RVKS And Associates

Chartered Accountants



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-Livelihood Resource Centre, No.25, 2nd Floor, AECS Layout, Ashwathnagar, Bangalore 560094** which comprise the Balance Sheet as at 31st March 2024, 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, 2024;
- (ii) in the case of the Statement of Income & Expenditure, of the Excess of Expenditure Over Income 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

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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 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.



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- 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.

BANGALORE

For R V K S And Associates

Chartered Accountants

FRN: 008572S

Venugopal C Partner M.No.226247

PIGEONTANBFPGBGPG: MIDU

Place: Bengaluru Date: 21/08/2024

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

Statement of Income		
PAN	AAAJC0156H	
Status	Trust(AOP)	
Financial Year	2023-24	
Assessment Year	2024-25	
Date of Formation	3/13/2002	
Details of Income returned		L,
Particulars	Amount (in Rs.)	Amount (in Rs.
INCOME (as per statement of Income & Expenditure)		19,55,88,725
Minimum amount to be applied for charitable purpose in India i.e., 85% of the income	*	16,62,50,417
Amount applied for charitable purpose during the year	19,47,63,833	
Less: Amount spent out of set apart amount u/s 11(2) in FY 2022-23	0	
Less: Expenditure claimed on provisional basis (Expenses not paid on	Ĭ	
or before 31st March 2024)	47,55,186	
	19,00,08,647	
Add: Expenditure disallowed in the previous year(FY 22-23) and allowed in the current year u/s 40 (a) (ia)	1,34,66,378	17
Actual Amount applied for charitable purpose during the year	1,04,00,070	20,34,75,025
Amount accumulated or set-apart for specified purpose u/s 11(2)*		(
Amount for which option excercised as per clause 2 of explanation 1 to section $11(1)$ **		
Amount not exceeding 15% accumulated u/s 11(1)(a)		20,34,75,02
Tax on the above		(
Add:Edu Cess & SHE Cess at 4%	-	(
Total tax Payable		
Less:- Tax Deducted at Source		4,013
Tax Refundable	N N	-4,012
Round off u/s 288B		-4,010

For Vrutti

Muralidharan Thykat Chairman M B Giridhar Goud

Treasurer

Siddhi Harkant Mankad

Secretary

Date:

Place:Bangalore

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No. 25, Sri Raghavendra Nilaya, 2nd Floor, AECS Layout, Ashwathnagar, Bengaluru - 560 094 BALANCE SHEET -Consolidated

Amt in (₹) As at 31st March As at 31st March **Particulars** Note 2024 2023 SOURCE OF FUNDS **Restricted Funds** Earmarked Funds 2 2,04,77,916 1,91,84,349 Specific Funds 3 25,61,000 25,61,000 **Un Restricted Funds** General Reserve 4 2,31,86,857 2,23,61,965 4,62,25,773 4,41,07,314 APPLICATION OF FUNDS **Fixed Assets** Tangible Assets 5A 5,85,671 6,59,238 Intangible Assets 5B 4,94,294 8,23,824 **Investments** Long Term Investments Current Investments 6A 2,05,07,377 5,00,000 Deposits **6B** 7,49,520 11,39,300 **Current Assets** 6C 3,47,02,174 6,05,09,407 TOTAL ASSETS (A) 5,70,39,036 6,36,31,769 Liabilities Long Term Liabilities **Current Liabilities** 7 1,08,13,263 1,95,24,455 **TOTAL LIABILITIES** (B) 1,08,13,263 1,95,24,455 **Net Assets** (A) - (B)4,62,25,773 4,41,07,314 Total 4,62,25,773 4,41,07,314

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 date For R V K S And Associates

21/03/2024

Chartered Accountants

FRN: 008572S

Venugopal T

M No. 226247

Date: 21/09/2024

Place: Bengaluru

For Vrutti

Muralidharan Thykat

Chairman

M B Giridhar Goud

Treasurer

Siddhi Harkant Manl Secretary

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BANGALORE

No. 25, Sri Raghavendra Nilaya, 2nd Floor, AECS Layout, Ashwathnagar, Bengaluru - 560 094 INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED - Consolidated

Amt in (₹)

