (MSRLM)**, as on March 31st 2020.
9. In the case of Income & Expenditure Account of the excess of Expenditure over Income for the year ended on that date, and In the case of Receipts and Payments Account, for the year ended on that date.



Report on Other Legal and Regulatory Requirements

- a) The Balance Sheet, Income and Expenditure Account have been drawn up in the prescribed format.
- b) Subject to the limitations of the audit indicated in the paragraphs 1 to 5 above and as required by the accounting principles generally accepted in India and subject also to the limitations of disclosure required therein, we report that:
- c) The transactions of the Cluster Level Federation, which have come to our notice, have been within the powers.
- d) In our opinion, the Balance Sheet, Income and Expenditure Account and Receipt and payment Account comply with the applicable accounting standards.
- e) The Project funds were utilized for the purpose for which they were provided.
- f) The internal controls, internal checks implemented by the Cluster Level Federation needs to be improved considering the size of organization and volume of transactions.

For Rao & Emmar
Chartered Accountants
FRN 003084S

A. Chandel



Amar Singh Chandel
Partner
M No. 131257
Place: Mumbai
Date: 29-12-2021
UDIN: 22131257ACZAKT3448



AUDIT OBSERVATION

1. Contra entry not recorded properly :

- Contra entry for Cash deposit to bank and Cash withdrawal from bank has not been recorded properly in cash book.

2. Recovery:

- We have observed CIF Fund was directly disbursed by DMMU to VO's in the previous financial years.
- But after the formation of CLF, CIF funds are disbursed to VO's by CLF only
- Repayment of the loan as disbursed by DMMU is also deposited with CLF.
- The amount received by the CLF from VO's against the loan disbursed by DMMU is kept with CLF and is used for further Lending to VO's.

3. Accounting Policy:

- We have taken loan figures from Cash Book which are subject to confirmation and reconciliation
- Regrouping is done wherever necessary

For Rao & Emmar
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A. Chandel



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Partner
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Place: Mumbai
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Unnati Mahila Prabhagsangh Hatkhamba

Block - Ratnagiri , District- Ratnagiri

Balance sheet as on 31.03.2020

FUNDS AND LIABILITIES	31st March 2020	31st March 2019	PROPERTY AND ASSETS	31st March 2020	31st March 2019
Share capital			Saving paid	-	
Opening Balance (As per Last Balance sheet)	12,000	13,000	Capital paid	-	
Add: Received During the Year	1,000	-			
Less : Capital Repaid During the year	-	1,000			
Closing Balance	13,000	12,000			
Reserve Surplus			Fund Released to VO by CLFs		
Opening balance	1,98,364	3,524	Opening Balance	35,62,000	43,35,000
Add: Excess of Income over expenditure	2,02,903	1,94,840	Add: Fund released during the year by CLF to VO's	22,80,000	-
Less: Excess of Expenditure over income	-	-	Less: Recovered from VO's	18,34,167	7,73,000
Closing Balance	4,01,267	1,98,364	Closing Balance	40,07,833	35,62,000
CIF Fund Reserve (Fund received to CLFs from DMMU)			Other Funds /Grants given to VOs for Specific Purpose by CLFs (PG Loan ,VRF, internal loan)		
Opening Balance	43,35,000	43,35,000	Opening balance	-	-
Add: fund received during the year from DMMU	-	-	Add : Fund given during the year	-	-
Less: Fund repaid to DMMU by CLF	-	-	Less : Fund recovered during the year	-	-
Closing Balance	43,35,000	43,35,000	Closing Balance	-	-
Start Up Cost			Closing Balance		
Opening Balance	2,00,000	-	Cash in Hand	1,01,107	-
Add: Received during the Year	-	2,00,000	Bank Balance	8,40,327	11,83,364
Less: Fund utilized during the Year	-	-		9,41,434	11,83,364
Closing Balance	2,00,000	2,00,000			
TOTAL	49,49,267	47,45,364	TOTAL	49,49,267	47,45,364

For Rao & Emar
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Amar Singh Chandel
Partner
M No. 131257
Place: Mumbai
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For
Unnati Mahila Prabhagsangh Hatkhamba
Block - Ratnagiri , District- Ratnagiri

Authorized Signatory

Unnati Mahila Prabhagsangh Hatkhamba

Block - Ratnagiri , District- Ratnagiri

Income & Expenditure Account for the year ending 31.03.2020

Expenditure			Income	Amount (Rs)	
	31st March 2020	31st March 2019		31st March 2020	31st March 2019
Interest on CIF repaid	-	-	Interest received on CIF given	1,88,742	2,15,990
Bank Charges	5,531	1,876	Interest received on VRF given	-	-
Printing and Stationery	9,048	1,724	Interest received on Internal loan given	14,462	-
Salary - Accountant	15,300	3,600	Membership Fees from VO	1,100	-
Other Expenses	57,526	3,062	Bank Interest	13,676	-
Traveling / conveyance	8,351	1,740	Other Receipts	34,750	750
Office Expenses	-	5,610	Penalty recovered from Vos	-	-
Nutry Garden Expenses	-	-	Business Income of PG	-	-
Meeting Expense	8,576	3,938	Business Income of CLF	1,00,000	-
Electricity Expenses	-	-	Fund received from VO for furniture purchase	-	60,000
Penalty paid to DMMU	-	-			
Membership fees	-	100			
CLF Manager Salary	30,000	-			
PG Expenses	-	-			
Other Business Expenses	7,245	-			
Office Rent	8,250	5,250			
Fund repaid to VO which was received for Furniture purchase	-	55,000			
Excess of Income over expenditure	2,02,903	1,94,840			
Total	3,52,730	2,76,740	Total	3,52,730	2,76,740

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