Charles Fernando & Co.
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To

The Members of Governing Body
DHAN (Development of Humane Action) Foundation
Madurai625016

Report on the Financial Statements

We have audited the accompanying financial statements of **DHAN (DEVELOPMENT OF HUMANE ACTION) FOUNDATION** which comprise the Balance Sheet as at March 31, 2022, and the Statement of Income and Expenditure for the year then 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, financial performance and cash flows of the Institution in accordance with the Accounting Standards applicable in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the relevant applicable provisions for safeguarding the assets of the Institution; for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 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 misstatement.

We conducted our audit in accordance with the applicable Standards on Auditing. 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 misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Institution's preparation of the financial

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statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Institution has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Institution's 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 on the financial statements

Opinion

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 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, of the state of affairs of the Institution as at March 31, 2022, and its Statement of Income and Expenditure for the year.

Report on Other Legal and Regulatory Requirements

i. In the case of the Balance Sheet, of the state of affairs of the Trust as at March 31, 2022;

ii. In the case of the Income and Expenditure Account, Excess of Expenditure over Income for the year ended on that date.

As per our Report of even date
for CHARLES FERNANDO & Co.,
Chartered Accountants
Firm Regn. No. 0000604S

CHARLES FERNANDO & CO. E7, VARAPRATHA VASUDHARA ANDALPURAM MADURAI 625 003 CHARTERED ACCOUNTANTS

N. CHARLES FERNANDO
Proprietor
Membership No. 026619

Place: Madurai
Date: 26-Aug-2022

UDIN: 22026619AUKRXQ7522

DHAN (Development of Humane Action) Foundation

1A, VAIDYANATHAPURAM EAST, KENNET CROSS ROAD, MADURAI 625016

CONSOLIDATED BALANCE SHEET

(In ₹)

AS AT	Schedule	31-Mar-2022	31-Mar-2021
Sources of Funds			
CORPUS AND GENERAL FUND	1	8,44,02,392	*8,74,00,711*
SPECIFIED FUNDS	2	4,82,68,221	*7,99,94,580*
FIXED ASSETS WRITTEN OFF AS PER CONTRA	3	13,89,19,273	*13,77,03,922*
CURRENT LIABILITIES	4	2,81,49,675	*1,46,00,609*
Total		***29,97,39,561***	***31,96,99,822***
Application of Funds			
FIXED ASSETS			
Written off as per contra	3	13,89,19,273	*13,77,03,922*
Land and Building funded from DHAN Corpus	3	2,55,25,693	2,81,29,176
INVESTMENTS	5	4,83,93,303	*5,85,55,328*
CURRENT ASSETS AND ADVANCES			
Bank Balances	6	2,25,30,199	*5,77,52,903*
Advances / Receivables	7	1,75,26,848	*1,96,48,617*
SPECIFIED FUNDS	2	4,68,44,245	*1,79,09,876*
Total		***29,97,39,561***	***31,96,99,822***
Notes on Accounts	11		

Schedules 1 to 7 & 11 form an integral part of the Balance sheet

B.T. Bangera
Chairman

Ajit Ranade
Treasurer

M.P. Vasimalai
Executive Director

As per our Report of even date
for CHARLES FERNANDO & Co.,
Chartered Accountants
Firm Regn. No. 0000604S

CHARLES FERNANDO & CO. E7, VARAPRATHA VASUDHARA ANDALPURAM MADURAI 625 003 CHARTERED ACCOUNTANTS

N. CHARLES FERNANDO
Proprietor
Membership No. 026619

MADURAI
26-Aug-2022

UDIN:22026619AUKRXQ7522

DHAN (Development of Humane Action) Foundation

1A, VAIDYANATHAPURAM EAST, KENNET CROSS ROAD, MADURAI 625016

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

(In ₹)

