



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 31st March 2017, the Income and Expenditure Account, Receipt and Payment Account for the year ended on that date 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 Society 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.

We also made an attempt to examine the transactions on test basis for regularity, reasonability, prudence and also the impact of various laws or underlying grant conditions with a view to appraise the propriety of expenditure. In our opinion and according to the information and explanation given to us, having regards to the explanation that certain items purchased/ services procured are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations and in view of exigencies of operations; and, for which appropriate management approvals have been obtained, there is an adequate internal control system commensurate with the size of the society.

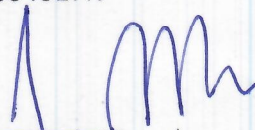
In our opinion and to the best of our information and according to the explanations given to us, the financial statements read with the schedules thereon give a true and fair view in accordance with the accounting principles generally accepted in India:

- a. In the case of Balance Sheet, of the state of affairs of the Society as at 31st March 2017.
- 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.

Further we report that:

- a. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of audit.
- b. In our opinion proper books of accounts as required under Societies registration Act, 1860 has been kept by the society so far as appear from our examination.
- c. the Balance Sheet, Income & Expenditure account and Receipt & Payment Account dealt with this report are in agreement with the books of account.
- d. In our opinion the Balance Sheet, Income & Expenditure account and Receipt & Payment Account, comply with the relevant accounting standards issued by Institute of Chartered Accountants of India (ICAI).

For AVA & ASSOCIATES
Chartered Accountants
FRN: 004017N


(CA Avineesh Matta)

Partner

M. No. 083054

Place: New Delhi

Date: 26.07.2017



BHARAT RURAL LIVELIHOODS FOUNDATION (BRLF)

Regd. Office: Room No. 38-A, Krishi Bhawan, New Delhi-110001

BALANCE SHEET AS AT 31st MARCH 2017

CORPUS / CAPITAL FUND AND LIABILITIES	Schedule	Amount in Rs.	
		2016-17	2015-16
Corpus Fund	A	2,000,000,000	2,000,000,000
Endowment Fund	B	205,297,782	104,628,636
Grant-in-Aid	C	511,401	612,766
Reserve & Surplus	D	286,995,839	280,705,315
Current Liabilities & Provisions	E	1,432,573	1,498,765
Total (Rs.)		2,494,237,595	2,387,445,482
ASSETS			
Fixed Assets	F	1,793,209	1,426,085
Investments	G	2,160,000,000	2,150,000,000
Investment of Endowment Fund	H	201,926,172	101,050,000
Current Assets	I	44,042,983	47,511,067
Cash & Bank Balance	J	86,475,231	87,458,330
Other Current Assets			
TOTAL (Rs.)		2,494,237,595	2,387,445,482
Significant Accounting Policies	P		
Contingent Liabilities & Notes to Accounts	Q		

As per our report of even dated attached

For AVA & Associates

Chartered Accountants

FRN : 004017N

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CA Avineesh Matta

Partner

M. No. 083054

Place: New Delhi

Date: 26/07/2017



For Bharat Rural Livelihoods Foundation

[Signature]

Dr. Mihir Shah
President

[Signature]

Pramathesh Ambasta
Chief Executive Officer

[Signature]

Sharad Bhargava
Chief Finance Officer

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 2017

Amount in Rs.			
INCOME	Sch.	2016-17	2015-16
Grants, Subsidies & Donations	K	3,331,514	898,350
Grants			
Other Income	L	194,622,304	188,738,234
TOTAL		197,953,818	189,636,584
EXPENDITURE			
Expenditure			
Program Expenses	M	172,334,466	97,570,867
Establishment Expenses	N	17,011,724	14,982,191
Other Administrative Expenses	O	1,626,313	1,659,333
Depreciation	F	690,791	679,957
Excess of Income over Expenditure		191,663,293	114,892,348
		6,290,525	74,744,236
TOTAL		197,953,818	189,636,584
Significant Accounting Policies	P		
Contingent Liabilities & Notes to Accounts	Q		

