

**CERTIFICATE OF CHARTERED ACCOUNTANT
UNDER FOREIGN CONTRIBUTION REGULATION ACT (FCRA), 2010**

To,

The Governing Body

Bharat Soka Gakkai,

J-21, Hauz Khas Enclave,

New Delhi-110016

Independent Auditor's Certificate for Bharat Soka Gakkai under FCRA, 2010 for F.Y. 2022-23.

1. Bharat Soka Gakkai (BSG) (hereinafter referred to as the "Society") is registered as a society under the Societies Registration Act, 1860 vide Registration No. S/16290/2021/Distt. South dated January 03, 1986. It is also registered under section 12A of the Income Tax Act, 1961 vide Registration No. AAATB0721HE20213 dated February 08, 2022; under section 80G of the Income Tax Act, 1961 vide Registration No. AAATB0721HF20104 dated February 08, 2022 and Foreign Contributions (Regulation) Act, 2010 with Ministry of Home affairs vide Registration No. 231650461 dated September 22, 1987 and further renewed for a period of five years w.e.f. April 01, 2023. The society under the said Act is permitted to take donation from foreign sources to carry out its activities as per the FCRA, 2010.

Management's Responsibility

2. The accompanying Balance Sheet, Income and Expenditure Account and statement of Receipt and Payment (hereinafter referred to as 'FCRA Financial Statement'), including the creation and maintenance of all accounting and other records supporting its contents, is solely the responsibility of the management of the society. The society's management is responsible for designing and maintaining internal control relevant to the preparation and presentation of the FCRA financial statement, and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances. The society's management is also responsible for ensuring the compliance with the provisions of FCRA, 2010 and rules framed thereunder.

Auditor's Responsibility

3. We have audited the FCRA financial statement of BSG for the financial year ended March 31, 2023. Our audit of these financial statements was conducted in accordance the Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about



whether the financial statements are in agreement with books of accounts and are free of material misstatement.

4. Pursuant to the provision of the requirements of FCRA, 2010 and rules framed thereunder, our responsibility is to express reasonable assurance in the form of an opinion based on our audit and examination of books and records as to whether the Society has maintained the accounts of foreign contribution and records relating thereto in the manner specified in section 19 of the Foreign Contribution (Regulation) Act, 2010 (42 of 2010) read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011 and whether the Society has utilized the foreign contribution received for the purpose(s) it is registered/ granted prior permission under Foreign Contribution (Regulation) Act, 2010.
5. We conducted our examination of the FCRA Financial Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. In accordance with the requirements of the Guidance Note, we have examined the above details with the audited financial statement. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SOC) 1. Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our audit of FCRA financial statement for the year ended March 31, 2023 and examination of all relevant books and vouchers and the other information and explanations given to us, we certify that:
 - i. The brought forward foreign contribution at the beginning of the year was Rs. 1,94,92,812/-;
 - ii. Foreign contribution of/worth Rs. 1,18,41,576/- was received by the Society during the financial year 2022-23;
 - iii. Interest accrued on foreign contribution and other income derived from foreign contribution or interest thereon of/worth Rs. 12,00,968/- was received by the Society during the financial year 2022-23;



- iv. The balance of unutilized foreign contribution with the Society at the end of the financial year 2022-23 was Rs. 3,10,87,811/-;
- v. On the basis of information and explanations provided to us, in our opinion the Society has maintained the accounts of foreign contribution and records relating thereto in the manner specified in section 19 of the Foreign Contribution (Regulation) Act, 2010 (42 of 2010) read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011;
- vi. The information in this certificate and in the enclosed Balance Sheet, Income & Expenditure Account and statement of Receipt and Payment is correct as checked by us;
- vii. The Society has utilized the foreign contribution received for the purpose(s) it is registered/granted prior permission under Foreign Contribution (Regulation) Act, 2010.

