

B S R & Associates LLP

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of Jal Seva Charitable Foundation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jal Seva Charitable Foundation ("the Company"), which comprise the Balance Sheet as at 31 March 2023, the Income and Expenditure Account, and Statement of Cash Flows for the year then ended, and notes to the Financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31 March 2023, and its excess of expenditure over income and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company 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 Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify

our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. The Company is licensed to operate under Section 8 of the Companies Act, 2013 (the Act). Accordingly, the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, is not applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those, except that the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India.
 - c) The Balance Sheet, the Income and Expenditure Account, and Statement of Cash Flows 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.
 - e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above.
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (B) With respect to the other matters to be included in the Auditors' 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:

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- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 40(d) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 40(d) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement.
- v. The Company has neither declared nor paid any dividend during the year.
- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.



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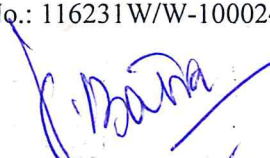
(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Associates LLP

Chartered Accountants

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



Sandeep Batra
Partner

Partner

Membership No. 093320

Place: New Delhi

Date: 19 September 2023

UDIN:23093320BGZGQR9089

Annexure A to the Independent Auditors' report on the financial statements of Jal Seva Charitable Foundation for the period ended 31 March 2023.

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Jal Seva Charitable Foundation ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Associates LLP

Chartered Accountants

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



Sandeep Batra

Partner

Membership No. 093320

Place: New Delhi

UDIN:23093320BGZGQR9089

Date: 19 September 2023

Jal Seva Charitable Foundation
Balance Sheet as at 31 March 2023
(All amounts are in Indian Rupees unless, otherwise stated)

(All amount in ₹ Lakhs)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
<u>EQUITY AND LIABILITIES</u>			
Shareholder's funds			
Share capital	3	0.18	0.18
Corpus fund	4	2.90	2.90
Reserves and surplus	5	1,897.04	2,837.93
		1,900.12	2,841.01
Non-current liabilities			
Long term provisions	6	8.66	7.51
Other long term liabilities	7	1.77	2.33
		10.43	9.84
Current liabilities			
Trade payables			
-Total outstanding dues to micro and small enterprises	8	19.35	21.40
-Total outstanding dues of creditors other than micro and small enterprises	8	505.80	560.25
Other current liabilities	9	1,716.39	2,242.45
Short-term provisions	10	2.09	1.55
		2,243.62	2,825.65
		4,154.18	5,676.50
<u>ASSETS</u>			
Non-current assets			
Property, plant and equipment	11	44.14	67.07
Intangible assets	11	1.18	2.21
		45.32	69.28
Long term loans and advances	12	19.58	2.16
Other non current assets	13	2,243.79	28.01
		2,308.69	99.45
Current assets			
Cash and bank balances	14	1,446.57	5,208.29
Short-term loans and advances	15	289.55	363.02
Other current assets	16	109.37	5.74
		1,845.49	5,577.05
		4,154.18	5,676.50

Significant accounting policies

2

The notes 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
Firm Registration No. 116231W/ W-100024



Sandeep Batra
Partner
Membership No: 093320

For and on behalf of Board of Directors of
Jal Seva Charitable Foundation


Sumit Bose
Chairperson
DIN: 03340616






Mathew Cherian
Director
DIN: 02467609



Archana Rathore
Director - Finance & IT



VK Madhavan
Chief Executive

Place: New Delhi
Date: 19 September 2023

Place: New Delhi
Date: 19 September 2023

Place: New Delhi
Date: 19 September 2023

Jal Seva Charitable Foundation

Income and Expenditure Account for the year ended 31 March 2023

(All amounts are in Indian Rupees, unless otherwise stated)

(All amount in ₹ Lakhs)

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Income from grants and donations	17	3,907.95	5,767.02
Other income	18	173.23	165.79
Total		4,081.18	5,932.81
Expenses			
Programme expenses	19	3,846.51	4,369.50
Employee benefit expenses	20	386.57	249.34
Fundraising expenses	21	310.46	283.96
Other expenses	22	437.46	381.17
Depreciation	11	41.07	34.89
Total		5,022.08	5,318.86
Excess of (expenditure over income)/income over expenditure		(940.89)	613.95
Amount transferred to general fund	5a	(940.89)	613.95
Earnings / (Loss) per equity share:	28		
Basic		(0.54)	0.35

Significant accounting policies

2

The notes 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

Firm Registration No. 116231W/ W-100024



Sandeep Batra

Partner

Membership No: 093320

For and on behalf of Board of Directors of

Jal Seva Charitable Foundation



Sumit Bose

Chairperson

DIN: 03340616

Mathew Cherian

Director

DIN: 02467609



Archana Rathore

Director - Finance & IT



VK Madhavan

Chief Executive

Place: New Delhi

Date: 19 September 2023

Place: New Delhi

Date: 19 September 2023

Place: New Delhi

Date: 19 September 2023

Jal Seva Charitable Foundation
Cash Flow Statement for the year ended 31 March 2023
(All amounts are in Indian Rupees, unless otherwise stated)

