

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Action Against Hunger Foundation

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Action Against Hunger Foundation** ("the Company"), which comprises the Balance Sheet as at March 31, 2024, the Income and Expenditure Account, the Cash flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its excess of expenditure over income and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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## **Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) referred in section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. However, we are not required to express our opinion on, under section 143(3)(i) of the Companies Act 2013, whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls as same is exempted by notification dated June 13, 2017 issued by the Ministry of Corporate Affairs.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

### **Other Matter**

The financial statements of the Company for the year ended March 31, 2023 have been audited by the predecessor auditor who expressed an unmodified opinion on the financial statements vide their report dated August 25, 2023.

Our opinion on the audited financial statements is not modified in respect of the above matter.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Income and Expenditure Account and Cash flow statement dealt with by this Report are in agreement with the books of accounts;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards referred in Section 133 of the Act;
  - (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act
  - (f) We are not required to express our opinion on whether the Company has adequate internal financial controls system in place and operating effectiveness of such controls as per the requirement of section 143(3)(i) of the Companies Act 2013 as the same is exempted by notification dated June 13, 2017 issued by the Ministry of Corporate Affairs;
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, the provisions of section 197 read with Schedule V of the Companies Act, 2013 regarding payment of managerial remuneration is not applicable being a section 8 company.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 18 (1) to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;



- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) The management has represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the financial statements, if any, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented, that, to the best of their knowledge and belief, other than as disclosed in the notes to the financial statements, if any, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The Company, being a section 8 Company, does not declare or pay any dividend hence requirement for compliance with Section 123 of the Act is not applicable.
- vi. As per the information and explanations provided to us by the management and based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, the audit trail feature has been enabled w.e.f. 22<sup>nd</sup> May 2023 and thereafter it has been operating throughout the period for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

**For JKVS & Co.**  
Chartered Accountants  
Firm Registration No: 318086E



Vijay S Bapna  
Partner  
Membership No: 016040  
UDIN: 24016040BKJLYV9668

Place: Mumbai  
Date: September 11, 2024



**ACTION AGAINST HUNGER FOUNDATION**  
Balance Sheet as at 31st March, 2024

(Rs. in lacs)

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
<b>EQUITY AND LIABILITIES</b>			
<u>Shareholders' Funds</u>			
Share Capital	2	1.00	1.00
Reserves and Surplus	3	466.01	599.84
		467.01	600.84
<u>Non-Current Liabilities</u>			
Long-term Provisions	4	41.00	43.29
		41.00	43.29
<u>Current Liabilities</u>			
Grant Received in Advance	5	290.69	499.19
Trade Payables	6		
Due to Micro Enterprises and Small Enterprises		11.06	8.47
Due to Creditors other than Micro Enterprises and Small Enterprises		14.87	65.61
		25.93	74.09
Other Current Liabilities	7	27.57	27.20
Short-term Provisions	8	6.43	4.72
		350.61	605.20
<b>Total</b>		<b>858.62</b>	<b>1,249.32</b>
<b>ASSETS</b>			
<u>Non-Current Assets</u>			
Property, Plant and Equipment and Intangible Assets			
-Property, Plant and Equipment	9	97.01	170.13
- Intangible Assets	9	5.91	5.83
		102.92	175.95
Other Non-current Assets	10	163.40	23.90
		266.31	199.85
<u>Current Assets</u>			
Cash and Cash Equivalents	11	459.19	990.46
Short term Loans and Advances	12	30.45	24.61
Other Current Assets	13	102.67	34.41
		592.31	1,049.47
<b>Total</b>		<b>858.62</b>	<b>1,249.32</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		
<b>NOTES TO FINANCIAL STATEMENTS</b>	18		

The accompanying notes are an integral part of the financial statements

As per our report attached,  
For J K V S & Co.  
Chartered Accountants  
Firm Registration No: 318086E

Vijay S Bapna  
Partner  
Membership No: D1604D



Place: Mumbai  
Date : 11th September, 2024

*Vipul Jain*

VIPUL JAIN  
Director  
DIN: 00142518

*Ashwini Kakkhar*

ASHWINI KAKKAR  
Director  
DIN: 00390787

Place: Mumbai  
Date : 11th September, 2024




**ACTION AGAINST HUNGER FOUNDATION**  
Income and Expenditure Account for the year ended 31st March, 2024

		(Rs. in lacs)	
Particulars	Note No.	2023-24	2022-23
<b>Income</b>			
Income from Grants and Donations	14	1,648.18	1,856.48
Other Income	15	34.86	46.75
		<b>1,683.04</b>	<b>1,903.23</b>
<b>Expenses:</b>			
Programme cost	16	1,497.99	1,630.31
Depreciation and Amortisation	9	89.54	83.50
General and Administrative cost	17	229.34	180.01
		<b>1,816.87</b>	<b>1,893.82</b>
Excess of Income over Expenditure for the year		(133.83)	9.41
<b>Tax Expenses:</b>			
- Current tax	18(12)	-	-
- Deferred tax		-	-
Surplus/ (Deficit) for the year		(133.83)	9.41
<b>Basic and Diluted Earnings per equity share (in Rs.)</b>	18(7)	(1,338.32)	94.09
Face value per equity share		10.00	10.00
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		
<b>NOTES TO FINANCIAL STATEMENTS</b>	18		