Restriction on Use

8. This certificate has been prepared at the request of the BSG solely for the purpose of submission to the Ministry of Home Affairs. It should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For Vaish & Associates

Chartered Accountants

FRN-005388N



Vipin Jain

Partner

M. No. 512474



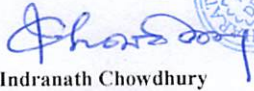

Date: December 18, 2023

Place: New Delhi

UDIN: 23512474BGSRVH1919

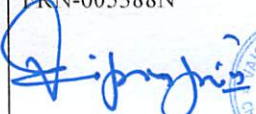



BHARAT SOKA GAKKAI
Balance Sheet (FCRA) as at March 31, 2023

(in Rupees)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
SOURCES OF FUNDS			
NPO FUNDS			
Unrestricted funds	2	33,57,99,229	35,28,26,808
		33,57,99,229	35,28,26,808
CURRENT LIABILITIES			
Payables	3	3,10,578	4,34,532
		3,10,578	4,34,532
Total		33,61,09,807	35,32,61,340
APPLICATION OF FUNDS			
NON-CURRENT ASSETS			
Property, plant and equipment and intangible assets			
Property, plant and equipment	4	30,40,75,837	33,28,27,943
Long-term loans and advances	5	7,12,546	7,12,546
Other long-term assets	6	2,28,039	2,28,039
		30,50,16,422	33,37,68,528
CURRENT ASSETS			
Cash and bank balances	7	3,10,87,811	1,94,92,812
Other current assests	8	5,574	-
		3,10,93,385	1,94,92,812
Total		33,61,09,807	35,32,61,340
Significant Accounting Policies	1		
The accompanying notes are an integral part of the financial statements			
As per our report of even date attached			
For Vaish & Associates		For Bharat Soka Gakkai	
Chartered Accountants			
FRN-005388N			
 		 	
Vipin Jain		Indranath Chowdhury	
Partner		Director General	
M. No. 512474			
UDIN: 23512474BGSRVH1919			
Date: 18 December 2023		Date: 18 December 2023	
Place: New Delhi		Place: New Delhi	

BHARAT SOKA GAKKAI
Income and Expenditure Account (FCRA) for the year ended March 31, 2023

(in Rupees)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
INCOME			
Donations and grants	9	1,18,41,576	57,26,136
Other income	10	12,00,968	10,94,247
Total Income		1,30,42,544	68,20,383
EXPENDITURE			
Depreciation and amortization expense	4	2,87,52,096	3,25,70,784
Other charitable expenses	11	13,18,026	2,735
Total Expenses		3,00,70,122	3,25,73,519
Excess of Income over Expenditure		(1,70,27,578)	(2,57,53,136)
Appropriations Transfers to funds, e.g., Building fund		-	-
Transfers from funds			
Balance transferred to General Fund		(1,70,27,578)	(2,57,53,136)
Significant Accounting Policies	1		
The accompanying notes are an integral part of the financial statements			
As per our report of even date attached			
For Vaish & Associates		For Bharat Soka Gakkai	
Chartered Accountants			
ERN-005388N			
 		 	
Vipin Jain		Indranath Chowdhury	
Partner		Director General	
M No. 512474			
UDIN: 23512474BGSRVH1919			
Date: 18 December 2023		Date: 18 December 2023	
Place: New Delhi		Place: New Delhi	

BHARAT SOKA GAKKAI
Statement of Receipt and Payment (FCRA) for the year ended 31 March, 2023

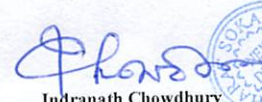

Receipts	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022	Payments	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Opening Balance			Revenue Expenditure		
Yes Bank	1,89,03,899	1,47,49,864	Bank Charges	2,618	2,735
SBI Bank, New Delhi	5,88,912	-	Conference & culture expenses	13,15,397	-
Corpus			Payment to Vendors		
Corpus Additions	-	-	Payment to vendor for expenses	1,23,955	17,32,820
Income			Closing Balance		
Donation	1,18,41,576	57,26,136	Yes Bank	1,85,30,348	1,89,03,899
Interest income			SBI Bank, New Delhi	1,25,57,463	5,88,912
Interest on Savings Bank A/c - Yes Bank	11,95,394	7,52,366	Grand Total	3,25,29,781	2,12,28,366
Grand Total	3,25,29,781	2,12,28,366			

As per our report of even date attached
For Vaish & Associates
Chartered Accountants
FRN-005388N




Vipin Jain
Partner
M No. 512474
UDIN: 23512474 BGSRVH1919
Date: 18 December 2023
Place: New Delhi

For Bharat Soka Gakkai

Indranath Chowdhury
Director General

Date: 18 December 2023
Place: New Delhi

BHARAT SOKA GAKKAI

NOTES TO ACCOUNTS (FCRA)

