

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Governing Body of Vrutti  
Bangalore**

**Opinion**

We have audited the accompanying Consolidated (Local contribution Section & Foreign Contribution Section) Financial Statements of **Vrutti, No.25, AECS Layout, Ashwath Nagar, Bangalore - 560094** which comprise the Balance Sheet as at 31 March 2021, the Statement of Income & Expenditure for the year ended, the Receipts and Payments Accounts 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, 2021;
- (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.

**Emphasis of Matter**

The Society has made a detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Society expects to recover the carrying amount of these assets. The Society continues to evaluate them as highly probable considering the orders in hand. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 pandemic which may be different from that estimated as at the date of approval of the financial

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Bengaluru : Sanjaynagar, Devanahalli, Basavangudi & Nelamangala





results. The Society will continue to closely monitor any material changes arising of future economic conditions and impact on its transactions.

Our opinion is not modified in respect of this matter.

### **Other Matters**

Further to the continuous spreading of COVID -19 across India, the state Government announced a strict lockdown on April 27, 2021, which was further extended till June 21, 2021, across the Karnataka to contain the spread of the virus. This has resulted in restriction on physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

As a result of the above, Partially the audit was carried out based on remote access of the data as provided the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the Society without any further manual modifications.

We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions.

Our audit opinion is not modified in respect of the above.

### **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 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 scepticism 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.



# R V K S And Associates

Chartered Accountants




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**

  
8/11/2019

**R. Mohan**  
**Partner**  
**M. No.: 203911**  
**UDIN:21203911AAAAME7037**

**Place: Bengaluru**  
**Date:**



**VRUTTI**  
**No.25 2nd floor AECS Layout Ashwathnagar Bangalore - 560094**  
**Statement of Income**

PAN	AAAJC0156H
Status	Trust(AOP)
Financial Year	2020-21
Assessment Year	2021-22
Date of Formation	3/13/2002

**Details of Income returned**

Total receipts during the year		130,649,090
Add: Gratuity Payable for 2020-21	51,491	
Add: Audit fee for 2020-21	70,800	122,291
		<u>130,771,381</u>

Less: Total Expenditure applied for charitable purposes as per Income & Expenditure Account	126,937,984
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Income applied for charitable purposes during 2020-21	<u>126,937,984</u>
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Income before exemption u/s 11(1)(a)	3,833,397
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15% exemption U/s 11(1)(a) or balance available (WEL)

Income Returned	<u>3,833,397</u>
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Tax on the above	Nil
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Add: Edu Cess & SHE Cess at 4%

Total tax Payable

Less:- Tax Deducted at Source	127,529
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Tax Refundable	<u>(127,529)</u>
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Round off u/s 288B	<u>(127,530)</u>
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For Vrutti

M R C Ravi  
Chairperson



Balakrishnan.S  
Secretary

Johnson Thangaraj  
Treasurer

Date:

Place: Bangalore

**VRUTTI**

No.25 2nd floor AECS Layout Ashwathnagar Bangalore - 560094  
**BALANCE SHEET -Consolidated**

		Amt in (₹)	
Particulars	Note	As at 31st March 2021	As at 31st March 2020
<b>SOURCE OF FUNDS</b>			
<b>Restricted Funds</b>			
Earmarked Funds	5	4,32,28,857	2,36,36,850
Specific Funds	2	25,61,000	23,11,000
<b>Un Restricted Funds</b>			
General Reserve	2a	2,17,95,494	1,80,84,388
		<b>6,75,85,351</b>	<b>4,40,32,238</b>
<b>APPLICATION OF FUNDS</b>			
Fixed Assets (I)	12	9,35,741	9,54,792
Current Assets Loans and Advances (a)	3	9,33,69,893	7,88,30,382
Current Liabilities & Provisions (b)	4	2,67,20,283	3,57,52,936
Net working capital (a-b) (II)		<b>6,66,49,610</b>	<b>4,30,77,446</b>
		<b>6,75,85,351</b>	<b>4,40,32,238</b>

Significant Accounting Policies Notes referred to above  
form an integral part of financial statements

1

For Vrutti

M R C Ravi  
Chairperson

  
Balakrishnan.S  
Secretary

Date: 8/11/2021  
Place: Bangalore



  
Johnson Thangaraj  
Treasurer

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

R.Mohan  
Partner

M No.203911

UDIN:

21203911AAAA ME 7037



Date:  
Place: Bangalore



**VRUTTI**

No.25 2nd Floor AECS Layout Ashwathnagar Bangalore - 560094

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED - Consolidated**

Amt in (₹)

