

# SMS & Associates

Chartered Accountants

13/82, LGF, Vikram Vihar  
Lajpat Nagar-IV, New Delhi-110024  
Tel. : 011-41729407, 46103248, 9811991182  
E-mail : [ssadhoo@smscorporate.net](mailto:ssadhoo@smscorporate.net)  
Website : [www.smscorporate.net](http://www.smscorporate.net)

## INDEPENDENT AUDITOR'S CERTIFICATE

We have audited the accounts of Indus Action Initiatives ("the Association") having its registered office at G-7 2nd Floor, Lajpat Nagar-3 New Delhi South Delhi Delhi-110024 (registered under section 8 of the Companies Act, 2013 vide registration number U80904DL2013NPL256964, PAN No: AADCI3253R and FC Reg No:- 231661684) for the year ending March 31, 2020 and examined the relevant books and vouchers and certify that according to the audited account:

1. The brought forward foreign contribution at the beginning of the year was Rs. 9,435,312
2. Foreign contributions of Rs. 24,230,981 was received by the Association during the financial year 2019-20.
3. Interest/other receipts of Rs. 40,833 (net of TDS Rs. 4,537) was received by the Association during the financial year 2019-20.
4. The balance of unutilised foreign contribution with the Association at the end of the year 31-03-2020 was Rs. 9,772,172/-
5. Certified that the Association has maintained the accounts of foreign contribution and records relating thereto in the manner specified in Section 19 of the Foreign Contribution (Regulation) Act, 2010 (42 of 2010) read with sub-rule (17) of the Foreign Contribution (Regulation) Rules, 2011.
6. The information furnished in this certificate and in the enclosed financial statements comprising of the Balance sheet, Income and Expenditure Account, Receipts and Payments and Notes to the financial statements is correct as checked by us
7. The Association has utilized the foreign contribution received for the purpose it is registered under Foreign Contribution (Regulation) Act, 2010.

The Certificate is to be read along with the notes in Appendix I.

**For SMS & ASSOCIATES**

Chartered Accountants

Firm Registration Number: **018687N**

**Shukdev Sadhoo**

Partner

Membership No: 084188

**UDIN: 21084188AAAAAR9848**



Place: New Delhi

Date: January 06, 2021



**Appendix I-Notes to Auditor's Certificate on Foreign Contribution Regulation Act, 2010**

1. This Certificate is issued in accordance with the terms of our engagement letter.

**Management's Responsibility**

2. The Association Management is responsible for the compilation of the information, maintenance of separate set of accounts and records, exclusively, for the foreign contribution received and utilized in terms of Foreign Contribution Regulation Act, 2010 (the "Act") and Rule 17 of the Foreign Contribution (Regulation) Amendment Rules (the "Rules") and preparation of these financial statements, based on the said set of accounts and records, are in accordance with the accounting principles generally accepted in India.
3. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements and applying an appropriate basic of preparation; and making estimates that are responsible in the circumstances

**Auditor's Responsibility**

4. We have examined the books and other relevant records and documents maintained by the Association in the normal course of business for the purpose of providing reasonable assurance on the particulars mentioned in the certificate
5. This certificate is based on our examination the financial statements attached to this certificate and other relevant records and information considered necessary for the purpose of issuing this certificate and the information and explanation given to us by the Association.
6. We conducted our examination of the statement in accordance with the Guidance Note on Audit Reports and Certificates for special purposes issued by the Institute of Chartered Accounts of India (ICAI) and the standards of auditing specified on Auditing under section 143(10) of the Companies Act 2013, This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality (SQC) 1, Quality Control for Firms that perform Audits and reviews of Historical Financial Information, and other Assurance and related Services Engagements


**Restriction to Use**

8. This certificate has been issued at the request of the Association for submission to Secretary to the Government of India, Ministry of Home affairs and is not to be used for any other purposes or to be distributed to any other parties, Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

