

B S R & Associates LLP

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of CARE India Solutions for Sustainable Development

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **CARE India Solutions for Sustainable Development** ("the Company"), which comprise the Balance Sheet as at 31 March 2020, the Income and Expenditure Account, and Statement of Cash Flows 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 according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31 March 2020, and its excess of income over expenditure and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 opinion on the financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditors' report thereon.

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.

Management's and Board of Directors' Responsibility for the Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring 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, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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 auditors' 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 auditors'

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.

Report on Other Legal and Regulatory Requirements

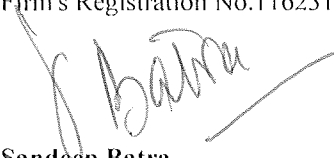
1. The Company is licensed to operate under Section 8 of the Companies Act, 2013 (the Act). Accordingly, the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, is not applicable.
2. (A) As required by Section 143(3) of the Act, 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 account 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 Statement of Cash Flows dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 as at 31 March 2020 on its financial position in its financial statements - Refer Note 32 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. The disclosures regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanation given to us, the Company is a private limited company and accordingly the matters to be reported under section 197(16) of the Companies Act 2013 are not applicable.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No.116231 W/W-100024


Sandeep Batra
Partner
Membership No. 093320
UDIN: 20093320AAAACG2434

Place: Noida
Date: 26 September 2020

Annexure A to the Independent Auditors' report on the financial statements of CARE India Solutions for Sustainable Development for the period ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Qualified Opinion

We have audited the internal financial controls with reference to financial statements of **CARE India Solutions for Sustainable Development** ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting with reference to the financial statements as at 31 March 2020:

The Company did not have an appropriate internal control system with regard to procurement planning, evaluation and selection of vendors, vendor master creation, monitoring of contracts signed with the vendors, maintenance of inventory records, which could potentially result in material misstatements in the Company's trade payables and expense account balances.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the criteria, the Company has, in all material respects, adequate internal financial controls with reference to financial statements as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note") and the Company's internal financial controls with reference to the financial statements were operating effectively as at 31 March 2020.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company and these material weaknesses do not affect our opinion on the financial statements of the Company.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely

preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal

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financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No. 116231 W/W-100024

A handwritten signature in black ink, appearing to read 'Sandeep Batra', is written over a horizontal line.

Sandeep Batra

Partner

Membership No. 093320

UDIN: 20093320AAAACG2434

Place: Noida

Date: 26 September 2020

Care India Solutions For Sustainable Development
Balance sheet as at 31st March 2020
(All amounts are in Indian Rupees unless otherwise stated)

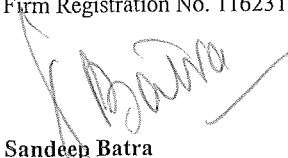
	Note	As at 31 March 2020	As at 31 March 2019
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	3	200	200
Reserves and surplus	4	361,455,919	286,297,561
		<u>361,456,119</u>	<u>286,297,761</u>
Non current liabilities			
Long-term provisions	5	63,739,763	62,411,190
Other long term liabilities	6	1,211,088	1,913,013
		<u>64,950,851</u>	<u>64,324,203</u>
Current liabilities			
Trade payables			
- Total outstanding dues of micro and small enterprises	7	7,737,591	-
- Total outstanding dues of creditors other than micro and small enterprises		71,947,832	103,162,487
Other current liabilities	8	528,193,757	340,080,577
Short-term provisions	9	26,554,933	16,549,499
		<u>634,434,113</u>	<u>459,792,563</u>
		<u><u>1,060,841,083</u></u>	<u><u>810,414,527</u></u>
ASSETS			
Non-current assets			
Fixed assets			
Property, plant and equipment	10	43,759,050	28,772,806
Intangible fixed assets	10	5,609,771	7,454,439
		<u>49,368,821</u>	<u>36,227,245</u>
Long-term loans and advances	11	8,029,095	8,861,145
		<u>57,397,916</u>	<u>45,088,390</u>
Current assets			
Cash and cash equivalents	12	943,922,605	610,328,023
Short-term loans and advances	13	56,446,604	152,126,598
Other current assets	14	3,073,958	2,871,516
		<u>1,003,443,167</u>	<u>765,326,137</u>
		<u><u>1,060,841,083</u></u>	<u><u>810,414,527</u></u>

Background and Summary of significant accounting policies 1-2

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For **BSR & Associates LLP**
Chartered Accountants
Firm Registration No. 116231W/W-100024


Sandeep Batra
Partner
Membership No: 093320

Place: Noida
Date: 26 Sep 2020

For and on behalf of the Board of Directors of
Care India Solutions For Sustainable Development


Namrata Kaul
Director
DIN: 00994532

Place: Noida
Date: 26 Sep 2020


Mathew Cherian
Director
DIN: 02467609

Place: Noida
Date: 26 Sep 2020


Manoj Gopalakrishna
Chief Executive Officer

Place: Noida
Date: 26 Sep 2020

Care India Solutions For Sustainable Development
Income and expenditure account for the year ended 31 March 2020
(All amounts are in Indian Rupees unless otherwise stated)

