

# B S R & Associates LLP

Chartered Accountants

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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of Lotus Petal Charitable Foundation

Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Lotus Petal Charitable Foundation ("the Trust"), which comprise the balance sheet as at 31 March 2022 and the income and expenditure account for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give a true and fair view of the financial position of the Trust as at 31 March 2022, and of its excess of income over expenditure for the year then ended in accordance with the Accounting Standards issued by Institute of Chartered Accountants of India ('ICAI').

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### Management's and Board of Trustees' Responsibility for the Financial Statements

The Trust's Management and Board of Trustees are responsible for the preparation of these financial statements that give a true and fair view of the financial position and excess of income over expenditure of the Trust in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI. This responsibility also includes design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring 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 Management and Board of Trustees are responsible for assessing the Trust'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 Trustees either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Board of Trustees is also responsible for overseeing the Trust's financial reporting process.



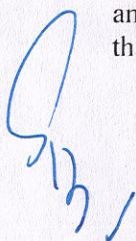
### **Auditor's Responsibilities for the Audit of the Financial Statements**

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 auditors' 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 whether the Trust has adequate internal financial controls with reference to financial statements 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 in the financial statements made by the Management and Board of Trustees.
- Conclude on the appropriateness of the Management and Board of Trustees 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 Trust'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 auditors' report. However, future events or conditions may cause the Trust 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.





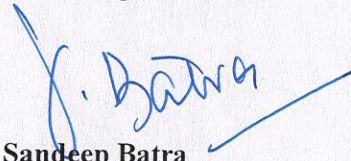
B S R & Associates LLP

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.

*For B S R & Associates LLP*

*Chartered Accountants*

Firm's Registration No.: 116231W/W-100024



**Sandeep Batra**

*Partner*

Membership No.: 093320

UDIN: 22093320AVMGMV7225

Place: Gurugram

Date: 27 September 2022

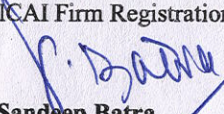


**Lotus Petal Charitable Foundation**  
**Balance Sheet as at 31 March 2022**  
(all amounts are in Indian Rupees)

	Schedule No.	As at 31 March 2022	As at 31 March 2021
<b>SOURCES OF FUNDS</b>			
Corpus fund	3	-	-
General fund	4	65,275,597	31,114,842
Restricted fund	5	31,178,450	13,763,847
Asset fund	6	188,961,659	134,342,820
		<b>285,415,706</b>	<b>179,221,509</b>
<b>APPLICATION OF FUNDS</b>			
<b>Property, plant and equipment</b>			
Gross block	7	202,219,759	139,576,252
Less: Accumulated depreciation/amortization		(13,258,100)	(5,233,431)
Net block		188,961,659	134,342,821
Capital work-in-progress	7	57,169,085	24,363,239
		<b>246,130,744</b>	<b>158,706,060</b>
<b>Current assets, loans and advances</b>			
Cash and cash equivalents	8	47,797,556	27,442,258
Loans and advances	9	2,735,256	2,716,723
Other receivables		-	-
Inventories		106,242	-
Other current assets	10	4,283,725	1,787,804
		54,922,779	31,946,785
<b>Less: Current liabilities and provisions</b>			
Current liabilities	11	10,127,988	8,075,032
Provisions	12	5,509,829	3,356,304
		15,637,817	11,431,336
<b>Net current assets</b>		<b>39,284,962</b>	<b>20,515,449</b>
		<b>285,415,706</b>	<b>179,221,509</b>
Significant accounting policies	2		

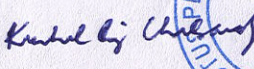
The schedules referred to above form an integral part of the financial statements  
As per our report of even date attached

For B S R & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No.: 116231W/W-100024

  
**Sandeep Batra**  
Partner  
Membership No.: 093320

Place: Gurugram  
Date: 27 September 2022

For and on behalf of  
**Lotus Petal Charitable Foundation**

  
**Kushal Raj Chakravorty**  
Managing Trustee

Place: Gurugram  
Date: 27 September 2022

  
**Dr Nandita Chakraborty**  
Trustee

Place: Gurugram  
Date: 27 September 2022



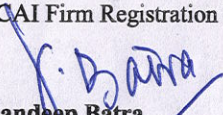


**Lotus Petal Charitable Foundation**  
**Income and Expenditure Account for the year ended 31 March 2022**  
(all amounts are in Indian Rupees)

	Schedule No.	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Income</b>			
Grants and donations:			
Restricted income		98,441,735	41,966,686
Unrestricted income		30,853,784	23,130,333
Annual fees from students		15,180,174	1,338,100
Other income	13	1,636,127	1,522,409
		<u>146,111,820</u>	<u>67,957,528</u>
<b>Expenditure</b>			
Program implementation expenditure	14	92,262,632	67,608,481
Fund raising events and activities	15	12,779,881	5,216,681
Administrative and other costs	16	6,908,552	3,771,743
Depreciation and amortization	7	8,024,668	2,919,188
		<u>119,975,733</u>	<u>79,516,093</u>
Excess of income over expenditure		26,136,087	(11,558,565)
Add: Transfer from asset fund account		8,024,668	2,919,188
Transferred to general fund		<u>34,160,755</u>	<u>(8,639,377)</u>
Significant accounting policies	2		

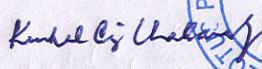
The schedules referred to above form an integral part of the financial statements  
As per our report of even date attached

For BSR & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No.: 116231W/W-100024

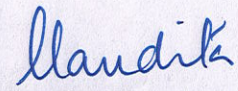
  
**Sandeep Batra**  
Partner  
Membership No.: 093320

Place: Gurugram  
Date: 27 September 2022

For and on behalf of  
**Lotus Petal Charitable Foundation**

  
**Kushal Raj Chakravorty**  
Managing Trustee

Place: Gurugram  
Date: 27 September 2022

  
**Dr Nandita Chakravorty**  
Trustee

Place: Gurugram  
Date: 27 September 2022





## Lotus Petal Charitable Foundation

### Significant Accounting Policies and Notes for the year ended 31 March 2022

#### 1. Background

Lotus Petal Foundation is focused on providing free education and nutrition to children living in the urban slums of India. Besides education, Lotus Petal Foundation provide free primary and secondary healthcare to our children and their families.

