

ANNUAL REPORT

For the Financial Year 2020-21

OF

NAVSAHYOG FOUNDATION

(a Company registered u/s 8 of Companies Act, 2013)

CIN: U85300KA2020NPL132566

Registered Office:

B-104, Shobha Garnet Apartment, Iblur Village, Bellandur,
Bengaluru, Karnataka, India, 560102

Auditors:

Shastri & Malimutt

Chartered Accountants

Bengaluru

	Notes	As at	As at
		31 March 2021	31 March 2020
		Amount in ₹	Amount in ₹
MEMBERS FUND AND LIABILITY			
MEMBERS FUND			
Corp Fund	3	50,000	-
Reserves and surplus	4	30,70,511	-
		31,20,511	-
Non-current liabilities			
Other non-current liabilities	5	-	-
Current Liabilities			
Trade payables	6	-	-
Other current liabilities	7	37,757	-
Short term loans and advances	8	-	-
		37,757	-
Total Capital and Liabilities		31,58,268	-
ASSETS			
Non-current assets			
Property, plant and equipment	9	1,31,649	-
Deferred tax assets (net)	10	-	-
Other non-current assets	11	-	-
		1,31,649	-
Current assets			
Trade receivables	12	-	-
Cash and cash equivalents	13	29,88,919	-
Other current assets	14	37,700	-
		30,26,619	-
Total Assets		31,58,268	-

Significant accounting policies and notes form an integral part of financial statements

1-2

As per our report of even date attached

for **Shastri & Malimutt**

Chartered Accountants

Firm Registration No. 013350S

RAJASHEKHARA
SHASTRI PRAVEENA

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RAJASHEKHARA SHASTRI
PRAVEENA
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Praveena R Shastri

Partner

Membership No. 236391

Bengaluru, 17 April 2021

for **NAVSAHYOG FOUNDATION**

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Paritosh Segal

Director

DIN: 06659187

Bengaluru, 17 April 2021

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Sunil Girdhar

Director

DIN: 00746391

Statement of Income and Expenses for the year ended 31st March 2021

	Notes	Year ended	Year ended
		31 March 2021	31 March 2020
		Amount in ₹	Amount in ₹
REVENUE			
Revenue from operations	15	58,21,007	-
Other Income	16	32,629	-
Total revenue		58,53,636	-
EXPENSES			
Project Expenses	17	13,20,988	-
Employee benefits expenses	18	8,70,954	-
Other Expenses	19	5,76,667	-
Depreciation Expenses	9	14,516	-
Total expenses		27,83,125	-
Profit before tax		30,70,511	-
Tax expense:			
Income Tax		-	-
Deferred tax		-	-
Profit for the year (Profit after tax)		30,70,511	-
Earning per equity share			
(1) Basic	20	61.41	-
(2) Diluted	20	61.41	-
Significant accounting policies and notes form an integral part of the financial statement	1-2		

As per our report of even date attached

for **Shastri & Malimutt**

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Praveena R Shastri

Partner

Membership No. 236391

Bengaluru, 17 April 2021

for **NAVSAHYOG FOUNDATION**

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Paritosh Segal

Director

DIN: 06659187

Bengaluru, 17 April 2021

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Sunil Girdhar

Director

DIN: 00746391

Cash flow statement for the year ended 31 March 2021

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount in ₹	Amount in ₹
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	30,70,511	-
Adjustments to reconcile profit before tax to cash generated by		
Depreciation and amortization	14,516	-
Income tax expense	-	-
Operating cash flow before movements in working capital	30,85,027	-
Increase/(Decrease) in long term provisions	-	-
Increase/(Decrease) in trade payables	-	-
Increase/(Decrease) in other current liabilities	37,757	-
Increase/(Decrease) in short term loans and advances	-	-
Decrease/(Increase) in trade receivables	-	-
Decrease/(Increase) in long term loans and advances	-	-
Decrease/(Increase) in other current assets	(37,700)	-
NET CASH GENERATED FROM OPERATING ACTIVITIES	30,85,084	-
CASH FLOW FROM INVESTING ACTIVITIES:		
Payment towards capital expenditure	(1,46,165)	-
Investment Received	50,000	-
NET CASH USED IN INVESTING ACTIVITIES	(96,165)	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase in cash and cash equivalents	29,88,919	-
Cash and cash equivalents at the beginning of the year	-	-
Cash and cash equivalents at the end of the year	29,88,919	-