The accompanying notes are an integral part of the financial statements

As per our report attached,  
For **J K V S & Co.**  
Chartered Accountants  
Firm Registration No: 318086E

  
VIPUL JAIN  
Director  
DIN: 00142518

  
Vijay S Bapna  
Partner  
Membership No: 018040



Place: Mumbai  
Date : 11th September, 2024

  
ASHWINI KAKKAR  
Director  
DIN: 00390787



Place: Mumbai  
Date : 11th September, 2024

**ACTION AGAINST HUNGER FOUNDATION**  
Statement of Cash Flows for the year ended 31st March, 2024

(Rs. in lacs)

Particulars	2023-24	2022-23
<b>A Cash flows from operating activities:</b>		
Excess / (Shortfall) of income over expenditure before tax	(133.83)	9.41
Adjustments for:		
Depreciation and amortization expense	89.54	83.50
Provision for doubtful deposit	-	(0.55)
Loss on Assets discarded	4.33	
Interest income	(34.86)	(46.75)
<b>Operating surplus before working capital changes</b>	<b>(74.82)</b>	<b>45.60</b>
Adjustments for		
(Increase)/ Decrease in other Non current Assets	1.72	(7.40)
(Increase)/ Decrease in Short term loan and advances	(5.84)	(8.68)
(Increase)/ Decrease in other current assets	(67.04)	(30.41)
Increase/ (Decrease) in Non current liabilities (net)	(2.28)	12.93
Increase/ (Decrease) in Current liabilities (net)	(254.58)	(278.32)
Net change in working capital	(402.84)	(266.27)
<b>Cash from operating activities - A</b>	<b>(402.84)</b>	<b>(266.27)</b>
<b>B Cash flows from investing activities:</b>		
Interest received	33.66	46.18
Purchase of property, plant and equipment	(20.84)	(82.95)
<b>Net cash from investing activities - B</b>	<b>12.82</b>	<b>(36.77)</b>
<b>C Cash flows from financing activities - C</b>	-	-
<b>Net increase (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(390.03)</b>	<b>(303.04)</b>
Cash and cash equivalents at beginning of the year	996.65	1,299.69
Cash and cash equivalents at the end of the year	<b>606.62</b>	<b>996.65</b>
<b>Net increase in cash and cash equivalents</b>	<b>(390.03)</b>	<b>(303.04)</b>

Notes:

- 1 Statement of Cash Flows has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 - Cash Flow Statements as specified in the Companies (Accounting Standards) Rules, 2006 as amended.
  - 2 Cash and cash equivalents included in the statement of cash flows comprises the following:-

	Rs. in lacs	Rs. in lacs
(i) Cash and the cash equivalents disclosed under current assets (Note 10)	459.19	990.45
(ii) Cash and cash equivalents disclosed under other Non current assets (Note 9)	147.43	6.20
  - 3 Total cash and cash equivalents as per statement of cash flow as at the end of the year.

	606.62	996.65
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- Previous year's figures have been regrouped wherever necessary.

As per our report attached,  
For J K V S & Co.  
Chartered Accountants  
Firm Registration No: 318086E

Vijay S Bapna  
Partner  
Membership No 016040



Place: Mumbai  
Date : 11th September, 2024

*Vipul Jain*  
VIPUL JAIN  
Director  
DIN: 00142518

*Ashwini Kakkur*  
ASHWINI KAKKAR  
Director  
DIN: 00390787

Place: Mumbai  
Date : 11th September, 2024



**ACTION AGAINST HUNGER FOUNDATION**  
Notes forming part of Financial Statements as at and for the year ended 31st March, 2024

**Note 2: Share Capital**

(Rs. in lacs)

Sr. No	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	<b>AUTHORISED</b> 50,000 Equity Shares of Rs. 10 each	5.00	5.00
		<b>5.00</b>	<b>5.00</b>
(b)	<b>ISSUED, SUBSCRIBED AND FULLY PAID-UP</b> 10,000 Equity Shares of Rs. 10 each	1.00	1.00
	<b>Total</b>	<b>1.00</b>	<b>1.00</b>

**(c) Reconciliation of opening and closing share capital:**

Particulars	As at 31.03.2024		As at 31.03.2023	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares at the beginning of the year	10,000	1.00	10,000	1.00
Add: Equity shares issued during the year	-	-	-	-
Equity shares at the close of the year	10,000	1.00	10,000	1.00

**(d) Terms/rights attached to equity shares:**

The Company has only one class of share capital, i.e. equity shares having face value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are not eligible to receive any share in the remaining assets of the Company.

