



# A RURAL REVOLUTION

ANNUAL REPORT  
2016 - 2018

## Taking a lead in the India story

### Self-sustained Rural communities to the fore.

The year was 2009. When Total Village Management was developed and seeded as an idea for inclusive rural development by Krishi Gram Vikas Kendra (KGVK).

Nearly a decade later, that idea has blossomed into bright futures for communities.

Having adopted an intensive impact measurement model five years ago, KGVK has made significant headway in furthering the cause of creating self-sustained communities.

During 2016-2018 the results have been encouraging and indicative of the gains that can be hoped for by forging strong collaborations under the P4 model. The numbers indicate the impact we have been able to achieve across all intervention areas. Livelihood, health and sanitation and irrigation have witnessed a more than four-fold increase in the adoption of TVM practices. We have increased the number of Farmer Field Schools from 36 to 84, and they have been wholeheartedly embraced by farmers in the areas of implementation. Plans are underway to widen the sphere of influence.

These results and others like them have given us the impetus we need to push forward with renewed vigour, and co-create transformation with communities at a faster rate, across larger areas.



# The tools to transform futures

The TVM framework for implementation employs certain techniques and tools to facilitate community engagement and participation. It also incorporates intuitive and simple impact measurement metrics to quantify the change that we have achieved.



## The P4 Model: Changing together

Collaboration is integral to the idea of TVM. The P4 Model – Public Private People Partnership - combines indigenous knowledge with industry best practices to create a unique collaborative model seamlessly transforms change frameworks into impact in the real world. Every intervention involves the combining of expertise derived from Government agencies, Corporates, worldwide NGOs, Science & Research institutions, and Financial establishments.



## Social Return On Investments (SROI): Transformation made real

Going beyond the traditional cost-benefit analysis model, SROI measures the relevant impact of social interventions in the context of the society, environment and the economy. Across a 180-day cycle, impact is measured continuously. Results are then collated and given a holistic overview to understand the overall impact, and also its short-term implications. All the analysis is then shared with our funding and programme partners, thereby creating an environment that is transparent and inductive to change.



## SamasyaSamadhanSamuh (SSS): Empowered within

Empowering communities to be self-reliant is a core tenet of the TVM philosophy. The SamasyaSamadhanSamuh is that idea made real. Members of every SSS are trained to identify problems, explore solutions and implement the most effective one. We harness the collective intelligence of the community to create these micro-units. And every step they take, brings the entire community closer to a better future.



## Saturation Villages: Triumph of the self

Saturation Villages represent the culmination of the TVM ideal. These are completely self-reliant, self-sustainable and self-contained communities where resident communities have embraced and implemented TVM interventions to create multiple avenues for livelihood for everyone. The aim is to achieve a three-fold increase in income levels for communities, and we are making steady progress in pursuit of that goal.

A watercolor illustration of a rural village scene. In the foreground, a wide, dusty dirt road leads from the bottom center towards the middle ground. On the left side of the road, there are several small, simple huts with thatched roofs. A person in a dark jacket and blue pants is walking away from the viewer down the road. On the right side, a woman in a red sari is walking towards the viewer, carrying a basket on her head. In the background, there are more huts, lush green trees, and rolling hills under a pale blue sky. The overall style is soft and painterly.

“  
INDIA’S  
FUTURE LIES  
IN ITS  
VILLAGES.

”  
Mahatma Gandhi



## Message from the President's Desk

It has been a century since the father of our nation made that statement. Today, it rings true more than ever.

India is second only to China in its pre-eminence as the world's most important and dynamic economies. The world's eyes are on us. Industrialists, thinkers, technocrats, economists alike are trying understand and participate in the rapidly evolving story of our economy and our people. The future is certainly with us. But it is what we do in our present that will decide what course will that future take.

Certain ideas are timeless; they span generations and geographies. Mahatma Gandhi's idea of a truly inclusive India, where its villages take a lead in economic development is one such eternal philosophy. Because if India is to lead tomorrow, it's villages must be at the forefront today. So, it is indeed heartening to see this ideal reflected in the approach of those who lead us today:

**'Bapu's emphasis on equal and inclusive growth  
can herald an era of prosperity for millions on the margins.'**

Shri Narendra Modi, Prime Minister of India

In this context, I firmly believe that Total Village Management (TVM) will prove to be an effective and impactful tool for all partners involved in creating a future where growth will be for everyone.

Since 2009, at KGVK, we have with the help of Government and Private partners, and communities, created a robust eco-system where progress is equitable, inclusive and sustained. Under the framework of TVM we integrated natural resources, human capital, knowledge repositories and local economies to build a self-sustaining community of people who relied on no one but themselves to write their own future, a better one.

While the adage of 'good things take time' holds true in today's fast-paced environment, we believe that in the case of rural development speed is of the essence. That's why we have focused all our energies now on collaborating with local governance agencies and Panchayats to implement the TVM model in more and more communities across the country. Fighting climate change is an integral part of building sustainable communities, and we will work with our partners to ensure that development does not come at the cost of our planet's future. Because we believe that to preserve is the only way to prosper, together.