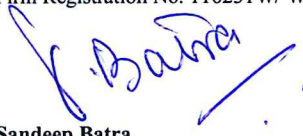
(All amount in ₹ Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Cash flows from operating activities		
Excess of (expenditure over income)/income over expenditure	(940.89)	613.95
Adjustment for:		
- Depreciation and amortisation	41.07	34.89
- Interest income from fixed deposits	(127.27)	(19.15)
- Profit on sale of Property, plant and equipment	-	(2.06)
Working capital adjustments:		
- Decrease/(Increase) in loans and advances	57.33	(34.95)
- (Decrease)/Increase in trade payables	(56.50)	10.25
- Increase in provisions for employees benefits	1.68	(6.42)
- Decrease in other liabilities	(526.62)	(1,279.79)
Net cash used for operating activities	(1,551.20)	(683.28)
Income tax paid (including tax deducted at source)	(3.86)	(1.69)
Net cash used for operating activities (A)	(1,555.05)	(684.97)
B. Cash flows from investing activities		
Interest received from fixed deposits	23.64	15.83
Purchase of property, plant and equipment	(17.07)	(47.20)
Sale of property, plant and equipment	-	2.77
Movement in bank deposit	(2,213.24)	5.00
Net cash used for investing activities (B)	(2,206.67)	(23.60)
C. Cash flows from financing activities (C)		
Net decrease in cash and cash equivalents (A+B+C)	(3,761.72)	(708.57)
Cash and cash equivalents at the beginning of the year	5,208.29	5,916.86
Cash and cash equivalents at the end of the year	1,446.57	5,208.29
Components of cash and cash equivalents:		
Cash in hand	0.09	0.34
Balances with scheduled banks	521.48	4,357.95
Balances with deposit accounts	925.00	850.00
	1,446.57	5,208.29

The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS) - 3 on 'Cash Flow Statements' as prescribed under Section 133 of the Companies Act, 2013 ('Act').


As per our report of even date attached

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


Sandeep Batra
Partner
Membership No: 093320

For and on behalf of Board of Directors of
Jal Seva Charitable Foundation


Sumit Bose
Chairperson
DIN: 03340616


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Director
DIN: 02467609


VK Madhavan
Chief Executive

Place: New Delhi
Date: 19 September 2023

Place: New Delhi
Date: 19 September 2023

Place: New Delhi
Date: 19 September 2023

Jal Seva Charitable Foundation
Notes to financial statements for the year ended 31 March 2023

1. Background

Jal Seva Charitable Foundation (“the Company”) was incorporated in India on 15 March 2010. The Company is registered as Section 25 Company under the provisions of Companies Act, 1956 (Now corresponding to Section 8 of the Companies Act, 2013).

The Company has been formed to promote the activity of improving all aspects of water management, including water supplies, sanitation and advice on related health matters and promoting public policy initiatives relating to water management favorable to poor (such as small and marginal farmers, destitute, disadvantaged women and senior citizens) and to educate the public concerning the nature, causes and effects of poverty and suffering, on a non-profit making charitable basis.

2. Significant accounting policies

a) Basis of preparation and presentation of financial statements

The financial statements have been prepared and presented under the historical cost convention on a going concern basis, on an accrual basis, of accounting and in accordance with the provisions of the Companies Act, 2013 and accounting principles generally accepted in India to comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable.

Current and non-current classification

The financial statements are presented as per Schedule III to the Companies Act, 2013. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule III to the Companies Act, 2013.

Based on the nature of activities of the Company, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

All assets and liabilities are classified into current and non-current based on below criteria:

Assets

An asset is classified as current when it satisfies any of the following criteria:

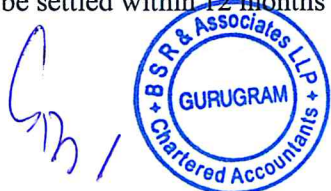
- (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realized within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or



Jal Seva Charitable Foundation

Notes to financial statements for the year ended 31 March 2023

- (d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

b) Use of estimates

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

c) Property, plant and equipment and depreciation/ amortization

- (i) Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost of tangible assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.
- (ii) Depreciation on Property, plant and equipment is provided on the written down value method. Pursuant to Companies Act, 2013 ('the Act') being effective from April 1, 2014, the Company has aligned the depreciation rates based on the useful lives as specified in Part 'C' of Schedule II to the Act.

Fixed Asset	Useful Life
Computer Hardware	3
Furniture and fixtures	10
Office equipment	5
Software	3

Leasehold improvements are amortized on a straight-line basis over the lower of lease term or useful life of the respective assets.

Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

Assets individually costing up to Rs. 5,000 were fully depreciated in the year of purchase.

- (iii) Grants related to depreciable assets are treated as deferred income which is recognized in the statement of Income and Expenditure Account, on a systematic and rational basis over the useful life of the asset. Such allocation to income is usually made over the periods and in the proportions in which depreciation on related assets is charged.



d) Impairment of assets

In accordance with Accounting Standard 28 (AS 28) on 'Impairment of assets', the carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of the assets is estimated at the higher of its net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment loss is recognized in the statement of Income and Expenditure Account.

e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand, cash and deposits with bank and highly liquid investments with original maturities, at the date of purchase/investment, of three months or less.

f) Foreign currency transactions

Foreign exchange transactions are recorded at the rates of exchange prevailing on the date of the transaction. Realized gains and losses on foreign exchange transactions during the year are recognized in the Income and Expenditure account. Foreign currency assets and liabilities denominated in foreign currencies, at the year-end are translated into rupees at the year-end rates and resultant gains/losses on foreign exchange translations are recognized in the statement of Income and Expenditure account.

g) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Grants and donations for specific projects are recognized as income to the extent utilized during the year as per the terms of agreement/sanction and unutilized amounts are carried forward and disclosed under 'un-utilised restricted fund balance' until the actual expenditure is incurred.


