



INDEPENDENT AUDIT REPORT

Report on the standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of GRAM **VIKAS**, MOHUDA, BERHAMPUR - 760 002, ODISHA a society registered under the Societies Registration Act which comprise the Balance Sheet as at 31st March 2021 and Statement of Income & Application for the year then ended and notes to the financial statements, including a summary of significant accounting policies and notes there on.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Society as at March 31, 2021 and of the excess of Application over Income for the year ended on that date.

Basis for Opinion

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

Responsibility of Management for the Standalone Financial Statements

The Society's Management are responsible with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Society and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments 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 statement 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 ability to continue as a 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 Agency or to cease operations, or has no realistic alternative but to do so.

Those Management are also responsible for overseeing the Society's financial reporting process.

Auditor's Responsibility 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. Mis-statements 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.

Other Matter

- a. In the preparation of the Income & Application Account and Balance Sheet, Opening Balances as on 01.04.2020 were considered from the previous year audited Accounts which reconciles with the figures as per the books of accounts maintained by the society.
- b. The Income & Application Account and Balance Sheet of the Organisation are prepared by the management from the books of accounts maintained by the Society.

Our opinion is not modified in respect of these matters.

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- a. In our opinion, proper books of account as required by law have been kept by the Society so far as it appears from our examination of those books .
- b. The Balance Sheet & the Income & Application Account dealt with by this Report are in agreement with the books of account.

Date: 29.09.2021

PLACE: CUTTACK



FOR: N R S M & ASSOCIATES
CHARTERED ACCOUNTANTS

[N R RAY, FCA]
PARTNER
M.No. 055448

UDIN: 21055448AAAAJB3137

GRAM VIKAS

BALANCE SHEET AS AT 31st MARCH 2021

Particulars	Sch.	As at 31.03.2021 (in Rupees)	As at 31.03.2020 (in Rupees)
LIABILITIES			
General Fund	I	31,55,99,029	31,94,14,960
Project Funds - Restricted Grants	IIA	7,17,05,398	4,12,04,187
Capital Asset Fund	III	8,85,60,593	9,10,84,361
Dairy Development Fund		1,80,551	1,80,551
Other Funds	IV	11,79,69,572	11,97,35,995
Current Liabilities and Provisions	V	1,25,17,280	2,18,69,521
		<u>60,65,32,423</u>	<u>59,34,89,575</u>
ASSETS			
Fixed Assets	VI	8,85,60,593	9,10,84,361
Investments	VII	17,29,69,942	17,27,63,855
Piped Water Supply Projects' Advances	IIB	5,67,55,276	8,10,98,929
Current Assets	VIII	20,67,93,523	19,21,38,619
Deficit to be set off against future income		8,14,53,089	5,64,03,811
		<u>60,65,32,423</u>	<u>59,34,89,575</u>

In terms of our attached report of even date.

FOR: N R S M & ASSOCIATES
CHARTERED ACCOUNTANTS

[N R RAY, FCA]
P A R T N E R
M. No.: 055448



Joe Madiath
(Joe Madiath)
Chairman

FOR: GRAM VIKAS

R. Sankar
(R. Sankar)
Treasurer

Liby T Johnson
(Liby T Johnson)
Executive Director



BHUBANESWAR
DT: 03.09.2021

GRAM VIKAS

INCOME AND APPLICATION ACCOUNT FOR THE YEAR ENDED 31st MARCH 2021

Particulars	Year ending 31.03.2021 (in Rupees)	Year ending 31.03.2020 (in Rupees)
<u>INCOME</u>		
Grants and Donations	58,000	10,001
Interest Income	47,95,847	68,81,619
Add: Interest income earned on donor funds - Grant-in-aid	2,44,389	2,76,694
Income from Investments	1,50,65,838	1,53,89,435
Income from Sale of assets	5,33,818	24,000
Reimbursements	4,31,504	6,28,454
House Rent Income	7,43,548	5,34,624
Miscellaneous Income	6,54,375	6,25,014
Liabilities written back	-	4,54,381
Overhead recoveries from the projects	35,97,077	54,72,557
Restricted Grant to the extent of utilisation (Pass through entry)	14,39,91,375	13,69,90,112
Deficit to be set off against Future Surplus	2,50,49,278	4,12,62,503
Total	19,51,65,049	20,85,49,394

