

MAHESH, VIRENDER & SRIRAM
Chartered Accountants

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

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

AUDITORS REPORT

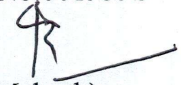
We have audited the accounts of **WATERSHED SUPPORT SERVICES AND ACTIVITIES NETWORK**, a registered Trust having its office at Plot No.685 & 686, Road No.12, Narasimha Swamy Colony, Nagole, Hyderabad - 500 068 for year ended 31.03.2026. These financial statements are the responsibility of the Management. 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. 26016628 YLMTNQ9783

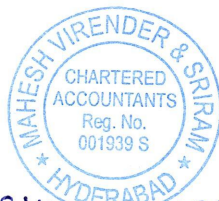
Place: Hyderabad
Date: 26.08.2026



Watershed Support Services And Activities Network (WASSAN) Plot No. 685 & 686, Road.No.12, Narasimha Swamy Colony, Nagole, Hyderabad 500 068 - Telangana Foreign Contribution 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		2,48,85,407	2,56,22,700
(b)	Restricted Funds		2,28,94,489	2,96,30,247
			4,77,79,896	5,52,52,947
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		4,77,79,896	5,52,52,947
II	Application of Funds			
1	Non-current assets			
(a)	Property, Plant and Equipment and Intangible assets	4		
(i)	Property, Plant and Equipment		24,19,875	26,11,800
(ii)	Intangible assets		-	-
(iii)	Capital work in progress		-	-
(iv)	Intangible asset under development		-	-
(b)	Non-current investments		-	-
(c)	Long Term Loans and Advances		-	-
(d)	Other non-current assets (Rental Deposit)	5	-	26,000
			24,19,875	26,37,800
2	Current assets			
(a)	Current investments		-	-
(b)	Inventories		-	-
(c)	Receivables		-	-
(d)	Cash and bank balances	6	4,34,10,976	5,14,31,148
(e)	Short Term Loans and Advances		-	-
(f)	Other current assets	7	19,49,045	11,83,999
			4,53,60,021	5,26,15,147
	Total		4,77,79,896	5,52,52,947
	Brief about the Entity	1		
	Summary of significant accounting policies	2		
	The accompanying notes are an integral part of the financial statements			

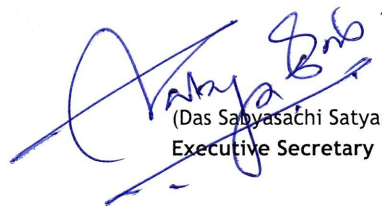
Vide our report of even date
for Mahesh Virender & Sriram
Chartered Accountants(Reg.No 001939 S)

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



UDIN: 260186284LMTNQ9783

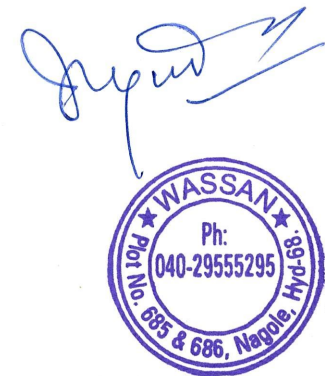
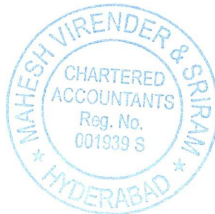
for Watershed Support Services and Activities
Network(WASSAN)


(Das Sanyasachi 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 Foreign Contribution 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	-			-
2	General Funds	2,56,22,700	-7,37,292	-	2,48,85,407
3	Designated Funds				-
(B)	Restricted Funds	2,96,30,247	10,49,09,504	11,16,45,263	2,28,94,489
		5,52,52,947	10,41,72,212	11,16,45,263	4,77,79,896
Previous Year (2024-25)		3,82,81,534	11,40,73,508	9,71,02,095	5,52,52,947



Watershed Support Services And Activities Network (WASSAN) Plot No. 685 & 686, Road.No.12, Narasimha Swamy Colony, Nagole, Hyderabad 500 068 - Telangana Foreign Contribution 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	Others (15.6KW Solar Compact System)	Total
Gross Block							
At 1 April 2024	13,97,500	-	9,64,390	67,548	1,60,277	1,37,146	27,26,860
Additions					12,000		12,000
Deductions/Adjustments							
At 1 April 2025	13,97,500	-	9,16,170	60,793	1,55,049	82,287	26,11,800
Additions					-		-
Deductions/Adjustments							
At 31 March 2025	13,97,500	-	9,64,390	67,548	1,72,277	1,37,146	27,38,860
At 31 March 2026	13,97,500	-	9,16,170	60,793	1,55,049	82,287	26,11,800
Depreciation/Adjustments							
At 1 April 2024	-	-	48,220	6,755	16,028	54,858	1,25,860
Additions	-	-			1,200		1,200
Deductions/Adjustments							
At 1 April 2025	-	-	1,37,426	6,079	15,505	32,915	1,91,925
Additions					-		-
Deductions/Adjustments							
At 31 March 2025	-	-	48,220	6,755	17,228	54,858	1,27,060
At 31 March 2026	-	-	1,37,426	6,079	15,505	32,915	1,91,925
Net Block							
At 31 March 2025	13,97,500	-	9,16,171	60,793	1,55,049	82,287	26,11,800
At 31 March 2026	13,97,500	-	7,78,745	54,714	1,39,544	49,372	24,19,875

