

INDEPENDENT AUDITOR'S REPORT

To the Members of Swades Foundation

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of Swades Foundation ("the Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Income and Expenditure and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its deficit and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, but does not include the financial statements and our auditor's 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 such 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.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are



reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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 system 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 made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

Other Matter

The financial statements of the Company for the year ended March 31, 2019, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on August 08, 2019.

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's report) Order, 2016 ("the Order) issued by the Ministry of Corporate Affairs in terms of section 143(11) of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
2. 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 Statement of Income and Expenditure and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;
 - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020;



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Page 4 of 6

Auditor's Report of Swades Foundation

For the year ended March 31, 2020

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
 - 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.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Vineet Kedia**

Partner

Membership Number: 212230

UDIN: 20212230AAAABK6540

Place of Signature: Mumbai

Date: September 30, 2020



Annexure 1 to the Independent Auditor's Report of even date on the financial statements of Swades Foundation

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Swades Foundation ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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"). 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 the 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 (the "Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting with reference to these financial statements was established and maintained and if 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, 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 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 internal financial controls over financial reporting with reference to these financial statements.



Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these 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 control over financial reporting with reference to these financial statements includes 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 Over Financial Reporting With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting 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.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Vineet Kedia**

Partner

Membership Number:

UDIN: 20212230AAAABK6540

Place of Signature: Mumbai

Date: September 30, 2020



Swades Foundation
Balance sheet as at 31 March 2020

Amount in Rs.

Particulars	Note No.	31st March 2020	31st March 2019
(A) EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	100,000	100,000
(b) Corpus fund	4	850,000	850,000
(c) Reserves and surplus	5	(5,097,396)	24,853,288
		(4,147,396)	25,803,288
(2) Non-current liabilities			
(a) Long-term provisions	6	8,088,847	4,686,112
		8,088,847	4,686,112
(3) Current Liabilities			
(a) Trade payables			
(i) total outstanding dues to micro enterprises and small enterprises (Refer Note 20)	7	-	153,030
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	7	91,371,734	84,803,111
(b) Other current liabilities	8	342,471,512	227,426,713
(c) Short-term provisions	6	4,406,260	1,319,791
		438,249,506	313,702,645
Total		442,190,957	344,192,045
(B) ASSETS			
(1) Non-current assets			
(a) Fixed Assets			
(i) Property, Plant and Equipment	9	4,169,624	3,913,465
(ii) Intangible assets	9	2,111,742	2,717,410
(b) Loans and advances	10	3,561,955	2,346,903
		9,843,321	8,977,778
(2) Current assets			
(a) Cash and bank balances	11	405,246,817	303,600,181
(b) Loans and advances	10	25,148,523	29,828,919
(c) Other current assets	12	1,952,296	1,785,167
		432,347,636	335,214,267
Total		442,190,957	344,192,045
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements
As per our report of event date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number: 101049W/E300004


per Vineet Kedia
Partner
Membership No:- 212230



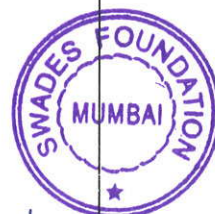
Place: Mumbai
Date: 30th September 2020

For and on behalf of Board of Directors
Swades Foundation


Rohinton Screwvala
Director
DIN No:- 00003423

Place: Mumbai
Date: 30th September 2020


Zarina Screwvala
Director
DIN No:- 00004518



Swades Foundation

Statement of income and expenditure for the year ended 31 March 2020

Particulars	Note	Amount in Rs.	
		31st March 2020	31st March 2019
(A) Income			
(1) Donations	13	647,756,926	700,284,546
(2) Other income	14	10,436,325	8,373,997
Total Income (1+2)		658,193,251	708,658,543
(B) EXPENDITURE			
(1) Programme expenses	15	482,080,040	495,235,500
(2) Employee benefits expense	16	172,087,766	157,614,235
(3) Depreciation and amortisation expense	17	2,127,664	1,408,894
(4) Other expenses	18	31,848,465	31,085,091
Total Expenditure (1+2+3+4)		688,143,935	685,343,720
(Deficit)/Surplus of Income over Expenditure (A-B)		(29,950,684)	23,314,823
Basic and Diluted Earnings per share (Face Value of Rs. 10 each)	19	(2,995.07)	2,331.48
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements
As per our report of event date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004