2. UNRESTRICTED FUNDS

Particulars	As at March 31, 2023	As at March 31, 2022
Corpus Fund		
Opening balance	45,85,41,953	45,85,41,953
Add : Addition during the year	-	-
Total Corpus Fund	45,85,41,953	45,85,41,953
General Fund		
Opening balance	(10,57,15,145)	(7,99,62,009)
Add : Excess of Income over Expenditure transferred from Income & Expenditure A/c	(1,70,27,578)	(2,57,53,136)
Total General Fund	(12,27,42,724)	(10,57,15,145)
Total Unrestricted Funds	33,57,99,229	35,28,26,808

3. PAYABLES

Particulars	As at March 31, 2023	As at March 31, 2022
Outstanding dues of micro, small and medium enterprises*	-	-
Outstanding dues of creditors other than micro, small and medium enterprises	3,10,578	4,34,532
Total	3,10,578	4,34,532

* Disclosure in relation to Micro and Small enterprises 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum Number as allocated after filing of the said Memorandum. Accordingly, the disclosures in respect of the amounts payable to such enterprises as at the year end has been made based on information received and available with the Society.

Particulars	As at March 31, 2023	As at March 31, 2022
i) the principal amount remaining unpaid to supplier as at the end of the year	-	-
ii) the interest due on the principal remaining outstanding as at the end of the year	-	-
iii) the amount of principal paid under the Act beyond the appointed day during the year	-	-
iv) the amount of interest paid by in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
v) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
vi) the amount of interest accrued and remaining unpaid at the end of the year	-	-
vii) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act	-	-

5. LONG-TERM LOAN AND ADVANCES

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Capital advances	7,12,546	7,12,546
Total	7,12,546	7,12,546



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6. OTHER LONG-TERM ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
TDS recoverable	2,28,039	2,28,039
Total	2,28,039	2,28,039

7. CASH AND BANK BALANCES

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents		
Balance in bank accounts	3,10,87,811	1,94,92,812
Total	3,10,87,811	1,94,92,812

8. OTHER CURRENT ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued	5,574	-
Total	5,574	-

9. DONATIONS AND GRANTS

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Donations	1,18,41,576	57,26,136
Total	1,18,41,576	57,26,136

10. OTHER INCOME

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income		
-Bank	12,00,968	7,52,366
Liability written back	-	3,41,881
Total	12,00,968	10,94,247

11. OTHER CHARITABLE EXPENSES

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Conference & culture expenses	13,15,397	-
Miscellaneous expenses	2,629	2,735
Total	13,18,026	2,735

12. In the opinion of governing body, loans and advances have a value on realization at least equal to the amount at which they are


13. Previous year's figures have been regrouped or rearranged wherever necessary.

As per our report of even date attached
For Vaish & Associates
Chartered Accountants
FRN-005388N


Vipin Jain
Partner

M No. 512474
UDIN: 23512474BGSRVH1919
Date: 18 December 2023
Place: New Delhi

For Bharat Soka Gakkai


Indranath Chowdhury
Director General

Date: 18 December 2023
Place: New Delhi

BHARAT SOKA GAKKAI

NOTES TO ACCOUNTS (FCRA)

4. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

(in Rupees)

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April, 2022	Additions	Deductions/ Adjustment s	As at 31 March, 2023	As at 1 April, 2022	Depreciation for the year	Deductions/ Adjustments	As at 31 March, 2023	As at 31 March, 2023	
Freehold land	7,34,64,706	-	-	7,34,64,706	-	-	-	-	7,34,64,706	
Buildings	49,49,40,729	-	-	49,49,40,729	29,95,89,347	1,95,35,138	-	31,91,24,485	17,58,16,244	
Plant & equipment	2,96,21,962	-	-	2,96,21,962	1,15,94,845	27,04,068	-	1,42,98,913	1,53,23,049	
Office equipment	5,77,09,304	-	-	5,77,09,304	2,25,88,999	52,68,046	-	2,78,57,045	2,98,52,259	
Furniture & Fittings	1,55,19,708	-	-	1,55,19,708	56,23,172	9,89,654	-	66,12,826	89,06,882	
Vehicles	15,04,216	-	-	15,04,216	9,76,355	79,180	-	10,55,535	4,48,681	
Computers	15,27,866	-	-	15,27,866	10,87,840	1,76,010	-	12,63,850	2,64,016	
Total	67,42,88,492	-	-	67,42,88,492	34,14,60,558	2,87,52,096	-	37,02,12,654	30,40,75,837	