**(e) List of Shareholders holding more than 5% of Share Capital along with number of shares held:**

Sr. No	Name of the Share Holder	As at 31.03.2024		As at 31.03.2023	
		No. of shares held	Percentage	No. of shares held	Percentage
1	Mr. Vipul Jain	3,333	33.33%	3,333	33.33%
2	Mr. Ashwini Kakkar	3,334	33.34%	3,334	33.34%
3	Mr. T.C.A. Rangachari	3,333	33.33%	3,333	33.33%

- (f) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended 31st March, 2024 are NIL; (Previous period of 5 years ended 31st March, 2023 are NIL).
- (g) The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding five years ended 31st March, 2024 are NIL; (Previous period of 5 years ended 31st March, 2023 are NIL).
- (h) The aggregate number of equity shares bought back in immediately preceding five years ended 31st March, 2024 are NIL; (Previous period of 5 years ended 31st March, 2023 are NIL).
- (i) No shares have been reserved for issue under options and contracts/commitments for the sale of shares / disinvestment.
- (j) No securities are issued which are convertible into equity/preference shares during the year.

Shares held by promoters at the end of the year						
Sr No	Promoter Name	No of shares		% of Total shares		% Change during the period
		As at 1st April 2023 Rs	As at 31st March 2024 Rs	As at 1st April 2023	As at 31st March 2024	
1	Mr. Vipul Jain	3,333	3,333	33.33%	33.33%	0.00%
2	Mr. Ashwini Kakkar	3,334	3,334	33.34%	33.34%	0.00%
3	Mr. T.C.A. Rangachari	3,333	3,333	33.33%	33.33%	0.00%





**ACTION AGAINST HUNGER FOUNDATION**  
Notes forming part of Financial Statements as at and for the year ended 31st March, 2024

**Note 3: Reserves and Surplus**

(Rs. in lacs)

Particulars	As at 31.03.2024	As at 31.03.2023
Accumulated Surplus As per last Balance sheet	599.84	590.43
Add: Surplus / (Deficit) for the year	(133.83)	9.41
<b>Total</b>	<b>466.01</b>	<b>599.84</b>

**Note 4: Long-term provisions**

Particulars	As at 31.03.2024	As at 31.03.2023
Provision for Employee Benefits: Provision for gratuity	41.00	43.29
<b>Total</b>	<b>41.00</b>	<b>43.29</b>

**Note 5: Grant Received in Advance**

Particulars	As at 31.03.2024	As at 31.03.2023
Grant received in advance - FCRA account	277.87	483.76
Grant received in advance - Other account	12.81	15.43
<b>Total</b>	<b>290.69</b>	<b>499.19</b>

**Note 6: Trade Payable**

Particulars	As at 31.03.2024	As at 31.03.2023
Trade Payable		
Due to Micro Enterprises and Small Enterprises	11.06	8.47
Due to Creditors other than Micro Enterprises and Small Enterprises	14.87	65.61
<b>Total</b>	<b>25.93</b>	<b>74.09</b>



**ACTION AGAINST HUNGER FOUNDATION**  
Notes forming part of Financial Statements : 2023-24

Trade Payables Ageing Schedule		As at 31st March, 2024				As at 31st March, 2023			
		Unbilled	Not Due	Less Than 1 year	Outstanding from due date of payment	Unbilled	Not Due	Less Than 1 year	Outstanding from due date of payment
Particulars									
1	Micro Enterprises and Small Enterprises	-	-	11.06	-	-	-	-	11.06
2	Other than Micro Enterprises and Small Enterprises	-	-	14.87	-	-	-	-	14.87
3	Disputed Dues-Micro Enterprises and Small Enterprises	-	-	-	-	-	-	-	-
4	Disputed Dues- Others	-	-	-	-	-	-	-	-
	<b>Total</b>	-	-	<b>25.93</b>	-	-	-	-	<b>25.93</b>
Particulars									
1	Micro Enterprises and Small Enterprises	-	-	8.47	-	-	-	-	8.47
2	Other than Micro Enterprises and Small Enterprises	-	-	65.61	-	-	-	-	65.61
3	Disputed Dues-Micro Enterprises and Small Enterprises	-	-	-	-	-	-	-	-
4	Disputed Dues- Others	-	-	-	-	-	-	-	-
	<b>Total</b>	-	-	<b>74.09</b>	-	-	-	-	<b>74.09</b>

Note : The Company has disclosed the above ageing based on the transaction date which generally coincides with the invoice date.



