



INDEPENDENT AUDITOR'S REPORT

**TO,
THE MEMBERS
RIPPLES OF CHANGE FOUNDATION**

We have audited the financial statements of **RIPPLES OF CHANGE FOUNDATION** ("the Company"), which comprise of the Balance Sheet as at March 31, 2020, and the Statement of Income and Expenditure for the year ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its surplus/ (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 Companies Act, 2013. 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 Companies Act, 2013 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.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows 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.

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This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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, management 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 management 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.

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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the necessary 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, the Statement of Profit and Loss 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For P.K. Subramaniam & Co.
Chartered Accountants
Firm Reg. No. 004135S

V. S. Gouda



CA. Veerabasana Gouda Shivappa
Partner
M.No. 208698

UDIN: 21208698AAAAEM6272

Place: Bangalore

Date: 15-12-2020.

RIPPLES OF CHANGE FOUNDATION			
(INCORPORATED UNDER SECTION 8 OF COMPANIES ACT 2013)			
BALANCE SHEET AS AT MARCH 31, 2020			
Particulars	Note	As at March 31, 2020 ₹	As at March 31, 2019 ₹
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	1	2,00,000	1,00,000
Reserves and surplus	2	(28,748)	(85,016)
		1,71,252	14,984
CURRENT LIABILITIES			
Short Term Provisions	3	1,02,020	20,000
Other current liabilities	4	5,26,669	-
		6,28,689	20,000
		7,99,941	34,984
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Tangible assets	5	2,16,176	-
		2,16,176	-
CURRENT ASSETS			
Cash and cash equivalents	6	5,68,637	34,984
Short-term loans and advances	7	15,127	-
		5,83,764	34,984
		7,99,941	34,984
Significant Accounting policies and other Notes forming part of Accounts	12		
As per our report of even date For P. K. Subramaniam & Co., Chartered Accountants Firm Regd. No.004135S V.S. Gouda S. Partner M.N : 208698 UDIN: 21208698 AAAAEM 6272		For and on behalf of the Board Sharat Kumar P Hegde Director (DIN:07496188) Nagesh Karuturi Director (DIN:08264109)	
Place: Bangalore Date: 15-12-2020			

RIPPLES OF CHANGE FOUNDATION				
(INCORPORATED UNDER SECTION 8 OF COMPANIES ACT 2013)				
INCOME AND EXPENDITURE STATEMENT FOR THE PERIOD ENDED MARCH 31, 2020				
Particulars	Note	For the Period ended March 31, 2020	For the Period ended March 31, 2019	
Revenue				
Grants & Donations received	8	6,18,500	-	
Other income		2,300	-	
Total Revenue		6,20,800	-	
Expenses				
Employee benefits expenses	9	24,647	-	
Depreciation and amortisation expenses	5	9,775	-	
Program Expenses	10	5,30,111	85,016	
Total Expenses		5,64,533	85,016	
Profit/(Loss) before tax		56,267	(85,016)	
Tax expense				
Current tax		-	-	
Profit/(Loss) for the year		56,267	(85,016)	
Earnings per share of face value of Rs. 10 each.	11	2.81	(8.50)	
Significant Accounting policies and other Notes forming part of Accounts	12			
As per our report of even date				
For P. K. Subramaniam & Co., Chartered Accountants Firm Regd. No.004135S		For and on behalf of the Board		
V. S. Gouda Veerabasana Gouda S Partner M.N : 208698 UDIN: 21208698 AAAAEM6272		S. K. P. Hegde Sharat Kumar P Hegde Director (DIN:07496188) Nagesh Karuturi Nagesh Karuturi Director (DIN:08264109)		
Place : Bangalore Date: 15-12-2020				