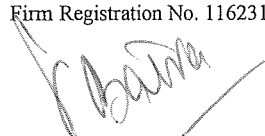
	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
Income			
Grants and donations received	15	1,980,857,713	1,919,122,190
Other Income	16	40,917,804	34,432,721
Total		2,021,775,517	1,953,554,911
Expenses			
Project expenses	17	1,736,359,652	1,689,884,608
Fund raising cost	18	53,070,814	67,154,689
Other administrative expenses	19	167,859,386	156,274,433
Depreciation	10	21,463,441	14,021,109
Total expenditure		1,978,753,293	1,927,334,839
Excess of income over expenses		43,022,224	26,220,072
Appropriations			
Add: Transfer from asset fund account	4c	18,728,212	11,980,602
Amount transferred to general fund	4a	61,750,436	38,200,674
Earning per equity share:			
Basic		3,087,522	1,910,034

Background and Summary of significant accounting policies 1-2

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For **BSR & Associates LLP**
Chartered Accountants
Firm Registration No. 116231W/W-100024



Sandeep Batra
Partner
Membership No: 093320

Place: Noida
Date: 26 Sep 2020


For and on behalf of the Board of Directors of
Care India Solutions For Sustainable Development


Namrata Kaul
Director
DIN: 00994532

Place: Noida
Date: 26 Sep 2020


Mathew Cherian
Director
DIN: 02467609

Place: Noida
Date: 26 Sep 2020


Manoj Gopalakrishna
Chief Executive Officer

Place: Noida
Date: 26 Sep 2020


Care India Solutions For Sustainable Development
Cash Flow Statement for the year ended 31 March 2020
(All amounts are in Indian Rupees unless otherwise stated)

	For the year ended 31 March 2020	For the year ended 31 March 2019
A. Cash flow from operating activities		
Excess of Income over expenses (after transfer from Asset fund account)	61,750,436	38,200,674
Adjustment for:		
Fixed assets purchased charged off in project expenses	32,269,161	13,040,496
Fixed assets sold considered as income	(391,031)	(17,960,026)
Amount written off	373,546	8,217,987
Depreciation on Owned Assests	2,735,229	2,040,507
Interest on fixed deposit	(28,996,679)	(10,656,714)
Provision for gratuity	6,935,637	19,574,355
Working capital adjustments:		
Decrease / (Increase) in loans and advances	97,084,928	(12,324,494)
(Increase) in other current assets	(202,442)	(207,772)
(Decrease) / Increase in trade payables	(23,477,064)	47,010,510
Increase / (Decrease) in provisions for employees benefits	4,398,370	(7,119,787)
Increase / (Decrease) in other liabilities	187,411,255	(110,971,500)
Net cash from operating activities	339,891,346	(31,155,764)
Income tax paid (including tax deducted at source)	(946,430)	681,674
Net cash generated / (used) from operations	338,944,916	(30,474,090)
B. Cash flow from investing activities		
Interest on fixed deposit	28,996,679	10,656,714
Purchase of fixed assets	(34,738,044)	(22,718,937)
Fixed Deposit made during the year	1,136,100,267	180,000,000
Fixed Deposit matured during the Year	(1,136,100,267)	(180,000,000)
Sale of fixed assets	391,031	17,960,026
Net cash (used) / generated for investing activities	(5,350,334)	5,897,803
C. Cash flow from financing activities		
Net increase / (decrease) in cash and cash equivalents (A+B+C)	333,594,582	(24,576,287)
Cash and cash equivalents at the beginning of the year	610,328,023	634,904,310
Cash and cash equivalents at the end of the year	943,922,605	610,328,023
Components of cash and cash equivalents:		
Cash on hand	200	200
Balances with scheduled banks	943,922,405	610,327,823
	943,922,605	610,328,023

The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS) - 3 on 'Cash Flow Statements' as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
Firm Registration No. 116231W/W-100024


Sandeep Batra
Partner
Membership No: 093320

Place: Noida
Date: 26 Sep 2020

For and on behalf of the Board of Directors of
Care India Solutions For Sustainable Development


Namrata Kaul
Director
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Place: Noida
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Mathew Cherian
Director
DIN: 02467609

Place: Noida
Date: 26 Sep 2020


Manoj Gopalakrishna
Chief Executive Officer

Place: Noida
Date: 26 Sep 2020

Care India Solutions for Sustainable Development
Significant Accounting Policies for the year ended 31 March 2020

1. Background

Care India Solutions for Sustainable Development (CISSD) ("the Company") was incorporated in India on 14 May 2008 and has a status of a Private Limited Company as per its Articles of Association. The Company is registered as Section 8 Company under the provisions of Companies Act, 2013 (Erstwhile corresponding to Section 25 of the Companies Act, 1956).

The main focus area is to eradicate poverty and social injustice from India through well-planned and comprehensive programmes in health, education, livelihoods and disaster preparedness and response.

The overall goal is the empowerment of women and girls from poor and marginalized communities leading to improvement in their lives and livelihoods.

2. Significant accounting policies

a) Basis of preparation and presentation of financial statements

The financial statements have been prepared and presented under the historical cost convention on a going concern basis on an accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 and accounting principles generally accepted in India and comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable.

Current and non-current classification

The financial statements are presented as per Schedule III to the Companies Act, 2013. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule III to the Companies Act, 2013.

Based on the nature of activities of the Company, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

All assets and liabilities are classified into current and non-current based on below criteria:

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or



Care India Solutions for Sustainable Development
Significant Accounting Policies for the year ended 31 March 2020

- d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

b) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

c) Fixed assets and depreciation/ amortisation

Property plant and equipment

- (i) Items of property, plant and equipment are measured at cost of acquisition less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable purchase taxes or levies, any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
- (ii) Depreciation on property plant and equipment is provided on the written down value method. Pursuant to Companies Act, 2013 ('the Act') being effective from April 1, 2014, the Company has aligned the depreciation rates based on the useful lives as specified in Part 'C' of Schedule II to the Act.

