

MAHESH, VIRENDER & SRIRAM

Chartered Accountants

6-3-788/36&37A, Ameerpet, Hyderabad - 500 016.

Tel: 040 - 23401738, 23401739 Email :mvshyd@yahoo.com

AUDITORS REPORT

We have audited the accounts of **WATERSHED SUPPORT SERVICES AND ACTIVITIES NETWORK**, a registered Trust having its office at **Plot No.685 & 686, Road No.12, Narasimha Swamy Colony, Nagole, Hyderabad - 500 068** for year ended 31.03.2026. These financial statements are the responsibility of the Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our Audit provides a reasonable basis for our opinion.

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit.
- b. The Balance Sheet and Income and Expenditure Account dealt with by the report are in agreement with the Books of account.
- c. In our opinion and to the best of our information and according to the explanations given to us, the statements together with the schedules attached thereto and read with the Accounting Policies and Notes thereon give:
 - i. In case of the Balance Sheet of the State of affairs of the Trust as at 31st March, 2026.
and
 - ii. In case of the Income and Expenditure Account the Excess of Income over Expenditure for the year ended on that date.

for Mahesh, Virender & Sriram
Chartered Accountants
Firm Reg. No.001939S

(B.R. Mahesh)

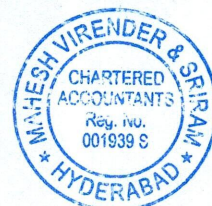
Partner

M.No.18628

UDIN No. 26018628 YLMTN09783

Place: Hyderabad

Date: 26.08.2026



Watershed Support Services And Activities Network (WASSAN) Plot No. 685 & 686, Road.No.12, Narasimha Swamy Colony, Nagole, Hyderabad 500 068 - Telangana Consolidated Balance Sheet as at 31st March 2026 (Amount in Rs.)				
	Particulars	Note	31 March 2026	31 March 2025
I	Sources of Funds			
1	NPO Funds	3		
(a)	Unrestricted Funds		1,11,30,25,859	1,09,81,37,531
(b)	Restricted Funds		13,22,77,281	18,76,00,898
			1,24,53,03,139	1,28,57,38,429
2	Non-current liabilities			
(a)	Long-term borrowings		-	-
(b)	Other long-term liabilities		-	-
(c)	Long-term provisions		-	-
			-	-
3	Current liabilities			
(a)	Short-term borrowings		-	-
(b)	Payables		-	-
(c)	Other current liabilities		-	-
(d)	Short-term provisions		-	-
			-	-
	Total		1,24,53,03,139	1,28,57,38,429
II	Application of Funds			
1	Non-current assets	4		
(a)	Property, Plant and Equipment and Intangible assets			
(i)	Property, Plant and Equipment		3,25,12,939	3,33,26,013
(ii)	Intangible assets		-	-
(iii)	Capital work in progress		1,22,70,064	54,67,454
(iv)	Intangible asset under development		-	-
(b)	Non-current investments		-	-
(c)	Long Term Loans and Advances		-	-
(d)	Other non-current assets (Rental Deposit)	5	9,68,600	8,60,152
			4,57,51,603	3,96,53,619
2	Current assets			
(a)	Current investments		-	-
(b)	Inventories		-	-
(c)	Others Receivable	6	7,70,608	-
(d)	Cash and bank balances	7	1,16,54,14,234	1,22,49,81,607
(e)	Short Term Loans and Advances		-	-
(f)	Other current assets	8	3,33,66,694	2,11,03,203
			1,19,95,51,536	1,24,60,84,810
	Total		1,24,53,03,139	1,28,57,38,429
	Brief about the Entity	1		
	Summary of significant accounting policies	2		
	The accompanying notes are an integral part of the financial statements			

for Watershed Support Services and Activities
Network(WASSAN)

Vide our report of even date
for Mahesh Virender & Sriram
Chartered Accountants(Reg.No 001939 S)

(B.R.Mahesh)
Partner
(M. No. 18628)
Place: Hyderabad
Date : 26.08.2026



UDIN: 2601862842MTN09783

(Das Sabhasachi Satyaranjan)
Executive Secretary

(Jagadananda)
Chairperson



Watershed Support Services And Activities Network (WASSAN)
Plot No. 685 & 686, Road.No.12, Narasimha Swamy Colony, Nagole, Hyderabad 500 068 - Telangana
Consolidated
Notes forming part of the Financial Statements for the year ended, 31st March, 2026

Note - 3 NPOs Funds

(Amount in Rs.)