As per our report of even date attached

For AVA & Associates

Chartered Accountants

FRN:004017N



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CA Avinash Matta
Partner

M. No. 083054

Place: New Delhi

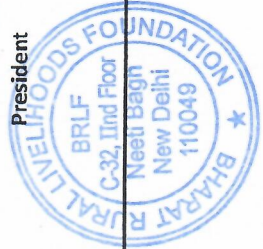
Date: 26/07/2017

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Pramathesh Ambasta
Chief Executive Officer

[Signature]

Sharad Bhargava
Chief Finance Officer



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 2017

Receipts	(Amount in Rs.)				
	2016-17	2015-16	Payments	2016-17	2015-16
Opening Balance					
Cash	-	6,534	Investments in Bank Fixed Deposits	10,000,000	150,000,000
Bank	47,511,067	174,451,283	- from Income from MORD Corpus Fund	1,300,000	1,050,000
			- from TATA Endowment Fund	99,576,172	
			- from Ford Foundation Fund		
Ford Foundation Trusts Endowment fund			Fixed Assets Purchased		
Grant from ARGHYAM	99,576,172	-	- from Income from MORD Corpus Fund	968,390	118,587
Grant from UNDP	2,173,000		- from UNDP Sponsor Project	-	-
	-	898,350	- from Tata Trust Endowment fund	89,525	670,303
Interest received on Saving Bank Account	4,950,129	7,947,765	TDS deducted	1,898,547	2,062,621
Interest received on Fixed Deposit with Banks			Employees Providend fund	642,088	710,323
(Net of TDS)	141,102,896	139,076,545	Expenses Paid		
Sponsorship Fee for CPRL Course	340,000	-	Program Expense	159,382,228	112,978,524
Misc Receipts	800	1,200	Establishment Expense	17,385,705	11,953,143
Interest accrued on Fixed Deposits	48,939,277	13,154,014	Other Administrative Expense	1,707,388	1,525,883
			Tata Trust Endowment Fund	7,600,315	6,955,239
			Closing Balance		
			a) Cash	-	-
			b) Bank	44,042,983	47,511,067
TOTAL	344,593,341	335,535,691	TOTAL	344,593,341	335,535,691

As per our report of even date attached

For AVA & Associates
 Chartered Accountants
 FRN : 004017N



CA Avineesh Mitta
 (Partner)

M. No. : 083054
 Place: New Delhi
 Date: 26.07.2017

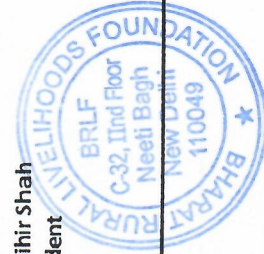
For Bharat Rural Livelihoods Foundation

[Signature of Dr. Mihir Shah]

Dr. Mihir Shah
 President

Pramathesh Ambasta
 Chief Executive Officer

[Signature of Sharad Bhargava]
 Sharad Bhargava
 Chief Finance Officer



Schedule F.
Schedule F-a

MORD - FIXED ASSETS as on 31.03.17

Particulars	Rate	WDV as on 01.04.2016	Addition		Deduction	Total	Depreciation for the Year	WDV as on 31.03.2017
			More than 180 Days	Less than 180 Days				
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
TANGIBLE								
Computer	60%	42,248		908,400		950,648	297,869	652,779
Office Hardware								
Office Equipment	15%	83,083		59,990		143,073	16,962	126,111
Furniture & Fixture	10%	215,459				215,459	21,546	193,913
Sub Total						1,309,180	336,376	972,804
INTANGIBLE								
Computer Software	33%	22,086				22,086	7,288	14,798
Sub Total						22,086	7,288	14,798
Total						1,331,266	343,665	987,601

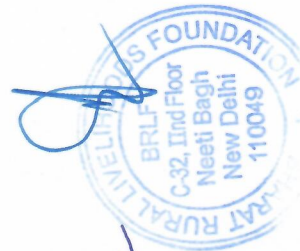
UNDP Sponsor Project - FIXED ASSETS as on 31.03.17
Schedule F-b