FOR THE YEAR ENDED	Schedule	31-Mar-2022	31-Mar-2021
INCOME:			
Grants Received	8	34,03,37,981	*25,95,88,010*
Interest from Banks and others		28,38,219	*31,48,689*
Income from Corpus Investments		30,31,229	*41,13,593*
Income from Sale of Assets		5,77,300	*61,77,848.00*
Donations		26,90,887	*15,59,579*
Other Receipts		9,74,597	*19,14,251*
Total		**35,04,50,213**	***27,65,01,970***
EXPENDITURE:	9		
Community Banking Programme		19,31,46,067	*8,21,05,488*
Tank fed Agriculture Programme		11,51,43,927	*9,71,22,921*
Rainfed Agriculture Programme		1,25,00,123	*6,63,79,112*
Coastal Conservation and Livelihoods programme		77,28,224	*1,22,80,807*
New Themes and Other Programmes		5,62,18,787	*3,02,79,590*
Central Support System		99,90,025	*1,55,08,532*
Capital Expenditure	3	2,01,10,632	*1,62,78,465*
Excess of Expenditure over Income (Deficit) - Transferred to Appropriation Account	10	**(6,43,87,572)**	***(4,34,52,945)***
Total		**35,04,50,213**	***27,65,01,970***
Notes on Accounts	11		

Schedules 3 & 8 to 11 form an integral part of the Income and Expenditure account

B.T. Bangera
Chairman

Ajit Ranade
Treasurer

M.P. Vasimalai
Executive Director

As per our Report of even date
for CHARLES FERNANDO & Co.,
Chartered Accountants
Firm Regn. No. 0000604S

CHARLES FERNANDO & CO. CHARTERED ACCOUNTANTS E7, VARAPRATHA VASUDHARA ANDALPURAM MADURAI 625 003

N. CHARLES FERNANDO
Proprietor
Membership No. 026619
UDIN:22026619AUKRXQ7522

Madurai
26-Aug-2022

DHAN (Development of Humane Action) Foundation
1A, VAIDYANATHAPURAM EAST, KENNET CROSS ROAD, MADURAI 625016

SCHEDULE TO CONSOLIDATED BALANCE SHEET AS AT March 31, 2022

Schedule 3 : Fixed Assets

(In ₹)