Interest income is recognized on accrual basis when there is reasonable certainty of its ultimate realization/ collection.

h) Employee benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of receiving employee service are classified as short-term employee benefits. Benefits such as salaries, wages, performance incentives etc. are recognized in the Income and Expenditure Account in the period in which the employee renders the related service and measured accordingly.

Post-employment benefits

Defined contribution plan

Provident fund is a defined contribution scheme. Contributions payable to the provident fund are charged to the Income and Expenditure Account.

Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company'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 Company's obligation under this plan is performed annually by a qualified actuary using the projected unit credit method.

These are funded by the Company and managed by LIC.

The Company recognizes all actuarial gains and losses arising from defined benefit plans immediately in the Income and Expenditure Account. All expenses related to defined benefit plans are recognized in employee benefits expense in the Income and Expenditure Account.

Compensated absence

Provision for short term compensated absence is made by the Company based on the unavailed leave standing to the credit of employees as at the balance sheet date in accordance with the service rules of the Company.

i) Leases

The Company has taken various premises on operating lease. Lease payments under operating lease are recognized as an expense in the Income and Expenditure Account on a straight line basis over the lease term.

j) Earnings per share

Basic earnings per share is computed by dividing the excess of Income over Expenditure by the weighted average number of equity shares outstanding during the period.

k) Provisions and contingent liabilities

The Company creates a provision when there exist a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When 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 are not recognized in the financial statements.

l) Grant to NGO Partners

Project funds disbursed as grants to NGO partners are accounted for as advances to sub-grantees at the time of disbursement. Upon incurrence of expenditure by NGO partners and consequent



Jal Seva Charitable Foundation
Notes to financial statements for the year ended 31 March 2023

submission of their Monthly Financial and Monitoring Report (MFMR), these advances are adjusted to be shown as grants to NGO partners.

m) General funds

The Company receives general funds which are unrestricted from donors. The excess of Income over Expenditure during the year, being general purpose in nature is carried forward for use in the future periods.

n) Restricted funds

The Company has received funds from domestic and foreign sources which are restricted in nature. Revenue from the restricted fund is recognized during the year in the Income and Expenditure Account to the extent utilized to match the related expenditure. Any unspent balance in the closed projects are transferred to Income and Expenditure Account after obtaining necessary approvals from the donor.



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Particulars	As at	
	31 March 2023	31 March 2022
3 Share capital		
Authorised capital		
10,000 (previous year 10,000) equity shares of Rs.10 each	1.00	1.00
Issued, subscribed and paid-up		
1750 (previous year 1750) equity shares of Rs. 10 each fully paid up	0.18	0.18

Rights, preferences and restrictions attached to the equity shares

Each holder of equity shares is entitled one vote per share. The Company is registered as Section 25 Company under the provisions of Companies Act, 1956 (Now corresponding to Section 8 of the Companies Act, 2013) and it is prohibited from the payment of any dividend to its members. In the event of liquidation of the Company, the remaining assets of the Company, shall be given or transferred to some other Association or Company or Companies registered under Section 8 of the Companies Act, 2013 having objects similar to the objects of the Company to be determined by the members of the Company at or before the time of dissolution.

The reconciliation of the shares outstanding at the beginning and end of the year

	As at		As at	
	31 March 2023		31 March 2022	
	Number	Amount	Number	Amount
At the beginning of the year	1,750	0.18	1,750	0.18
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	1,750	0.18	1,750	0.18

The details of shareholders holding more than 5% shares as at 31 March 2023 is as follows:

Names of shareholder's	As at		As at		% of Changes
	31 March 2023		31 March 2022		
	Number of Shares	% of Holding	Number of Shares	% of Holding	
Ireena Vittal	250	14%	250	14%	0%
Sara Ahmed	250	14%	250	14%	0%
Nitin Pai	250	14%	250	14%	0%
Mathew Cherian	250	14%	250	14%	0%
Sumit Bose	750	43%	750	43%	0%
Total	1,750	100%	1,750	100%	0%

The details of shareholders holding more than 5% shares as at 31 March 2022 is as follows:

Names of shareholder's	31 March 2022		31 March 2021		% of Changes	Reason for change in Shareholding
	Number	% of Holding	Number	% of		
Ravi Narayanan	-	0%	250	14%	-100%	Ravi Narayanan resigned from the Board of Director in F.Y. 2021-22
Ireena Vittal	250	14%	250	14%	0%	
Sara Ahmed	250	14%	250	14%	0%	
Nitin Pai	250	14%	250	14%	0%	
Mathew Cherian	250	14%	250	14%	0%	
Sumit Bose	750	43%	500	29%	50%	Share of Mr Ravi Narayanan transferred to Mr. Sumit Bose after his resignation as Board of Director in F. Y. 2021-22.
Total	1,750	100%	1,750	100%	0%	

Note: As this is a Section 8 company, there are no Promoter shareholders.