APPLICATION

Application - Programme - Revenue

Water	Annex - 1	94,71,652	1,55,96,813
Livelihoods	Annex - 2	25,82,488	33,01,134
Sanitation & Hygiene	Annex - 3	31,66,621	1,20,86,783
Habitat & Technology	Annex - 4	10,26,800	7,45,715
Education	Annex - 5	5,52,981	2,37,715
Village Institutions	Annex - 6	36,31,067	10,06,841
Disaster Relief and Rehabilitation	Annex - 7	2,059	-
Monitoring & Documentation	Annex - 8	42,16,682	59,37,081
Human Resource Development	Annex - 9	17,35,396	31,52,799
Strategies & Systems	Annex - 10	69,11,933	61,60,832
Grants & Donations		1,00,000	60,000
Audit Costs	Annex - 11	12,78,327	19,86,625
Staff Costs	Annex - 12	69,86,519	1,05,01,180
Administration Costs	Annex - 13	63,77,396	85,91,739
Utilisation against restricted grant (Annex to Schedule - II A)		14,39,91,375	13,69,90,112

Application - Programme - Capital

Capital Expenses		-	-
Depreciation on assets acquired from sources other than Income- Donor		12,30,540	11,95,209
Depreciation on assets acquired from sources other than Income- GV		19,03,213	9,98,816
Total		19,51,65,049	20,85,49,394



INCOME AND APPLICATION APPROPRIATION ACCOUNT FOR THE YEAR ENDED 31st MARCH 2021

Particulars	Period ending 31.03.2021 (in Rupees)	Year ending 31.03.2020 (in Rupees)
Add: Depreciation on assets acquired from sources other than income trf.	31,33,753	21,94,025
Less: Interest on Donor Project Funds trf.to Project Fund A/c-Grant-in-aid	2,44,389	2,76,694
Net Deficit	28,89,364	19,17,331

Note : Income and application account is prepared u/s 11 of Income Tax Act, 1961

As per report of even date

FOR: N R S M & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR: GRAM VIKAS


[N R RAY, FCA]
P A R T N E R
M. No.: 055448


(Joe Madiath)
Chairman


(R.Sankar)
Treasurer


(Liby T Johnson)
Executive Director

BHUBANESWAR
DT: 03.09.2021



SCHEDULES TO BALANCE SHEET AS AT 31st MARCH 2021

GENERAL FUNDS

SCHEDULE - I

Particulars	As at 31.03.2021 (in Rupees)	As at 31.03.2020 (in Rupees)
Opening Balance	31,94,14,960	33,66,97,457
Add: Prior period Adjustment - Electrical fittings	10,440	-
Add: Net Surplus transferred from I & A Account	28,89,364	19,17,331
Less: Assets acquired out of earlier years' Acc.	67,15,735	1,29,37,069
Less: Upto 15% statutory accumulation u/s 11(1) w/o	-	62,62,759
Net General Fund	<u>31,55,99,029</u>	<u>31,94,14,960</u>

PROJECT FUNDS - RESTRICTED GRANTS

SCHEDULE - II A

Particulars	As at 31.03.2021 (in Rupees)	As at 31.03.2020 (in Rupees)
Opening Balance	4,12,04,187	4,58,58,076
Add: Project funds received	17,42,48,197	13,20,59,529
Add: Bank Interest earned on project funds	2,44,389	2,76,694
Less : Project Fund depletions	14,39,91,375	13,69,90,112
	<u>7,17,05,398</u>	<u>4,12,04,187</u>

PIPED WATER SUPPLY PROJECTS (GOVT.)