Particulars	GROSS BLOCK AT COST				DEPRECIATION					NET BLOCK	
	As on 01.04.2021	Addition	Deletion	As on 31.03.2022	As on 01.04.2021	Rate	for the year	Withdrawn on deletion	As on 31.03.2022	As on 31.03.2022	As on 31.03.2021
Community Banking Programme											
Freehold Land	6,58,021	-	-	6,58,021	-		-	-	-	6,58,021	6,58,021
Land & Building	4,66,56,039	-	-	4,66,56,039	1,83,27,118	10	28,32,892	-	2,11,60,010	2,54,96,029	2,83,28,921
Furniture and Fixtures	32,74,760	54,041	-	33,28,801	16,66,734	10	1,66,207	-	18,32,941	14,95,860	16,08,026
Office Equipments	12,88,538	-	-	12,88,538	6,82,202	15	90,951	-	7,73,153	5,15,385	6,06,336
Professional Equipments	2,75,55,138	14,042	-	2,75,69,180	1,91,75,697	40	33,57,393	-	2,25,33,090	50,36,090	83,79,441
Electrical Fittings	10,42,681	92,160	-	11,34,841	5,88,456	10	54,639	-	6,43,095	4,91,746	4,54,225
Vehicles	70,55,760	65,31,236	-	1,35,86,996	43,33,506	15	13,88,024	-	57,21,530	78,65,466	27,22,254
Staff Vehicles	2,30,596	-	85,483	1,45,113	-	-	-	-	-	1,45,113	2,30,596
Plant & Machinery	13,55,086	-	-	13,55,086	11,83,547	15	25,731	-	12,09,278	1,45,808	1,71,539
Total I	**8,91,16,619**	**66,91,479**	**85,483**	**9,57,22,615**	**4,59,57,260**		**79,15,837**	**-**	**5,38,73,097**	**4,18,49,518**	**4,31,59,359**
Tank Fed Agriculture Programme											
Freehold Land	1,76,689	-	-	1,76,689	-		-	-	-	1,76,689	1,76,689
Furniture and Fixtures	11,78,744	1,65,170	-	13,43,914	7,78,010	10	56,591	-	8,34,601	5,09,313	4,00,734
Office Equipments	9,17,353	4,956	-	9,22,309	6,63,594	15	38,807	-	7,02,401	2,19,908	2,53,759
Professional Equipments	1,04,06,315	16,38,500	-	1,20,44,815	90,53,516	40	11,96,520	-	1,02,50,036	17,94,779	13,52,799
Electrical Fittings	4,77,262	1,08,709	-	5,85,971	2,93,451	10	29,252	-	3,22,703	2,63,268	1,83,811
Staff Vehicles	50,000	-	-	50,000	-	-	-	-	-	50,000	50,000
Vehicles	-	-	-	-	-	15	-	-	-	-	-
Plant & Machinery	31,01,363	7,800	-	31,09,163	21,80,542	15	1,39,293	-	23,19,835	7,89,328	9,20,821
Total II	**1,63,07,726**	**19,25,135**	**-**	**1,82,32,861**	**1,29,69,113**		**14,60,463**	**-**	**1,44,29,576**	**38,03,285**	**33,38,613**
Rainfed Agriculture Programme											
Furniture and Fixtures	2,12,999	-	-	2,12,999	94,681	10	11,831	-	1,06,512	1,06,487	1,18,318
Office Equipments	2,23,977	-	-	2,23,977	1,42,655	15	12,198	-	1,54,853	69,124	81,322
Professional Equipments	37,49,776	21,200	-	37,70,976	35,64,522	40	82,582	-	36,47,104	1,23,872	1,85,254
Electrical Fittings	29,555	-	-	29,555	14,465	10	1,509	-	15,974	13,581	15,090
Plant & Machinery	20,41,753	-	-	20,41,753	15,09,388	15	79,855	-	15,89,243	4,52,510	5,32,365
Staff Vehicles	-	-	-	-	-		-	-	-	-	-
Vehicles (Battery operated)	11,15,738	-	-	11,15,738	11,14,953	80	628	-	11,15,581	157	785
Total III	**73,73,798**	**21,200**	**-**	**73,94,998**	**64,40,664**		**1,88,603**	**-**	**66,29,267**	**7,65,731**	**9,33,134**
Coastal Conservation and Livelihoods Programme											
Freehold Land	76,57,686	-	1,43,140	75,14,546	-	-	-	-	-	75,14,546	76,57,686
Land & Building	4,35,26,829	-	-	4,35,26,829	2,39,26,769	10	19,60,006	-	2,58,86,775	1,76,40,054	1,96,00,060
Building Work-in-Progress	-	-	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	18,18,164	98,829	-	19,16,993	11,45,142	10	77,185	-	12,22,327	6,94,666	6,73,022
Office Equipments	13,59,622	-	-	13,59,622	10,72,586	15	43,055	-	11,15,641	2,43,981	2,87,036
Professional Equipments	90,74,865	-	-	90,74,865	88,05,234	40	1,07,852	-	89,13,086	1,61,779	2,69,631
Electrical Fittings	8,62,640	-	-	8,62,640	4,67,502	10	39,514	-	5,07,016	3,55,624	3,95,138
Plant and Machinery	1,13,81,017	-	3,28,050	1,10,52,967	99,69,093	15	2,11,789	-	1,01,80,882	8,72,085	14,11,924
Staff Vehicles	2,06,491	-	-	2,06,491	-	-	-	-	-	2,06,491	2,06,491
Vehicles	40,18,656	-	-	40,18,656	37,53,367	15	39,793	-	37,93,160	2,25,496	2,65,289
Total IV	**7,99,05,970**	**98,829**	**4,71,190**	**7,95,33,609**	**4,91,39,693**		**24,79,194**	**-**	**5,16,18,887**	**2,79,14,722**	**3,07,66,277**

CHARLES FERNANDO & CO. CHARTERED ACCOUNTANTS EZ VARAPRASHA VASUDHARA VANDALPURAM MADURAI 625 003

DHAN (Development of Humane Action) Foundation
1A, VAIDYANATHAPURAM EAST, KENNET CROSS ROAD, MADURAI 625016

SCHEDULE TO CONSOLIDATED BALANCE SHEET AS AT March 31, 2022

Schedule 3 : Fixed Assets (Contd...)

