



**D.L. DUGGAL & Co.**  
CHARTERED ACCOUNTANTS

204, Express Arcade, H - 10  
Netaji Subhash Place,  
Pitam Pura, Delhi - 110034  
Ph.: 42470936, 9811109325,  
9873300370

### AUDITOR'S REPORT

To,

The Members of RESPONENET DEVELOPMENT SERVICES.

We have audited the attached Balance Sheet of M/s Responenet Development Services as at 31<sup>st</sup> March, 2011 and also the Income & Expenditure Account of the Company for the year ended on that dated 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 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 as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. The company is registered under section 25 of the Companies Act, 1956 and the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in lieu of sub-section 4(A) of Section 227 of the Companies Act, 1956, is not applicable to this company.
2. Further 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 accounts as required by law, have been kept by the Company, so far as appears from our examination of the books.
  - c) The Balance Sheet and the Income & Expenditure Account dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet and Income & Expenditure Account dealt with by this report comply with the Accounting Standards referred to in Sub-section 3 (c) of section 211 of the Companies Act, 1956.
  - e) On the basis of the written representation received from the Directors as on 31<sup>st</sup> March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2011 from being appointed as a director in terms of Section 274 sub-section (1) clause (g) of the Companies Act, 1956.



f) In our opinion and to the best of our information and according to the explanation given to us the accounts gives the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :-

- (i) In the case of Balance Sheet of the state of affairs of the Company as at 31<sup>st</sup> March, 2011 and
- (ii) In the case of Profit & Loss Account of the Profit of the Company for the year ended on that date.

PLACE : NEW DELHI.

DATED :02.09.2011



For D.L. DUGGAL & CO.  
Chartered Accountants

*Vinay Grover*  
(VINAY GROVER)  
PARTNER

**RECONSTRUCTION DEVELOPMENT SERVICES**

**BALANCE SHEET AS AT 31st MARCH, 2011**

PARTICULARS	Schedule No.	As at March 31, 2011 (Amount in Rs.)	As at March 31, 2010 (Amount in Rs.)
<b>SOURCES OF FUNDS</b>			
Shareholders' Funds Share Capital	1	100,000.00	100,000.00
<b>RESERVE &amp; SURPLUS</b> Excess of Income over Expenditure		1,642,086.60	381,023.56
<b>LOAN FUND</b>		-	-
<b>Total</b>		<b>1,742,086.60</b>	<b>481,023.56</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>	2		
Gross Block		868,166.00	831,375.00
Less : Depreciation		(389,334.09)	(224,945.00)
Net Block		478,833.91	606,430.00
<b>Current Assets, Loans &amp; Advances</b>			
Inventories		-	-
Sundry Debtors		-	-
Cash & Bank Balances	3	1,987,758.69	214,561.80
Loans & Advances	4	88,915.00	88,179.00
		2,076,673.69	302,740.80
<b>Less : Current Liabilities &amp; Provisions</b>	5		
Current Liabilities		816,421.00	424,147.24
Provisions		-	-
<b>Net Current Assets</b>		<b>1,260,252.69</b>	<b>(121,406.44)</b>
Miscellaneous Expenditures (to the extent not written off or adjusted)		3,000.00	6,000.00
<b>Excess of Expenditure over Income</b>		-	-
<b>Total</b>		<b>1,742,086.60</b>	<b>481,023.56</b>

Notes to Accounts

11

The schedules referred to above form an integral part of the balance sheet.

As per our report of even date annexed.

For D.L. DUGGAL & CO.  
Chartered Accountants

(VIMAL KUMAR GROVER)  
PARTNER

Place : New Delhi  
Date : 02.09.2011



*[Handwritten Signature]*  
DIRECTOR

*[Handwritten Signature]*  
DIRECTOR

**RESPONSENET DEVELOPMENT SERVICES**

**SCHEDULE-1 - SHARE CAPITAL**

	(Amount in Rs.)	(Amount in Rs.)
	As at 31-03-2011	As at 31-03-2010
<b>Authorized</b> 10,000 Equity Shares of Rs. 10 each	100,000.00	100,000.00
<b>Issued, subscribed and paid up</b> 10,000 Equity Shares of Rs. 10 each fully paid up	100,000.00	100,000.00
	<b>100,000.00</b>	<b>100,000.00</b>

