

INDEPENDENT AUDITOR'S REPORT

To the Members of Rotary India Literacy Mission

Opinion

We have audited the accompanying financial statements of Rotary India Literacy Mission ("the Society"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Income and Expenditure and the Receipt and Payment account 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 By Laws of the Society and Society Registration Act, 1860/ Maharashtra Public Trust, 1950 ("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 Society as at March 31, 2021, its excess of income over expenditure and its Receipt and Payment Account 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) issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Society in accordance with the 'Code of Ethics' issued by the ICAI together with the ethical requirements that are relevant to our audit of the financial statements, 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.

Responsibilities of Executive Committee for the Financial Statements

The Executive Committee of the Society is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and receipt and payments accounts of the Society in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the society and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgement and estimate 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 accounting records, relevant to the preparation 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

The Executive Committee is also responsible for overseeing the Society'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.
- 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 Firm'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 Firm 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 the Executive Committee of the Society 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 the Executive Committee 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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) In our opinion, proper books of account as required by the laws of the Society and Society Registration Act, 1860 have been kept by the Society so far as it appears from our examination of those books;



- (c) The balance sheet, income and expenditure account and the receipt and payment account dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financials statements comply with the accounting standards to the extent applicable, issued by the ICAI;

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Atul Seksaria**

Partner

Membership Number: 086370

UDIN: 22086370AAVFPC2579

Place of Signature: Gurugram

Date: 08/02/2022



Rotary India Literacy Mission
Balance Sheet as at March 31, 2021

(All amounts in Rupees)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
SOURCES OF FUNDS			
Total Funds			
General Funds	3	6,546,008	6,644,764
Programme Related Funds	4	(1,321,390)	(87,363)
Net Fund		5,224,618	6,557,401
Non-current Liabilities			
Long-term Provision	5	572,530	611,683
Current Liabilities			
Other Current Liabilities	6	1,869,660	3,079,427
TOTAL		7,666,808	10,248,511
APPLICATION OF FUNDS			
Non-current Assets			
Property Plant and Equipment			
Tangible Assets	7	95,555	60,269
Other Non-Current Assets	10	4,800,780	4,526,323
Current Assets			
Cash and Bank Balances	8	2,112,690	4,911,671
Short-term Loans & Advances	9	657,783	750,248
TOTAL		7,666,808	10,248,511

The accompanying notes are an integral part of these financial statements.

As per our reports on the even date

For S. R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No. - 301003E/E300005

Atul Seksaria

per Atul Seksaria
Partner
Membership No. 086370



Place: Gurugram.
Date: February 8, 2022.

For and on Behalf of Executive Committee

Kamal Sanghvi
Kamal Sanghvi
(Chairman)

Mahesh Kotbagi
Mahesh Kotbagi
(Member)



Rotary India Literacy Mission
Income and Expenditure Account for the year ended March 31, 2021

(All amounts in Rupees)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Income			
Donations	11		
Programme Related Funds:			
a) Opening Balance		(87,363)	6,006,570
b) Add: Received during the year		21,637,614	16,587,034
c) Less : Unutilised at the year-end		-	-
Amount utilised		21,550,251	22,593,604
General Funds		183,516	11,286,798
Total Amount		21,733,767	33,880,402
Other Income	12	411,787	214,103
		22,145,554	34,094,505
Expenses			
Programme Related Expenses	13	22,871,641	22,680,967
Donation		-	3,500,000
General and Administration Expenses:			
a) Depreciation	7	34,532	22,369
b) Interest Expenses		1,844	-
c) Audit Fee		244,713	289,427
d) Other Expenses	14	412,970	389,676
		23,565,700	26,882,439
Net Surplus/(Deficit)	4.1	(1,420,146)	7,212,066

The accompanying notes are an integral part of these financial statements.

As per our reports on the even date

For S. R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No. - 301003E/E300005

Atul Seksaria

per Atul Seksaria
Partner
Membership No. 086370

Place: Gurugram
Date: February 8, 2022.