per Vineet Kedia
Partner
Membership No:- 212230

Place: Mumbai
Date: 30th September 2020



For and on behalf of Board of Directors
Swades Foundation


Rohinton Screwvalla
Director
DIN No:- 00003423

Place: Mumbai
Date: 30th September 2020


Zarina Screwvalla
Director
DIN No:- 00004518



Swades Foundation
Cash flow statement for the year ended 31 March 2020

Particulars	Amount in Rs.	
	31st March 2020	31st March 2019
Cash flow from operating activities (Deficit)/ surplus of income over expenditure	(29,950,684)	23,314,823
Adjustments to reconcile (deficit)/surplus to net cash flows:		
Depreciation and amortisation expense	2,127,664	1,408,894
Interest income	(10,426,956)	(8,373,997)
Operating (deficit)/surplus before working capital changes	(38,249,976)	16,349,720
Movements in working capital:		
Decrease/(increase) in current loans and advances	4,680,396	(10,020,602)
(Increase) in non-current loans and advances	-	(970,000)
Increase in trade payables	6,415,593	5,256,563
Increase/(decrease) in other current liabilities	115,044,799	(59,850,058)
Increase in short-term provisions	3,086,469	591,711
Increase in long-term provisions	3,402,735	1,349,482
Cash generated/(used in) from operations	94,380,016	(47,293,184)
Direct taxes paid (net of refunds)	(1,215,052)	(886,787)
Net cash flow from/(used in) operating activities (A)	93,164,964	(48,179,971)
Cash flow from investing activities		
Purchase of property, plant and equipment	(1,778,155)	(2,845,231)
Interest Received	10,259,827	7,121,162
Investment in bank deposits (having maturity of more than 3 months)	(180,704,978)	(59,048,687)
Net cash (used in) investment activities (B)	(172,223,306)	(54,772,756)
Net (decrease) in cash and cash equivalents (A+B)	(79,058,342)	(102,952,727)
Cash and cash equivalents at the beginning of year	153,206,278	256,159,005
Cash and cash equivalents at the end of year	74,147,936	153,206,278
Components of cash and cash equivalents		
Cash on hand	-	43,053
Balance with Bank	71,147,936	91,663,225
Fixed deposits with banks having maturity less than 3 months	3,000,000	61,500,000
Total cash and cash equivalents (Refer Note 11)	74,147,936	153,206,278

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements
As per our report of event date

Notes to the Cash Flow Statement:

1. Cash flow statement has been prepared as per indirect method prescribed in Accounting Standard 3 "Cash Flow Statement" issued by the institute of Chartered Accountants of India .

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004


per Vineet Kedia
Partner

Membership No:- 212230




Place: Mumbai
Date: 30th September 2020

For and on behalf of Board of Directors
Swades Foundation


Rohinton Screwvala
Director
DIN No:- 00003423




Zarina Screwvala
Director
DIN No:- 00004518

Place: Mumbai
Date: 30th September 2020

Corporate information

Swades Foundation ("the Company") was incorporated under section 8 of the Companies Act, 2013 on 30 June 2015 and granted registration under Section 12A of the Income Tax Act, 1961 on 18 January, 2016. The Company has also obtained registration number 083781348 under Foreign Contribution (Regulation) Act, 2010 ("FCRA")

The objective of the Company is to promote education, research, vocational education, skill development, learning by supporting educational institutions, to promote welfare activities for generating livelihood, employment opportunities, entrepreneurship, enterprising skill for upliftment of marginalized and disadvantaged section of the society, to promote philanthropic activities for the welfare of the society.

Significant accounting policies

i Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 read together with the Companies (Accounting Standards) Amendment Rules, 2006 (as amended from time to time). The financial statements have been prepared on accrual basis under the historical cost convention.

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

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 Schedule III to the Act. Based on nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash and cash equivalents, 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.

ii Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

iii Donations

General Grants and Donations are recognized in the year in which same are received.

Grants and Donation for specific projects are recognized as income to the extent utilised during the year as per terms of agreement/sanction and unutilized amounts are carried forward as liability and disclosed as "Unutilised Donor Funds" under other current Liabilities until the actual expenditure is incurred.

Interest income on Fixed Deposit placed from donation received for specific project are recognized as income to the extent utilised during the year as per terms of agreement/sanction and unutilized amounts are carried forward as liability and disclosed as "Unutilised Donor Funds" under other current liabilities until the actual expenditure is incurred.

iv Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of income and expenditure



Jan



Swades

2

v Fixed Assets

(a) **Property, Plant and Equipment** - Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price including incidental costs related to acquisition and installation.