Lotus Petal Charitable Foundation ("the Trust") is registered under the Indian Public Trust Act, 1882 vide registration certificate no. 23604 dated 18 November, 2011. The Trust has been granted an exemption under section 12A of the Income Tax Act, 1961, vide provisional registration number AAATL9266HE20214 dated 28 May 2021. The exemption has been granted with effect from 1 April 2021. The Trust is registered under the Foreign Contribution (Regulation) Act, 2010 to accept specified foreign contributions and has been granted the registration vide letter no. NO.II/21022/77 (0004)/2015-FCRA II dated 19 May 2015 with registration no. 172270086. The certificate of Registration is valid for a period of five years from the date of registration. Subsequent to the year end, it was further renewed w.e.f 18-May-20 vide renewal number 0300006162019 dated 29-Jun-20.

#### 2. Significant accounting policies

##### a) Basis of preparation

The financial statements of the Trust have been prepared under the historical cost convention, on the accrual basis of accounting in accordance with applicable accounting standards issued by the Institute of Chartered Accountants of India and the generally accepted accounting principles ("GAAP"). The accounting policies adopted in preparation of financial statements are consistent with those of previous year.

The Trust is a Level III enterprise in according with the "Applicability of Accounting Standards" issued by ICAI in November 2003. Accordingly, it is not required to comply with the following.

Accounting Standards (AS) not applicable to Level III enterprise in their entirety:

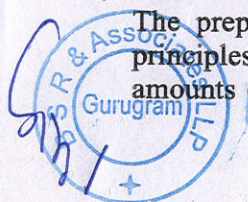
- AS 3, Cash Flow Statements;
- AS 17, Segment Reporting;
- AS 18, Related Party Disclosures;
- AS 21, Consolidated Financial Statements;
- AS 23, Accounting for Investments in Associates in Consolidated Financial Statements;
- AS 24, Discontinuing Operations; and
- AS 27, Financial Reporting of Interests in Joint Ventures (to the extent of requirements relating to consolidated financial statement).

Accounting Standards in respect of which relaxations from certain disclosure requirements have been given to Level III enterprises:

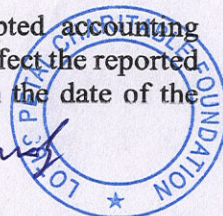
- AS 19, Leases – Paragraphs 22(c), (e) and (f); 25(a), (b) and (e); 37(a), (f) and (g); and 46(b), (d) and (e), of AS 19 are not applicable to level III enterprises;
- AS 20, Earning Per Share – Diluted earnings per share and information required by paragraph 48 of AS 20 are not required to be disclosed;
- AS 25, Interim Financial Reporting
- AS 29, Provisions Contingent Liabilities and Contingent Assets.

##### b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the



Control by Chartered Accountants





## Lotus Petal Charitable Foundation

### Significant Accounting Policies and Notes for the year ended 31 March 2022

financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated.

#### c) Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes inward freight, duties, taxes and expenses incidental to the installation of assets.

Depreciation on property, plant and equipment is provided on the basis of written down value method on the following rates as per Income Tax Act, 1961:

Particulars	Rates of Depreciation
Office equipment	10 %
Furniture and fixtures	10 %
Computer	40 %
Computer Software	40 %
Plant and Machinery	15 %
Building	10%

The appropriateness of depreciation period and depreciation method is reviewed by the management in each financial year.

#### d) General funds

The Trust receives general funds which are unrestricted in nature from foreign and local sources. The excess of income over expenditure during the year, being general purpose in nature is carried forward for use in the future periods.

#### e) Restricted funds

The Trust also receives funds which are restricted in nature from foreign and local sources. Revenue from the restricted fund is recognized during the year in the Income and Expenditure Account to match the related expenditure. The balance amount is carried forward in the restricted fund for use in the future periods.

Grants related to capitalization of building are treated as deferred income and recognized in the income and expenditure statement on the basis of depreciation over the useful life of the asset, The deferred income balance, is shown separately in the balance sheet.

#### f) Fees from students

Fees from students are charged as per the approved fees structure. This fees structure is approved by the Governing Committee of the Trust. The academic year of the Trust coincides with the accounting year.

Primary components of revenue are as under:

- Tuition fee is received on annual basis and are recognized in the academic year to which they pertain on an accrual basis.
- The National Institute of Open Schooling (NIOS) registration charges (non-refundable) collected at the time of registration in NIOS for class X and class XII students are recognised as income when received.

#### g) Interest Income



Keval G. Chhabra



**Lotus Petal Charitable Foundation**

**Significant Accounting Policies and Notes for the year ended 31 March 2022**

Interest on fixed deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**h) Provisions and contingent liability**

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

**i) Foreign exchange transactions**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Foreign currency assets and liabilities are restated at the rate prevailing as at the date of Balance Sheet. The difference between the year-end rate and exchange rate as at the date of transaction, if any is recognized as expense or income in the Income and Expenditure Account.