# NATURAL RESOURCE MANAGEMENT

## INTERVENTION

### DOVA CONSTRUCTION AND RENOVATION

2016-17 : 40  
2017-18 : 12

52

### POND CONSTRUCTION AND RENOVATION WORK

2016-17 : 106  
2017-18 : 53

159

### CHECK DAM

2016-17 : 09  
2017-18 : 00

9

### LOW LAND WELL CONSTRUCTION AND RENOVATION

2016-17 : 96  
2017-18 : 57

153

**374**  
**WATER**

CONSERVATION  
STRUCTURES CREATED

**2016-18**

01

### IRRIGATION CHANNEL

2016-17 : 708.50 MTR.  
2017-18 : 0

## IMPACT

POTENTIAL CREATED

**1256.10 ACRE OF LAND**

2016-17 : 892.58 | 2017-18 : 363.52 Acres

have been brought under  
assured irrigation

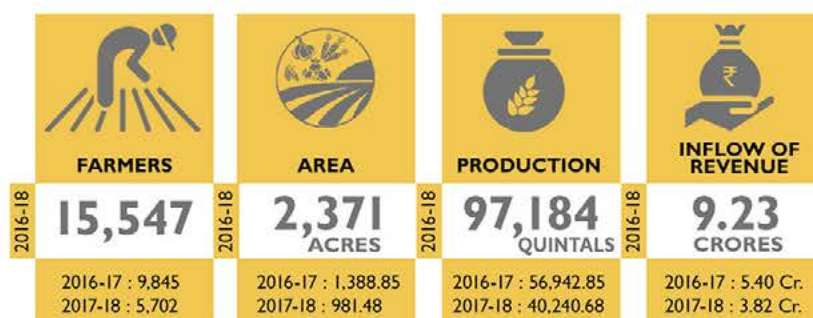


# FARM BASED LIVELIHOOD

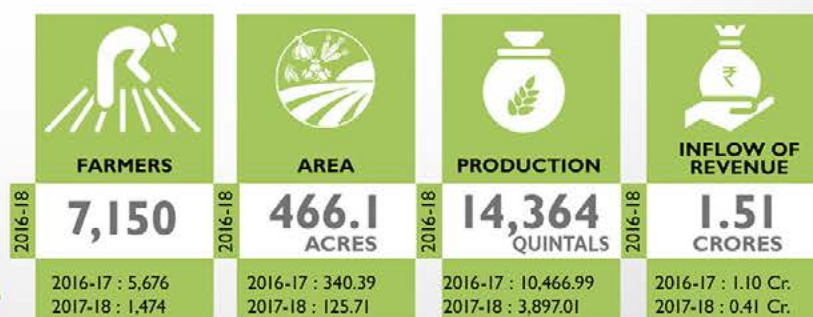
## INTERVENTION AND IMPACT



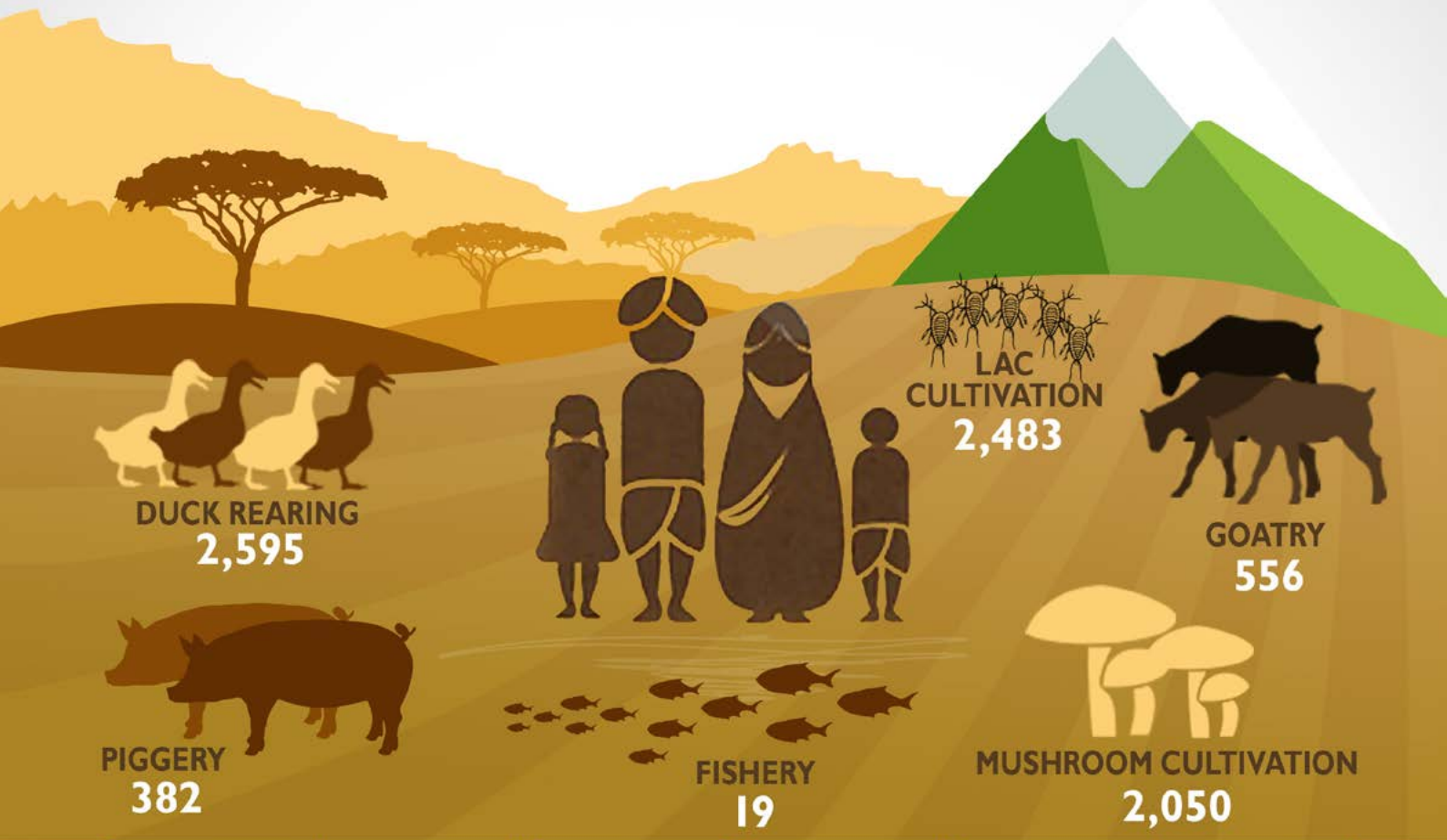
## WINTER VEGETABLE CULTIVATION



## SUMMER VEGETABLE CULTIVATION



# OFF FARM BASED LIVELIHOOD INTERVENTIONS : 2016-18



MUSHROOM	DUCKERY	GOATRY	PIGGERY	FISHERY	LAC CULTIVATION
2016-17 : 1034 2017-18 : 1016	2016-17 : 6570 2017-18 : 25	2016-17 : 356 2017-18 : 200	2016-17 : 307 2017-18 : 75	2016-17 : 0 2017-18 : 19	2016-17 : 1187 2017-18 : 1296



# CAPACITY BUILDING

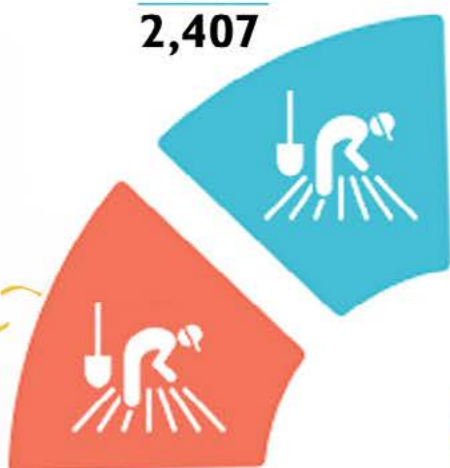
## INTERVENTION AND IMPACT

NO. OF FARMERS COVERED IN FARMERS FIELD SCHOOL (FFS)

**2,407**

YOUTH COVERAGE UNDER SKILL DEVELOPMENT TRAINING

**2,148**



NO. OF FARMERS FIELD SCHOOL (FFS)

**84**

TRAINING TO RURAL SERVICE PROVIDER (RSP) ON TOTAL VILLAGE MANAGEMENT (TVM)

**756**

**2016-18**

NO. OF FARMERS FIELD SCHOOL (FFS)

2016-17 : 36  
2017-18 : 48

NO. OF FARMERS COVERED IN FARMERS FIELD SCHOOL (FFS)

2016-17 : 1074  
2017-18 : 1333

YOUTH COVERAGE UNDER SKILL DEVELOPMENT TRAINING

2016-17 : 1729  
2017-18 : 419

TRAINING TO RURAL SERVICE PROVIDER (RSP) ON TOTAL VILLAGE MANAGEMENT (TVM)

2016-17 : 712  
2017-18 : 44

# ALTERNATE ENERGY

INTERVENTION AND IMPACT



## INSTALLATION OF TRANSPARENT SHEET FOR SUNLIGHT

**1,628**

CARBON EMISSION REDUCTION  
7814.4 t/year

## SOLAR BASED STREET LIGHTS

**66**

CARBON EMISSION REDUCTION  
7.92 t/year



## SOLAR BASED HOUSE HOLD LIGHTING SYSTEM

**425**

CARBON EMISSION REDUCTION  
56.15 t/year



## SMOKELESS STOVES

**425**

CARBON EMISSION REDUCTION  
998.62 t/year



## INSTALLATION OF SOLAR BASED MICRO GRID POWER PLANTS

**334**  
HOUSEHOLDS

CARBON EMISSION REDUCTION  
44.13 t/year



# ACCOUNTS 2016-17

# INDEPENDENT AUDITOR'S REPORT

## Report on Financial Statements

We have audited the accompanying Financial Statements of KGVK (Society) situated at P.O Neori Vikas, Rukka, Ranchi – 835217 which comprises of Balance Sheet as on 31st March, 2017 as well as Income and Expenditure Account for the year ended 31st March, 2017 and the significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statement

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the society in accordance with the generally accepted accounting practices in India. The responsibility includes the design, implementation and maintenance of internal control relevant for the preparation and presentations of financial statements that gives the true and fair view and are free from material misstatement whether due to fraud or error.

## Auditor's responsibility

Our responsibility is to express our opinion on these financial statements based on our audit. We conducted our audit in accordance with standards of auditing issued by Institute of Chartered Accountants of India. These standards require that we plan and perform audit to obtain reasonable assurance that the financial statements are free from material misstatements.

An audit involves performing procedure to obtain audit evidence about the amount and disclosure in the financial statement. The procedure selected depends upon auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error. The audit includes examination on the test basis, evidence supporting the transaction as well as amount and disclosures in the financial statement. The audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management as well as evaluating the overall presentation of the financial statement.

We believe that our audit evidence obtained is sufficient and appropriate to provide a reasonable basis to our opinion.

## Opinion

In our opinion and to the best of our information and according to the explanation given to us, the financial statements, read with notes to accounts, gives true and fair view in conformity to accounting principles generally accepted in India:

- In case of Balance Sheet of the state of Affairs of the Society as on 31st March, 2017.
- In case of Income & Expenditure Account, Excess of Income over Expenditure of the Society for the year ended 31st March, 2017.

## Reports on other Legal and Regulatory Requirements:

- The books of accounts are in agreement with the financial statements.
- All the vouchers, deeds, documents and other papers were provided as and when required.
- All funds of the society applied for the objects and purpose of the society.

Place: Ranchi

Date: 5th September, 2017.



**For Jain Poddar & Co.**  
Chartered Accountants

  
**CA: Rahul Saraf**  
(Partner)  
(Membership No 407491)  
(FRN: 011466C)

**BALANCE SHEET AS AT MARCH 31ST MARCH, 2017**

	Schedules	As at 31st March,2017	As at 31st March,2016
<b>A. SOURCES OF FUND</b>			
<b>Capital Fund</b>			
- Capital Fund	A	<b>6,63,16,713</b>	6,27,07,225
- Life Membership Fund		<b>8,800</b>	8,800
- Capital Subsidy & Reserve	B	<b>6,72,252</b>	8,96,335
<b>Loan Funds</b>			
- Secured Loans	C	-	-
- Unsecured Loans		<b>3,02,39,280</b>	2,98,47,152
<b>Current Liabilities</b>			
- Sundry Creditors		<b>35,69,353</b>	17,21,861
- Other Liabilities & Provisions	D	<b>1,26,74,803</b>	1,09,82,962
<b>Restricted Project Funds</b>	E(i)	<b>2,18,48,131</b>	3,02,67,335
	Total	<b>13,53,29,332</b>	<b>13,64,31,670</b>
<b>B. APPLICATION OF FUNDS</b>			
<b>Non - Current Assets</b>			
Fixed Assets	F	<b>4,23,01,749</b>	4,42,48,009
<b>Non - Current Investments</b>	G	<b>1,54,62,391</b>	1,16,67,107
<b>Current Assets, Loans &amp; Advances</b>			
- Inventories		<b>10,38,189</b>	10,06,781
- Sundry Debtors	H	<b>3,73,50,676</b>	3,45,67,831
- Cash & Bank Balances	I	<b>70,50,249</b>	60,21,062
- Loans & Advances	J	<b>1,02,77,947</b>	86,53,545
<b>Restricted Project Funds</b>	E (i)	<b>2,18,48,131</b>	3,02,67,335
	Total	<b>13,53,29,332</b>	<b>13,64,31,670</b>
Significant Accounting Policies & Notes to Accounts	O		0

Schedules referred to above and notes attached there to form an integral part of Balance Sheet