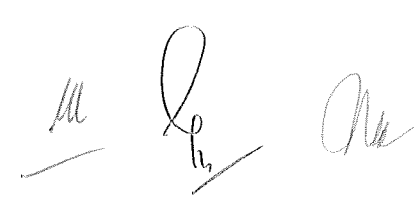
Fixed Assets	Useful Life
Computers	3
Furniture and fixtures	10
Vehicles	8
Office equipment	5

Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

Assets individually costing up to Rs. 5,000 were fully depreciated in the year of purchase.

Intangible assets

Intangible assets are stated at cost less any accumulated amortization and impairment losses, if any. The cost includes taxes and other incidental expenses related to the acquisition and implementation of the respective assets.



Care India Solutions for Sustainable Development
Significant Accounting Policies for the year ended 31 March 2020

Intangible assets (computer software) is amortised over the period of license/ useful life. Amortisation on additions/ deletions is provided on pro-rata basis from/ upto the date of such additions/ deletions.

d) Impairment of assets

In accordance with Accounting Standard 28 (AS 28) on 'Impairment of assets', the carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of the assets is estimated at the higher of its net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment loss is recognized in the Income & Expenditure Account.

e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand, cash and deposits with bank and highly liquid investments with original maturities, at the date of purchase/investment, of three months or less.

f) Foreign currency transactions

Foreign currency transactions are recorded into Indian rupees by applying to the foreign currency amount the exchange rate between Indian rupees and the foreign currency on/or closely approximating to the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date or at the time of settlement are translated into Indian rupees at the exchange rates on that date.

g) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Grants and donations for specific projects are recognised as income to the extent utilised during the year as per the terms of agreement/sanction and unutilized amounts are carried forward as liability and disclosed as 'Unutilised grant balance' under other current liabilities until the actual expenditure is incurred. Donations raised for general purposes are recognized as income in the year of receipt.

Interest income is recognized on accrual basis when there is reasonable certainty of its ultimate realization/ collection.

h) Employee benefits

Short term employee benefits



Care India Solutions for Sustainable Development
Significant Accounting Policies for the year ended 31 March 2020

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, performance incentives etc. are recognised in the Income & Expenditure Account in the period in which the employee renders the related service and measured accordingly.

Long term employee benefits

Defined contribution plan

Provident fund is a defined contribution scheme. Contributions payable to the provident fund are charged to the Income and Expenditure Account.

Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation under this plan is performed annually by a qualified actuary using the projected unit credit method.

The Company recognises all actuarial gains and losses arising from defined benefit plans immediately in the Income and Expenditure Account. All expenses related to defined benefit plans are recognised in employee benefits expense in the Income and Expenditure Account.

Other long-term employment benefits

Benefits under the Company's leave encashment policy constitutes other long-term employee benefits. The liability in respect of leave encashment is provided on the basis of an actuarial valuation done by an independent actuary at the year-end. Actuarial gains and losses are recognised immediately in the Income and Expenditure Account.

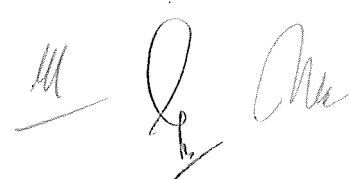
i) Leases

Lease rentals under an operating lease, are recognized as an expense in the Income and Expenditure Account on a straight line basis over the lease term.

j) Earnings per share

Basic earnings per share is computed by dividing the excess of Income over Expenditure by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the excess of Income over Expenditure by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

k) Provisions and contingent liabilities



Care India Solutions for Sustainable Development
Significant Accounting Policies for the year ended 31 March 2020

The Company creates a provision when there exist a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a 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. When 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. Contingent assets are not recognized in the financial statements.

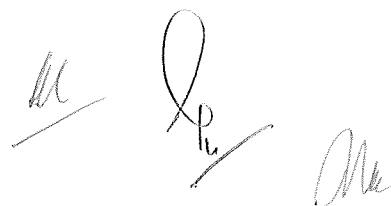
l) General funds

The Company receives general funds which are unrestricted from donors. The excess of income over expenditure during the year, being general purpose in nature is carried forward for use in the future periods.

m) Assets fund for fixed assets purchased from project funds

Project Fixed Assets: Assets purchased out of grants received are charged off to the respective donors. These assets are capitalized, and an equal amount is transferred to Assets Fund Account for control purposes. Depreciation on fixed assets purchased out of grant received is debited to the Assets Fund Account. Accordingly, deletion of such fixed assets due to sale/disposal are also adjusted from the Assets Fund Account.

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Care India Solutions For Sustainable Development
Notes to financial statements for the year ended 31 March 2020
(All amounts are in Indian Rupees unless otherwise stated)

3 Share capital

Authorised capital

100,000 (previous year 100,000) equity shares of Rs.10 each

As at 31 March 2020	As at 31 March 2019
1,000,000	1,000,000
1,000,000	1,000,000

Issued, subscribed and paid-up

20 (previous year 20) equity shares of Rs. 10 each fully paid up

200	200
200	200

a) Rights, preferences and restrictions attached to the equity shares

-Each holder of equity shares is entitled one vote per share.

-Since the Company is registered under section 8 of the Companies Act, 2013 (erstwhile section 25 of the Companies Act, 1956), it is prohibited from the payment of any dividend to its members.