PARTICULARS	Note	As at 31st March 2024	As at 31st March 2023
Income	,		
Restricted Income		5	
Grant Income	8	19,04,87,356	20,08,70,188
Unrestricted Income			
Donations	9	16,94,114	3,38,831
Interest Income	10	25,16,337	19,70,215
Other Income	11	8,90,918	81,52,747
Total Income		19,55,88,725	21,13,31,981
Expenditure			
Restricted Expenditure			
Grant Expenditure	8	18,45,72,768	18,86,89,252
Establishment and Other Expenses			
Administrative expenses	12	51,89,274	1,10,92,018
Expenses on Employment	13	37,30,026	1,13,51,410
Other Expenses	14	8,51,868	9,99,129
Depreciation	5	4,19,897	1,14,377
Total Funan diame		10.47.63.000	
Total Expenditure		19,47,63,833	21,12,47,057
Excess of Income Over Expenditure		8,24,892	84,924
Balance transferred to General Reserve		8,24,892	84,924

1. Significant Accounting Policies Notes referred to above form an integral part of the statmement of Income & Expenditure

This is the Statement of Income and Expenditure referred to in our report of even date For R V K S And Associates

Chartered Accountants

FRN: 008572S

Venugopal C Partner

M No. 226247

Date: 21/09/2024 Place: Bengaluru

Muralidharan Thykat

Chairman

M B Giridhar Goud

Treasurer

Siddhi Harkant Manka

Secretary

BANGALORE

No. 25, Sri Raghavendra Nilaya , 2nd Floor, AECS Layout, Ashwathnagar, Bengaluru - 560 094 Receipts & Payments Account - Consolidated

Amt in (₹)

			Amt in (₹)
Particulars		31st March 2024	31st March 2023
Opening Balance:			
Cash on Hand	1	-	2,600
Cash at Bank	*	3,83,20,159	3,93,80,395
Fixed Deposit		5,00,000	5,00,000
	Α	3,88,20,159	3,98,82,995
Add: Receipts			
Grants received		19,87,73,494	19,44,32,892
Decrease in receivables		91,01,457	16,13,001
Donations		16,94,114	3,38,831
Interest from Designated Bank	=	25,16,337	19,70,215
Other Income		8,90,918	77,90,535
Change in Other Advance	- 1	75,346	2,62,436
Change in Staff Advance		62,475	3,31,464
Rent Deposit Received		4,29,860	35,000
Change in TDS		55,977	
Sale of Fixed Asset	1	-	5,00,000
	В	21,35,99,978	20,72,74,374
Less: Payments			
Change in Rental Advance		40,080	3,41,300
Change in Other Advance		1,31,595	-
Purchase of fixed assets		16,800	9,02,977
Change in Staff Advance		3,86,300	43,592
Change in Prepaid Expenses		19,01,472	
Change in TDS		West # 1866 # Williams	54,600
Interest paid to Donors		8,51,868	9,99,128
Adminstration Expenses		89,19,300	2,14,44,300
Grant Expenses for the year		19,23,11,756	18,45,51,313
	С	20,45,59,171	20,83,37,210
Closing Balance	(A + B - C	4,78,60,966	3,88,20,159
Cash on Hand			-
Cash at Bank		2,73,53,589	3,83,20,159
Fixed deposits		2,05,07,377	5,00,000
		4,78,60,966	3,88,20,159

This is the Receipts and Payments referred to in our report of even date For R V K S And Associates Chartered Accountants

FRN: 008572S

Venugopal C

Partner

M No. 226247

For Vrutti

Muralidharan Thykat

Chairman

M Giridhar Goud

Treasurer

Siddhi Harkant Manka

RUTT

Secretary

* BANGALORE

Date: 21 08 2024 Place: Bengaluru

VRUTTI No. 25, Sri Raghavendra Nilaya , 2nd Floor, AECS Layout, Ashwathnagar, Bengaluru - 560 094. Notes forming part of the Balance Sheet - Consolidated

