ANNUAL FINANCIAL REPORT

AS ON MARCH 31, 2026

Deshpande Foundation

DESHPANDE FOUNDATION

DCSE Building, BVB Campus, Vidyanagar, Hubballi - 580031,

SURESH & CO.
Chartered Accountants

'SRINIDHI', #43/61, 1st Floor,
Surveyors Street, Basavanagudi,
Bengaluru - 560 004

Tele: 080-26623610/11
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INDEPENDENT AUDITOR'S REPORT

To the Trustees of Deshpande Foundation

Opinion

We have audited the accompanying financial statements of **Deshpande Foundation (PAN: AABTD0867D) (hereinafter referred to as *"the Trust"*)** which comprises the Balance Sheet as at March 31, 2026, the Statement of Income and Expenditure, Statement of Receipts and Payments for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and explanations given to us, the aforesaid financial statements give a true and fair view of the financial position of the Trust as at March 31, 2026 and of its financial performance being Excess of Income Over Expenditure (Surplus) for the year then ended in accordance with the requirements of the applicable Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and in conformity with the accounting principles generally accepted in India.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the entity in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Trust's Management and those charged with governance for the Financial Statements

The Trust's Management is responsible for the preparation and presentation of the financial statements in accordance with the provisions of the aforesaid generally accepted accounting principles and for such internal control as Trust's management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Trust'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 Trust's management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Trust's financial reporting process.

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Auditor's Responsibility 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 judgement 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, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the 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 Trust'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 Trust to cease to continue as a going concern.

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.

for **SURESH & CO.**
Chartered Accountants
Firm Registration No.: 004255S

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Udupi Vikram
Partner
Membership No.: 227984
Bengaluru
July 21, 2026
UDIN: 26227984EJHZXM5357

DESHPANDE FOUNDATION

DCSE Building, BVB Campus, Vidyanagar, Hubballi - 580031

Balance Sheet as at March 31, 2026

Particulars	Schedule	As at March 31, 2026 Amount in INR	As at March 31, 2025 Amount in INR
Sources of Funds			
Corpus and Capital funds	A	1,02,63,97,447	86,72,41,615
TOTAL		**1,02,63,97,447**	**86,72,41,615**
Application of Funds			
Property, Plant, and Equipment	B		
a) Gross Block		98,87,98,576	98,82,53,879
b) **Less:** Depreciation		(49,87,11,853)	(45,68,86,283)
c) Capital Work in Progress		29,16,58,064	18,19,21,881
NET BLOCK (a-b+c)		**78,17,44,787**	**71,32,89,477**
Current Assets			
Bank balances	C	34,95,81,855	13,79,81,719
Loans, Advances, Receivables and Deposits	D	4,16,38,509	4,33,08,901
TOTAL - I		**39,12,20,364**	**18,12,90,620**
Less: Current liabilities and provisions			
Current liabilities	E	1,52,67,810	1,98,86,707
Unutilised grants	F	13,00,00,000	56,91,542
Provisions	G	12,99,894	17,60,233
TOTAL - II		**14,65,67,704**	**2,73,38,482**
NET CURRENT ASSETS (I - II)		**24,46,52,660**	**15,39,52,138**
TOTAL		**1,02,63,97,447**	**86,72,41,615**
Significant Accounting Policies and Explanatory Notes to the Financial Statements	**Schedules 1 and 2**		

Schedules 1 and 2 and A to Q form an Integral part of the financial statements

Refer to our Report of even date attached
for **SURESH & CO.**
Chartered Accountants
FRN: 004255S

SURESH & CO. Bangalore CHARTERED ACCOUNTANTS

Udupi Vikram
Partner
Membership No.: 227984
Bengaluru
July 21, 2026

For and on behalf of Board of Trustees of
DESHPANDE FOUNDATION

DESHPANDE FOUNDATION Vidyanagar, HUBLI

Rayavarapu Ramarao
Chairman, Board of Trustees
Bengaluru
July 21, 2026

Parthasarathy Sudarsanam
Head - Finance and Accounts
Hubballi
July 21, 2026

DESHPANDE FOUNDATION

DCSE Building, BVB Campus, Vidyanagar, Hubballi - 580031

Income and Expenditure Account for the Year Ended March 31, 2026

Particulars	Schedule	For the year ended March 31, 2026 Amount in INR	For the year ended March 31, 2025 Amount in INR
Income			
Foreign Contributions	H	10,01,75,000	17,11,54,703
Contributions/grants - Domestic	I	81,91,542	1,06,29,724
Program registrations and other donations	J	-	3,06,192
Interest earned	K	1,96,29,817	1,10,46,946
Other income	L	8,35,184	7,50,225
Total Income		**12,88,31,543**	**19,38,87,790**
Expenditure			
Program expenses - Direct	M	4,76,89,306	16,87,14,427
Employees' cost and benefits	N	1,05,88,013	2,80,20,578
Administration and other operating expenses	O	1,90,97,246	2,04,53,281
Finance Cost	P	-	82,38,482
Auditor's remuneration	Q	5,15,576	5,27,766
Depreciation and Amortization	B	4,18,25,571	4,73,44,849
Total Expenditure		**11,97,15,712**	**27,32,99,383**
Surplus/(deficit) for the year		**91,15,831**	**(7,94,11,593)**
Significant Accounting Policies and Explanatory Notes to the Financial Statements	**Schedules 1 and 2**		

Schedules 1 and 2 and A to Q form an Integral part of the financial statements

Refer to our Report of even date attached
for SURESH & CO.
Chartered Accountants
FRN: 004255S

SURESH & CO. Bangalore CHARTERED ACCOUNTANTS

Udupi Vikram
Partner
Membership No.: 227984
Bengaluru
July 21, 2026

For and on behalf of Board of Trustees of
DESHPANDE FOUNDATION

Rayavarapu Ramarao
Chairman, Board of Trustees
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DESHPANDE FOUNDATION Vidyanagar, H...