**ACTION AGAINST HUNGER FOUNDATION**  
Notes forming part of Financial Statements : 2023-24

**Note 7: Other Current Liabilities**

	Particulars	As at 31.03.2024	As at 31.03.2023
	Audit fee payable	6.15	3.05
	Statutory dues payable	19.32	18.93
	Other payable	1.33	5.22
	Gratuity Payable	0.77	-
	<b>Total</b>	<b>27.57</b>	<b>27.20</b>

**Note 8: Short-term provisions**

	Particulars	As at 31.03.2024	As at 31.03.2023
	<b>Provision for Employee Benefits:</b>		
	Provision for gratuity	5.63	4.72
	Provision for Leave Encashment	0.79	-
	<b>Total</b>	<b>6.43</b>	<b>4.72</b>



**ACTION AGAINST HUNGER FOUNDATION**  
Notes forming part of Financial Statements : 2023-24

**Note 9: Property Plant and Equipment and Intangible Assets**

**(A) Property, Plant and Equipment**

(Rs. in lacs)

Gross Block	Plant & Equipment	Furniture and fixtures	Office equipments	Computers	Total
Balance as at 1 April 2022	127.87	18.85	33.39	87.79	267.90
Additions	46.93	7.90	2.22	21.73	78.78
Disposals	-	-	-	-	-
Balance as at 31 March 2023	174.80	26.74	35.61	109.52	346.67
Balance as at 1 April 2023	174.80	26.74	35.61	109.52	346.67
Additions	6.71	2.95	3.99	4.18	17.83
Disposals	-	8.52	11.26	10.19	29.97
Balance as at 31 March 2024	181.51	21.17	28.34	103.51	334.53
<b>Accumulated Depreciation</b>					
Balance as at 1 April 2022	19.41	4.78	19.70	50.27	94.17
Depreciation	52.25	1.98	4.61	23.53	82.38
Disposal	-	-	-	-	-
Balance as at 31 March 2023	71.66	6.77	24.31	73.81	176.55
Balance as at 1 April 2023	71.66	6.77	24.31	73.81	176.55
Depreciation	59.47	2.30	3.54	21.30	86.61
Disposal	-	4.54	10.90	10.19	25.63
Balance as at 31 March 2024	131.13	4.52	16.95	84.92	237.52
<b>Net Block</b>					
Balance as at 31st March 2024	50.37	16.65	11.40	18.59	97.01
Balance as at 31 March 2023	103.13	19.98	11.30	35.71	170.13

**(b) Intangible Assets**

(Rs. in lacs)

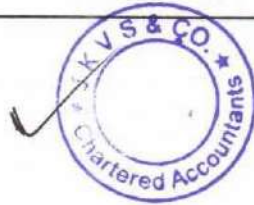
Gross Block	Software	Total
Balance as at 1 April 2022	4.86	4.86
Additions	4.18	4.18
Disposals	-	-
Balance as at 31 March 2023	9.03	9.03
Balance as at 1 April 2023	9.03	9.03
Additions	3.01	3.01
Disposals	0.61	0.61
Balance as at 31 March 2024	11.44	11.44
<b>Accumulated Depreciation</b>		
Balance as at 1 April 2022	2.09	2.09
Depreciation	1.12	1.12
Disposal	-	-
Balance as at 31 March 2023	3.21	3.21
Balance as at 1 April 2023	3.21	3.21
Depreciation	2.94	2.94
Disposal	0.61	0.61
Balance as at 31 March 2024	5.53	5.53
<b>Net Block</b>		
Balance as at 31 March 2024	5.91	5.91
Balance as at 31 March 2023	5.83	5.83



**ACTION AGAINST HUNGER FOUNDATION**  
**Notes forming part of Financial Statements as at and for the year ended 31st March, 2024**

**Note 10: Other Non-current assets**  
**( Unsecured)**

		(Rs. in lacs)	
Particulars	As at 31.03.2024	As at 31.03.2023	
Security Deposits - considered good	15.96	17.69	
Security Deposits - Considered doubtful	0.55	0.55	
Less : Provision for Doubtful Deposits	(0.55)	(0.55)	
Sub Total	15.96	17.69	
Fixed deposits with banks with maturity more than 12 months			
FCRA account	-	-	
Other account	147.43	6.20	
Interest Accrued on Fixed Deposits with Banks			
FCRA account	-	-	
Other account	-	0.01	
<b>Total</b>	<b>163.40</b>	<b>23.90</b>	



**ACTION AGAINST HUNGER FOUNDATION**

Notes forming part of Financial Statements as at and for the year ended 31st March, 2024

**Note 11: Cash and Cash Equivalents**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Cash and Cash Equivalents</b>		
<u>Balances with Bank in savings account</u>		
FCRA account	130.46	346.86
Other account	1.38	108.61
<u>Cash on Hand</u> (as taken and certified by management)	0.03	0.17
<b>Other Bank Balances</b>		
Fixed Deposits with banks with maturity more than 3 months		
FCRA account	327.33	450.00
Other account	0.00	84.82
<b>Total</b>	<b>459.19</b>	<b>990.46</b>

