

WASSAN FOUNDATION

2020 2021 Annual Report



WASSAN Foundation

A Not-for-Profit Company incorporated under Section 8 of Companies Act (2nd August 2012)
Plot. No. 686, First Floor, Road. No. 12, Narasimha Swamy Colony, Nagole, Hyderabad - 500 068
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FOREWORD

1

In the spirit and stated operational objectives, WASSAN Foundation has undertaken several focused interventions in the following areas during the year (2020-21). Company extended services for capacity Building of Field level Functionaries and Community; provided support services in development of project approaches & processes, particularly focusing drought mitigation in Rayalaseema region of Andhra Pradesh; significant efforts were put in to strengthen the functioning of Farmer Producer Organizations (FPOs) and Value Chain Promotion of Millets; considerable focus was also there on to develop, innovate and promote low cost agricultural equipment and related technologies, through '**Farm Easy**', an in-house enterprise. The basic idea of these efforts were to ease out drudgery and cost burden among the rural farmers, and also to facilitate improvement in crop yields and livelihoods of the dependent communities in rainfed conditions. The details of such activities during the year are as below;

WASSAN FOUNDATION – BOARD OF DIRECTORS

2



SHRI. MOHANAIAH PALADI

An eminent person in Banking and Development Sectors. Former Chief General Manager, National Bank for Agriculture and Rural Development (NABARD), Telangana. Guided several initiatives and innovations for improving the livelihoods of the rural poor through watershed and tribal developmental programs.



SHRI. VISHRAM NANIWADEKAR

Co-founder of an IT firm – AppLabs; Chief Consultant to several agencies on IT applications including agri-business, educational institutions; manufacturing, etc.



SHRI. K. SURESH

Associated with WASSAN Group of Institutions for several years. A guide, mentor and presently one of the Trustees of WASSAN



SHRI. M.V. RAMACHANDRUDU

An environmental planner and civil engineer by profession, having vast experience in development sector, particularly in – natural resource management, water, watershed and WASH sectors. Associated with WASSAN Group of Institutions in various capacities and roles, since 2000.

EXTENDING SERVICES FOR TRAINING AND CAPACITY BUILDING FOR FIELD LEVEL FUNCTIONARIES AND COMMUNITY

3

ONLINE DIGITAL TRAINING ON DESI-BYP, SMALL RUMINANTS AND FISHERIES:

It is very well proved that activities related to Desi-backyard Poultry, Small Ruminants and Fisheries could contribute significantly in improving the livelihoods of rural households. If taken an entrepreneur model, the results would be sustained; it is possible to see a big difference with a small investment, particularly in tribal and rainfed areas. On this premise, WASSAN FOUNDATION supported in promoting related interventions to integrate them into farming in different agro-ecological conditions.

Company collaborated with Bharat Rural Livelihoods Foundation (BRLF) in this regard and considering the COVID situation in the country, an effort was made to impart Online Digital Training on these themes. The 12 days course covered key aspects of managing Desi Backyard Poultry, Small Ruminants and Fisheries. 41 Rural Youth from different parts of the country viz; Chhattisgarh, Jharkhand, Madhya Pradesh, Odisha, Rajasthan, West Bengal and Maharashtra participated in this training. Participative approach was followed with the help of PPTs, SGAs, Google Classroom, Google Forms, Videos, Assignments, Question and Answer sessions etc.



सर मैं बृजेश कुमार सिंह BRLF बैच 5 से हूँ सर जो यह रिफ्रेशर ट्रेनिंग रहा उसने मुझे bahot ही अच्छा लगा और सीखने को मिला कि जिसमे मुझे कुछ चीजें क्लियर नहीं था वह भी क्लियर हो गया जैसे की मुर्गियों को बीमारी और उनकी दवाइयों के बारे और मछली का भी अच्छे से समझा क्यू की मेरे घर में खुद का मछली पालन किया हूँ और बकरी का भी अच्छा समझ बना क्यू की मैं जो भूल भी रहा था वह भी याद हो गया और जो मैं अब बिना किताब देखे कुछ बेसिक लोगो को बता सकता हूँ इसलिए मेरे लिए यह सैभाग्य की बात है कि मुझे दोबारा ट्रेनिंग मिला व दिया गया धन्यवाद आप को और आप के टीम मेंबर को और BRLF संस्था को भी धन्यवाद

2:10 PM

TRAINING & TECHNICAL SUPPORT TO UDYOGINI, FOR PROMOTING DESI - BACKYARD POULTRY

Udyogini, an NGO based in Jharkhand, is extensively working for improving the livelihoods of marginalized, vulnerable local Tribals. WASSAN FOUNDATION extended training and technical support to this organization for promoting Desi BYP in 6 villages, covering 200 families in two districts. As part of this 6 Desi - Breed Farm Enterprising Units were promoted. An online training on management practices of Desi Poultry was conducted for the staff and women CRPs of Udyogini in October 2020. Subsequently these women CRPs of Kamdara block of Gumla district have extended trainings to local SHG members on basic management of Desi - poultry.

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PROVIDING SUPPORT AND CONSULTANCY SERVICES IN DEVELOPING PROJECT APPROACHES & PROCESSES

SUPPORTING FOR ANDHRA PRADESH DROUGHT MITIGATION PROGRAM (APDMP):

WASSAN FOUNDATION served as Lead Technical Agency for APDMP during the FY 2020-21, for a duration of 5 months (April-August, 2020). During the time, following services were extended to strengthen the project approach and processes.