Sr. No.	Particulars	As at 1st April 2025 (Opening Balance)	Funds transferred/received during the year	Funds Utilised during the year	As at 31st March 2026 (Closing Balance)
(A)	Unrestricted Funds				
1	Corpus Funds	1,00,00,05,008			1,00,00,05,008
2	General Funds	9,81,32,523	1,48,88,328		11,30,20,851
3	Designated Funds				-
(B)	Restricted Funds	18,76,00,898	36,68,74,413	42,21,98,030	13,22,77,281
		1,28,57,38,429	38,17,62,740	42,21,98,030	1,24,53,03,139
	Previous Year -2024-25	1,24,72,84,671	44,42,01,405	40,57,47,647	1,28,57,38,429



Watershed Support Services And Activities Network (WASSAN) Plot No. 685 & 686, Road.No.12, Narasimha Swamy Colony, Nagole, Hyderabad 500 068 - Telangana Consolidated Notes forming part of the Financial Statements for the year ended 31st March, 2026 4.Property, Plant and Equipment and Intangible Assets (owned assets) (Amount in Rs.)								
Particulars /Assets	TANGIBLE ASSETS							
	Freehold land	Buildings	Plant and Equipment	Office equipment	Furniture & Fixtures	Vehicles	Others (15.6KW Solar Compact System)	Total
Gross Block								
At 1 April 2024	1,36,32,682	1,68,08,575	9,64,390	6,38,020	16,31,357		1,37,146	3,38,12,169
Additions				4,36,240	6,82,166			11,18,406
Deductions/ Adjustments					-			-
At 1 April 2025	1,36,32,682	1,59,68,146	9,16,171	6,44,555	20,82,170		82,287	3,33,26,011
Additions			93,580	4,20,195	3,32,244			8,46,019
Deductions/ Adjustments				14,943				14,943
At 31 March 2025	1,36,32,682	1,68,08,575	9,64,390	10,74,260	23,13,523	-	1,37,146	3,49,30,575
At 31 March 2026	1,36,32,682	1,59,68,146	10,09,751	10,49,807	24,14,414	-	82,287	3,41,57,087
Depreciation/Adjustments								
At 1 April 2024	-	8,40,429	48,220	2,55,208	1,63,136		54,858	13,61,850
Additions	-			1,74,496	68,217			2,42,713
Deductions/ Adjustments								-
At 1 April 2025	-	7,98,407	1,37,426	2,51,845	2,08,217		32,915	14,28,810
Additions			14,037	1,68,078	33,224			2,15,339
Deductions/ Adjustments								-
At 31 March 2025	-	8,40,429	48,220	4,29,704	2,31,352	-	54,858	16,04,563
At 31 March 2026	-	7,98,407	1,51,463	4,19,923	2,41,441		32,915	16,44,149
Net Block								
At 31 March 2025	1,36,32,682	1,59,68,146	9,16,171	6,44,556	20,82,171	-	82,287	3,33,26,013
At 31 March 2026	1,36,32,682	1,51,69,739	8,58,288	6,29,884	21,72,973	-	49,372	3,25,12,939

Assets under lease to be separately specified under each class of asset.

Capital Work in Progress	31 March 2026	31 March 2025
Opening Balance	54,67,454	6,22,946
Add: Additions during the year	68,02,610	48,44,508
Less: Capitalized during the year	-	-
Closing Balance (B)	1,22,70,064	54,67,454



Watershed Support Services And Activities Network (WASSAN)
Plot No. 685 & 686, Road.No.12, Narasimha Swamy Colony, Nagole, Hyderabad 500 068 - Telangana
Consolidated

Notes forming part of the Financial Statements for the year ended 31st March, 2026

(Amount in Rs.)