**For SMS & ASSOCIATES**

Chartered Accountants

Firm Registration Number: **018687N**

  
**Shukdev Sadhoo**

Partner

Membership No: 084188

**UDIN: 21084188AAAAAR9848**



Place: New Delhi

Date: January 06, 2021



**Indus Action Initiatives**

(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

G-7 2nd Floor, Lajpat Nagar-3 New Delhi South Delhi DL 110024 IN

CIN : U80904DL2013NPL256964

**Balance Sheet (FCRA) as at 31 March 2020**

Particular's	Notes	As on March 31, 2020		As on March 31, 2019	
		Rupees	Rupees	Rupees	Rupees
<b>I. FUNDS AND LIABILITIES</b>					
<b>Funds</b>					
Corpus Fund	2	-	-	-	-
General fund	3	91,26,193	91,26,193	66,68,429	66,68,429
<b>Non-current liabilities</b>					
<b>Current Liabilities:</b>					
Trade payables	4	-	-	-	-
(a) Micro enterprises and small enterprises		-	-	-	-
(b) Others		3,08,885		25,35,389	
Other Current Liabilities	5	5,62,596	8,71,481	4,05,408	29,40,797
<b>TOTAL</b>			<b>99,97,674</b>		<b>96,09,226</b>
<b>II. ASSETS</b>					
<b>Non Current Assets:</b>					
<b>Fixed assets</b>					
Tangible Fixed Assets	6	32,566		44,206	
Intangible Fixed Assets	6	8,847	41,413	-	44,206
<b>Current Assets:</b>					
Cash & Bank Balances	7	97,72,172		94,35,312	
Short-term loans and advances	8	1,25,816		1,16,563	
Other Current Assets	9	58,273	99,56,261	13,145	95,65,020
<b>TOTAL</b>			<b>99,97,674</b>		<b>96,09,226</b>

Summary of significant accounting policies 1

As per our separate report of even date attached

For **SMS & ASSOCIATES**

Chartered Accountants

Reg. No. 018687N

Shukdev Sadhoo

Partner

M. No.: 084188

Place: New Delhi

Date: 06/01/2021



For and on behalf of the Board of Directors

*Tarun Cherukuri*

Tarun Cherukuri

Director

DIN: 06622010

*Vaibhav Mathur*

Vaibhav Mathur

Director

DIN: 05293624





**Indus Action Initiatives**

(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

G-7 2nd Floor, Lajpat Nagar-3 New Delhi South Delhi DL 110024 IN

CIN : U80904DL2013NPL256964

**Statement of Income and Expenditure Account (FCRA) for the year ended March 31, 2020**

Particular's	Notes	Year Ended March 31, 2020 Rupees	Year Ended March 31, 2019 Rupees
<b>Income</b>			
Grants and Donation Received	10	2,42,30,981	1,19,10,190
Other Income	11	45,370	15,000
		<b>2,42,76,351</b>	<b>1,19,25,190</b>
<b>Expenditure</b>			
Employee Benefit Expenses	12	1,11,89,859	8,32,781
Depreciation and Amortization Expenses	6	41,293	17,558
Other Expenses	13	1,05,87,435	49,39,098
		<b>2,18,18,587</b>	<b>57,89,437</b>
<b>Surplus/ ( Deficit) for the year</b>		<b>24,57,764</b>	<b>61,35,753</b>