**j) Employees benefits**

The Trust's obligations towards various employee benefits have been recognized as follows:

**Short term employee benefits**

All employee benefits payable wholly within twelve months of rendering service are classified as short-term employee benefits. Benefits such as salaries, allowances, and leave-encashment are recognized in the Income and Expenditure Account in the period in which the employee renders the related services.

**Long term employee benefits**

**Defined contribution plans:** The Trust's provident fund scheme is a defined contribution plan where the contribution paid/ payable under the scheme is recognized as an expense in the period in which the employee renders the related service. The Trust's contributions are deposited with the Regional Provident Fund Commissioner and are charged to the Income and Expenditure Account.

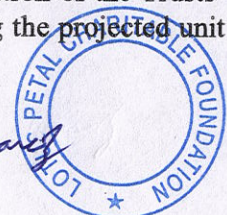
**Defined benefit plans:** The Trust provides for gratuity, a defined benefit plan (the Gratuity Plan) covering all eligible employees. In accordance with the payment of Gratuity Act, 1972, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment.

These are funded by the Trust and are managed by LIC.

The Trust's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The calculation of the Trusts' obligation under this plan is performed annually by a qualified actuary using the projected unit credit method.



*Kunal Chhabra*





**Lotus Petal Charitable Foundation**

***Significant Accounting Policies and Notes for the year ended 31 March 2022***

The Trust recognizes all actuarial gains and losses arising from defined benefit plans immediately in the statement of income and expenditure. All expenses related to defined benefit plans are recognized in the statement of income and expenditure.

**k) Leases**

Lease rental in respect of operating lease is charged to expense when due as per terms of the related agreement.

**l) Donation in kind**

Donation in kind is recorded at zero value in the books of the account of the trust.



*Reviewed by Chakraborty*





**Lotus Petal Charitable Foundation**  
**Schedules forming part of the accounts**  
(all amounts are in Indian Rupees)

	As at 31 March 2022	As at 31 March 2021
<b>Schedule 3: Corpus fund</b>		
Opening balance	-	-
Less: Transferred to restricted fund	-	-
Less: Transferred to general fund	-	-
Less: Transferred to asset fund	-	-
Received During the Year	-	-
Closing Balance	<u>-</u>	<u>-</u>

	As at 31 March 2022	As at 31 March 2021
<b>Schedule 4: General fund</b>		
Opening Balance	31,114,842	28,890,551
Add: Transfer from income expenditure account	34,160,755	(8,639,376)
Add: Amount corrected in relation to expenditure on assets under construction in earlier years {refer note 17( XII)}	-	-
		10,863,667
Closing Balance	<u>65,275,597</u>	<u>31,114,842</u>

	As at 31 March 2022	As at 31 March 2021
<b>Schedule 5: Restricted fund</b>		
Opening Balance	13,763,847	6,872,028
Add: Transfer from corpus fund	-	-
Add: Grants received during the year	176,765,331	48,858,505
Add: Grants receivable	1,734,514	-
Less: Transferred to Assets Fund	(62,643,507)	-
Less: Expenditure incurred during the year	(98,441,735)	(41,966,686)
Closing Balance	<u>31,178,450</u>	<u>13,763,847</u>

	As at 31 March 2022	As at 31 March 2021
<b>Schedule 6: Asset fund account</b>		
Opening Balance	134,342,820	130,363,618
Add: Transferred from corpus fund	-	-
Add: Addition during the year	62,643,507	6,898,390
Less: Deletion during the year	-	-
Total	<u>196,986,327</u>	<u>137,262,008</u>
Less: Transferred to income and expenditure account	8,024,668	2,919,188
Closing Balance	<u>188,961,659</u>	<u>134,342,820</u>



*Keval G. Chakraborty*





Lotus Petal Charitable Foundation  
Schedules forming part of the accounts  
(all amounts are in Indian Rupees)

Schedule 7: Property, plant and equipment

Current Year : 2021-22

Particulars	Gross block			Accumulated depreciation			Net block		
	As at 1 April 2021	Additions	Deletions	As at 31 March 2022	As at 1 April 2021	Depreciation / amortization for the year 21-22	Disposals	As at 31 March 2022	As at 31 March 2021
Land	124,289,076	-	-	124,289,076	-	-	-	-	124,289,076
Computer	8,181,692	8,894,356	-	17,076,048	3,339,862	4,320,182	-	7,660,044	4,841,830
Furniture and Fittings	2,657,681	2,127,277	-	4,784,958	792,475	351,637	-	1,144,112	1,865,207
Office equipment	3,193,963	461,820	-	3,655,783	728,989	425,753	-	1,154,742	2,464,974
Plant & Machinery	1,253,840	10,025,644	-	11,279,484	372,106	870,375	-	1,242,481	881,734
Building	-	41,134,410	-	41,134,410	-	2,056,721	-	2,056,721	39,077,689
Total	139,576,252	62,643,507	-	202,219,759	5,233,432	8,024,668	-	13,258,100	134,342,821
CWIP	24,363,239	71,493,100	38,687,254	57,169,085	-	-	-	57,169,085	24,363,239

Previous Year : 2020-21

Particulars	Gross block			Accumulated depreciation			Net block		
	As at 1 April 2020	Additions	Deletions	As at 31 March 2021	As at 1 April 2020	Depreciation / amortization for the year	Disposals	As at 31 March 2021	As at 31 March 2020
Land	124,289,076	-	-	124,289,076	-	-	-	-	124,289,076
Computer	1,981,589	6,200,103	-	8,181,692	1,195,473	2,144,389	-	3,339,862	786,116
Furniture	2,135,989	521,692	-	2,657,681	592,693	199,782	-	792,475	1,543,296
Office equipment	3,160,563	33,400	-	3,193,963	296,940	432,049	-	728,989	2,863,623
Plant and machinery	1,110,645	143,195	-	1,253,840	229,138	142,968	-	372,106	881,507
Total	132,677,862	6,898,390	-	139,576,252	2,314,244	2,919,188	-	5,233,431	130,363,618
CWIP	-	24,363,239	-	24,363,239	-	-	-	-	24,363,239