Particulars	Rate	WDV as on 01.04.2016	Addition		Deduction	Total	Depreciation for the Year	WDV as on 31.03.2017
			More than 180 Days	Less than 180 Days				
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
TANGIBLE								
Computer	60%	194,083				194,083	116,450	77,633
Hardware								
Office Equipment	15%	125,750				125,750	18,863	106,888
Furniture & Fixtures	10%	287,816				287,816	28,762	259,054
Sub Total						607,649	164,075	443,574
INTANGIBLE								
Software	33%	5,117				5,117	1,689	3,428
Sub Total						5,117	1,689	3,428
Total						612,766	165,763	446,983

TATA Sponsor Project - FIXED ASSETS as on 31.03.17
Schedule F-c

Particulars	Rate	WDV as on 01.04.2016	Addition		Deduction	Total	Depreciation for the Year	WDV as on 31.03.2017
			More than 180 Days	Less than 180 Days				
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
TANGIBLE								
Computer	60%	226,486		47,270		273,756	150,073	123,683
Hardware								
Office Equipment	15%	50,737	42,255			92,992	13,949	79,043
Furniture & Fixtures	10%	173,220				173,220	17,322	155,898
Sub Total						539,968	181,343	358,625
INTANGIBLE								
Software	33%							
Sub Total								
Total						539,968	181,343	358,625

TOTAL TANGIBLE						2,456,797	681,814	1,774,983
TOTAL INTANGIBLE						27,203	8,977	18,226
GRAND TOTAL						2,484,000	690,791	1,793,209



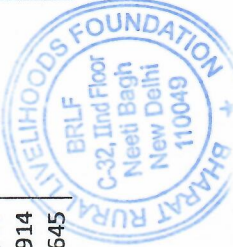
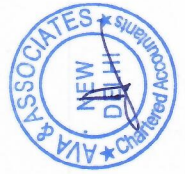
BHARAT RURAL LIVELIHOODS FOUNDATION (BRLF)

Regd. Office: Room No. 38-A, Krishi Bhawan, New Delhi-110001

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2017

PARTICULARS	(Amount - Rs.)	
	AMOUNT (2016-17)	AMOUNT (2015-16)
SCHEDULE A - Corpus Fund		
Grant from Ministry of Rural Development, Government of India		
Opening Balance	2,000,000,000	2,000,000,000
Add: Received During the year	-	-
Closing Balance	2,000,000,000	2,000,000,000

PARTICULARS	(Amount - Rs.)	
	AMOUNT (2016-17)	AMOUNT (2015-16)
SCHEDULE B - Endowment Fund		
(i) Ford Foundation Endowment fund (FCRA Funds)		
Grant received during the year	99,576,172	-
Add: Interest (Gross) earned during the year	1,084,182	
Less: TDS	64,510	
Less: Interest accrued but but not due and received	283,797	
Net Interest received	735,875	
Less: Available for Utilization as income for the year (90% of net interest received)	662,287.10	
Balance interest accumulated in the fund	73,587	
Closing balance of Ford Foundation Endowment Fund	99,649,760	
(ii) Tata Trusts Endowment fund for Institutional Development and Partnerships		
Opening Balance	104,628,636	102,854,104
Interest Earned (Gross) during the year	8,619,701	8,783,635
Less: TDS	131,589	347,647
Less: Interest accrued but not due and received	757,707	120,652
Net Interest	7,730,405	8,315,336
Less: Utilization during the year		
- Human Resource / Personnel Cost	886,584	534,510
- Aid 360 Software & Server Expenses	170,544	963,084
- Program Expenses	3,249,914	1,854,914
- Travel Cost	2,562,645	2,896,187



- Office Running Cost	730,628			
Total Utilization	7,600,315		760,408	
			7,009,103	
Closing Balance of Endowment Fund		130,090		1,306,233
Add: Adjustments for		104,758,726		104,160,337
TDS				
Interest Accrued	131,589		347,647	
Prepaid Expenses	757,707		120,652	
Closing Balance of Tata Trust Endowment Fund	-	889,296	-	468,299
		105,648,022		104,628,636
Grand Total		205,297,782		104,628,636