		31 March 2026	31 March 2025
5	Other non-current assets		
(a)	Security Deposits (Rental Deposit)	9,68,600	8,60,152
(b)	Prepaid expenses	-	-
(c)	Others (Specify nature)	-	-
	Total other non-current other assets	9,68,600	8,60,152
6	Receivables	31 March 2026	31 March 2025
(a)	Donations/grants receivable	-	-
(b)	Others	7,70,608	-
		7,70,608	-
	Outstanding for a period exceeding 6 months from the date they are due for receipt		
(a)	Secured Considered good	-	-
(b)	Unsecured Considered good	-	-
(c)	Doubtful	-	-
	Less: Provision for doubtful receivables	-	-
		-	-
	Total	7,70,608	-
7	Cash and Bank Balances	31 March 2026	31 March 2025
A	Cash and cash equivalents		
(a)	On current accounts	4,98,12,581	3,42,96,205
(b)	Cash credit account (Debit balance)	-	-
(c)	Fixed Deposits		
	Deposits with original maturity of less than three months	1,70,00,000	1,19,06,85,402
(d)	Cheques, drafts on hand	-	-
(e)	Cash on hand	-	-
	Total	(I) 6,68,12,581	1,22,49,81,607
B	Other bank balances		
(a)	Bank Deposits	-	-
(i)	Earmarked Bank Deposits	-	-
(ii)	Deposits with original maturity for more than 3 months but less than 12 months from reporting date	1,09,86,01,653	-
(iii)	Margin money or deposits under lien	-	-
(iv)	Others (specify nature)	-	-
	Total other bank balances	(II) 1,09,86,01,653	-
	Total Cash and bank balances	(I+II) 1,16,54,14,234	1,22,49,81,607
8	Other current assets	31 March 2026	31 March 2025
	TDS Receivable	3,03,32,018	2,11,03,203
	(This is an all-inclusive heading, which incorporates current assets that do not fit into any other asset categories)		
(a)	Interest accrued but not due on deposits	-	-
(b)	Interest accrued and due on deposits	30,34,676	-
	Total	3,33,66,694	2,11,03,203



Watershed Support Services And Activities Network (WASSAN)
Plot No. 685 & 686, Road.No.12, Narasimha Swamy Colony, Nagole, Hyderabad 500 068 - Telangana
Consolidated Income and Expenditure for the year ended 31st March 2026

(Amount in Rs.)

	Particulars	Note	31 March 2026			31 March 2025		
			Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
i	Income							
(a)	Donations and Grants		-		-	94,001		94,001
(b)	Fees from Rendering of Services		1,57,92,123		1,57,92,123	94,99,754		94,99,754
(c)	Sale of Goods		-		-	-		-
II	Other Income	1	7,88,32,310		7,88,32,310	8,98,72,142		8,98,72,142
III	Total Income (I+II)		9,46,24,433		9,46,24,433	9,94,65,897	-	9,94,65,897
IV	Expenses:							
(a)	Material consumed/distributed		-		-	-		-
(b)	Donations/contributions paid		-		-	-		-
(c)	Employee benefits expense		-		-	-		-
(d)	Finance costs		-		-	-		-
(e)	Depreciation and amortization expense	2	16,59,092		16,59,092	16,04,563		16,04,563
(f)	Other expenses	3	7,80,77,013		7,80,77,013	8,94,63,468		8,94,63,468
(g)	Religion/charitable expenses		-		-	-		-
(h)	Other Expenses (specify nature)		-		-	-		-
	Total expenses		7,97,36,105		7,97,36,105	9,10,68,031	-	9,10,68,031
V	Excess of Income over Expenditure for the year before exceptional and extraordinary items (III- IV)		1,48,88,328		1,48,88,328	83,97,866	-	83,97,866
VI	Exceptional items (specify nature & provide note/delete if none)							
VII	Excess of Income over Expenditure for the year before extraordinary items (V-VI)		1,48,88,328		1,48,88,328	83,97,866	-	83,97,866
VIII	Extraordinary Items (specify nature & provide note/delete if none)							
IX	Excess of Income over Expenditure for the year (VII-VIII)		1,48,88,328		1,48,88,328	83,97,866	-	83,97,866
	Appropriations Transfer to funds, e.g., Building fund							
	Transfer from funds							
	Balance transferred to General Fund							
	The accompanying notes are an integral part of the financial statements							

Vide our report of even date
for Mahesh Virender & Sriram
Chartered Accountants(Reg.No 001939 S)

(B.R.Mahesh)
Partner
(M. No. 18628)
Place: Hyderabad
Date : 26.08.2026



for Watershed Support Services and Activities Network(WASSAN)