For and on Behalf of Executive Committee



Mahesh Kotbagi
(Member)



Rotary India Literacy Mission
Receipt and Payments Accounts for the Year ended March 31, 2021

(All amounts in Rupees)

Receipts	March 31, 2021	March 31, 2020	Payments	March 31, 2021	March 31, 2020
To Balance Brought Forward			By Employee Benefits paid		
a) Cash in Hand	2,782	6,173	a) Salaries	9,474,643	8,414,396
b) Balance with Savings Account	4,908,889	9,008,785	b) Contribution to PF	482,656	572,111
c) Balance with Fixed Deposits	4,526,323	-	c) Staff Welfare Expenses	49,103	565,992
To Donation received	21,799,313	27,843,542	d) Staff Advance	96,000	207,200
To Interest received	387,439	201,050	By Programme Expenses	11,747,347	9,503,783
To Interest on IT Refund received	2,093	20,787	By Audit Fee	244,713	-
To Advance Recovered from Employees	6,000	347,450	By Donation	-	3,500,000
To IT Refund received	70,897	341,233	By Printing and Stationery	15,736	57,296
			By Postage and Courier Charges	19,662	27,489
			By Training and Meeting Expenses	195,951	2,199,818
			By PR & Communication	18,029	48,267
			By Programme Promotion Expenses	-	413,365
			By Telephone and Internet Expenses	71,051	41,631
			By Recruitment Expenses	-	137,322
			By Travelling and Conveyance Expenses	146,698	311,994
			By Website Expense	1,096,332	612,797
			By Professional Fees	-	63,720
			By Miscellaneous Expenses	315,422	251,094
			By Payment to Government Authorities	747,105	1,335,687
			By Purchase of Fixed Assets	69,818	-
			By Advance for Expenses	-	67,064
			By Balance Carried Forward		
			a) Cash in Hand	4,321	2,782
			b) Balance with Savings Account	2,108,369	4,908,889
			c) Balance with Fixed Deposits	4,800,780	4,526,323
	31,703,736	37,769,020		31,703,736	37,769,020

As per our reports on the even date

For S. R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No. - 301003E/E300005

Atul Seksaria
per Atul Seksaria
Partner
Membership No. 086370




For and on Behalf of Executive Committee

Kamal Singhvi
Kamal Singhvi
(Chairman)



Mahesh Kotbagi
Mahesh Kotbagi
(Member)



Place: Gurugram
Date: February 8, 2022.

Rotary India Literacy Mission

Notes forming part of the financial statements for the year ended March 31, 2021

1. Society overview

Rotary India Literacy Mission (Formerly known as Rotary South Asia Society for Development and Co-operation) (the 'Society') was incorporated on February 15, 2014 with the primary object of providing education, health facilities and other benevolent assistance throughout India in keeping with the Society's Memorandum of Association. The Society has embarked upon one of the most comprehensive programs on Total Literacy and Quality Education. This mission wishes to achieve the literacy goals through its comprehensive program called T-E-A-C-H:

- a) **T – Teacher Support:** A program to improve the professional abilities and performance of teachers in selected primary/ elementary schools through effective and innovative teaching aids to ensure better classroom performance
- b) **E – E-learning:** A program to improve the quality of learning through the use of state board mapped audio-visual content installed in a hardware in classroom.
- c) **A – Adult Literacy:** Programs like Diksha and Swabhimaan are run under adult literacy mission. While Diksha aims to identify student-volunteers from schools/colleges who will impart functional literacy to non-literate adults on a one-to-one basis over a period of 45-60 days. The Swabhimaan Envisions setting up Swabhimaan Centres (SC) across India, where a trained teacher will impart functional literacy to a group of non-literate adults over a period of 90-120 days.
- d) **C – Child Development:** Child Development program, known as Asha Kiran, aims to bring out-of-school children back to school. Society partners with grass root level organizations to identify out of-school children between the ages of 7-14 years from vulnerable communities. These children are brought into intermediary learning centres, the "Asha Kiran centres", where their learning level is enhanced and matched as per their age appropriate classes, they are then mainstreamed in Government schools. Asha Kiran Centres, where a specially trained teacher coaches them in mathematics, language and learning skills with a need-based approach to help them reach their age-appropriate learning levels.
- e) **H – Happy School :** A program to select primary schools and provide/ upgrade infrastructural and co-scholastic facilities to make them attractive and happy learning/teaching places for students and teachers.

2. Statement of Significant Accounting Policies

Basis of preparation of financial statements

These financial statements of the Society have been prepared in accordance with generally accepted accounting principles ("GAAP"). The Society has prepared these financial statements to comply in all material respects with the accounting standards issued by the Institute of Chartered Accountants of India. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The Society is a Level III enterprise as defined by the Council of the Institute of Chartered accountants of India and accordingly has availed exemptions applicable to such enterprises.