- Field Support to Lead Facilitating Agencies (LFAs) and Field Agencies (FAs) for groundwater collectivization activities.
- Submitted proposal for introduction of 5-layer integrated intensive farms in APDMP GPs.
- Worked with the SPMU and Partner Agencies to restructure Training Modules for Farmer Producer Organizations (FPOs)
- Revised estimations for Farm pond and Soil fertility improvement program activities as per SOR (2019-20);
- Submitted groundwater collectivization proposals with final estimation of groundwater recharge structures;
- Shared sub activity wise monitoring sheet for Farm Pond related interventions;
- Supported SPMU team for bringing out Project Annual Report'



- Organized workshop with BRC Entrepreneurs and Krishi Vignan Kendra (KVK) to understand the performance, farmer response, challenges related to BRCs.
- Supported SPMU in evolving strategy for Project Restructuring, as the project was mandated to be implemented by the Department of Agriculture; Facilitated withdrawal process of LFAs and FAs .

CONSULTANCY SERVICES FOR CATALYST MANAGEMENT SERVICES (CMS) PVT. LTD.

Catalyst Management Services (CMS) Pvt. Ltd., Bangalore conducted a Baseline Study for the Heifer International Poultry Project, from October, 2020 to February, 2021. CMS was the primary agency involved in the baseline and it had approached WASSAN FOUNDATION to extend its domain expertise in Back-yard Poultry Systems (BYP) for undertaking the study. The main activities and deliverables under the contract included:

- Customization of the qualitative and quantitative tools such as FGD and interview questionnaire for FPOs, Households and MSMEs developed by Heifer and CMS to include appropriate questions on BYP.
- Field visit by WASSAN BYP team members to Anantapur and East Godavari to facilitate the FGDs and other baseline related tasks.
- Support in data analysis, provide insights on the analysis and document the same.



STRENGTHENING THE FUNCTIONING OF FARMER PRODUCER ORGANIZATIONS (FPOS) AND VALUE CHAIN PROMOTION

Extending support to initiate, nurture, promote, products on behalf of partners, conduct business enterprise, promotion of business opportunities - of products from rural/ tribal or urban areas - is one core objective of WASSAN FOUNDATION. Considering that, much focus was put in to strengthen the functioning of Farmer Producer Organizations (FPOs) that are found to be key instrumental platforms to enable farmer centric business operations and promotion of value chain processes. An internal training on Business Management for FPOs was conducted in May, 2020. The participants included team members involved in value chain promotion activities of millets, fisheries, backyard poultry, oilseeds, pulses, other service based businesses etc., across different projects in Odisha and Andhra Pradesh.

IMPROVED PERFORMANCE OF FPOS IN ANDHRA PRADESH

FPOs supported by WASSAN FOUNDATION in terms of human resource support, strategic linkages and capacity building performed quite well in this financial year. In Anantapur, Janjeevana achieved a turnover of Rs. 1.84 cr and trade volume of 258 tons. On the whole, the details of different products, their volume and worth in terms of sales is as given in the **Table**; Another FPO in Doma, Vikarabad ventured into production and marketing of naturally produced leafy vegetables on a pilot basis.

*Sales Volume and Worth of
Different Products
undertaken by FPOs*

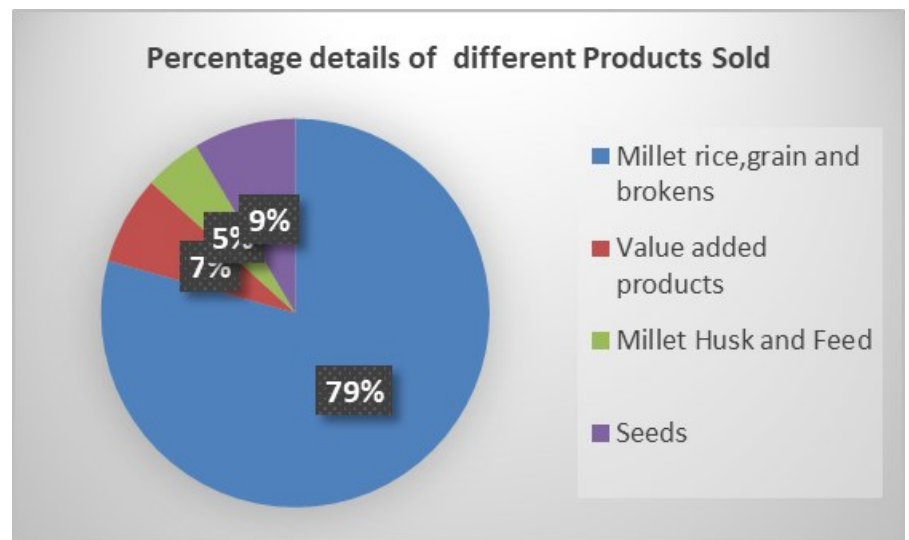
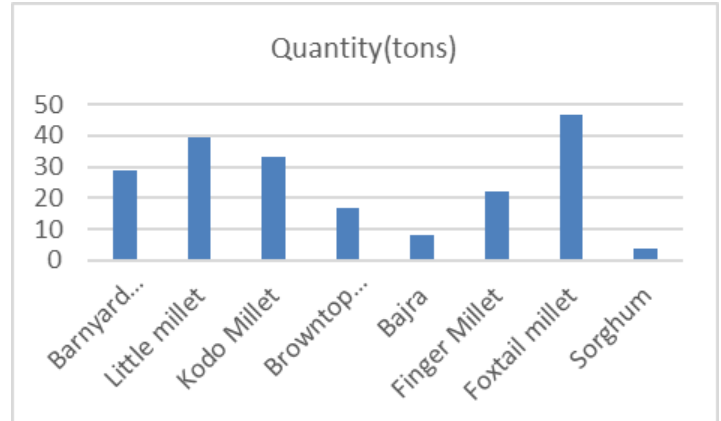
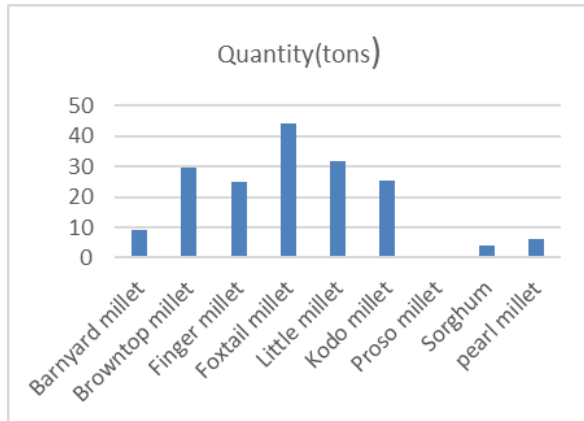
Product	Sales Qty (Kgs)	Sales Value (Rs in Lakhs)
Groundnut seed	63631	54.08
Groundnut pods	178619	107.17
Groundnut Oil	2606	3.9
Groundnut Powder	51	0.07
Millets	9830	9.34
Groundnut Cake	3342	1.33