Kishor Chandra





**Lotus Petal Charitable Foundation**  
**Schedules forming part of the accounts**  
(all amounts are in Indian Rupees)

	As at 31 March 2022	As at 31 March 2021
<b>Schedule 8: Cash and Cash Equivalents</b>		
Cash in hand and imprest with staff	61,521	97,881
Cheques in hand	77,571	-
Balances with schedule banks	-	-
-in current bank account	13,933	120,927
-in Saving bank account	45,350,123	21,888,536
-in bank fixed deposits	2,294,408	5,334,914
	<u>47,797,556</u>	<u>27,442,258</u>

	As at 31 March 2022	As at 31 March 2021
<b>Schedule 9: Loans and Advances</b> (Unsecured and considered good unless otherwise stated)		
Security deposits	804,464	844,000
Staff advances	253,995	84,000
TDS receivable	93,634	146,497
Interest accrued on fixed deposits	14,859	86,417
Advance to vendors	348,079	849,451
Capital Advance	-	-
Prepaid expenses	1,220,225	706,358
	<u>2,735,256</u>	<u>2,716,723</u>

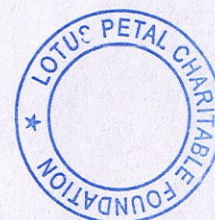
	As at 31 March 2022	As at 31 March 2021
<b>Schedule 10: Other Current Assets</b>		
Annual Fee Receivable	139,700	2,000
Restricted Donation Receivable	1,734,514	-
Gratuity Planned Asset	2,409,511	1,785,804
	<u>4,283,725</u>	<u>1,787,804</u>

	As at 31 March 2022	As at 31 March 2021
<b>Schedule 11: Current Liabilities</b>		
<b>Trade Payable</b>		
Total outstanding dues to micro and small enterprises	-	-
Total outstanding dues of creditors other than to micro and small enterprises	1,233,056	3,879,507
Statutory dues	535,138	730,406
Audit fees payable	540,000	540,000
NIOS registration deposit	124,070	86,200
Employees Payable	101,502	15,605
Retention money	4,139,824	442,955
Annual fees received in advance	3,354,398	2,323,900
Other Payable	100,000	56,459
	<u>10,127,988</u>	<u>8,075,032</u>

	As at 31 March 2022	As at 31 March 2021
<b>Schedule 12: Provisions</b>		
Provision for gratuity	5,509,829	3,356,304
	<u>5,509,829</u>	<u>3,356,304</u>



*Keval by Chakraborty*





**Lotus Petal Charitable Foundation**  
**Schedules forming part of the accounts**  
(all amounts are in Indian Rupees)

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Schedule 13: Other income</b>		
Interest income from fixed deposit	177,198	575,440
Interest on Saving bank account	837,799	646,248
Interest on income tax refund	10,585	1,865
Miscellaneous Income	610,545	298,856
	<u>1,636,127</u>	<u>1,522,409</u>

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Schedule 14: Program implementation expenditure</b>		
Salary expenses	41,790,336	26,237,912
Contribution to provident and other funds	1,986,201	1,549,958
Gratuity	1,476,398	1,120,330
General health insurance	841,473	542,674
Rent	4,804,476	3,900,000
Meal expense	568,614	188,487
Renovation	5,678,913	10,042,536
Property, plant and equipment purchased	-	6,898,390
Smart class expense	1,048,983	1,218,437
Printing and stationery	3,475,587	3,645,868
Uniform expenses	2,043,277	679,396
Annual day expenses	218,746	10,100
Counselling expense	-	274,188
Repair and maintenance	1,267,871	488,569
Electricity expenses	290,221	292,789
Assets under construction	-	-
NIOS registration and exam fees	362,842	306,200
House keeping expenses	553,187	292,491
Security expenses	-	61,419
Miscellaneous expenses	250,025	46,264
IT expenses	2,034,433	777,395
Transportation	109,760	23,244
Marathon expenses	-	29,435
Employee hiring expense	33,963	4,778
Professional and consultancy charges	915,956	100,354
Professional course expenses	314,265	288,011
Telephone expense	22,066	22,400
Medical expenses	6,000	19,773
Scholarships	3,959,627	1,706,290
Community feed program	5,234,980	3,537,544
COVID save the saviors	-	170,960
Online education	3,775,392	2,211,242
Monetary assistance to needy	-	651,000
Community feeding expenses	-	32,087
TMC expenses	460,883	237,960
Covid Vaccination and relief	8,738,157	-
	<u>92,262,632</u>	<u>67,608,481</u>



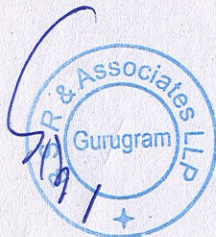
*Kunal Chakraborty*



**Lotus Petal Charitable Foundation**  
**Schedules forming part of the accounts**  
(all amounts are in Indian Rupees)

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Schedule 15: Fund raising events and activities</b>		
Foreign travel expenses	-	57,720
Gratuity	315,544	122,283
Promotional expense	67,936	144,486
IT expenses	399,597	252,157
Payment gateway expense	68,369	66,509
Salary expenses	8,909,671	4,153,127
Contribution to provident and other funds	207,214	129,267
Property, Plant and Equipment purchased	-	-
General health insurance	74,525	40,118
Miscellaneous expenses	287,086	133,014
Rent	642,508	118,000
Annual day expenses	537,997	-
House keeping expenses	38,992	-
Printing and stationery	49,525	-
Professional and consultancy charges	813,798	-
Repair and maintenance	6,490	-
Telephone expense	6,499	-
Transportation	65,646	-
Electricity expenses	5,783	-
Renovation	282,701	-
	<b>12,779,881</b>	<b>5,216,681</b>

