

P M H & ASSOCIATES LLP

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

**To the Governing Board of Centre for Responsible Business,
(A Society registered under Societies Registration Act, 1860)**

Report on the Financial Statements

We have audited the accompanying Financial Statements of Centre for Responsible Business (herein after the Society), which comprise the Balance Sheet as at March 31, 2020, and the Income and Expenditure Account for the year ended on that date and a summary of 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 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Society as at March 31, 2020; and
- (b) In the case of the Income and Expenditure account, of the excess of expenditure over income for the year ended on that date.

Basic of Opinion

We conducted our audit in accordance with Standards on Auditing (SAs). 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 entity in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other responsibilities in accordance with these requirements. 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

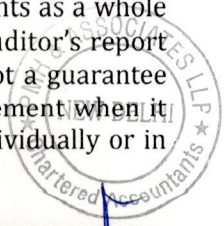
Management is responsible for the preparation of these financial statements in accordance with Societies Registration Act, 1860 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity'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 entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibility

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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 Society'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 entity to cease to continue as a going concern.

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.

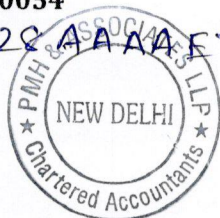
For P M H & Associates LLP

Chartered Accountants

FRN: 026443N/N500054

UDIN: 20517928AAAAET5800

Manas Piyush
Manas Piyush
Partner
M. No.: 517928



Date: 24-Dec-2020.
Place: New Delhi

SCHEDULE 1: BACKGROUND AND SIGNIFICANT ACCOUNTING POLICIES:

1. BACKGROUND AND OVERVIEW OF THE SOCIETY'S OPERATIONS:

Centre for Responsible Business (The 'Society') is located at B-5/1, Safdarjung Enclave, New Delhi-110029 and has been registered on 14th November, 2011 under the "Societies Registration Act XXI of 1860".

Nature of present activities:

- (a) To promote responsible business strategies, policies and practices
- (b) To perform the following activities organized under four verticals in CSR and Sustainability domains:
 - Customized Advisory Services
 - Action and Policy Research
 - Training and Capacity Building
 - Convening Knowledge Forums

2. SIGNIFICANT ACCOUNTING POLICIES:

a. Basis of Preparation of Financial Statements

The financial statements of the Society have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Society has prepared these financial statements to comply in all material respects with the accounting standards specified by the Institute of Chartered Accounts of India. The financial statements are prepared under historical cost convention, on accrual basis of accounting and in accordance with the normally accepted accounting principles and accounting standards, unless otherwise stated.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b. Use of Estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

c. Revenue Recognition

Rendering of Services

Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection.



Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

Government Grants

Revenue from duty drawback is recognized when there is a reasonable assurance that the Society will comply with the conditions attached to it and it is reasonably certain that ultimate collection will be made.

Revenue from other government grants is recognized when such grant is received by the Society.

d. Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Expenditure for additions, modifications, improvements and renewals are capitalized and expenditure for maintenance and repairs are charged to income and expenditure account. Financing costs relating to acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

e. Depreciation

Depreciation on other assets is calculated using the Written - Down Value Method (WDV) as per the rates prescribed by the Income Tax Act, 1961.

f. Leases

Where the Society is the lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Income and Expenditure account on a straight-line basis over the lease term.

g. Foreign Currency Transactions

a) Initial Recognition

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

b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a



foreign currency are reported using the exchange rates that existed when the values were determined.

c) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting society's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise except those arising from investments in non-integral operations.

h. Income Taxes

Tax expense comprises of current taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961.

i. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, any decline, other than temporary, in the value of the investments is charged to the income and expenditure account.

j. Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

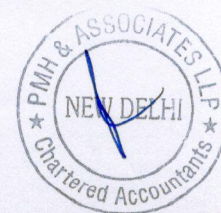
k. Provisions, Contingent Liabilities and Contingent Assets

Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Provision for expenditure relating to voluntary retirement is made when the employee accepts the offer of early retirement.