RIPPLES OF CHANGE FOUNDATION		
(INCORPORATED UNDER SECTION 8 OF COMPANIES ACT 2013)		
Notes on Financial Statements for the period ended March 31, 2020		
Particulars	As at	As at
	March 31, 2020	March 31, 2019
1 SHARE CAPITAL :		
Authorized		
50,000 equity shares of Rs. 10 each	5,00,000	1,00,000
Issued, Subscribed and fully Paid-up		
20,000 equity shares of Rs. 10 each	2,00,000	1,00,000
	2,00,000	1,00,000
<p>The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share.</p> <p>The Details of shareholder holding more than 5% shares as at March 31, 2019 and March 31,2020 is set out below :</p>		
Particulars	No. of shares	No. of shares
Sharath kumar Prabhakar Hegde	5,000	5,000
Anil Somanapalli kumar Gopala Krishna	5,000	5,000
Dinesh	5,000	-
Nagesh Karuturi	5,000	-
	20,000	10,000
2 RESERVES AND SURPLUS :		
Opening balance	(85,016)	-
Net Profit / (Loss) for the year	56,267	(85,016)
Surplus / (Deficit) - Closing balance	(28,748)	(85,016)
3 SHORT TERM PROVISION		
Provision for Outstanding Expenses	82,020	
Audit fees payable	20,000	20,000
Provision for Income Tax	-	-
	1,02,020	20,000
4 OTHER CURRENT LIABILITIES		
Grant Received - Not utilised	4,80,000	
Rent Payable	24,000	-
Other Programme Expenses	22,669	-
	5,26,669	-
5 FIXED ASSETS		
Tangible Fixed Assets (Attached Separately)	2,16,176	-
	2,16,176	-
6 CASH AND CASH EQUIVALENTS		
Cash in Hand	11,359	3,799
Cash at Bank:		
HDFC Bank A/c No	5,57,278	31,185
	5,68,637	34,984



RIPPLES OF CHANGE FOUNDATION		
(INCORPORATED UNDER SECTION 8 OF COMPANIES ACT 2013)		
Notes on Financial Statements for the period ended March 31, 2020		
Particulars	As at	As at
	March 31, 2020	March 31, 2019
7	SHORT TERM LOANS AND ADVANCES	
Programme Advances	15,127	-
	15,127	-
8	DIRECT INCOME	
Donation Income	5,10,000	-
Grant Received	1,08,500	-
	6,18,500	-
9	PROGRAMME EXPENSES	
Documentation Expenses	13,020	600
Domain Charges	-	34,915
Office Expenses	33,375	4,020
SHD Onboarding expenses	69,000	-
Resource Fee	41,000	-
Printing & Stationery	94,424	1,349
Volunteer Food Expenses	24,647	-
Other Programme Expenses	20,569	6,400
Programme conveyance Expense	1,08,919	232
	4,04,954	47,516
10	ADMINISTRATION EXPENSES	
Audit fees	20,000	20,000
Bank Charges	3,304	-
Professional Fees	30,500	17,500
Rent	96,000	-
	1,49,804	37,500
11	EARNINGS PER SHARE	
i	Net Profit/(Loss) after Tax	56,267 (85,016)
ii	Number of Equity shares	20,000 10,000
iii	Face value per equity share	10 10
iv	Earnings per Shares(EPS)	2.81 (8.50)



RIPPLES OF CHANGE FOUNDATION
NOTE FORMING PART OF ACCOUNTS FOR THE YEAR ENDED
MARCH 31, 2020

NOTE : 05- FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As on 01.04.2019 ₹	Additions ₹	Deduction Adjustment ₹	As on 31.03.2020 ₹	As on 01.04.2019 ₹	For the Year ₹	Withdrawn/ Transferred ₹	As on 31.03.2020 ₹	Adjustme nt in ₹	As on 31.03.2020 ₹	NET BLOCK As on 31.03.2019 ₹
Tangible Assets											
Computers	-	2,25,951		2,25,951	-	9,775	-	9,775	-	2,16,176	-
Total	-	2,25,951	-	2,25,951	-	9,775	-	9,775	-	2,16,176	-



Allowable depreciation as per Income Tax Act 1961

Previous year: 2019-20

Asst. Year : 2020-21

Particulars	Rate of Dep in %	W.D.V as on 01.04.2019 ₹	Additions during the year		Deletion ₹	Total ₹	Depreciation for the year ₹	W.D.V. as on 31.03.2020 ₹
			More than 180 Days ₹	less than 180 Days ₹				
Computers	40%	-	-	2,25,951	-	2,25,951	45,190	1,80,761
Total		-	-	2,25,951	-	2,25,951	45,190	1,80,761

Addition during the year

31/03/2020

Particulars Amount

<180

>180

Computer

16/01/2020

2,25,951

75

2,25,951

Total

2,25,951

2,25,951



RIPPLES OF CHANGE FOUNDATION
CIN: U93090KA2018NPL116074
2972, 1, 17th Cross, Banashankari 2nd stage
Bengaluru, Karnataka 560070.

Schedules forming an integral part of the accounts as on March 31, 2020.

Note 12: Notes on Accounts

12.1 Corporate Information:

M/s. Ripples of Change Foundation ("The Company") is incorporated in India. It is a unlisted company. The registered office of the company situated at No. 2972, 1, 17th Cross, Banashankari 2nd stage, Bengaluru, Karnataka – 560070.