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April, 2021	Additions	Deductions/ Adjustment s	As at 31 March, 2022	As at 1 April, 2021	Depreciation for the year	Deductions/ Adjustments	As at 31 March, 2022	As at 31 March, 2022	
Freehold land	7,34,64,706	-	-	7,34,64,706	-	-	-	-	7,34,64,706	
Buildings	49,49,40,729	-	-	49,49,40,729	27,78,83,636	2,17,05,711	-	29,95,89,347	19,53,51,384	
Plant & equipment	2,96,21,962	-	-	2,96,21,962	84,13,589	31,81,256	-	1,15,94,845	1,80,27,118	
Office equipment	5,77,09,304	-	-	5,77,09,304	1,63,91,298	61,97,701	-	2,25,88,999	3,51,20,306	
Furniture & Fittings	1,55,19,708	-	-	1,55,19,708	45,23,557	10,99,615	-	56,23,172	98,96,539	
Vehicles	15,04,216	-	-	15,04,216	8,83,203	93,152	-	9,76,355	5,27,863	
Computers	15,27,866	-	-	15,27,866	7,94,490	2,93,350	-	10,87,840	4,40,027	
Total	67,42,88,492	-	-	67,42,88,492	30,88,89,773	3,25,70,784	-	34,14,60,558	33,28,27,943	



1. SIGNIFICANT ACCOUNTING POLICIES

1. Background

Bharat Soka Gakkai (BSG) (hereinafter referred to as the “Society”) is registered as a society under the Societies Registration Act, 1860. It is also registered under section 12A and 80G of the Income Tax Act, 1961 and Foreign Contributions (Regulation) Act, 2010.

The primary aims and objects of the society includes contributing to the establishment of individual happiness and realization of the peace and prosperity of mankind as well as the promotion of culture of all mankind based on the philosophy and teachings of Nichiren Daishonin.

2. Accounting convention

Financial statements are prepared under historical cost convention on accrual basis in accordance with applicable accounting standards except as otherwise stated. Unascertained liabilities are not provided unless resultant outflow is quantifiable and virtually certain.

3. Use of Estimates

The preparation of Financial Statements require management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses during the period reported. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates.

4. Revenue recognition

Donation is recognized as income in the financial year in which it has been received. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

5. Property Plant & Equipment (PPE)

Recognition - The cost of an item of PPE is recognized as an asset if, and only if:

- a) it is probable that future economic benefits associated with the item will flow to the entity
- b) and the cost of the item can be measured reliably

Measurement - Items of PPE are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.



Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Subsequent Measurement - Subsequent expenditure relating to any PPE are capitalized only if such expenditure results in an increase in the future benefits from such assets beyond its previously assessed standard or performance.

Depreciation - PPE are depreciated on written down value method as per Income Tax Act, 1961 as decided by management.

6. Foreign currency transactions

Transactions in foreign currency are recognized on the basis of the rate of exchange prevailing at the date of the transaction. Exchange differences arising on settlement during the year are recognized in the Statement of Profit and Loss. Monetary items, denominated in foreign currency, are restated at the exchange rate prevailing at the year end and the resulting exchange difference recognized in the Statement of Profit and Loss.

7. Lease

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time.

A lease is classified at the inception date as finance lease or an operating lease. The lease which transfers substantially all the risk and rewards incidental to the ownership to is classified as finance lease.

Lease payments under a non-cancellable operating lease is recognized as an expense in the income & expenditure account on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

Lease rentals in respect of assets taken on cancellable lease are charged to income & expenditure account on an accrual basis.

8. Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a capital asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.



9. Employee Benefit

- a) **Short-term employee benefits** - Salaries, allowances, ex-gratia, social security contributions, and bonus (if payable within twelve months of the end of the period) and non-monetary benefits are recognized as expenses in the year in which the related services are rendered. Society is registered under Employees Provident Fund & Miscellaneous Provision Act, 1952.

-Leave encashment will be recognized at the time of payment.

b) Post Employment benefits

Defined Benefit Plan – Society provides for gratuity, a defined benefit plan (the “Gratuity Plan”) covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity plan provides a lumpsum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and tenure of employment.

10. Provisions, Contingent Liabilities and Contingent Assets

Contingent Liabilities

A provision arising from claims, litigation, assessment, fines, penalties, etc. is recognized when the society 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 of the amount of the obligation.

Provisions

A provision is recognized if, as a result of a past event, the society has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