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

for **Shastri & Malimutt**

Chartered Accountants

Firm Registration No. 013350S

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Praveena R Shastri

Partner

Membership No. 236391

Bengaluru, 17 April 2021

for **NAVSAHYOG FOUNDATION**

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Paritosh Segal

Director

DIN: 06659187

Bengaluru, 17 April 2021

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Sunil Girdhar

Director

DIN: 00746391

1 Background

NavSahyog Foundation was incorporated on 12 February 2020. NavSahyog Foundation develops life skills and creativity in village children in the age group of 5 -14 years (their most impressionable age). It does this through sports, storytelling, emotional intelligence, experiential learning and creative activities. These activities are done on a daily basis, in each of the villages it works in. Currently NavSahyog Foundation is present in 45 villages across 4 clusters in TN & Karnataka, addressing 1400+ children.

The initiative of developing life skills and creativity in village children was started in 2017 with 12 villages in Denkanikottai Taluk of TN. Initially the initiative was carried out under the aegis of Sahyog Foundation - a Trust, registered in Bangalore, which was set up by a common acquaintance Mr Anish Kumar. This was done with the clear understanding that once the processes are stabilised, insights gained & the initiative is ready to scale, a new entity will be established and the entire initiative will be transitioned to it. After 2.5 years of operation when the initiative scaled from 12 villages to 21 across TN & Karnataka, NavSahyog Foundation , a not-for-profit, section 8 company was set up on February 12, 2020. Accordingly the entire initiative, together with all employees, villages and beneficiaries have been transitioned to NavSahyog Foundation. Since then the initiative has scaled from 21 villages to 45 villages across TN & Karnataka.

2 Summary of significant accounting policies**2.01 Basis of preparation of financial statements**

The financial statements of NavSahyog Foundation ('the Company') have been prepared and presented under the historical cost convention on the accrual basis of accounting, unless stated otherwise and comply in all material aspects with the Accounting Standards ('AS') notified under section 133 of the Companies Act, 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India. The accounting policies adopted in the preparation of the financial statements are consistent with those of the previous year.

2.02 Use of estimates

The preparation of financial statements in conformity with general accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future years.

NAVSAHYOG FOUNDATION

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

2.03 Tangible and intangible fixed assets

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All fixed assets are stated at cost less accumulated depreciation. Cost includes purchase price and all other attributable costs of bringing the assets to working condition for

2.04 Depreciation and amortisation

Depreciation is provided on the Written-down Value (WDV) over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support.

Estimated useful lives of assets are as follows :

Type of Asset	Estimated useful life
Ø Office Equipment's	5 Years

2.05 Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures its 'value in use' on the basis of undiscounted cash flows of next five years projections estimated based on current prices. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.06 Revenue recognition

Revenue is recognised to the extent that it is probable that any future economic benefit a will flow to the company, and the amount of revenue can be measured with reliability. In addition, the following criteria must be met before revenue is recognized

(i) Donation in Cash/Bank under section 80G of Income Tax Act, 1961 & Voluntary Contribution received during the year are accounted on the date of receipt. All donations received during the year are towards the Objectives of the Company as specified in MOA

2.07 Employee benefits

Short term benefits:

All short term employee benefits such as salaries, bonus, medical benefits which fall due within 12 months of the period in which the employee renders the related services which entitle to avail such benefits and non-accumulating compensated absences are recognized on an undiscounted basis and charged to the profit and loss account.