INCREASED PROCUREMENT AND SALES BY MANYAM,.....

WASSAN FOUNDATION has shareholding interest in MANYAM Pvt Limited, a company based in Anakapalli town, near Vishakhapatnam in Andhra Pradesh. This company is in procurement and sales of Millets, and their value added products. WASSAN FOUNDATION has been undertaking several initiatives for promotion and revival of Millets in that North Coastal Region of Andhra Pradesh. In that sense there is a strategic advantage to enable linkages for FPOs in that region with Manyam, for the mutual benefit, both to the company and also to the local farmers. And it is reflected in some way during the year as there is significant improvement in terms of procurement and sale of Millets by Manyam. On the whole, Manyam purchased 177 Tonnes of Millets (of different types), worth of Rs 48,81,015/- A total of 199 Tonnes of Material was processed during the year, worth of Rs 54,04,167/- Company had a sales income of Rs 76,67,670/, through selling 195 Tonnes of processed Millets, value added products (like, Idli Rava, Upma Rava, Millet Mix, Rice Flour, Muruku etc.), Husk feed and Seeds. The total operational expenses was to an extent of Rs. 28,41,959/- At the end of financial year, there was a stock of 47.4 Tonnes.



PURCHASED MILLETS AND PROCESSED MILLETS (2021-21)



Sl. No.	Account type	Total Worth (Rs)
1.	Total raw material purchased	48,81,015
2.	Total raw material processed	54,04,167
3.	Total sales income	76,67,670
4.	Total operational expense	28,41,959
5.	Total non-operational expense	2,96,993
6.	Total receivables	8,56,699
7.	Total cash in Hand	4,72,767

Summary of Operations (2021-21)

PROMOTING LOW COST AGRICULTURAL EQUIPMENT - DEVELOPING AND INNOVATING TECHNOLOGIES THROUGH 'FARM EASY'

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WASSAN FOUNDATION under the brand name of 'Farm Easy' is striving towards innovations for improving the labour productivity and increase the accessibility of low cost agricultural implements and technologies. During the year, FARM EASY team has worked on developing few prototypes and standardizing existing prototypes. Prototypes like Mobile Energy Cart & Combo sprayer were developed in association with Mr. Peter, MMT; while, Farm easy team themselves tried to make improvements to Cycle Weeder V1.0 & 1.1, Mandava Weeder, standardizing the Mini Millet De-huller, Cart sprayer etc. The demo and field testing of prototypes were also done with the help of the field personnel of WASSAN Projects, based in places like Kadiri, Paderu, Srikakulam and East Godavari in Andhra Pradesh. Some field trials have also been started in few places in Odisha.

Training workshops for entrepreneurs were conducted to orient them in operating and assembly of few prototypes, with the help of the manuals (printed & videos). These activities were conducted with financial support from few projects like **Sustain+**, **CRZBNF**, etc.

STATUS OF THE PRODUCTS AND PROTOTYPES:

- **Prototypes Standardized and in Regular Production:**

- [1] **Mini Millet De-huller (Mixers)** – AC model standardization is done and deployed on field. There are still some issues with DC model with regard to component sourcing; all are imported items with no warranty and there are component failures in very short time. In view of this, focus is now only on AC model. Operating manuals are prepared for this product; Trainings were conducted to local youth and women in Kadiri, Paderu, R Chodavaram, Vizag, etc.



- [2] **Cycle Weeder**– Existing model is improved to address issues reported; new features were added like height adjustment (6 levels), double row tines (as a set), and angle adjustment for blade in V 1.0. To suit Kadiri type of soils, few changes are done – like, replacing the adjustable blade with a fixed forged blade, arrow heads for tines and making each row of tines detachable. Vendors are identified in Kadiri & Hyderabad, in addition to Parvathipuram.



- [3] **Mandava Weeder**– Existing model modified to improve the durability – by going for hot dip galvanizing of the portion coming in contact with wet soil, laser cutting for the vanes for standardization & ease of fabrication; introduced nylon bushes to replace the bearings to reduce the maintenance cost & effort. Identifying new vendors for fabrication.



- **Prototypes under Field trials, Models to be Standardized for Scaling-up:**

- [1] **Energy Cart** – Many combinations were tried for mounting the solar panels (flexible / rigid, mono / poly crystalline) on the cart (bullock / tractor drawn), folding & unfolding mechanism (hinge / sliding methods) and pumps (DC / AC powered with & without drive). Two models with different set of features were developed and are under field trials.