**SCHEDULE-3 - CASH & BANK BALANCES**

	(Amount in Rs.)	(Amount in Rs.)
	As at 31-03-2011	As at 31-03-2010
Cash in hand	23,753.60	30,030.50
Balance in current account with - ICICI Bank Ltd.	1,964,005.19	184,531.30
	<b>1,987,758.79</b>	<b>214,561.80</b>

**SCHEDULE-4 - LOANS & ADVANCES**

	(Amount in Rs.)	(Amount in Rs.)
	As at 31-03-2011	As at 31-03-2010
Prepaid Expenses	12,263.00	11,527.00
Rent (Security)	60,000.00	60,000.00
TDS Receivable	16,652.00	16,652.00
	<b>88,915.00</b>	<b>88,179.00</b>

**SCHEDULE-5 - CURRENT LIABILITIES & PROVISIONS**

	(Amount in Rs.)	(Amount in Rs.)
	As at 31-03-2011	As at 31-03-2010
<b>Current Liabilities</b>		
Sundry Creditors	299,444.00	73,284.00
Advance from Funding Agencies	0.00	0.00
Other Advances - Interest	40,750.00	
Audit Fees Payable	39,708.00	39,708.00
Salary Payable	310,017.00	252,974.00
Wages Payable	23,000.00	
Telephone Expenses Payable	10,498.00	36,993.24
Electricity Expenses Payable	2,920.00	6,076.00
Other Expenses Payable	43,134.00	
TDS Payable	46,960.00	15,112.00
	<b>816,421.00</b>	<b>424,147.24</b>



**RESPONSENET DEVELOPMENT SERVICES**

**INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31st MARCH, 2011**

(Amount in Rupees)

	Schedule No.	RESPONSENET DEVELOPMENT SERVICES	RESPONSENET DEVELOPMENT SERVICES
		As at March 31, 2011	As at March 31, 2010
<b>INCOME</b>			
Grant for CDRN Program- CSO Partners		4,601,899.00	7,846,000.00
Grant for IUEPN Program- UNICEF		9,941,002.00	
Grant for Leh Relief Program- CSO Partners		1,103,270.00	
Other Income	10	64,060.00	871,728.00
		<b>16,810,651.00</b>	<b>8,717,728.00</b>
<b>EXPENDITURE</b>			
Program Related Expenses	6	12,138,781.42	5,541,205.03
Administrative Expenses	7	967,308.08	819,144.00
Depreciation	2	164,389.08	
Financial Expenses	8	7,412.39	1,322.87
Leh Relief Expenses		1,078,107.00	
Preliminary Expenses w/o	9	3,000.00	3,000.00
		<b>14,358,997.96</b>	<b>6,164,671.90</b>
Excess of Income over Expenditure		<b>1,251,653.04</b>	<b>2,553,056.10</b>
Less: Loss due to cyber fraud			600,000.00
Less: Excess of Expenditure over Income of year 2008-09 against which contribution previously shown as advance, now confirmed as Income and included in Rs.7846000/- from CSO Partners			1,367,849.54
Less: Excess of Expenditure over Income of year 2007-08			4,500.00
Excess of Income over Expenditure before tax		<b>1,251,653.04</b>	<b>560,706.56</b>
Provision for Current Tax		-	-
Deferred Tax		-	-
Excess of Income over Expenditure after Tax		<b>1,251,653.04</b>	<b>391,023.56</b>
Balance Brought forward		391,023.56	
Balance Carried to balance sheet		<b>1,642,676.60</b>	<b>391,023.56</b>

Notes to Accounts

11

The schedules referred to above form an integral part of the balance sheet.

As per our report of even date annexed.