SCHEDULE - II B

Particulars	As at 31.03.2021 (in Rupees)	As at 31.03.2020 (in Rupees)
Opening Balance	(8,10,98,929)	(9,74,52,566)
Add: Amount received/credited	2,91,27,473	2,53,52,206
Less : Amount spent	47,83,820	89,98,569
	<u>(5,67,55,276)</u>	<u>(8,10,98,929)</u>



CAPITAL ASSET FUND**SCHEDULE - III**

Particulars	As at 31.03.2021 (in Rupees)	As at 31.03.2020 (in Rupees)
Opening Balance	9,10,84,361	8,79,21,986
Add: Assets purchased during the year	85,84,788	1,39,26,299
Less: Deletions at WDV	5,22,334	25,968
Less: Depreciation for the year 2020-21	1,05,86,222	1,07,37,956
	<u>8,85,60,593</u>	<u>9,10,84,361</u>

OTHER FUNDS**SCHEDULE - IV**

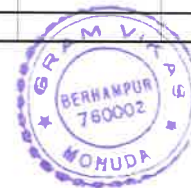
Particulars	As at 31.03.2021 (in Rupees)	As at 31.03.2020 (in Rupees)
Arghyam Water Revolving fund	1,21,15,478	1,21,15,478
G.V.Employees Welfare Fund	25,31,141	24,65,076
Health Assurance Fund	12,01,956	12,01,956
Sinking Fund for Vehicles	37,14,976	37,40,124
Shelter Subsidy Fund	7,28,57,068	7,28,57,068
Housing Revolving Fund	7,50,000	7,50,000
Drinking Water Subsidy Fund	8,00,695	26,08,035
SHG Revolving Fund	11,00,000	11,00,000
Housing Loan Subsidy Fund	2,28,98,258	2,28,98,258
	<u>11,79,69,572</u>	<u>11,97,35,995</u>

CURRENT LIABILITIES & PROVISIONS**SCHEDULE - V**

Particulars	As at 31.03.2021 (in Rupees)	As at 31.03.2020 (in Rupees)
Advance for sale of assets	-	5,50,508
Outstanding Expenses	10,64,283	33,66,720
Village Committee Water & Sanitation Program Payables	36,89,600	36,17,537
TDS collected & Payable	375	87,607
GST Collected & Payable	12,25,983	8,35,106
Gram Vikas GST, EPF and EDLI Payable account	9,98,181	8,88,613
GST Input Contingent Liability	53,49,578	51,66,756
Village water supply projects' pending settlement	-	72,04,838
Other payables	1,89,280	1,51,836
	<u>1,25,17,280</u>	<u>2,18,69,521</u>



GRAM VIKAS													
FIXED ASSETS AS AT 31.03.2021						SCHEDULE- VI							
Gross Block						Depreciation						Net Block	
Particulars	Original cost as on 01.04.20	Additions during the year - (> 6 months)	Additions during the year - (< 6 months)	Deletions during the year	Total as on 31.03.21	Till 31.03.20	For the year				Total as on 31.03.21	W.D.V.as on 31.03.21	W.D.V.as on 31.03.20
							Rate	Amount (> 6 months)	Rate	Amount (< 6 months)			
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	%	Rs.	%	Rs.	Rs.	Rs.	Rs.
Land	65,68,763	-	-	-	65,68,763	-	0%	-	0%	-	-	65,68,763	65,68,763
Leasehold Property *	3,07,930	-	-	-	3,07,930	9,237	1%	3,079	0.5%	-	12,316	2,95,614	2,98,693
Buildings	7,86,88,251	-	4,93,110	-	7,91,81,361	1,70,59,078	10%	61,62,917	5%	24,656	2,32,46,651	5,59,34,710	6,16,29,173
Work-in-Progress	-	2,98,217	8,37,382	-	11,35,599	-	0%	-	0%	-	-	11,35,599	-
Vehicles	28,91,155	-	2,88,000	15,00,927	16,78,228	11,01,756 (9,78,593)	15%	1,90,060	7.5%	21,600	3,34,823	13,43,405	17,89,399 (5,22,334)
Electrical Fittings	4,45,389	27,300	36,790	-	5,09,479	1,19,645	10%	35,304	5%	1,840	1,56,789	3,52,691	3,25,744
Furniture & Fixture	33,85,037	1,11,863	27,526	-	35,24,426	8,82,227	10%	2,61,467	5%	1,376	11,45,070	23,79,353	25,02,810
Computer & Peripherals	75,90,352	8,800	14,10,232	-	90,09,384	54,98,145	40%	8,40,403	20%	2,82,046	66,20,594	23,88,791	20,92,207
Equipments	2,46,44,486	18,950	50,26,618	-	2,96,90,054	87,79,656	15%	23,82,567	7.5%	3,76,996	1,15,39,219	1,81,50,836	1,58,64,830
Cycles	20,751	-	-	-	20,751	8,008	15%	1,911	7.5%	-	9,919	10,831	12,743
	12,45,42,114	4,65,130	81,19,658	15,00,927	13,16,25,975	3,34,57,752 (9,78,593)		98,77,708		7,08,514	4,30,65,381	8,85,60,593	9,10,84,362 (5,22,334)
* Depreciation has been charged on Straight Line Method													



