

INDEPENDENT AUDITORS' REPORT

To the Members of Earth Focus Foundation, Nagpur.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of EARTH FOCUS FOUNDATION, NAGPUR, ("the Company"), which comprise of the Balance Sheet as at 31st March, 2021 and the Statement of Income and Expenditure for the period then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 the affairs of the Company as at 31st March, 2021 and its deficit for the year ended on that date.

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance 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 and financial performance of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of 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, the Board of Directors 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 the Board of Directors 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.



(Contd....2)

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 :-

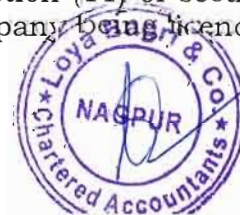
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control since in our opinion and according to the information and explanation given to us, clause (i) of sub-section (3) of section 143 is not applicable to the company in view of the exemption granted to private companies vide Notification No. GSR 583 (E) [F.NO.1/2/2014-CL-V] dated 13/06/2017 under the Act.
- 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.

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 (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India, in terms of sub-section (11) of section 143 of the Act, since the said Order is not applicable to the Company being licensed to operate u/s. 8 of the Act.



(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 and the Statement of Income and Expenditure dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) This report does not include any comment on the adequacy of the internal financial controls system in place and the operating effectiveness of such controls, since in our opinion and according to the information and explanation given to us, clause (i) of sub-section (3) of section 143 is not applicable to the company in view of the exemption granted to private companies vide Notification No. GSR 583 (E) [F.NO.1/2/2014-CL-V] dated 13/06/2017 under the Act.
- (g) 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, 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.

Nagpur, Dated the,
29 NOV 2021



FOR LOYA BAGRI & CO.,
Chartered Accountants
(Firm Registration No. 105658W)

A handwritten signature in blue ink, appearing to read "Kavita Loya".

(KAVITA LOYA)
Partner (M.No.113713)
(UDIN: 22113713AAAAA6182)
LOYA BAGRI & CO.
Chartered Accountants
MA/17, MIG Colony,
S. A. Road, Laxmi Nagar,

EARTH FOCUS FOUNDATION, NAGPUR

BALANCE SHEET

AS AT 31ST MARCH, 2021.
(Amount in Rupees)

(I) <u>EQUITY AND LIABILITIES :</u>	<u>Note No.</u>	<u>31-3-2021</u>	<u>31-3-2020</u>
1. <u>Shareholders' Funds :</u>			
(a) Share Capital	1	1,00,000	1,00,000
(b) Reserves & Surplus	2	(2,46,180)	(72,918)
		<u>(1,46,180)</u>	<u>27,082</u>
2. <u>Current Liabilities :</u>			
(a) Short-term borrowings	3	12,00,000	68,00,000
(b) Other current liabilities	4	1,71,636	7,383
		<u>13,71,636</u>	<u>68,07,383</u>
Total :		<u>12,25,456</u>	<u>68,34,465</u>
 (II) <u>ASSETS :</u>			
1. <u>Non-current Assets :</u>			
(a) <u>Property, Plant & Equipments :</u>			
(i) Tangible assets	5	1,35,178	-
(ii) Intangible assets		3,52,571	4,41,876
(iii) Capital work-in-progress		6,29,375	-
		<u>11,17,124</u>	<u>4,41,876</u>
2. <u>Current Assets :</u>			
(a) Current Investments	6	-	63,00,000
(b) Cash and cash equivalents	7	99,121	92,589
(c) Other Current Assets	8	9,211	-
		<u>1,08,332</u>	<u>63,92,589</u>
Total :		<u>12,25,456</u>	<u>68,34,465</u>


Significant Accounting Policies and Other

Notes to the Financial Statements : 12 to 17

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date.

FOR LOYA BAGRI & CO.,
Chartered Accountants
(Firm Registration No. 105658W)


(KAVITA LOYA)
Partner (M.No.113713)
(UDIN: 22113713AAAAAR6182)



Nagpur, Dated the,
29 NOV 2021
LOYA BAGRI & CO.
Chartered Accountants
MA/17, MIG Colony,
S. A. Road, Laxmi Nagar,
NAGPUR-440 022.