As per our Audit Report of even date

For and on behalf of the Board Members

**For Jain Poddar & Co.**  
Chartered Accountants  
ICAI Firm Reg. No. :- 011446C

KGVK

KGVK

**CA. Rahul Saraf**  
(Partner)  
Membership Number: 407491  
Ranchi, 5th September, 2017



*Basant Kumar Jhawar*  
Basant Kumar Jhawar  
President

*Arvind Sahay*

Arvind Sahay  
Secretary & Board Member



**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST, MARCH 2017**

	Schedules	Ended March 31, 2017	Ended March 31, 2016
<b>A. INCOME</b>			
- Donations Indian Sources	K	2,15,01,100	3,96,98,600
- Restricted Project Funds (Government, Non-Government & Foreign)	E (ii)	8,77,77,106	8,12,89,153
- Contribution & Self Genarated Income			
- Rural Livelihood Promotion & Capacity Building		2,07,21,603	1,42,79,832
- Training Programme & Education Imparting		66,51,989	73,88,124
- Dairy, Farming and other allied activities		1,65,83,864	1,51,74,216
- Health Development Activities		1,47,57,162	1,50,88,675
- Income from Bank & Investment	L	10,63,129	24,78,823
- Other Income	M	11,82,998	12,87,319
	<b>Total (A)</b>	<b>17,02,38,951</b>	17,66,84,742
<b>B. EXPENDITURE</b>			
- Rural Livelihood Promotion & Capacity Building		1,91,24,514	2,83,50,603
- Training Programme & Education Imparting		68,53,718	64,39,229
- Dairy, Farming and other allied activities		1,75,52,856	1,49,31,990
- Health Development Activities		1,56,80,700	1,71,13,175
- Administrative Expenses	N	1,70,37,328	2,03,75,513
- Expenditure Incurred for Restricted Funds (Government, Non-Government & Foreign)	E (ii)	8,77,77,106	8,12,89,153
- Depreciation		26,03,241	30,70,152
	<b>Total (B)</b>	<b>16,66,29,463</b>	17,15,69,815
Surplus / (Deficit) of Income Over Expenditure carried forward to Reserve & Surplus	<b>Total (A-B)</b>	<b>36,09,488</b>	51,14,927
Significant Accounting Policies & Notes to Accounts	O	-	
Schedules referred to above and notes attached there to form an integral part of Balance Sheet			


As per our Audit Report of even date

**For Jain Poddar & Co.**  
Chartered Accountants  
ICAI Firm Reg. No. :- 011446C



**CA. Rahul Saraf**  
(Partner)  
Membership Number: 407491  
Ranchi, 5th September, 2017

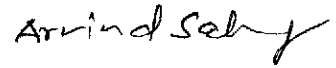
KGVK

  
Basant Kumar Jhavar  
President



For and on behalf of the Board Members

KGVK



Arvind Sahay  
Secretary & Board Member

**SCHEDULES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**

<b>Schedule : A</b>	<b>As at 31at March, 2017</b>	As at 31at March, 2016
<b>Capital Fund</b>		
Opening Balance	<b>6,27,07,225</b>	5,75,92,298
Add: Residual Balance of Projects Transferred to Capital Fund	-	-
Add: Surplus of Income over Expenditure	<b>36,09,488</b>	51,14,927
	<b>6,63,16,713</b>	6,27,07,225
<b>Schedule : B</b>	<b>As at 31at March, 2017</b>	As at 31at March, 2016
<b>Capital Subsidy &amp; Reserve</b>		
Opening Balance	<b>8,96,335</b>	11,20,418
Add: Received during the Year	-	-
Less: Transferred to Income	<b>2,24,083</b>	2,24,083
	<b>6,72,252</b>	8,96,335
<b>Schedule : C</b>	<b>As at 31at March, 2017</b>	As at 31at March, 2016
<b>Loan Funds</b>		
<b>- Secured - Short Term Borrowings</b>		
Overdraft From Axis Bank Ltd. A/c No (Secured by pledge of FDR in Axis Bank Rs. 11 Lakh)	-	-
<b>- Unsecured</b>		
Ranchi Gymkhana Club		
Opening Balance	<b>2,98,47,152</b>	2,85,00,000
Add: Interest During the year	<b>17,39,280</b>	25,72,027
Less : Repayment during the year	<b>13,47,152</b>	12,24,875
	<b>3,02,39,280</b>	2,98,47,152
<b>Schedule : D</b>	<b>As at 31at March, 2017</b>	As at 31at March, 2016
<b>Other Liabilities &amp; Provisions</b>		
<b>Other Liabilities</b>		
- Security and Caution Deposits	<b>2,39,750</b>	2,50,910
- PF Payable	<b>11,79,573</b>	3,64,904
- ESIC Payable	<b>44,684</b>	
- Taxes & Others	<b>64,614</b>	89,622
- Liability for Expenses	<b>33,76,719</b>	19,54,679
<b>Provisions</b>		
- Provision for Gratuity	<b>45,84,805</b>	49,54,047
- Provision for Leave Encashment	<b>30,12,158</b>	32,26,800
- Provision for Audit Fees	<b>1,72,500</b>	1,71,000
	<b>1,26,74,803</b>	1,09,82,962

SCHEDULE - 'E' (i)		Project	Sources of fund				Application of fund			
S.No.	Particulars		Closing Unspent Balance	Current Liabilities	Advances	Total Liabilities	Fixed Assets	Current assets other than cash & bank	Closing Bank & Cash Balance	Total Assets
	<b>NON-FCRA PROJECTS</b>									
1	IWMP Paratu	16	-	-	16	-	-	16	16	
2	IWMP Ormanjhi	132	-	-	132	-	-	132	132	
3	IWMP Namkum	1,80,624	-	-	1,80,624	-	-	1,80,624	1,80,624	
4	Sahiyya	4,29,217	-	-	4,29,217	-	-	4,29,217	4,29,217	
5	Technology Information Forecasting and Assessment Council ( TIFAC )	33,242	-	-	33,242	-	-	33,242	33,242	
6	IWMP Govindpur	4,11,852	-	-	4,11,852	-	-	4,11,852	4,11,852	
7	Total Village Management Model for Integrated Education (WB)	5,91,111	-	-	5,91,111	-	-	5,91,111	5,91,111	
8	i-sted	22,55,510	4,000	-	22,59,510	-	-	22,59,511	22,59,511	
9	JTDS Potka	71,840	3,00,627	-	3,72,467	64,400	1,92,902	1,15,165	3,72,467	
10	JTDS Kairo	68,833	2,49,797	-	3,18,630	64,500	1,77,219	76,911	3,18,630	
11	JTDS TSA (JTELP)	7,068	-	-	7,068	-	2,841	4,227	7,068	
12	Prabhat Khabar CSR Activities	-	-	-	-	-	-	-	-	
13	Peng Usha CSR Activites	-	21,00,000	-	21,00,000	-	-	21,00,000	21,00,000	
14	Arsh Project	-	-	-	-	-	-	-	-	
	<b>FCRA PROJECT</b>									
1	Tides Foundation phase I I	12,59,026	-	-	12,59,026	-	-	12,59,026	12,59,026	
2	KGVK UK TVM Intervention Fund	26,57,262	(5,12,739)	-	21,44,523	-	-	21,44,523	21,44,523	
3	Mesa Lab	34,242	18,058	5,32,040	5,84,340	68,200	4,82,185	33,954	5,84,339	
4	Green College	18,67,911	4,500	-	18,72,411	-	9,71,982	9,00,429	18,72,411	
5	ADA-II	(3,36,764)	12,29,459	-	8,92,695	6,300	-	8,86,394	8,92,694	
6	Axis Bank Foundation	24,22,674	-	-	24,22,674	24,09,711	-	12,964	24,22,675	
7	Deutsche Welthungerhilfe E. V.	-	-	-	-	-	-	-	-	
8	Sight Saver SI	3,50,459	-	-	3,50,459	-	-	3,50,459	3,50,459	
9	Sight Saver Netra Vasant	4,24,520	2,25,109	-	6,49,629	4,38,482	-	2,11,147	6,49,629	
10	HDFC Project	49,00,427	66,000	2,078	49,68,505	-	6,93,000	42,75,505	49,68,505	
10	<b>Total Amount</b>	<b>1,76,29,202</b>	<b>36,84,811</b>	<b>5,34,118</b>	<b>2,18,48,131</b>	<b>30,51,593</b>	<b>25,20,129</b>	<b>1,62,76,409</b>	<b>2,18,48,131</b>	

<b>SCHEDULE - 'E(ii)'</b>										
<b>PROJECTS' FUNDS ACCOUNTS BALANCES (NET)</b>										
S. No.	Particulars	Opening Unspent Balance (1/04/2016)	Income from donors and other receipts during the year	Interest received during the year from the banks	Total	Project Expenses	Closing Unspent Balance (31/03/2017)			
		<b>Income</b>			<b>Expenditure</b>					
	<b>NON-FCRA PROJECTS</b>									
1	IWMP Paratu	65,60,566	-	70,130	66,30,696	66,30,680	16			
2	IWMP Ormanjhi	66,68,896	34,20,352	1,67,835	1,02,57,083	1,02,56,951	132			
3	IWMP Namkum	3,97,148	87,61,403	2,11,982	93,70,533	91,89,909	1,80,624			
4	Sahiyya	4,09,018	-	20,199	4,29,217	-	4,29,217			
5	Technology Information Forecasting and Assessment Council (TIFAC)	31,945	-	1,297	33,242	-	33,242			
6	IWMP Govindpur	493,690	21,61,542	42,976	26,98,208	22,86,356	4,11,852			
7	Total Village Management Model for Integrated Education (W.B)	5,67,637	-	23,474	5,91,111	-	5,91,111			
8	i-sted	21,69,227		90,432	22,59,659	4,149	22,55,510			
9	JTDS Potka	1,629	22,93,197	5,828	23,00,654	22,28,814	71,840			
10	JTDS Kairo	805	16,32,575	3,528	16,36,908	15,68,075	68,833			
11	JTDS TSA (JTELP)	22	7,57,512	7,063	7,64,597	7,57,529	7,068			
12	Prabhat Khabar CSR Activities	(32,575.00)	43,40,584.00		43,08,009	43,08,009.00	-			
13	Peng Usha CSR Activities	11,00,000.00	21,88,091.99	9,568.00	32,97,660	32,97,660.00	-			
14	Arsh Project	(24,232)	24,231.96	-	-	-	-			
	<b>FCRA PROJECTS</b>									
1	Tides Foundation phase I I	12,79,485	-	67,544	13,47,029	88,003	12,59,026			
2	KGVK UK TVM Intervention Fund	25,27,071	-	1,37,452	26,64,523	7,261	26,57,262			
3	Mesa Lab	(19,715)	17,60,818	12,363	17,53,466	17,19,224	34,242			
4	Green College	(2,99,351)	83,54,623	63,763	81,19,035	62,51,124	18,67,911			
5	Global Study	-	8,90,839		8,90,839	8,90,839	-			
6	ADA-II	5,90,801	64,55,651	73,904	71,20,356	74,57,120	(3,36,764)			
7	Axis Bank Foundation	24,94,119	2,63,57,668	1,60,463	2,90,12,250	2,65,89,576	24,22,674			
8	Deutsche Welthungerhilfe E. V.	(1,50,248)	4,26,341		2,76,093	2,76,093	-			
9	Sight Saver SI	-	12,20,443	9,215	12,29,658	8,79,199	3,50,459			
10	Sight Saver Netra Vasant		13,47,500	9,233	13,56,733	9,32,213	4,24,520			
11	HDFC Project	-	70,10,784	47,965	70,58,749	21,58,322	49,00,427			
	<b>Total Amount</b>	<b>2,4765,938</b>	<b>7,94,04,156</b>	<b>1,236,214</b>	<b>1,05,406,308</b>	<b>8,77,77,106</b>	<b>1,76,29,202</b>			