Note: 15% of the annual interest income earned on the Endowment Fund or the unused portion of the income after meeting expenditure towards the objective of the grant, whichever is greater, shall be added to the Endowment Fund and be reinvested in the same manner as the Endowment Fund is invested. Accordingly against Rs.7730405/- an amount of Rs.11,80,000/- has been deposited in Bank FDR on 21.04.2017

SCHEDULE C - Grant in Aid	2016-17	2015-16
Capital Grants		
United Nations Development Programme		
Opening Balance	612,766	960,583
Received during the year	-	-
Less: Amortized over the useful life of Assets purchased	165,783	347,817
Other Grants	446,984	612,766
ARAGHYAM	446,984	
Interest earned Reinvested	64,417	-
	511,401	612,766

SCHEDULE D - Reserve & Surplus	2016-17	2015-16
Surplus		
Opening Balance	280,705,315	205,961,079
Add: Surplus of Income over Expenditure for the year	6,290,525	74,744,236
Closing Balance	286,995,839	280,705,315



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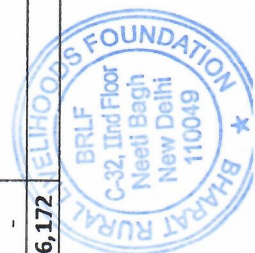
SCHEDULE E - Current Liabilities & Provisions		2016-17	2015-16
i. Current Liabilities			
TDS Payable		251,292	228,396
PF Payable		110,626	-
Expenses Payable		454,191	232,201
Payable to staff		2,791	26,904
ii. Provisions			
Employee Benefits			
- Long Term Defined Benefits Plan (Earned Leave)		252,742	478,554
- Long Term Defined Benefits Plan (Gratuity)		259,000	339,000
- Short Term Benefits (Encashment of Leave)		101,931	193,710
Total		1,432,573	1,011,264
			1,498,765

SCHEDULE G - Investments		2016-17	2015-16
Investments in FDR with Bandhan Bank			
Corpus Fund received from Ministry of Rural Development, Government of India		2,000,000,000	-
Investments in FDR with Bandhan Bank		160,000,000	
Invested out of interest on above			
Investments in FDR with Yes Bank			2,000,000,000
Corpus Fund received from Ministry of Rural Development, Government of India			
Investments in FDR with Bandhan/Indusind Bank			150,000,000
Invested out of interest on above			
Total		2,160,000,000	2,150,000,000

SCHEDULE H - Investments of Endowment Fund		2016-17	2015-16
Investments in FDR with Bandhan Bank			
Tata Trusts Endowment fund for Institutional Development and Partnerships		100,000,000	-
Investments in FDR with Bandhan Bank		2,350,000	-
Invested out of interest on above			
Investments in FDR with Yes Bank (FCRA Funds)			
Ford Foundation Endowment fund for Institutional Development and Partnerships		99,576,172	-
Investments in FDR with Indusind Bank			
Tata Trusts Endowment fund for Institutional Development and Partnerships			100,000,000
Investments in FDR with Yes Bank			
Invested out of interest on above			1,050,000
Total		201,926,172	101,050,000



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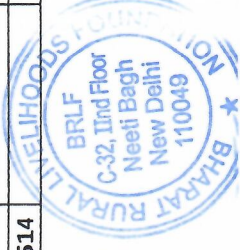
SCHEDULE I - Cash & Bank Balances		2016-17		2015-16
Cash in Hand		-		-
Bank Balances in Savings Accounts with YES Bank Chanakyapuri, New Delhi Branch				
Account No. 0003939000000039 (FCRA Designated Account)	735,875		45,815,846	
Account No. 00039460000000384	40,943,339		1,901	
Account No. 00039460000000391	1,921,815		1,693,320	47,511,067
Account No. 00039460000000443	441,954	44,042,983		
Total		44,042,983		47,511,067