In addition inverter & batteries have been integrated to power up to 1.5 HP, single phase AC farm equipment locally like – thresher, pulverisers, etc. Both models being tested in Kadiri and shortly one in Naupada.



- [2] **Combo Sprayer** – Lot of iterations done to suit the local requirements – row spacing, boom height, ground clearance (wheel diameter, assembly modified), span between wheels, drum mounting, handle (to suit push & pull) and spray nozzles (4nos for line sowing and hand gun with 25m pipe for sowing done by broadcasting method). This model is being field tested in Kadiri and to start coming season in Paderu, Chinnarama & Malkangiri areas.



- [3] **Cart Sprayer** – Modifications done to the initial model – to improve the bike-hitching mechanism, boom adjustment, mounting the battery pack, etc. This model is being field tested in Kadiri and to start coming season in Paderu & Chinnarama.



- **Prototypes under Development:**

- [1] **Brush Cutter** – The initial model had some issues – motor heating, stalling and twines getting entangled to the motor shaft. Later identified different motor and some modifications were taken up to overcome the above



issues. Motor heating issue reduced to some extent, but to be addressed completely. Looking at alternatives of gear / timing pulley power transmission instead of directly mounting blade on motor shaft and integrating a cooling fan to dissipate motor heat.

- [2] **Groundnut Pod stripper** – During the horizontal model field trials farmers were satisfied with opening but trash mixed in output was not acceptable as it is difficult to separate. So a vertical model with a grading mechanism was developed. After trial with different types of stripping points, results not to the desired level, still needs lot of fine tuning.





● Operating Manual for Mini Millet De-huller



● Name plate for ease of tracking batch, vendor, date of manufacturing

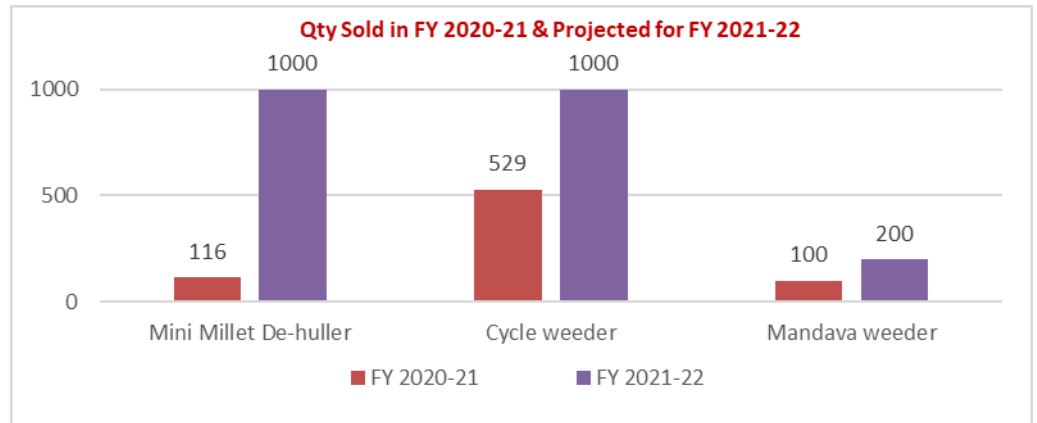


● Orientation and training sessions for Manufacturing in various locations

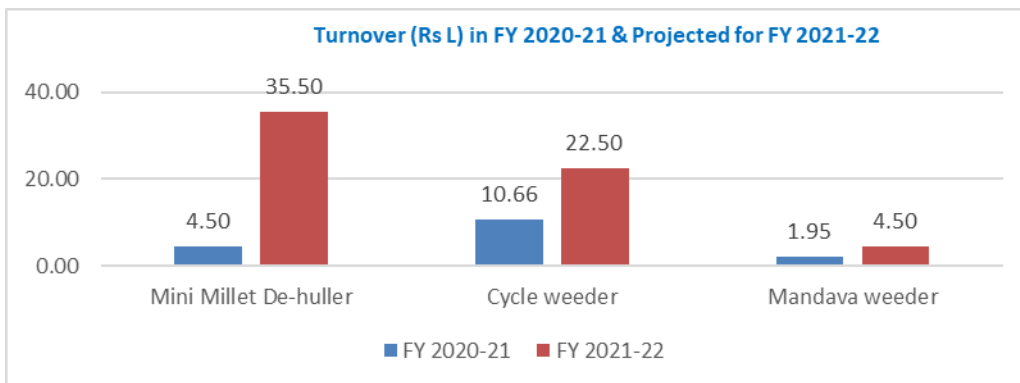
VOLUME OF BUSINESS - FINANCIAL DETAILS- FUTURE PROJECTIONS

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With significant level of increase in sales of different products for different programs, a total turnover of Rs.20,72,830 was achieved during the year. Basing upon increased interest and acceptance of the products, Farm Easy team is targeting a 4 fold increase in turnover for the FY 2021-22. Team is confident of achieving it with the support from other project heads and guidance from top leadership in providing market & business opportunities.



Details of sales volume and projections



Details of Turnover and projections

Few stock points are required to hold buffer stock and spares; there is also a need to strengthen the Team with additional resources for operations and biz dev activities. Efforts are on for product promotion through different means; Farm Easy website development is under process. Brochures prepared for Cycle Weeder & Mandava Weeder, Mini Millet De-huller and Combo Sprayer. Others will be initiated once model is finalized.

PROCESS PROTOCOLS FOR SCALING-UP

- Prototype to Product – CAD drawings, BOM, Product specs, Manuals (docs, videos), data collection / feedback forms. Most of them ready for Mini Millet De-huller, Cycle Weeder and Mandava Weeder.
- Customer Order to Execution – Process flow, documents required, way bill/invoice for dispatch, acknowledgements for receipt, serial number plates to track, stock register, etc.