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

Capital Work in Progress

31 March 2026 31 March 2025

Opening Balance	-	-
Add: Additions during the year	-	-
Less: Capitalized during the year	-	-
Closing Balance (B)	-	-



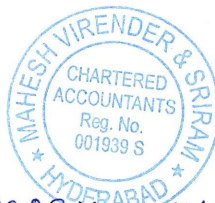
Watershed Support Services And Activities Network (WASSAN) Plot No. 685 & 686, Road.No.12, Narasimha Swamy Colony, Nagole, Hyderabad 500 068 - Telangana Foreign Contribution Notes forming part of the Financial Statements for the year ended 31st March, 2026 (Amount in Rs.)			
		31 March 2026	31 March 2025
5 Other non-current assets			
(a) Security Deposits (Rental Deposit)		-	26,000
(b) Prepaid expenses		-	-
(c) Others (Specify nature)		-	-
Total other non-current other assets		-	26,000
6 Cash and Bank Balances			
A Cash and cash equivalents			
(a) On current accounts		24,65,569	48,74,239
(b) Cash credit account (Debit balance)		-	-
(c) Fixed Deposits			
Deposits with original maturity of less than three months		1,70,00,000	4,65,56,909
(d) Cheques, drafts on hand		-	-
(e) Cash on hand		-	-
Total	(I)	1,94,65,569	5,14,31,148
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		2,39,45,407	-
(iii) Margin money or deposits under lien		-	-
(iv) Others (specify nature)		-	-
Total other bank balances	(II)	2,39,45,407	-
Total Cash and bank balances	(I+II)	4,34,10,976	5,14,31,148
7 Other current assets			
(TDS Receivables)		14,84,282	11,83,999
(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		4,64,763	-
Total		19,49,045	11,83,999



Watershed Support Services And Activities Network (WASSAN) Plot No. 685 & 686, Road.No.12, Narasimha Swamy Colony, Nagole, Hyderabad 500 068 - Telangana Foreign Contribution 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							
(b)	Fees from Rendering of Services							
(c)	Sale of Goods							
II	Other Income	1	30,99,934		30,99,934	50,95,739		50,95,739
III	Total Income (I+II)		30,99,934		30,99,934	50,95,739	-	50,95,739
IV	Expenses:							
(a)	Material consumed/distributed						-	-
(b)	Donations/contributions paid						-	-
(c)	Employee benefits expense						-	-
(e)	Finance costs						-	-
(d)	Depreciation and amortization expense	2	1,91,924		1,91,924	1,27,061	-	1,27,061
(f)	Other expenses	3	36,45,302		36,45,302	28,465		28,465
(g)	Religion/charitable expenses							
(h)	Other Expenses (specify nature)							
	Total expenses		38,37,226		38,37,226	1,55,526	-	1,55,526
V	Excess of Income over Expenditure for the year before exceptional and extraordinary items (III- IV)		-7,37,292		-7,37,292	49,40,213	-	49,40,213
VI	Exceptional items (specify nature & provide note/delete if none)						-	-
VII	Excess of Income over Expenditure for the year before extraordinary items (V-VI)		-7,37,292		-7,37,292	49,40,213	-	49,40,213
VIII	Extraordinary Items (specify nature & provide note/delete if none)						-	-
IX	Excess of Income over Expenditure for the year (VII-VIII)		-7,37,292		-7,37,292	49,40,213	-	49,40,213
	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



UDAN: 26018628 YLMTN 9783

for Watershed Support Services and Activities Network(WASSAN)