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Schedule 16: Administrative and other costs</b>		
Book keeping charges	1,020,000	820,000
Audit fees	753,400	716,670
Salary expenses	2,308,272	1,217,344
Property, Plant and Equipment purchased	-	-
Contribution to provident and other funds	94,930	53,283
Gratuity	75,119	-
General health insurance	34,423	17,364
Repair and maintenance	60,269	107,797
Printing and stationery	90,806	35,632
Miscellaneous expenses	169,318	28,888
Transportation	70,699	52,596
Professional and consultancy charges	759,511	261,707
IT expenses	674,821	220,812
Electricity expenses	2,891	-
House keeping expenses	59,070	29,000
Telephone expense	-	-
Bank charges	66,963	36,846
Renovation	131,997	-
Employee hiring expense	114,128	53,520
Uniform expenses	-	2,284
Rent	321,255	118,000
Annual day expenses	680	-
Rates & Taxes	100,000	-
	<b>6,908,552</b>	<b>3,771,743</b>



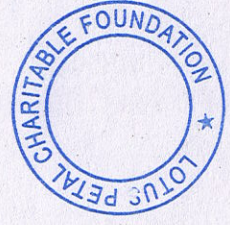
*Reviewed by Charanjit*



**Lotus Petal Charitable Foundation**  
**Schedules forming part of the accounts**  
 (all amounts are in Indian Rupees)

**Grant Schedule**  
**Current Year 2021-22**

FCRA/NFCRA	Opening	Donation Received During 21 22		Restricted Donation receivable against work done	Utilized/ Adjusted from Restricted	Closing
		Restricted	Unrestricted			
Total	13,763,846	176,765,331	30,853,784	207,619,115	153,060,573	39,203,118



*Kunal Chakraborty*



**Lotus Petal Charitable Foundation**  
**Schedules forming part of the accounts**  
(all amounts are in Indian Rupees)

**Schedule 17: Notes to Accounts**

**I. Receipts in foreign currency**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Income from grant and donation	168,421,857	15,372,216

**II. Expenditure in foreign currency**

Nature of Expenses	For the year ended 31 March 2022	For the year ended 31 March 2021
Software charges	604,057	186,838

**III. Payment to auditor's \*:**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Statutory audit	600,000	500,000

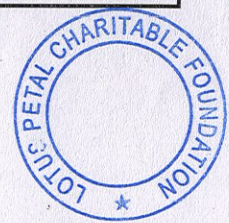
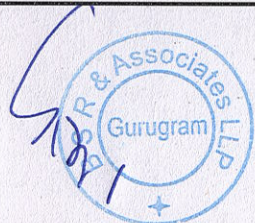
*\*Exclusive of taxes and out of pocket expenses and includes Rs.1,00,000 pertaining to previous year*

IV. The trust has taken a school building and office space at Desq Works and at Business zone on operating lease basis. Lease payments charged during the year in the income and expenditure account is INR. 5,837,239 (previous year INR. 4,136,000).

V. The names of related parties of the Company and their relationship, as required to be disclosed under Accounting Standard 18, are as follows:

a) Related party and nature of the related party relationship where control exists, irrespective of whether or not there have been transactions between the related parties:

Relationship	Name of the related parties
Key management personnel	Mr. Kushal Raj Chakravorty (Founder and Managing Trustee)
	Mr. Arghya Sen (Trustee)
	Dr. Nandita Chakraborty (Trustee)
	Mrs. Saloni Bhardwaj (Co-Founder & CTO)
	Mr. Manish Gupta (Governing body member) (w.e.f. October 27, 2020)
	Mr. Achal Kaneja (Governing body member) (w.e.f. October 27, 2020)
	Mr. Madhu Mehrotra (Governing body member) (w.e.f. October 27, 2020)



*Kushal Raj Chakravorty*



**Lotus Petal Charitable Foundation**  
**Schedules forming part of the accounts**  
(all amounts are in Indian Rupees)

b) Related party and nature of the relationship with whom transactions have taken place during the year:

S No	Nature of transaction	Related party with whom transaction is made	For the year ended 31 March 2022	For the year ended 31 March 2021
1	Managerial remuneration paid	Mr. Kushal Raj Chakravorty	2,978,400	1,482,000
2	Managerial remuneration paid	Mrs. Saloni Bhardwaj	1,992,800	1,400,000

**VI. Capital Commitment**

Estimated amounts of contracts remaining to be executed on capital account and not provided for as at 31 March 2022 are approx. Rs. 137,267,945 (previous year Rs. 42,221,988).

**VII. Employee Benefits**

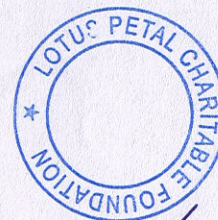
**Defined contribution plans**

The defined contribution plan consists of the employee provident fund, employee state insurance and labor welfare fund. A sum of INR 2,494,958 (previous year INR 1,838,002) has been recognized in the Income and Expenditure Account.