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AUDIT REPORT

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WASSAN FOUNDATION

Plot No.685 & 686, Ground Floor and First Floor,
Narasimhaswamy Colony, Nagole, Hyderabad, Telangana - 500 068.

DIRECTOR'S REPORT

To the Members,
M/s WASSAN FOUNDATION,
Hyderabad.

Your Directors have pleasure in submitting their 09th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2021.

1 FINANCIAL SUMMARY (Amount in Rupees in Lacs)

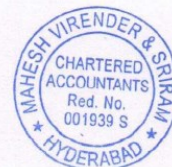
Particulars	As at the end of current reporting period	As at the end of previous reporting period
Total Revenue	25.90	82.13
Total Expenses	40.47	107.92
Profit or Loss before Exceptional and Extraordinary items and Tax	(14.57)	(25.79)
Less: Exceptional Items	0.00	0.00
Less: Extraordinary Items	0.00	0.00
Profit or Loss before Tax	(14.57)	(25.79)
Less: Current Tax	0.00	0.00
Add: Deferred Tax Asset/Liability	0.18	(0.16)
Profit or Loss After Tax	(14.39)	(25.96)
Add: Balance as per last Balance Sheet	42.98	68.93
Less: Transfer to Reserves	0.00	0.00
Less: Income Tax Adjustments	1.39	0.01
Less: Depreciation Adjustment	0.00	0.00
Less: Appropriations		
Less: Dividend	0.00	0.00
Less: Dividend Tax	0.00	0.00
Balance Transferred to Balance Sheet	29.98	42.98

2 DIVIDEND

No dividends is required declared, since it is registered U/s 8 of Companies Act' 2013.

3 REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

Your Directors are optimistic about company's business and hopeful of better performance with increased revenue in next year.



WASSAN FOUNDATION

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4 MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report

5 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

FORM A. CONSERVATION OF ENERGY:

Your Company is not a major user of power.

FORM B. TECHNOLOGY ABSORPTION:

The Company has not absorbed any technology during the year.

FORM C. FOREIGN EXCHANGE EARNING AND OUT-GO:

The Company has neither earned any foreign exchange nor has any foreign exchange Outgo during the year.

6 STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

Company has implemented an integrated risk management approach through which it reviews and assess significant risks on a regular basis to help ensure that there is a robust system of risk controls and mitigation in place. Senior management periodically reviews this risk management framework to keep updated and address emerging challenges. Major risks identified for the Company by the management are Currency fluctuation, Compliance, Regulatory changes, Manufacturing & Supply, Litigation, Information Technology and new capital investments return. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize.

The Company has laid down a well-defined Risk Management Policy covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non business risk. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.



WASSAN FOUNDATION

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7 DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company is not a listed Company and hence no compliance certificate from Auditors is necessary.

8 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

9 PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There no Contracts or Arrangements made with related parties made pursuant to Section 188.

10 EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

The Auditors report does not contain any qualification, Notes to Accounts and Auditor's remarks in their report are self –explanatory and do not call for any future comments.

11 COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

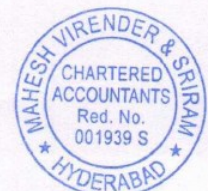
The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

12 ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure 1 and is attached to this Report.

13 NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company has conducted 4 Board meetings during the financial year.



WASSAN FOUNDATION

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14 DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) The Company being unlisted, sub clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company; and
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15 SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company during the year under review, except a Trust (NGO) in which one of the Director is a Trustee.

16 DEPOSITS

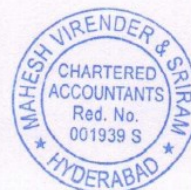
The Company has neither accepted nor renewed any deposits during the year under review.

17 DIRECTORS

The provisions of Section 149 for appointment of Independent Directors do not apply to the Company.

18 ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has in place adequate Internal Financial Controls with reference to Financial Statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.



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19 STATUTORY AUDITORS

M/s Mahesh, Virender & Sriram, Chartered Accountants, were appointed as Statutory Auditors for a period of Five years in the Annual General Meeting held in the year 2020 and are eligible for reappointment, subject to ratification of members at ensuing Annual General Meeting of the company.

20 DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

21 ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

K. Suresh

(SURESH KOSARAJU)
DIRECTOR

M.V Ramachandrudu

(M.V RAMACHANDURUDU)
DIRECTOR

Place: Hyderabad
Date: 28.06.2021.



**MAHESH, VIRENDER & SRIRAM
CHARTERED ACCOUNTANTS**

6-3-788/36&37/A, Durga Nagar Colony,
Ameerpet- 500 016, Hydeabad Telangana
E mail – mvshyd@yahoo.com Phone : 040- 23401738

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INDEPENDENT AUDITORS' REPORT

To the Members of
M/s WASSAN FOUNDATION

Report on the audit of the financial statements

We have audited the accompanying financial statements of **M/s. WASSAN FOUNDATION** a company operating under Section 8 of the Companies Act, 2013, ("the Company"), which comprise the balance sheet as at March 31, 2021, and the Statement of Profit and Loss for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 applicable laws and regulations to the entity 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 Entity as at March 31, 2021, and its **LOSS** for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Entity in accordance with the code of ethics issued by the Institute of Chartered Accountants of India (ICAI) 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.

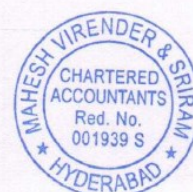
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Entity as it is not a listed company.