FIXED ASSETS**SCHEDULE -VI**

Particulars	As at 31.03.2021 (in Rupees)	As at 31.03.2020 (in Rupees)
Land	65,68,763	65,68,763
Leasehold Property	2,95,614	2,98,693
Buildings	5,59,34,710	6,16,29,173
Vehicles	13,43,405	17,89,399
Electrical Fittings	3,52,691	3,25,744
Furniture & Fittings	23,79,353	25,02,808
Computer & Peripherals	23,88,791	20,92,207
Equipments	1,81,50,836	1,58,64,831
Cycles	10,831	12,743
Capital Work in Progress	11,35,599	-
	<u>8,85,60,593</u>	<u>9,10,84,361</u>

INVESTMENTS**SCHEDULE -VII**

*(Valued at Cost)

Particulars	As at 31.03.2021 (in Rupees)	As at 31.03.2020 (in Rupees)
Investments in :		
RBI Bonds (8% Taxable)	6,50,00,000	6,50,00,000
Mutual Funds*	10,79,69,942	10,77,63,855
	<u>17,29,69,942</u>	<u>17,27,63,855</u>



CURRENT ASSETS**SCHEDULE -VIII**

Particulars	As at 31.03.2021 (in Rupees)	As at 31.03.2020 (in Rupees)
<u>Programme Advances</u>		
Programme expenditure advances	-	26,36,276
Toilet & Bathing room Advances	4,12,026	3,42,582
	4,12,026	
<u>Advance towards Capital WIP</u>		
PGL Furnitures Pvt. Ltd.	29,122	29,122
	29,122	
Advance to GVEPFT in lieu of investments with IFCI	30,00,000	-
ODRP Project receivables - OSDMA, Bhubaneswar	3,46,45,676	3,48,89,578
Urban Management Centre - UMC	16,08,052	-
Water & Sanitation Project - MCL Project Receivables	3,43,644	65,26,694
Water & Sanitation Project receivables - RSP, Rourkela	48,01,796	1,15,05,466
Rural Water Supply & Sanitation (Govt. of Odisha)	40,05,903	35,25,365
Schools Water supply Project, NALCO, Angul	51,392	51,392
Swabhimaan Project receivables - TSLPL, Joda	11,22,250	77,37,002
Village Committees Toilets & Bathing rooms Adv.receivable	12,22,287	12,18,287
Village Committees Water supply advances receivable	2,59,426	2,34,528
Village water supply projects' pending settlement	24,45,132	-
TDS Deducted & Receivable	2,67,82,556	2,89,40,400
Service Tax and GST Receivable	19,46,498	17,70,167
Rent Receivable	2,89,100	1,45,600
Sundry Advances	1,87,685	3,03,968
Deposits	20,17,205	19,79,353
Receivables	9,61,091	8,74,457
Interest Accrued on Deposits & Bonds and Dividend Rec.	19,00,882	31,15,956
Stock, Spares & Stores	39,36,703	43,46,804
<u>Cash and bank balances</u>		
Cash in hand	1,57,825	1,52,335
Cash at Bank :		
In fixed Deposits with banks	4,22,61,801	5,31,27,695
In Savings Bank	7,24,05,471	2,85,75,131
In transit	0	70,000
Cheques-in-hand	0	40,461
	11,46,67,272	
	<u>20,67,93,523</u>	<u>19,21,38,619</u>



GRAM VIKAS

(PROJECT FUNDS - RESTRICTED GRANTS)