2.08 Earnings per share

The Company reports basic and diluted earnings per share in accordance with AS 20 on "Earnings per Share". Basic earnings per share are computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the

2.09 Taxes on income**6**

The accounting treatment for income tax in respect of the Company's income is based on the Accounting Standard 22 on "Accounting for Taxes on Income" as notified by the Companies (Accounting Standard) Rule 2006 wherever Company's income is taxable. Since the company is registered u/s 12A(a) of the Income Tax Act, 1961, Company's income is exempted from tax under section 11 to 13 of Income Tax Act, 1961. Hence No Provision has been made on accounts for Income Tax and Deferred tax. The Company has not received any such Income which is taxable during the year.

2.1 Foreign currency transactionsInitial recognition

Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction/Invoice.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are translated using the exchange rates at the date when such values were determined.

Exchange differences

The differences in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions other than those related to fixed assets are recognized in the statement of profit and loss.

2.11 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed when there are possible or present obligations that may, but probably will not, require an outflow of resources, the outcome of which cannot be ascertained with reasonable certainty, unless the possibility of such outflow is remote.

2.12 Dues to micro, small and medium enterprises

As per information available with the company, the sundry creditors do not include any amount due to Micro, Small and Medium Enterprises registered under "The Micro, Small and Medium Enterprises Development Act as at 31 March 2021.

NAVSAHYOG FOUNDATION**Notes forming part of the financial Statements for the year ending 31st March, 2021****NOTE 3.A**

Share Capital	As at 31 March 2021		As at 31 March 2020	
	Number	₹	Number	₹
Authorised Equity Shares of Rs. 10/-each	10,000	1,00,000	-	-
Issued Equity Shares of Rs. 10/- each	5,000	50,000	-	-
Subscribed & Paid up Equity Shares of Rs. 10/- each fully paid	5,000	50,000	-	-
Total	5,000	50,000	-	-

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each equity share is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting shall be payable in Indian rupees. In the event of liquidation of the Company, the shareholders 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.

The Company has not issued any bonus shares nor has there been any buy back of shares during five years immediately preceding 31 March 2021. Further, the Company has not issued any shares without payment being received in cash.

NOTE 3.B. Details of Equity Share Holders Holding more than 5% of Shares

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Name	As at 31 March 2021		As at 31 March 2020	
	No. Of Shares	% Held	No. Of Shares	% Held
Aparna K P	1,250	25%	-	-
Paritosh Segal	1,250	25%	-	-
Shekhar Nayudu	1,250	25%	-	-
Sunil Girdhar	1,250	25%	-	-

NOTE 3.C.Reconciliation

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number	₹	Number	₹
Equity Shares				
Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year	5,000	50,000	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,000	50,000	-	-

Notes to financial statements for the year ended 31 March 2021

	As at 31 March 2021 Amount in ₹	As at 31 March 2020 Amount in ₹
4 Reserves and surplus		
Surplus in the statement of profit and loss		
Opening balance	-	-
Add: Profit for the year	30,70,511	-
	<u>30,70,511</u>	<u>-</u>
Less: Transfers	-	-
Total reserves and surplus	<u>30,70,511</u>	<u>-</u>
5 Other non-current liabilities		
Other non-current liabilities	-	-
Total	<u><u>-</u></u>	<u><u>-</u></u>
6 Trade payables		
Total outstanding dues to micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	<u><u>-</u></u>	<u><u>-</u></u>
7 Other current liabilities		
Reimbursement Payable	2,757	-
Audit Fee Payable	29,500	-
Other Payable	5,500	-
Total	<u>37,757</u>	<u>-</u>
8 Short term loans and advances		
Advance received	-	-
Total	<u><u>-</u></u>	<u><u>-</u></u>
10 Deferred tax assets, net		
-Employee benefits and others	-	-
-Property, plant and equipment	-	-
Total	<u><u>-</u></u>	<u><u>-</u></u>