PARTICULARS	Note	As at 31st March 2021	As at 31st March 2020
<b><u>INCOME</u></b>			
<b><u>Restricted Income</u></b>			
Earmarked Funds	6	12,32,21,437	10,29,89,237
<b><u>Unrestricted Income</u></b>			
Donations		41,41,072	9,35,543
Interest Income	7	15,71,767	14,71,477
Other Income		17,14,814	7,06,371
		<b>13,06,49,090</b>	<b>10,61,02,628</b>
<b><u>EXPENDITURE</u></b>			
<b><u>Restricted Expenditure</u></b>			
Grant Expenditure	8	11,87,12,800	9,96,14,170
<b><u>Establishment and Other Expenses</u></b>			
Administration Expenses	9	40,39,630	65,66,121
Expenses on employment	11	40,22,774	74,98,475
Depreciation	12	1,62,780	1,40,431
		<b>12,69,37,984</b>	<b>11,38,19,197</b>
Excess of Income Over Expenditure		37,11,106	-7,716,569
<b>Balance transferred to General Reserve</b>		<b>37,11,106</b>	<b>-7,716,569</b>

Significant Accounting Policies Notes referred to above form an integral part of financial statements

1

**For Vrutti**

**M R C Ravi**  
Chairperson

**Balakrishnan.S**  
Secretary

Date: 8/11/2021  
Place: Bangalore



**Johnson Thangaraj**  
Treasurer

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

**R.Mohan**  
Partner  
M No.203911  
UDIN:

21203911AAAAME 7037

Date:  
Place: Bangalore



**VRUTTI**

No.25 2nd floor AECS Layout Ashwathnagar Bangalore - 560094

**Notes forming part of Consolidated Balance Sheet**

PARTICULARS	Amt in (₹)	
	As at 31st March 2021	As at 31st March 2020
<b>Note 2 -Specific Funds</b>		
Specific Funds - FCRA	-	-
Specific Funds - LC	25,61,000	23,11,000
	<b>25,61,000</b>	<b>23,11,000</b>
<b>Note 2a Un Restricted Funds</b>		
General Reserve- Opening Balance	1,80,84,388	2,58,00,957
Add/Less:Current year surplus / Deficit	37,11,106	-7,716,569
	<b>2,17,95,494</b>	<b>1,80,84,388</b>
<b>Note 3 Current assets &amp; Loans and Advances</b>		
Cash in hand	2,41,937	3,14,247
<b>Bank Balances</b>		
Bank Balances - FCRA	2,77,31,795	38,10,593
Bank Balances - Local	3,52,79,799	2,59,21,654
	<b>6,32,53,531</b>	<b>3,00,46,494</b>
<b>Accounts Receivable</b>		
Accounts receivable - FCRA	57,31,493	1,18,90,972
Accounts receivable - Local Account	2,02,37,086	2,73,77,474
	<b>2,59,68,579</b>	<b>3,92,68,446</b>
<b>Loans &amp; Advances</b>		
Advance staff and Others -FCRA	3,76,119	12,59,642
Vrutti Main Advance others -Local	10,03,840	44,21,554
	<b>13,79,959</b>	<b>56,81,196</b>
<b>Tax Deducted at Source</b>		
Tax Deducted at Source - FCRA	3,64,938	3,64,939
Tax Deducted at Source - Local Account	24,02,886	34,69,307
	<b>27,67,824</b>	<b>38,34,246</b>
<b>Current Assets Loans and Advances</b>	<b>9,33,69,893</b>	<b>7,88,30,382</b>

PARTICULARS	As at 31st March 2021	As at 31st March 2020
<b>Note 4 Current Liabilites and Provisions</b>		
<b>Sundry Creditors &amp; Expenses Payable</b>		
Sundry Creditors & Expenses Payable- FCRA	72,97,876	1,04,90,741
Sundry Creditors & Expenses Payable- Local Account	1,94,22,413	2,52,62,195
	<b>2,67,20,289</b>	<b>3,57,52,936</b>
<b>Note 5 Advance received for programmes</b>		
Advance received for programmes -FCRA	2,06,07,283	25,86,649
Advance received for programmes - Local Account	2,26,21,574	2,10,50,201
	<b>4,32,28,857</b>	<b>2,36,36,850</b>