ANNEXURE TO SCHEDULE FOR RESTRICTED GRANTS FOR THE YEAR ENDED 31st MARCH 2021

Particulars	Annex. to Sch.-II A	
	Year ending 31.03.2021 (in Rupees)	Year ending 31.03.2020 (in Rupees)
Opening Balance of Project Funds	4,12,04,187	4,58,58,076
<u>Accretion during the year</u>		
Grants in Aid	17,27,97,585	12,38,50,029
Interest Income on donor funds transferred from Income & Application app. A/c	2,44,389	2,76,694
DWSM supported SBM Toilets & Bathing rooms Prog.	14,50,612	82,09,500
Total	17,44,92,586	13,23,36,223
<u>Depletion during the year</u>		
<u>Depletion - Programme - Revenue</u>		
Water	7,47,22,554	5,06,61,682
Livelihoods	1,28,73,610	2,60,58,350
Sanitation & Hygiene	1,69,96,899	3,09,01,352
Habitat & Technology	33,27,147	67,46,850
Education	21,34,538	13,97,784
Village Institutions	37,70,896	7,83,196
Disaster Relief and Rehabilitation	99,56,602	57,13,807
Monitoring, Documentation & Communication	30,64,392	26,67,109
Human Resource Development	42,62,262	16,98,937
Strategies & Systems	37,90,022	4,46,293
Audit Costs	10,80,096	1,35,700
Staff Costs	33,73,191	-
Administration Costs	12,73,095	2,80,900
Project assets	18,69,053	9,89,230
DWSM supported SBM Toilets & Bathing rooms Prog.	14,97,018	85,08,922
Total	14,39,91,375	13,69,90,112
Closing Balance of Project Funds	7,17,05,398	4,12,04,187



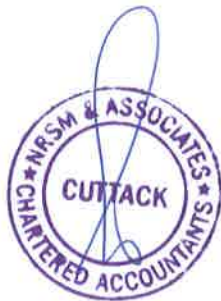
GRAM VIKAS

PIPED WATER SUPPLY PROJECTS - GOVT. (RWSS)

ANNEXURE TO PIPED WATER SUPPLY PROJECTS' ADVANCES FOR THE YEAR ENDED 31st MARCH 2021

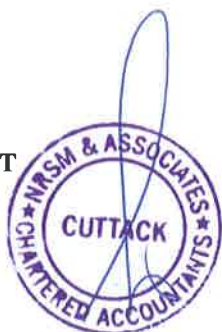
Annex. to Sch.-II B

Particulars	Year ending 31.03.2021 (in Rupees)	Year ending 31.03.2020 (in Rupees)
Opening Balance	(8,10,98,929)	(9,74,52,566)
<u>Accretion during the year</u>		
Receipts from Govt. of Odisha (Rural Water Supply & Sanitation)	1,90,27,014	1,48,85,453
Receivable from Govt. of Odisha (Rural Water Supply & Sanitation)	4,80,540	23,74,679
Village water supply project pending settlement	96,19,919	80,92,074
Total	2,91,27,473	2,53,52,206
<u>Depletion during the year</u>		
<u>Depletion - Programme - Revenue</u>		
Implementation of Piped water supply projects in villages	47,83,820	89,98,569
Total	47,83,820	89,98,569
Closing Balance	(5,67,55,276)	(8,10,98,929)