**SCHEDULE "F"**

PARTICULARS	Rate %	GROSS BLOCK				DEPRECIATION			NET BLOCK	
		As at 01.04.2016	Additions during the Year	Adjustments/write off during the Period	As at 31.03.2017	Up to 01.04.2016	For the Year	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
<b>Land</b>										
Owned land	-	2,14,58,503	-	-	2,14,58,503	-	-	-	2,14,58,503	2,14,58,503
Leased Land	-	20,78,128	-	-	20,78,128	3,98,308	69,271	4,67,579	16,10,549	16,79,820
<b>Buildings</b>	10%	2,28,42,524	5,74,335	-	2,34,16,859	1,37,86,784	9,63,007	1,47,49,791	86,67,068	90,55,741
<b>Machinery and Plant</b>										
-General	15%	1,80,59,365	-	-	1,80,59,365	1,24,06,357	8,48,912	1,32,55,269	48,04,096	56,46,158
-Computers	60%	43,86,626	22,000	-	44,08,626	43,05,040	60,262	43,65,302	43,324	88,436
-Vehicles	15%	73,00,573	-	-	73,00,573	44,04,446	4,34,419	4,3,8,865	24,61,708	28,96,128
<b>Furniture and Fittings</b>	10%	47,37,171	60,650	-	47,97,821	25,24,116	2,27,370	27,51,486	20,6,,335	22,13,057
<b>Live Stock</b>	-	12,10,166	-	-	12,10,166	-	-	-	1,210,166	12,10,166
<b>Total</b>		<b>8,20,73,056</b>	<b>6,56,985</b>	<b>-</b>	<b>8,27,30,041</b>	<b>3,7,825,051</b>	<b>26,03,241</b>	<b>4,0,428,292</b>	<b>4,23,01,749</b>	<b>4,4,248,009</b>

Schedule : G						As at March 31, 2017	As at March 31, 2016
<b>Non - Current Investments</b>							
A.	Fixed Deposit with Scheduled Banks					1,07,12,391	69,17,107
B.	Mutual Funds						
	<b>Name of the Fund</b>	<b>Units</b>	<b>Cost Price</b>	<b>Amount</b>	<b>Market Value</b>		
	HDFC Equity Fund (G)	2,821.38	265.83	7,50,000	1,534,181		
	DSP Blackrock Small and Midcap Fund (G)	42,98,241	17.45	7,50,000	2,118,302		
	Reliance Regular Savings Equity Plan (G)	24,45,076	30.67	7,50,000	1,183,984		
	HDFC MIP LTP (G)	56,79,211	22.01	12,50,000	2,012,536		
	Reliance MIP (G)	59,76,258	20.92	12,50,000	2,306,453		
	<b>TOTAL</b>			<b>47,50,000</b>	<b>91,55,456</b>	47,50,000	47,50,000
						1,54,62,391	1,16,67,107

Schedule : H		As at March 31, 2017	As at March 31, 2016
<b>Debtors</b>			
<b>Outstanding for Less than Six months</b>		1,27,61,774	1,48,85,973
- Unsecured & Considered Good			
<b>Outstanding for More than Six months</b>		2,45,88,902	1,96,81,858
- Unsecured & Considered Good			
		<b>3,73,50,676</b>	<b>3,45,67,831</b>

Schedule : I		As at March 31, 2017	As at March 31, 2016
<b>Cash &amp; Bank Balances</b>			
<b>Cash-in-Hand</b>		1,03,380	1,33,345
<b>Bank Balances</b>		69,46,869	58,87,717
- Own Funds			
(Balances With Scheduled Banks)			
		70,50,249	60,21,062

Schedule : J		As at March 31, 2017	As at March 31, 2016
<b>Loans &amp; Advances</b>			
<b>LOAN</b>			
- KGVK Rural Enterprises Limited		42,11,175	42,11,175
<b>ADVANCES</b>			
- Advance to Staff		1,32,256	2,13,561
- Advance for Activities/Project Execution		1,43,317	1,32,871
- Advances for Projects pending adjustments		20,76,535	6,97,576
- Advances for Land		8,00,950	8,00,950
- Income Tax Refundable		29,13,714	25,97,412
		1,02,77,947	86,53,545

<b>Schedule : K</b>	As at March 31, 2017	As at March 31, 2016
<b>Donations</b>		
<b>Domestic</b>		
- Usha Martin Limited	2,15,00,000	3,96,90,000
- Other Donors	1,100	8,600
	2,15,01,100	3,96,98,600

<b>Schedule : L</b>	As at March 31, 2017	As at March 31, 2016
<b>Income From Bank &amp; Investments</b>		
Interest on saving Bank Accounts	3,08,810	1,48,267
Interest on Fixed Deposits (Accrued/Received)	7,54,319	4,30,913
Income from Redemption of Mutual Funds	-	18,99,643
	10,63,129	24,78,823

<b>Schedule : M</b>	As at March 31, 2017	As at March 31, 2016
<b>Other Income</b>		
Rental Income	7,44,000	7,20,000
Other Receipts	2,14,915	1,06,328
Interest on Income Tax Refund	-	2,36,908
Deferred Income (Capital Subsidy & Reserve)	2,24,083	2,24,083
	11,82,998	12,87,319

<b>Schedule : N</b>	As at March 31, 2017	As at March 31, 2016
<b>Administrative Expenses</b>		
Salary and Retainership Fees	64,15,517	82,60,866
Employee Benefits	16,36,174	17,95,949
Security Charges	12,90,096	11,23,766
Consultancy and Professional Fees	1,15,600	12,71,003
Traveling, Vehicle & Lodging Expenses	15,68,565	18,71,792
Audit Fees	1,72,500	1,71,000
Repairs ,Maintenance & Electricity expenses	15,31,875	15,86,425
Office and Other Expenses	23,74,468	17,22,686
Interest on loans	19,32,533	25,72,026
	1,70,37,328	2,03,75,513

## SCHEDULE – O

### Significant Accounting Policies and Notes on Accounts

(Forming part of the accounts for the year ended 31st March 2017.)

#### I – Society Overview

KGVK is formed under the Societies Registration Act 1860. It operates as a non-profit and was founded in 1972 by Basant Kumar Jhwar. KGVK functions as an independent non-profit entity and is certified by the Ministry of Corporate Affairs, Government of India as a CSR (Corporate Social Responsibility) Implementation Hub for Jharkhand.

KGVK activities are directed at achieving sustainable rural development. Since 2008, KGVK has implemented its proprietary Total Village Management (TVM) model to achieve inclusive growth in rural Jharkhand. Under the TVM model it provides CSR services to corporate, government agencies and social organizations.

The integrated process model of TVM has eight domains:

- Natural Resource Management
- Resource Mobilization
- Health, Nutrition and Sanitation
- Energy Inclusion
- Education
- Women's empowerment
- Capacity Building
- Livelihood and Financial Inclusion

TVMs mission is to 'transform beneficiaries to become producers, entrepreneurs and customers'. The mission is pursued through a P4 model of Public-Private-People- Partnership. The P4 model enables an ecosystem made sustainable by drawing from the ability, knowledge and skills of village communities, its various program funding and knowledge partners. Impact is measured through its system of measuring Social Return on Interventions (SROI). To provide market linkage and livelihood knowhow and opportunities, KGVK partners in various endeavours with KGVK Agro Ltd.

#### II - Significant Accounting Policies

##### 1. Accounting Convention AS-1:

The financial statements of the society have been prepared in accordance with generally accepted accounting principles in India to comply with the accounting standards notified by ICAI and the relevant provision of the act to the extent practicable and relevant. The financial statements have been prepared on the accrual basis under the historical cost convention except stated otherwise.

##### 2. Revenue Recognition AS-9:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the society and the revenue can be reliably measured. All funds/grants/contributions are recognized on accrual basis if sanctioned else on cash basis and expenditure and liabilities are recognized on accrual basis.

In the case of program undertaken with the support of some

Government or other agencies, though the funds received are in the nature of program facilitation under MOU, the same is reported as Restricted Fund in view of restriction on the expenditure and its nature.

The Society accepts funds from donor agencies towards implementation of various programs for carrying out specific purposes of rural development. These funds along with interest earned if any are to be spent in accordance with the directions of donor agencies and the society cannot utilize these funds at its discretion. Unspent balances, if any, are to be transferred back to the donor agency or to be dealt with in accordance with the instructions of donor agency.

Keeping in view the technical guide for accounting in Non-profit organizations the society has adopted the following methodology:

- o The income from Restricted Funds is recognized as income to the extent utilized, in the Income & Expenditure account.
- o The balance of Restricted Funds (funds received less expenses) at the end of financial year is disclosed on the liability side of balance sheet as restricted funds.