LUCAI CONGIDUADO												
Domain/ Donor	Opening Advance Balance as on 01-04-23	Opening Receivable Balance as on 01-04-23	Rectificati on/Adjust ment	Fund Received during the year	Interest	Amount	Written off	Receivable for the year 31-03-24	Total	Expended	Exchange profit	Advance Balance as on 31-03-24
Agriculture Extention Activities	4,62,808	1,42,84,891	0	9,20,29,401	2,27,043	43,391	91,01,457	19,42,457	8,94,42,884	8,77,58,606	0	16,84,278
Edelgive Foundation		1,15,546		97,36,399	53,360				96,74,213	89,18,824		
HDFC Bank - Dondi	5,307			39,09,972					39,15,279	39,15,278		1
HDFC Bank - Mulugu	368			1,00,64,260	1,038				1,00,65,666	1,00,65,664		2
L&T Public Charitable Trust (LTPCT)		1,29,305		1,29,305	9				0			0
L&T Public Charitable Trust (LTPCT)	ı	2,52,322		2,52,322					0			0
L&T Public Charitable Trust (LTPCT)		28,82,096		1,13,50,623				9,40,948	94,09,475	94,09,475		0
IDEC First Limited - KA	19,816			38,47,557	59,264				39,26,637	39,26,637		0
IDFC First Limited - MP	3,93,926			47,70,699		,		10	51,72,625	51,72,625		0
Godrej Agrovet Limited				26,10,025	13,745			\	26,23,770	26,23,770		0
National Bank for Agri & Rural Development (NABARD)		3,13,962		5,16,000		170		6,27,000	8,29,038	8,29,038		0
LIC Housing Finance Limited		9,96,812		1,07,83,304	62,316				98,48,808	89,19,922		9,28,886
Godrej Agrovet Limited				41,56,350	22,768				41,79,118	41,79,118		0
360 ONE Foundation				86,37,730			N		86,37,730	86,37,730		0
SAP Labs India				70,76,200		12001			70,76,200	70,76,200		0
The Great Eastern CSR Foundation				000'00'06					000'00'06	100,00,00		-1
Give India Foundation and Razor Pay				286'65		Tegs			786'65	59,987		0
Godrej Agrovet Limited and Godrej Tysons Food Limited				50,09,785	14,552				50,24,337	50,24,337		0
Department of Bio-Technology		3,74,509			2			3,74,509	0	Si .		0
National Bank For Agri & Rural Development(Nabard)		35,20,694				2	35,20,694		0		ė.	0
SFAC-Horti- FPO-Ph II		17,27,500					17,27,500		0			0
TNSFAC-FPO.		38,53,263		11			38,53,263		0			0
Godrej Agrovet Limited		1,18,882		1,18,883					1			1
Godrej Agrovet Limited	43,391					43,391	22		0			0
Enterprise Development & Employment Generation	0	0	0	1,11,96,997	10,674	0	0	0	1,12,07,671	1,12,07,671	0	553
Studies Research And Training	0	0	0	0	0	0	0	0	0	0	0	0
Fisheries Extension Activities	0	1,34,457	0	000'00'68	8,554	0	0	38,371	88,12,468	88,12,468	0	0
Relief Activities	0	0	0	42,10,075	0	0	0		42,10,075	42,10,075	0	0
Total Local Contribution	A 62 809	2 44 10 340	•	CTA 25 52 11	2 45 274	*00 07	220 20 20	000000				

Total College												
Domain/ Donor	Opening Advance Balance as on 01-04-23	Opening Receivable Balance as on 01-04-23	Rectificati on/Adjust ment	Fund Received during the year	Interest earned during the year	Amount	Written off	Receivable for the year	Total	Expended	Exchange profit	Advance Balance as on 31-03-24
Agriculture Extention Activities	8,41,989	0	0 0	2,75,04,972	4,13,997	0	0	1,51,946	2,89,12,904	2,83,67,504	0	5,45,400
Enterprise Development & Employment Generation	1,77,19,089	0	0	3,57,97,011	1,91,600	0	0	0	5,37,07,700	3,87,67,789	0	1,49,39,911
Studies Research and Training	0	42,85,340	0	1,83,26,560	0	0	0	4,77,887	1,45,19,107	1,12,10,780	0	33,08,327
Fisheries Extension Activities	1,60,464	0	0	0	0	0	0	0	0	1,60,464	0	0
Relief Activities	0	0	0	0	0	0	0	0	0	0	0	0
Total Foreign Contribution	1,87,21,542	42,85,340	0	8,16,28,543	6,05,597	0	0	6,29,833	9,71,39,711	7,85,06,537	0	1,87,93,638
Total	1,91,84,350	1,87,04,688		0 19,79,65,016	8,51,868	43,391	91,01,457	26,10,661	21,08,12,809	19,04,95,357	0	2,04,77,916
Previous Year	Previous Year 2,55,50,150		-882,378	2,02,46,192 -882,378 19,56,67,906	9,99,129	10,92,730	51,33,695	1,51,83,995	22,10,54,400	20,08,70,188	2,59,040	1,91,84,349