-In the event of liquidation of the Company, the remaining assets of the Company, shall be given or transferred to some other Association or company or companies registered under section 8 of the Companies Act, 2013 (erstwhile section 25 of the Companies Act, 1956) having objects similar to the objects of the Company to be determined by the members of the Company at or before the time of dissolution.

b) The reconciliation of the shares outstanding at the beginning and end of the year

	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
Equity shares				
Balance at the beginning and end of the year	20	200	20	200

c) The details of shareholders holding more than 5% shares is as follows

	As at 31 March 2020		As at 31 March 2019	
Name of shareholders	Number	% of total shares	Number	% of total shares
Equity shares				
Neera Saggi	4	20%	4	20%
Shobini Mukerji	2	10%	2	10%
Yamini Mrinalika Aiyar	2	10%	2	10%
Gowri Thyagrajan	2	10%	2	10%
Gautam Chikermane	3	15%	3	15%
Shyam Anil Divan	2	10%	2	10%
Namrata Kaul	3	15%	3	15%
Mathew Cherian	2	10%	2	10%

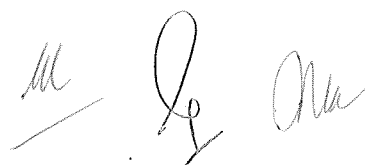
Care India Solutions For Sustainable Development
Notes to financial statements for the year ended 31 March 2020
 (All amounts are in Indian Rupees unless otherwise stated)

4 Reserves and surplus

	As at 31 March 2020	As at 31 March 2019
a) General fund		
Opening balance	57,708,250	213,507,576
Add: Amount transferred from income and expenditure account	61,750,436	38,200,674
Less: Amount transferred to sustainability fund	-	194,000,000
Less : Amount transferred to Designated Funds	18,890,264	-
Add: Amount utilized during the year	2,130,557	-
Closing balance	<u>102,698,979</u>	<u>57,708,250</u>
b) Sustainability fund		
Opening balance	200,000,000	6,000,000
Add: Appropriation out of General Fund	-	194,000,000
Closing balance	<u>200,000,000</u>	<u>200,000,000</u>
c) Asset fund account		
Opening balance	28,589,311	30,441,491
Add: Assets purchased during the year	32,269,161	13,040,496
Less: Assets sale /written off during the year	133,027	2,912,074
	60,725,445	40,569,913
Less: Transferred to Income & Expenditure account	18,728,212	11,980,602
Closing balance	<u>41,997,233</u>	<u>28,589,311</u>
d) Designated Funds		
Opening balance	-	-
Add: Funds created during the year	18,890,264	-
Less Funds utilised during the Year	2,130,557	-
Closing Balance	<u>16,759,707</u>	<u>-</u>
Grand total	<u>361,455,919</u>	<u>286,297,561</u>

Care India Solutions For Sustainable Development
Notes to financial statements for the year ended 31 March 2020
(All amounts are in Indian Rupees unless otherwise stated)

5 Long-term provisions	As at 31 March 2020	As at 31 March 2019
Provisions for employee benefits		
-Provision for gratuity (Refer Note 27)	28,964,485	32,792,880
-Provision for compensated absences	34,775,278	29,618,310
	<u>63,739,763</u>	<u>62,411,190</u>
6 Other long-term liabilities	As at 31 March 2020	As at 31 March 2019
Lease equalisation reserve	1,211,088	1,913,013
	<u>1,211,088</u>	<u>1,913,013</u>
7 Trade payables*	As at 31 March 2020	As at 31 March 2019
- dues to micro and small enterprises	7,737,591	-
- dues to other than micro and small enterprises	71,947,832	103,162,487
	<u>79,685,423</u>	<u>103,162,487</u>
* Refer Note 24		
8 Other current liabilities	As at 31 March 2020	As at 31 March 2019
Employee related payables	10,291,411	11,863,143
Unutilised grants	417,631,374	220,864,235
Provident fund payable	8,916,304	8,096,074
Other statutory payable	11,778,163	13,980,136
Other payable	79,576,505	85,276,989
	<u>528,193,757</u>	<u>340,080,577</u>
9 Short-term provisions	As at 31 March 2020	As at 31 March 2019
Provisions for employee benefits		
-Provision for gratuity (Refer Note 27)	15,687,958	11,771,761
-Provision for compensated absences	10,866,975	4,777,738
	<u>26,554,933</u>	<u>16,549,499</u>