For D.L. DUGGAL & CO.  
Chartered Accountants

(MILIND KUMAR GROVER)  
PARTNER

Place : New Delhi  
Dated : 02.09.2011



(Signature)  
DIRECTOR

(Signature)  
DIRECTOR

**SCHEDULE-6 PROGRAM RELATED EXPENSES**

EXPENSES	TOTAL	TOTAL
	As at March 31, 2011	As at March 31, 2010
<b>Program Related Expenses</b>		
Marketing Collateral Expenses	74,055.00	151,068.00
Campaign	9,050.00	
Communication Expenses	450,879.69	296,521.97
Conveyance Expenses	138,229.00	122,153.00
Logistics	221,903.00	
Transport Exps.	3,650.00	
Travelling Exps	1,510,835.00	582,911.39
Training Exps.(stipend,etc.)	20,000.00	173,676.00
Recruitment Expenses	16,546.00	20,848.50
Subscription & Membership	14,525.00	21,508.00
Printing & Stationery	364,533.00	140,845.00
Shravani Mela Expenses	139,249.00	
Staff Welfare Exps.	54,139.50	
Volunteers Exps.	595,090.00	
Work Space	101,650.00	
Books & Periodicals	3,485.00	
Entry Fees	800.00	
Labour Charges	46,540.00	
Packing Charges	3,969.00	
Wages	11,500.00	
Annual Maintenance Charges	19,864.00	
Camera for Volunteer	5,900.00	
Remuneration and benefit to employees	7,932,369.23	3,605,424.17
Professional Expenses	400,000.00	
Seminar & Conference Expenses		426,429.00
<b>Total</b>	<b>12,138,761.42</b>	<b>5,641,205.03</b>

**SCHEDULE-7 ADMINISTRATIVE EXPENSES**

EXPENSES	TOTAL	TOTAL
	As at March 31, 2011	As at March 31, 2010
<b>Administrative Expenses</b>		
Administrative Exps.	33,000.00	48,500.00
Audit Fees	44,120.00	44,120.00
Communication Expenses	25,005.00	
Computer Expenses	21,340.00	
Conveyance	13,739.00	
Fee, Rates & Taxes	2,582.00	4,200.00
Misc Expenses	14,579.00	3,012.00
Printing & Stationery Exps.	39,128.00	
Repair & Maintenance	64,535.00	90,282.00
Rent	424,000.00	369,000.00
Water & Electricity Expenses	57,736.00	60,030.00
Professional Service Charges	43,215.00	
Travelling	129,970.86	
Seminar Expenses	54,348.20	
<b>Total</b>	<b>967,308.06</b>	<b>619,144.00</b>



**SCHEDULE-8 FINANCIAL EXPENSES**

EXPENSES	TOTAL	TOTAL
	As at March 31, 2011	As at March 31, 2010
Bank Charges	2,353.39	1,275.87
Interest on Tds		47.00
<b>Total</b>	<b>7,412.39</b>	<b>1,322.87</b>

**SCHEDULE-10 OTHER INCOME**

EXPENSES	TOTAL	TOTAL
	As at March 31, 2011	As at March 31, 2010
Contributions :		
Charity & Donations Received	63,835.00	
Other Income	455.00	
<b>Total</b>	<b>64,090.00</b>	<b>-</b>



SCHEDULE 2

M/S. RESPONSENET DEVELOPMENT SERVICES

FIXED ASSETS & DEPRECIATION AS AT 31st MARCH, 2011

S.No.	PARTICULARS	RATES	GROSS BLOCK				DEPRECIATION BLOCK		NET BLOCK		
			AS ON 01-04-2010	ADDITIONS DURING THE YEAR DURING THE YEAR	SOLD/DIED DURING THE YEAR	TOTAL UP TO 31-3-2011	UP TO 31/03/2010	FOR THE YEAR 31/03/2011	TOTAL UP TO 31-3-2011	W.D.V. AS ON 31-3-2011	W.D.V. AS ON 31-3-2010
1	Electrical Equipment	13.91%	117,100.00	-	-	117,100.00	16,393.00	14,028.34	30,401.34	86,698.66	100,707.00
2	Air Conditioner	13.91%	96,000.00	-	-	96,000.00	13,628.00	11,430.40	26,226.40	70,763.60	82,174.00
3	Computer	40.00%	362,032.00	6,300.00	-	368,332.00	144,893.00	96,205.96	240,886.96	147,483.04	227,399.00
5	Furniture & fixtures	18.10%	215,843.00	30,483.00	-	246,326.00	48,747.00	35,888.79	82,845.79	163,990.21	166,098.00
8	Cell Phone	40.00%	20,400.00	-	-	20,400.00	3,288.00	6,846.80	10,131.80	10,288.40	17,114.00
	<b>TOTAL</b>		<b>831,376.00</b>	<b>36,783.00</b>	<b>-</b>	<b>868,159.00</b>	<b>224,948.00</b>	<b>164,389.03</b>	<b>359,334.08</b>	<b>478,633.91</b>	<b>626,430.00</b>





