

**INDEPENDENT AUDITOR'S REPORT**

To  
The Members of Governing Body  
Vrutti  
Bengaluru

**Opinion**

We have audited the accompanying Consolidated (Local contribution Section & Foreign Contribution Section) Financial Statements of **Vrutti, No.25, AECS Layout, Ashwath Nagar, Bengaluru - 560094** which comprise the Balance Sheet as at 31<sup>st</sup> March 2023, the Statement of Income & Expenditure for the year ended, the Receipts and Payments Account for the year ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information as 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,

- (i) in the case of the Balance Sheet, of the state of affairs of the Society as at March 31, 2023;
- (ii) in the case of the Statement of Income & Expenditure, of the Excess of Income over Expenditure for the year ended on that date.
- (iii) in the case Receipts and Payment Account, of the cash flows for the year ended on that date.

**Basis for opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) issued by The Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the *Auditor's responsibilities for the audit of Financial Statements* section of our report. We are independent of the Society in accordance with the Codes of Ethics issued by the Institute of Chartered Accountants of India (ICAI) and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**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 in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by The Institute of Chartered Accountants of India. This responsibility

FF-B and SF-B, Shiva Enclave, No. 11, Naidu Layout, Sanjay Nagar, Bengaluru - 560 094.  
Telefax : +91 80 2341 8753 E-mail : bangalore@rvkassociates.com website : <http://www.rvkassociates.com>

Offices at : ♦ Bengaluru ♦ Chennai ♦ Hyderabad ♦ Mumbai ♦ Vijayawada  
Bengaluru : Sanjaynagar, Devanahalli, Basavangudi & Nelamangala







also includes maintenance of adequate accounting records for safeguarding the assets of the Society and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

The Management is also responsible for overseeing the Society's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

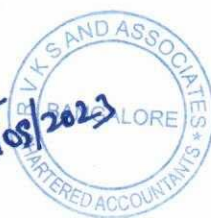
**For R V K S And Associates**  
**Chartered Accountants**  
**FRN: 008572S**



**Venugopal C**  
**Partner**

**M. No.: 226247**

**UDIN: 23226247BGXWBX7898**



**Place: Bengaluru**

**Date: 23/09/2023**




**VRUTTI**

No.25, Sri Raghavendra Nilaya, 2nd Floor, AECS Layout Ashwathnagar Bangalore - 560094  
BALANCE SHEET -Consolidated

Particulars	Note	Amt in (₹)	
		As at 31st March 2023	As at 31st March 2022
<b><u>SOURCE OF FUNDS</u></b>			
<b><u>Restricted Funds</u></b>			
Earmarked Funds	2	1,91,84,349	2,55,50,150
Specific Funds	3	25,61,000	25,61,000
<b><u>Un Restricted Funds</u></b>			
General Reserve	4	2,23,61,965	2,22,77,041
		<b>4,41,07,314</b>	<b>5,03,88,191</b>
<b><u>APPLICATION OF FUNDS</u></b>			
<b><u>Fixed Assets</u></b>			
Tangible Assets	5	6,59,238	8,32,250
Intangible Assets	5	8,23,824	0
Current Assets Loans and Advances (a)	6	6,21,48,707	6,44,15,323
Current Liabilities & Provisions (b)	7	1,95,24,455	1,48,59,382
Net working capital(a-b) (II)		<b>4,26,24,252</b>	<b>4,95,55,941</b>
<b>Total (I) +(II)</b>		<b>4,41,07,314</b>	<b>5,03,88,191</b>
1. Significant Accounting Policies. Notes referred to above from			


1. Significant Accounting Policies, Notes referred to above form an integral part of Balance Sheet

This is the Balance Sheet referred to in our report of even dated  
For R V K S And Associates  
Chartered Accountants  
FRN: 008572S


  
Venugopal C  
Partner  
M No. : 226247



For Vrutti

  
Vijayalakshmi Balasubramaniam  
Chairperson



  
S. Balakrishnan  
Secretary

  
Raghini B  
Treasurer

Date: 23/08/2023  
Place: Bangalore

**VRUTTI**

No.25, Sri Raghavendra Nilaya, 2nd Floor, AECS Layout Ashwathnagar Bangalore - 560094  
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED - Consolidated