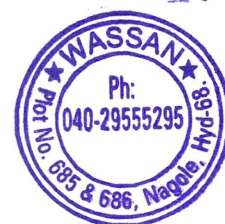
(Das Sabyasachi Satyanarayan)
Executive Secretary

(Jagadananda)
Chairperson



UDIN: 26018628 YLM TNQ9783

Watershed Support Services And Activities Network (WASSAN) Plot No. 685 & 686, Road.No.12, Narasimha Swamy Colony, Nagole, Hyderabad 500 068 - Telangana Consolidated		
Notes forming part of the Financial Statements for the year ended 31st March, 2026		(Amount in Rs.)
1 Other income	31-Mar-26	31-Mar-25
(a) Interest income	46,42,847	44,01,102
(b) Corpus Fund- interest income	7,21,09,410	7,44,84,748
(c) Dividend income	-	-
(d) Net gain on sale of investments	-	-
(e) Other non-operating income	-	-
(f) Other income	20,52,465	45,55,744
(g) Project Balance Transfer to General Reserve	27,588	64,30,548
Total other income	7,88,32,310	8,98,72,142
2 Depreciation and amortization expense		
(a) on tangible assets (Refer note 9)	16,44,149	16,04,563
(b) on intangible assets (Refer note 9)	-	-
Total Depreciation and amortization expense	16,44,149	16,04,563
3 Other Expenses		
(a) Religious/charitable		
(b) General Expenses	29,24,792	16,69,301
(i) Power and fuel	-	-
(ii) Rent	-	-
(iii) Travelling expenses	-	-
(iv) Consultancy Projects Expenditure	52,54,565	50,63,617
(v) Corpus Fund - Interest Utilization	6,62,52,354	8,27,02,084
(vi) Printing and stationery	-	-
(vi) Communication expenses	-	-
(vii) Project Expenditure	33,37,073	-
(viii) Institutional Overheads and Admin Charges	3,08,229	28,465
(i) Loss on sale of Property, Plant and Equipment	-	-
(ii) Loss on foreign exchange transactions (net)	-	-
(iii) Loss on cancellation of forward contracts	-	-
(iv) Loss on sale of investments (net)	-	-
(v) Provision for diminution in value of investments	-	-
(vi) Provision for doubtful debts	-	-
(vii) Miscellaneous expenses	-	-
Total	7,80,77,013	8,94,63,468



Watershed Support Services And Activities Network (WASSAN)
Plot No. 685 & 686, Road.no.12, Narasimha Swamy Colony, Nagole, Hyderabad 500 068 - Telangana

CONSOLIDATED

RECEIPTS & PAYMENTS ACCOUNT FOR THE YEAR 01.04.2025 to 31.03.2026

	Receipts	2025-26	2024-25		Payments	2025-26	2024-25
		Amount Rs	Amount Rs			Amount Rs	Amount Rs
To	Opening Balances			By	Grants Expenditure		
	Cash at Bank- Foreign - Annex 1	48,74,239	76,79,396		Foreign sources expenses - Annex 3	11,52,36,976	9,48,06,694
	Cash at Bank- Local - Annex 2	2,94,21,966	4,89,10,311		Local sources expenses - Annex 4	39,58,72,251	39,58,71,836
To	Grants Received			By	Rent Deposits-Annex 5	3,08,000	5,31,152
	Foreign sources - Annex 3	10,49,05,402	10,91,14,112		Deposits & Advances		
	Local sources - Annex 4	27,77,27,744	33,06,95,040		Fixed Deposits from Foreign sources-Annex 8	4,09,45,407	4,59,45,407
To	Interest Received				Fixed Deposits from Local sources-Annex 9	39,62,28,690	48,02,61,218
	Interest Received on Foreign grants-Annex 6	29,22,904	19,37,183	By	Closing Balances		
	Interest Received on Local grants-Annex 7	21,80,035	6,90,28,238		Cash at Bank- Foreign-Annex 10	24,65,569	48,74,239
	Interest Received on Corpus	6,47,25,270			Cash at Bank- Local-Annex 11	4,73,47,012	2,94,21,966
To	Fixed Deposits Released						
	Fixed Deposits Released in Foreign sources-Annex 8	4,59,45,407	2,69,11,649				
	Fixed Deposits Released in Local sources-Annex 9	46,57,00,937	45,74,36,583				
		99,84,03,905	1,05,17,12,512			99,84,03,905	1,05,17,12,512