(b) **Intangible Assets** - Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

vi Depreciation/amortization of Fixed Assets.

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The company has used the following rates to provide depreciation on its property, plant and equipment.

Assets	Useful life (in years)
Furniture and fixtures	10
Office equipments	5
Plant & Equipments - Laptop	3
Plant & Equipments - Software	5
Vehicle	8

Intangible assets are amortised over a period of 5 years on straight line basis.

vii Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

The Company operates defined benefit plans for its employees, viz., gratuity liability. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial gains and losses for defined benefit plan is recognized in full in the period in which they occur in the statement of income and expenditure.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Such compensated absences are provided for based on the actuarial valuation at each year-end

viii Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

ix Operating Lease

Assets acquired on lease, where significant portions of risks and rewards incidental to ownership are retained by the lessor, are classified as operating lease. Lease rentals under operating leases are recognised in the statement of income and expenditure on the Straight-line basis over the lease term.

x Cash and Cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

xi Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the income and expenditure account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

xii Earnings Per Share

Basic earnings per share are calculated by dividing the net surplus or deficit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

xiii Provisions

A provision is recognized when the Company has a present obligation as a result of past event, 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 are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

xiv Cash Flow Statement

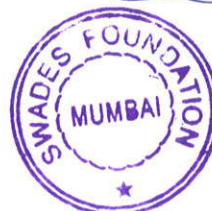
Cash flows are reported using the indirect method, whereby surplus / (deficit) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.



Swades Foundation		Notes forming part of the financial statements for the year ended 31 March 2020		Amount in Rs.	
		31st March 2020	31st March 2019		
3. Share capital					
Authorised					
100,000 (100,000) equity shares of Rs. 10 each		1,000,000	1,000,000		
		<u>1,000,000</u>	<u>1,000,000</u>		
Issued, subscribed and paid up					
10,000 (10,000) equity shares of Rs. 10 each fully paid up		100,000	100,000		
		<u>100,000</u>	<u>100,000</u>		
a. Reconciliation of number of equity shares and equity share capital					
		31st March 2020		31st March 2019	
		Number of Equity Shares	Rupees	Number of Equity Shares	Rupees
Outstanding at the beginning of the year		10,000	100,000	10,000	100,000
Outstanding at the end of the year		<u>10,000</u>	<u>100,000</u>	<u>10,000</u>	<u>100,000</u>
b. Details of shareholders holding more than 5% shares					
		31st March 2020		31st March 2019	
Name of the shareholder		Number of Equity Shares	Percentage of holding	Number of Equity Shares	Percentage of holding
Rohinton Screwvala		3,500	35%	3,500	35%
Zarina Screwvala		3,500	35%	3,500	35%
Trishya Screwvala		3,000	30%	3,000	30%
c. Terms/ rights attached to equity shares					
The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.					
4. Corpus fund					
As per last balance sheet		850,000	850,000		
		<u>850,000</u>	<u>850,000</u>		
5. Reserves and surplus					
Surplus in the statement of income and expenditure					
As per last balance sheet		24,853,288	1,538,465		
Add: (Deficit)/Surplus of income over expenditure		(29,950,684)	23,314,823		
		<u>(5,097,396)</u>	<u>24,853,288</u>		
Swades Foundation					
Notes forming part of the financial statements for the year ended 31 March 2020					
6. Provision		Amount in Rs.			
		Long-term		Short-term	
		31st March 2020	31st March 2019	31st March 2020	31st March 2019
Provision for gratuity (Refer note 23)		8,088,847	4,686,112	2,305,010	1,319,791
Provision for leave benefits (Refer note 23)		-	-	2,101,250	-
		<u>8,088,847</u>	<u>4,686,112</u>	<u>4,406,260</u>	<u>1,319,791</u>
7. Trade Payables					
		31st March 2020		31st March 2019	
(i) total outstanding dues to micro enterprises and small enterprises (Refer note 20)		-		153,030	
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		91,371,734		84,803,111	
		<u>91,371,734</u>		<u>84,956,141</u>	
8. Other Current Liabilities					
Payable to employees		5,710,844	4,555,106		
Statutory dues		4,002,786	3,775,239		
Deposit from suppliers		4,200,000	2,800,000		
Unutilized donor funds for specific projects:					
Balance as per Last Balance Sheet		216,296,368	275,414,223		
Add: Received during the year		495,572,396	389,890,086		
Add: Interest Received during the year		8,574,536	6,884,345		
Less: Spent during year		(391,885,418)	(455,892,286)		
		<u>328,557,882</u>	<u>216,296,368</u>		
		<u>342,471,512</u>	<u>227,426,713</u>		