(In ₹)

Particulars	GROSS BLOCK AT COST				DEPRECIATION					NET BLOCK	
	As on 01.04.2021	Addition	Deletion	As on 31.03.2022	As on 01.04.2021	Rate	for the year	Withdrawn on deletion	As on 31.03.2022	As on 31.03.2022	As on 31.03.2021
New Themes and Other Programmes											
Freehold Land	41,11,024	-	-	41,11,024	-		-	-	-	41,11,024	41,11,024
Building	8,74,32,258	94,34,434	-	9,68,66,692	4,53,10,322	10	51,55,637	-	5,04,65,959	4,64,00,733	4,21,21,936
Building work in Progress	-	-	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	24,15,713	80,420	-	24,96,133	17,38,123	10	75,802	-	18,13,925	6,82,208	6,77,590
Office Equipments	10,11,494	-	-	10,11,494	8,48,181	15	24,497	-	8,72,678	1,38,816	1,63,313
Professional Equipments	1,00,61,867	6,40,800	-	1,07,02,667	1,00,00,310	40	2,80,943	-	1,02,81,253	4,21,414	61,557
Electrical Fittings	10,36,413	44,300	-	10,80,713	6,84,574	10	39,614	-	7,24,188	3,56,525	3,51,839
Vehicles	16,82,431	-	-	16,82,431	15,36,589	15	21,876	-	15,58,465	1,23,966	1,45,842
Staff Vehicles	-	-	-	-	-		-	-	-	-	-
Plant & Machinery	52,46,482	-	-	52,46,482	42,52,323	15	1,49,124	-	44,01,447	8,45,035	9,94,159
Total V	**11,29,97,682**	**1,01,99,954**	**-**	**12,31,97,636**	**6,43,70,422**		**57,47,493**	**-**	**7,01,17,915**	**5,30,79,721**	**4,86,27,260**
	-	-	-	-	-	-	-	-	-	-	-
Central Support System											
Freehold Land	59,83,156	-	-	59,83,156	-	-	-	-	-	59,83,156	59,83,156
Building	31,96,147	8,29,048		40,25,195	18,20,310	10	2,20,489	-	20,40,799	19,84,396	13,75,837
Furniture and Fixtures	5,99,730	17,550	-	6,17,280	3,53,650	10	26,363	-	3,80,013	2,37,267	2,46,080
Office Equipments	5,33,640	-	-	5,33,640	2,86,973	15	37,001	-	3,23,974	2,09,666	2,46,667
Professional Equipments	47,35,199	2,53,837	-	49,89,036	36,98,796	40	5,16,096	-	42,14,892	7,74,144	10,36,403
Electrical Fittings	13,90,914	11,100	-	14,02,014	6,98,323	10	70,370	-	7,68,693	6,33,321	6,92,591
Plant and Machinery	16,06,684	-	-	16,06,684	10,91,618	15	77,260	-	11,68,878	4,37,806	5,15,066
Vehicles	20,68,317	-	-	20,68,317	15,97,456	15	70,629	-	16,68,085	4,00,232	4,70,861
Staff Vehicles	3,12,618	62,500	-	3,75,118	-		-	-	-	3,75,118	3,12,618
Total VI	**2,04,26,405**	**11,74,035**	**-**	**2,16,00,440**	**95,47,126**		**10,18,208**	**-**	**1,05,65,334**	**1,10,35,106**	**1,08,79,279**
Total (I+II+III+IV+V+VI)	**32,61,28,200**	**2,01,10,632**	**5,56,673**	**34,56,82,159**	**18,84,24,278**		**1,88,09,798**	**-**	**20,72,34,076**	**13,84,48,083**	**13,77,03,922**
Office Building Funded from Own Corpus											
Free hold land	20,94,344	-	-	20,94,344	-		-		-	20,94,344	20,94,344
Building	6,04,29,534	-	-	6,04,29,534	3,43,94,702	10	26,03,483	-	3,69,98,185	2,34,31,349	2,60,34,832
Total	**6,25,23,878**	**-**	**-**	**6,25,23,878**	**3,43,94,702**	**10**	**26,03,483**	**-**	**3,69,98,185**	**2,55,25,693**	**2,81,29,176**