AS



MAHESH, VIRENDER & SRIRAM
CHARTERED ACCOUNTANTS

6-3-788/36&37/A, Durga Nagar Colony,
Ameerpet- 500 016, Hyderabad Telangana
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Other Matters

Further to the continuous spreading of COVID -19 across India, the Indian Government announced lockdown in the month of April and May, 2021 across the India to contain the spread of the virus. This has resulted in restriction on physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

As a result of the above, the entire audit was carried out based on remote access of the data as provided the management. This has been carried out based on the advisory on “Specific Considerations while conducting Distance Audit/Remote Audit/ Online Audit under current Covid-19 situation” issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the entity without any further manual modifications.

We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions.

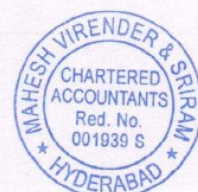
Our audit opinion is not modified in respect of the above.

Management’s responsibility for the financial statements

The management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Entity in accordance with the accounting principles generally accepted in India, including the accounting standards specified by ICAI. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Entity and 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 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 Entity’s 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 Entity or to cease operations, or has no realistic alternative but to do so.

The management is also responsible for overseeing the Entity’s financial reporting process.

**MAHESH, VIRENDER & SRIRAM
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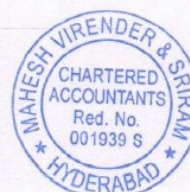
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

AS



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CHARTERED ACCOUNTANTS

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Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1.The Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not presently applicable to the Company.

2.As Required by section 143(3) of the Act, we report that

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

b. In our opinion proper books of accounts as required by law have been kept by the Company so far as it appears from our Examination of those books.

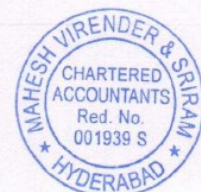
c. The Balance Sheet and Statement of Profit and Loss dealt with this by this report are in agreement with the books of Accounts.

d. In our Opinion, the aforesaid financial statements comply with the Accounting Standards specified under the Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 ;

e. On the basis of written representation received from the directors as on March, 2021, taken on record by the Board of Directors, none of the Director us disqualified as on March, 2021, from being appointed as a Director in terms of Section 164(2) of the Act.

f. With respect to the other matters to be included in the Auditor’s report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanation given to us :

AR



**MAHESH, VIRENDER & SRIRAM
CHARTERED ACCOUNTANTS**

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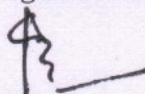
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The Company does not have any pending litigations which would impact the financial position.

The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund, as such the question of delay in transferring such sums does not arise.

For Mahesh, Virender & Sriram
Chartered Accountants
Firm Registration No.001939S



(B.R Mahesh)
Partner

Membership No. 018628
UDIN : 21018628AAAAGB6692

Place: Hyderabad
Date: 28.06.2021.



WASSAN FOUNDATION

Plot No.685 & 686, Ground Floor and First Floor,
Narasimhaswamy Colony, Nagole, Hyderabad, Telangana - 500 068.

1. Significant Accounting Policies

- i. The financial statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles and provisions of the Companies Act, 2013 as adopted consistently by the Company.
- ii. The Company generally follows Mercantile System of Accounting and recognizes significant items of Income and Expenditure on accrual basis. Income from Grants/Project Receipts and Bank Interest are accounted on receipts basis.
- iii. Depreciation on fixed assets put to use are depreciated under Written Down Value on Pro-rata basis at rates provided as per "C" of Schedule – II of Companies Act, 2013.
- iv. Project Fixed Assets are charges off to respective Projects.
- v. To provide and recognize Deferred Tax on timing difference between taxable income and accounting income subject to consideration of prudence.
- vi. Foreign Exchange transactions in relation to receipts of Donations / Contributions accounted for at the exchange rates prevalent on the date of transactions.
- vii. To amortize Preliminary Expenses and Deferred Revenue Expenses over a period of Ten years, after commencement of operations.



WASSAN FOUNDATION
Plot No.685 & 686, Ground Floor & First Floor,
Narasimhaswamy Colony, Nagole, Hyderabad, Telangana - 500 068.
Balance Sheet as at 31st March, 2021

Particulars	Note No.	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
EQUITY AND LIABILITIES			
Share holders funds			
Share Capital	2	1,00,000	1,00,000
Reserves and Surplus	3	30,65,707	43,66,260
Non - Current Liabilities			
Long Term Borrowings		-	-
Deferred Tax Liability		-	16,465
Other Non Current Liabilities		-	-
Long Term Provisions		-	-
Current Liabilities			
Short Term Borrowings		-	-
Trade Payable		-	-
Other Current Liabilities	4	55,74,860	61,14,907
Short Term Provisions		-	-
Total		87,40,567	1,05,97,632
ASSETS			
Non - Current Assets			
Fixed Assets - Tangible	5	14,984	33,053
Non - Current Investments	6	5,00,000	8,00,000
Deferred Tax Asset		51,508	49,950
Other Non Current Assets	7	5,000	10,000
Long Term Loans and Advances		-	-
Current Assets			
Current Investments		-	-
Inventories		-	-
Trade Receivables	8	47,83,253	47,21,934
Cash and Cash Equivalents	9	8,87,305	18,82,922
Short Term Loans and Advances	10	24,98,517	30,99,773
Other Current Assets		-	-
Total		87,40,567	1,05,97,632

Summary of Significant Accounting Policies 1

The accompanying Notes are an integral part of
Financial Statements

for and on behalf of the Board

K. Suresh

(Suresh Kosaraju) (M.V Ramachandrudu)
Director Director

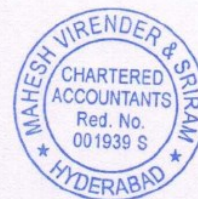
M.V Ramachandrudu

As per our report of even date
for **Mahesh, Virender & Sriram**
Chartered Accountants
Firms' Regn.No : 001939S