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No. 25, Sri Raghavendra Nilaya , 2nd Floor, AECS Layout, Ashwathnagar, Bengaluru - 560 094 Notes forming part of Balance Sheet - Consolidated

Note 3

Amt in (₹)

Hote 5		Anne in (s)
Particulars	As at 31st March 2024	As at 31st March 2023
Specific Funds	7	
Corpus Funds	17,60,000	17,60,000
Market Guarantee Fund	8,01,000	8,01,000
Specific Funds -	Closing Balance 25,61,000	25,61,000

Note 4

Particulars	As at 31st March 2024	As at 31st March 2023
General Reserve		
General Reserve- Opening Balance	2,23,61,965	2,22,77,041
Add/Less:Current year surplus / Deficit	8,24,892	84,924
General Reserve- Closing Balance	2,31,86,857	2,23,61,965

Note 6A

	Particulars	As at 31st March 2024	As at 31st March 2023
Current Investments			
Fixed Deposits		2,05,07,377	5,00,000
	Total Current Investments	2,05,07,377	5,00,000

Note 6B

Particulars		As at 31st March 2024	As at 31st March 2023
Deposits			>
Rental Deposit	_	7,49,520	11,39,300
1	otal Deposits	7,49,520	11,39,300

Note 6C

Particu	ars	As at 31st March 2024	As at 31st Mar 2023
Current Assets			19
Cash & Bank balances		2,73,53,589	3,83,20,159
Accounts Receivables	×	26,10,661	1,87,04,688
Loans & Advances		2,74,315	8,64,884
Tax Deducted at Source		25,62,137	26,18,114
Tax Collected at Source	d T		1,562
Prepaid Expenses		19,01,472	-
	Total Current Assets	3,47,02,174	6,05,09,407



No. 25, Sri Raghavendra Nilaya , 2nd Floor, AECS Layout, Ashwathnagar, Bengaluru - 560 094 Notes forming part of Balance Sheet - Consolidated

Note 3

Amt in (₹)

Note 7

Particulars	As at 31st March 2024	As at 31st Mar 2023
Current Liabilities		
1) Sundry Creditors		_
Sundry Creditors - Projects	8,87,790	68,99,554
Sundry Creditors - Others	1,35,000	2,66,595
Advance towards Statutory Payments	17,287	70,548
2) Staff Advance	1,96,798	6,66,003
3) Expenses Payables	24,34,218	40,42,755
4) Provisions	41,33,658	52,48,706
5) Statutory Payables	30,08,512	23,30,295
Total Current Liabilities	1,08,13,263	1,95,24,456



No. 25, Sri Raghavendra Nilaya , 2nd Floor, AECS Layout, Ashwathnagar, Bengaluru - 560 094 FIXED ASSETS SCHEDULE - Consolidated VRUTTI

Note -5A

Particulars	Rate of Dep			Gross Block	×				Depreciation			Net Block	ock
		As on 01-04-23	Additions > 180 days	Additions <180 days	Deletions	Sold	As on 31-03-24	As on 01-04-23	For the year	For Sold assets	As on 31-03-24	As on 31-03-24	As on 01-04-23
	-	- 20	50										
Computers	40%	10,42,473	0	_	0	0	10,42,473	9,72,863	27,844	0	10,00,707		69,610
Office Equipments	10%	4,20,233	16,800	_	0	0	4,37,033	2,61,447	17,559	0	2,79,006	27.01	1,58,786
Furniture and fixture	10%	11,41,238					11,41,238	7,47,989	39,325		7,87,314	3,53,924	3,93,249
Vehicle	15%						8						
Mobile Phones	15%	71,998					71,998	34,405	5,639		40,044	31,954	37,593
Total		26,75,942	16,800	3	0	0	26,92,742	20,16,704	90,367	0	21,07,071	5,85,671	6,59,238

Gross Block
As on Additions > Additions 01-04-23 180 days <180 days
40% 8,23,824
8,23,824 0 0



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

Notes forming part of Income and Expenditure -Consolidated

Note 8: Grant Expenditure and Grant Income:			Amt in (₹)
	Total Grant Expenditure	Management Cost	Grant Income recognised
Schedule 8A			
General Contribution Section	11,29,28,583	79,61,937	11,19,80,819
Schedule 8B			
Foreign Contribution Section	7,16,44,186	68,62,356	7,85,06,537
Total	18,45,72,768	1,48,24,293	19,04,87,356
Previous Year	18,86,89,252	1,44,62,532	20,08,70,188