VIPUL RAMSHARAN GUPTA
Director
(DIN : 00209359)


SHALINI VIPUL GUPTA
Director
(DIN : 00209315)

EARTH FOCUS FOUNDATION, NAGPUR

STATEMENT OF INCOME AND EXPENDITURE

FOR THE PERIOD ENDED 31ST MARCH, 2021.

(Amount in Rupees)

	Note No.	2020-21	2019-20
INCOME :			
Donations Received		24,426	-
Other Income	9	4,57,054	-
Total Income :		<u>4,81,480</u>	<u>-</u>
EXPENDITURE :			
Expenditure on Project Activities	10	1,64,746	9,578
Depreciation		90,588	5,138
Other Expenses	11	3,99,408	58,202
Total Expenditure :		<u>6,54,742</u>	<u>72,918</u>
<u>Surplus/(Deficit) before tax</u>		(1,73,262)	(72,918)
		<u>(1,73,262)</u>	<u>(72,918)</u>


Significant Accounting Policies and other

Notes to the Financial Statements : 12 to 17

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date.

FOR LOYA BAGRI & CO.,
Chartered Accountants
(Firm Registration No. 105658W)


(KAVITA LOYA)
Partner (M.No.113713)
(U.D.I.N.: 22113713AAAAAR6182)




VIPUL RAMSHARAN GUPTA
Director
(DIN : 00209359)


SHALINI VIPUL GUPTA
Director
(DIN : 00209315)

Nagpur, dated the,
29 NOV 2021
LOYA BAGRI & CO.
Chartered Accountants
MA/17, MIG Colony,
S. A. Road, Laxmi Nagar,
NAGPUR-440 022.

EARTH FOCUS FOUNDATION, NAGPUR

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2021.
(Amount in Rupees)

1) Share Capital :	<u>31-3-2021</u>	<u>31-3-2020</u>
<u>Authorised :</u>		
10,000 Equity Shares of Rs.10/- each	1,00,000	1,00,000
 <u>Issued, Subscribed and Paid Up :</u>		
10,000 Equity Shares of Rs.10/- each fully paid up in cash	1,00,000	1,00,000
Total :	1,00,000	1,00,000

Notes :

a) Terms/rights attached to equity shares : The equity shares of the company, having par value of Rs. 10/- per share, rank *pari passu* in all respects including voting rights. Since the company is a company incorporated u/s. 8 of the Companies Act, 2013 it is prohibited to make Payment of Dividend to its members

b) Reconciliation of the number of shares and amount outstanding at the end of the year :

	<u>31-3-2021</u>	<u>31-3-2021</u>	<u>31-3-2020</u>	<u>31-3-2020</u>
	<u>No. of Shares</u>	<u>Amount</u>	<u>No. of Shares</u>	<u>Amount</u>
Issued during the period	10,000	1,00,000	10,000	1,00,000
Outstanding at the end of the year:	10,000	1,00,000	10,000	1,00,000

c) The details of the shareholders holding more than 5% of shares in the company are :

<u>Sr. No</u>	<u>Name of the Shareholder</u>	<u>Unit / %</u>	<u>31-3-2021</u>	<u>31-3-2020</u>
(i)	Vipul Ramsharan Gupta	No. of Shares	5,000	5,000
		%	50%	50%
(ii)	Shalini Vipul Gupta	No. of Shares	5,000	5,000
		%	50%	50%

2) Reserves & Surplus :

Surplus/(Deficit) in Statement of Income & Expenditure :

As per last Balance Sheet	(72,918)	-
Surplus/(Deficit) for the period	(1,73,262)	(72,918)
Total :	(2,46,180)	(72,918)

3) Short Term Borrowings :

(Unsecured, Repayable on Demand)

From Related Parties :

From Director	12,00,000	68,00,000
Total :	12,00,000	68,00,000

4) Other Current Liabilities :

For Expenses	1,71,636	7,383
Total :	1,71,636	7,383



(Contd...2)

(2)

5) Statement of Property, Plant & Equipments as at 31st March, 2021.