4 Corpus fund

	As at	
	31 March 2023	31 March 2022
Opening balance	2.90	2.90
Add: Amounts received during the year	-	-
Closing balance	2.90	2.90

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Jal Seva Charitable Foundation
Notes to financial statements for the year ended 31 March 2023
(All amounts are in Indian Rupees, unless otherwise stated)

(All amount in ₹ Lakhs)

Particulars	31 March 2023	As at 31 March 2022
5 Reserves and surplus		
a) General fund		
Opening balance	2,791.69	2,177.74
Add: Excess of (expenditure over income)/income over expenditure transferred from income and expenditure	(940.89)	613.95
Closing balance	1,850.80	2,791.69
b) Capital reserve		
Opening balance	46.24	46.24
Add: Created during the year	-	-
Closing balance	46.24	46.24
Total reserves and surplus	1,897.04	2,837.93
6 Long-term provisions		
Provisions for employee benefits	8.66	7.51
- Provision for compensated absences	8.66	7.51
7 Other long term liabilities		
Lease equalisation reserve	1.77	2.33
	1.77	2.33
8 Trade payables		
- dues to micro and small enterprises (Refer note 29)	19.35	21.40
- dues to other than micro and small enterprises	505.80	560.25
	525.15	581.65

Ageing schedule in respect of trade payable for the year ended 31 March 2023 and 31 March 2022

Particulars	Outstanding for following period from due date of payment as on 31 March 2023					Outstanding for following period from due date of payment as on 31 March 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	19.35	-	-	-	19.35	21.40	-	-	-	21.40
(ii) Others	429.33	28.14	26.00	-	483.47	439.43	70.42	12.52	-	522.37
(iii) Disputed Dues	-	-	-	-	-	-	-	-	-	-
MSME	-	-	-	-	-	-	-	-	-	-
(iv) Disputed dues	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
Total	448.68	28.14	26.00	-	502.82	460.83	70.42	12.52	-	543.77
Add: Accrued expenses	22.33	-	-	-	22.33	37.88	-	-	-	37.88
Total	471.01	28.14	26.00	-	525.15	498.71	70.42	12.52	-	581.65

9 Other current liabilities		
Employee related payables	18.65	25.27
PF payable	20.08	17.84
Other statutory liabilities	43.20	38.38
Partner payable	10.44	1.22
Other liabilities -unutilised restricted fund balance	1,611.71	2,132.92
Other liabilities - deferred income	12.31	26.82
	1,716.39	2,242.45

10 Short-term provisions		
Provisions for employee benefits	2.09	1.55
- Provision for compensated absences	2.09	1.55



Jal Seva Charitable Foundation
Notes to financial statements for the year ended 31 March 2023
(All amounts are in Indian Rupees, unless otherwise stated)

(All amount in ₹ Lakhs)

11 Property, plant and equipment and Intangible assets

Particulars	Gross block			Accumulated depreciation/ amortisation			Net block as at 31 March 2023	
	As at 1 April 2022	Additions For the year	Deletions/ adjustment	As at 31 March 2023	As at 1 April 2022	For the year		Deletions/ adjustment
Property, plant and equipment								
Computer hardware *	119.20	4.08	-	123.28	86.04	23.24	-	109.28
Furniture and fixtures *	30.48	5.31	-	35.80	21.20	3.99	-	25.19
Leasehold improvements	15.97	-	-	15.97	3.21	2.66	-	5.87
Office equipment *	39.45	7.68	-	47.13	27.58	10.14	-	37.70
Total	205.10	17.07	-	222.18	138.03	40.03	-	178.04
Intangible assets								
Software	17.31	-	-	17.31	15.10	1.03	-	16.13
Total	222.41	17.07	-	239.49	153.13	41.07	-	194.18

*Includes assets of Rs. 40.48 lacs (previous year Rs. 33.54 Lacs) having accumulated depreciation of Rs. 28.17 lacs (previous year (Rs. 6.72 Lacs), that have been purchased through donor grants, which have been accounted as per AS -12.

Particulars	Gross block			Accumulated depreciation/ amortisation			Net block as at 31 March 2022	
	As at 1 April 2021	Additions For the year	Deletions/ adjustment	As at 31 March 2022	As at 1 April 2021	For the year		Deletions/ adjustment
Property, plant and equipment								
Computer hardware *	81.48	37.72	-	119.20	66.61	19.43	-	86.04
Furniture and fixtures *	29.04	2.88	1.44	30.48	19.45	2.49	0.74	21.20
Leasehold improvements	15.97	-	-	15.97	0.55	2.66	-	3.21
Office equipment *	32.85	6.60	-	39.45	20.73	6.85	-	27.58
Total	159.34	47.20	1.44	205.10	107.34	31.43	0.74	138.03
Intangible assets								
Software	17.31	-	-	17.31	11.64	3.46	-	15.10
Total	176.65	47.20	1.44	222.41	118.98	34.89	0.74	153.13

*Includes assets of Rs. 33.54 Lacs having accumulated depreciation of Rs. 6.72 Lacs, that have been purchased through donor grants, which have been accounted as per AS -12.