**RESPONSENET DEVELOPMENT SERVICES**

**RECEIPT AND PAYMENT ACCOUNT FOR THE YEAR ENDING 31ST MARCH, 2011  
(Amount in Rupees)**

<b>RECEIPT</b>	<b>SCHEDULE</b>	<b>TOTAL</b>	<b>TOTAL</b>
		<b>As at March 31, 2011</b>	<b>As at March 31, 2010</b>
Cash in hand in the beginning		30,030.50	88,877.50
Balance with Bank in the beginning		184,531.30	908,619.39
Grant for CDRN Program- CSO Partners		4,501,899.00	5,100,000.00
Grant for IUEPN Program- UNICEF		9,941,002.00	
Donation Received for Leh Relief		1,103,270.00	
Other Income	4	84,090.00	855,078.00
		<b>16,824,822.80</b>	<b>6,952,672.89</b>
<b>PAYMENTS</b>			
Program Related Expenses	1	11,721,667.66	5,382,000.22
Administrative Expenses	2	985,509.06	590,221.00
Financial Expenses	3	7,412.39	1,322.87
Prepaid Expenses AMC		12,263.00	
Electrical Equipment			48,500.00
Cell phone			20400
Furniture		30,483.00	7,150.00
Computer		8,300.00	80,517.00
Leh Relief Expenses		1,078,107.00	
Cyber fraud			600,000.00
TDS Paid		15,112.00	
Cash in hand at end		23,753.50	30,030.50
Balance with Bank at end		1,964,005.19	184,531.30
		<b>16,824,822.80</b>	<b>6,952,672.89</b>

Notes to Accounts

11

The schedules referred to above form an integral part of the balance sheet.

As per our report of even date annexed.  
For D.L. DUGGAL & CO.  
Chartered Accountants



(PRIMAL KUMAR GROVER)  
PARTNER  
Office : New Delhi  
Dated : 02.09.2011

*[Signature]*  
DIRECTOR

*[Signature]*  
DIRECTOR

**SCHEDULE-1 PROGRAMME RELATED EXPENSES (Receipt & Payment A/c)**

EXPENSES	TOTAL	TOTAL
	As at March 31, 2011	As at March 31, 2010
<b>Program Related Expenses</b>		
Marketing Collateral Expenses	74,066.00	161,088.00
Campaign	9,050.00	
Communication Expenses	474,240.93	279,725.16
Convenyance Expenses	133,229.00	122,153.00
Logistics	124,354.00	
Transport Exps.	3,850.00	
Travelling Exps	1,538,841.00	539,584.39
Training Exps.	20,000.00	173,676.00
Recruitment Expenses	16,546.00	20,848.50
Subscription & Membership	14,525.00	21,508.00
Printing & Stationery	384,633.00	133,981.00
Shravan Mela	139,249.00	
Staff Welfare Exps.	54,139.50	
Volunteers Exps.	554,340.00	
Work Space	101,660.00	
Books & Periodicals	3,485.00	
Entry Fees	800.00	
Labour Charges	46,540.00	
Packing Charges	3,989.00	
Wages	11,500.00	
Annual Maintenance Charges	8,337.00	
Camera for Volunteer	5,900.00	
Remuneration and benefit to employees	7,618,714.23	3,513,007.17
Professional Expenses	400,000.00	
Seminar & Conference Expenses		426,429.00
	<b>11,721,867.66</b>	<b>5,382,000.22</b>