Ja



Swades Foundation
Notes forming part of the financial statements

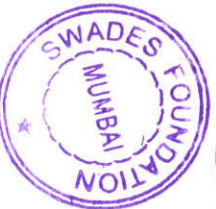
9. Property, plant and equipment and Intangible assets

Amount in Rs.

Particulars	Furniture and fixtures	Office equipments	Tangible assets			Total	Intangible assets - Software - Acquired	Total
			Computers and data processing	Motor vehicles				
Cost or Valuation								
At 1st April 2018	654,748	765,641	1,039,782	931,437	3,391,608	2,550,625	5,942,233	
Additions	-	1,032,747	690,000	-	1,722,747	1,122,484	2,845,231	
Disposals	-	-	-	-	-	-	-	
At 31st March 2019	654,748	1,798,388	1,729,782	931,437	5,114,355	3,673,109	8,787,464	
Additions	-	98,780	1,587,184	-	1,685,964	92,191	1,778,155	
Disposals	-	-	-	-	-	-	-	
At 31st March 2020	654,748	1,897,168	3,316,966	931,437	6,800,319	3,765,300	10,565,619	
Depreciation / amortisation								
At 1st April 2018	68,096	124,265	110,737	23,040	326,138	421,557	747,695	
Charges for the year	62,202	252,448	449,447	110,655	874,752	534,142	1,408,894	
Disposals	-	-	-	-	-	-	-	
At 31st March 2019	130,298	376,713	560,184	133,695	1,200,890	955,699	2,156,589	
Charges for the year	61,844	347,753	909,918	110,290	1,429,805	697,859	2,127,664	
Disposals	-	-	-	-	-	-	-	
At 31st March 2020	192,142	724,466	1,470,102	243,985	2,630,695	1,653,558	4,284,253	
Net Block								
At 31st March 2019	524,450	1,421,675	1,169,598	797,742	3,913,465	2,717,410	6,630,875	
At 31st March 2020	462,606	1,172,702	1,846,864	687,452	4,169,624	2,111,742	6,281,366	



[Handwritten signature]



[Handwritten signature]

Swades Foundation
Notes forming part of the financial statements for the year ended 31st March 2020

10. Loans and Advances

Amount in Rs.

	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Security deposits	1,251,500	1,251,500	-	-
Advance Income Tax / TDS receivable	2,310,455	1,095,403	-	-
Advances to vendors	-	-	23,073,252	27,964,266
Advances to employees	-	-	127,840	283,852
Advances to others	-	-	275,000	-
Prepaid expenses	-	-	1,672,431	1,580,801
	3,561,955	2,346,903	25,148,523	29,828,919

11. Cash and bank balances

31st March 2020 31st March 2019

a) Cash & Cash Equivalents

Cash on hand	-	43,053
Balance with Bank	71,147,936	91,663,225
Deposits with original maturity of less than 3 months	3,000,000	61,500,000

Cash and cash equivalents

74,147,936 153,206,278

b) Other bank balances

Deposits with remaining maturity for less than 12 months	331,098,881	150,393,903
--	-------------	-------------

405,246,817 303,600,181

12. Other Current Assets

Accrued Interest on Bank deposits	1,952,296	1,785,167
	1,952,296	1,785,167



[Handwritten signature]



[Handwritten signature]

Swades Foundation		
Notes forming part of the financial statements for the year ended 31 March 2020		
	Amount in Rs.	
	31st March 2020	31st March 2019
13. Donations		
Donation from Institution (includes donation utilised for specific projects)	619,808,337	665,135,295
Donation from Community	27,948,589	35,149,251
	647,756,926	700,284,546
14. Other income		
Interest on fixed deposits from donation received for specific projects	8,574,536	6,884,345
Interest on savings bank account	1,852,420	1,489,652
Other income	9,369	-
	10,436,325	8,373,997
15. Programme expenses		
Program Expenses		
(a) Rural Development and eradication of poverty	131,512,502	193,629,268
(b) Education	75,690,513	51,014,975
(c) Healthcare, Medical Relief, Water and Sanitation	172,633,644	171,694,574
Program Expenses	379,836,659	416,338,817
Donations to Not-for-profit organizations (NGO)	102,243,381	78,896,683
	482,080,040	495,235,500
16. Employee benefit expenses		
Salaries, wages & bonus	158,025,281	148,209,954
Contribution to Provident Fund & Others	8,092,804	5,528,171
Gratuity Expenses (Refer note 23)	4,445,646	2,763,807
Staff Welfare Expenses	1,524,035	1,112,303
	172,087,766	157,614,235