EXPENDITURE

Particulars	Year ending 31.03.2020 (in Rupees)
Annex - 1	
WATER	
Piped Water Supply	68,86,553
Water Quality Management	6,39,353
Water Source Sustainability	19,45,746
	<u>94,71,652</u>
Annex - 2	
LIVELIHOODS	
Farm Livelihoods	17,01,583
Project - OTELP Kalahandi	1,67,726
Safe Migration	7,02,788
Farmer Producers' Companies	10,391
	<u>25,82,488</u>
Annex - 3	
SANITATION & HYGIENE	
Sanitation Hardware	11,59,013
WAS Behaviour	17,67,766
School Health & Hygiene	6,339
Project - Action Research on Child Feces Management	2,32,903
Adoloscent Health	600
	<u>31,66,621</u>
Annex - 4	
HABITAT & TECHNOLOGY	
Smart Community Interface	1,68,163
Renewable Energy	8,58,637
	<u>10,26,800</u>
Annex - 5	
EDUCATION	
Support to Gram Vikas residential schools	5,52,981
	<u>5,52,981</u>
Annex - 6	
VILLAGE INSTITUTIONS	
Strengthening Village Institutions	30,77,216
Convergence with Panchayats	2,49,139
Other Community Capacity Building	2,82,116
Strengthening Community Cadre	22,596
	<u>36,31,067</u>
Annex - 7	
DISASTER RELIER AND REHABILITATION	
Disaster Relief and Rehabilitation	2,059
	<u>2,059</u>
Annex - 8	
MONITORING, DOCUMENTATION & COMMUNICATION	
Strengthening programme monitoring	4,63,951
Review, Reporting & Documentation	9,68,261
Communication and Outreach	27,84,470
	<u>42,16,682</u>
Annex - 9	
HUMAN RESOURCE DEVELOPMENT	
Staff Development Cell	13,32,742
Performance Management	3,79,554
Volunteers and Interns	23,100
	<u>17,35,396</u>



Annex - 10

STRATEGIES & SYSTEMS

Government Liasoning	25,70,765
Strengthening Systems	14,73,453
Finance Accompaniment	15,10,158
ED Office	13,57,557
	<u>69,11,933</u>

Annex - 11

AUDIT COSTS

Statutory Audit	5,40,827
Internal Audit	7,37,500
	<u>12,78,327</u>

Annex - 12

STAFF COSTS

Staff Costs	69,86,519
	<u>69,86,519</u>

Annex - 13

ADMINISTRATIVE COSTS

Administrative Costs	63,77,396
	<u>63,77,396</u>



GRAM VIKAS

RESOURCE MOBILISATION AND UTILISATION ACCOUNT FOR THE YEAR ENDED 31st MARCH 2021

Particulars	Total (Rs.)	Sources			
		Project Grants (Rs.)	CSR and UN Grants (Rs.)	Water & Sanitation (Govt.) (Rs.)	Own (Rs.)
<u>INCOME</u>					
Grants & Donations	17,43,06,197	15,38,39,260	1,89,58,325	14,50,612	58,000
Interest Income	50,40,236	2,44,389	-	-	47,95,847
Receipts from Govt. (Rural Water Supply & Sanitation)	1,90,27,014	-	-	1,90,27,014	-
Security deposit receivable from Govt. (Rural Water Supply & Sanitation)	4,80,540	-	-	4,80,540	-
Income from Investments	1,50,65,838	-	-	-	1,50,65,838
Income from Sale of assets	5,33,818	-	-	-	5,33,818
Reimbursements	4,31,504	-	-	-	4,31,504
House Rent Income	7,43,548	-	-	-	7,43,548
Miscellaneous Income	6,54,375	-	-	-	6,54,375
Overhead recoveries from the projects	35,97,077	-	-	-	35,97,077
Total income	21,98,80,147	15,40,83,649	1,89,58,325	2,09,58,166	2,58,80,007
<u>EXPENDITURE</u>					
Water	8,89,78,026	6,71,33,837	75,88,717	47,83,820	94,71,652
Livelihoods	1,54,56,098	1,18,70,942	10,02,668	-	25,82,488
Sanitation & Hygiene	2,16,60,538	1,66,34,451	3,62,448	14,97,018	31,66,621
Habitat & Technology	43,53,947	33,27,147	-	-	10,26,800
Education	26,87,519	21,34,538	-	-	5,52,981
Village Institutions	74,01,963	34,73,340	2,97,556	-	36,31,067
Disaster Relief and Rehabilitation	99,58,661	47,75,961	51,80,641	-	2,059
Monitoring, Documentation and Communication	72,81,074	27,29,049	3,35,343	-	42,16,682
Human Resource Development	59,97,658	41,56,904	1,05,358	-	17,35,396
Strategies & Systems	1,07,01,955	37,75,216	14,806	-	69,11,933
Grants & Donations	1,00,000	-	-	-	1,00,000
Audit Costs	23,58,423	10,80,096	-	-	12,78,327
Staff Costs	1,03,59,710	33,73,191	-	-	69,86,519
Administration Costs	76,50,491	12,69,209	3,886	-	63,77,396
Capital Expenditure	85,84,788	16,93,840	1,75,213	-	67,15,735
Total expenditure	20,35,30,851	12,74,27,721	1,50,66,636	62,80,838	5,47,55,656