Notes to financial statements for the year ended 31 March 2021

	As at 31 March 2021 Amount in ₹	As at 31 March 2020 Amount in ₹
		10
11 Other non-current assets		
Security deposits	-	-
Total	-	-
12 Trade receivables		
Exceeding six months from the date they are due for payment		
Unsecured, considered good	-	-
Total	-	-
13 Cash and cash equivalents		
Balances with banks		
In current accounts	11,60,765	-
In deposit accounts	18,28,154	-
	29,88,919	-
Cash on hand	-	-
Total	29,88,919	-
14 Other current assets		
Balance with statutory authorities	10,500	-
Loans and Advances	27,200	-
Total	37,700	-

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	Year ended 31 March 2021	Year ended 31 March 2019
	Amount in ₹	Amount in ₹
15 Revenue from operations		
Donor Program	49,21,804	-
Donor Project - BON	25,000	-
Donor Project - Covid	6,36,203	-
Donor Project - Sports	2,38,000	-
Total	58,21,007	-
16 Other Income		
Accrued Interest on Bank FD	32,629	-
Total	32,629	-
17 Project Expenses		
<u>A. Project - Covid 19</u>		
1. Provisions Purchase Expenses	5,88,670	-
2. Consumables	20,413	-
3. Travel (Incl, Food, Stay, Transportation)	18,275	-
4. Misc. Expenses	5,300	-
Total	6,32,658	-
<u>B. Other Project Expenses</u>		
1. Consumables	5,33,992	-
2. Travel (Incl, Food, Stay, Transportation)	89,822	-
3. Marketing Expenses	10,031	-
4. Training Expenses	9,438	-
5. Misc. Expenses	45,047	-
Total	6,88,330	-
Total Project Expenses	13,20,988	-
18 Employee benefit expenses		
Salaries & Remuneration	7,27,528	-
Incentives	1,40,426	-
Professional Tax	3,000	-
Total	8,70,954	-

	Year ended 31 March 2021	Year ended 31 March 2019
	Amount in ₹	Amount in ₹
19 Other Expenses		13
Accounting and Audit Fee	29,500	
Consultants - VC pay-outs	4,71,194	
Company Professional Tax	2,500	
Incorporation Expenses	57,601	
Printing and Stationery	15,872	
Total	5,76,667	-
20 Earnings Per share		
Profit for the Year (A)	30,70,511	-
Weighted average number of Equity shares outstanding	50,000	-
Basic Earnings Per Share (Face Value of Rs 10/- Per share) (B)		
Weighted average number of Equity shares outstanding (Including dilutive)	50,000	-
Dilutive Earnings Per Share (Face Value of Rs 10/- Per share) (C)		
Basic Earning Per Share (A/B)	61.41	-
Dilutive Earnings Per Share (A/C)	61.41	-

Notes to financial statements for the year ended 31 March 2021

1 Related party disclosures

(A) Related parties and their relationship

Name	Relationship
Aparna K P	Director
Paritosh Segal	Key Management Personnel & Director
Shekhar Nayudu	Director
Sunil Girdhar	Director

(B) Transactions with related parties

Particulars	31 March 2021		31 March 2020
	Aparna K P	Paritosh Segal	
1. Reimbursement of Expenses			
Received from	1,44,500	30,715	-
Repaid to	1,44,500	27,958	-
Closing Balances	-	2,757	
2. Salary & Incentives			
Salary	4,31,250	-	-
Incentives	1,19,040	-	-
	5,50,290	-	-

2 Transfer pricing

The Company has not entered into any international transactions with enterprises. In this regard, the Management is of the opinion that the aforesaid legislation will not be applicable.

3 Previous Year Figures

Being the first year of incorporation of the company and therefore previous year figures are shown NIL

for **Shastri & Malimutt**

Chartered Accountants

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Membership No. 236391

Bengaluru, 17 April 2021

for **NAVSAHYOG FOUNDATION**

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Sunil Girdhar

Director

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