Contingent Liability

A contingent liability is disclosed where, as a result of past events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



Contingent Assets

Contingent Assets are not recognised in the financial statements.

1. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



Centre For Responsible Business (CRB)
Society Reg. No.: 0501/2011
Balance Sheet

	Notes	As at March 31, 2020 ₹	As at March 31, 2019 ₹
LIABILITIES			
General Fund	1	9,09,415	(81,382)
		9,09,415	(81,382)
Current Liabilities			
Trade Payable		28,66,875	21,91,858
Other Liabilities	2	6,75,873	9,27,635
		35,42,748	31,19,493
Total		44,52,163	30,38,111
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	3	5,13,114	4,83,176
		5,13,114	4,83,176
Current Assets			
Trade Receivable	4	-	2,44,707
Cash and Bank Balances	5	20,97,315	6,49,173
Short term Loan and Advance	6	18,41,734	16,61,055
		39,39,049	25,54,935
TOTAL		44,52,163	30,38,111

Summary of Significant Accounting Policies
The accompanying notes are an integral part of the financial statements

As per our report of even date

For PMH & Associates LLP

Chartered Accountants

Firm Reg. No. 026443N/N-500054

UDIN: 20517928AAAAET5800

Manas Piyush
Manas Piyush
Partner
M. No.: 517928



For and on behalf of

Centre For Responsible Business (CRB)

Rehera

Governing Body Member

Farhad Vania

Governing Body Member

Place : New Delhi

Date : 24-Dec-2020

Centre For Responsible Business (CRB)
Society Reg. No.: 0501/2011
Income & Expenditure Account

Notes	For the Year Ended March 31, 2020 ₹	For the Year Ended March 31, 2019 ₹
Income		
Professional Fee	2,30,86,979	1,60,39,722
Interest Income	-	25,425
Other Income	8,17,343	4,29,574
Total Revenue	2,39,04,322	1,64,94,721
Expenditure		
Personnel Expenses	1,05,17,948	67,09,386
Consultancy Expenses	31,75,322	14,16,750
Workshop & Conference Expenses	55,45,420	54,49,749
Rent	9,58,550	9,24,000
Administration Expenses	10,56,026	8,42,571
Travel Expenses	6,28,277	10,19,656
Rates & Taxes	1,76,224	2,99,802
Web Designing/Software Expenses	2,08,175	52,800
Foreign Exchange Gain/loss	1,50,854	98,872
Depreciation	1,03,860	62,798
Audit Fee	60,000	60,000
Stationery Expenses	90,799	1,15,575
Sponsorship Expenses	2,00,000	-
Office Expenses	17,527	9,051
Staff Welfare	9,841	23,678
Bank Charges/Interest Expenses	14,702	34,547
Total	2,29,13,525	1,71,19,235
Excess of Income over Expenditure	9,90,797	(6,24,514)
Income Tax:		
Current Tax	-	-
Minimum Alternate Tax Payable	1,78,547	-
Less: Minimum Alternate Tax Credit	(1,78,547)	-
Surplus/(deficit) carried to the Balance Sheet	9,90,797	(6,24,514)

As per our report of even date

For PMH & Associates LLP

Chartered Accountants

Firm Reg. No. 026443N/N-500054

UDIN: 20517928AAAAET5800

Manas Piyush
Manas Piyush
Partner
M. No.: 517928



For and on behalf of

Centre For Responsible Business (CRB)

Rehman
Rehman
Governing Body Member

Tanisha Varma
Tanisha Varma
Governing Body Member

Place : New Delhi

Date : 24-DEC-2020

Centre for Responsible Business (CRB)
Society Reg. No.: 0501/2011
Notes to financial statements

1 General Fund

	As at March 31, 2020	As at March 31, 2019
Opening Balance	₹	₹
Capital Loss	(81,382)	5,43,132
Add: Income as per Income & Expenditure Statement	0	
	9,90,797	(6,24,514)
	<u>9,09,415</u>	<u>(81,382)</u>