Note - 8A - Local Contribution

Details of the Grant Income and Grant Expendirture

Amt in (₹)

Particulars	Project staff salary	Programme cost	Administration Expenses	Total Grant Expenditure	Management Cost	Grant Income recognized (a)
Agriculture Extention Activities	2,46,92,988	5,28,10,615	38,42,717	8,13,46,320	64,04,286	8,77,50,605
Enterprise Development & Employment Generation	27,25,399	73,67,758	80,373	1,01,73,530	10,34,142	1,12,07,671
Fisheries Extension Activities	16,06,003	59,98,038	6,84,917	82,88,958	5,23,510	88,12,468
Relief Activities	1,77,734	40,31,781	560	42,10,075		42,10,075
Project Expenses not receivable	2	89,09,700		89,09,700		<u> </u>
Total Grant Income - Local Contribution	2,92,02,124	7,91,17,892	46,08,567	11,29,28,583	79,61,937	11,19,80,819
Previous Year - Local Contribution	3,99,20,551	10,39,87,134	62,56,230	15,01,63,916	1,09,58,118	15,90,99,477

Note - 8B Foreign Contribution

Details of the Grant Income and Grant Expendirture

Particulars	Project Staff Cost	Programme Cost	Project Administration Expenses	Total Grant Expenditure	Management Cost	Grant Income recognized
Agriculture Extention Activities	68,53,790	1,75,44,140	16,53,325	2,60,51,255	23,16,244	2,83,67,505
Enterprise Development & Employment Generation	69,94,261	2,80,89,022	1,60,167	3,52,43,450	35,24,349	3,87,67,789
Studies Reserach and Training	35,41,021	66,58,530	4,053	1,02,03,604	10,07,175	1,12,10,779
Fisheries Extension Activities	78,551	67,325	(8)	1,45,877	14,588	1,60,464
Relief Activities				-		
Total Grant Income - Foreign Contribution	1,74,67,623	5,23,59,017	18,17,545	7,16,44,186	68,62,356	7,85,06,537
Previous Year - Foreign Contribution	1,51,07,194	2,19,47,101	14,71,040	3,85,25,336	35,04,415	4,17,70,711

No. 25, Sri Raghavendra Nilaya, 2nd Floor, AECS Layout, Ashwathnagar, Bengaluru - 560 094 Notes forming part of Income and Expenditure -Consolidated

Note 9 Amt in (₹) For the year For the year **Particulars** ended 31st ended 31st March 2024 March 2023 **Donations** Donation 16,94,114 3,38,831 16,94,114 **Total Donations** 3,38,831

Note 10

Particulars		For the year ended 31st March 2024	For the year ended 31st March 2023	
Interest Income	1			
Interest on Saving Acco	ount	λ	24,74,713	19,44,129
Interest on Fixed Depo	sits		39,527	26,086
Interest on IT Refund			2,097	-
		Total Interest Income	25,16,337	19,70,215

Note 11

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Other Income		
Sale of Fixed Asset	-	3,62,212
Expenses not Payable	8,90,318	66,47,708
Membership Fee	600	600
Foreign exchange gain		2,59,040
Other Income		8,83,187
Total Other I	ncome 8,90,918	81,52,747



Note 12

Par	ticulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Adminstrative Expenses			
Audit fees		2,95,000	2,95,000
Bank Charges		1,821	6,630
Communication expenses	7	7,69,210	9,65,222
Admin Support Expenses		24,565	1,07,390
Office Maintenance		2,41,775	3,27,177
Office Rent		9,59,120	13,13,995
Printing and Stationery	40	65,977	1,03,593
Professional Fees		16,09,683	50,30,717
Rates & Taxes		775	13,261
Travel & Conveyance	15	4,16,950	10,01,512
Meeting Expenses	*	4,50,407	6,91,569
Renewal Fees		1,53,402	20,478
Annual Society Filing Fees	3	2,00,589	2,16,345
<u> </u>	Total Adminstrative Expenses	51,89,274	1,10,92,018