EARTH FOCUS FOUNDATION, NAGPUR.

Assets (At Cost)	Gross Block On Opening Day	Additions during the year	Sales or adjustment	Gross Block on Closing Day	DEPRECIATION				Net Block as on Closing Day	Previous Year
					Upto last Year	Adjustment	For the year	Total upto Closing		
(i) <u>Tangible Assets :</u>										
Furniture & Fixtures	-	43,071	-	43,071	-	-	706	706	42,365	-
Office Equipments	-	17,835	-	17,835	-	-	538	538	17,297	-
Vehicle (Two Wheeler)	-	75,555	-	75,555	-	-	39	39	75,516	-
Total Tangible Assets :	-	1,36,461	-	1,36,461	-	-	1,283	1,283	1,35,178	-
(ii) <u>Intangible Assets :</u>										
Website and Brand Development	4,47,014	-	-	4,47,014	5,138	-	89,305	94,443	3,52,571	4,41,876
Total Intangible Assets :	4,47,014	-	-	4,47,014	5,138	-	89,305	94,443	3,52,571	4,41,876
Total :	4,47,014	1,36,461	-	5,83,475	5,138	-	90,588	95,726	4,87,749	4,41,876
<u>Previous Year :</u>	-	4,47,014	-	4,47,014	-	-	5,138	5,138	4,41,876	-



(Contd...3)

(3)

		<u>31-3-2021</u>	<u>31-3-2020</u>
6)	<u>Current Investments :</u>		
	<u>Mutual Fund (Unquoted) :</u>		
	Axis - Banking & PSU Debt (G)	Qty. (Units) 3,370.610	
		-	63,00,000
	Total :	<u>-</u>	<u>63,00,000</u>
7)	<u>Cash and Cash Equivalents :</u>		
	Cash in hand as per cash book	16,120	30,000
	<u>Balance with Bank :</u>		
	Axis Bank (Current Account No. 919020072531379)	83,001	62,589
	Total :	<u>99,121</u>	<u>92,589</u>
8)	<u>Other Current Assets :</u>		
	Advance Against Expenses	6,406	-
	Rahul Yadav	2,805	-
	Total :	<u>9,211</u>	<u>-</u>
9)	<u>Other Income :</u>		
	Profit on Redemption of Mutual Funds Units	4,57,054	-
	Total :	<u>4,57,054</u>	<u>-</u>
10)	<u>Expenditure on Project Activities :</u>		
	Water Filters for Safe drinking	-	9,578
	Agricultural Consultancy Expenses	40,000	-
	Education Expenses	59,399	-
	Land Cultivation Expenses	28,570	-
	Medical Relief	26,277	-
	Community Center - Lease Rent	10,500	-
	Total :	<u>1,64,746</u>	<u>9,578</u>
11)	<u>Other Expenses :</u>		
	<u>Remuneration to Auditors :</u>		
	Audit Fees	5,900	5,900
	Postage & Courier	26,930	8,660
	Printing & Stationery	1,04,817	42,993
	Bank Charges	3,658	649
	Travelling Expenses	65,819	-
	ROC Filing Fees	6,000	-
	Office Expenses	66,130	-
	Website Expenses	5,654	-
	Conveyance Charges	1,200	-
	Salary & Wages	64,000	-
	Pre-incorporation Expenses	49,300	-
	Total :	<u>3,99,408</u>	<u>58,202</u>



(Contd...4)

12) **Earning Per Share** : The Company, being licensed to operate under Section 8 of the Companies Act, 2013, the disclosure requirements under AS-20 "Earnings Per Share", are not relevant and therefore have not been made in the accounts.

13) **Corporate Information** : Earth Focus Foundation is company incorporated under Section 8 of the Companies Act, 2013 vide CIN : U85300MH2019NPL329099 dated 8th August, 2019. The company has been granted registration under Section 12AA of the Income Tax Act, 1961 as a Charitable company with effect from assessment year 2020-21. The Company's main objective is to promote and undertake charity in the field of education, vocational training, rural welfare, sanitation, environment conservation, social welfare, health care and other allied activities.