**Defined benefit plans**

Gratuity is payable to all eligible employee, of the Society on resignation, retirement, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act. The liability for gratuity, as determined by actuarial valuation as on 31st March 2022 is INR 5,509,828 (previous year 3,356,304)

The expenditure for gratuity as determined by actuarial valuation for the year 2021-22 is INR 2,153,524 (previous year 1,405,250)



*Kushal Raj Chakravorty*



**Lotus Petal Charitable Foundation**  
**Schedules forming part of the accounts**  
(all amounts are in Indian Rupees)

The principal assumptions used in determining the gratuity obligation are as below:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Discount rate	7.19%	6.79%
Annual salary escalation rate	10.00%	10.00%
Retirement Age (Years)	58	58
Mortality rate inclusive of provision for disability	IALM (2012 - 14)	IALM (2012 - 14)
Withdrawal Rate (%)		
Ages		
Up to 30 Years	5.00	5.00
From 31 to 44 years	3.00	3.00
Above 44 years	2.00	2.00

**VIII. Due to micro and small enterprises**

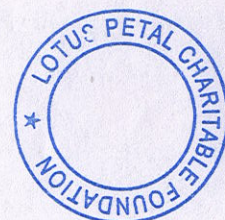
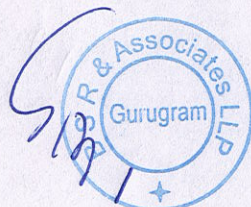
The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the memorandum. Based on the information available with the management, there are no overdue outstanding to micro and small enterprises as defined under the Micro, Small and Medium enterprises Development Act, 2006. Further, the Trust has not received any claim for interest from any supplier under the said Act.

**IX. Income Tax Provision**

The Trust is exempt from income tax under Section 12 AA of the Income Tax Act, 1961 and hence no provision for taxation is required for current year tax expense. Since, the Trust is exempt from income tax, no deferred tax (asset or liability) is recognized in respect of timing difference.

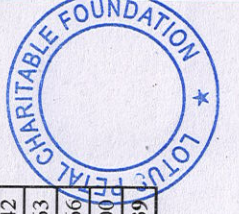
**X. Program wise summary of utilization of funds**

Lotus Petal is focused on providing quality education and nutrition to children residing in the urban slums of Gurugram through means of various programs. The program wise summary of utilization of funds during the year extracted from management's internal reporting system are provided in the table below:



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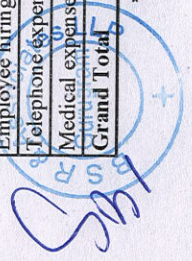


Program wise summary of utilization of funds - For the year ended 31 March 2022

Nature of Expense	Aarogya	Dhunela*	Jeevika	LP SSS	Pratishthan	Sahyog	Scholarship	Vidyananda	Zero Hunger	Grand Total
Property, plant and equipment purchased	105,596	50,209,239	-	5,927,051	2,085,670	2,022,412	-	1,933,825	13,770	62,297,562
Salary expenses	1,493,672	8,611,955	1,321,922	-	13,423,819	6,572,314	433,673	14,520,481	4,024,455	50,402,291
Assets under construction added	-	19,547,913	-	-	-	-	-	-	-	19,547,913
Covid Vaccination and relief	8,738,157	-	-	-	-	-	-	-	-	8,738,157
Renovation	56,345	56,795	-	336,300	19,382	5,210,090	-	56,796	-	5,735,708
Community Feed Program	-	-	-	-	-	-	-	-	5,234,980	5,234,980
Rent	265,466	69,000	265,466	-	1,681,209	380,199	-	1,681,206	530,930	4,873,476
Scholarships	-	-	-	-	-	-	3,959,627	-	-	3,959,627
Online Education	-	-	-	-	1,450,781	-	-	2,324,610	-	3,775,392
Printing and stationery	1,364	26,513	1,649	-	1,076,652	48,016	-	2,345,178	2,728	3,502,099
Professional and consultancy charges	25,788	1,867,363	-	-	370,739	131,330	5,900	382,199	-	2,783,319
Contribution to provident and other funds	88,171	206,613	28,448	-	585,029	215,329	8,357	856,708	204,159	2,192,814
IT expenses	-	98,556	35,228	132,326	424,891	394,178	-	1,047,810	-	2,132,989
Uniform expenses	-	-	-	-	624,408	-	-	1,418,868	-	2,043,277
Gratuity	57,898	286,463	46,021	-	455,344	243,502	14,414	512,821	146,398	1,762,861
Repair and maintenance	10,265	243,355	10,265	-	71,857	932,422	-	95,019	148,042	1,511,226
Smart class expense	-	-	463,600	35,400	282,848	-	-	267,135	-	1,048,983
General health insurance	37,190	69,963	9,829	-	264,304	61,201	3,301	379,049	86,599	911,436
Electricity expenses	15,528	409,755	14,698	-	100,399	1,651	-	128,552	29,393	699,976
Miscellaneous expenses	36,142	446,289	4,827	-	65,390	71,716	-	60,055	11,896	696,314
Security expenses	-	677,080	-	-	-	-	-	-	-	677,080
House keeping expenses	221,721	86,652	4,487	-	14,374	289,256	-	14,375	8,974	639,839
Meal expense	-	-	-	-	-	-	-	-	568,614	568,614
TMC Expenses	460,883	-	-	-	-	-	-	-	-	460,883
NIOS registration and exam fees	-	-	-	-	334,342	-	-	28,500	-	362,842
Professional course expenses	-	-	-	-	314,265	-	-	-	-	314,265
Annual day expenses	-	-	-	-	-	218,746	-	-	-	218,746
Transportation	26,292	101,582	2,000	-	15,552	63,646	-	2,270	-	211,342
Employee hiring expense	-	-	-	-	14,250	-	-	19,713	-	33,963
Telephone expense	1,103	-	1,103	-	7,723	-	-	9,930	-	22,066
Medical expenses	6,000	-	-	-	-	-	-	-	-	6,000
<b>Grand Total</b>	<b>11,647,580</b>	<b>83,015,085</b>	<b>2,209,543</b>	<b>6,431,077</b>	<b>23,683,227</b>	<b>16,856,009</b>	<b>4,425,272</b>	<b>28,085,101</b>	<b>11,013,146</b>	<b>187,366,039</b>