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DESHPANDE FOUNDATION

DCSE Building, BVB Campus, Vidyanagar, Hubballi - 580031

Receipts and Payments Account for the year ended on March 31, 2026

Particulars	Annexure	Year Ended March 31, 2026 INR	Year Ended March 31, 2025 INR
Opening Balance			
Cash and Bank Balances	1	13,69,54,478	4,64,11,618
Add: Receipts			
Corpus Fund/ grant		15,00,40,000	20,70,58,500
Foreign contribution grants	2	23,41,20,507	16,10,38,078
Contributions/grants - Other than Foreign Contributions	3	81,91,542	1,63,21,266
Program registrations and other donations		-	3,06,192
Interest Received	4	1,67,17,833	1,17,81,966
Other Income	5	8,00,401	9,14,399
Bank OD Facility		-	(4,45,46,710)
Total Receipts		**54,68,24,761**	**39,92,85,309**
Less: Payments			
Program Expenses	6	5,14,47,061	14,84,32,683
Employees' Costs & Benefits	7	1,07,47,965	2,74,45,956
Administration and Other Operating expenses	8	1,93,83,611	2,00,27,415
Auditors Remuneration	9	5,33,149	5,27,766
Finance Cost		-	82,38,482
Additions to Fixed Assets	10	11,01,64,202	10,46,99,751
Additions to Fixed Deposits	11	11,11,94,832	(5,03,46,387)
Other Payments	12	59,94,159	33,05,165
Total Payments		**30,94,64,979**	**26,23,30,831**
Closing Balance	1	**23,73,59,782**	**13,69,54,478**
Cash and Bank Balances			

Annexures 1 to 12 form an Integral part of financial statements

For **SURESH & CO.**
Chartered Accountants
FRN: 004255S

SURESH & CO. Bangalore CHARTERED ACCOUNTANTS

Udupi Vikram
Partner
Membership No.: 227984
Bengaluru
July 21, 2026

For and on behalf of Board of Trustees of
DESHPANDE FOUNDATION

Rayavarapu Ramarao
Chairman, Board of Trustees
Bengaluru
July 21, 2026

Parthasarathy Sudarsanam
Head - Finance and Accounts
Hubballi
July 21, 2026

DESHPANDE FOUNDATION

DCSE Building, BVB Campus, Vidyanagar, Hubballi - 580031

Schedules to and forming part of the financial statements as at March 31, 2026

Schedule Reference	Particulars	As at March 31,2026 INR	As at March 31,2025 INR
A	**a. Corpus Fund**		
	Opening balance	86,72,41,612	73,95,94,705
	Add: Foreign contribution received - Fidelity Charitable	15,00,40,000	20,70,58,500
		1,01,72,81,612	94,66,53,205
	Add/ less: Surplus/(deficit) for the year	91,15,831	(7,94,11,593)
	Closing balance (a)	1,02,63,97,443	86,72,41,612
	b. Capital Fund		
	Opening balance	4	4
	Closing balance (b)	4	4
	Corpus and Capital Funds Closing Balance (a+b)	**1,02,63,97,447**	**86,72,41,615**
B	**Property, Plant, and Equipment** (Schedule attached separatly)	78,17,44,787	71,32,89,477
C	**Bank Balances**		
	A. In Savings Account		
	a. Designated Foreign Contribution Account		
	State Bank of India New Delhi Main Branch	62,23,436	16,55,192
	b. Foreign Contribution utilisation Accounts		
	HDFC Bank	1,32,526	1,26,476
	ICICI Bank	-	86,785
	Kotak Bank	36,22,977	6,98,88,783
	RBL Bank	17,88,79,345	98,20,950
	State Bank of India	2,40,129	7,26,748
	Yes Bank	-	21,66,643
		18,28,74,977	**8,28,16,385**
	c. Other Bank Accounts		
	HDFC Bank	-	45,859
	RBL Bank	4,78,23,816	5,18,60,913
	State bank of India	4,37,553	5,76,129
	Total of savings bank accounts	**4,82,61,369**	**5,24,82,901**
	d. Term deposit accounts		
	Kotak Mahindra Bank	3,07,92,745	4,96,837
	RBL Bank	5,72,612	5,30,404
	State Bank of India	5,00,00,000	-
	HDFC Bank	3,08,56,716	-
	Total of term deposits	**11,22,22,073**	**10,27,241**
	TOTAL (a+b+c+d)	**34,95,81,855**	**13,79,81,719**

DESHPANDE FOUNDATION ★ Vidyanagar, HUBLI-31. ★

DESHPANDE FOUNDATION

DCSE Building, BVB Campus, Vidyanagar, Hubballi - 580031

Schedules to and forming part of the financial statements as at March 31, 2026

Schedule Reference		Particulars	As at March 31,2026 INR	As at March 31,2025 INR
D		**Loans, Advances, Receivables and Deposits**		
		Advance for services/supplies	41,778	17,18,074
		Advance for construction/capital goods	1,79,17,016	1,57,61,147
		Gratuity Fund	79,08,182	89,83,096
		Other Receivables	64,15,346	65,86,528
		Receivable from BCI - GIF	-	39,45,507
		Rent and Other Deposits	25,17,806	25,98,886
		Prepaid Expenses	17,60,352	18,42,393
		Tax deducted at source receivable	19,25,901	13,83,151
		Interest Accrued on Deposits	31,30,851	3,24,385
		Office Advance	21,277	2,83,406
			4,16,38,509	**4,34,26,573**
		Less: Provision for doubtful advances	-	(1,17,672)
		TOTAL	**4,16,38,509**	**4,33,08,901**
E		**Current Liabilities**		
	a	Dues to employees		
		Salary payable	3,72,693	14,25,479
		Other Payables to employees	84,404	88,319
			4,57,097	15,13,798
	b	Statutory dues		
		Tax Deduction at Source	3,70,414	7,49,460
		Provident Fund	1,61,614	1,94,729
		Professional Tax	7,400	8,200
		Employee State insurance	1,595	6,667
			5,41,023	9,59,056
	c	Sundry creditors		
		Creditors for expenses	32,15,992	89,70,244
		Creditors for construction	1,10,35,167	84,22,230
			1,42,51,159	1,73,92,474
	d	Others		
		Dues on credit cards	18,531	21,379
			18,531	21,379
		TOTAL	**1,52,67,810**	**1,98,86,707**
F		**Unutilised Grants**		
		Foreign Contribution (Refer note no.6)	13,00,00,000	-
		Others	-	56,91,542
			13,00,00,000	**56,91,542**
G		**Provisions**		
		Provision for leave encashment	6,98,267	8,53,033
		Internal Audit Fees Payable	1,44,000	4,32,000
		Statutory Audit Fees Payable	4,57,627	4,75,200
			12,99,894	**17,60,233**