(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 Foreign Contribution Notes forming part of the Financial Statements for the year ended 31st March, 2026		
	(Amount in Rs.)	
	31-Mar-26	31-Mar-25
1 Other income		
(a) Interest income	30,72,346	28,00,072
(b) Dividend income	-	-
(c) Net gain on sale of investments	-	-
(d) Foreign exchange rate gain	27,588	22,95,667
Total other income	30,99,934	50,95,739
2 Depreciation and amortization expense		
(a) on tangible assets (Refer note 4)	1,91,925	1,27,060
(b) on intangible assets (Refer note 4)	-	-
Total Depreciation and amortization expense	1,91,925	1,27,060
3 Other Expenses		
(a) Religious/charitable		
(b) Other Expenses		
(i) Power and fuel	-	-
(ii) Rent	-	-
(iii) Travelling expenses	-	-
(iv) Printing and stationery	-	-
(v) Communication expenses	-	-
(vi) Cleaning and forwarding charges	-	-
(i) Project Expenditure	33,37,073	-
(ii) Institutional Overheads & Admin Charges	3,08,229	28,465
(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	36,45,302	28,465

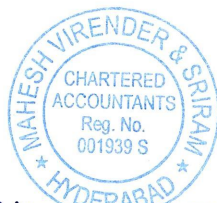


Watershed Support Services And Activities Network (WASSAN)					
Plot No. 685 & 686, Road.No.12, Narasimha Swamy Colony, Nagole, Hyderabad 500 068 - Telangana					
FOREIGN CONTRIBUTION					
RECEIPTS & PAYMENTS ACCOUNT FOR THE YEAR 01.04.2025 to 31.03.2026					
	RECEIPTS	Amount(Rs)		PAYMENTS	Amount(Rs)
To	Opening Bank Balance		By	Project Expenses	
	Cash at Bank-Annex - 1	48,74,239		Welthungerhilfe-Annex - 02	1,07,36,850
To	Project Receipts			Ford Foundation (USA)-Annex-03	3,14,75,729
	Welthungerhilfe (Germany)	90,06,156		SWISSAID (Switzerland)-Annex-04	47,88,794
	World Resources Institute (USA)	30,67,732		The Global Fund for Community Foundations(UK) -Annex-05	48,17,140
	Ford Foundation (USA)	3,12,30,847		Rainforest Alliance (USA)-Annex-06	2,32,08,528
	SWISSAID (Switzerland)	50,53,950		Ecoagriculture (USA)-Annex-07	52,50,971
	Rainforest Alliance (USA)	2,49,22,095		The Swedish University of Agricultural Sciences(Sweden)-Annex-08	9,78,039
	The Swedish University of Agricultural Sciences(Sweden)	14,40,687		Welthungerhilfe-Annex-09	24,00,147
	Welthungerhilfe (Germany)	26,19,833		Global Greengrant Fund (UK)-Annex-10	82,37,083
	Global Greengrant Fund (UK)	77,14,350		Welthungerhilfe- Annex-11	1,05,73,266
	Welthungerhilfe (Germany)	1,07,47,048		Global Greengrant Fund (UK)- Annex-12	20,00,576
	Global Greengrant Fund (UK)	24,74,584		Global Greengrant Fund (UK)- Annex-13	5,43,117
	World Resources Institute (USA)	29,46,583		World Resources Institute (USA)- Annex-14	29,13,924
	World Resources Institute (USA)	31,81,537		World Resources Institute (USA)- Annex-15	31,67,510
	SWISSAID (Switzerland)	5,00,000		SWISSAID (Switzerland)- Annex-16	5,00,000
To	Fixed Deposits Released-Annex - 18	4,59,45,407		General & Admin Expenditure - Annex-17	36,45,302
To	Bank Interest Received Annex - 19	29,22,904	By	Fixed Deposits - Annex-18	4,09,45,407
			By	Closing Bank Balance	
				Cash at Bank-Annex - 20	24,65,569
		15,86,47,952			15,86,47,952

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

for Watershed Support Services and Activities Network(WASSAN)

(B.R.Mahesh)
Partner
Place: Hyderabad
Date: 26.08.2026



UDIN: 260186284LMTN09783

(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.

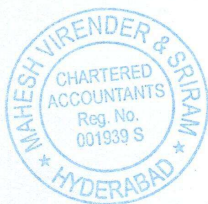
Watershed Support Services and Activities Network (WASSAN) is Registered U/s 80G of the Income tax Act, 1961 vide Unique Registration Number AAATW0306P25HY01 dated 23.12.2025.

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 appeallate 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:-

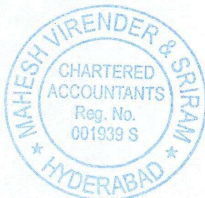
All the Fixed Assets have been physically verified by the Management and on such verification no material discrepancies were found.

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.

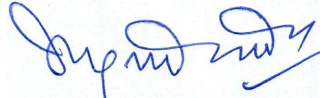
15. Previous year's figures have been regrouped/reclassified whenever necessary to correspond with the current year classification/disclosure.

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 YLM TN 09783

Place: Hyderabad.
Date: 26.08.2026