Governments grants related to fixed assets are credited to Capital Reserve in Balance Sheet. Such grants are recognized in Income and Expenditure Account on a systematic and rational basis over useful life of the fixed assets. The allocation to the income statement is made over the period and in the proportion in which depreciation on the related fixed assets is charged to Income and Expenditure Account.

##### 3. Classification & Format of Accounts:

Of the various activities of the society income and expenses are identified, classified and recorded in the books as per cost centres.

**Rural Livelihood Promotion & Capacity Building:** Total Village Management & Gurukul

**Training Program & Education Imparting:** Schools & Nursing School

**Dairy Farming & Other Allied Activities:** Dairy Farming, Animal Husbandry, Trade Facilitation Centre & Demonstrations

**Health Development Activities:** Hospitals, SHG, Health Awareness & Training Programs

For meaningful presentation, all Income & Expenditure of tie-up/ restricted grants are recorded separately & the summary of all the funds are reflected in 'Schedule E' forming part of the Balance Sheet.

##### 4. Investments AS-13:

- a. All Investments are held at cost and are valued at fair market price or cost, whichever is lower.
- b. Accrued Interest on term deposits have been recognised as per bank confirmation / calculation on the basis of deposit certificates.

##### 5. Fixed Assets AS-10:

- a. Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties and taxes and incidental or direct expenses

related to acquisition, installation and commissioning. They are valued at cost less accumulated depreciation.

- b. Live stock accounting is done only for purchases made. Any loss/ accretion due to natural causes to the live stock have not been considered.

#### 6. Depreciation AS-6:

Depreciation on the fixed assets has been provided on written down value method at the rate and in the manner as prescribed by the Income Tax Act, 1961.

#### 7. Inventories AS-2:

Stock of Medicines is valued at cost or net realisable value whichever is lower

#### 8. Foreign Currency Transactions AS-11:

Transactions in foreign currencies of the society are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. Separate bank account is maintained for the same.

#### 9. Lease AS-19:

The operating lease are those which are not the financial lease i.e. does not transfer the risk and rewards incidental to the asset.

The land acquired on lease is required to be amortized within the lease period if the lease terms are operating lease.

#### 10. Employee Benefit AS-15:

Employee Benefits include Provident Fund, leave encashment and Gratuity. The contribution to provident fund and gratuity are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

#### 11. Provisions AS-29:

A provision is recognized when the society has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

**III- Notes on Accounts** (Schedule A to N are annexed to and form an integral part of the Balance Sheet as at 31st March 2018 and the Income and Expenditure Account for the year ended on that date.)

#### 1. Revenue Recognition:

The society received ₹13,44,501 during the FY 13-14 against fixed assets subsidy and Capital subsidy reserve fund was created for the same. During the year ₹2,24,083 has been treated as deferred income & the balancing amount is Capital Reserve which is to be written of proportionality over the useful life of the assets.

#### 2. Investments & Deposits:

- a) The overdraft facility of ₹9,35,000 balance as on 31.3.2017 ₹54,271.51 dr. with Axis Bank has been secured by pledging Fixed Deposit of ₹11,00,000 (FV) and interest accruing there in. (Closing Value as on 31.03.17 ₹20,44,990 )
- b) Fixed Deposit of ₹2,00,000 (FV) and interest accruing there in has been pledged for Bank Guarantee.
- c) The investment in Mutual Fund has the current market value for ₹91,55,456 as on 31st March, 2017 whereas value at cost was ₹47,50,000. There has been no diminution in the individual value of funds.

#### 3. Fixed Assets:

Leased Land ₹20,78,128 held by the society under the lease term of 30 years at Jamshedpur is amortized over the lease terms. During the current financial year amount of ₹69,271 has been amortized & since the society is in possession of the land Government yearly taxes on land amounting to ₹1,03,907 has been recognised as revenue expenses on accrual basis.

#### 4. Current Assets:

- a. a. Inventories: Stock is valued at cost or realisable value whichever is lower and has been taken as certified by the management.
- b. Sundry Debtors: No provision has been made against the Debtors which are due for over one year as the management confirms that the same are good and realisable.
- c. Loans & Advances: Loan of ₹42,11,175 outstanding from KGVK Rural Enterprises Ltd. No Interest has been charged during the year as there has been no payment against previous interests. The above balance is stand as same.  
  
Other Advances are approximately of the value stated therein if realised/paid in the ordinary course of transaction.
- d. Cash Balances is as certified by the management.

#### 5. Unsecured Loan:

Loans from Ranchi Gymkhana Club o/s as on 31.3.2017 ₹3,02,39,280. No Interest has been provided for the quarter ended March 2017. Loan confirmation from the same pending for confirmation.

#### 6. Employment Benefits:

The society makes Provision for Gratuity & Leave Encashment as per the liability existing as on 31.03.2017 and no actuarial valuation for the same. Further these amounts have been invested in Mutual Funds that have a current market value for ₹91,55,456 as on 31st March 2017 as disclosed in Notes 2c The liability as on 31st March, 2017 is

Gratuity	:	45,84,805
Leave Encashment	:	30,12,158

## 7. Related Party

Transactions with related parties during the year:

(a) Name of the transacting related party	: KGVK Agro Ltd.
Nature of transaction	: Normal Trade
Volume of Transaction	: ₹19,26,442
Amount outstanding as on balance sheet date	: ₹2,40,45,037 (Dr.)
(b) Name of transacting related party	: KGVK Agro Ltd.
Nature of transaction	: Lease Rent
Volume of transaction	: ₹7,44,000
Amount outstanding as on balance sheet date	: ₹9,39,600 (Dr.)

## 8. Projects:

The project funded activities under the direction of Government/ Funding agencies are administered by the society, the same are separately accounted for in the terms of the agreement/MOU. The income from Restricted Funds is recognized as income to the extent utilized, in the Income & Expenditure account. The balance of Restricted Funds (funds received less expenses) at the end of financial year is disclosed on the liability side of balance sheet as restricted funds with contra Restricted Fund Assets.

Separate Balance Sheet, Income Expenditure & Receipt Payment accounts are maintained for individual projects. Reports of the same are disclosed in schedule E.

The audit of these projects is carried by other auditors as and when and for such periods as decided by the funding agencies/ management.

However projects having Foreign Contribution have been audited by the society auditors.

## 9. Income Tax

- The society is registered with Income Tax Authorities u/s 12A (a) of the Income Tax Act, 1961 vide letter no 1/77-78 dated 14th April, 1977 and hence the income of the society is exempt u/s 11 of the Act, subject to compliance of relevant provisions of section 11 read with sections 12 and 13 of the Act. The PAN of the society is AAAAK0433E.
- Donations to the society are eligible for tax relief in the hands of donor's u/s 80G of the Income Tax Act, 1961 vide order dated 3/12/2009 issued by CIT Ranchi.
- The society assessments stands completed up to assessment year 2014-15 with nil income.

In respect to AY 2015-16 there is notice u/s 143(2), as per the legal opinion of income tax consultant, the society is confident of an order in its favor; hence no provision is required to be taken in books but is disclosed in the notes.

## 11. Disclosure u/s 13(3) of Income Tax Act, 1961

- Property made available for use  
KGVK Agro Ltd. Related Party Rent for ₹ 7,44,000
- Remuneration to staff members of Governing Board:  
Arvind Sahay Secretary Managerial Services: ₹17,43,016  
Previous year figure have been rearranged and regrouped where ever necessary so as to make them comparable with those of the current year.  
Figures are rounded off to the nearest rupee.


As per our Audit Report of even date

**For Jain Poddar & Co.**  
Chartered Accountants  
ICAI Firm Reg. No. :- 011446C



**CA. Rahul Saraf**  
(Partner)  
Membership Number: 407491  
Ranchi, 5th September, 2017

KGVK

  
Basant Kumar Jhavar  
President



For and on behalf of the Board Members

KGVK

  
Arvind Sahay  
Secretary & Board Member

# ACCOUNTS 2017-18

# INDEPENDENT AUDITOR'S REPORT

## Report on Financial Statements

We have audited the accompanying Financial Statement of KGVK (Society) situated at P.O Neori Vikas, Rukka, Ranchi – 835217 which comprises of Balance Sheet as on 31st March, 2018 as well as Income and Expenditure Account for the year ended 31st March, 2018 and the significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statement

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the society in accordance with the generally accepted accounting practices in India. The responsibility includes the design, implementation and maintenance of internal control relevant for the preparation and presentations of financial statements that gives the true and fair view and are free from material misstatement whether due to fraud or error.

## Auditor's responsibility

Our responsibility is to express our opinion on these financial statements based on our audit. We conducted our audit in accordance with standards of auditing issued by Institute of Chartered Accountants of India. These standards require that we plan and perform audit to obtain reasonable assurance that the financial statements are free from material misstatements.

An audit involves performing procedure to obtain audit evidences about the amount and disclosure in the financial statement. The procedure selected depends upon auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error. The audit includes examination on the test basis, evidences supporting the transaction as well as amount and disclosures in the financial statement. The audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management as well as evaluating the overall presentation of the financial statement.

We believe that our audit evidences obtained is sufficient and appropriate to provide a reasonable basis to our opinion.

## Opinion

In our opinion and to the best of our information and according to the explanation given to us, the financial statement, read with notes to accounts, gives true and fair view in conformity to accounting principles generally accepted in India:

- In case of Balance Sheet of the state of Affairs of the Society as on 31st March, 2018.
- In case of Income & Expenditure Account, Excess of Expenditure over Income of the Society for the year ended 31st March, 2018.

## Reports on other Legal and Regulatory Requirements:

- The books of accounts are in agreement with the financial statement.
- All the vouchers, deeds, documents and other papers were provided as and when required.
- All funds of the society applied for the objects and purpose of the society.