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Jal Seva Charitable Foundation**Notes to financial statements for the year ended 31 March 2023***(All amounts are in Indian Rupees, unless otherwise stated)**(All amount in ₹ Lakhs)*

Particulars	As at 31 March 2023	As at 31 March 2022
12 Long term loans and advances <i>(unsecured, considered good)</i>		
To parties other than related parties		
Prepaid expenses	2.26	-
Prepaid gratuity	17.32	2.16
	19.58	2.16
13 Other non current assets <i>(unsecured, considered good)</i>		
Security deposits	22.79	20.21
Bank deposits (with original maturity of more than 12 months)	2,221.00	7.80
	2,243.79	28.01
14 Cash and bank balances		
Cash and cash equivalents		
Cash in hand	0.09	0.34
Balance with scheduled banks	-	-
- on current accounts	116.11	256.19
- on savings accounts	405.37	4,101.76
- on deposit accounts (with original maturity of 3 months or less)	-	-
Other bank balances		
On deposit accounts (with original maturity of more than 3 months but less than 12 months)	925.00	850.00
	1,446.57	5,208.29
15 Short-term loans and advances <i>(unsecured, considered good)</i>		
To parties other than related parties		
Security deposits	34.33	34.54
Advances to sub-grantees	12.40	22.56
Grants receivable	118.67	110.02
TDS receivable	12.79	8.93
Prepaid expenses	33.78	18.23
Loans and advances to employees	7.43	1.90
Other receivables	70.15	166.84
	289.55	363.02
16 Other current assets		
Interest accrued on fixed deposits	109.37	5.74
	109.37	5.74



Jal Seva Charitable Foundation**Notes to financial statements for the year ended 31 March 2023***(All amounts are in Indian Rupees, unless otherwise stated)**(All amount in ₹ Lakhs)*

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
17 Income from grants and donations		
Donations	188.90	335.51
Restricted grants	2,289.53	3,959.03
Unrestricted grants	1,429.52	1,472.48
	3,907.95	5,767.02
18 Other income		
Interest on fixed deposit	127.27	19.15
Interest on bank savings account	45.19	144.58
Other income	0.77	2.06
	173.23	165.79
19 Programme expenses		
Grant to NGO partners	195.56	372.41
Project Implementation - Other than NGO partners	1,861.69	2,518.38
Employee Benefit Expenses		
-Salaries, bonus and other allowances	1,109.88	926.66
-Contribution to provident fund (refer note 30)	80.21	67.74
-Gratuity	11.19	21.47
Staff welfare	4.71	4.56
Legal, consultancy and professional fees	190.41	160.22
Repairs and maintenance	-	-
- Building	0.44	0.15
- Office equipment	0.02	0.06
- Computers	2.76	0.07
Conference and meeting expenses	58.73	41.45
Travelling and conveyance	149.87	87.91
Accommodation	79.87	44.88
Advertising and media	60.37	78.28
Communication expenses	4.96	6.06
Printing and stationary	1.55	5.11
Vehicle hire charges	-	-
Miscellaneous expenses	7.66	5.04
Electricity and water expenses	-	-
Rent	25.38	20.01
Staff recruitment	1.25	9.04
	3,846.51	4,369.50



Jal Seva Charitable Foundation
Notes to financial statements for the year ended 31 March 2023
(All amounts are in Indian Rupees, unless otherwise stated)

(All amount in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
20 Employee benefit expenses		
Salaries, bonus and other allowances	326.98	222.04
Contribution to provident fund (refer note 30)	27.84	13.79
Gratuity	23.00	-
Staff welfare	3.62	0.47
Staff recruitment	5.13	13.04
	386.57	249.34
21 Fundraising expenses		
Employee Benefit Expenses		
Salaries, bonus and other allowances	181.01	133.33
Contribution to provident fund (refer note 30)	13.46	8.68
Gratuity	4.75	3.48
Repairs and maintenance	-	
- Computers	9.59	0.66
Accommodation	0.57	0.76
Advertising and media	7.24	3.76
Communication expenses	0.90	0.61
Conference and meeting expenses	0.06	0.44
Legal, consultancy and professional fees	1.29	3.72
Fundraising fees and expenses	75.14	122.03
Insurance	-	-
Staff recruitment	5.89	-
Miscellaneous expenses	4.33	4.41
Printing and stationary	0.68	0.18
Staff welfare	1.68	0.10
Travelling and conveyance	3.87	1.80
	310.46	283.96

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Jal Seva Charitable Foundation

Notes to financial statements for the year ended 31 March 2023

(All amounts are in Indian Rupees, unless otherwise stated)

(All amount in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
22 Other expenses		
Rent	73.90	69.63
Repairs and maintenance	-	
- Building	7.13	11.60
- Vehicle	-	0.02
- Office equipment	1.98	1.99
- Computers	17.00	14.63
Insurance	56.23	42.90
Rates and taxes	-	-
Legal, consultancy and professional fees	85.42	79.17
Conference and meeting expenses	4.26	-
Travelling and conveyance	14.27	4.33
Accommodation	9.71	0.90
Advertising and media	60.83	33.53
Communication expenses	21.21	17.71
Printing and stationary	10.51	9.14
Vehicle hire charges	0.05	0.08
Books and periodicals	0.56	0.96
Subscription fee	14.68	27.79
Security expenses	26.17	25.84
Electricity and water expenses	17.00	12.70
Miscellaneous expenses	16.45	28.25
Fundraising fees and expenses	0.10	-
	437.46	381.17

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23. Receipts in foreign currency (on receipt basis)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Income from grant and donation	2,736.53	2,216.19
Total	2,376.53	2,216.19

24. Expenditure in foreign currency*

Nature of Expenses	For the year ended 31 March 2023	For the year ended 31 March 2022
Advertising and media	0.06	1.73
Subscription	14.68	27.79
Fundraising fee and Expenses	-	-
Software maintenance		3.06
Total	14.74	32.58

*The above amount does not include reimbursement of cross charge expenses from WaterAid UK amounting to Nil (Previous year Rs. 3.77 Lakhs) on cost basis.