The company is providing services in the areas of Education, Life Skills, Environment, Health & Wellbeing and Social Impact incubation hubs based on current world needs.

12.2 Basis of Preparation:

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ("GAAP") in compliance with the provisions of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to the contingent liabilities as of the date of the financial statements. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

12.3 Significant Accounting Policies:

a) Property Plant and Equipment:

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment loss, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition and intended use.

Depreciation on property, plant and equipment is provided using written down value method over the useful life of assets as specified in schedule II to the Companies Act, 2013. Depreciation on property, plant and equipment, which are added or disposed off during the year, is provided on pro-rata basis with



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reference to date of addition or deletion. The assets residual values, useful lives and method of depreciation are reviewed at each financial year and are adjusted prospectively if required an appropriate.

b) Cash and cash equivalents:

Cash and cash equivalents comprise of cash at banks, cash on hand and short-term deposits with an originally maturity of one year or less, which are subject to an insignificant risk of changes in value.

c) Financial Instruments – initial recognition, subsequent measurement and impairment:

Financial instrument is any contract which gives rise to financial assets of one entity and financial liability or equity instrument of another entity.

Financial Assets – initial recognition, subsequent measurement -

All financial assets are initially recognized at fair value. Transaction cost which are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified as financial assets measured at fair value or those of measured at amortized cost.

For the purpose of subsequent measurement, financial assets are broadly classified into two categories as follow:

- i) Financial assets at fair value and
- ii) Financial assets at amortized cost.

A financial assets or part of financial assets or group of same financials assets, where applicable is primarily derecognized i.e. removed from the Company's Financial statement when

- i) The right to receive cash flow from the assets has expired.
- ii) The company has transferred its rights to receive cash flow from assets.



RIPPLES OF CHANGE FOUNDATION
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Financial Liabilities– initial recognition, subsequent measurement –

The financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of transaction cost, which are directly attributable to loans and borrowings and payables

For Trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these.

A financial liabilities or part of financial liabilities or group of same financial liabilities, where applicable is primarily derecognized i.e. removed from the Company's Financial statement when

- i) The obligation under the liability as discharged or cancelled or expires.
- ii) An existing financial liability is replaced by another, from same lender or substantially different terms or the terms of existing liability substantially modified, such an exchange or modification is treated as derecognition of existing liability and recognition of new one liability. The difference in respective carrying amounts is recognized in the statement of profit and loss.

d) Taxes on Income:

Income tax expense represents the sum of current tax (including MAT and income tax for earlier years) and deferred tax. Tax is recognized in the statement of profit and loss. Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set and presented as net after one year from the end of financial year or communication form Income Tax Department, whichever is earlier.

e) Earnings Per Share:

Basic earnings per share are computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the



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net profit for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year.

f) Current and noncurrent classification:

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by Ministry of Corporate Affairs.

An asset is classified as current when it is:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle,
- ii) Held primarily for the purpose of trading,
- iii) Expected to be realized within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

- i) A liability is classified as current when it is:
- ii) Expected to be settled in normal operating cycle,
- iii) Held primarily for the purpose of trading,
- iv) Due to be settled within twelve months after the reporting period, or
- v) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its normal operating cycle.

12.4 Significant Accounting Judgments, Estimates and Assumptions:

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of



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contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based on its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Property, Plant and Equipment:

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

b) Contingent Liabilities:

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

c) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.



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12.5 Related Parties Disclosure:

As per requirement IGAPP and The Companies Act, 2013, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are as detail below:

a) List of Related Parties: Key Management Personnel:

Mr. Sharat Kumar P Hegde - Key Managerial Personnel

Mr. Anil Kumar S G - Key Managerial Personnel

b) Related Party Transactions: There are no related party transactions for the period.

12.7 Auditor's Remuneration:

Details of payment made to or payable to auditor is as under.

Particulars	FY 2019-20	FY 2018-19
Statutory Audit Fees	20,000/-	20,000/-

For P. K. Subramaniam & Co.

Chartered Accountants

Firm Reg. No: 004135S

V.S. Gauda

Veerabasana Gauda S

Partner

M.N.208698



UDIN: -21208698AAAAEM6272

Place: Bangalore

Date: 15-12-2020

For and on behalf of Board of Directors

SKP Hegde

Mr. Sharat Kumar P Hegde
Director (DIN 07496188)

Nagesh Karuturi

Mr. Nagesh Karuturi
Director (DIN 08264109)