Place: Ranchi

Date: 24th September, 2018.



  
For Jain Poddar & Co.  
Chartered Accountants

**CA. Rahul Saraf**

(Partner)

(Membership No 407491)

(FRN: 011466C)

# BALANCE SHEET AS AT MARCH 31ST MARCH, 2018

	Schedules	As at 31st March, 2018	As at 31st March, 2017
<b>A. SOURCES OF FUND</b>			
<b>Capital Fund</b>			
- Capital Fund	A	53,081,026	66,316,713
- Life Membership Fund		8,800	8,800
- Capital Subsidy & Reserve	B	448,169	672,252
<b>Loan Funds</b>			
- Secured Loans	C	264,584	-
- Unsecured Loans		30,239,280	30,239,280
<b>Current Liabilities</b>			
- Sundry Creditors		6,194,047	3,569,353
- Other Liabilities & Provisions	D	14,049,254	12,674,803
<b>Restricted Project Funds</b>	E(i)	17,527,412	21,848,131
	<b>Total</b>	<b>121,812,572</b>	<b>135,329,332</b>
<b>B. APPLICATION OF FUNDS</b>			
<b>Non - Current Assets</b>			
Fixed Assets	F	40,064,331	42,301,749
<b>Non - Current Investments</b>	G	9,044,026	15,462,391
<b>Current Assets, Loans &amp; Advances</b>			
- Inventories		855,901	1,038,189
- Sundry Debtors	H	42,283,216	37,350,676
- Cash & Bank Balances	I	3,115,445	7,050,249
- Loans & Advances	J	8,922,241	10,277,947
<b>Restricted Project Funds</b>	E (i)	17,527,412	21,848,131
	<b>Total</b>	<b>121,812,572</b>	<b>135,329,332</b>
Significant Accounting Policies & Notes to Accounts	O	-	-

Schedules referred to above and notes attached there to form an integral part of Balance Sheet


As per our Audit Report of even date

**For Jain Poddar & Co.**  
Chartered Accountants  
ICAI Firm Reg. No. :- 011446C



**CA. Rahul Saraf**  
(Partner)  
Membership Number: 407491  
Ranchi, 24th September, 2018


KGVK

  
Basant Kumar Jhavar  
President



For and on behalf of the Board Members

KGVK



Arvind Sahay  
Secretary & Board Member

# INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST, MARCH 2018

	Schedules	Ended 31st March, 2018	Ended 31st March, 2017
<b>A. INCOME</b>			
- Donations Indian Sources	K	831,927	21,501,100
- Restricted Project Funds (Government, Non-Government & Foreign)	E (ii)	48,417,800	87,777,106
- Contribution & Self Genarated Income			
- Rural Livelihood Promotion & Capacity Building		18,814,942	20,721,603
- Training Programme & Education Imparting		3,629,560	6,651,989
- Dairy, Farming and other allied activities		14,990,903	16,583,864
- Health Development Activities		13,497,818	14,757,162
- Income from Bank & Investment	L	531,967	1,063,129
- Other Income	M	1,075,690	1,182,998
	<b>Total (A)</b>	<b>101,790,607</b>	<b>170,238,951</b>
<b>B. EXPENDITURE</b>			
- Rural Livelihood Promotion & Capacity Building		15,680,369	19,124,514
- Training Programme & Education Imparting		5,462,492	6,853,718
- Dairy, Farming and other allied activities		15,495,180	17,552,856
- Health Development Activities		15,941,547	15,680,700
- Administrative Expenses	N	11,774,166	17,037,328
- Expenditure Incurred for Restricted Funds (Government, Non-Government & Foreign)	E (ii)	48,417,800	87,777,106
- Depreciation		<b>2,254,740</b>	<b>2,603,241</b>
	<b>Total (B)</b>	<b>115,026,294</b>	<b>166,629,463</b>
Surplus / (Deficit) of Income Over Expenditure carried forward to Reserve & Surplus	<b>Total (A-B)</b>	<b>(13,235,687)</b>	<b>3,609,488</b>
Significant Accounting Policies & Notes to Accounts	O	-	-

Schedules referred to above and notes attached there to form an integral part of Balance Sheet


As per our Audit Report of even date

**For Jain Poddar & Co.**  
Chartered Accountants  
ICAI Firm Reg. No. :- 011446C



**CA. Rahul Saraf**  
(Partner)  
Membership Number: 407491  
Ranchi, 24th September, 2018

KGVK

  
Basant Kumar Jhavar  
President



For and on behalf of the Board Members

KGVK



Arvind Sahay  
Secretary & Board Member

## SCHEDULES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

<b>Schedule : A</b>	As at 31st March, 2018	As at 31st March, 2017
<b>Capital Fund</b>		
Opening Balance	66,316,713	62,707,225
Add: Residual Balance of Projects Transferred to Capital Fund	-	-
Add: Surplus of Income over Expenditure	(13,235,687)	3,609,488
	<b>53,081,026</b>	<b>66,316,713</b>
<b>Schedule : B</b>	As at 31st March, 2018	As at 31st March, 2017
<b>Capital Subsidy &amp; Reserve</b>		
Opening Balance	672,252	896,335
Add: Received during the Year	-	-
Less: Transferred to Income	224,083	224,083
	<b>448,169</b>	<b>672,252</b>
<b>Schedule : C</b>	As at 31st March, 2018	As at 31st March, 2017
<b>Loan Funds</b>		
<b>- Secured - Short Term Borrowings</b>		
Overdraft From Axis Bank Ltd. A/c No	264,584	-
(Secured by pledge of FDR in Axis Bank Face Value Rs. 11 Lakh)		
	264,584	-
<b>- Unsecured</b>		
Ranchi Gymkhana Club		
Opening Balance	30,239,280	29,847,152
Add: Interest During the year	-	1,739,280
Less : Repayment during the year	-	1,347,152
	<b>30,239,280</b>	<b>30,239,280</b>
<b>Schedule : D</b>	As at 31st March, 2018	As at 31st March, 2017
<b>Other Liabilities &amp; Provisions</b>		
<b>Other Liabilities</b>		
- Security and Caution Deposits	262,750	239,750
- PF Payable	229,181	1,179,573
- ESIC Payable	25,576	44,684
- Taxes & Others	265,512	64,614
- GST Payable under Reverse Charge	5,220	-
- Liability for Expenses	5,151,292	3,376,719
<b>Provisions</b>		
- Provision for Gratuity	4,968,149	4,584,805
- Provision for Leave Encashment	2,991,574	3,012,158
- Provision for Audit Fees	150,000	172,500
	<b>14,049,254</b>	<b>12,674,803</b>

# SCHEDULE FORMING PART OF THE ACCOUNTS

PROJECT PARTICULARS		Sources of fund				Application of fund				
		Closing Unspent Balance	Current Liabilities	Advances	Total Liabilities	Fixed Assets	Current assets other than cash & bank	Closing Bank & Cash Balance	Total Assets	
	NON-FCRA PROJECTS									
1	IWMP PARATU	-	-	-	-	-	-	-	-	-
2	IWMP ORMANJHI	-	-	-	-	-	-	-	-	-
3	IWMP NAMIKUM	1,44,662	-	-	1,44,662	-	-	1,44,662	-	1,44,662
4	SAHIYYA	4,45,900	-	-	4,45,900	-	-	4,45,900	-	4,45,900
5	TECHNOLOGY INFORMATION FORECASTING AND ASSESSMENT COUNCIL (TIFAC )	34,483	-	-	34,483	-	-	34,483	-	34,483
6	IWMP GOVINDPUR	52,78,753	-	-	52,78,753	-	-	52,78,753	-	52,78,753
7	TOTAL VILLAGE MANAGEMENT MODEL FOR INTEGRATED EDUCATION (W.B)	10,816	-	-	10,816	-	-	10,816	-	10,816
8	I-STED	14,173	-	-	14,173	-	-	14,173	-	14,173
9	JTDS POTKA	75,857	4,62,448	-	5,38,305	64,400	2,41,700	2,32,205	2,41,700	5,38,305
10	JTDS KAIRO	72,542	4,37,718	-	5,10,260	64,500	3,78,056	67,704	3,78,056	5,10,260
11	JTDS TSA (JTELP)	7,068	-	-	7,068	-	2,841	4,227	2,841	7,068
12	PENG USHA CSR ACTIVITES	53,382	4,64,000	-	5,17,382	-	-	5,17,382	-	5,17,382
13	HDFC PROJECT	22,01,954	-	2,82,000	24,83,954	-	89,500	23,94,454	89,500	24,83,954
	FCRA PROJECT									
1	TIDES FOUNDATION PHASE I I	10,11,366	-	-	10,11,366	-	-	10,11,366	-	10,11,366
2	KGVK UK TVM INTERVENTION FUND	12,11,196	-	-	12,11,196	9,48,509	-	2,62,687	-	12,11,196
3	MESA LAB	711	-	-	711	-	119	592	119	711
4	GREEN COLLEGE	16,97,443	3,500	-	17,00,943	8,65,731	3,33,269	5,01,943	3,33,269	17,00,943
5	ADA-II	(9,53,836)	9,67,237	-	13,401	6,300	-	7,101	-	13,401
6	AXIS BANK FOUNDATION	24,15,623	-	-	24,15,623	24,09,711	-	5,912	-	24,15,623
7	SIGHT SAVER NETRA VASANT	11,81,016	7,400	-	11,88,416	7,54,310	-	4,34,106	-	11,88,416
	<b>TOTAL AMOUNT</b>	<b>1,49,03,109</b>	<b>23,42,303</b>	<b>2,82,000</b>	<b>1,75,27,412</b>	<b>51,13,461</b>	<b>10,45,485</b>	<b>1,13,68,466</b>	<b>10,45,485</b>	<b>1,75,27,412</b>