As per our separate report of even date attached

For **SMS & ASSOCIATES**

Chartered Accountants

Reg. No. 018687N

Shukdev Sadhoo

Partner

M. No.: 084188

Place: New Delhi

Date: 06/01/2021



For and on behalf of the Board of Directors

*Tarun Cherukuri*

Tarun Cherukuri

Director

DIN: 06622010

*Vaibhav Mathur*

Vaibhav Mathur

Director

DIN: 05293624



**Indus Action Initiatives  
Foreign Contribution Account**

**Receipts And Payment Account For the Year Ended March 31, 2020**

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
<b>Total Receipts</b>		
Opening Balances B/f		
Cash in hand	822	627
Bank Balances	94,34,490	6,03,485
Grant Received	2,42,30,981	1,19,10,190
Interest Received (net of TDS)	40,833	13,500
<b>Total Funds Available (A)</b>	<b>3,37,07,126</b>	<b>1,25,27,802</b>
<b>Utilization</b>		
Employee benefit Expenses	1,11,89,859	8,32,781
Other expenses (net of Current Liabilities)	1,26,56,751	21,10,094
Purchase of Fixed Assets	38,500	22,810
Advance to Suppliers and Others	49,844	1,26,805
<b>Total Fund Utilised (B)</b>	<b>2,39,34,954</b>	<b>30,92,490</b>
<b>Closing Balance (A-B)</b>	<b>97,72,172</b>	<b>94,35,312</b>
Include:		
Cash in hand	822	822
Bank Balances	22,71,350	94,34,490
Fixed Deposit With Maturity Less Than Three Months	75,00,000	-

Significant Accounting Policies and Notes to Accounts forming part of the Financial Statements

For SMS & Associates  
Chartered Accountants  
ICAI Firm Registration No. 018687N

**Shukdev Sadhoo**  
Partner  
Membership No.: 084188



For and on behalf of the Board of Directors of  
**Indus Action Initiatives**

*Tarun Cherukuri*  
**Tarun Cherukuri**  
Director  
DIN: 06622010

*Vaibhav Mathur*  
**Vaibhav Mathur**  
Director  
DIN: 05293624

Place: Delhi  
Date: 06/01/2021

Place: New Delhi  
Date: 06/01/2021

Place: New Delhi  
Date: 06/01/2021



**Indus Action Initiatives**  
**(A Private Company Limited by Guarantee under section 8 of the Companies Act, 2013)**

**Notes to financial statements (FCRA) for the year ended 31 March 2020**

**1. Background**

Indus Action initiatives the ("Company") was incorporated in India on 26 August 2013. The Company is registered as Section 8 Company under the provisions of Companies Act, 2013. The main focus area of the company is to mobilize public resources and empower communities to solve India's deep rooted problems in areas such as education, public health, law enforcement and accountability.

The Company is also registered under Foreign Contribution (Regulation) Act, 2010 ("FCRA") vide registration no 231661684 dated June 06, 2017. The current registration is valid from 03.11.2016 to 02.11.2021.

**2. Significant accounting policies**

**a) Basis of preparation of financial statements**

These financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards referred to in Section 133 of Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014, the relevant provisions of the Companies Act, 2013, pronouncements of the Institute of Chartered Accountants of India and other accounting principles generally accepted in India, to the extent applicable. The Financial statements are presented in Indian Rupees.

The Company is a Small and Medium Sized Company (SMC) as defined in the General Instruction in respect of Accounting Standards notified under the Companies Act 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to the small and medium Sized Company.

**b) Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amounts of expenses incurred during the reported period. Differences between actual results and estimates are recognised in the year in which the actual result are known or materialized. Any revision to accounting estimates is recognised prospectively in the current and future periods.

**c) Current-non-current classification**

All assets and liabilities are classified into current and non-current.

**Asset**

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.



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**Indus Action Initiatives**

**(A Private Company Limited by Guarantee under section 8 of the Companies Act, 2013)**

**Notes to the financial statements for the year ended 31 March 2016**

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
- (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.

**Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of operation and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the organization has ascertained its operating cycle being a period within 12 months for the purposes of classification of assets and liabilities as current and non-current.

**d) Fixed assets and depreciation / amortization**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets include inward freight, duties, taxes and incidental expenses related to acquisition and installation incurred upto date of commissioning of the assets. Assets held for disposal are stated at their estimated residual values as at the balance sheet date.

Depreciation is provided on pro-rata basis as per written down value (WDV) method as per the useful life in part C of Schedule II of the Act.

**e) Impairment of assets**

In Accordance with Accounting Standard 28 (AS 28) on "Impairment of Assets" , the carrying amount of Company's assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount assets estimated at the higher of its useful life. An impairment loss is recognized whenever the carrying amount of an assets exceeds its recoverable amount. Impairment loss is recognized in the statement of profit and Loss.