**Note 12: Short term Loans and Advances**  
(Unsecured, considered good)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Advances Recoverable in cash or kind for value to be received:</b>		
Prepaid Expenses	11.62	6.27
Others	3.96	4.98
<b>Income-Tax Receivable</b>		
Previous years*	13.35	10.65
Current year	1.51	2.70
<b>Total</b>	<b>30.45</b>	<b>24.61</b>

\* Subject to outcome of assessments

**Note 13 : Other Current Assets**  
(Unsecured considered good)

Particulars	As at 31.03.2024	As at 31.03.2023
Interest Accrued on Fixed Deposits with Banks		
FCRA account	2.88	2.98
Other account	2.33	1.02
Other Receivable	97.45	30.41
<b>Total</b>	<b>102.67</b>	<b>34.41</b>



**ACTION AGAINST HUNGER FOUNDATION**

Notes forming part of Financial Statements as at and for the year ended 31st March, 2024

**Note 14: Income from Grants and Donations**

(Rs. in lacs)

Particulars	2023-24	2022-23
<u>Grants and Donations</u>		
In FCRA account	828.91	1,122.71
In Other account	819.27	733.76
<b>Total</b>	<b>1,648.18</b>	<b>1,856.48</b>

**Note 15: Other Income**

Particulars	2023-24	2022-23
<b>Interest Income:</b>		
On Fixed Deposits	24.01	27.02
On savings bank account	10.66	19.73
On Income Tax refund	0.19	-
<b>Total</b>	<b>34.86</b>	<b>46.75</b>

**Note 16: Programme Cost**

Particulars	2023-24	2022-23
Programme Staff Expenses	927.76	849.81
Treatment and Related Expenses	399.95	602.73
Advocacy & Visibility	11.25	19.59
Field office support cost	51.23	47.03
Travel expenses	99.69	103.84
Communication Expenses	8.11	7.31
<b>Total</b>	<b>1,497.99</b>	<b>1,630.31</b>

**Note 17: General and Administrative cost**

Particulars	2023-24	2022-23
Non-programme staff salary	170.65	121.51
Administrative Expenses	47.85	54.29
Fund Raising Activities	-	0.17
Loss on Assets discarded	4.23	-
Provision for doubtful deposit	-	0.55
Auditors Remuneration *	6.61	3.50
<b>TOTAL</b>	<b>229.34</b>	<b>180.01</b>

\* including Rs.0.71 Lac paid to erstwhile Auditors



**Action Against Hunger Foundation**  
**Notes forming part of Financial Statements as at and for the year ended**  
**31<sup>st</sup> March 2024**

**NOTE 1**

**Background**

Action Against Hunger Foundation (the 'Company') was incorporated in Mumbai on 16th August, 2012 under Section 25 of the Companies Act, 1956 (now section 8 of the Companies Act, 2013) with the objective of eradicating malnutrition and protecting children from hunger in India.

The Company is registered under the Foreign Contribution (Regulation) Act, 2010 bearing Registration Number: 083781496 vide letter number 0100025612015-dated 24th February, 2016 and the same was renewed vide letter number 0300002532020 dated 30<sup>th</sup> March, 2021 with a validity period of five years with effect from 1<sup>st</sup> June, 2021.

The financial statement of the Company for the year ended 31<sup>st</sup> March, 2024 were approved on 11<sup>th</sup> September, 2024 for issue in accordance with the resolution passed at the meeting of the Board of Directors.

**Significant Accounting Policies**

**1. Basis of accounting**

The financial statements have been prepared on accrual basis under the historical cost convention in accordance with the generally accepted accounting principles in India, the Companies Act, 2013 (the 'Act'), to the extent applicable.

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of financial statements. Examples of such estimates include the useful lives of tangible assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, etc. difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

The Company has Indian Rupee as its functional currency.

**2. Presentation and disclosure**

The Financial Statements of the Company have been prepared in accordance with the Accounting Standards (AS) notified under section 133 of the Companies Act, 2013 (the 'Act') read with the Companies (Accounting Standard) Rules, 2021 and the presentation requirements of Schedule III to the Act. As stated in the above notification the Company has made the disclosures specified in the Schedule III to the Act, to the extent those disclosures are applicable and reportable.





**Action Against Hunger Foundation**  
**Notes forming part of Financial Statements as at and for the year ended**  
**31<sup>st</sup> March 2024**

**3. Operating Cycle**

The operating cycle of the Company is twelve months.

**4. Small and medium sized company**

The Company is a "small and medium sized company" as defined in Rule 2(1)(f) of the Companies (Accounting Standards) Rules, 2021, read with Rule 7 of the Companies (Accounts) Rules, 2014 specified under Section 133 of the Act. Accordingly, it has complied with the Accounting Standards to the extent applicable to such companies.

**5. Revenue Recognition**

**Restricted Funds**

Revenue from restricted grants/donations is recognized during the year in the Income and Expenditure Account to the extent utilized to match the related expenditure. Restricted grants /donations remaining unexpended at the balance sheet date are disclosed as "Grant Received in Advance" under current liabilities.

