



# AVA & ASSOCIATES

## CHARTERED ACCOUNTANTS

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### Independent Auditors' Report

To The Members of  
**Bharat Rural Livelihoods Foundation (BRLF)**

#### Report on the Financial Statements

We have audited the accompanying financial statements of Bharat Rural Livelihoods Foundation (BRLF), which comprise the Balance Sheet as at 31<sup>st</sup> March 2014, the Income and Expenditure Account, Receipt and Payment Account for the year ended and a summary of significant accounting policies and other explanatory information.

#### 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 of the Company in accordance with the accounting practices followed as per the guidelines prescribed by the Government of India. This responsibility includes the design, implementation and maintenance of internal control 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Society's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion



## Opinion

We further report that we have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our Audit. In our opinion proper books of accounts have been kept by the Society as far as appears from our examination of those books. We also report that the annexed statements of accounts are in agreement with the said books of accounts.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements read with the schedules thereon give a true and fair view in accordance with the accounting principles generally accepted in India:

- a. In the case of Balance Sheet, of the state of affairs of the Society as at 31<sup>st</sup> March 2014.
- b. In the case of Income and Expenditure Account, of the Surplus of the period ended on that date.
- c. In the case of Receipt and Payment Account, of the cash flows during the period.

For AVA & ASSOCIATES  
Chartered Accountants  
FRN: 004017N

  
(CA Avineesh Matta)

Partner  
M. No. 083054  
Place: New Delhi  
Date: 25.09.2014



**BHARAT RURAL LIVELIHOODS FOUNDATION (BRLF)**  
 Regd. Office: Room No. 38-A, Krishi Bhawan, New Delhi-110001  
 BALANCE SHEET AS AT 31st MARCH 2014

Amount in Rs.

CORPUS / CAPITAL FUND AND LIABILITIES	Schedule	2013-14
Corpus Fund	A	2,000,000,000
Reserve & Surplus	B	14,322,493
<b>Total (Rs.)</b>		<b>2,014,322,493</b>
<b>ASSETS</b>		
Current Assets, Loans and Advances	C	
Cash & Bank Balance		2,014,322,493
<b>TOTAL (Rs.)</b>		<b>2,014,322,493</b>

Significant Accounting Policies  
 Contingent Liabilities & Notes to Accounts

As per our report of even dated attached

For AVA & Associates  
 Chartered Accountants  
 FRN : 004017N

CA Avinash Matta  
 Partner  
 M. No. 083054  
 Place: New Delhi  
 Date: 25.09.2014



For Bharat Rural Livelihoods Foundation

(Anil Subramaniam)  
 Chief Finance Officer

अनिल सुब्रमनियम / ANIL SUBRAMANIAM  
 उप सचिव / Deputy Secretary  
 भारत सरकार / Govt. of India  
 राष्ट्रीय विकास योजनाएं / Mo Rural Development  
 कृषि भवन, नई दिल्ली / Krishi Bhawan, New Delhi

(Zulfiqar Halder)  
 Chief Executive Officer

**CHIEF EXECUTIVE OFFICER**  
 Bharat Rural Livelihoods Foundation

**BHARAT RURAL LIVELIHOODS FOUNDATION (BRLF)**  
 Regd. Office: Room No. 38-A, Krishi Bhawan, New Delhi-110001  
**RECEIPT AND PAYMENT ACCOUNT FOR THE YEAR ENDED 31st MARCH 2014**

		Amount in Rs.
Receipts		2013-14
Opening Balance		
Cash		
Bank Balance		
a. Donation from Nimesh Sumati	1,000,000	
b. Corpus Grant from Ministry of Rural Development, Government of India (MORD)	2,000,000,000	2,001,000,000
Interest received on Saving Bank Account		13,322,493
<b>TOTAL</b>		<b>2,014,322,493</b>
Closing Balance		
a) Cash		
b) Bank		2,014,322,493
<b>TOTAL</b>		<b>2,014,322,493</b>

As per our report of even date attached

For AVA & Associates  
 Chartered Accountants  
 FRN : 004017N

CA Avinash Matta  
 (Partner)  
 M. No. : 083054  
 Place: New Delhi  
 Date: 25.09.2014



For Bharat Rural Livelihoods Foundation

(Anil Subramaniam)  
 Chief Finance Officer

जनिल सुब्रमनियम / ANIL SUBRAMANIAM  
 उपायुक्त / Deputy Secretary  
 कृषि भवन / Govt. of India  
 कृषि भवन, नई दिल्ली / Krishi Bhawan, New Delhi

(Zulfiqar Haider)  
 Chief Executive Officer

**CHIEF EXECUTIVE OFFICER**  
 Bharat Rural Livelihoods Foundation

**BHARAT RURAL LIVELIHOODS FOUNDATION**  
 Regd. Office: Room No. 38-A, Krishi Bhawan, New Delhi-110001  
**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2014**

Amount in Rs.