Swades Foundation		
Notes forming part of the financial statements for the year ended 31 March 2020		
	Amount in Rs.	
	31st March 2020	31st March 2019
17. Depreciation and amortisation expense		
Depreciation of tangible assets	1,429,805	874,752
Amortization of intangible assets	697,859	534,142
	2,127,664	1,408,894
18. Other expenses		
Rent	5,948,700	6,339,964
Travelling & Conveyance Expenses	7,549,669	5,085,528
Recruitment Expenses	169,911	350,522
Printing, Stationery, Postage & Photocopy	718,981	868,021
Repair Maintenance		
Repairs & Maintenance - Building	4,130	6,678
Repairs & Maintenance - Others	1,637,470	1,952,531
Rates & Taxes	44,623	50,103
Seminar, Membership & Subscriptions	533,614	431,447
Auditor's Fees & Expenses (Refer note below)	1,834,000	2,394,579
Telecommunication Expenses	2,534,456	3,075,064
Advertisement & Marketing Expenses	2,978,222	1,875,925
Electricity & Water Expenses	522,277	407,603
Insurance	2,292,641	2,355,327
Legal & Professional Charges	5,004,094	5,735,761
Bank Charges	11,485	39,055
Miscellaneous Expenses	64,192	116,983
	31,848,465	31,085,091

Note:

Payments to auditor (including tax wherever applicable):

As auditor:

a) Audit fee	1,711,000	2,077,000
b) Tax audit fee	59,000	118,000
c) Reimbursement of expenses	5,000	22,579

In other capacity:

a) Certification fee	59,000	177,000
----------------------	--------	---------

Total	1,834,000	2,394,579
--------------	------------------	------------------



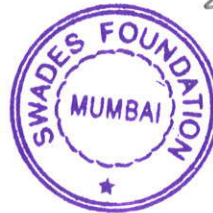
Handwritten signature



Swades Foundation		
Notes forming part of the financial statements for the year ended 31st March 2020		
		Amount in Rs.
19. Earning per share (Basic and diluted)		
The following reflects the surplus/(deficit) and share data used in the basic and diluted EPS computations:		
Particulars	31st March 2020	31st March 2019
(Deficit)/Surplus of income over expenditure (A)	(29,950,684)	23,314,823
Weighted Average number of equity shares (B)	10,000	10,000
Basic and diluted earnings per share (Rs.) - (A) / (B)	(2,995.07)	2,331.48
20. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006		
Particulars	31st March 2020	31st March 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	153,030
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.		
21. Earnings in foreign currency (accrual basis)		
Particulars	31st March 2020	31st March 2019
Donation received	-	2,208,099
22. Related party disclosures		
Names of related parties and related party relationship		
Key management personnel		
Rohinton Soli Screwvala	Director	
Zarina Screwvala	Director	
Trishya Rohinton Screwvala	Director	
Other Related Parties with whom transactions have taken place during the year		
Unilazer Ventures Private Limited	Entity Controlled by Directors	
SHARE Society to Heal Aid Restore Educate	Directors are trustees	
Swades Foundation (USA)	Entity Controlled by Directors (Resigned w.e.f 4th June 2018)	
Transactions with related parties		
	Amount in Rs.	
	31st March 2020	31st March 2019
Donation received		
Unilazer Ventures Private Limited	179,000,000	200,075,000
Rohinton Soli Screwvala	-	2,685,000
Trishya Rohinton Screwvala	-	243,000
Swades Foundation (USA)	-	277,263
SHARE Society to Heal Aid Restore Educate	2,000,000	-
Expenditure incurred		
SHARE Society to Heal Aid Restore Educate	146,880	125,658



JR



Swades Foundation

Notes forming part of the financial statements for the year ended 31st March 2020

23 Gratuity and other post-employment benefit plans

The Company has a defined gratuity benefit plan. Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The Company operates an unfunded gratuity plan wherein employees are entitled to the benefit as per scheme of the Company for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service. The following tables summarize the components of net benefit expense recognized in the statement of income and expenditure and amounts recognized in the balance sheet for the respective plans.