DESHPANDE FOUNDATION ★ Vidyanagar, HUBLI-31. ★

DESHPANDE FOUNDATION

DCSE Building, BVB Campus, Vidyanagar, Hubballi - 580031

Schedules to and forming part of the financial statements for the year ended March 31, 2026

Schedule Reference	Particulars	Year Ended March 31, 2026 INR	Year Ended March 31, 2025 INR
H	**Foreign contribution grants**		
	Fidelity Charitable	10,01,75,000	12,20,59,940
	BCI - GIF	-	4,55,56,190
	IDH Sustainable Trade Initiative	-	17,48,741
	Synchrony Myriad	-	8,64,268
	LDC-Jagruti	-	7,00,000
	BCI - LIP	-	2,25,564
	(Excluding unutilized grant; Refer note no.6)		
	TOTAL	**10,01,75,000**	**17,11,54,703**
I	**Contributions/grants - Domestic**		
	Microsoft India (R&D) PVT Ltd.	56,91,542	93,22,224
	Phanindra Sama	-	12,00,000
	NABARD	-	1,07,500
	IIFL Samasta Finance Limited- Grants	25,00,000	-
	TOTAL	**81,91,542**	**1,06,29,724**
J	**Program registrations and other donations**		
	Program support and registration	-	3,06,192
		-	**3,06,192**
K	**Interest earned**		
	on FC savings accounts	1,15,09,691	37,07,969
	on Nonfc savings accounts	29,62,554	40,20,954
	on deposits	51,57,572	33,08,389
	on IT refund	-	9,634
	TOTAL	**1,96,29,817**	**1,10,46,946**
L	**Other income**		
	Profit on sale of vehicle	-	1,88,344
	Exchange gain	4,23,685	-
	Dues no longer payables	34,759	6,666
	Community Contribution	3,13,430	4,68,000
	Others	63,310	87,215
	TOTAL	**8,35,184**	**7,50,225**

DESHPANDE FOUNDATION ★ Vidyanagar, HUBLI-31. ★

DESHPANDE FOUNDATION

DCSE Building, BVB Campus, Vidyanagar, Hubballi - 580031

Schedules to and forming part of the financial statements for the year ended March 31, 2026

Schedule Reference	Particulars	Year Ended March 31, 2026 INR	Year Ended March 31, 2025 INR
M	**Program expenses - direct**		
	Better cotton initiatives project (Refer note no.7.a. of schedule 2)	-	6,91,71,099
	Agricultural Programs (Refer note no. 7.b. of schedule 2)	3,98,04,811	7,75,39,263
	Skilling Program expenses	21,29,538	40,33,755
	Funded Skilling program expenses	-	87,17,391
	Other Programs/Projects	40,31,003	36,04,277
	Program promotional events	-	48,90,756
	Micro Entrepreneurship Programs	17,23,954	7,57,886
	TOTAL	**4,76,89,306**	**16,87,14,427**
N	**Employees' cost and benefits**		
	Staff salaries	75,29,661	2,30,76,325
	Staff insurance, medical and other Welfare expenses	13,52,986	31,56,868
	Leave encashment	2,36,971	7,23,824
	Gratuity	10,87,138	5,27,936
	EPF- Employer contributions	3,70,282	4,93,663
	ESI- Employer contributions	10,975	41,962
	TOTAL	**1,05,88,013**	**2,80,20,578**
O	**Administration and other operating expenses**		
	Accommodation expenses	1,19,662	2,81,606
	Computer and website maintenance	53,511	12,744
	Bank Charges	44,167	72,674
	Interest on Delayed Payments on Statutory Dues	-	1,249
	Electricity and Water charges	5,57,464	5,56,847
	Food and beverages	1,81,246	2,80,969
	General maintenance expenses	6,28,609	4,72,419
	Journals, subscriptions and memberships	10,223	14,714
	Lease and rental	2,92,724	3,62,313
	Printing and stationery	63,699	54,452
	Professional Fees	71,36,583	96,01,504
	Professional Fees - payroll and HR Services	19,38,722	5,43,539
	Rates, taxes and insurance	25,79,565	17,09,698
	Security and house keeping charges	28,40,194	31,80,143
	Communication expenses	6,92,436	11,33,392
	Travelling and conveyance	15,64,042	14,17,439
	Vehicle maintenance	3,92,764	3,31,713
	Receivables write off	1,635	4,25,866
	TOTAL	**1,90,97,246**	**2,04,53,281**
P	**Finance Cost**		
	Interest paid on overdraft and loans	-	82,38,482
	TOTAL	**-**	**82,38,482**
Q	**Auditors remuneration**		
	For Audit services	3,97,966	3,97,966
	Other services	1,17,610	1,29,800
	TOTAL	**5,15,576**	**5,27,766**