INCOME	Sch	Rs.	2013-14
Grants, Subsidies & Donations i. Donation	D	1,000,000	
Other Income	E		1,000,000.00
<b>TOTAL</b>			<b>13,322,493.15</b>
<b>EXPENDITURE</b>			
Expenditure			
Excess of Income over Expenditure			14,322,493.15
<b>TOTAL</b>			<b>14,322,493.15</b>
Significant Accounting Policies	F		
Contingent Liabilities & Notes to Accounts	G		

As per our report of even date attached

For AVA & Associates  
 Chartered Accountants  
 FRN:004017N




CA Avineesh Matta  
 Partner  
 M. No. 083054  
 Place: New Delhi  
 Date: 25.09.2014

For Bharat Rural Livelihoods Foundation



(Anil Subramaniam)  
 Chief Finance Officer



(Zulfiquar Haider)  
 Chief Executive Officer

जनित सुब्रमनियम / ANIL SUBRAMANIAM  
 जे. सी. सेक्रेटरी / Deputy Secretary  
 भारत सरकार / Govt. of India  
 कृषि विकास विभाग / Ministry of Rural Development  
 कृषि भवन, नई दिल्ली / Anand Bhawan, New Delhi

**CHIEF EXECUTIVE OFFICER**  
 Bharat Rural Livelihoods Foundation

**BHARAT RURAL LIVELIHOODS FOUNDATION (BRLF)**  
 Regd. Office: Room No. 38-A, Krishi Bhawan, New Delhi-110001

**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2014**

(Amount - Rs.)

	Rs.	2013-14
<b>SCHEDULE A - Corpus Fund</b>		
Contribution received towards Corpus Fund by Ministry of Rural Development, Government of India	2,000,000,000	
Closing balance		2,000,000,000
<b>TOTAL</b>		<b>2,000,000,000</b>
<b>SCHEDULE B - Reserve &amp; Surplus</b>		
		<b>2013-14</b>
<b>a. Surplus</b>		
Opening Balance		
Add: Excess of Income over Expenditure during the year	14,322,493	
Closing Balance as on 31.03.2014	14,322,493	14,322,493
<b>Total</b>		<b>14,322,493</b>
<b>SCHEDULE C - Current Assets, Loan &amp; Advances and Other Assets</b>		
		<b>2013-14</b>
<b>a. Current Assets</b>		
<u>Cash &amp; Bank Balances:</u>		
Cash in Hand		-
Bank Balance in Saving Account with Yes Bank at Chanakyapuri Branch, New Delhi		2,014,322,493
<b>Total (A)</b>		<b>2,014,322,493</b>
<b>b. Loan &amp; Advances and Other Assets</b>		-
<b>Total (B)</b>		-
<b>GRAND Total (A+B)</b>		<b>2,014,322,493</b>

<b>SCHEDULE D. Grants, Subsidies &amp; Donations</b>		
i. Donation from Nimesh Sumati	1,000,000	1,000,000
<b>Total Grants</b>		<b>1,000,000</b>

<b>SCHEDULE E. Other Incomes</b>		
Saving Bank Interest		13,322,493
<b>Total</b>		<b>13,322,493</b>



## SCHEDULE-F

### Bharat Rural Livelihoods Foundation (BRLF)

#### 1. Legal Status and Operation:

Bharat Rural Livelihoods Foundation (BRLF) has been promoted by Ministry of Rural Development, Government of India as an autonomous charitable society registered under the Society Registration Act, 1860 having registration no. S/ND/351/2013 dated 10<sup>th</sup> December, 2013.