Property plant and equipment (PPE) and depreciation

Plant, property and equipment, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment.

Gains or losses arising from derecognition of plant, property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on plant, property and equipment is calculated on the basis of written down value method in accordance with estimated useful lives at the following rates:

Particulars	Rate of depreciation (Per annum)
Computer	40%
Furniture and fixtures	10%
Office Equipment's	10%

The above rate and method of depreciation are also in line with the estimated useful lives, as determined by the management. The appropriateness of depreciation period and depreciation method is reviewed by the management in each financial year.



Rotary India Literacy Mission

Notes forming part of the financial statements for the year ended March 31, 2021

Donation / Contribution

Society receives Donation/Contribution for its approved Comprehensive Programme Known as "T-E-A-C-H". All the grant are recognised on receipt basis. These donations are accounted as Income in the Income and Expenditure account. The donations are classified as General Donation & Programme related donation as per the instructions from the donor, and are utilised accordingly. All programme related donations are utilised for the specific purpose/program, and the General donations are utilised as per the discretion of the executive committee .

Programme related funds are transferred to the Income & Expenditure account to the extent of expenditure incurred. However, in case of any deficit i.e. expenditure over receipts, the same is adjusted with the general fund.

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 Income and Expenditure account.

Expenditure

The Society applies its funds for its approved Comprehensive Programme Known as "T-E-A-C-H". All the expenditures and liabilities are recognised on an accrual basis. The society spends in the approved programme through Project conducted by itself or by other local non-governmental organizations. Accordingly, expenditure incurred by the Society includes amount disbursed to other local agencies in accordance with the agreements with them and in connection with/ incidental to related programmes.

Training and Meeting Expense include the related expenditure in connection with/ incidental to training/meeting and is recognized in the Income and Expenditure Account on accrual basis. Such expenses are allocated between administrative and programmes equally.

Common and administrative expenses which are directly attributable to programmes are directly allocated to the respective programmes. The remaining unallocated common and administrative expenses are allocated equally to all programmes . However if any programme has a negative balance after initial allocation of direct expenses and directly linked common and administrative expenses, then the balance common and administrative expenses are absorbed by other programmes with positive fund balances.

Employee Benefits

a. Post Employment Benefit Plans: The Company operates one defined benefit plan for its employees, viz, gratuity. The cost of providing benefits under gratuity plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses for defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit.

b. Provident Fund : Retirement benefit in the form of provident fund is a defined contribution benefit. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund



Particulars	As at March 31, 2021	As at March 31, 2020
3 General Fund		
Balance at the beginning of the year	6,644,764	(654,665)
Received during the year		
-Donation	183,516	11,286,798
-Other Income	411,787	214,103
Utilised during the year	(694,059)	(4,201,472)
Net Surplus/(Deficit) for the year	(98,756)	7,299,429
Balance at the end of the year	<u>6,546,008</u>	<u>6,644,764</u>

4 Programme Related Funds (2020-21)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year-April 01, 2020	(87,363)	6,006,570
Add: Donation Received during the year 2020-21	21,637,614	16,587,034
Total Donation	21,550,251	22,593,604
Less: Program Expenses during the year 2020-21 (Refer Note. 13)	22,871,641	22,680,967
Surplus/(Deficit) balance in the programme*	<u>(1,321,390)</u>	<u>(87,363)</u>

* it comprises deficit of programme related fixed expenses and unspent portion of specific donations.

Deficit pertaining to programme related fund of INR 13,21,390 (Previous Year 87,363) has been adjusted with the general fund.

4.1 Net Surplus/(Deficit)

General fund (Refer Note 3)
Programme fund (Refer Note 4)

	As at March 31, 2021	As at March 31, 2020
	(98,756)	(4,201,472)
	(1,321,390)	(87,363)
	<u>(1,420,146)</u>	<u>(4,288,835)</u>

5 Long Term Provision

Provision for Employee Benefits

-Gratuity

	As at March 31, 2021	As at March 31, 2020
	572,530	611,683
	<u>572,530</u>	<u>611,683</u>

6 Other Current Liabilities

Payable for Programme Expenditure
Payable to Service Providers
Liabilities for Expenses
Dues payable to Government Authorities
Audit Fee