**f) Cash and cash equivalents**



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**Indus Action Initiatives**  
(A Private Company Limited by Guarantee under section 8 of the Companies Act, 2013)

**Notes to the financial statements for the year ended 31 March 2016**

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

**g) Revenue recognition**

- The unrestricted grants and donations received by the company are recognised as income in the accounts in the year of receipt.
- The restricted grants and donation received and spent are recognised as income in the accounts whereas the utilized grants is shown as liability in the books
- Survey receipts are recognized on accrual basis.

**h) Employee benefits**

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

**i) Operating lease**

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

**j) Income Taxes**

The company has license to operate under section 8 of the companies Act, 2013 and Certificate of registration under section 12A of the Income Tax Act, 1961. Accordingly, the company is not liable to pay Income Tax under Income Tax Act, 1961.

**k) Provisions and contingent liabilities**

A provision is recognized in the financial statements where there exists a present obligation as a result of past event, the amount of which is reliable estimable, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. Contingent liability is possible obligation that arises from past events and the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of enterprise, or is a present obligation that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.

**l) Foreign exchange transactions**

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions. Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date. Gains/(losses) arising on account of realization/ settlement of foreign exchange transactions and on translation of foreign currency assets and liabilities are recognized in the statement of Profit and Loss.



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**Indus Action Initiatives**

(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

Notes forming part of the financial statements (FCRA) for the year ended March 31, 2020

		Amount in INR	
	<u>Notes</u>	As at March 31, 2020	As at March 31, 2019
<b>2. Corpus Fund</b>			
Opening balance		-	-
Add: Additions during the year		-	-
		-	-
<b>3. General fund</b>			
Opening balance		66,68,429	5,32,676
(+) Additions during the year		24,57,764	61,35,753
		91,26,193	66,68,429
<b>4. Trade Payables</b>			
Payable to Micro enterprises and small enterprises		-	-
Payable to Others		3,08,885	25,35,389
		3,08,885	25,35,389
<b>5. Other Current Liability</b>			
Employee related payables		1,08,492	1,63,535
Statutory dues		1,60,494	2,41,873
Other Liabilities		2,93,610	-
		5,62,596	4,05,408



*Jaun. a*

*Vaibhav Mathur*



Indus Action Initiatives  
(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

Notes to Financial Statements (FCRA) for the year ended March 31, 2020

6. Fixed Assets

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As on 01.04.2019	Additions	Deletions	As on 31.03.2020	As on 01.04.2019	For the year	Deletions	As on 31.03.2020	As on 31.03.2020	As on 31.03.2019	Amount (Rs.)
<b>Tangible Assets</b>											
Computers	1,21,275	-	-	1,21,275	1,15,211	-	-	1,15,211	6,064	6,064	
Office Equipment	29,408	26,700	-	56,108	17,332	12,580	-	29,912	26,196	12,076	
Furniture & Fixture	88,512	-	-	88,512	62,446	25,760	-	88,206	306	26,066	
<b>Total (a)</b>	<b>2,39,195</b>	<b>26,700</b>	<b>-</b>	<b>2,65,895</b>	<b>1,94,989</b>	<b>38,340</b>	<b>-</b>	<b>2,33,329</b>	<b>32,566</b>	<b>44,206</b>	
<b>Intangible Assets</b>											
Software	-	11,800	-	11,800	-	2,953	-	2,953	8,847	-	
<b>Total (b)</b>	<b>-</b>	<b>11,800</b>	<b>-</b>	<b>11,800</b>	<b>-</b>	<b>2,953</b>	<b>-</b>	<b>2,953</b>	<b>8,847</b>	<b>-</b>	
<b>Total (a+b)</b>	<b>2,39,195</b>	<b>38,500</b>	<b>-</b>	<b>2,77,695</b>	<b>1,94,989</b>	<b>41,293</b>	<b>-</b>	<b>2,36,282</b>	<b>41,413</b>	<b>44,206</b>	
<b>Previous Year</b>	<b>2,16,385</b>	<b>22,810</b>	<b>-</b>	<b>2,39,195</b>	<b>1,77,431</b>	<b>17,558</b>	<b>-</b>	<b>1,94,989</b>	<b>44,206</b>	<b>38,954</b>	