DESHPANDE FOUNDATION ★ Vidyanagar, HUBLI-31. ★

DESHPANDE FOUNDATION

DCSE Building, BVB Campus, Vidyanagar, Hubballi - 580031

Annexure to Receipts and Payments Accounts for the year ended on March 31, 2026

Annexure		Particulars	Year Ended March 31, 2026 INR	Year Ended March 31, 2025 INR
1		**Cash and Bank Balances**		
	i.	Cash in Hand	-	-
	ii.	Cash at Bank		
	a	In Savings Bank Accounts		
		State Bank of India Foreign Currency receipt account	62,23,436	16,55,192
	b	**Foreign Currency Utilisation Accounts**		
		HDFC Bank	1,32,526	1,26,476
		ICICI Bank	-	86,785
		Kotak Mahindra Bank	36,22,977	6,98,88,783
		RBL Bank	17,88,79,345	98,20,950
		State Bank of India	2,40,129	7,26,748
		Yes Bank	-	21,66,643
	c	**Other, Rupee denominated account**		
		HDFC Bank	-	45,859
		RBL Bank	4,78,23,816	5,18,60,913
		State Bank of India	4,37,553	5,76,129
		Total	**23,73,59,782**	**13,69,54,478**
2		**Foreign currency contributions and grants**		
		Fidility Charitable Trust	23,01,75,000	12,20,59,940
		BCI - GIF	-	3,71,88,306
		BCI - GIF (Receivable for FY 2024-25)	39,45,507	-
		BCI - LIP	-	2,25,564
		Synchrony Myriad	-	8,64,268
		LDC-Jagruti	-	7,00,000
		Total	**23,41,20,507**	**16,10,38,078**
3		**Other contributions and grants**		
		Microsoft India (R&D) PVT Ltd.	56,91,542	1,50,13,766
		Grant From NABARD	-	1,07,500
		Phanindra Sama Grant	-	12,00,000
		IIFL Samasta Finance Limited- Grants	25,00,000	-
		Total	**81,91,542**	**1,63,21,266**
4		**Interest Received**		
		on FC savings accounts	1,15,09,691	37,07,969
		on Nonfc savings accounts	29,62,554	40,20,954
		Interest income from deposits	22,45,588	40,43,409
		Interest on IT Refund	-	9,634
		Total	**1,67,17,833**	**1,17,81,966**
5		**Other Receipts**		
		Sale proceeds of vehicles	-	3,59,208
		Community Contribution	3,13,430	4,68,000
		Realised Exchange gain	4,23,685	-
		Others	63,286	87,191
		Total	**8,00,401**	**9,14,399**

DESHPANDE FOUNDATION ★ Vidyanagar, HUBLI-31. ★

DESHPANDE FOUNDATION

DCSE Building, BVB Campus, Vidyanagar, Hubballi - 580031

Annexure to Receipts and Payments Accounts for the year ended on March 31, 2026

Annexure	Particulars	Year Ended March 31, 2026 INR	Year Ended March 31, 2025 INR
6	**Program Expenses**		
	IDH Sustainable Trade Initiative - Better Cotton	-	6,91,71,099
	Agricultural Programs	3,98,04,812	7,75,39,263
	Skilling Program expenses	21,29,538	40,33,755
	Funded Skilling program expenses	-	87,17,391
	Other Programs/Projects	36,90,614	36,04,277
	Program promotional events	-	48,90,756
	Micro Entrepreneurship Programs	17,23,953	7,57,886
	Adjustments for Expenses Creditors & Advances Payments*	40,98,145	(2,02,81,744)
	Total	**5,14,47,061**	**14,84,32,683**
	***Note:** The above adjustments include both Program Expenses and Administrative Expenses.		
7	**Employee Remuneration & Benefits**		
	Staff Salaries	85,71,574	2,21,93,860
	EPF- Employer Contributions	4,03,397	6,31,979
	ESI- Employer Contributions	16,047	45,334
	Gratuity Paid	12,224	7,236
	Leave encashment	3,91,737	11,20,413
	Staff insurance and Medical expenses	13,52,986	34,47,134
	Total	**1,07,47,965**	**2,74,45,956**
8	**Administration And Other Operating Expenses**		
	Accommodation expenses	1,19,662	2,81,606
	Computer & website maintenance	53,511	12,744
	Bank Charges	44,167	72,674
	Interest on Delayed Payments on Statutory Dues	-	1,249
	Electricity & Water charges	5,57,464	5,56,847
	Food & beverages	1,81,246	2,80,968
	General maintenance expenses	6,28,609	4,72,419
	Journals, subscriptions & memberships	10,223	14,714
	Lease & rental	2,92,724	3,62,313
	Printing & stationery	63,699	54,452
	Professional Fees	74,24,583	96,01,505
	Professional Fees - payroll & HR Services	19,38,722	5,43,539
	Rates, taxes & insurance	25,79,565	17,09,698
	Security & house keeping charges	28,40,194	31,80,143
	Communication expenses	6,92,436	11,33,392
	Travelling & conveyance	15,64,042	14,17,439
	Vehicle maintenance	3,92,764	3,31,713
	Total	**1,93,83,611**	**2,00,27,415**

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Annexure to Receipts and Payments Accounts for the year ended on March 31, 2026

Annexure	Particulars	Year Ended March 31, 2026 INR	Year Ended March 31, 2025 INR
9	**Auditors Remuneration**		
	Auditors Remuneration	4,15,539	3,89,400
	Certification charges & other audit Fees	1,17,610	1,38,366
	Total	5,33,149	5,27,766
10	**Additions to Fixed Assets**		
	Addition to Building WIP	10,81,04,197	10,22,15,609
	Computers & Laptops	83,755	4,67,138
	Electrical Equipment	12,200	14,990
	Furniture & Fixtures	-	2,61,582
	Motor Vehicles	3,71,900	13,09,153
	Office Equipment	45,570.00	52,890
	Plant & Machinery	31,272	38,000
	Shredder Pro Machine WIP	-	3,40,389
	LIFT WIP(Academic Block)	15,15,308	-
	Total	11,01,64,202	10,46,99,751
11	**Movement in Fixed Deposits**		
	Axis bank	-	36,547
	Kotak mahindra bank	3,02,95,908	5,30,404
	RBL Bank	42,208	(5,09,13,338)
	State Bank of India	5,00,00,000	-
	HDFC Bank	3,08,56,716	-
	Total	11,11,94,832	(5,03,46,387)
12	**Other Payments**		
	Differences in Current Asset/ Loans & Advances	(2,40,133)	32,63,110
	Direct Tax Payments/Refunds	5,42,750	42,055
	Refunded CSR ongoing project fund (Microsoft)	56,91,542	-
	Total	59,94,159	33,05,165

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SCHEDULE – B

Schedule of property, plant, and equipment as on March 31, 2026

Amount in Rs.