25. Payment to auditor's:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Statutory audit	14.00	14.00
Other certification	1.10	1.00
Reimbursement of Expenses	1.25	1.00
Total	16.35	16.00

*exclusive of taxes.

26. Related party transactions

In the normal course of business, the Company enters into transactions with key management personnel. 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 with whom transaction have taken place during the year

Relationship	Names of the related parties
Key management personnel	Mr. V K Madhavan – Chief Executive Officer



b) Summary of significant transaction with related parties

Managerial remuneration	For the year ended 31 March 2023	For the year ended 31 March 2022
Mr. V K Madhavan	53.38	48.96

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on the basis of actuarial valuation for all the employees of the company taken together.

27. The Company has taken certain cancellable and non-cancellable operating leases for commercial accommodation. Lease payments charged during the year in the Income and Expenditure Account is Rs. 99.28 Lakhs (previous year Rs. 89.64 Lakhs).

28. Earnings / (loss) per share

The computation of basic earnings / (loss) per share is set out as below:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Excess of income over expenditure / (expenditure over income) attributable to equity shareholders	(940.89)	613.95
Weighted average number of equity shares outstanding during the year	0.02	0.02
Nominal value per share (Rs.)	10	10
Basic (loss)/earnings per share	(0.54)	0.35

29. Dues to micro and small enterprises

Particulars	As at 31 March 2023	As at 31 March 2022
(a) the amounts remaining unpaid to any supplier at the end of each accounting year; - Principal - Interest	19.35 -	21.40 -
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible	-	-



Jal Seva Charitable Foundation

Notes to financial statements for the year ended 31 March 2023

(All amounts are in Indian Rupees, unless otherwise stated)

(All amount in Lakhs)

expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006		
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30. Disclosure in respect of employee benefits under Accounting Standard (AS) – 15 (Revised) “Employee Benefits” prescribed by the Companies (Accounting Standards) Rules, 2006.

- a) **Defined contribution plans:** Amount of Rs. 121.51 Lakhs (previous year Rs. 90.21 Lakhs) pertaining to employers' contribution to provident fund is recognized as an expense and included in “Employee benefit expenses” in note 19, 20 and 21 to the financial statement.
- b) **Defined benefit plans:** Gratuity is payable to all eligible employees of the Company on resignation, retirement, death or permanent disablement, in terms of the Company policy.

General description of defined benefits plan: (Gratuity plan)

The Company operates a funded gratuity plan with LIC wherein every employee is entitled to the benefit equivalent to 4.81% (5% upto 1st October 2020) of basic salary during the tenure of service. The same is payable on termination of service, or retirement, or death, whichever is earlier. The benefit to employees is as per in accordance with the provisions under the Payment of Gratuity Act 1972.

The following table sets out the status of gratuity obligation

Particulars	As at March 31, 2023	As at March 31, 2022
Net Gratuity liability / (asset)	-	-
Non-current	-	-
Current	-	-

(i) Reconciliation of the gratuity benefit liability

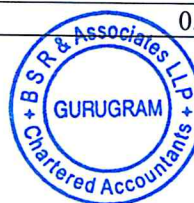
The following table shows a reconciliation from the opening balance to the closing balance for gratuity liability and its components

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	82.13	72.58
Current service cost	26.75	21.82
Past Service Cost	-	-
Interest cost	5.54	4.90
Actuarial (Gain) / Loss	13.60	4.76
Benefits paid	(28.75)	(21.93)
Balance at the end of the year	99.27	82.13

(ii) Reconciliation of the plan assets

The following table shows a reconciliation from the opening balances to the closing balances for the plan assets and its components

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	84.31	84.70
Expected return on plan assets	6.32	5.72
Contribution by the Company	25.35	15.00
Benefits paid	-	(21.93)
Actuarial gain/(loss)	0.62	0.81



(All amount in Lakhs)

Balance at the end of the year	116.60	84.31
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(iii) Expense recognized in profit or loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	26.49	21.82
Interest cost	5.54	4.90
Past Service Cost	-	-
Expected return	(6.32)	(5.72)
Actuarial (gains) / losses	13.23	3.95
Expense recognized in profit or loss	38.94	24.95

(iv) Constitution of plan assets

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Other than equity, debt, property and bank account Funded with Life Insurance Corporation of India*	116.60	84.31

*The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of Investments maintained by Life Insurance Corporation are not made available and have therefore not been disclosed.