Note 13

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Expenses on Employment		
Salary	13,42,694	98,49,256
Employer contribution to Labour Welfare Fund	492	1,760
Staff Welfare Expenses	5,18,642	4,27,467
Staff Insurance	18,68,199	10,72,927
Total Expenses on Employment	37,30,026	1,13,51,410

Note 14

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Other Expenses - Interest Paid to Donors		
Hongkong and Shanghai Banking Corporation Limited (HSBC)	4,13,997	1,31,406
Walmart Inc	1,91,600	3,26,377
Edelgive Foundation	61,914	1,74,195
HDFC Bank	1,038	2,827
IDFC First Limited - KA and MP	59,264	2,20,737
Godrej Agrovet Limited	36,513	49,370
LIC Housing Finance Limited	62,316	5,694
Godrej Agrovet Limited and Godrej Tysons Food Limited	14,552	-
Godrej Consumer Products Limited	10,674	57,243
Ashraya Hastha Trust		31,280
Total Other Expenses	8,51,868	9,99,129



No. 25, Sri Raghavendra Nilaya, 2nd Floor, AECS Layout, Ashwathnagar, Bengaluru - 560 094 NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS

1. BACKGROUND:

Vrutti ("the organization") is registered under Karnataka Societies Registration Act, 1960, vide registration no. 1143:2001-02 dated 13.03.2002.

2. BASIS OF PREPARATION:

Society follows an accrual method of accounting. Accounts have been prepared on going concern basis under historical cost convention. The preparation of financial statements requires the organization to make estimates and assumptions that affect the figures reported in financial statements. The actual results could differ from these estimates. For Income tax purposes, cash method of accounting is followed as per the Income Tax Act.

3. PRINCIPLES OF CONSOLIDATION:

The consolidated financial statements of the organization include accounts of foreign contribution, local contributions and donations received.

4. FUND ACCOUNTING:

The organization has followed the principle of having separate funds for each of the program focus areas. Funds available under each program area are classified into three categories pursuant to donor-imposed restrictions, organizational policies & applicable law — Restricted Funds, Designated Funds and Unrestricted Funds.

4.1 Restricted Funds-

Restricted funds are fund's whose use has been limited by donors or applicable law to a specific time period and/or for a specific purpose. As & when the restrictions are satisfied, funds to that extent are transferred to Income & Expenditure Account in case of revenue expenditure and capital expenditure.



No. 25, Sri Raghavendra Nilaya, 2nd Floor, AECS Layout, Ashwathnagar, Bengaluru - 560 094 NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS

4.2 Unrestricted funds

These unrestricted funds which are further designated or set aside by the governing body for specific purposes.

4.3 General Funds

These are unconditional expendable funds available for use at the discretion of Governing Body for furtherance of the Organization's objectives. These funds are neither restricted by donor nor designated for specific purpose by the Governing Body. All unrestricted unutilized donations are credited to General Fund. Surplus or deficit arising out of the operations in each of the Program Focus Areas is adjusted against the respective general fund.

It is assumed that at times fluctuations will occur in projected income and expenditure, which cannot be fully anticipated during the planning process. In the light of such circumstances, it is the policy of the Organization to maintain a prudent level of General Fund to provide stability and flexibility.

4.4 Method of Accounting of Interest

Interest earned out of grant funds, either from savings account or fixed deposits, are initially recognized as interest income on all grant funds and in the cases of interest income which are to be returned to the donors as per the conditions of the grant agreement with the donors, such interest incomes are considered as "income" and considered as expenditure, thereby nullifying the effect of interest income.

5. REVENUE RECOGNITION:

5.1 All the incomes are recognized when the Organization is legally entitled to collect it and the amount can be quantified with reasonable accuracy, on an accrual basis.



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- 5.2 Interest on deployment of funds is recognized using the time proportion method, based on the underlying interest rates.
- 5.3 General Contribution includes donations received in cash.
- 5.4 Restricted Funds received towards recurring expenditure are credited to specific income accounts to the extent restrictions are satisfied.

6. PROPERTY PLANT, AND EQUIPMENT & DEPRECIATION

Property, plant and equipment are shown at cost and donations in kind are capitalized at nominal value. The depreciation for fixed assets is provided on a written down value basis at the rates prescribed in the Income-tax Act, 1961. Maintenance, repairs and investment in minor assets are charged off to Income & Expenditure Account. That expenditure which will materially increase the value of the asset or extend its useful life is capitalized.