PARTICULARS	RATE %	GROSS BLOCK AS AT 01.04.2025	ADDITIONS DURING THE YEAR I HALF	ADDITIONS DURING THE YEAR II HALF	DELETIONS/ ADJUSTMENTS DURING THE YEAR	AS AT 31.03.2026	DEPRECIATION BLOCK AS AT 01.04.2025	FOR THE YEAR	DELETIONS/ ADJUSTMENTS DURING THE YEAR	AS AT 31.03.2026	NET BLOCK AS AT 31.03.2026	AS AT 31.03.2025
KIADB LAND- Site 1 & 2	0%	7,64,08,325	-	-	-	7,64,08,325	-	-	-	-	**7,64,08,325**	7,64,08,325
AGRICULTURAL LAND	0%	1,37,17,895	-	-	-	1,37,17,895	-	-	-	-	**1,37,17,895**	1,37,17,895
Nizamabad Land	0%	5,37,94,099	-	-	-	5,37,94,099	-	-	-	-	**5,37,94,099**	5,37,94,099
BUILDING - KIADB LAND -1						-					-	-
Academic Block	10%	19,52,89,068	-	-	-	19,52,89,068	10,06,70,086	94,61,898	-	11,01,31,984	**8,51,57,084**	9,46,18,982
Hostel Block	10%	24,22,43,126	-	-	-	24,22,43,126	12,63,05,532	1,15,93,760	-	13,78,99,292	**10,43,43,834**	11,59,37,594
Sewage Treatment Plant - Site - 1	15%	1,07,60,948	-	-	-	1,07,60,948	71,52,434	5,41,278	-	76,93,712	**30,67,236**	36,08,514
Fire Protection System - Site -1	15%	87,02,403	-	-	-	87,02,403	58,27,259	4,31,272	-	62,58,531	**24,43,872**	28,75,144
Arteffect - Statute	10%	3,92,000	-	-	-	3,92,000	1,83,675	20,833	-	2,04,508	**1,87,492**	2,08,325
BUILDING - KIADB LAND -2						-					-	-
Incubation Centre	10%	19,53,78,435	-	-	-	19,53,78,435	10,14,78,160	93,90,028	-	11,08,68,188	**8,45,10,247**	9,39,00,275
Hubballi Santhe	10%	80,82,912	-	-	-	80,82,912	41,68,506	3,91,441	-	45,59,947	**35,22,965**	39,14,406
Sewage Treatment Plant - Site - 2	15%	59,44,925	-	-	-	59,44,925	39,45,473	2,99,917	-	42,45,390	**16,99,535**	19,99,452
Fire Protection System - Site -2	15%	50,87,555	-	-	-	50,87,555	34,30,501	2,48,558	-	36,79,059	**14,08,496**	16,57,054
Warehouse	10%	1,20,19,195	-	-	-	1,20,19,195	62,42,976	5,77,622	-	68,20,598	**51,98,597**	57,76,219
Building at Hulgur Agricultural Land	10%	41,99,063	-	-	-	41,99,063	19,67,503	2,23,155	-	21,90,658	**20,08,405**	22,31,560
MOTOR VEHICLES	15%	1,00,90,694	**3,71,900**	-	-	1,04,62,594	62,18,357	6,36,866	-	68,55,223	**36,07,371**	38,72,337
EARTH MOVING EQUIPMENT	15%	1,09,65,019	-	-	-	1,09,65,019	80,80,163	4,32,728	-	85,12,891	**24,52,128**	28,84,856
COMPUTERS & SOFTWARES	40%	2,92,78,532	**83,755**	-	-	2,93,62,287	2,60,85,517	13,10,864	-	2,73,96,381	**19,65,906**	31,93,015
FURNITURE & FIXTURES	10%	5,40,22,863	-	-	-	5,40,22,863	2,66,66,711	27,35,636	-	2,94,02,347	**2,46,20,516**	2,73,56,152
OFFICE EQUIPMENT	15%	2,25,55,462	**45,570**	-	-	2,26,01,032	1,37,09,030	13,38,194	-	1,50,47,224	**75,53,807.73**	88,46,433
ELECTRICAL EQUIPMENT	15%	1,57,95,002	**12,200**	-	-	1,58,07,202	98,40,389	8,94,964	-	1,07,35,353	**50,71,849**	59,54,614
PLANT AND MACHINERY	15%	1,35,26,358	**24,38,470**	**1,36,500**	25,43,698	1,35,57,630	49,14,013	16,69,047	3,72,490	62,10,570	**73,47,060**	86,12,345
Total		**98,82,53,879**	**29,51,895**	**1,36,500**	**25,43,698**	**98,87,98,576**	**45,68,86,283**	**4,21,98,061**	**3,72,490**	**49,87,11,853**	**49,00,86,723**	**53,13,67,598**
BUILDING WIP(Admin Block)	0%	4,24,65,931	66,78,187	16,17,882	-	5,07,62,000	-	-	-	-	5,07,62,000	4,24,65,931
BUILDING WIP(K-HUB)	0%	13,91,15,561	5,06,95,007	4,97,28,479	1,58,290	23,93,80,756	-	-	-	-	23,93,80,756	13,91,15,561
Shredder Pro Machine WIP	0%	3,40,389	2,06,638	-	5,47,027	-	-	-	-	-	-	3,40,389
LIFT WIP(Academic Block)	0%	-	-	15,15,308	-	15,15,308	-	-	-	-	15,15,308	-
		18,19,21,881	**5,75,79,832**	**5,28,61,669**	**7,05,317**	**29,16,58,064**	-	-	-	-	**29,16,58,064**	**18,19,21,881**
Grand Total		**1,17,01,75,760**	**6,05,31,727**	**5,29,98,169**	**32,49,015**	**1,28,04,56,641**	**45,68,86,283**	**4,21,98,061**	**3,72,490**	**49,87,11,853**	**78,17,44,787**	**71,32,89,477**
PREVIOUS YEAR		**1,07,36,88,231**	**3,31,32,657**	**6,46,26,142**	**12,71,268**	**1,17,01,75,760**	**41,02,31,830**	**4,73,44,849**	**6,90,394**	**45,68,86,283**	**71,32,89,477**	-

DESHPANDE FOUNDATION ★ Vidyanagar HUBLI-31 ★

DESHPANDE FOUNDATION
DCSE Building, BVB Campus, Vidyanagar, Hubballi – 580031

Schedule 1: Significant Accounting Policies

The Financial Statements have been prepared under the historical cost convention on the accrual basis of accounting and in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI), to the extent applicable to not-for-profit organizations, and other pronouncements of the ICAI, unless otherwise stated.