	As at March 31, 2021	As at March 31, 2020
	957,500	1,430,673
	128,030	602,681
	45,501	385,075
	249,202	171,571
	489,427	489,427
	<u>1,869,660</u>	<u>3,079,427</u>



7 Property Plant and Equipment (Tangible Assets)									
(All amounts in Rupees)									
Particulars	Gross Block			Accumulated Depreciation			Net Block		
	As at March 31, 2020	Additions during the Year	Disposal during the Year	As at March 31, 2021	As at March 31, 2020	Charged for the Year	Disposal during the Year	As at March 31, 2021	As at March 31, 2020
Computers	466,541	69,818	-	536,359	447,414	30,417	-	477,831	19,127
Furniture and Fixtures	17,220	-	-	17,220	6,805	3,073	-	9,878	30,727
Office Equipment	54,000	-	-	54,000	23,273	1,042	-	24,315	10,415
Total	537,761	69,818	-	607,579	477,492	34,532	-	512,024	60,269
Previous Year's figures	537,761	-	-	537,761	455,123	22,369	-	477,492	82,638



(All amounts in Rupees)

	As at March 31, 2021	Non-Current As at March 31, 2020	As at March 31, 2021	Current As at March 31, 2020
8 Cash and Bank Balances				
<u>Cash and Cash Equivalents</u>				
- Cash on hand	-	-	4,321	2,782
- Balances with Banks On Savings Account	-	-	2,108,369	4,908,889
<u>Other Bank Balances</u>				
- Deposits with original maturity for more than 12 months	4,500,000	4,500,000	-	-
Amount disclosed under other assets (Refer Note 10)	(4,500,000)	(4,500,000)	-	-
	-	-	2,112,690	4,911,671
9 Short Term Loans and Advances				
Unsecured and considered good, unless otherwise stated				
Advances to Vendors	-	-	443,502	587,812
Advance to Employees	-	-	96,000	6,000
Advance for Expenses	-	-	12,146	17,475
TDS Receivable	-	-	45,071	71,897
Prepaid Expenses	-	-	61,064	67,064
	-	-	657,783	750,248
10 Other Assets				
<u>Unsecured and considered good, unless otherwise stated</u>				
Non-Current Bank Balances (Refer Note 8)	4,500,000	4,500,000	-	-
<u>Others</u>				
Interest accrued on Fixed Deposit with banks	300,780	26,323	-	-
	4,800,780	4,526,323	-	-



		(All amounts in Rupees)	
		For the year ended March 31, 2021	For the year ended March 31, 2020
11	Donation		
	Programme Related Funds	21,550,251	22,593,604
	General Funds	183,516	11,286,798
		<u>21,733,767</u>	<u>33,880,402</u>
12	Other Income		
	Interest - Bank deposits	409,694	193,316
	Interest - Income Tax Refunds	2,093	20,787
	Liability no longer required written back	-	-
		<u>411,787</u>	<u>214,103</u>
13	Programme Expenses		
	Teacher's Support	1,731,614	1,826,102
	E-Learning	8,938,528	7,468,906
	Adult Literacy	1,568,883	1,683,098
	Child Development	5,630,548	8,168,723
	Happy School	5,002,068	3,534,138
		<u>22,871,641</u>	<u>22,680,967</u>
14	Other Expenses		
	Communication Expenses	71,051	41,631
	Professional Fees	18,000	69,620
	Miscellaneous Expenses	323,919	278,425
		<u>412,970</u>	<u>389,676</u>

- 15 The Society, being an institution for Charitable purpose has been registered under section 12AA of the Income Tax Act, 1961 with effect from the Assessment Year 2015-16 and its income is exempt under section 11 of the Income Tax Act, 1961. Accordingly, no tax has been provided in the financial statements.
- 16 Subsequent events were evaluated up to 08/02/2022, which is the issuance date of this financial statements. There are no subsequent events to report.
- 17 Previous Year's figure have been regrouped or rearranged, where considered necessary, to confirm to current year's classification

For S. R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No. - 301003E/E300005

Atul Seksaria

per Atul Seksaria
Partner
Membership No. 086370



Place: Gurugram,
Date: February 8, 2022.

For and on Behalf of Executive Committee

Kamal Sanghvi
Kamal Sanghvi
(Chairman)

Mahesh Kotbagi
Mahesh Kotbagi
(Member)