Envisaged as supporting CSO projects focused on tribal, especially women's empowerment and livelihoods, BRLF's mission is to facilitate and upscale civil society action in partnership with Government for transforming livelihoods and lives of rural households, with an emphasis on women all over India. Concentrating in the Central Indian Tribal Region in the initial years of its functioning covering nine states of Odisha, Jharkhand, West Bengal, Chattisgarh, Madhya Pradesh, Andhra Pradesh, Maharashtra, Rajasthan, Telangana and Gujarat, its long term goals *inter alia* are providing grants to civil society organisations (CSOs) to meet their human resource and institutional costs for up-scaling proven interventions, invest in institutional strengthening of smaller CSOs and capacity building and development of professional human resources working at the grassroots.

A Memorandum of Understanding (MoU) between Ministry of Rural Development, Government of India and Bharat Rural Livelihoods Foundation (BRLF) dated 13<sup>th</sup> January 2014 has been entered into to provide grants upto Rs. 500 crores for creating corpus, in two tranches subject to conditions laid down in the MoU. During the year 2013-14 the Government of India has released Rs. 200 crore as first tranche of corpus fund on 5<sup>th</sup> March 2014 and the second tranche of Rs. 300 crores will be released after two years on fulfilment of conditions prescribed in the MOU. In accordance with Grant conditions in MoU, no expenditure can be met from the corpus fund received from Government of India; however, the income arising out of the corpus can be utilized to fulfil the objectives of the society. MoU also mandates review of BRLF and its programmes' impact assessment by the Government after five years and may take back the grant and may advise dissolution of BRLF in case the outcomes are not forthcoming as projected.

#### 2. Summary of Significant Accounting policies:

##### 2.1 Accounting Convention

These statements of accounts have been prepared under the historical cost convention, without any adjustment to the effect of inflation.

##### 2.2 Basis of preparation

The financial statement has been prepared following cash basis of accounting.

##### 2.3 Grant in Aid

Treatment of Grant in Aid has been made in the accounts as per AS-12 – Accounting for Government Grants issued by Institute of Chartered Accountants of India.

- i. Grants in the nature of Corpus are treated as Corpus Fund and only the income arising out of Corpus shall be utilized to fulfil the objectives of BRLF.
- ii. Grants received for specific purposes are utilized for the purpose of its release.



- iii. Grants utilized to the extent of and in accordance with the grant conditions and project objectives are treated as Income in the Income & Expenditure Account.
- iv. Unutilized grants are treated as Liabilities in the Balance sheet.

#### 2.4 Income Recognition

Interest on saving bank is recognized on receipt basis.

#### 2.5 Taxes on Income

No Provision for Income Tax is considered necessary as the Society is registered as a Charitable Institution under section 12A (a) of the Income Tax Act, 1961 and the society shall fulfill the conditions attached to claim exemption under section 11 and 12 of the Income Tax Act..



For Bharat Rural Livelihoods Foundation

(Anil Subramaniam)  
Chief Finance Officer

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उप सचिव / Deputy Secretary  
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ग्रामीण विकास नशालय / Mo Rural Development  
कृषि भवन, नई दिल्ली / Krishi Bhawan, New Delhi

(Zulfiqar Haider)  
Chief Executive Officer

CHIEF EXECUTIVE OFFICER  
Bharat Rural Livelihoods Foundation



**SCHEDULE-G**

**CONTINGENT LIABILITIES & NOTES TO ACCOUNTS (FORMING PART OF THE FINANCIAL STATEMENTS)**

- I. In the opinion of the Management Current Assets are approximately of the value stated if realized in the ordinary course of business except otherwise stated.
- II. The society has not procured any goods or services during audit period. No fixed assets were acquired by the Society during the year 2013-14.
- III. During the year Society has received Rs. 10 Lakh as Donation from Mr. Nimesh Sumati, to be used for the purposes of achieving of Society's objectives.
- IV. Audit fees of Rs. 18000/- and applicable service tax payable for the year 2013-14 will be accounted for in the year of payment.
- V. The present being the first year of operations, no previous year figures is reported.
- VI. Figures have been rounded off to nearest rupees.



For Bharat Rural Livelihoods Foundation

(Anil Subramaniam)  
Chief Finance Officer

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ग्रामीण विकास विभाग / Rural Development  
इंजी. भवन, नई दिल्ली / ICSI Bhawan, New Delhi

(Zulquar Haider)  
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