Use of Estimates

The preparation of financial statements in conformity with applicable accounting principles requires management to make estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and disclosures of contingent liabilities at the end of the financial year. Actual results may differ from those estimates. Changes in estimates, if any, are recognized prospectively in the period of change.

1 Income Recognition

1.1 **Donations and Grants (General):** Donations and grants (both domestic and foreign) are recognized on an accrual basis when the right to receive the amount is established and there is reasonable certainty of its collection. Any unutilized amount will be shown as unutilized grants under current liabilities.

1.2 **Donations for Specific Purposes (Restricted):** Donations and CSR grants received for specific purposes are treated as liabilities at the time of receipt and recognized as income to the extent of expenditure incurred during the year in respect of such specific purposes.

1.3 **Corpus Donations:** Donations specifically received towards Corpus are directly credited to the Corpus Fund and are not routed through the Income and Expenditure Account.

1.4 **Capital Grants:** Capital grants related to acquisition or construction of Property, Plant, and Equipment are either (i) credited to the Capital Fund and not treated as income, or (ii) treated as deferred income and recognized over the useful life of the related asset, depending on the donor agreement or management policy, as approved by the Board.

1.5 **Interest Income:** Interest income from bank deposits and other investments is recognized on a time proportion basis using the effective interest method.

2 Property, Plant, and Equipment and Depreciation

2.1 **Property, Plant, and Equipment:** Assets are stated at historical cost of acquisition or construction, including incidental expenses directly attributable to bringing the asset to its working condition for intended use. Assets acquired through grants/donations are capitalized and disclosed appropriately in line with the nature of the funding (i.e., income approach or capital approach), based on the donor agreement and management's decision.

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2.2 From the financial year 2016-17, DF has adopted the policy of charging off of the value of fixed assets to Capital Grant/Donations or program expenses, where the cost of such assets met out of Capital or Program Grants/Donations.

2.3 However, in both the above cases, for the purposes of exercising control over the assets and identification of these assets, these assets will be carried at a Nominal Value of Re.1/- for each of the items of the asset.

2.4 **Depreciation:** Depreciation is provided on Property, Plant, and Equipment in accordance with the provisions of the Income Tax Act, 1961, as amended from time to time, and at the rates and methods prescribed therein. Assets individually costing less than ₹5,000 are charged off to revenue in the year of purchase, though they may have a useful life beyond one year.

3 Employee Benefits

3.1 **Short-term Benefits:** Short-term employee benefits including salaries, wages, bonus, and leave salary are recognized on an accrual basis.

3.2 **Gratuity:** Gratuity liability is provided based on actuarial valuation conducted by an independent actuary using the projected unit credit method as at the Balance Sheet date. The organisation contributes the determined amount to a gratuity fund administered and managed by a Life Insurance Company, and the fund so maintained is used to settle the gratuity obligations as and when they arise upon employee separation.

3.3 **Leave Encashment:** Provision for leave encashment is made on the basis of actuarial valuation.

3.4 **Defined Contribution Plans:** DF is governed by the Code on Social Security, 2020 (which came into effect on November 21, 2025, replacing the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) and has been contributing to the defined contribution plan as per provisions of Employees' Provident Fund Scheme.

4 Foreign Contributions

4.1 Foreign contributions are accounted for in accordance with the provisions of the Foreign Contribution (Regulation) Act, 2010, as amended from time to time, and the rules and regulations made thereunder. Such contributions are recorded in Indian Rupees at the exchange rate reckoned by the banker at the time of receipt.

4.2 Pursuant to the provisions contained in the Foreign Contribution (Regulation) Act, 2010 and the rules framed thereunder, the term foreign contribution also includes:

- interest earned on foreign contribution funds;
- proportionate amount of refund of income tax paid or deducted from foreign contributions and interest thereon;
- income from assets acquired or held using foreign contributions; and
- any refund of loans, advances or deposits originally paid out of foreign contribution.

These are accordingly accounted for and reported as foreign contribution receipts, to the extent permitted under the relevant accounting standards.

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5 Provisions, Current and Contingent Liabilities

5.1 Provisions are recognized when the Trust has a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made. These are reviewed at each reporting date and adjusted to reflect the current best estimate. Contingent liabilities, if any, are disclosed by way of notes and are not provided for in the accounts.

6 Taxes on Income

6.1 The Trust is registered under Section 12A of the Income Tax Act, 1961, and accordingly, its income is exempt from income tax under Section 11 of the said Act, subject to compliance with the conditions specified therein.

6.2 No provision for income tax is made in the financial statements as the Trust intends to apply its income for charitable purposes as required under the applicable provisions of the Income Tax Act. 1961.

6.3 Interest income earned from bank deposits is treated as part of the Trust's income and is applied for charitable purposes in accordance with Section 11. The Trust maintains separate books of account, where required, for income related to specific purposes, and ensures application within prescribed timelines.

6.4 Deferred tax assets and liabilities are not recognized, as the Trust is not engaged in any business activity subject to normal income tax provisions under the Income Tax Act, 1961.

7 Investments

7.1 Long term Investments are valued at cost and only permanent reduction in the value of such investments are recognized in the books.

7.2 Short Term Investments are valued at Cost or net realizable value, whichever is lower.

For and on behalf of the Board of Trustees of
DESHPANDE FOUNDATION

DESHPANDE FOUNDATION ★ Vidyanagar, HUBLI-31 ★

Rayavarapu Ramarao	Parthasarathy Sudarsanam
Chairman, Board of Trustees	Head-Finance and Accounts
Bengaluru	Hubballi
July 21, 2026	July 21, 2026

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Schedule 2: Explanatory Notes to the Financial Statements for the year ended March 31, 2026

1. Background

1.1. Deshpande Foundation (DF) was established on April 25, 2007, as a public charitable trust, with the primary objects, which inter alia includes to:

- Build and maintain wells, tube wells, and clean water projects.
- Promote rural industries and self-employment.
- Distribute improved seeds and support agricultural development.