CHARLES FERNANDO & CO. CHARTERED ACCOUNTANTS E7, VANAPRATHA VASUDHARA ANDALPURAM MADURAI 625 003

Madurai
26-Aug-2022

B.T. Bangera
Chairman

Ajit Ranade
Treasurer

M.P. Vasimalai
Executive Director

DHAN (Development of Humane Action) Foundation

1A, VAIDYANATHAPURAM EAST, KENNET CROSS ROAD, MADURAI 625016

SCHEDULES TO CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

(In ₹)

AS AT	31-Mar-2022	31-Mar-2021
Schedule 8 : Grants Received		
From Foreign Agencies		
Water.org, USA	2,49,54,828	*2,58,72,860*
Heifer International	1,44,92,613	*63,50,139*
ICMIF	98,99,191	*70,43,955*
Please Sound	73,47,288	*57,83,377*
GIZ, New Delhi	47,67,698	*61,38,099*
KNCF Japan	33,16,608	*16,56,109*
Karunai Illam Trust, New Zealand	27,63,732	*20,38,236*
FK NORWAY	26,26,679	*6,81,607*
Friends of DHAN, The Netherlands	10,46,648	*8,25,619*
Union Aid	7,26,385	-
AMGO - ASIE France	3,10,385	*3,50,769*
Individual Donors	2,89,497	-
People for Progress in India	1,79,125	*3,51,000*
Hindustan Unilever Foundation	-	*50,00,000*
Caritas, Switzerland	-	*49,02,993*
Charities Aid Foundation (Oracle)	-	*25,00,000*
IBISA	-	*10,95,097*
Internews	-	*1,18,843*
Concern India Foundation	-	*78,586*
c/f	**7,27,20,677**	**7,07,87,289**

B.T. Bangera
Chairman

Ajit Ranade
Treasurer

M.P. Vasimalai
Executive Director

CHARLES FERNANDO & CO. CHARTERED ACCOUNTANTS
ET VARAPRATHA VASUDHARA ANDALPURAM MADURAI 625 003

Madurai
26-Aug-2022

DHAN (Development of Humane Action) Foundation

1A, VAIDYANATHAPURAM EAST, KENNET CROSS ROAD, MADURAI 625016

SCHEDULES TO CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

(In ₹)