The assets which have fulfilled their useful life are retired at the book value and are charged off to the Income & Expenditure Account. Amounts realized on sale of assets to the extent of written down value are credited to the asset account. Profit or loss resultant to the sale is charged to the Income & Expenditure Account. However, assets purchased out of specific grant receipts for implementing the project have been expensed off during the year of purchase.

7. FOREIGN EXCHANGE TRANSACTION:

Transactions denominated in foreign currency are converted to Indian rupees and recorded as per the exchange rates prevalent on the date of transaction. The resultant net Exchange differences are recognized in the Income and expenditure account.

8. INVESTMENTS:

Investments are made in accordance with provisions under Section 11 of Income Tax Act. Investments of all the funds are pooled together. Each participating fund enters & withdraws from the pool based on fund movement. Investments are stated at value as on 31st March 2024, including interest accrued but not received.



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9. TAXATION:

The Organization is registered under Section 12AA(1)(b)(i) of Income Tax Act 1961 vide CIT(E)BLR/12A/K-113/AAAJC0156H/ITO(E)-2/Vil 2014-15 dt 31/12/2014 of Director Income Tax (Exemptions) and is renewed with the registration number: AAAJC0156HE20214 which is valid till 31/03/2026. As such, the income of the organization is exempt from taxation of its income and gains. The income is Exempt subject to conditions specified under Section 11 and 13 of the Income tax Act. The organisation is registered under FCRA and has received the registration renewal vide Ref No. 0300027472021 dated 25/02/2022 with registration number 094421378 for a period of 5 years with effect from 01-04-2022.

11. LEASES

Leases where the lessor effectively retains substantially all the risks and benefits of the ownership over the lease term are classified as operating lease. Operating lease payments are recognized as expenses in the statement of Income and Expenditure. The organization has taken certain office spaces under an operating lease basis. The future minimum lease rental payables towards non-cancellable operating leases as at the balance sheet date are as below:

Amt in (₹)

Particulars	As at March 31 2024	As at March 31 2023
Not later than one year	6,60,755	8,96,340
Later than one year not later than 5 years	24,46,500	19,58,500
Later than 5 years	-	-



No. 25, Sri Raghavendra Nilaya, 2nd Floor, AECS Layout, Ashwathnagar, Bengaluru - 560 094 NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS

12. STAFF BENEFIT FUND

Gratuity

The Organization has carried out Gratuity Valuation for the year 2023-24. The following Table provides the disclosure in accordance with Revised AS − 15 in respect of Gratuity for the year ended and as at March 31, 2024.

Amt in (₹)

No	Particulars	Financial Year 2023-24	Financial Year 2022-23
I.	Change in Defined benefit Obligations:		u.
	Projected Defined Benefit obligations at the beginning of the year	36,38,637	30,82,993
	Current Service Cost	9,98,298	9,63,027
	Interest Cost	3,35,264	2,84,620
	Past Service Cost		
	Actuarial Losses / (Gain)	50,077	-591,105
	Liabilities Assumed in Acquisition/ (Settled on Divestiture)		-
	Benefits paid	-18,33,952	-1,00,904
	Projected Defined Benefit obligations at the end of the year	31,88,324	36,38,637
II.	Change In Plan Assets		
	Plan assets at the beginning of the year at Fair Value	NIL	NIL
	Contributions by the employer	18,33,952	1,00,904
	Benefits paid	-18,33,952	-1,00,904
	Plan assets at the end of the year at Fair Value	NIL	NIL
III.	Present Value of Defined Benefit Obligation	31,88,324	36,38,637
	Plan Assets at the end of the year at Fair Value *	NIL	NIL



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	Total Liability as at the end of the year **	31,88,324	36,38,637
IV.	Financial Assumptions at the Valuation Date		×
	Discount Rate (P.A)	0	0
	Salary Escalation Rate	0	0

19. RELATED PARTY DISCLOSURE

As required under "Accounting Standard - 18", issued by Institute of Chartered Accountants of India, the Organization has disclosed the transaction with related parties effected during the Financial Year - 2023-24