SCHEDULE J - Other Current Assets		2016-17	2015-16
Grant to Civil Society Organisation (CSO) - Unutilized		8,665,154	16,001,941
Interest Accrued on Fixed Deposits with Badhan Banks			
- Corpus Fund received from Ministry of Rural Development, GOI	53,104,777		48,818,624
-Tata Trusts Endowment fund for Institutional Development and Partnerships	757,707	54,146,281	120,652
Interest Accrued on Fixed Deposits with Yes Banks			
-Ford Foundation Endowment fund	283,797		
Advance Recoverable		194,517	64,127
Prepaid License Fees		-	806,625
Grant receivable from ARGHYAM		1,158,514	
Security Deposit (Rent)		200,000	200,000
Tax Deducted at Source (2014-15)		19,994,301	19,994,301
Tax Deducted at Source (2015-16)		1,452,060	1,452,060
Tax Deducted at Source (2016-17)		664,405	-
Total		86,475,231	87,458,330

SCHEDULE K. Grants, Subsidies & Donations		2016-17	2015-16
Grant From ARGHYAM		3,331,514	-
Grant From United Nation Development Program		-	898,350
Total Grants		3,331,514	898,350

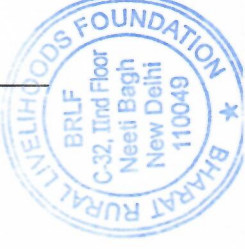


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SCHEDULE L. Other Incomes	2016-17	2015-16
Saving Bank Interest	4,950,129	7,947,765
Less:		
- 10% reinvested to Ford foundation Endowment Fund	43,908	
- Transfer to ARAGHYAM	64,417	
- Transfer to Tata Trusts Endowment fund for Institutional Development and Partnerships (Schedule - B)	38,620	7,580,983
Interest Earned on Fixed Deposits with Banks		
- Corpus Fund received from Ministry of Rural Development, Government of India	186,687,402	180,808,235
- Tata Trusts Endowment fund for Institutional Development and Partnerships	8,581,082	8,416,853
- Ford foundation endowment fund	645,097	
Total	195,913,581	189,225,088
Less: 10% reinvested to Ford Endowment Fund	29,679	
Less: Transfer to Tata Trusts Endowment Fund for Institutional Development and Partnerships (Schedule - B)	8,581,082	180,808,235
Interest earned by the Grant Partners		
Miscellaneous Income (Depreciation on assets of capital grant)	1,929,717	-
Sponsorship Fee For CPRL Course	166,583	349,016
Reversal of excess provision of Grauity	340,000	-
	80,000	-
Total	194,622,304	188,738,234

SCHEDULE M. Program Expenses	2016-17	2015-16
Ground Water Management Project with ARGHYAM		
Expenses incur from ARGHYAM Grant		
Field Facilitation for Implementing Partner (ARGHYAM)	2,863,046	-
Implementation Support for PGWM (ARGHYAM)	416,612	-
Partners Meeting (program planning & review) (ARGHYAM)	51,856	-
MoRD Program Cost		
Grant to Civil Society Organisation (CSO's)	151,772,463	90,683,495
Grant to Technical Resource Organasagion	9,596,917	733,146
Policy Strategy & Partnership Development	-	59,826
Organisation Development training to staff	226,928	-
Consultancy & Evaluation Fees	464,315	609,182
Information, Education and Communication Material	105,250	172,300



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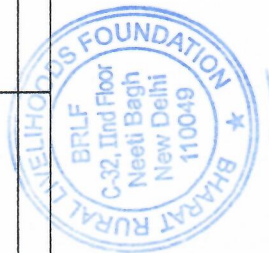
Event, Meetings and Workshop Expenses				817,650
Capacity Building Expense				-
State Govt Partnership				-
Expenditure on TCS Aid 360 & Server				3,353,811
Travel Expenses				1,141,457
Total			172,334,466	97,570,867

SCHEDULE N. Establishment Expenses				
Salary				
Earned Leave Expenses				
LTA Expenses				
Medical and Mediclaim expenses				
Books and Periodicals				
Vehicle Running & Maintenance Expenses				
Employer Contribution to Provident Fund				
EPF Admin Charges				
Gratuity Expenses				
Consulting Fee for PF Calculation				
Recruitment Expenses				
Relocation Expenses				
Total			17,011,724	14,982,191

SCHEDULE O. Other Administrative Expenses				
Audit Fees				
Equipment Maintenance Expenses				
Misc Expenses				
Office Expenses				
Postage & Courier				
Stationary Expenses				
Office Rent				
Telephone & Internet Expenses				
Water & Electricity Expenses				
Total			1,626,313	1,659,333



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SCHEDULE-P

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 10th December, 2013.