	AS AT	31-Mar-2022	31-Mar-2021
Schedule 8 : Grants Received (contd...)			
	b/f	**7,27,20,677**	**7,07,87,289**
From Indian Agencies			
RBI CFL Projects		10,15,74,528	1,22,69,517
ITC - Khammam, Viralimalai, Munger, RDT		4,54,28,634	4,52,46,647
IndusInd Bank Limited		3,39,00,000	70,00,000
HDFC Bank Limited		2,67,39,003	35,66,600
Asian Paints		1,50,00,000	48,00,000
Aditya Birla Sunlife Insurance Co. Ltd		1,35,00,000	1,56,00,000
HCL Foundation		90,57,461	68,37,159
YES Bank Limited		81,59,672	-
Redington Foundation		59,61,442	-
Others		53,06,397	17,17,911
NABARD Farmers Club Adilabad		49,65,378	-
CBBO (NABARD, NCDC, TNSFAC, CSFAC, NAFED)		25,38,800	-
Larsen & Toubro		32,85,977	6,71,83,290
National Bank for Agriculture and Rural Development		-	71,73,302
Agricultural Technology Management Agency		14,96,750	44,38,000
Individual Donations for Karunai Illam		8,57,987	-
Integrated Water Development Prog. (IWMP)		7,44,800	1,86,200
Forest Plus		5,00,000	-
SBI Youth		4,07,969	1,71,620
Women Organisation Rural Development		3,50,000	-
Mr. Anantha Nageswaran		3,00,000	-
Pentagon Organic Farming Pvt Ltd.		2,00,000	-
Mothers Trust		69,000	-
SBI Mutual Funds		-	50,80,000
Hi-Tech Arai Ltd.		-	40,00,000
Technip India Ltd., Vizag		-	7,80,000
Hindustan Unilever Ltd.,		-	5,28,000
TATA Relief Committee		-	5,00,000
Community Radio Association		-	1,42,725
Kavanoor Society, Kerala		-	5,00,000
		28,03,43,798	**18,77,20,971**
Less: Grants Returned			
ITC Limited		6,73,190	-
BPCL Thiruvallur		10,88,304	-
Aditya Birla Capital Foundation		97,40,000	-
HDFC Bank Ltd.		12,25,000	-
Total of Grants returned to Donors		**1,27,26,494**	**-**
Sub Total - Indian Contribution Receipts		**26,76,17,304**	**18,77,20,971**
Total		**34,03,37,981**	**25,85,08,260**

B.T. Bangera
Chairman

Ajit Ranade
Treasurer

M.P. Vasimalai
Executive Director

CHARLES FERNANDO & CO. CHARTERED ACCOUNTANTS 67, VARAPANTHA VASUDHARA ANDALPURAM MADURAI 625 003

Madurai
26-Aug-2022

DHAN (Development of Humane Action) FOUNDATION
1A, Vaidyanathapuram East, Kennet Cross Road, Madurai 625016, Tamil Nadu

Schedules to Consolidated Balance sheet & Income and Expenditure account for the year ended March 31, 2022

Schedule 11: Notes on accounts

1. The guiding principles that are fundamental to the Trust are:

1.1 High quality human resources will be engaged in grassroots work. The focus of the work will be on enabling rather than delivering through direct action.

1.2 Value collaboration with mainstream institutions and government to demonstrate new and effective ways of development intervention and to build viable linkages between people and mainstream.

1.3 Promoting people's organisations at various levels, with focus on one particular theme for sustainability.

1.4 The strategy for growth is towards enriching the themes and retain sub-sectoral focus.

2. In pursuance of its objects and based on the guiding principles set out in para 1 above the Trust:

2.1 Undertakes projects and facilitates government and private local institution sponsored projects for promotion, renovation and maintenance of irrigation systems, and of natural resources, by land treatment, watershed management, afforestation, waste land development and management and also housing/housing finance for the needy.

2.2 Promotes women's mutual credit and savings groups, associations of such groups and federations of such associations to enhance the savings and borrowing power of the poor to promote income generation activities for their livelihood.

2.3 Works with the poor through locally active groups, informal and otherwise, in the accomplishment of its objectives.

2.4 Provides technical and management assistance to similar voluntary agencies, institutions, government departments and funding agencies involved in developmental work in India.

3. In the course of implementing the development projects the Trust facilitates the mobilisation of substantial resources from various rural development schemes of the government and banks and through participants' own contribution, which are directly channeled to the participants. These have no monetary impact on the accounts of the Trust. This is in keeping with the Trust's policy of progressively strengthening the capability of the weaker sections to deal effectively with development agencies and to manage development activities themselves. The administrative overheads incurred on account of the technical/managerial support extended are charged as expenditure of the Trust.

4. In the case of informal savings and credit groups and other income generation activities flowing therefrom, the Trust provides inter alia revolving fund grants &interest free working capital loans, as per the mandate of the donors to the beneficiaries and the same are separately accounted for through the Balance Sheet, held in Trust and administered. All other grants (except corpus grants), including capital grants, are taken as revenue receipts of the Trust in the year of receipt.