10 Fixed assets

Current Year

Particulars	Gross block				Accumulated depreciation/ amortisation				Net block as at 31 March 2020
	As at 1 April 2019	Additions	Deletions/ adjustment	As at 31 March 2020	As at 1 April 2019	For the year	Deletions/ adjustment	As at 31 March 2020	
Property, plant and equipment									
Project assets									
Computers	41,602,264	23,545,157	16,000	65,131,421	37,052,342	8,588,099	15,200	45,625,241	19,506,180
Furniture and fixtures	9,930,940	584,476	6,575	10,508,841	6,249,287	1,049,859	3,942	7,295,204	3,213,637
Vehicles	28,789,442	1,702,826	-	30,492,268	17,157,524	3,831,920	-	20,989,444	9,502,824
Office equipment	42,533,041	6,322,512	1,833,713	47,021,840	34,768,840	4,865,388	1,704,119	37,930,109	9,091,731
Total	122,855,687	32,154,971	1,856,288	153,154,370	95,227,993	18,335,266	1,723,261	111,839,998	41,314,372
Own assets									
Computers	1,014,610	625,572	-	1,640,182	345,027	661,039	-	1,006,066	634,116
Furniture and fixtures	20,000	103,192	-	123,192	1,078	13,600	-	14,678	108,514
Vehicles	55,730	-	-	55,730	3,815	16,266	-	20,081	35,649
Office equipment	472,073	1,661,255	-	2,133,328	67,381	399,548	-	466,929	1,666,399
Total	1,562,413	2,390,019	-	3,952,432	417,301	1,090,453	-	1,507,754	2,444,678
Total property, plant and equipment	124,418,100	34,544,990	1,856,288	157,106,802	95,645,294	19,425,719	1,723,261	113,347,752	43,759,050
Intangible assets									
Project assets									
Software	4,520,778	114,190	-	4,634,968	3,559,161	392,946	-	3,952,107	682,861
Total	4,520,778	114,190	-	4,634,968	3,559,161	392,946	-	3,952,107	682,861
Own assets									
Software	8,116,028	78,864	-	8,194,892	1,623,206	1,644,776	-	3,267,982	4,926,910
Total	8,116,028	78,864	-	8,194,892	1,623,206	1,644,776	-	3,267,982	4,926,910
Total intangible assets	12,636,806	193,054	-	12,829,860	5,182,367	2,037,722	-	7,220,089	5,609,771
Total	137,054,906	34,738,044	1,856,288	169,936,662	100,827,661	21,463,441	1,723,261	120,567,841	49,368,821

Previous year

Particulars	Gross block				Accumulated depreciation/ amortisation				Net block as at 31 March 2019
	as at 1 April 2018	additions	deletions/ adjustment	as at 31 March 2019	as at 1 April 2018	for the year	deletions/ adjustment	as at 31 March 2019	
Property, plant and equipment									
Project assets									
Computers	48,368,585	1,821,010	8,587,331	41,602,264	42,021,078	3,023,657	7,992,393	37,052,342	4,549,922
Furniture and fixtures	10,033,411	1,018,671	1,121,142	9,930,940	5,887,453	1,102,964	741,130	6,249,287	3,681,653
Vehicles	22,017,118	6,772,324	-	28,789,442	14,675,889	2,481,635	-	17,157,524	11,631,918
Office equipment	47,586,968	3,179,251	8,233,178	42,533,041	36,262,895	4,802,918	6,296,973	34,768,840	7,764,201
Total	128,006,082	12,791,256	17,941,651	122,855,687	98,847,315	11,411,174	15,030,496	95,227,993	27,627,694
Own assets									
Computers	-	1,014,610	-	1,014,610	-	345,027	-	345,027	669,583
Furniture and fixtures	-	20,000	-	20,000	-	1,078	-	1,078	18,922
Vehicles	-	55,730	-	55,730	-	3,815	-	3,815	51,915
Office equipment	-	472,073	-	472,073	-	67,381	-	67,381	404,692
Total	-	1,562,413	-	1,562,413	-	417,301	-	417,301	1,145,112
Total property, plant and equipment	128,006,082	14,353,669	17,941,651	124,418,100	98,847,315	11,828,475	15,030,496	95,645,294	28,772,806
Intangible assets									
Project assets									
Software	4,289,913	249,240	18,375	4,520,778	3,007,189	569,428	17,456	3,559,161	961,617
Total	4,289,913	249,240	18,375	4,520,778	3,007,189	569,428	17,456	3,559,161	961,617
Own assets									
Software	-	8,116,028	-	8,116,028	-	1,623,206	-	1,623,206	6,492,822
Total	-	8,116,028	-	8,116,028	-	1,623,206	-	1,623,206	6,492,822
Total intangible assets	4,289,913	8,365,268	18,375	12,636,806	3,007,189	2,192,634	17,456	5,182,367	7,454,439
Total	132,295,995	22,718,937	17,960,026	137,054,906	101,854,504	14,021,109	15,047,952	100,827,661	36,227,245

Care India Solutions For Sustainable Development
Notes to financial statements for the year ended 31 March 2020
(All amounts are in Indian Rupees unless otherwise stated)

	As at 31 March 2020	As at 31 March 2019
11 Long term loans and advances <i>(unsecured, considered good unless otherwise stated)</i>		
Security deposits	5,671,619	5,667,984
Income tax and TDS receivable	2,357,476	3,193,161
	<u>8,029,095</u>	<u>8,861,145</u>
	As at 31 March 2020	As at 31 March 2019
12 Cash and cash equivalents		
Cash on hand	200	200
Balance with scheduled banks		
- on savings accounts	943,922,405	610,327,823
	<u>943,922,605</u>	<u>610,328,023</u>
	As at 31 March 2020	As at 31 March 2019
13 Short-term loans and advances <i>(unsecured, considered good unless otherwise stated)</i>		
Security deposits	2,257,823	2,411,900
Advance rent	138,000	420,000
Grant receivable	39,232,457	134,478,353
TDS receivable	2,899,668	1,117,553
Loans and advances to employees	1,838,620	3,268,264
Project advances	10,080,036	10,430,528
	<u>56,446,604</u>	<u>152,126,598</u>
	As at 31 March 2020	As at 31 March 2019
14 Other current assets <i>(unsecured, considered good unless otherwise stated)</i>		
Gratuity plan assets	3,073,958	2,871,516
	<u>3,073,958</u>	<u>2,871,516</u>

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Care India Solutions For Sustainable Development
Notes to financial statements for the year ended 31 March 2020
(All amounts are in Indian Rupees unless otherwise stated)