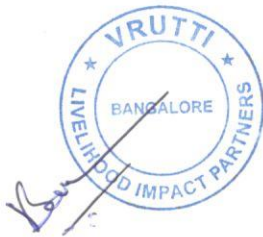


**Vrutti**

No.25 2nd floor AECS Layout Ashwathnagar Bangalore - 560094

**Notes forming part of Consolidated Income & Expenditure Account**

INCOME	Amt in (₹)	
	As at 31st March 2021	As at 31st March 2020
<b>Note 6 Restricted Income</b>		
<b>Earmarked Funds - FCRA</b>		
Enterprise Development & Employment Generation	1,47,42,230	15,87,783
Agriculture Extension Activities	12,97,073	23,91,168
Studies Reserach and Training	1,45,96,186	2,06,12,929
Fisheries Extension Activities	77,23,403	47,42,960
Covid Relief Works	58,04,454	-
<b>Earmarked Funds - Local Account</b>		
Agriculture Extension Activities	6,15,36,373	7,15,45,692
Studies Reserach and Training	54,77,568	6,57,876
Fisheries Extension Activities	14,86,362	-
Enterprise Development & Employment Generation	49,96,204	14,50,829
Covid Relief Works	55,61,584	-
	<b>12,32,21,437</b>	<b>10,29,89,237</b>
<b>Notes 7 Unrestricted Income</b>		
<b>Donations</b>		
Donations- FCRA	57,397	4,38,727
Donations- Local Account	40,83,675	4,96,816
	<b>41,41,072</b>	<b>9,35,543</b>
<b>Interest Income</b>		
Interest Income - FCRA	6,86,577	3,50,800
Interest Income - Local Account	8,85,190	11,20,677
	<b>15,71,767</b>	<b>14,71,477</b>
<b>Other Income</b>		
Other Income - FCRA	3,57,931	5,79,068
Other Income- Local Account	13,56,883	1,27,303
	<b>17,14,814</b>	<b>7,06,371</b>



VRUTTI

FIXED ASSETS SCHEDULE 12 FOR THE YEAR ENDING 31ST MARCH 2021 - Consolidated

Particulars	Rate of depreciation	Gross Block						Depreciation				Net Block		(Amt in ₹)
		As on 01-04-20	Additions before 30.09.20	Additions after 01.10.20	Deletions	Sold Value	Total as on 31-03-2021	As on 01-04-20	For the year	For Sold assets	Total as on 31-03-2021	As on 31-03-21	As on 31-03-20	
Computers	40%	841,475	74,500	77,499	-	-	993,474	805,927	59,519	-	865,446	128,028	35,548	
Office Equipments	10%	355,943			-	-	355,943	199,152	15,679	-	214,831	141,112	156,791	
Furniture and fixture	10%	1,090,085					1,090,085	613,800	47,629	-	661,429	428,656	476,285	
Vehicle	15%	840,477					840,477	649,766	28,607	-	678,373	162,104	190,711	
Mobile Phones	15%	82,997			10,999		71,998	13,995	8,700	2,729	19,966	52,032	69,002	
Office Equipments	10%	36,290					36,290	9,835	2,646	-	12,481	23,809	26,455	
Total		3,247,267	74,500	77,499	10,999	-	3,388,267	2,292,475	162,780	2,729	2,452,526	935,741	954,792	

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



For Vrutti

M R C Ravi  
Chairperson

Balakrishnan S  
Secretary

Johnson Thangaraj  
Treasurer



R.Mohan  
Partner

M No.203911

UDIN:

21203911AAAAME7037

Date: 8/11/2021  
Place: Bangalore

Date:  
Place: Bangalore

**VRUTTI**  
**No. 25 AECS Layout Ashwathnagar Bangalore - 560 094**  
**Receipts & Payments Account - Consolidated**

(Amt in ₹)

Particulars		31st March 2021	31st March 2021
<b>Opening Balance:</b>			
Cash on Hand		3,14,247	-
Cash at Bank		2,92,32,247	3,69,41,638
Fixed Deposit		5,00,000	0
	<b>A</b>	<b>3,00,46,494</b>	<b>3,69,41,638</b>
<b>Add: Receipts</b>			
Grants		15,61,13,309	9,59,34,327
Donations		41,41,072	9,35,543
Other Income		17,14,814	7,06,371
Income Tax Refund Received		11,93,950	19,93,449
Specific Funds received		2,50,000	5,51,000
Advance for Statutory Payments		-676,865	2,62,959
Sale of Fixed Asset		8,270	
Interest from Designated Bank		15,71,767	14,71,477
	<b>B</b>	<b>16,43,16,317</b>	<b>10,18,55,126</b>
<b>Less: Payments</b>			
Change in Rental Advance		1,25,000	-
Other Advance		4,44,771	-76,379
Change in Advance for Statutory Payments		-676,866	2,51,928
Purchase of fixed assets		1,51,999	26,999
Staff Advance		1,54,051	177
Change in TDS		1,27,529	3,37,410
Grant Expenses & Other expenses for the year		13,07,82,796	10,82,10,137
	<b>C</b>	<b>13,11,09,280</b>	<b>10,87,50,272</b>
<b>Closing Balance</b>	<b>(A + B - C)</b>	<b>6,32,53,531</b>	<b>3,00,46,494</b>
Cash on Hand		2,41,937	3,14,247
Cash at Bank		6,25,11,594	2,92,32,247
Fixed deposits		5,00,000	5,00,000
		<b>6,32,53,531</b>	<b>3,00,46,494</b>

This is the Receipts and Payments account referred to in our report of even date

For Vrutti

M R C Ravi  
Chairperson



Balakrishnan S  
Secretary

Johnson Thangaraj  
Treasurer

Date:  
Place: Bangalore

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

R.Mohan  
Partner  
M No.203911  
UDIN:



UDIN: 21203911AAAA ME7037