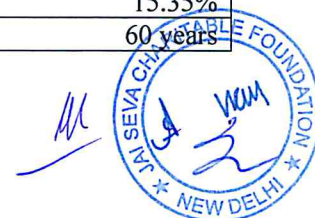
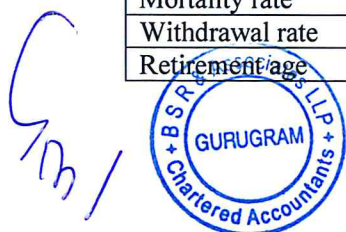
(v) Experience adjustment:

Period	From: April 2022 to March 2023	From: April 2021 to March 2022	From: April 2020 to March 2021	From: April 2019 to March 2020	From: April 2018 to March 2019
Experience Adjustment (Gain)/ loss for Plan liabilities	(12.60)	5.68	(10.27)	10.87	0.23
Experience Adjustment Gain / (loss) for Plan assets	0.62	0.81	5.35	-	-

(vi) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	As at 31 March 2023	As at 31 March 2022
Financial assumptions		
Discount rate	7.50 %	6.75%
Future salary growth	5.00 %	5.00%
Rate of return on plan assets	7.50 %	6.87%
Expected average remaining working lives of employees (years)	22.90	22.90
Demographic assumptions		
Mortality rate	IALM (2012-14)	IALM (2012-14)
Withdrawal rate	15.35%	15.35%
Retirement age	60 years	60 years



Jal Seva Charitable Foundation

Notes to financial statements for the year ended 31 March 2023

(All amounts are in Indian Rupees, unless otherwise stated)

(All amount in Lakhs)

31. During financial year 2016-17, the Company had received fixed assets aggregating Rs 38.38 Lakhs in kind from WaterAid-UK, after closure of their India Liaison Office with the approval of Reserve Bank of India obtained through authorized dealer's letter dated 26 July 2016. These assets being the non-monetary assets received by the Company free of cost were recorded at Re 1 in its books of accounts.

Under the above-mentioned approval, the Company also received Security deposits of Rs 44.48 Lakhs and advances recoverable of Rs 1.76 Lakhs. The assets being monetary assets were recorded as security deposits and advances recoverable respectively with a corresponding credit to capital reserve.

32. The Company is engaged in charitable activities which are not distinguishable on the basis of risk and return and hence the Company views the same as single business segment. Further, these charitable activities are being catered in India only and hence there are no separate reportable geographical segments. Accordingly, no separate disclosures in respect of primary and secondary segment have been provided.
33. The Company is exempt from income tax under Section 12AA of the Income Tax Act, 1961 and hence no provision for taxation is required for current year tax expense. Since, the Company is exempt from income tax, no deferred tax (asset or liability) is recognized in respect of timing differences.
34. The Company has obtained opinion on the applicability of provident fund on allowances as per judgement passed by the Supreme Court on 28th February 2019. As per the opinion, no employee's basic salary entitlement is less than of INR 15,000/- p.m. from its date of incorporation to till date and contribution are also being calculated on or above the prescribed wage ceiling of Rs. 15,000/- p.m. and paid accordingly. Hence there will be no impact of this judgement on the organization.
35. During the year ended March 2016, the Company was registered under the Foreign Contribution (Regulation) Act, 2010 for carrying out activities of improving all aspects of water management, including water supplies, sanitation and advice on related health matters and promoting public policy initiatives relating to water management favorable to poor (such as small and marginal farmers, destitute, disadvantaged women and senior citizens) and to educate the public concerning the nature, causes and effects of poverty and suffering, on a non-profit making charitable basis with Registration No. 231661627 for the period of five years starting from 8 February 2016 till 7 February 2021. During the previous year, the company has filed an application for renewal of FCRA registration to Ministry of Home Affairs (MHA). The MHA wide its circulars dated 12 January 2021 and 18 May 2021 has extended the validity of registrations expiring between September 2020 to September 2021 up to September 2021.

Further, the MHA wide its circulars dated 30 September 2021, 31 December 2021, 24 March 2022, 22 June 2022 and 23 September 2022 has extended the validity of registrations expiring between September 2020 to September 2023 up to 30 September 2023.

Subsequent to year end, the company has received the renewal certificate dated 11 September 2023 from Ministry of Home Affairs and the company's renewed certificate is now valid for five years with effect from 1 October 2023.

36. The Company has inadvertently transferred a sum of Rs 10 Lakhs (Previous Year Rs 13.11 Lakhs) from Foreign Currency Bank account to local Bank account which is not in accordance with the Section 37 read with section 13 of the Foreign Contribution Regulation Act, 2010. Out of the total sum of Rs 23.11 Lakhs, Rs 13.11 Lakhs has not been spent and is still lying in the local bank account and Rs 10 Lakhs have been refunded back to the foreign currency bank.



Jal Seva Charitable Foundation

Notes to financial statements for the year ended 31 March 2023

(All amounts are in Indian Rupees, unless otherwise stated)

(All amount in Lakhs)

account of the Foundation. During the year, the Company has filed a condonation application with the Ministry of Home Affairs (MHA) seeking condonation of above non-compliance of Rs 23.11 Lakhs and as an abundant precaution also provided for a sum of Rs 2.00 Lakhs as penalty for such non-compliance in these financial statements.

Subsequent to year end, the Ministry of Home Affairs (MHA) vide intimation dated 10 July 2023, has condoned this non-compliance and the company has deposited the demanded penalty of Rs 2.03 Lakhs on 10 August 2023.