19.1 Details of Governing Body Members to whom payments were made:

SI	Name of the Person	Relationship	Age	Qualification	Specialization
1	Muralidharan Thykat	Chairperson	72	B.Sc.(Agri) PGDBA TCTP Fellow	Development Professional
2	Siddhi Harkant Mankad**	Secretary	53	BA (Econ.), MA (Econ), PGDRM	Development Professional
3	M B Giridhar Goud**	Treasurer	55	Master in Social Work	Development Professional
4	S. Balakrishnan	Governing Body Member	48	PGDMM PGDBM	Development Professional
5	Johnson Thangaraj*	Governing Body Member	56	Agricultural engineer	Development Professional
6	Raghini B	Governing Body Member	51	Msc (Agri Economics) BSc (Agri)	Development Professional
7	N. Raghunathan	Governing Body Member	57	BE(Agri) PGDRM	Development Professional
8	V. Vivekanandan*	Governing Body Member	56	B.Com PGDRM PHDSD	Development Professional

^{*}Governing Body member till 23rd September 2023



^{**} Governing Body member from 23rd September 2023

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Salary/Remuneration paid to the Governing Body Members for services rendered to the Organization for the financial year ending March 31, 2024 is as follows:

Amount in Rs

Nature of Payment	Total	al Amount	Amount paid out of Earmarked Fund in Rs.	Balance amount paid from General Reserve in Rs.
Salaries*		56,12,202	54,21,001	1,91,201
Professional Fees		97,96,000	95,49,125	2,46,875
Reimbursements	1	7,97,801	7,12,105	85,696

^{*}The above figures do not include provision for gratuity payable as the same are actuarially determined for organization as a whole and separate figures for related parties are not available.

Breakup of Salaries & Professional fees paid to Governing Body Members :

Amount in Rs

Sl no	Name of the Member	Total Amount	Amount paid out of Earmarked Fund in Rs.	Balance amount paid from General Reserve in Rs.
1	S Balakrishnan	14,12,949	14,07,526	5,423
2	Raghini B	29,08,473	27,32,695	1,75,778
3	M B Giridhar Goud	12,90,780	12,80,780	10,000
	Total Salaries paid	56,12,202	54,21,001	1,91,201
1	S Balakrishnan	2,15,000	0	2,15,000
2	N Johnson Thangaraj	2,75,000	2,43,125	31,875
3	N. Raghunathan	87,08,000	87,08,000	0
4	Siddhi Harkant Mankad	2,98,000	2,98,000	0
5	V. Vivekanandan	3,00,000	3,00,000	0
	Total Professional Fees Paid	97,96,000	95,49,125	2,46,875
		1,54,08,202	1,49,70,126	4,38,076



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Breakup of the reimbursements made to the Governing Body Members:

Amount in Rs

SI no	Name of the Member	Total Amount	Amount paid out of Earmarked Fund in Rs.	Balance amount paid from General Reserve in Rs.
1	S Balakrishnan	1,86,992	1,71,021	15,971
2	Raghini B	2,05,452	1,61,568	43,884
3	M B Giridhar Goud	3,01,165	2,75,324	25,841
4	N Johnson Thangaraj	32,835	32,835	C
5	N. Raghunathan	23,339	23,339	C
6	Siddhi Harkant Mankad	10,696	10,696	0
7	V. Vivekanandan	37,322	37,322	0
	Total Reimbursement	7,97,801	7,12,105	85,696

19.2 Details of transactions made:

Sl. No.	Name of the organization / Person	Relationship	Nature of Transactions	Amt in (₹)
1	Catalyst Management Services Pvt Ltd	Private Company in which two members of the Society are shareholders and directors.	Subcontract Technical Support and Reimbursement of Expenses	1,49,71,249
2	Fuzhio Health and Business Services Pvt Ltd	Private Company in which two members of the Society are shareholders and directors.	Statutory and Reimbursement of Expenses	16,31,238



No. 25, Sri Raghavendra Nilaya, 2nd Floor, AECS Layout, Ashwathnagar, Bengaluru - 560 094 NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF FINANCIAL **STATEMENTS**

All the above transactions are provided at competitive rates and are at arm's length. Some of these salaries and professional services are reimbursed by various projects and some are incurred by the society. Wherever they are reimbursed by various projects, the relevant expenditure is considered under the head 'Grant Expenditure' in note 8.

20.General: Previous year's figures have been regrouped and reclassified wherever necessary to confirm with current year's presentation.

For R V K S And Associates **Chartered Accountants**

FRN: 008572S

Venugopal C Partner

M No. 226247

UDIN:

For Vrutti

Muralidharan Thykat Chairman

M B Giridhar Goud

Treasurer

Siddhi Harkant Mankad Secretary