Amt in (₹)			
PARTICULARS	Note	As at 31st March 2023	As at 31st March 2022
<b><u>Income</u></b>			
<b><u>Restricted Income</u></b>			
Earmarked Funds	8	20,08,70,188	20,57,49,129
<b><u>Unrestricted Income</u></b>			
Donations	9	3,38,831	13,12,427
Interest Income	10	19,70,215	24,86,468
Other Income	11	81,52,747	8,61,008
<b>Total Income</b>		<b>21,13,31,981</b>	<b>21,04,09,032</b>
<b><u>Expenditure</u></b>			
<b><u>Restricted Expenditure</u></b>			
Grant Expenditure	8	18,86,89,252	19,58,27,888
<b><u>Establishment and Other Expenses</u></b>			
Administrative expenses	12	1,10,92,018	79,27,846
Expenses on Employment	13	1,13,51,410	60,19,255
Depreciation	5	1,14,377	1,52,490
<b>Total Expenditure</b>		<b>21,12,47,057</b>	<b>20,99,27,479</b>
Excess of Income Over Expenditure		84,924	4,81,553
Balance transferred to General Reserve		84,924	4,81,553

*Significant Accounting Policies Notes referred to above form an integral part of the statement of Income & Expenditure*

1

This is the Statement of Income and Expenditure referred to in our report of even dated  
For R V K S And Associates  
Chartered Accountants  
FRN: 008572S

Venugopal C  
Partner  
M No. : 226247

Date: 23/08/2023  
Place: Bangalore

For Vrutti

Vijayalakshmi Balasubramaniam  
Chairperson

S. Balakrishnan  
Secretary

Raghini B  
Treasurer



*[Signature]*

*[Signature]*



VRUTTI

No. 25 Sri Raghavendra Nilaya, 2nd Floor, AECS Layout, Ashwathnagar Bangalore - 560 094

RECEIPTS & PAYMENTS ACCOUNT - Consolidated

Amt in (₹)

Particulars		For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Opening Balance:</b>			
Cash on Hand		2,600	2,41,937
Cash at Bank		3,93,80,395	6,25,11,594
Fixed Deposit		5,00,000	5,00,000
	<b>A</b>	<b>3,98,82,995</b>	<b>6,32,53,531</b>
<b>Add: Receipts</b>			
Grants		19,60,45,893	19,37,92,804
Donations		3,38,831	13,12,427
Other Income		77,90,535	8,61,008
Change in Advance Others		2,62,436	-
Change in Staff Advance		3,31,464	9,952
Rent Deposit Received		35,000	54,000
Sale of Fixed Asset		5,00,000	-
Interest from Designated Bank		19,70,215	24,86,468
	<b>B</b>	<b>20,72,74,374</b>	<b>19,85,16,659</b>
<b>Less: Payments</b>			
Change in Rental Advance		3,41,300	3,86,600
Other Advance		-	4,10,584
Purchase of fixed assets		9,02,977	48,999
Staff Advance		43,592	2,23,762
Change in TDS		54,600	20,920
Adminstration Expenses		2,18,67,611	1,36,81,869
Grant Expenses & Other expenses for the year		18,51,27,130	20,71,14,461
	<b>C</b>	<b>20,83,37,210</b>	<b>22,18,87,195</b>
<b>Closing Balance</b>	<b>(A + B - C)</b>	<b>3,88,20,159</b>	<b>3,98,82,995</b>
Cash on Hand		-	2,600
Cash at Bank		3,83,20,159	3,93,80,395
Fixed deposits		5,00,000	5,00,000
		<b>3,88,20,159</b>	<b>3,98,82,995</b>

This is the Statement of Income and Expenditure referred to in our report of even dated

For R V K S And Associates

Chartered Accountants

FRN: 008572S

Venugopal C

Partner

M No. : 226247

Date: 23/09/2023

Place: Bangalore

For Vrutti

Vijayalakshmi Balasubramaniam

Chairperson

S. Balakrishnan

Secretary

Raghini B

Treasurer



*[Signature]*

*[Signature]*

**VRUTTI**

No.25, Sri Raghavendra Nilaya, 2nd Floor AECS Layout Ashwathnagar Bangalore - 560094

**Notes forming part of Balance Sheet -Consolidated**

**Note 3**

Amt in (₹)