\* Included in property plant and equipment / capital work-in-progress in Schedule 7

*Kushal bij Chakraborty*





Program wise summary of utilization of funds - For the year ended 31 March 2021

Nature of Expense	Aarogya	Dhunela *	Pratishthan	Sahyog	Vidyanda	Scholarship	Jeevika	Total
Salary expenses	3,080,954	3,847,572	11,074,520	496,798	11,585,640	-	-	30,085,484
Contribution to provident and other funds	180,027	105,497	546,527	64,439	758,966	-	-	1,655,455
Gratuity	116,889	162,637	461,475	49,599	492,366	-	-	1,282,967
General health insurance	58,141	35,956	201,235	19,191	264,107	-	-	578,630
Rent	624,000	-	1,404,000	-	1,248,000	-	624,000	3,900,000
Meal expense	188,487	-	-	-	-	-	-	188,487
Renovation	-	-	-	10,042,536	-	-	-	10,042,536
Fixed asset purchased	14,550	10,000	2,608,854	-	4,264,986	-	-	6,898,390
Smart class purchase	-	-	483,641	-	512,445	-	222,350	1,218,437
Printing and stationery	-	3,605	1,634,185	-	2,011,683	-	-	3,649,473
Uniform expenses	-	-	249,651	-	429,745	-	-	679,396
Annual day expenses	-	-	10,100	-	-	-	-	10,100
Counselling expense	-	260,544	92,578	124,840	56,770	-	-	534,732
Repair and maintenance	118,029	21,945	111,867	146,535	112,139	-	-	510,514
Electricity expenses	57,758	15,916	115,516	4,000	115,516	-	-	308,705
Assets under construction	-	8,691,747	-	-	-	-	-	8,691,747
NIOS registration and exam fees	-	-	306,200	-	-	-	-	306,200
House keeping expenses	165,798	12,733	-	126,693	-	-	-	305,224
Security expenses	-	-	13,570	-	47,849	-	-	61,419
Miscellaneous expenses	13,151	223,681	4,818	23,812	4,484	-	-	269,945
IT expenses	-	57,315	388,698	-	388,698	-	-	834,710
Transportation	-	60,424	3,300	15,344	4,600	-	-	83,668
Marathon expenses	-	-	29,435	-	-	-	-	29,435
Employee hiring expense	-	-	-	-	4,778	-	-	4,778
Professional and consultancy charges	9,204	-	91,150	-	-	-	-	100,354
Professional course expenses	-	-	288,011	-	-	-	-	288,011
Telephone expense	-	-	11,200	-	11,200	-	-	22,400
Medical expenses	19,773	-	-	-	-	-	-	19,773
Scholarships	-	-	6,000	-	-	1,700,290	-	1,706,290
Community Feed Program	3,537,544	-	-	-	-	-	-	3,537,544
Covid Save the Saviours	170,960	-	-	-	-	-	-	170,960
Online Education	-	-	-	-	-	-	-	-
Monetary Assistance to Needy	-	-	-	651,000	-	-	-	651,000
Community Feeding Expenses	32,087	-	-	-	-	-	-	32,087
TMC Expenses	237,960	-	-	-	-	-	-	237,960
Online Education	-	-	746,640	229,274	1,235,328	-	-	2,211,242
<b>Total</b>	<b>8,625,311</b>	<b>13,509,572</b>	<b>20,883,170</b>	<b>11,994,061</b>	<b>23,549,299</b>	<b>1,700,290</b>	<b>846,350</b>	<b>81,108,055</b>

\* Included in property plant and equipment / capital work-in-progress in Schedule 7

*Kushal Chakraborty*





**Lotus Petal Charitable Foundation**  
**Schedules forming part of the accounts**  
(all amounts are in Indian Rupees)

XI. During the year 2015-16, Trust had inadvertently transferred Rs 280,000 from FC account to non-FC account which is a violation as per section 17 of FCRA 2010 and as per MHA notification dated 1.07.2022 S.No.5(a) amount of penalty is INR 1,00,000 or 5% of the foreign contribution received in such account, whichever is higher. Accordingly, provision of INR 1,00,000 has been created by the management against the demand for compounding.

XII. Previous year figures have been regrouped / reclassified, where necessary, to confirm to current year's classification.

For BSR & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No.: 116231W/W-100024

  
Sandeep Batra

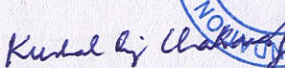
Partner

Membership No.: 093320

Place: Gurugram

Date: 27 September 2022

For and on behalf of  
Lotus Petal Charitable Foundation

  
Kushal Raj Chakravorty

Kushal Raj Chakravorty

Managing Trustee

Place: Gurugram

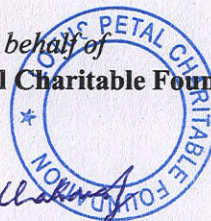
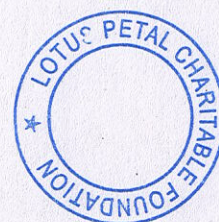
Date: 27 September 2022

  
Dr Nandita Chakraborty

Trustee

Place: Gurugram

Date: 27 September 2022





# FORM NO. 10B [See rule 17B]

Audit report under section 12A(b) of the Income-tax Act, 1961, in the case of charitable or religious trusts or institutions



e-Filing Anywhere Anytime  
Income Tax Department, Government of India

I have examined the balance sheet of LOTUS PETAL CHARITABLE FOUNDATION AAATL9266H [name of the trust or institution] as at 31st March 2022 and the Profit and loss account for the year ended on that date which are in agreement with the books of account maintained by the said Trust or institution

I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of the audit. In my opinion, proper books of account have been kept by the head office and the branches of the abovenamed Trust visited by me so far as appears from my examination of the books, and proper Returns adequate for the purposes of audit have been received from branches not visited by me, subject to the comments given below: **None**

In my opinion and to the best of my information, and according to information given to me, the said accounts give a true and fair view-

- (i) in the case of the balance sheet, of the state of affairs of the above named Trust as at 31st March 2022 and
- (ii) in the case of the profit and loss account, of the profit or loss of its accounting year ending on 31st March 2022

The prescribed particulars are annexed hereto.