1.2. Following are the current registration and corresponding validity details of DF:

Statute/Section/ Regn. No.	Authority	Valid until
Income Tax Act, 1961/Section 12A / AABTD0867D25BL01	CIT(EXEMPTIONS) BANGALORE	Assessment Year 2031-32
Income Tax Act, 1961/Section 80G / AABTD0867D25BL02	CIT(EXEMPTIONS) BANGALORE	Assessment Year 2031-32
Foreign Contribution Regulation Act, 2010/Section 11(1)/ 094520087	Ministry of Home Affairs	August 1, 2029
The Companies Act, 2013 for CSR1/Section 135/ CSR00001646	Ministry of Corporate Affair	Since April 12, 2021 and onwards
Not under any specific statute/ KA/2017/0165362	NITI Aayog, Government of India	Since December 27, 2017 and onwards

2. During the year, DF primarily carried out the following programs:

Programs	Objectives	Impact
Farm pond	Promote long-term water security and climate-resilient farming practices	Constructed a total of 18 ponds across Karnataka
Water Security	• **Community Pond** – The construction of a 15 acre pond began in Koppal district of North Karnataka in February, 2026 on the basis of an invitation from the District administration. The pond will alleviate the water scarcity faced by an underserved agrarian community primarily through groundwater recharge. The planning and design of the lake is backed up by expert geospatial analytics and landscape design. The pond will harvest and store about 32 million gallons of water which will also be supplemented by the tank filling project of the administration. • **Check dam** – The construction of a check dam began in a hamlet of Sindhudurg district in Southern Maharashtra. The check dam will alleviate the water	**Key Inputs:** Catchment Area: 3,825 Acres Annual Rainfall: 600 mm Soil Characteristics Land Use Classes Estimated Annual Runoff: 1,100,327 Cubic Metres The results confirmed sufficient water availability for long-term pond sustainability.

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	scarcity faced post monsoon by a landless community dependent on dairy operations. The site selection and planning was backed up by expert geospatial analytics.	The check dam will enable storage of 2 million gallons of water.
Financial Inclusion	Educated and enrolled into Government entitlement schemes on health, accident and life insurance across hundreds of villages in seven districts of Northern Karnataka. The total value of the insurance coverage facilitated through this program stands at over INR 2 billion. The program also encouraged long term Investing through participation in capital markets.	40,000+ beneficiaries
Bio-Inputs	• **Bio fertilizer** – Deshpande Foundation facilitated the production and educating the farmers and monitoring the production process. Market linkages were provided where the farmers intended to commercially produce the vermicompost. • **Bio pesticide** – A pilot production and distribution of Trichogramma Chilonis cards was carried out to control the rice moth pests which are prevalent in maize, sugarcane, cotton and vegetables. These cards reduce the usage of pesticide and promote natural farming.	• use of 300+ tons of vermicompost by supplying worms, • 433 Trichogramma Chilonis
Forestry	An in-house nursery was made operational and saplings of Gmelina (White Teak) were distributed to farmers whose land had become unproductive due to degradation and flooding.	1000+ saplings of Gmelina (White Teak) were distributed to farmers

3. Contingent Liabilities

Pending redressal, DF is contingently liable for the following disputed dues including interest arising under Section 143(1) of the Income Tax Act, 1961:

Amount	Forum where dispute is pending	Year	Remarks
Rs. 90,86,980 (Previous year : 84,82,910)	Jurisdictional Assessing Officer	AY 2021-22	Rectification in Assessment Order
Rs. 25,98,870 (Previous year: NIL)	CIT(A) - National Faceless Appeal Centre	AY 2024-25	The assessment order was received on 30.10.2025. However, a demand has been raised due to an incorrect computation by the Department. Accordingly, a rectification petition has been filed, and an appeal before the Commissioner of Income Tax (Appeals) [CIT(A)] has been preferred.

DESHPANDE FOUNDATION Vidyanagar, HUBLI-31.

4. Changes in the constitution of Board of Trustees:

On February 10, 2026 Mr. Rayavarapu Ramarao was elected as the Chairperson of the Board of Trustees.

5. Employee Benefits:

DF has adopted revised Accounting Standard (AS) 15 on Employee Benefits prescribed by ICAI.

5.1. Gratuity Benefits:

DF operates a funded gratuity scheme for eligible employees through the Group Gratuity Scheme of the Life Insurance Corporation of India (LIC). The gratuity obligation is a defined benefit plan. The liability towards gratuity as at 31 March 2026 has been determined on the basis of an independent actuarial valuation using the Projected Unit Credit Method. Contributions made to the LIC Group Gratuity Fund are recognized as plan assets. The net defined benefit liability/ (asset), being the difference between the present values of the defined benefit obligation and the fair value of plan assets, has been recognized in the Balance Sheet. The gratuity expense recognized in the Income and Expenditure Account comprises current service cost, interest cost, expected return on plan assets (where applicable under AS 15), actuarial gains/losses recognized during the year, and any past service cost, as determined by the actuary.

The actuarial assumptions used in the valuation, together with the disclosures relating to the defined benefit obligation, plan assets, movements in obligations, expenses recognized, and principal actuarial assumptions, are tabulated below:

Sl. No.	Particulars	As At 31.03.2026 Rs.	As at 31.03.2025 Rs.
1.	**Assumptions**		
	Discount Rate	7.72%	7.25%
	Salary Escalation	7.00%	5.00%
2	**Table Showing changes in present value of Obligation** (In Rs.)		
	Present value of obligations as at beginning of year	21,35,481	41,12,440
	Interest cost	94,687	2,98,152
	Current Service Cost	4,63,364	7,60,876
	Benefits Paid	(16,58,915)	(34,42,690)
	Actuarial (gain)/ loss on obligations	12,90,701	4,06,703
	Present value of obligations as at end of year	23,25,318	21,35,481
3.	**Table showing changes in the fair value of plan assets**		
	Fair value of plan assets at beginning of year	1,11,18,576	1,36,16,235