2 Other Current Liabilities

	As at March 31, 2020	As at March 31, 2019
Statutory Liabilities	₹	₹
TDS Payable	2,27,180	5,78,904
Other Liabilities		
Audit Fee Payable	54,000	53,990
Expenses Payable	3,94,693	2,94,741
	<u>6,75,873</u>	<u>9,27,635</u>



Centre for Responsible Business (CRB)

Society Reg. No.: 0501/2011

Notes to financial statements

3 Tangible Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK
	W.D.V AS ON 01.04.2019	ADDITION BEFORE 03.10.2019	ADDITION AFTER 03.10.2019	W.D.V. AS ON 31.03.2020	FOR THE YEAR	SALES/ ADJUSTMENT	AS AT 31.03.2020	WDV AS AT 31.03.2020
COMPUTERS & ACCESSORIES	7,936	1,13,500	13,500	1,34,936	51,274		51,274	83,662
OFFICE EQUIPMENTS	80,837	6,800		87,637	13,146	-	13,146	74,491
FURNITURE AND FITTING	57,368	-	-	57,368	5,737	-	5,737	51,631
BUILDING RENOVATION	3,37,035	-	-	3,37,035	33,704	-	33,704	3,03,331
	4,83,176	1,20,300	13,500	6,16,976	1,03,861	-	1,03,861	5,13,115



4 Trade Receivable

Roundtable on Sustainable Palm Oil

As at March 31, 2020	As at March 31, 2019
₹	₹
-	2,44,707
-	<u>2,44,707</u>

5 Cash and Cash Equivalent

Cash in hand
Balances with banks in current accounts
Balances with banks in FCRA account

As at March 31, 2020	As at March 31, 2019
₹	₹
4,496	7,139
14,67,392	5,15,294
6,25,427	1,26,740
<u>20,97,315</u>	<u>6,49,173</u>

6 Short Term Loan and advances

Advance Tax & TDS
MAT Credit entitlement
GST Receivable
Advance Recoverable in Cash and Kind

As at March 31, 2020	As at March 31, 2019
₹	₹
3,93,190	6,79,777
1,78,547	-
11,35,797	8,04,788
1,34,200	1,76,490
<u>18,41,734</u>	<u>16,61,055</u>

7 Related Party Disclosures

Key Management Personnel

Chief Executive Officer
Director (Programmes)
Associate Director

Mr. Rijit Sengupta
Mrs. Devyani Hari
Ms. Nandini Sharma

Particulars

Managerial Remuneration

Mr. Arun Asthana
Mr. Rijit Sengupta
Mrs. Devyani Hari
Ms. Nandini Sharma

Key Management Personnel
2019-20
2018-19
₹

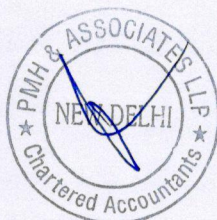
-	15,75,450
26,00,004	21,53,001
17,20,032	1,97,322
13,00,000	-

Year End Balances

(Recoverable From)/Payable to:

Mr. Arun Asthana
Mr. Rijit Sengupta
Mrs. Devyani Hari

-
-
-



8 Operating Leases

The Society has taken the office premises under cancellable operating lease agreements. The Society intends to renew such leases in the normal course of business. Total rental expenses under cancellable operating leases amounted to Rs. 9,58,550/- (previous year: Rs. 9,24,000/-). The same has been shown under Rent in other expenses in the Income and Expenditure. The Society has no non-cancellable operating leases during the year ended 31 March 2020.

9 Previous year figures have been regrouped, wherever considered necessary

As per our report of even date

For PMH & Associates LLP

Chartered Accountants

Firm Reg. No. 026443N/N-500054

UDIN: 20517928AAAAET5800

Manas Piyush
Manas Piyush

Partner

M. No.: 517928



Place : New Delhi

Date : 24-DEC-2020

For and on behalf of

Centre For Responsible Business (CRB)

Rohit
Governing Body Member

Farhad Varma
Governing Body Member