Any unspent balance left over from the closed project will be written back in the same financial year to Income and Expenditure Account.

**Un-restricted Funds**

The Company receives un-restricted funds from donors. It is accounted for in the year of receipt. The excess of Income over expenditure during the year, being general purpose in nature is carried forward for use in the future periods.

**6. Other Income**

Interest income on Fixed Deposits from Bank is accounted on accrual basis and on a time proportionate basis.

Other Items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

**7. Allocation of Salary**

Salary has been allocated in Programme and Non Programme Activities on the basis of proportion decided by the management.

**8. Employee Benefits**

**a. Short-term employee benefits**

All employee benefits like salaries, wages, short-term compensated absences, etc. falling due wholly within twelve months of rendering the service are classified as short-term employee benefits.



**Action Against Hunger Foundation**  
**Notes forming part of Financial Statements as at and for the year ended**  
**31<sup>st</sup> March 2024**

b. Post-employment benefits

i) Defined contribution plans

The Company's state governed provident fund and employee pension scheme are the defined contribution plans. Contribution is made in accordance with the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and is recognized as an expense on the accrual basis. The Company has no further obligation under these plans beyond its monthly contribution.

ii) Defined benefit plans

The Company provides for gratuity, a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, resignation, incapacitation, of an amount based on the respective employee's salary and the tenure of employment.

The present value of the obligations for the gratuity is determined based on actuarial valuation using the projected unit credit method that recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flow. The discount rates used for determining the present value of the obligation is based on market yield on Government securities at the balance sheet date, having maturity periods approximating to the terms of related obligations. The fair value of the plan assets is reduced from the obligation to recognised the obligation on a net basis.

Provision for gratuity is made in the financial statement is not funded.

**9. a. Property, plant and equipment**

Property, plant and equipment (PPE) are stated at cost net of recoverable taxes, accumulated depreciation and impairment losses if any. All costs including finance costs and expenses incidental to acquisition and installation attributable to property, plant and equipment till the date of readiness of their use are capitalized.

PPE received as Grants and Donation are accounted at fair value as determined by the Company on the date of receipt of the asset.

PPE are eliminated from financial statements, either on disposal or when retired from active use, Generally, such retired assets are disposed off soon thereafter.

Residual value of all the above assets is considered as Rs. NIL.

The estimated useful life and residual value are reviewed at each reporting date and the effect of any change in the estimates in useful life/residual value is accounted on prospective basis.



**Action Against Hunger Foundation**  
**Notes forming part of Financial Statements as at and for the year ended**  
**31<sup>st</sup> March 2024**

**b. Intangible Assets**

Intangible Assets are stated at cost which is directly attributable and allocated in making the Asset.

Residual value of the above assets is considered as Rs. NIL.

**10. Depreciation / Amortisation**

**a. Property, plant and equipment**

Depreciation is provided on straight line method based on useful life of the assets as prescribed in Schedule II to the Act. Depreciation on assets added or deleted during the year is provided for on pro-rata basis (number of days).

Except in respect of Plant and Equipment as given below:

As per the opinion of the management of the Company, the Plant and Equipment is depreciated over the useful life of three years instead of useful life of 15 years as per schedule II of the Companies Act, 2013 based on technical evaluation done by the operations team since the asset is used extensively in the hospital sector.

**b. Intangible Assets**

Software is amortised over the period of ten years.

**11. Foreign Currency Transactions**

- a. The reporting currency of the company is Indian Rupee
- b. Foreign currency transactions are recorded on initial recognition in the reporting currency using the exchange rate at the date of transaction.
- c. At each balance sheet date, foreign currency monetary items are reported using the closing rate.
- d. Exchange differences that arise on settlement of monetary items at each balance sheet date at the closing rate are recognised as income or expense in the period in which they arise.

**12. Taxation**

The Company is exempt from income tax under Section 12AA of the Income tax Act ("the Act"), 1961 and apart from tax liability, if any, on anonymous donations under Section 115BBC of the Act, no provision for taxation is required. Since, the Company is exempt from income tax, no deferred tax (asset or liability) is required to be recognized in respect of timing differences.

Current tax, if any, will be determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Act, and based on outcome of assessments / appeals.



## Action Against Hunger Foundation

Notes forming part of Financial Statements as at and for the year ended  
31<sup>st</sup> March 2024

### 13. Provisions, Contingent Liabilities and Contingent Assets

- (a) A provision is recognised if, as a result of a past event if the Company has a present legal obligation that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimates of the outflow of economic benefits required to settle the obligation at the reporting date.
- (b) A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
- (c) Contingent assets are neither recognised nor disclosed in the financial statements.

### 14. Contingencies and Events occurring after the Balance Sheet date:

- (a) Accounting for contingencies (gains and losses) arising out of contractual obligations are made on the basis of mutual acceptances.
- (b) Where material, events occurring after the Balance sheet date are considered upto the date of approval of accounts by the Board of Directors.