As per report of even date

FOR: N R S M & ASSOCIATES
CHARTERED ACCOUNTANTS[N R RAY, FCA]
PARTNER
M. No.: 055448BHUBANESWAR
DT: 03.09.2021

FOR: GRAM VIKAS

(Liby T Johnson)
Executive Director

GRAM VIKAS

MOHUDA, BERHAMPUR - 760 002, ODISHA

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2021

1. Overview of the Society's Operations

Gram Vikas is a voluntary non-partisan organisation working in partnership with marginalised people in rural and tribal areas in Orissa to help them attain a self-sufficient and dignified quality of life. Gram Vikas is involved in community development of communities and social transformation.

Vision:

An equitable and sustainable society where people live in peace with dignity

Mission:

To promote processes, which are sustainable, socially inclusive, and gender equitable, to enable critical masses of poor and marginalized rural people or communities to achieve a dignified quality of life.

2. Significant Accounting Policies

2.1. Basis of Accounting:

The Accounting Standards issued by the Institute of Chartered Accountants of India are applicable to non-profit entities only if any part of the activities of the entity is considered to be commercial, industrial or business in nature. The Society is not carrying on any activity in the nature of commercial, industrial or business. Therefore, the accounting Standards are not mandatory and have been followed to the extent of practicable or relevant. The Accounts of GRAM VIKAS are prepared under the historical cost convention and ongoing concern concept. Items of Income and Expenses are recorded and accounted for on accrual basis and is as per the Generally Accepted Accounting Principles and except stated otherwise. The accounting policies have been consistently applied by the Society.

2.2. Revenue / Expenditure recognition:

All grants and receivables are accounted on accrual basis and expenditure and liabilities are recognised on accrual basis.

The Society accepts grants from donor agencies towards implementation of various programmes for carrying out specific purposes of rural development which includes improvement in the lives of rural and tribal poor. These grants are to be spent in accordance with the directions of the donor agencies and Society cannot utilise these grants according to its own free-will. Unspent balances, if any, are to be transferred back to donor agency or to be dealt with in accordance with the instructions of donor agency.

In the case of some programmes undertaken with the support of government and other agencies, the funds received against the bills raised on them, as per the guidelines as underlined under the respective MoU, is reported as grant in view of the restriction on the expenditure and



its nature as reimbursement of expenses. In the case of RWSS supported Piped water supply projects, for the expenses incurred, whether claimed or not, is shown separately.

Keeping in view the legal restrictions attached to the tied grants/ restricted grants specified in the Grant Award / MoU with the Society, such grants are accounted as Restricted Grants, in the nature of committed liability. The same approach has been taken in case of grants received from government or its agencies where the arrangement with the Society is based on guidelines of the government.

Such grants do not form part of the income statement. Details of receipts and application of such tied/ restricted grants are given in Schedule-II to the Balance sheet and is treated as project funds. This schedule gives the picture of four different sources – Philanthropic and corporate grants, CSR grants, UN Grants and Government Grants for implementation of Water and Sanitation projects.

2.3. Grant Accounting

-Restricted Grants:

Any restricted grant that has been received by the Society has been specifically used as per the directions of Donor and such grant are not treated as income. Such restricted grants are subject to specific utilization and are utilized in accordance with the donor contract/directions. Such grants being in the nature of legal obligations are treated as liability in the Balance Sheet. However, for disclosure purposes the grant amount, to the extent utilized, is reflected on both the side of the Income and Expenditure Account which does not have any impact on the income or deficit of the year.

-Voluntary Grants:

Any voluntary contribution/grant of revenue-nature is recognized as income in the Statement of Income and Expenditure. Further, voluntary contributions/grants are given only to 12AA registered organisations who are having the similar object.

-Corpus Grant

The corpus donation/grant received by the Society are not treated as Income.

The corpus grant given by the Society are not claimed as utilization. However, during the reported period there is no such corpus grant received or contributed by the Society.

2.4. Treatment of stock and stores:

The stock and stores have been valued, verified and certified by the management as per generally accepted accounting principles. The Management had valued the stock and stores at cost.