	As at 31st March 2023	As at 31st Mar 2022
<b>Particulars</b>		
<b><u>Specific Funds</u></b>		
Corpus Funds	17,60,000	17,60,000
Market Guarantee Fund	8,01,000	8,01,000
<b>Specific Funds - Closing Balance</b>	<b>25,61,000</b>	<b>25,61,000</b>

**Note 4**

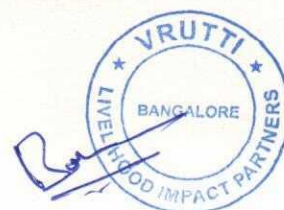
	As at 31st March 2023	As at 31st Mar 2022
<b>Particulars</b>		
<b><u>General Reserve</u></b>		
General Reserve- Opening Balance	2,22,77,041	2,17,95,488
Add/Less: Current year surplus / Deficit	84,924	4,81,553
<b>General Reserve- Closing Balance</b>	<b>2,23,61,965</b>	<b>2,22,77,041</b>

**Note 6**

	As at 31st Mar 2023	As at 31st Mar 2022
<b>Particulars</b>		
<b><u>Current Assets Loans and Advances</u></b>		
Cash & Bank balances:	3,83,20,159	3,93,82,995
Accounts Receivables	1,87,04,688	2,02,46,191
Loans Advances & Deposits	20,04,184	17,21,061
Fixed Deposits	5,00,000	5,00,000
Tax Deducted at Source	26,18,114	25,63,514
Tax Collected at Source	1,562	1,562
<b>Total Current Assets</b>	<b>6,21,48,707</b>	<b>6,44,15,323</b>

**Note 7**

	As at 31st Mar 2023	As at 31st Mar 2022
<b>Particulars</b>		
<b><u>Current Liabilities &amp; Provisions</u></b>		
1) Sundry Creditors		
Sundry Creditors - Projects	79,03,221	58,55,553
Sundry Creditors - Others	2,66,595	1,47,500
Advance towards Statutory Payments	70,548	0
2) Advance Others	8,51,612	57,675
3) Staff Advance	5,72,469	2,41,005
4) Expenses Payables	75,29,715	82,96,259
5) Statutory Payables	23,30,295	2,61,389
<b>Sundry Creditors &amp; Expenses Payable</b>	<b>1,95,24,455</b>	<b>1,48,59,381</b>





**Note 2**

**Local Contribution Section**

Domain/ Donor	Opening Advance Balance as on 01-04-22	Opening Receivable Balance as on 01-04-22	Rectification/ Adjustment	Fund Received during the year	Interest earned	Amount returned	Written off	Receivable for the year	Total	Expended	Exchange profit	Advance Balance as on 31-03-23
Agriculture Extension Activities	1,28,88,448	1,90,87,955	-3,05,405	10,33,44,157	4,17,568	10,92,730	51,33,695	1,07,64,198	11,20,61,978	11,15,99,170	-	4,62,807
Enterprise Development & Employment Generation	-	26,914	-	1,64,94,504	57,243	-	-	-	1,65,24,833	1,65,24,833	-	-
Studies Research And Training	1,73,361	-	-	25,000	-	-	-	-	1,98,361	1,98,361	-	-
Fisheries Extension Activities	3,81,772	-	-	2,94,13,178	66,535	-	-	1,34,457	2,99,95,942	2,99,95,942	-	-
Relief Activities	7,38,094	3,90,500	-5,76,973	10,10,549	-	-	-	-	7,81,170	7,81,170	-	-0.32
	<b>1,41,81,675</b>	<b>1,95,05,369</b>	<b>-8,82,378</b>	<b>15,02,87,388</b>	<b>5,41,346</b>	<b>10,92,730</b>	<b>51,33,695</b>	<b>1,08,98,655</b>	<b>15,95,62,284</b>	<b>15,90,99,477</b>		<b>4,62,807</b>