**Action Against Hunger Foundation**  
**Notes forming part of Financial Statements as at and for the year ended**  
**31<sup>st</sup> March 2024**

**NOTE 18**

**Other Notes to Financial Statements**

**1. Contingent Liabilities**

- (a) The Income Tax Department has issued demand notice amounting to Rs.132.34 Lacs for Assessment year 2018-19 for certain issues specified in the assessment order. The Company has filed an appeal against the said order before the Commissioner of Income Tax (Appeals). The Management of the Company is of the opinion that the demand will not be tenable hence no provision for the same is required.
- (b) The Company has filed the application for rectification of the orders passed by the Assessing Officer for the Assessment years 2014-15 and 2015-16 for the amount of Rs.5.66 Lacs and Rs.0.59 Lacs respectively. The applications filed by the Company are pending rectification with Assessing Officer. The Management of the Company is of the opinion that the demand will not be tenable, hence no provision for the amount demanded is required to be made in the financial statements.
- (c) There are no claims against the Company acknowledged as debts.

**2. Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs NIL (Previous year Rs. NIL).

**3. Disclosure pursuant to Accounting Standard (AS) 15, *Employee Benefits***

**Defined contribution plans:**

Amount of Rs.66.00 Lacs (Previous year: Rs. 60.67 Lacs) is recognised as an expense and included in Programme staff expense and Non-programme staff salary as under the following defined contribution plans.

Benefits / (Contribution to)	2023-24 (Rs. In lacs)	2022-23 (Rs. In lacs)
Provident Fund	57.86	53.17
Employee state insurance scheme	8.14	7.50
<b>Total</b>	<b>66.00</b>	<b>60.67</b>



**Action Against Hunger Foundation**  
**Notes forming part of Financial Statements as at and for the year ended**  
**31<sup>st</sup> March 2024**

**Defined benefit plans:**

- a) The amounts recognized in the Balance Sheet in respect of Gratuity Fund (Unfunded) are as follows –

<b>Particulars</b>	<b>As at 31.03.2024 (Rs. in lacs)</b>	<b>As at 31.03.2023 (Rs. in lacs)</b>
Present value of unfunded obligations at the end of the period	46.63	48.00
Less : Fair Value of Plan Assets	-	-
Amount to be recognized as liability at the end of the period	46.63	48.00
Amount reflecting in the Balance Sheet as Current Liability	5.63	4.72
Amount reflecting in the Balance Sheet as Non – Current Liability	41.00	43.28

- b) The amounts recognized in the Income and Expenditure Account for gratuity liability are as follows:-

	<b>Year ended 31.03.2024 (Rs. in lacs)</b>	<b>Year ended 31.03.2023 (Rs. in lacs)</b>
Current Service Cost	15.34	12.92
Interest Cost	3.35	2.15
Net Actuarial Losses/(Gains) recognized in the year	2.28	4.45
Recognised Past Service Cost-Vested		1.14
<b>Expenses recognized in the Income and Expenditure Account</b>	<b>*20.97</b>	<b>20.66</b>

\*included in Programme and Non programme staff expenses respectively.



**Action Against Hunger Foundation**  
**Notes forming part of Financial Statements as at and for the year ended**  
**31<sup>st</sup> March 2024**

**4. Disclosures as required by Accounting Standard (AS) 17 Segment Reporting:**

The Company being a "small and medium sized company" as defined in Rule 2(1)(f) of the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 specified under Section 133 of the Act, the information as regards Accounting Standard is not required to be given.

**5. Disclosures as required by Accounting Standard (AS) 18 Related Party Disclosures :**

The name of related parties of the Company and their relationship, as required to be disclosed under Accounting Standard 18, are as follows:

**Key Management Personnel:**

Sr. No.	Name	Relationship
1	Mr. Ashwini Kakkar	Chairman
2	Mr. Vipul Jain	Director
3	Mr. T.C.A. Rangachari	Director

There were no transactions with the related parties during the year.

**6. Disclosures as required by Accounting Standard (AS) 19 Leases:**

The Company has not entered into any finance lease as specified in the Accounting Standard.

The Company has however, taken commercial premises under cancellable operating leases, the future minimum lease payments in respect of which are as follows:

Sr, No	Particulars	As at 31.03.2024 (Rs. in lacs)	As at 31.03.2023 (Rs. in lacs)
1	Payable not later than 1 year	53.64	44.61
2	Payable later than 1 year and not later than 5 years	84.61	114.81
3	Payable later than 5 years	-	-
	<b>Total</b>	<b>138.25</b>	<b>159.42</b>

These lease agreements are normally renewed on expiry, wherever required. There are no exceptional or restrictive covenants in the lease agreements.

Lease rental expense Rs.54.97 Lacs (Previous year Rs. 55.49 Lacs).