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Revenue Recognition and Accounting Policies

5. The Trust follows cash basis of accounting. The interest accrued on Investments and Fixed Deposits with various banks are taken as Income during the year. The statutory dues like Provident Fund and TDS are shown as Payables.

6. The Grant funds are showed as income in the year of receipt. The grants received from donor agencies were for specific purposes and hence the unutilized or over utilization of grant funds are appropriated from the Income and Expenditure account and reflected in the Balance Sheet as 'Specified Funds'. These specified funds are to be applied / received in the following year for the purposes for which it was given.

7. Fixed assets are fully written off in the year of acquisition as expenditure in the income and expenditure account.

   However to present a more realistic picture of the value of assets appearing in the balance sheet, depreciation at the rates provided in the Income Tax Act, 1961 is being reduced from the cost of the fixed assets on the written down value method. Written down value of assets so arrived at is shown as contra on both the assets & liabilities side of the Balance sheet.

   Where land and buildings are purchased for a consolidated consideration without break-up, depreciation has been provided on such consolidated amount.

   No depreciation has however been provided on staff vehicles as they are deleted when transferred to the employees at cost on their repayment of the loan taken to acquire the vehicle.

   Professional equipment includes computers, projectors, cameras etc., and have been depreciated at the rate applicable to computers.

Notes on Accounts

8. Office Land & Building funded to the extent of (Gross Block) Rs. 6,25,23,878/- from own corpus and depreciation thereon (see note 7 above) has been retained as a separate item in Schedule 1 and 3 to ensure the disclosure of the corpus and the corresponding utilisation against it. The depreciated value (Net Block) is shown in Schedule 1.

9. A land purchased in the year 2007 for Rs. 143,140/- is sold during this financial year.

10. Previous year's figures have been regrouped / reclassified wherever necessary.

Compliances

11. The Trust has been generally regular in depositing its statutory dues including Provident Fund, Tax deducted at Source (TDS) and any other statutory dues with the appropriate authorities.

12. The Trust has been registered under FCRA Act vide FC Registration No. 075940407 dated 21-Nov-2000 and it has renewed its registration on 2nd June 2016. The current FCRA approval is valid till 31-Sept-2022. DHAN Foundation has submitted its FCRA renewal application on 30-Jun-2021.

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13. The Trust has complied all its respective regulatory provisions of Income Tax, FCRA, MHA, etc. However, it is not registered under the ESI Act. The Trust has received a notice dated 04-01-2017 from the ESI department for the payment of ESI with penal interest for last five years for the period from December 2011. DHAN Foundation had appeared at all the hearings for the above notice. An order was passed on 31-3-2017 under section 45/A of the ESI act 1948 which indicated that DHAN Foundation comes under the ambit of Shops and Establishment and Rs.188.28 lakhs is demand raised as payable.

    DHAN Foundation has filed a Petition on 16-6-2017 under section 75/i/g of ESI Act 1948 for exemption under the said act. DHAN Foundation has got a stay order by depositing 8% of the notice amount on 1-7-2017 from ESI court. Litigation on the exemption status is pending before the ESI Court.

14. The Trust has been effectively utilizing the Foreign and other grants received.

15. The Trust has been receiving Government, International, Individual, Institutional and Corporate Donor Grants for various projects undertaken and the Donor audits have been carried out for all the major funded projects in the Institution Premise or in the Donor's Office.

16. The Trust complies with the requirements of varied Donors and the reporting vide submission of Utilization of Certificates has also been done in the authorized specified formats.

Chairman

Treasurer

Executive Director

Madurai
26-August-2022

UDIN:

For Charles Fernando & Co
Chartered Accountants

CHARLES FERNANDO & CO. E7, VARAPRATHA VASUDHARA ANDALPURAM MADURAI 625 003 CHARTERED ACCOUNTANTS

N. Charles Fernando
Proprietor
FRN:000604S