	For the year ended 31 March 2020	For the year ended 31 March 2019
15 Grants and donations received		
Grants and donations received	1,980,857,713	1,919,122,190
	<u>1,980,857,713</u>	<u>1,919,122,190</u>
16 Other income		
Interest on fixed deposit	28,996,679	10,656,714
Interest on saving bank account	10,883,105	16,702,137
Interest on others	295,502	79,666
Miscellaneous income	742,518	6,994,204
	<u>40,917,804</u>	<u>34,432,721</u>
17 Project expenses		
Salary, wages and bonus	854,369,300	543,038,505
Contribution to provident fund	48,660,243	30,644,124
Gratuity	638,454	13,895,832
Staff welfare	273,536	233,826
Contract staff wages	29,599,941	322,319,933
Training and material expenses	217,102,681	186,266,264
Subgrants to partners	83,925,998	54,250,557
Rent	25,729,363	23,947,763
Repairs and maintenance:		
- Office equipments	2,989,738	3,289,762
- Building	2,120,860	7,885,099
- Computers	3,778,805	4,533,531
Communication expenses	9,805,775	14,391,236
Legal and professional fees (Refer Note 22)	192,430,130	257,604,900
Travelling expenses	175,563,656	161,975,703
Insurance	21,246,935	13,432,912
Advertisement	742,314	2,595,928
Office supplies	15,000,486	16,226,757
Printing and stationery	19,245,556	18,561,322
Bank charges	325,364	287,139
Fixed assets purchased	32,269,161	13,040,496
Other expenses	541,356	1,463,019
	<u>1,736,359,652</u>	<u>1,689,884,608</u>

Care India Solutions For Sustainable Development
Notes to financial statements for the year ended 31 March 2020
(All amounts are in Indian Rupees unless otherwise stated)

18 Fund raising cost	For the year ended 31 March 2020	For the year ended 31 March 2019
Salary, wages and bonus	19,591,215	19,413,913
Contribution to provident fund	1,135,107	1,186,449
Gratuity	-	625,719
Rent	1,521,619	2,766,793
Communication expenses	1,053,844	784,390
Legal and professional fees	23,376,193	18,043,458
Travelling expenses	1,309,455	1,670,486
Insurance	134,910	169,293
Repairs and maintenance:		
- Office equipments	50,376	74,638
- Building	288,932	40,390
- Computers	1,034,087	423,715
Training and material expenses	1,224,940	88,685
Advertisement	152,939	231,272
Office supplies	1,069,946	1,351,612
Bank charges	464,013	564,038
Other expenses	91,699	347,538
Contract staff wages	9,000	18,297,251
Printing and stationery	562,539	1,075,049
	53,070,814	67,154,689

19 Other administrative expenses	For the year ended 31 March 2020	For the year ended 31 March 2019
Salary, wages and bonus	76,784,826	65,196,277
Contribution to provident fund	3,943,411	3,421,118
Gratuity	6,297,183	5,052,804
Rent	13,836,215	13,192,100
Membership Fees	8,437,668	7,488,705
Communication expenses	1,760,776	1,647,059
Legal and professional fees	30,211,665	28,249,606
Travelling expenses	6,423,310	6,285,479
Insurance	633,749	726,212
Repairs and maintenance:		-
- Office equipments	458,730	971,964
- Building	4,607,300	4,283,032
- Computers	9,294,930	3,172,256
Training and material expenses	955,900	3,386,664
Advertisement	126,150	-
Office supplies	1,201,775	1,229,302
Bank charges	159,388	21,237
Other expenses	1,213,470	1,312,959
Contract staff wages	697,465	1,245,298
Printing and stationery	441,929	1,174,374
Amount written off	373,546	8,217,987
	167,859,386	156,274,433

Care India Solutions For Sustainable Development
Notes to the financial statements for the year ending 31 March 2020
(All amounts are in Indian Rupees unless otherwise stated)

20. Earnings in foreign currency (On receipt basis)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Income from grant and donation	2,044,953,678	1,585,841,891

21. Expenditure in foreign currency

Nature of Expenses	For the year ended 31 March 2020	For the year ended 31 March 2019
Legal and professional fees	61,38,970	5,875,358
Membership Fees	84,37,668	-
Other expenses	10,43,803	-
Travelling expenses	9,40,254	1,497,537
ERP implementation expense	-	7,275,852
Software maintenance	70,91,524	1,716,434
Total	2,36,52,219	16,365,181

22. Payment to auditor's (Included under legal and professional expenses)*:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Statutory audit	2,300,000	2,300,000
Other certifications	200,000	200,000
Total	2,500,000	2,500,000

*exclusive of GST and out of pocket expenses

23. Related party transactions

The Company enters into transactions with key management personnel in the normal course of business. The names of related parties of the Company and their relationship, as required to be disclosed under Accounting Standard 18, are as follows:

a) Related party and nature of the related party relationship with whom transaction have taken place during the year

Relationship	Names of the related parties
Key management personnel	Rajan Bahadur - Managing Director and CEO (up to 24 March 2018) Madhuvanti Deshmukh - CEO (up to 30 April 2019) Manoj Gopalakrishna - CEO (with effect from 15 April 2019)

Care India Solutions For Sustainable Development
Notes to the financial statements for the year ending 31 March 2020
(All amounts are in Indian Rupees unless otherwise stated)

b) Summary of significant transaction with related parties

Managerial remuneration	For the year ended 31 March 2020	For the year ended 31 March 2019
Manoj Gopalakrishna	8,169,440	-
Rajan Bahadur	-	2,840,640
Madhuvanti Deshmukh	775,833	3,166,665

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on the basis of actuarial valuation for all the employees of the company taken together.