(B R Mahesh)

Partner
M.No. 18628

Place : Hyderabad
Date : 28.06.2021



WASSAN FOUNDATION
Plot No.685 & 686, Ground Floor & First Floor,
Narasimhaswamy Colony, Nagole, Hyderabad, Telangana - 500 068.
Statement of Income & Expenditure for the year ended 31st March, 2021

Particulars	Note No.	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
INCOME :			
Project Receipts	11	25,71,798	80,21,798
Other Income	12	18,230	1,91,013
Total Revenue		<u>25,90,028</u>	<u>82,12,811</u>
EXPENDITURE :			
Project Expenditure	13	32,54,349	93,36,937
Finance Costs	-	-	-
Depreciation & Amortization Expenses	14	23,069	36,208
Other Expenses	15	7,69,737	14,19,155
Total Expenditure		<u>40,47,155</u>	<u>1,07,92,300</u>
Excess of Income / Expenditure		<u>(14,57,127)</u>	<u>(25,79,489)</u>
Tax Expenses :			
Current Tax		-	-
Deferred Tax (Net)		18,023	(16,465)
Profit/Loss for the year		<u>(14,39,104)</u>	<u>(25,95,954)</u>
Earnings as per Share of face Value of Rs.10/-each:			
Basic		-	-
Diluted		-	-

The accompanying Notes are an integral part of
Financial Statements

for and on behalf of the Board

K. Suresh

(Suresh Kosaraju) Director

M.V. Ramachandurudu

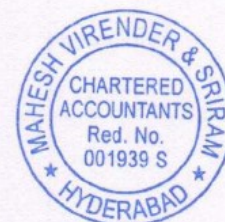
(M.V Ramachandurudu) Director

As per our report of even date
for **Mahesh, Virender & Sriram**
Chartered Accountants
Firms' Regn.No : 001939S

B R Mahesh

(B R Mahesh)
Partner
M.No. 18628

Place : Hyderabad
Date : 28.06.2021



WASSAN FOUNDATION

Notes to the Financial Statements for the year 31st March, 2021

Particulars	31.03.2021 Rs.	31.03.2020 Rs.
2 SHARE CAPITAL		
Authorised :		
10,000 Equity Shares of Rs 10/- each	1,00,000	1,00,000
Total	1,00,000	1,00,000
Issued, Subscribed and paid up :		
10,000 Equity Shares of Rs 10/- each	1,00,000	1,00,000
Add : Share Application Money	-	-
Total	1,00,000	1,00,000

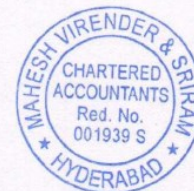
a Rights attached to equity shares:

The company has only one class of equity shares having a face value of Rs.10/- per share . Each holder of equity share is entitled to one vote per share. The company is registered under section 8 of the Companies Act, 2013.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

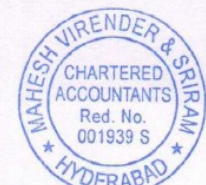
b Details of shareholders holding more than 5% shares in the company

	31.03.2021		31.03.2020	
	No's	% in the class	No's	% in the class
Equity shares of Rs.10/- each fully paid				
Kosaraju Suresh	5000	50	5000	50
M.V Ramachandurudu	5000	50	5000	50
TOTAL	10000	100%	10000	100%



WASSAN FOUNDATION
Plot No.685 & 686, Ground Floor & First Floor,
Narasimhaswamy Colony, Nagole, Hyderabad, Telangana - 500 068.
Notes to the Financial Statements for the year ended 31st March, 2021

Note No.	Particulars	31.03.2021 Rs.	31.03.2020 Rs.
3	Reserves and Surplus :		
	a) Income & Expenditure A/c		
	Opening Balance	42,98,260	68,92,787
	Add/Less: Excess of Expenditure over Income	(14,39,104)	(25,95,954)
	Add/Less: Adjustment	1,38,551	1,427
	Closing Balance Total (a)	<u>29,97,707</u>	<u>42,98,260</u>
	b) Innovation Fund		
	Opening Balance	68,000	68,000
	Add: During the year	-	-
	Closing Balance Total (b)	<u>68,000</u>	<u>68,000</u>
	TOTAL (a) + (b)	<u>30,65,707</u>	<u>43,66,260</u>
4	Other Current Liabilities		
	Expenses Payable - APDMP	-	7,44,307
	Advance - Project Director APDMP	50,00,000	50,00,000
	Audit Fees Payable	1,00,000	1,00,000
	Travel Expenses Payable	7,860	-
	Expouser Visit (APDMP)	2,67,000	2,67,000
	Rent Payable	2,00,000	-
	GST Payable	-	3,600
	TOTAL	<u>55,74,860</u>	<u>61,14,907</u>
6	Investments		
	Shares - Manyam Grains	5,00,000	5,00,000
	No. of Shares - 50,000/- per Share Rs.10/-		
	Shares - Urvil Khadyam	-	3,00,000
	No. of Shares - 30,000/- per Share Rs.10/-		
	TOTAL	<u>5,00,000</u>	<u>8,00,000</u>
7	Other Non Current Assets:		
	Preliminary Expenses		
	Opening Balance	10,000	15,000
	Less: Written off during the year	5,000	5,000
	Closing Balance (TOTAL)	<u>5,000</u>	<u>10,000</u>
8	Trade Receivables		
	Sundry Debtors		
	Project Reimbursable	32,34,380	32,34,380
	Project Expenses Recoverable	15,48,873	14,87,554
	TOTAL	<u>47,83,253</u>	<u>47,21,934</u>
9	Cash and Bank Balances		
	a) Balances with Banks:		
	HDFC A/c - 50200033320292	1,76,140	6,39,826
	HDFC A/c - 2994	3,60,697	2,41,768
	b) Cash on Hand	468	1,328
	c) Fixed Deposit with Bank	3,50,000	10,00,000
	TOTAL	<u>8,87,305</u>	<u>18,82,922</u>
10	Short Term Loans & Advances :		
	GST TDS -IGST	3,47,559	3,47,559
	GST TDS -CGST	13,849	13,849
	GST TDS -SGST	13,849	13,849
	Electronic Credit Ledger	2,39,025	-
	Rent Deposit (Srinivasa rao - Guntur)	-	29,000
	Advance to Vendors	38,651	-
	Rent Deposit (Sirish)	-	20,000
	Advance Tax (2019-2020)	-	1,00,000
	TDS (2019-2020)	18,11,780	17,11,780
	TDS (2020-2021)	33,804	-
	Accrued Interest	-	261
	Revolving Fund - HANDS	-	7,63,450
	Revolving Fund - REDS	-	20,025
	JDA Srikakulam	-	80,000
	TOTAL	<u>24,98,517</u>	<u>30,99,773</u>