Envisaged as supporting CSO projects focused on tribals, 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 ten 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.

2. Corpus Fund:

A Memorandum of Understanding (MoU) between Ministry of Rural Development, Government of India and Bharat Rural Livelihoods Foundation (BRLF) dated 13th 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 5th 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.

3. Summary of Significant Accounting policies:

3.1 Accounting Convention

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

3.2 Basis of preparation

The financial statement has been prepared following accrual basis of accounting except interest on saving banks.

3.3 Use of Estimates



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The preparation of financial statements requires estimates and assumptions to be made, that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

3.4 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 are recognized only when there is reasonable assurance that BRLF will comply with the conditions attached to them and grants will be received.
- ii. 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.
- iii. Grants received for specific purposes are utilized for the purpose of its release.
- iv. 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.
- v. Unutilized grants are treated as Liabilities in the Balance sheet.
- vi. Grant related to specific depreciable Fixed Assets treated as deferred income which is recognized in the profit and loss statement on a systematic and rational basis over the useful life of the assets. Such allocation may be in the proportion in which depreciation on related assets is charged.

3.5 Income Recognition

Interest on Fixed deposit with banks is recognized on accrued basis and that on saving banks is recognized on cash basis.

3.6 Fixed Assets

A. Tangible Assets

Tangible Assets are stated at cost of acquisition less depreciation and impairment losses (if any). The cost of tangible assets include inward freight, duties & taxes (non refundable) and incidental & direct expenditure related to acquisition.

B. Intangible Assets

Intangible Assets are stated at cost of acquisition less depreciation and impairment (if any). The Cost of intangible assets includes duties & taxes and incidental & direct expenditure related to acquisition.

3.7 Depreciation

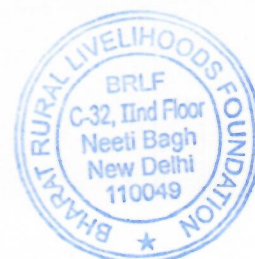
A. Tangible Assets

- a. Depreciation has been provided on written down value method as per the rate specified in Income Tax Act, 1961. Depreciation on assets purchased and put to use for less than 180 days in a year charged at the half rate of depreciation specified in Income Tax Act.
- b. Depreciation of Assets purchased out of Capital Grant-in-Aid have been treated as Non Operating income and shown under “Miscellaneous Income”.

B. Intangible Assets



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Cost of Intangible Assets (Software) is amortized on a straight line basis over their useful life of three years as estimated by the Management.

C. Items, each costing Rs. 5000 or less, are fully depreciated in the year of acquisition.

3.8 Investment

- a. Investment: Fixed deposits with banks which are intended to be held against corpus funds considered as long term and disclosed under investment.
- b. Investment of Endowment Fund: Fixed deposits with banks intended to be held against endowment funds also considered as long term and classified under Investment of Endowment Fund.
- c. Other investments: Other fixed deposit with banks shall be classified as cash and cash equivalent because of readily convertible to a known amount of cash and are subject to an insignificant risk of changes in values.

3.9 Employee Benefits

i. Short Term Benefits

Short term benefits like salary, allowances, ex-gratia, earned leave are recognised as expenses in the year in which related services are rendered.

ii. Defined Contribution Plan

The Society makes defined contribution to Provident Fund scheme which are recognized in the profit and loss account on accrual basis

iii. Defined Benefits Plan

- a. The provision in relation to Gratuity is made through Actuarial Valuation.
- b. Provision on employee discontinuance basis, in relation to Earned Leaves is made for the leave which can be accumulated up to 11 days in a year subject to maximum 66 days in aggregate, beyond which employee may make encashment.