2.5. Treatment of Fixed Assets:

Depreciation has been charged on the fixed assets on the historical cost and also on the fixed assets acquired and put into use during the year.

Fixed Assets & Depreciation:

- i) Fixed Assets are stated at cost less depreciation. Cost includes all the expenses incurred to bring the assets to its present location and condition.



- ii) Depreciation on fixed assets is calculated as per written down value method on the basis of rates prescribed under the Income Tax Act, 1961. For Assets put to use for less than 180 days during the previous year 50% of the normal depreciation is provided. In other cases, 100% depreciation is provided.

Depreciation is charged to the Income and Expenditure Account only against assets acquired from sources other than income of the organisation, in terms with the provisions of section 11(6) of the Income Tax Act, 1961.

Depreciation on assets charged to the Income and Expenditure Account is not claimed as application, in terms with the provisions of section 11(6) of the Income Tax Act, 1961. However, for true and fair reflection of the financial statements such assets are reflected at written down value in the balance sheet and the depreciation thereof is met out from the corresponding Capital Asset Fund created.

Capital Asset Fund:

Acquisitions of assets from sources other than income of the Society including Funding Agency grants are retained in the books at written down value, by creating Capital Asset Fund (Sch. III). Assets acquired out of income of the Society are retained in the books by transferring to Capital Asset Fund (Sch. III).

2.6. As per decision of management, the following funds have been created for specified purposes stated below for strengthening the organisation goal.

Sl. No.	Details of Funds	Specified Purposes
a.	Health Assurance Fund	To meet the contingencies towards medical expenses of staff and volunteers.
b.	Sinking Fund for Vehicles	To meet the contingencies towards the first party assurance for vehicles.
c.	G.V.Employees' Welfare Fund	For support and relief in the event of emergent needs of the staff.

2.7. Project funds (restricted grant funds) consists of funds received in advance and unutilised portion of funds received for various on-going projects.

- a) **Transactions in Foreign Currency:** Grants are received in foreign currency by the bank under intimation to us and are converted at the rate as per the advice received from the bankers on issuance of the disposal instructions. After conversation into Indian rupees, funds have been credited to our bank account and duly accounted for in the books of account.

2.8. With regard to the outstanding receivables from RWSS, based on the information received from Govt. of Odisha (Rural Water & Supply system department) reconciliation process of 430 villages have been completed and the work on rest of the villages where the funds have been received in full and final settlement as of 31 March 2021 is underway.



2.9. Treatment of Investments:

The entire investment portfolio is considered long-term by the Management and valued at cost. Investments in mutual funds have been valued at cost. However, the present values of such investments are not ascertained at the end of the financial year as all the investments are held on long term basis. Profit / Loss on investments are recognised in the accounts on realisation basis only.

2.10. The Regional Provident Fund Commissioner has made an Assessment and has levied a demand amounting to Rs.2,39,51,717 towards recovery of damages and interest u/s 14B and 7Q of the EPF and MP Act. Aggrieved by the said orders, Gram Vikas has filed writ before the Hon'ble Orissa High Court vide W.P.(C) No. 18183 of 2021 with I.A. No. 8279 of 2021. The Hon'ble Orissa High Court has granted Stay on demand and the writ is pending disposal.


2.11. The Deputy Commissioner of Income Tax (Exemptions) has made assessments and has levied demand of Rs.48,67,470, Rs.85,60,352, Rs.1,90,42,153 for the assessment years 2014-15, 2015-16 and 2019-20 respectively. Aggrieved by the said orders, Gram Vikas has filed appeal for the said cases before the Commissioner of Income Tax (Appeals). The said appeals are pending disposal. However, the entire demand has been adjusted by Income Tax department against the refund due to Gram Vikas.

2.12. Previous year figures have been regrouped and/or reclassified/rearranged where ever considered necessary to confirm current year's presentation.

As per report of even date
For N R S M Associates
Chartered Accountants


(CA N R Ray)
Partner
M. No. 055448


(Joe Madiath)
Chairman


(R. Sankar)
Treasurer


(Liby T Johnson)
Executive Director

Camp : Mohuda
Date : 03-09-2021