# SCHEDULE FORMING PART OF THE ACCOUNTS

SCHEDULE - 'E(ii)'		Income					Expenditure	
PROJECTS' FUNDS ACCOUNTS BALANCES (NET)		Opening Unspent Balance (1/04/2017)	Income from donors and other receipts during the year	Interest received during the year from the banks	Total	Project Expenses	Closing Unspent Balance (31/03/2018)	
S. No.	Particulars							
	<b>NON-FCRA PROJECTS</b>							
1	IWMP Paratu	16	-	103	119	119	-	
2	IWMP Ormanjhi	132	-	5,836	5,968	5,968	-	
3	IWMP Namkum	1,80,624	-	10,934	1,91,558	46,896	1,44,662	
4	Sahiya	4,29,217	-	16,683	4,45,900	-	4,45,900	
5	Technology Information Forecasting and Assessment Council (TIFAC)	33,242	-	1,241	34,483	-	34,483	
6	IWMP Govindpur	4,11,852	75,00,000	12,884	79,24,736	26,45,983	52,78,753	
7	Total Village Management Model for Integrated Education (W.B)	5,91,111	-	14,705	6,05,816	5,95,000	10,816	
8	i-sted	22,55,510	-	58,733	23,14,243	23,00,070	14,173	
9	JTDS Potka	71,840	22,89,640	4,206	23,65,686	22,89,829	75,857	
10	JTDS Kairo	68,833	16,03,771	3,901	16,76,505	16,03,963	72,542	
11	JTDS TSA (JTLP)	7,068	-	-	7,068	-	7,068	
12	Peng Usha CSR Activites	-	-	53,382	53,382	-	53,382	
13	HDFC Project	49,00,427	1,95,85,036	2,06,891	2,46,92,354	2,24,90,400	22,01,954	
	<b>FCRA PROJECTS</b>							
1	Tides Foundation phase I I	12,59,026	-	64,394	13,23,420	3,12,054	10,11,366	
2	KGVK UK TVM Intervention Fund	26,57,262	-	69,243	27,26,505	15,15,310	12,11,195	
3	Mesa Lab	34,242	4,56,502	8,848	4,99,592	4,98,880	712	
4	Green College	18,67,911	66,80,997	59,100	86,08,008	69,10,564	16,97,444	
5	ADA-II	(3,36,764)	47,86,968	15,707	44,65,911	54,19,747	(9,53,836)	
6	Axis Bank Foundation	24,22,674	-	572	24,23,246	7,623	24,15,623	
7	Sight Saver SI	3,50,459	-	1,178	3,51,637	3,51,637	-	
8	Sight Saver Netra Vasant	4,24,520	21,62,844	17,408	26,04,772	14,23,757	11,81,015	
	<b>Total Amount</b>	<b>1,76,29,202</b>	<b>4,50,65,758</b>	<b>6,25,949</b>	<b>6,33,20,909</b>	<b>4,84,17,800</b>	<b>1,49,03,109</b>	

# SCHEDULE FORMING PART OF THE ACCOUNTS

Amount (in Rs)

SCHEDULE "F"		GROSS BLOCK				DEPRECIATION			NET BLOCK	
FIXED ASSETS PARTICULARS	Rate %	As at 01.04.2017	Additions during the Year	As at 31.03.2018	Up to 01.04.2017	For the Year	Up to 31.03.2018	As at 31.03.2018	As at 31.03.2017	
<b>Land</b>										
Owned land	-	2,14,58,503	-	2,14,58,503	-	-	-	2,14,58,503	2,14,58,503	
Leased Land	-	20,78,128	-	20,78,128	4,67,579	69,271	5,36,850	15,41,278	16,10,549	
Buildings	10%	2,34,16,859	-	2,34,16,859	1,47,49,791	8,66,707	1,56,16,498	78,00,360	86,67,068	
<b>Machinery and Plant</b>										
-General	15%	1,80,59,365	-	1,80,59,365	1,32,55,269	7,20,615	1,39,75,884	40,83,481	48,04,096	
-Computers	40%	44,08,626	17,322	44,25,948	43,65,302	24,258	43,89,560	36,388	43,324	
-Vehicles	15%	73,00,573	-	73,00,573	48,38,865	3,69,256	52,08,120	20,92,453	24,61,708	
Furniture and Fittings	10%	47,97,821	-	47,97,821	27,51,486	2,04,633	29,56,119	18,41,702	20,46,335	
Live Stock	-	12,10,166	-	12,10,166	-	-	-	12,10,166	12,10,166	
<b>Total</b>		<b>8,27,30,041</b>	<b>17,322</b>	<b>8,27,47,363</b>	<b>4,04,28,292</b>	<b>22,54,740</b>	<b>4,26,83,031</b>	<b>4,00,64,331</b>	<b>4,23,01,749</b>	

# SCHEDULES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

Schedule : G						As at 31st March, 2018	As at 31st March, 2017
<b>Non - Current Investments</b>							
A.	Fixed Deposit with Scheduled Banks					4,294,026	10,712,391
B.	Mutual Funds						
	<b>Name of the Fund</b>	<b>Units</b>	<b>Cost Price</b>	<b>Amount</b>	<b>Market Value</b>		
	HDFC Equity Fund (G)	2,821.38	265.83	750,000	1,669,052		
	DSP Blackrock Small and Midcap Fund (G)	42,982.41	17.45	750,000	2,347,398		
	Reliance Value Fund (G)	24,450.76	30.67	750,000	1,720,947		
	HDFC Hybrid Bond Fund (G)	56,792.11	22.01	1,250,000	2,453,873		
	Reliance-Hybrid Bond Fund (G)	59,762.58	20.92	1,250,000	2,447,911		
	<b>TOTAL</b>			<b>4,750,000</b>	<b>10,639,181</b>	4,750,000	4,750,000
						9,044,026	15,462,391

Schedule : H		As at 31st March, 2018	As at 31st March, 2017
<b>Debtors</b>			
<b>Outstanding for Less than Six months</b>		1,51,19,812	1,27,61,774
- Unsecured & Considered Good			
<b>Outstanding for More than Six months</b>		27,163,404	24,588,902
- Unsecured & Considered Good			
		<b>42,283,216</b>	<b>37,350,676</b>

Schedule : I		As at 31st March, 2018	As at 31st March, 2017
<b>Cash &amp; Bank Balances</b>			
Cash-in-Hand		126,803	103,380
Bank Balances		2,988,642	6,946,869
- Own Funds			
(Balances With Scheduled Banks)			
		<b>3,115,445</b>	<b>7,050,249</b>

Schedule : J		As at 31st March, 2018	As at 31st March, 2017
<b>Loans &amp; Advances</b>			
<b>LOAN</b>			
- KGVK Rural Enterprises Limited		4,211,175	4,211,175
<b>ADVANCES</b>			
- Advance to Staff		50,215	132,256
- Advance for Activities/Project Execution		52,500	143,317
- Advances for Projects pending adjustments		967,237	2,076,535
- Advances for Land		800,950	800,950
- GST Input Balance		37,852	
- Advances recoverable in cash or in kind			
- Income Tax Refundable		2,802,312	2,913,714
		<b>8,922,241</b>	<b>10,277,947</b>

<b>Schedule : K</b>	As at 31st March, 2018	As at 31st March, 2017
<b>Donations</b>		
<b>Domestic</b>		
- Usha Martin Limited	831,927	21,500,000
- Other Donors	-	1,100
	<b>831,927</b>	<b>21,501,100</b>
<b>Schedule : L</b>	As at 31st March, 2018	As at 31st March, 2017
<b>Income From Bank &amp; Investments</b>		
Interest on saving Bank Accounts	167,466	308,810
Interest on Fixed Deposits (Accrued/Received)	364,501	754,319
	<b>531,967</b>	<b>1,063,129</b>
<b>Schedule : M</b>	As at 31st March, 2018	As at 31st March, 2017
<b>Other Income</b>		
Rental Income	792,000	744,000
Other Receipts	30,495	214,915
Interest on Income Tax Refund	29,112	-
Deferred Income (Capital Subsidy & Reserve)	224,083	224,083
	<b>1,075,690</b>	<b>1,182,998</b>
<b>Schedule : N</b>	As at 31st March, 2018	As at 31st March, 2017
<b>Administrative Expenses</b>		
Salary and Retainership Fees	6,906,755	6,415,517
Employee Benefits	463,649	1,636,174
Security Charges	1,028,975	1,290,096
Consultancy and Professional Fees	69,700	115,600
Traveling, Vehicle & Lodging Expenses	1,080,768	1,568,565
Audit Fees	150,000	172,500
Repairs ,Maintenance & Electricity expenses	1,199,920	1,531,875
Office and Other Expenses	874,399	2,374,468
Interest on loans	-	1,932,533
	<b>11,774,166</b>	<b>17,037,328</b>

## SCHEDULE – O

### Significant Accounting Policies and Notes on Accounts

(Forming part of the accounts for the year ended 31st March 2018.)

#### I – Society Overview

KGVK is formed under the Societies Registration Act 1860. It operates as a non-profit and was founded in 1972 by Basant Kumar Jhwar. KGVK functions as an independent non-profit entity and is certified by the Ministry of Corporate Affairs, Government of India as a CSR (Corporate Social Responsibility) Implementation Hub for Jharkhand.

KGVK activities are directed at achieving sustainable rural development. Since 2008, KGVK has implemented its proprietary Total Village Management (TVM) model to achieve inclusive growth in rural Jharkhand. Under the TVM model it provides CSR services to corporate, government agencies and social organizations.

The integrated process model of TVM has eight domains:

- Natural Resource Management
- Resource Mobilization
- Health, Nutrition and Sanitation
- Energy Inclusion
- Education
- Women's empowerment
- Capacity Building
- Livelihood and Financial Inclusion

TVMs mission is to 'transform beneficiaries to become producers, entrepreneurs and customers'. The mission is pursued through a P4 model of Public-Private-People- Partnership. The P4 model enables an ecosystem made sustainable by drawing from the ability, knowledge and skills of village communities, its various program funding and knowledge partners. Impact is measured through its system of measuring Social Return on Interventions (SROI). To provide market linkage and livelihood knowhow and opportunities, KGVK partners in various endeavours with KGVK Agro Ltd.