3.10 Impairment of Assets

The carrying value of assets at each year balance sheet date is reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

3.11 Provisions, Contingent Liabilities and Contingent Assets

i. Provisions

A provision is recognised when the entity has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

ii. Contingent Liability and Assets



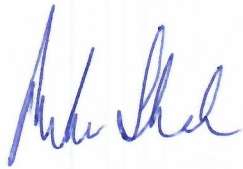
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Contingent liability is a possible obligation that arise from past events and the existence of which will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the society, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resource embodying benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised. Contingent Assets are neither disclosed nor recognised.

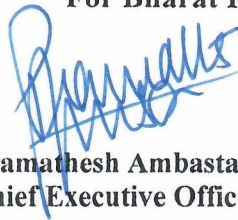
3.12 Taxes on Income

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.

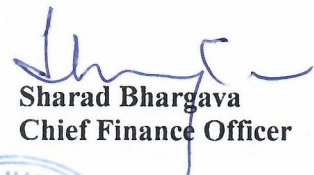


Dr. Mihir Shah
President

For Bharat Rural Livelihoods Foundation



Pramathesh Ambasta
Chief Executive Officer



Sharad Bhargava
Chief Finance Officer



SCHEDULE-Q

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.

- a. BRLF had received Rs 10,00,00,000/- from Navajbai Ratan Tata Trust and Sir Dorabji Tata Trust contributing Rs. 5,00,00,000/- each towards Tata Trusts Endowment Fund for Institutional Development and Partnerships'. As per the grant conditions the funds entrusted shall under no circumstances be in any manner diminished, drawn out, borrowed upon or merged with any other endowment fund of BRLF or any other organisation, divided used as collateral, or in any way encumbered or any lien created thereupon or advanced in any manner whatever.

During the year society has earned interest of Rs. 86,19,701/- against Endowment Grant received from Tata Trusts Endowment Fund for Institutional Development. Out of total interest earned, an amount of Rs. 76,00,315/- has been utilized during the year 2016-17 as per the decision taken in the Executive Committee meeting dated 19th December 2014 on the heads of expenditure stated therein.

- b. BRLF had received Rs. 9,95,76,172/- (\$ 1,500,000) from Ford Foundation as Endowment Fund. As per grant condition, BRLF would be permitted to utilize a maximum of 90 percent of revenue earned from the Endowment Fund for the purpose to meet the operational cost and the remaining 10% of the Fund's income shall be re-invested in the Fund in annual fixed deposit.

During the year society has earned interest of Rs. 10,84,182/- against the Endowment grant received from Ford Foundation. Out of total interest an amount of Rs. 73,587/- is to be re-invested in the fund in annual fixed deposit by BRLF.

- c. BRLF has entered into MOU with ARGHYAM a registered public charitable trust to widen and deepen practice on groundwater management and sanitation. An amount of Rs. 33,31,514/- has been spent against ARGHYAM grant during the year whereas BRLF spent Rs. 36,14,552/- under various verticals (CSO grants, monitoring & evaluation and Capacity Building initiative grouped under MoRD Program Cost) on participatory groundwater management. BRLF received Rs. 21,73,000/- first instalment on signing of MOU against expenses incurred Rs. 33,31,514/-. Balance amount Rs 11,58,514/- disclosed as receivable from ARGHYAM in Schedule – J (Other Current Asset).

- II. Fixed assets purchased having written down value of Rs. 6,12,766/- from grant of United Nations Development Program (UNDP) now vest with BRLF as per the condition of grant term.
- III. BRLF has been issued with a certificate of lower deduction of Tax at source by the Income tax department.
- IV. The Society is not having any contingent liability as on 31.03.2017



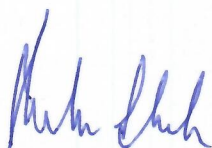
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- V. Figures have been rounded off to nearest rupees.
- VI. Previous year figures have been regrouped or rearranged wherever necessary.



Dr. Mihir Shah
President

For Bharat Rural Livelihoods Foundation



Pramathesh Ambasta
Chief Executive Officer



Sharad Bhargava
Chief Finance Officer