**Foreign Contribution Section**

Domain/ Donor	Opening Advance Balance as on 01-04-22	Opening Receivable Balance as on 01-04-22	Rectification/ Adjustment	Fund Received during the year	Interest earned	Amount returned	Written off	Receivable for the year	Total	Expended	Exchange profit	Advance Balance as on 31-03-23
Agriculture Extension Activities	-	-	-	1,12,17,933	1,31,406	-	-	-	1,13,49,339	1,03,46,886	-	10,02,453
Enterprise Development & Employment Generation	1,13,68,475	-	-	2,88,21,864	3,26,377	-	-	-	4,05,16,716	2,27,97,627	-	1,77,19,089
Studies Research and Training	-	7,40,823	-	51,30,689	-	-	-	42,85,340	94,16,029	84,16,166	2,59,040	-
Fisheries Extension Activities	-	-	-	-	-	-	-	-	-	-	-	-
Relief Activities	-	-	-	2,10,032	-	-	-	-	2,10,032	2,10,032	-	-
<b>Grand Total</b>	<b>1,13,68,475</b>	<b>7,40,823</b>	<b>-</b>	<b>4,53,80,518</b>	<b>4,57,783</b>	<b>-</b>	<b>-</b>	<b>42,85,340</b>	<b>6,14,92,116</b>	<b>4,17,70,711</b>	<b>2,59,040</b>	<b>1,87,21,542</b>
	<b>2,55,50,150</b>	<b>2,02,46,192</b>	<b>-8,82,378</b>	<b>19,56,67,906</b>	<b>9,99,129</b>	<b>10,92,730</b>	<b>51,33,695</b>	<b>1,51,83,995</b>	<b>22,10,54,400</b>	<b>20,08,70,188</b>	<b>2,59,040</b>	<b>1,91,84,349</b>





**Note 8: Grant Expenditure and Grant Income:**

	<b>Total Grant Expenditure</b>	<b>Management Cost</b>	<b>Grant Income recognised</b>
<b>Schedule 8A</b>			
Local Contribution Section	15,01,63,916	1,09,58,117	15,90,99,477
<b>Schedule 8B</b>			
Foreign Contribution Section	3,85,25,336	35,04,415	4,17,70,711
	<b>18,86,89,252</b>	<b>1,44,62,532</b>	<b>20,08,70,188</b>

**Note - 8A - Local Contribution**

**Details of the Grant Income and Grant Expenditure**

Amt in (₹)

<b>Donor Name</b>	<b>Project staff salary</b>	<b>Programme cost</b>	<b>Administration Expenses</b>	<b>Total Grant Expenditure</b>	<b>Management Cost</b>	<b>Grant Income recognized (a)</b>
Agriculture Extention Activities	2,58,05,758	6,90,85,378	42,81,638	9,91,72,775	77,15,926	10,68,88,701
Enterprise Development & Employment Generation	59,75,407	1,31,74,544	1,74,087	1,93,24,038	19,11,264	2,12,35,302
Studies Reserach and Training	21,021	3,458	1,40,000	1,64,479	33,882	1,98,361
Fisheries Extension Activities	80,22,907	1,89,76,796	16,60,505	2,86,60,208	13,35,734	2,99,95,942
Relief Activities	95,458	7,24,401	0	8,19,859	-38,689	7,81,171
Vrutti Initiatives	0	20,22,557	0	20,22,557	0	0
<b>Total Grant Income</b>	<b>3,99,20,551</b>	<b>10,39,87,134</b>	<b>62,56,230</b>	<b>15,01,63,916</b>	<b>1,09,58,117</b>	<b>15,90,99,477</b>
Previous Year	3,31,84,474	9,17,04,636	49,03,680	15,13,99,569	1,05,47,595	15,78,68,654

**Note - 8B Foreign Contribution**

**Details of the Grant Income and Grant Expenditure**

Amt in (₹)

<b>Particulars</b>	<b>Project Staff Cost</b>	<b>Programme Cost</b>	<b>Project Administration Expenses</b>	<b>Total Grant Expenditure</b>	<b>Management Cost</b>	<b>Grant Income recognized</b>
Agriculture Extention Activities	2349888	5013911	1223778	8587577	858758	9446335
Enterprise Development & Employment Generation	1,26,14,127	79,32,735	1,78,439	2,07,25,302	20,72,325	2,27,97,627
Studies Reserach and Training	143179	8806749	68823	9018751	557006	9316717
Fisheries Extension Activities	0	0	0	0	0	0
Relief Activities	0	193706	0	193706	16326	210032
<b>Total</b>	<b>1,51,07,194</b>	<b>2,19,47,101</b>	<b>14,71,040</b>	<b>3,85,25,336</b>	<b>35,04,415</b>	<b>4,17,70,711</b>
Previous Year	54,29,972	3,83,01,513	6,96,835	4,44,28,320	34,52,156	4,78,80,475