24. Dues to micro and small enterprises

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 its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management, an amount of Rs. 77,37, 591/- is outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as on 31 March 2020. Further, the Company has not received any claim for interest from any supplier under the said Acts.

25. The Company has taken certain cancellable and non-cancellable operating leases for commercial and residential accommodation and vehicles. Lease payments charged during the year in the Income and Expenditure Account is Rs. 41,087,197 (previous year Rs. 39,906,656) and included in note 17, 18 and 19 to the financial statement. The total of future minimum lease payments under non-cancellable operating leases for each of the following periods is as follows:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Not later than one year	13,678,560	11,894,400
Later than one year and not later than five years	15,958,320	25,771,200
Later than five year	-	-

26. Earnings per share

The computation of basic/diluted earnings per share is set out below:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Excess of income over expenditure attributable to equity shareholders (Rs.)	6,17,50,436	38,200,674
Weighted average number of equity shares outstanding during the year	20	20
Nominal value per share (Rs.)	10	10
Basic earnings per share (Rs.)	30,87,522	1,910,034

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Care India Solutions For Sustainable Development
Notes to the financial statements for the year ending 31 March 2020
 (All amounts are in Indian Rupees unless otherwise stated)

27. Disclosure in respect of employee benefits under Accounting Standard (AS) – 15 (Revised) “Employee Benefits” prescribed by the Companies (Accounting Standards) Rules, 2006.

I) **Defined contribution plans:** Amount of Rs. 53,738,761 (previous year Rs. 35,251,691) pertaining to employers' contribution to provident fund is recognised as an expense and included in note 17, 18 and 19 to the financial statement.

II) The disclosures for gratuity costs are given below:

(i) Movement in present values of defined benefit obligation

Particulars		As at 31 March 2020	As at 31 March 2019
1	Present value of obligation as at the beginning of the year	44,564,641	33,500,120
2	Interest cost	3,413,652	2,371,808
3	Past service cost	-	-
4	Current service cost	11,316,433	15,173,806
5	Benefits paid	(6,847,835)	(85,17,321)
6	Actuarial loss on obligation	(7,794,448)	2,036,228
7	Present value of obligation as at the end of the year	44,652,443	44,564,641

(ii) Movement in fair value of plan assets

Particulars		As at 31 March 2020	As at 31 March 2019
1	Fair value of plan assets at the beginning of the year	2,871,516	2,663,744
2	Expected return on plan assets	202,442	207,772
3	Employer Contributions	-	-
4	Benefits paid	-	-
5	Actuarial gain / (loss) on plan assets	(21536)	3,996
6	Fair value of plan assets at the end of the year	3,073,958	2,871,516

(iii) Actuarial gain/ loss recognized in the Statement of Income and Expenditure are as follows

Particulars		For the year ended 31 March 2020	For the year ended 31 March 2019
1	Actuarial loss for the year - obligation	7,794,448	(2,036,228)
2	Actuarial (gain) / loss for the year - plan assets	21,536	(3,996)
3	Total actuarial loss for the year recognised in the statement of income and expenditure.	(7,772,912)	2,032,232

Care India Solutions For Sustainable Development
Notes to the financial statements for the year ending 31 March 2020
 (All amounts are in Indian Rupees unless otherwise stated)

(iv) Assets and liabilities recognized in the Balance Sheet

Particulars		For the year ended 31 March 2020	For the year ended 31 March 2019
1	Present value of obligation as at the end of the year	44,652,443	44,564,641
2	Fair value of plan assets as at the end of the year.	3,073,958	2,871,516
3	Funded / (unfunded) status	(41,578,485)	(41,693,125)
4	Excess of actual over estimated	(21,536)	3,996
5	Unrecognised actuarial (gains) losses	-	-
6	Net assets / (liability) recognized in balance sheet	(41,578,485)	(41,693,125)

(v) Expenses recognised in the Statement of Income and Expenditure

Particulars		For the year ended 31 March 2020	For the year ended 31 March 2019
1	Current service cost	11,316,433	15,173,806
2	Past service cost	-	-
3	Interest on obligation	3,413,652	2,371,808
4	Expected return on plan assets	(223,978)	(203,776)
5	Net actuarial loss recognized in the period.	(7,772,912)	2,032,232
6	Expense recognised in the Statement of Income and Expenditure*	67,33,195	19,374,070

*Included in Note 17, 18 and 19 to the financial statement

(vi) Principal actuarial assumptions :

A Economic assumptions

The principal assumptions are the discount rate, expected rate of return on plan assets and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars		As at 31 March 2020	As at 31 March 2019
1	Discounting rate (p.a.)	6.80%	7.66%
2	Expected rate of return on plan assets (p.a.)	7.05%	7.80%
3	Salary growth rate (p.a.)	8.00%	8.00%

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Care India Solutions For Sustainable Development
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B Demographic assumptions

Particulars		As at 31 March 2020	As at 31 March 2019
1	Retirement age	60 Years *	60 Years
2	Mortality table	IALM (2012-14)	IALM (2006-08)
3	Ages	Withdrawal rate (%) (p.a)	Withdrawal rate (%) (p.a)
	Upto 30 Years	16.00/3.00	16.00/3.00
	From 31 to 44 Years	25.00/3.00	25.00/3.00
	Above 44 Years	49.00/1.00	49.00/1.00

* We have assumed that 50% of project employee may continue after closure of project.