Contingent rent recognized in the Income and Expenditure Account Rs. NIL (Previous year Rs. NIL)



**Action Against Hunger Foundation**  
**Notes forming part of Financial Statements as at and for the year ended**  
**31<sup>st</sup> March 2024**

**7. Disclosures as required by Accounting Standard (AS) 20 Earnings Per Share:**

The disclosure requirements in respect of Accounting Standard, are as under:

Particulars	2023-24	2022-23
Excess of Income over Expenditure for the year (Rs.) (A) (Rs. in Lacs)	(133.83)	9.41
Weighted average number of equity shares (Nos) (B) (In nos.)	10,000	10,000
Earnings per share – Basic and diluted in (Rs.) (A / B)	(1338.32)	94.09
Nominal value per share (Rs.)	10	10

**8. Earning in Foreign Currency**

Amount received during the year in foreign currency

Particulars	2023-24 (Rs. in lacs)	2022-23 (Rs. in lacs)
Income from Grant/Donation	522.73	709.44
<b>Total</b>	<b>522.73</b>	<b>709.44</b>

**9. Expenditure in Foreign Exchange**

Amount remitted during the year in foreign currency, on account of expenses

Particulars	2023-24 (Rs. in lacs)	2022-23 (Rs. in lacs)
Travelling, stipend and Conveyance	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**10. Auditors' Remuneration (Inclusive of applicable taxes)**

Particulars	2023-24 (Rs. in lacs)	2022-23 (Rs. in lacs)
Statutory Audit	* 6.61	2.36
Taxation services	-	0.28
Certification	-	0.77
Reimbursement of Out of pocket expenses	-	0.08
<b>Total</b>	<b>6.61</b>	<b>3.49</b>

\* including Rs.0.71 Lac paid to erstwhile Auditors





**Action Against Hunger Foundation**  
**Notes forming part of Financial Statements as at and for the year ended**  
**31<sup>st</sup> March 2024**

**11. Income Tax**

The Company is exempt from income tax under Section 12AA of the Income tax ("Act"), 1961 and apart from tax liability, if any, on anonymous donations under Section 115BBC of the Act, no provision for taxation is required. Since the Company is exempt from income tax, no deferred tax (asset or liability) as per AS 22, Accounting for taxes on income is required to be recognized in respect of timing differences.

**12. Disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT)**

Based on the information received by the Company from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006, total outstanding dues to any suppliers covered under this Act as at 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March 2023 was Rs.11.06 Lacs and Rs. 8.47 Lacs respectively. Interest due thereon remaining unpaid as at 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 was Rs NIL/- and Rs 0.02 Lacs respectively.

**13. Remuneration to Board of Directors**

The Members of the Board of Directors of the Company were not paid any remuneration/sitting fees for the current year (Previous year Rs. Nil)

**14. Appointment of Whole- Time Secretary.**

Since Paid up Capital of the Company is less than the threshold limit as prescribed under section 203 of the Act, there is no requirement to appoint whole- time secretary.

**15. Corporate Social Responsibility.**

The Management of the Company is of the view that the Company does not fall within the purview of Section 135 of the Act, hence, there is no obligation for compliance of the above section.

**16. The Code on Social Security, 2020**

The Code on Social Security, 2020 ('the Code') relating to employee benefits during employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.



**Action Against Hunger Foundation**  
**Notes forming part of Financial Statements as at and for the year ended**  
**31<sup>st</sup> March 2024**

**17. Analytical Ratios**

The following are the analytical ratios for the year ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 as applicable to the company:

Type of Ratios	Numerator	Denominator	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	% variation	Reason for variation greater than 25%
Current Ratio	Current Assets	Current Liabilities	1.69	1.73	2.58%	Not Applicable
Return on Equity Ratio	Surplus after Tax	Average Shareholder Equity	-25.07%	1.58%	-1686.44%	Reduced donations compared to previous year
Trade Payable Turnover Ratio	Net Credit Purchases/ service	Average Trade Payables	11.78	11.49	2.51%	Refurbishment work on the AWC was completed in the last quarter.
Net Capital Turnover Ratio	Net Income	Average Working capital	4.81	4.25	13.10%	Not Applicable
Net Profit Ratio	Surplus after Tax	Income from Grants and Donations	(-) 8.12%	0.51%	(-)1702.22%	Reduced donations compared to previous year

**18. Previous year's figures have been regrouped, wherever necessary.**

Signature to Notes 1 to 18

J K V S & Co.  
 Chartered Accountants  
 Firm's Registration No.318086E  
 by the hand of

VIJAY S BAPNA  
 Partner  
 Membership No. 016040



Place: Mumbai  
 Date : 11<sup>th</sup> September, 2024

*Vipul Jain*  
 VIPUL JAIN  
 Director  
 DIN: 00142518

*Ashwini Kakkhar*  
 ASHWINI KAKKAR  
 Director  
 DIN: 00390787

Place: Mumbai  
 Date : 11<sup>th</sup> September, 2024