Vide our report of even date
for Mahesh Virender & Sriram
Chartered Accountants(Reg.No 001939 S)

(B.R.Mahesh)
Partner
(M. No. 18628)
Place: Hyderabad
Date : 26.08.2026

UDIN: 26018628YLMINQ9783.



for Watershed Support Services and Activities Network(WASSAN)


(Das Sabyasachi Satyaranjan)
Executive Secretary


(Jagadananda)
Chairperson



WATERSHED SUPPORT SERVICES AND ACTIVITIES NETWORK (WASSAN)
Plot No. 685 & 686, Rd.no.12, Narasimha Swamy Colony
Nagole, Hyderabad-500 068 Telangana

SIGNIFICNT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED ACCOUNTS FOR THE YER ENDED 31.03.2026.

I. BACKGROUND:-

Watershed Support Services and Activities Network (WASSAN) is engaged in supporting programs in the area of Water Conservation and Preservation, Innovations in Agricultural activities and Natural resources Management (NRM).

Watershed Support Services and Activities Network (WASSAN) is Registered U/s 12AA of the Income tax Act, 1961 vide Certificate No. H.Qrs.-II/12A&80G/187/2000-01 and the same has been renewed U/s 12A vide Unique Registration Number AAATW0306P25HY02 dated 23.12.2025.

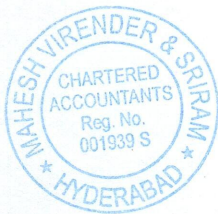
Watershed Support Services and Activities Network (WASSAN) is Registered U/s 80G of the Income tax Act, 1961 vide Unique Registration Number AAATW0306P25HY01 dated 23.12.2025.

Watershed Support Services and Activities Network (WASSAN) is Registered under the FCRA Act having Registration No.010230551 dated 22.01.2003 and Renewed on 20.12.2021 for a period of 5 years with effect from 01.01.2022, the organization as uploaded FCRA renewal application in MHA Portal on 19.08.2026.

Watershed Support Services and Activities Network (WASSAN) is Registered under the Darpan Act having Registration No. AP/2016/0107413 dated: 24.10.2017.

Watershed Support Services and Activities Network (WASSAN) is Registered under the CSR Registration having its Registration No.CSR00001453.

Watershed Support Services and Activities Network (WASSAN) is Registered under the Group Gratuity Scheme (LIC) having Registration Master Policy No. PNGS/U625099/504010476/9608 dated 01.03.2003.



II. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. Basis of Preparation:-

The Financial Statements have been prepared and presented under the historical cost convention on Cash basis of Accounting except for Interest Income and Audit Fees and comply with mandatory Accounting Standards ("AS") prescribed by the Institute of Chartered Accountants of India to the extent applicable.

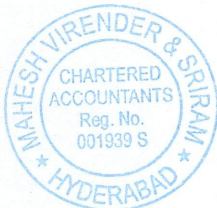
The Financial Statements have been prepared after the consolidation of books of accounts for Non Foreign Contribution and Foreign Contribution maintained separately to comply with various applicable laws and as per guidance note issued by ICAI applicable to NPOs as amended in 2024-2025.

2. Revenue Recognition:-

- a) Donations on receipt basis.
- b) Interest income from Banks as and when accrued taken to Income and Expenditure account.
- c) Bank interest received as Project funds carried under Restricted Funds as per Donor MOUs.
- d) Restricted Grants are treated as Project funds for execution of respective Projects, unrestricted grants are taken to Income and Expenditure account on receipt basis.

3. Fixed Assets and Depreciation:-

- a) The Fixed Assets have been capitalized at Acquisition cost along with all identifiable Expenditure incurred to bring the Asset in to the present condition.
- b) Fixed Assets acquired under Project budget are treated as part of application under project towards renovation, maintenance and Infra Development and shown as application under projects.
- c) All Projects fixed assets are maintained by way of Memorandum Register for internal control purpose.
- d) Depreciation is charged at the rates prescribed under the Income tax Act, 1961.



WATERSHED SUPPORT SERVICES AND ACTIVITIES NETWORK (WASSAN)
Plot No. 685 & 686, Rd.no.12, Narasimha Swamy Colony
Nagole, Hyderabad-500 068 Telangana

4. Employee Benefits:-

a) Employee's Provident Fund:

Watershed Support Services and Activities Network (WASSAN) Registered under the Employees Provident Fund Act eligible Employees received benefit of the Provident Fund of the norms of the Act.

b) WASSAN has covered all its employees under Mediclaim policy and personal accident policy.