14) **Significant Accounting Policies** :

i) Basis of Accounting :

The financial statements are prepared under historical cost convention, on the accrual basis of accounting.

ii) Investments :

Investments are stated at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of Investments.

iii) Property, Plant & Equipments : All Property, Plant & Equipments are stated at cost less depreciation. The Company capitalises all costs relating to acquisition and installation of Property, Plant & Equipments.

iv) Depreciation/Amortisation : Depreciation on Property, Plant & Equipments is provided based on the useful lives of the Assets as prescribed in Schedule II of the Companies Act, 2013, on Straight Line basis (SLM) Method. In case of Website and Brand Development it has been provided on Straight Line basis over its estimated useful life of 5 years.

15) The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as micro, small or medium enterprises. Consequently the amount paid/payable to the parties during the year is Rs. Nil.

16) There is no earning and expenditure in foreign exchange during the period.

17) **Related Party Disclosure** : Disclosure of transactions with related parties, as required by Accounting Standard-18 "Related Party Disclosure", has been set out as under. Related parties as defined under clause 3 of the said Accounting Standard have been identified on the basis of representations made by the Directors and information available with the Company :

1) Relationships :

a) Key Managerial Personnel and their relatives :

- i) Shri. Vipul R. Gupta
- ii) Smt. Shalini V. Gupta



(Contd...5)

- 2) Transactions carried out with related parties referred in (1) above, in the ordinary course of business :

Sr. Nature of Transactions		2020-21	2019-20
No.			
(1)	<u>Loan Transactions :</u>		
	<u>(a) Accepted :</u>		
	(i) Shri. Vipul R. Gupta	3,00,000	68,00,000
	Total :	3,00,000	68,00,000
	<u>(b) Repaid :</u>		
	(i) Shri. Vipul R. Gupta	59,00,000	-
	Total :	59,00,000	-
(2)	<u>Outstandings :</u>		
	<u>(a) Payables :</u>		
	(i) Shri. Vipul R. Gupta (Loan)	12,00,000	68,00,000
	(i) Shri. Vipul R. Gupta (Current Account)	1,53,836	-
	Total :	13,53,836	68,00,000

- 17) Previous year's figures have been regrouped wherever necessary so as to make them comparable with current year's figures.

Signature to Notes "1" to "17"

FOR LOYA BAGRI & CO.,
Chartered Accountants
(Firm Registration No. 105658W)

Loya

(KAVITA LOYA)
Partner (M.No.113713)
(UDIN: 22113713AAAAAR6182)



VIPUL RAMSHARAN GUPTA
Director
(DIN : 00209359)

Vipul

SHALINI VIPUL GUPTA
Director
(DIN : 00209315)

Shalini

Nagpur, dated the,
29 NOV 2021

LOYA BAGRI & CO.
Chartered Accountants
MA/17, MIG Colony,
S. A. Road, Laxmi Nagar,
NAGPUR-440 022.

EARTH FOCUS FOUNDATION, NAGPUR

DETAILS SHEET TO FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2021.

Rs.

SHORT TERM BORROWINGS :

From Directors :

Shri Vipul R. Gupta

12,00,000.00
Total : 12,00,000.00

OTHER CURRENT LIABILITIES :

For Expenses :

Audit Fees Payable

5,900.00

Loya Bagri & Co.

5,900.00

Shri Vipul R. Gupta (Current Account)

1,53,836.00

Salary Payable

6,000.00

Total : 1,71,636.00

Nagpur, Dated the,
29 NOV 2021



FOR LOYA BAGRI & CO.,
Chartered Accountants
(Firm Registration No. 105658W)


(KAVITA LOYA)

Partner (M.No.113713)
(UDIN: 22113713AAAAR6R2)
LOYA BAGRI & CO.
Chartered Accountants
MA/17, MIG Colony,
S. A. Road, Laxmi Nagar,
NAGPUR-440 022.