Statement of income and expenditure**A. Net employee benefit expense (recognised in employee cost)**

Amount in Rs.

Particulars	31st March 2020	31st March 2019
	Amount in Rs.	Amount in Rs.
Current service cost	1,362,460	1,261,540
Interest cost on benefit obligation	403,451	253,912
Actuarial loss	2,679,735	1,248,355
Expense recognized in income & expenditure statement	4,445,646	2,763,807

Balance sheet**B. Details of provision for gratuity**

Particulars	31st March 2020	31st March 2019
	Amount in Rs.	Amount in Rs.
Present value of benefit obligation	(10,393,857)	(6,005,903)
Fair value of plan assets	-	-
Net liability recognized in the balance sheet	(10,393,857)	(6,005,903)

Balance sheet**C. Changes in the present value of the defined benefit obligation are as follows:**

Particulars	31st March 2020	31st March 2019
	Amount in Rs.	Amount in Rs.
Opening defined benefit obligation	6,005,903	4,064,710
Interest Cost	403,451	253,912
Current Service Cost	1,362,460	1,261,540
Benefits paid	(57,692)	(822,614)
Actuarial losses on obligations	2,679,735	1,248,355
Closing defined benefit obligation	10,393,857	6,005,903

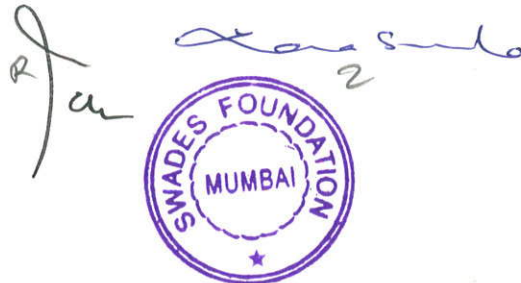
D. The principal assumptions used in determining gratuity benefit obligations are shown below

Particulars	31st March 2020	31st March 2019
Discount Rate	5.50%	6.75%
Salary Escalation	0% for the first year and 7% thereafter	8%
Withdrawal Rate	33.00%	33.00%

To provide for liability on account of death while in service have been used mortality rates as given under Indian Assured Lives Mortality (2006-08) Ultimate.

Salary escalation assumption has been set in discussions with the enterprise based on their estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.

E. The Company has a defined leave plan wherein, 22 days of paid leave is credited to the employee per financial year with pro rata applicable to employees joining during the period. Employees can carry forward maximum 21 days of leave in financial year and no leaves will be encashed. The scheme is not funded. For the year ended March 31, 2020 the charge made in the statement of income and expenditure for leave liability is Rs. 21,01,250/- (March 31, 2019 is Rs. Nil)



Swades Foundation

Notes forming part of the financial statements for the year ended 31st March 2020

24. Leases

The Company's significant leasing arrangement are in respect of operating leases for commercial premises.

Particulars	Amount in Rs.	
	31st March 2020 Amount in Rs.	31st March 2019 Amount in Rs.
Details of leasing arrangements		
As Lessee		
<u>Operating Lease</u>		
The Company has entered into operating lease arrangements for worli office. The lease is non-cancellable for a period of 1 to 3 years and may be renewed based on mutual agreement between the parties.		
Future Non-Cancellable minimum lease commitments		
(i) not later than one year	-	3,186,000
(ii) later than one year and not later than five years	-	8,665,920
Expenses recognised in the statement of income and expenditure		
Minimum lease payments	5,948,700	6,339,964

Subsequent to the year end, the Company have discontinued the lease arrangement w.e.f. 01st April 2020

25. Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

26. The figures of previous year were audited by a firm of chartered accountants other than S.R. Batliboi & Associates LLP.

As per our report of event date


For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number: 101049W/E300004


per Vineet Kedia
Partner
Membership No:- 212230


Place: Mumbai
Date: 30th September 2020



For and on behalf of Board of Directors
Swades Foundation


Rohinton Screwvala
Director
DIN No:- 00003423

Place: Mumbai
Date: 30th September 2020


Zarina Screwvala
Director
DIN No:- 00004518