WASSAN FOUNDATION
Plot No.685 & 686, Ground Floor & First Floor,
Narasimhaswamy Colony, Nagole, Hyderabad, Telangana - 500 068.
Notes to the Financial Statements for the year ended 31st March, 2021

32

Note No.	Particulars	31.03.2021 Rs.	31.03.2020 Rs.
11	Revenue from Operations(Project Receipts)		
	IFAD-APDMP (2018-19)	-	59,25,000
	BAIF	-	3,36,000
	Training Receipt - Bharat Rural Livelihoods Foundation	2,04,000	-
	Training Receipt	48,250	-
	Farm Easy Activities	20,72,830	4,24,600
	ITC Limited	2,36,718	7,77,175
	Solar Panels	-	34,286
	Tripura	-	4,79,237
	Udyogini	10,000	45,500
	TOTAL	25,71,798	80,21,798
12	Other Income		
	Interest on Fixed Deposits	6,570	1,73,263
	Interest on IT refund	-	17,750
	General Receipts	11,660	-
	TOTAL	18,230	1,91,013
13	Project Expenditure		
	IFAD-APDMP (2018-19)	-	(3,310)
	IFAD-APDMP (2019-20)	-	76,65,955
	LTA - APDMP (2020-21)	7,62,171	-
	Bharat Rural Livelihoods Foundation	1,11,638	-
	BAIF	65,500	2,54,651
	ITC Limited	-	9,13,260
	Farm Easy Activities	15,36,565	5,06,382
	Project Expenses	7,78,475	-
	TOTAL	32,54,349	93,36,937
14	Depreciation & Amortization Expenses		
	Depreciation	18,069	31,208
	Preliminary Expenses (To the extent not written off)	5,000	5,000
	TOTAL	23,069	36,208
15	Other Expenses :		
	General Expenses	6,64,737	11,99,278
	Expenses Written Off	-	15,000
	Audit Fees	1,00,000	1,00,000
	Professional Tax	5,000	-
	Service Tax 18-19	-	1,04,877
	TOTAL	7,69,737	14,19,155



Note - 5
FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 01.04.2020	Additions during the year	Deletions during the year	As at 31.03.2021	As at 01.04.2020	for the year	Deletions/ adjustments for the year	As at 31.03.2021	As at 31.03.2020
TANGIBLE ASSETS: OWN ASSETS :									
Computers	3,36,742	-	-	3,36,742	3,03,689	18,069	-	14,984	33,053
Vehicles	-	-	-	-	-	-	-	-	-
TOTAL	3,36,742	-	-	3,36,742	3,03,689	18,069	-	14,984	33,053
Previous Year	3,07,594	29,148	-	3,36,742	2,72,481	31,208	-	33,053	35,113



WASSAN FOUNDATION

Plot No.685 & 686, Ground Floor and First Floor,
Narasimhaswamy Colony, Nagole, Hyderabad, Telangana - 500 068.

Note – 16.

i) Contingent Liabilities :

Particulars	31.03.2021	31.03.2020
a. Claims against the company not acknowledged as debts :	-NIL-	-NIL-
b. Other Money for which the Organization is Contingently Liabile :	-NIL-	-NIL-

ii) Detailed information is regard to amounts paid to the Auditors as Fee expenses of otherwise for services rendered.

Particulars	31.03.2021	31.03.2020
Audit Fees	80,000	80,000
Tax Representation Fee	10,000	10,000
Company Law Matters	10,000	10,000
TOTAL	1,00,000	1,00,000

iii) Details of Remuneration paid to Directors :

M.V Ramachandurudu	NIL	Rs.5,88,000/-
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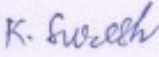
iv) The Company is Registered U/s 8 of the Companies Act, 2013.

v) Project advance of Rs.50,00,000/- received from Government of Andhra Pradesh through APDMP shall be reckoned to income only in the year of completion of the Project as per terms of agreement in the APDMP.

vii) Previous years figures are regrouped wherever necessary.

For and on behalf of Board of Directors
of WASSAN FOUNDATION

Vide our report of even date
For Mahesh, Virender & Sriram
Chartered Accountants


(Suresh Kosaraju) (M.V Ramachandurudu)
Director Director


(B.R Mahesh)
Partner
M. No. 018628

Place : Hyderabad
Date : 28.06.2021.