#### II - Significant Accounting Policies

##### 1. Accounting Convention AS-1:

The financial statements of the society have been prepared in accordance with generally accepted accounting principles in India to comply with the accounting standards notified by ICAI and the relevant provision of the act to the extent practicable and relevant. The financial statements have been prepared on the accrual basis under the historical cost convention except stated otherwise.

##### 2. Revenue Recognition AS-9:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the society and the revenue can be reliably measured. All funds/grants/contributions are recognized on accrual basis if sanctioned else on cash basis and expenditure and liabilities are recognized on accrual basis.

In the case of program undertaken with the support of some

Government or other agencies, though the funds received are in the nature of program facilitation under MOU, the same is reported as Restricted Fund in view of restriction on the expenditure and its nature.

The Society accepts funds from donor agencies towards implementation of various programs for carrying out specific purposes of rural development. These funds along with interest earned if any are to be spent in accordance with the directions of donor agencies and the society cannot utilize these funds at its discretion. Unspent balances, if any, are to be transferred back to the donor agency or to be dealt with in accordance with the instructions of donor agency.

Keeping in view the technical guide for accounting in Non-profit organizations the society has adopted the following methodology:

- o The income from Restricted Funds is recognized as income to the extent utilized, in the Income & Expenditure account.
- o The balance of Restricted Funds (funds received less expenses) at the end of financial year is disclosed on the liability side of balance sheet as restricted funds.

Governments grants related to fixed assets are credited to Capital Reserve in Balance Sheet. Such grants are recognized in Income and Expenditure Account on a systematic and rational basis over useful life of the fixed assets. The allocation to the income statement is made over the period and in the proportion in which depreciation on the related fixed assets is charged to Income and Expenditure Account.

##### 3. Classification & Format of Accounts:

Of the various activities of the society income and expenses are identified, classified and recorded in the books as per cost centres.

**Rural Livelihood Promotion & Capacity Building:** Total Village Management & Gurukul

**Training Program & Education Imparting:** Schools & Nursing School

**Dairy Farming & Other Allied Activities:** Dairy Farming, Animal Husbandry, Trade Facilitation Centre & Demonstrations

**Health Development Activities:** Hospitals, SHG, Health Awareness & Training Programs

For meaningful presentation, all Income & Expenditure of tie-up/ restricted grants are recorded separately & the summary of all the funds are reflected in 'Schedule E' forming part of the Balance Sheet.

##### 4. Investments AS-13:

- a. All Investments are held at cost and are valued at fair market price or cost, whichever is lower.
- b. Accrued Interest on term deposits have been recognised as per bank confirmation / calculation on the basis of deposit certificates.

##### 5. Fixed Assets AS-10:

- a. Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties and taxes and incidental or direct expenses

related to acquisition, installation and commissioning. They are valued at cost less accumulated depreciation.

- b. Live stock accounting is done only for purchases made. Any loss/ accretion due to natural causes to the live stock have not been considered.

#### 6. Depreciation AS-6:

Depreciation on the fixed assets has been provided on written down value method at the rate and in the manner as prescribed by the Income Tax Act, 1961.

#### 7. Inventories AS-2:

Stock of Medicines is valued at cost or net realisable value whichever is lower

#### 8. Foreign Currency Transactions AS-11:

Transactions in foreign currencies of the society are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. Separate bank account is maintained for the same.

#### 9. Lease AS-19:

The operating lease are those which are not the financial lease i.e. does not transfer the risk and rewards incidental to the asset.

The land acquired on lease is required to be amortized within the lease period if the lease terms are operating lease.

#### 10. Employee Benefit AS-15:

Employee Benefits include Provident Fund, leave encashment and Gratuity. The contribution to provident fund and gratuity are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

#### 11. Provisions AS-29:

A provision is recognized when the society has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

**III- Notes on Accounts** (Schedule A to N are annexed to and form an integral part of the Balance Sheet as at 31st March 2018 and the Income and Expenditure Account for the year ended on that date.)

#### 1. Revenue Recognition:

The society received ₹13,44,501 during the FY 13-14 against fixed assets subsidy and Capital subsidy reserve fund was created for the same. During the year ₹2,24,083 has been treated as deferred income & the balancing amount is Capital Reserve which is to be written of proportionality over the useful life of the assets.

#### 2. Investments & Deposits:

- a) The overdraft facility of ₹9,35,000 balance as on 31.3.2018 ₹2,64,583 Cr. with Axis Bank has been secured by pledging Fixed Deposit of ₹11,00,000 (FV) and interest accruing there in. (Closing Value as on 31.03.18 ₹21,75,815)
- b) Fixed Deposit of ₹2,00,000 (FV) and interest accruing there in has been pledged for Bank Guarantee.
- c) The investment in Mutual Fund has the current market value for ₹1,06,39,181 as on 31st March, 2018 whereas value at cost was ₹47,50,000 . There has been no diminution in the individual value of funds.

#### 3. Fixed Assets:

Leased Land ₹20,78,128 held by the society under the lease term of 30 years at Jamshedpur is amortized over the lease terms. During the current financial year amount of ₹69,271 has been amortized & since the society is in possession of the land Government yearly taxes on land amounting to ₹1,03,907 has been recognised as revenue expenses on accrual basis.

#### 4. Current Assets:

- a. Inventories: Stock is valued at cost or realisable value whichever is lower and has been taken as certified by the management.
- b. Sundry Debtors: No provision has been made against the Debtors which are due for over one year as the management confirms that the same are good and realisable.
- c. Loans & Advances: Loan of ₹42,11,175 outstanding from KGVK Rural Enterprises Ltd. No Interest has been charged during the year as there has been no payment against previous interests. The above balance is stand as same.
- d. Other Advances are approximately of the value stated therein if realised/paid in the ordinary course of transaction.
- e. Cash Balances is as certified by the management.

#### 5. Unsecured Loan:

Loans from Ranchi Gymkhana Club o/s as on 31.3.2018 ₹3,02,39,280. No Interest has been provided for the year ended March 2018. Loan confirmation from the same pending for confirmation.

#### 6. Employment Benefits:

The society makes Provision for Gratuity & Leave Encashment as per the liability existing as on 31.03.2018 and no actuarial valuation for the same. Further these amounts have been invested in Mutual Funds that have a current market value for ₹106,39,181 as on 31st March 2018 as disclosed in Notes 2c The liability as on 31st March, 2018 is

Gratuity	:	₹49,68,149
Leave Encashment	:	₹29,91,574

## 7. Related Party

Transactions with related parties during the year:

- (a) Name of the transacting related party : KGVK Agro Ltd.  
Nature of transaction : Normal Trade  
Amount outstanding as on balance sheet date : ₹2,42,69,397 (Dr.)
- (b) Name of transacting related party : KGVK Agro Ltd.  
Nature of transaction : Lease Rent  
Volume of transaction : ₹7,92,000  
Amount outstanding as on balance sheet date : ₹16,52,400 (Dr.)

## 8. Projects:

The project funded activities under the direction of Government/ Funding agencies are administered by the society, the same are separately accounted for in the terms of the agreement/MOU. The income from Restricted Funds is recognized as income to the extent utilized, in the Income & Expenditure account. The balance of Restricted Funds (funds received less expenses) at the end of financial year is disclosed on the liability side of balance sheet as restricted funds with contra Restricted Fund Assets.

Separate Balance Sheet, Income Expenditure & Receipt Payment accounts are maintained for individual projects. Reports of the same are disclosed in schedule E.

The audit of these projects is carried by other auditors as and when and for such periods as decided by the funding agencies/ management.

However projects having Foreign Contribution have been audited by the society auditors.

## 9. GST

The Society is registered with GST having registration no

20AAA0433E1ZL. The Society has various segments with taxable supplies as well as exempted or nil rated supplies. The Management assures that GST Audit will be conducted for the financial year as applicable according to the GST Act.

## 10. Income Tax

- a. The society is registered with Income Tax Authorities u/s 12A (a) of the Income Tax Act, 1961 vide letter no 1/77-78 dated 14th April, 1977 and hence the income of the society is exempt u/s 11 of the Act, subject to compliance of relevant provisions of section 11 read with sections 12 and 13 of the Act. The PAN of the society is AAA0433E.
- b. Donations to the society are eligible for tax relief in the hands of donor's u/s 80G of the Income Tax Act, 1961 vide order dated 3/12/2009 issued by CIT Ranchi.
- c. The society assessments stands completed up to assessment year 2015-16 with nil income.

In respect to AY 2017-18 there is notice u/s 143(2), as per the legal opinion of income tax consultant, the society is confident of an order in its favor; hence no provision is required to be taken in books but is disclosed in the notes.

## 11. Disclosure u/s 13(3) of Income Tax Act, 1961

- a. Property made available for use  
KGVK Agro Ltd. Related Party Rent for ₹7,92,000
- b. Remuneration to staff members of Governing Board:  
Arvind Sahay Secretary Managerial Services: ₹18,68,016
- Previous year figure have been rearranged and regrouped where ever necessary so as to make them comparable with those of the current year.

Figures are rounded off to the nearest rupee.

As per our Audit Report of even date

For Jain Poddar & Co.  
Chartered Accountants  
ICAI Firm Reg. No. :- 011446C

CA. Rahul Saraf

(Partner)

Membership Number: 407491  
Ranchi, 24th September, 2018



KGVK

*Basant Kumar Jhavar*

Basant Kumar Jhavar  
President

For and on behalf of the Board Members

KGVK

*Arvind Sahay*

Arvind Sahay  
Secretary & Board Member







**KGVK**

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