Name	SANDEEP BATRA
Membership Number	093320
Firm Registration Number	116231W
Date of Audit Report	30-Sep-2022
Place	110.225.85.119
Date	30-Sep-2022

## ANNEXURE

### STATEMENT OF PARTICULARS

#### I. APPLICATION OF INCOME FOR CHARITABLE OR RELIGIOUS PURPOSES

1. Amount of income of the previous year applied to charitable or religious purposes in India during that year	₹ 20,06,67,028
2. Whether the Trust has exercised the option under clause (2) of the Explanation to section 11(1) ? If so, the details of the amount of income deemed to have been applied to charitable or religious purposes in India during the previous year.	No, -
3. Amount of income finally set apart for application to charitable or religious purposes, to the extent it does not exceed 15 per cent of the income derived from property held under trust wholly for such purposes.	₹ 2,37,68,389
4. Amount of income eligible for exemption under section 11(1)(c) (Give details)	No



Sl. No.	Details	Amount
	No Records Added	

5.	Amount of income, in addition to the amount referred to in item 3 above, accumulated or set apart for specified purposes under section 11(2)	₹ 0
6.	Whether the amount of income mentioned in item 5 above has been invested or deposited in the manner laid down in section 11(2)(b) ? If so, the details thereof	Not Applicable, -
7.	Whether any part of the income in respect of which an option was exercised under clause (2) of the Explanation to section 11(1) in any earlier year is deemed to be income of the previous year under section 11(1B) ? If so, the details thereof	Not Applicable, -
8.	Whether, during the previous year, any part of income accumulated or set apart for specified purposes under section 11(2) in any earlier year-	
	(a) has been applied for purposes other than charitable or religious purposes or has ceased to be accumulated or set apart for application thereto, or	Not Applicable, -
	(b) has ceased to remain invested in any security referred to in section 11(2)(b)(i) or deposited in any account referred to in section 11(2)(b)(ii) or section 11(2)(b)(iii), or	Not Applicable, -
	(c) has not been utilised for purposes for which it was accumulated or set apart during the period for which it was to be accumulated or set apart, or in the year immediately following the expiry thereof? If so, the details thereof	Not Applicable, -

## II. APPLICATION OR USE OF INCOME OR PROPERTY FOR THE BENEFIT OF PERSONS REFERRED TO IN SECTION 13(3)

1.	Whether any part of the income or property of the Trust was lent, or continues to be lent, in the previous year to any person referred to in section 13(3) (hereinafter referred to in this Annexure as such person)? If so, give details of the amount, rate of interest charged and the nature of security, if any	No
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Sl. No.	Amount	Rate of interest charged (%)	Nature of security, if any.	Remarks
		No Records Added		

2.	Whether any land, building or other property of the Trust was made, or continued to be made, available for the use of any such person during the previous year? If so, give details of the property and the amount of rent or compensation charged, if any	No
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Sl. No.	Details of property	Amount of rent or compensation charged
No Records Added		

3. Whether any payment was made to any such person during the previous year by way of salary, allowance or otherwise? If so, give details Yes

Sl. No.	Detail	Amount
1	Managerial remuneration paid to Managing Trustee and Co-Founder & CTO	₹ 49,71,200

4. Whether the services of the Trust were made available to any such person during the previous year? If so, give details thereof together with remuneration or compensation received, if any No

Sl. No.	Name of the Person	Amount of Remuneration/ Compensation	Remarks
No Records Added			

5. Whether any share, security or other property was purchased by or on behalf of the Trust during the previous year from any such person? If so, give details thereof together with the consideration paid No

Sl. No.	Name of the Person	Amount of Consideration paid	Remarks
No Records Added			

6. Whether any share, security or other property was sold by or on behalf of the Trust during the previous year to any such person? If so, give details thereof together with the consideration received No

Sl. No.	Name of the Person	Amount of Consideration received	Remarks
No Records Added			

7. Whether any income or property of the Trust was diverted during the previous year in favour of any such person? If so, give details thereof together with the amount of income or value of property so diverted No



Sl. No.	Name of the Person	Income or value of property diverted	Remarks
No Records Added			

8. Whether the income or property of the Trust was used or applied during the previous year for the benefit of any such person in any other manner? If so, give details No

Sl. No.	Name of the Person	Amount	Remarks
No Records Added			

**III. INVESTMENTS HELD AT ANY TIME DURING THE PREVIOUS YEAR(S) IN CONCERNS IN WHICH PERSONS REFERRED TO IN SECTION 13(3) HAVE A SUBSTANTIAL INTEREST**

Sl. No.	Name of the concern	Address of the concern	Where the concern is a company	Number of Equity Shares	Number of Preferential Shares	Number of Sweat Equity Shares	Nominal value of the investment	Income from the investment	Whether the amount in col. 5 exceeded 5 per cent of the capital of the concern during the previous year
No Records Added									

Total (Nominal value of the investment) 0

Total (Income from the investment) 0

Place 110.225.85.119

Date 30-Sep-2022