*Jaume*

*Vishnu Mathur*



**Indus Action Initiatives**

(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

Notes forming part of the financial statements (FCRA) for the year ended March 31, 2020

	Amount in INR	
	As at March 31, 2020	As at March 31, 2019
<b>7. Cash &amp; Cash equivalent</b>		
Balance with banks in:		
Current accounts	22,71,350	94,34,490
Fixed Deposit With Maturity Less Than Three Months	75,00,000	-
<b>Cash in Hand</b>		
Cash in Hand	822	822
	<b>97,72,172</b>	<b>94,35,312</b>
<b>8. Short-term Loans and Advances</b>		
Security deposit	65,000	-
Advances to vendors	60,816	1,16,563
	<b>1,25,816</b>	<b>1,16,563</b>
<b>9. Other Current Assets</b>		
Other Current Assets		
Interest Receivable	10,000	10,242
TDS receivable	40,833	-
	7,440	2,903
	<b>58,273</b>	<b>13,145</b>
<b>10. Grants and Donations Received</b>		
Grants and Donations Received		
	Year ended on March 31, 2020	Year ended on March 31, 2019
	2,42,30,981	1,19,10,190
	<b>2,42,30,981</b>	<b>1,19,10,190</b>
<b>11. Other Income</b>		
Interest on Fixed Deposit		
Other Interest	45,370	15,000
Balances written off	-	-
Other Miscellaneous Income	-	-
	<b>45,370</b>	<b>15,000</b>
<b>12. Employee Benefit Expenses</b>		
Salary, wages and bonus		
Contribution to Provident and other Fund		
Staff welfare		
	Year ended on March 31, 2020	Year ended on March 31, 2019
	1,01,57,550	7,82,668
	3,42,654	9,004
	6,89,655	41,109
	<b>1,11,89,859</b>	<b>8,32,781</b>



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*Vaibhav Mathur*



**Indus Action Initiatives**  
**(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)**  
**Notes forming part of the financial statements (FCRA) for the year ended March 31, 2020**

**13. Other Expenses**

	Year ended on March 31, 2020	Year ended on March 31, 2019
Rent	11,000	5,000
Legal and professional	63,67,658	17,81,828
Conference and campaign expenses	1,84,800	-
Printing and stationery	4,30,090	1,85,301
Travelling and conveyance	32,91,166	11,05,135
Communication expenses	1,54,670	18,05,155
Office expenses	18,755	52,663
Bank charges	1,572	2,992
Interest on late TDS Payment	2,795	-
Repair and Maintenance	10,621	200
Miscellaneous expenses	1,14,308	824
	<b>1,05,87,435</b>	<b>49,39,098</b>

14. 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 received and available with the Company, there are no amounts payable to Micro and Small Enterprises (Suppliers) covered under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31 March 2020.

**15. Related Party Transactions**

**a) Name of Related Parties**

Related Company:

Key Management Personnel & Director :

Nil

a) Tarun Cherukuri

b) Vaibhav Mathur

c) Kritika Sangani

**b) Transactions with Related Parties**

Reimbursement of Expenses paid to Mr. Tarun Cherukuri  
Salary to Kritika Sangani

Year ended on March 31, 2020	Year ended on March 31, 2019
---------------------------------	---------------------------------

15,54,000

2,99,370

**c) Outstanding Balances as at year end**

Other Receivable/(Payable)-Mr. Tarun Cherukuri

As at March 31, 2020	As at March 31, 2019
5,162	5,162

16. Figures for the previous year/period have been regrouped and reclassified wherever considered necessary.



For and on behalf of the Board of Directors

*Tarun Cherukuri*

Tarun Cherukuri  
Director  
DIN: 06622010

*Vaibhav Mathur*

Vaibhav Mathur  
Director  
DIN: 05293624