5. Foreign Currency Transactions:-

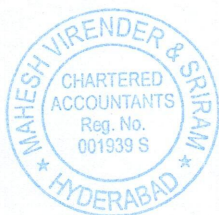
The Transactions in Foreign currency are recorded at original rates of exchange in force on the date of the transactions. In case where the rates on the date of Transaction are not available due to the practical reasons, the same is recorded at a Rate Approximate to the actual date of transaction.

Grants Received and Expenditure in Foreign Currency:

Particulars	Year Ended 31.03.2026	Year Ended 31.03.2025
Grants Received in Foreign Currency	10,49,05,402/-	10,91,14,112/-
Expenditure in Foreign Currency	11,52,36,976/-	9,48,06,694/-

6. Events after the date of Balance Sheet:-

In respect of the Income Tax demand of Rs.1,48,23,430/- raised by the Department for Assessment Year – 2018-2019, the appellate order has since been received on 17.08.2026 whereby the organization received substantial tax relief resulting in a refund of Rs.93,51,810/-. On the point of law, the organization is seeking further relief in ITAT.



WATERSHED SUPPORT SERVICES AND ACTIVITIES NETWORK (WASSAN)
Plot No. 685 & 686, Rd.no.12, Narasimha Swamy Colony
Nagole, Hyderabad-500 068 Telangana

7. FCRA Compliance:-

- a) Separate Books of Accounts have been maintained for Foreign Contribution Grants as per the norms of the MHA – FCRA Act.
- b) All FCRA Returns have been filed with MHA (Ministry of Home Affairs).

8. Application of Funds:-

Project application of funds, though subject to GST & TDS provisions, are treated as Grants in respect of implementation under Government scheme or participation and facilitation of a Government social implementation project.

9. Physical verification of Fixed Assets:-

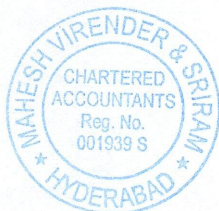
All the Fixed Assets have been physically verified by the Management and on such verification no material discrepancies were found.

Some Fixed Assets purchased have been installed at the premises of the Projects where the situation so demands.

10. Building fund is created from General Reserve to create Capital Assets for the Trust.

11. Related Party Transaction with connected NPOs are at arm length and declared as such.

	31.03.2026	31.03.2025
12. Remuneration to Trustees:	NIL	NIL
13. Amounts paid to Statutory Auditors: For Statutory Audit	Rs.3,00,000/-	Rs.2,00,000/-



WATERSHED SUPPORT SERVICES AND ACTIVITIES NETWORK (WASSAN)
Plot No. 685 & 686, Rd.no.12, Narasimha Swamy Colony
Nagole, Hyderabad-500 068 Telangana

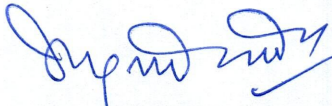
14. Corpus Fund of Rs.100.00 Crores has been created out of the Corpus Grant received from Azim Premji Philanthropic Initiatives Private Limited under the Agreement dated 27.02.2023. In terms of the Said Agreement as "Escrow Tripartite Agreement" was executed whereby the said Amount of Rs.100.00 Crores was put in Fixed Deposit in the name of Watershed Support Services and Activities Network (WASSAN). Interest earned thereon is taken to income account for expending the same for charitable purpose.

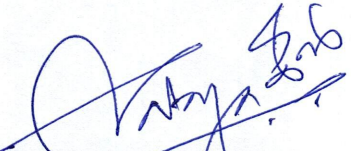
15. Previous year's figures have been regrouped/reclassified whenever necessary to correspond with the current year classification/disclosure.

For Mahesh, Virender & Sriram
Chartered Accountants
(Reg. No.001939S)

for Watershed Support Services
and Activities Network (WASSAN)


(B.R Mahesh)
Partner
(M.No.18628)


(Jagadananda)
Chairperson


(DasSabyasachi Satyaranjan)
Executive Secretary

UDIN No. 26018628 YLMTN09783

Place: Hyderabad.
Date: 26.08.2026