**SCHEDULE-2 ADMINISTRATIVE EXPENSES (Receipt & Payment A/c)**

EXPENSES	TOTAL	TOTAL
	As at March 31, 2011	As at March 31, 2010
<b>Administrative Expenses</b>		
Administrative Exps.	33,000.00	48,500.00
Audit Fees	39,708.00	25,000.00
Communication Expenses	25,005.00	
Computer Expenses	22,590.00	
Convenyance	13,739.00	
Fee, Rates & Taxes	2,592.00	4,200.00
Misc Expenses	14,579.00	3,012.00
Printing & Stationery Exps.	45,335.00	
Repair & Maintenance	64,535.00	89,855.00
Rent	416,000.00	385,700.00
Water & Electricity Expenses	60,892.00	53,954.00
Professional Service Charges	43,215.00	
Travelling	129,970.96	
Seminar Expenses	54,348.20	
<b>Total</b>	<b>985,599.06</b>	<b>690,221.00</b>



**SCHEDULE-3 FINANCIAL EXPENSES (Receipt & Payment A/c)**

EXPENSES	TOTAL	TOTAL
	As at March 31, 2011	As at March 31, 2010
Financial Expenses	2,353.39	1,275.87
Interest on Tds	5,059.00	47.00
<b>Total</b>	<b>7,412.39</b>	<b>1,322.87</b>

**SCHEDULE-4 OTHER INCOME (Receipt & Payment A/c)**

EXPENSES	TOTAL	TOTAL
	As at March 31, 2011	As at March 31, 2010
Contributions :		
Charity & Donations Received	63,635.00	
Other Income	455.00	
<b>Total</b>	<b>64,090.00</b>	<b>-</b>



## **SCHEDULE-11**

### **ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS:**

#### **1. Significant Accounting Policies:**

(a) **Accounting Convention**

The financial statements are prepared under historical cost convention on an accrual basis in accordance with the mandatory accounting standards read with notes and relevant presentational requirements of the Companies Act., 1956.

(b) **Fixed Assets & Depreciation**

Fixed Assets are stated at cost of acquisition. Cost includes all incidental expenses related to acquisition..

Depreciation : Depreciation is provided on Written Down Value Method at the rates and in the manner prescribed under Schedule XIV to the Companies Act,1956.

(c) Previous year figures has been regrouped and rearranged.

(d) **Miscellaneous Expenditure**

Preliminary Expenses are being amortized over a period of Five years.

#### **2. Notes to the Accounts:**

i)	Auditors remuneration :	
	Audit Fee	Rs. 44,120/-
ii)	Expenditure in Foreign Currency	- Nil -
iii)	Earning per share.	
	Net profit /(Loss) for the year	-Nil-
	No of Equity share of Rs 10/ each.	
	Basic & diluted earning per share.	-Nil-

#### **3. Contingent Liabilities Not Provided For**

(a) Claims against the company not acknowledged as debts Rs. NIL.

(b) Estimated amounts of contracts remaining to be executed on capital account and not provided for - NIL.



4. Other additional information pursuant to paragraph 3,4,4c and 4d part-II of schedule VI of the companies Act, 1956 are not applicable to the company.

**5. PERSONNEL**

Particulars of employees as required under Sections 217(2A) of the Companies Act, 1956 are not applicable as none of the employee was in receipt of remuneration exceeding Rs. 2,00,000/- per month or Rs. 24,00,000/- per annum.

**6. DIRECTOR'S RESPONSIBILITY STATEMENT**

In accordance with the provision of Sections 217(2AA) of the Companies Act, 1956 your Director confirm that :

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed,
- b) they have been selected such accounting policies & applied them consistently & made judgment & estimate that are reasonable & prudent so as to give true & fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2010 & of the profit of the Company for the year ended on that date,
- c) they have taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Company & for preventing & detecting fraud & other irregularities,
- d) They have prepared the annual accounts on a going concern.

For D.L. DUGGAL & CO.  
Chartered Accountants



(VIMAL KUMAR GROVER)  
PARTNER

Place: New Delhi

Dated: 02.09.2011

For ~~RESPONSENT~~  
DEVELOPMENT SERVICES

(Kuldip Nair)  
Director