37. During the previous financial year, the company did not apply 85% of income received. The Company had exercised an option to accumulate unapplied income under clause (2) of the explanation to section 11(1) of the Income Tax Act, 1961 for income of Rs. 221.86 Lakhs which was to be utilized in next financial year. The Company has utilized the entire Rs. 221.86 Lakhs during the current financial year for which option had been exercised by the Company in the last financial year under clause (2) of the explanation to section 11(1) of the Income Tax Act 1961. Hence, no provision of income tax has been made by the Company in the financial statements.

38. Contingent Liability -Claims against the Company not acknowledged as debts:

WaterAid Liaison Office entered into a lease agreement for the premises at R.K. Khanna Tennis Stadium, DLTA Complex that lasted from 24th February 2016 to 23rd March 2019. As per this agreement, the lessee had the exclusive option to seek renewal of the lease for further two consecutive terms of three years. The lessee had the option to exercise the right to terminate the lease by giving three months' notice period.

This agreement same was renewed on the 24th of March 2019 until 23rd of March 2022 under the name of Jal Seva Charitable Foundation (JSCF). Due to the pandemic and the severe impact on JSCF income numbers, we requested for a reduction in rentals in May 2020 which was agreed upon by DLTA and brought into effect from the 1st of September 2020. Post the FCRA amendments, JSCF was under pressure to reduce its administrative expenses. Since DLTA had already reduced rentals once, there was not much scope in further reduction of rentals. Therefore, one month's notice period was given to DLTA to vacate the premises. DLTA is claiming for Rs. 121.02 Lakhs excluding GST rentals at the original rates from June 2020 and compensation charges for not serving required notice period.

The amounts of Rs. 121.02 Lakhs excluding GST represents the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the negotiation which have been initiated by the Company or the claimants as the case may be and therefore cannot be predicted accurately. It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

39. Ratio

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

S.No	Ratio	Numerator	Denominator	31.03.2023	31.03.2022	% variance	Reason for variance
a.	Current Ratio	Current Assets	Current Liabilities	1.81	1.97	1.57%	



Jal Seva Charitable Foundation

Notes to financial statements for the year ended 31 March 2023

(All amounts are in Indian Rupees, unless otherwise stated)

(All amount in Lakhs)

b.	Debt-Equity Ratio*	Total Debt	Shareholder's Equity	N.A.	N.A.
c.	Debt Service Coverage Ratio*	Earnings available for debt service	Debt Service	N.A.	N.A.
		Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.			
		Debt Service = Interest & Lease Payments + Principal Repayments			
d.	Return on Equity Ratio*	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	NA	NA
e.	Inventory turnover ratio*	Cost of goods sold OR sales	Average Inventory	N.A.	N.A.
f.	Trade Receivables turnover ratio*	Net Credit Sales	Avg. Accounts Receivable	N.A.	N.A.
g.	Trade payables turnover ratio*	Net Credit Purchases	Average Trade Payables	N.A.	N.A.
h.	Net capital turnover ratio*	Net Sales	Working Capital	NA	NA
		Working Capital = Current Assets - Current Liabilities			
i.	Net profit ratio*	Net Profit	Net Sales	NA	NA
j.	Return on Capital employed*	Earning before interest and taxes	Capital Employed	NA	NA

Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability



Jal Seva Charitable Foundation

Notes to financial statements for the year ended 31 March 2023

(All amounts are in Indian Rupees, unless otherwise stated)

(All amount in Lakhs)

k.	Return on investment*	Income on investments	Cost of Investments	NA	NA
	Income on investments = Interest on Fixed deposits (BG) + Gain/(Loss) of fair valuation of investments + Interest on ICD				
	Cost of Investments = BG as Fixed deposits + Cost of Mutual funds + ICD				

* Since the Company is a not for profit organization (Section 8 Company as per Companies Act, 2013), the said ratios are not applicable.

40. Other Notes

- a) There are no immovable properties held by the company whose title deeds are not in the name of the company.
- b) No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- c) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- d) There are no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- e) The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.
- f) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- g) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- h) There are no transactions which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- i) The Company is not a CIC as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016. The Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC as part of the Group.
- j) The Company doesn't have any subsidiary company therefore the requirement to complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the company.

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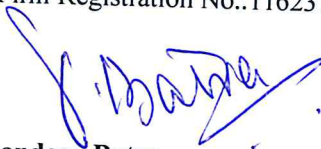


Jal Seva Charitable Foundation
Notes to financial statements for the year ended 31 March 2023
(All amounts are in Indian Rupees, unless otherwise stated)

41. As per MCA Notification dated 5 August 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Company is required to maintain the back up of the books of accounts and other relevant books and records in the electronic mode that should be accessible in India at all the times. Also, the Company was required to create back of the accounts on servers located in India on daily basis.

The books of accounts and other relevant books of the Company are maintained in the electronic mode and are accessible all the time. However, the servers of the Company are located outside India and back up of the books of accounts and other relevant records are not taken on daily basis. The Company is in the process of complying with this requirement.

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


Sandeep Batra
Partner
Membership No.: 093320

For and on behalf of the Board of Directors of
Jal Seva Charitable Foundation


Sumit Bose
Chairperson
Place: New Delhi
Date: 19 September 2023


Mathew Cherian
Director
Place: New Delhi
Date: 19 September 2023




Archana Rathore
Director – Finance & IT


VK Madhavan
Chief Executive

Place: New Delhi
Date: 19 September 2023

Place: New Delhi
Date: 19 September 2023

Place: New Delhi
Date: 19 September 2023