**VRUTTI**

No.25, Sri Raghavendra Nilaya, 2nd Floor AECS Layout Ashwathnagar Bangalore - 560094

**Notes forming part of Income and Expenditure - Consolidated**

**Note 9**

**Amt in (₹)**

Particulars	As at 31st March 2023	As at 31st March 2022
Donations	3,38,831	13,12,427
<b>Total</b>	<b>3,38,831</b>	<b>13,12,427</b>

**Note 10**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Interest Income</b>		
Interest on Saving Account	19,44,129	24,62,199
Interest on Fixed Deposits	26,086	24,269
<b>Total</b>	<b>19,70,215</b>	<b>24,86,468</b>

**Note 11**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Other Income</b>		
Sale of Fixed Asset	3,62,212	5,58,555
Expenses not Payable	66,47,708	44,550
Membership Fee	600	500
Foreign exchange gain	2,59,040	2,57,403
Other Income	8,83,187	
<b>Total</b>	<b>81,52,747</b>	<b>8,61,008</b>

**Note 12**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Administrative Expenses</b>		
Audit fees	2,95,000	2,95,000
Bank Charges	6,630	8,828
Communication expenses	9,65,222	4,49,888
Admin Support Expenses	1,07,390	1,11,479
Office Maintenance	3,27,177	1,89,921
Office Rent	13,13,995	11,02,000
Printing and Stationery	1,03,593	1,43,417
Professional Fees	50,30,717	32,31,164
Rates & Taxes	13,261	2,26,225
Travel & Conveyance	10,01,512	5,91,305
Meeting Expenses	6,91,569	1,18,898
Renewal Fees	20,478	1,05,439
Annual Society Filing Fees	2,16,345	2,10,407
Interest Expenses- Return to Donors	9,99,129	11,43,875
<b>Total Administrative Expenses</b>	<b>1,10,92,018</b>	<b>79,27,846</b>





**VRUTTI**  
No.25, Sri Raghavendra Nilaya, 2nd Floor, AECS Layout, Ashwathnagar Bangalore - 560094  
**FIXED ASSETS SCHEDULE - FOR THE YEAR ENDING 31ST MARCH 2023 - Consolidated**

**Note -5A**

Particulars	Rate of Dep	Gross Block				Depreciation			Net Block			
		As on	Additions	Deletions	Sold	As on	For the year	For Sold	As on	As on		
		01-04-22	> 180 days	<180 days	Value	31-03-23	01-04-22	assets	31-03-23	01-04-22		
Computers	40%	10,42,473		-	-	10,42,473	9,26,457	46,406	-	9,72,863	69,610	1,16,016
Office Equipments	10%	3,92,233	28,000	-	-	4,20,233	2,43,804	17,643	-	2,61,447	1,58,786	1,48,429
Furniture and fixture	10%	10,90,085	51,153			11,41,238	7,04,295	43,694	-	7,47,989	3,93,249	3,85,790
Vehicle	15%	8,40,477		-	8,40,477	-	7,02,689	-	7,02,689	-	-	1,37,788
Mobile Phones	15%	71,998				71,998	27,771	6,634	-	34,405	37,593	44,227
Total		34,37,266	79,153	-	8,40,477	26,75,942	26,05,016	1,14,377	7,02,689	20,16,704	6,59,238	8,32,250

**Note -5B**

Particulars	Rate of Dep	Gross Block				Depreciation			Net Block	
		As on 01-04-22	Additions > 180 days	Deletions < 180 days	Sold Value	As on 31-03-23	For the year	For Sold assets	As on 31-03-23	As on 01-04-22
		8,23,824	-	-	-	8,23,824	-	-	8,23,824	-
Software										
<b>Total</b>										

Note : The Software was purchased in the month of March 2023, so no depreciation is considered for the Financial Year

**For Vrutti**

As per our report of even date annexed  
For R V K S And Associates  
Chartered Accountants  
Firm No.008572S

**Vijayakshini Balasubramaniam**  
Chairperson

**S. Balakrishnan**  
Secretary

**Date:**  
**Place: Bangalore**

**Raghini B**  
Treasurer

**Venugopal C**  
Partner  
Membership No. : 226247