(vii) Investment detail of plan assets: The gratuity trust has taken up group policies with an insurance company.

(viii) Amounts recognised in current year:

Gratuity	As at 31 March 2020	As at 31 March 2019
Defined benefit obligation	44,652,443	44,564,641
Plan assets	3,073,958	2,871,516
Net asset/(liability)	(41,578,485)	(41,693,125)
Experience adjustment in plan liabilities loss	2,503,876	(2,876,636)
Experience adjustment in plan assets (loss)/ gain	(21,536)	3,996

28. The Company is engaged in charitable activities which are not distinguishable on the basis of risk and return and hence the Company views the same as single business segment. Further, these charitable activities are being catered in India only and hence there are no separate reportable geographical segments. Accordingly, no separate disclosures in respect of primary and secondary segment have been provided.

29. During the year 2012-13, the Company had received foreign contribution from two parties, situated outside India, aggregating Rs. 283,255,616 (including Rs. 267,629,262 received in the year 2011-12) without obtaining prior permission from Ministry of Home Affairs (MHA). The said funds were received in bank account maintained for local funds and the Foreign Inward Remittance Certificates relating to this foreign contribution indicates that these funds have been received by the Company for Business and Management Consultancy and Public Relations. This had also resulted in non-compliance of Section 17(1) of the Foreign Contribution (Regulation) Act, 2010 as the foreign funds were received in the bank account maintained for local funds. The Company had indicated to us that these funds are grants to be characterized as Foreign Contribution and these are not for any services liable for any tax in India. The Company had filed the necessary condonation application with the MHA and is still waiting for the necessary disposal of its application by MHA. The Company believes that since it has voluntarily disclosed the factual information, MHA may take a favourable view. However, on the basis of abundant caution, during the year ended 31 March 2018, the Company had provided a penalty of

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Rs. 56,651,123 on the basis of applicable provisions related to such non-compliance, in the financial statements and included the same under the head rates and taxes in Note no. 19 'Other administrative expenses' for the year ended 31 March 2018.

30. The Company has not recognised any additional past provident fund liability pursuant to a recent judgement dated 28 February 2019 by the Hon'ble Supreme Court pertaining to treatment of certain allowances as part of wages, as the applicability/impact is being ascertained and the date from which the judgment will be applicable is uncertain.

31. The Company is exempt from income tax under Section 12AA of the Income Tax Act, 1961 and hence no provision for taxation is required for current year tax expense. Since, the Company is exempt from income tax, no deferred tax (asset or liability) is recognized in respect of timing differences.

32. Contingent Liability

The following matters which have been excluded from contingent liabilities as the matters have been decided in favour of the Company, although the concerned regulatory authority has preferred an appeal at a higher level:

(Rupees in lacs)					
Name of the Statute	Nature of Dues	Amount Involved (Rs. in lacs)*	Amount paid/(received) under protest (Rs. in lacs)	Assessment year to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	214.0	Nil	2011-12	High Court
Income Tax Act, 1961	Income Tax	444.0	Nil	2012-13	High Court

* amounts as per demand orders including interest and penalty wherever indicated in the demand.

33. During the financial year 2018-19, there were some control gaps noted in the procurement process. Accordingly, the management appointed Grant Thornton to prepare a new procurement functional manual including policy guidelines, detailed functional steps, interlinkage with various departments, roles and responsibility, key controls identifications and turnaround time established. The manual was initially planned to be rolled out effective 01 October 2019, but it got delayed due to some unforeseen circumstances. The manual was finally rolled out on 01 January 2020 and got fully operationalized across all locations effective 01 April 2020. The management is fully committed and ensuring that the various financial and non-financial reporting facets are strengthened while improving operating effectiveness of the procurement function both in state offices and HQ.

34. Impact of Covid-19

In the month of March 2020, the World Health Organization declared COVID-19 to be a pandemic. The Company has evaluated the effect of the pandemic on its operations and on the carrying amounts of receivables, tangible and intangible assets and other assets/ liabilities and based on such evaluation the Company believes that there is no material impact to be incorporated in these financial statements. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of the pandemic, the Company has considered internal and external information available till the date of approval of these financial statements. In the above context and based on the current estimates, the Company does not foresee any material adverse impact in the medium to long term on the operations, its liquidity and other obligations. The overall economic situation being uncertain due to the evolving scenario of the pandemic, the Company would continue

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Notes to the financial statements for the year ending 31 March 2020
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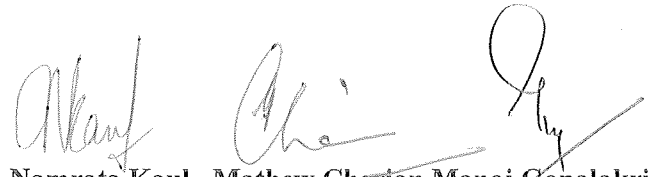
to closely monitor any developments in future economic conditions as they emerge and consider their impact on the financial statements of the relevant periods.

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231 W/W-100024



Sandeep Batra
Partner
Membership No.: 093320

For and on behalf
Care India Solutions for Sustainable Development



Namrata Kaul **Mathew Cherian** **Manoj Gopalakrishna**
Director *Director* *Chief Executive Officer*
DIN: 00994532 DIN: 02467609

Place: Noida
Date: 26 September 2020

Place: Noida
Date: 26 September 2020