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	Expected return on plan assets	7,46,404	9,37,796
	Contributions	12,224	7,235
	Benefits Paid	(16,58,915)	(34,42,690)
	Actuarial gain/(loss) on Plan assets	15,210	-
	Fair value of Plan assets at the end of the year	1,02,33,499	1,11,18,576
4.	**Table showing fair value of plan assets**		
	Fair value of plan assets at beginning of year	1,11,18,576	1,36,16,235
	Actual return on plan assets	7,61,614	9,37,796
	Contributions	12,224	7,235
	Benefits Paid	(16,58,915)	(34,42,690)
	Fair value of plan assets at the end of year	1,02,33,499	1,11,18,576
	Fund Status	79,08,182	89,83,095
	Excess of Actual over estimated return on plan assets	-	-
5.	**Actuarial Gain/Loss recognized**		
	Actuarial (gain)/ loss on obligations	12,90701	4,06,703
	Actuarial (gain)/ loss for the year - plan assets	(15,210)	-
	Total (gain)/ loss for the year	12,75,491	4,06,703
	Actuarial (gain)/ loss recognized in the year	12,75,491	4,06,703
6.	**The amounts to be recognized in the Balance Sheet**		
	Present value of obligations as at the end of year	23,25,318	21,35,481
	Fair value of plan assets as at the end of the year	1,02,33,500	1,11,18,576
	Fund Status	79,08,182	89,83,095
	Net asset/(liability) recognized in balance sheet	79,08,182	89,83,095
7.	**Expenses Recognized in the statement of Income and Expenditure**		
	Current Service cost	4,63,364	7,60,876
	Interest Cost	94,687	2,98,152
	Expected return on plan assets	(7,46,404)	(9,37,796)
	Net Actuarial (gain)/ loss recognized in the year	12,75,491	4,06,703
	Expenses recognized in statement of income and expenditure	10,87,138	5,27,935

Note: These figures have been drawn from the information received from an insurer to whom defined contributions are made towards a Group Gratuity scheme.

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5.2. Leave Encashment Benefits:

DF provides for accumulated earned leave encashment benefits payable to employees based on an independent actuarial valuation carried out as at the Balance Sheet date using the Projected Unit Credit Method. The liability recognized in the financial statements represents the present value of the defined obligation for compensated absences as determined by the actuary. The expense recognized during the year includes current service cost, interest cost (where applicable), and actuarial gains or losses arising during the year.

The actuarial assumptions used in the valuation, together with the disclosures relating to the defined benefit obligation, plan assets, movements in obligations, expenses recognized, and principal actuarial assumptions, are tabulated below:

Sl. No.	Particulars	March 31, 2026	March 31, 2025
1.	**Assumptions**		
	Discount Rate	7.72%	6.88%
	Salary Escalation	7.00%	7.00%
2	**Table Showing changes in present value of Obligation**		
	Present value of obligations as at beginning of year	8,53,033	12,49,622
	Interest cost	-	-
	Current Service Cost	2,36,971	7,23,824
	Benefits Paid	(3,91,737)	(11,20,413)
	Actuarial (gain)/ loss on obligations	-	-
	Present value of obligations as at the end of the year	6,98,267	8,53,033
3.	**Net Asset/(Liability) Recognized in Balance Sheet**		
	Net Asset/(Liability) Recognized at the beginning of the period	(8,53,033)	(12,49,622)
	Employer expense	(2,36,971)	(7,23,824)
	Employer Contribution	-	-
	Employer direct benefit payments	3,91,737	11,20,413
	Acquisitions/Divestures	-	-
	Effect of the Limit in Para 59(b)	-	-
	Net Asset/(Liability) Recognized at the end of the year	(6,98,267)	(8,53,033)
4.	**The amounts to be recognized in the Balance Sheet**		
	Present value of Funded Obligation	-	-
	Fair value of plan assets as at the end of the year	-	-
	Present value of Unfunded obligation	6,98,267	8,53,033
	Funded status [Surplus/(Deficit)]	(6,98,267)	(8,53,033)

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DCSE Building, BVB Campus, Vidyanagar, Hubballi – 580031

	Unrecognized Past Service Costs	-	-
	Amount not Recognized as an Asset	-	-
	Net Liability	(6,98,267)	(8,53,033)
	Recognized in balance sheet	(6,98,267)	(8,53,033)
5.	**Expenses Recognized in the statement of Income and Expenditure**		
	Present Value of Defined Benefits Obligation At Beginning (Opening)	8,53,033	12,49,622
	Present Value of Defined Benefits Obligation At Beginning (Closing)	6,98,267	8,53,033
	Net Increase in Liability over the valuation period	(1,54,766)	(3,96,589)
	Benefit payments from employer	(3,91,737)	(11,20,413)
	Benefits Pay-outs from plan	-	-
	Cost of Termination Benefits/Acquisitions/Transfers	-	-
	less actual return on Plan assets	-	-
	Defined Benefits cost included in the statement of Income and expenditure	2,36,971	7,23,824
	Note: These figures have been drawn from the valuation report received from an independent actuary.		

6. Unutilized Grant

The unutilized grant of ₹13.00 Crores received during the year from Fidelity Charitable towards operating expenses for cultural, economic, educational and social purpose for the financial year 2026–27.

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7. Realignment of projects

a. The Better Cotton Initiatives (BCI) program, implemented under a collaborative arrangement with the Better Cotton Growth and Innovation Foundation, was mutually terminated with effect from March 31, 2025. Consequently, no program expenditure relating to the BCI initiative was incurred during the current financial year.

b. Agricultural Programs reported under Schedule M include expenditure incurred on water security and allied agricultural initiatives during the current year. The program focus has shifted from providing assistance for individual farm ponds to community pond construction and renovation, along with integrated interventions such as agroforestry, check dam construction, and other related agricultural development activities.

8. Previous year's figures

Previous year's figures have been regrouped/classified, wherever necessary, to make them comparable with the figures of the current year.

For and on behalf of the Board of Trustees of
DESHPANDE FOUNDATION

DESHPANDE FOUNDATION Vidyanagar, HUBLI-31.

Rayavarapu Ramarao	Parthasarathy Sudarsanam
Chairman, Board of Trustees	Head-Finance and Accounts
Bengaluru	Hubballi
July 21, 2026	July 21, 2026