



Independent Auditor's Report

To the Members of **FOUNDATION FOR ADVANCEMENT OF MICRO ENTERPRISES**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of FOUNDATION FOR ADVANCEMENT OF MICRO ENTERPRISES ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the statement of Income and Expenditure for the year then ended, and notes to the financial statements, including a summary of 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 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 31st March, 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.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's 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 during the course of our 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.



Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 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.

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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required



to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

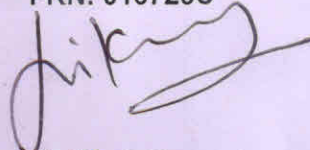
Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, since in our opinion and according to the information and explanations given to us, the said order is not applicable to the company registered under section 8 of the Companies Act.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet and the Statement of Income and Expenditure dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) This report does not include report relating to internal financial controls as required u/s 143(3)(i) pursuant to Notification No. GSR 583(E) dated 13.06.2017 issued by MCA, since in our opinion and according to the information and explanations given to us, the said section is not applicable to the company.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For AMRK and Associates
Chartered Accountants
FRN: 016728C



Raj Kumar
(Partner)

Membership No. 501863



Place:-GURGAON

Date: 03/09/2020

UDIN: 20501863AAAA GK9262

FOUNDATION FOR ADVANCEMENT OF MICRO ENTERPRISES

Standalone Balance Sheet as at 31st March 2020

(Amount in INR, unless otherwise stated)

Particulars	Note No.	As at 31 March 2020
ASSETS		
Financial Assets		
Cash and cash equivalents	2	215,544
Bank Balance other than cash and cash equivalents	3	2,600,000
Other Financial assets	4	54,470
Non-financial Assets		
Other non-financial assets	5	44,691
Total Assets		2,914,705
LIABILITIES AND EQUITY		
LIABILITIES		
Financial Liabilities		
Other financial liabilities	6	231,121
Non Financial Liabilities	7	81,205
EQUITY		
Share Capital	8	2,500,000
Other Equity	9	102,379
Total Liabilities and Equity		2,914,705

See accompanying notes to the financial statements

In terms of our report attached

FOR AMRK & ASSOCIATES

(CHARTERED ACCOUNTANTS)

FRN - 016728C



CA RAJ KUMAR
(PARTNER)

M. No. 501863

Date - 03/09/2020

Place - GURUGRAM

FOR FOUNDATION FOR ADVANCEMENT OF MICRO ENTERPRISES

Sanjay Sharma
Director

DIN:- 03337545

H.No. 17/404, Heritage City,
Gurgaon, Haryana

Brij Mohan
Director

DIN:- 00667210

C-4C-085 Carlton-IV, Phase-V,
Gurgaon, Haryana

FOUNDATION FOR ADVANCEMENT OF MICRO ENTERPRISES

Standalone Statement of Income and expenditure for the year ended 31st March 2020
(Amount in INR, unless otherwise stated)

Particulars	Note No.	For the Year ended 31 March 2020
Revenue from operations	10	
Other Income	11	1,919,778
Total Income (III)=(I+II)		1,919,778
Expenses		
Employee Benefits Expenses	12	890,554
Other expenses	13	868,520
Total Expenses (IV)		1,759,074
Surplus/Deficit before exceptional items and tax (V)=(III-IV)		160,704
Exceptional items (VI)		
Surplus/(Deficit) before tax (VII)=(V -VI)		160,704
Tax Expense: (VIII)		
(1) Current Tax		58,325
(2) Deferred Tax		81,205
(3) Tax for earlier years		(22,880)
(4) MAT Credit		
Surplus/(Deficit) for the year from continuing operations (IX)=(VII-VIII)		102,379
Surplus/(Deficit) for the year		102,379

See accompanying notes to the financial statements
In terms of our report attached

FOR AMRK & ASSOCIATES
(CHARTERED ACCOUNTANTS)
FRN - 016728C

J. Raj Kumar
CA RAJ KUMAR
(PARTNER)
M. No. 501863



Date - 03/09/2020

FOR FOUNDATION FOR ADVANCEMENT OF MICRO ENTERPRISES

Sanjay Sharma

Sanjay Sharma
Director
DIN:- 03337545
H.No. 17/404,
Heritage City,
Gurgaon, Haryana

Brij Mohan

Brij Mohan
Director
DIN:- 00667210
C-4C-085 Carlton-IV, Phase-V, Gurgaon,
Haryana

FOUNDATION FOR ADVANCEMENT OF MICRO ENTERPRISES

1. Notes forming part of the financial statements

1. Background

FOUNDATION FOR ADVANCEMENT OF MICRO ENTERPRISES ('the Company') is a private company, incorporated in India. The Company is a wholly owned subsidiary of Aye finance private limited. The Company has received certificate of registration on April 4, 2019 under the Companies Act, 2013 (18 of 2013) and that the company is limited by shares. The accompanying financial statements reflect the results of the activities undertaken by the Company during the year ended March 31, 2020.

2. significant accounting policies Basis of preparation

These financial statements comply in all material aspects with Indian Accounting Standards (Ind-AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

3. Revenue recognition

Revenue is measured at fair value of the consideration received or receivable.

Interest income on bank deposits are accounted on accrual basis using effective interest rate method and recognised in the statement of income and expenditure as a part of other income.

Voluntary Contributions. - Donations are recognised as revenue from operation in the Statement of Income and Expenditure in the year of receipt

4. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cash in bank, demand deposits with banks and other deposits with bank with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

5. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

6. Taxes on income

Income taxes consist of current taxes and changes in deferred tax liabilities and assets.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws. which gives future economic benefits in the form of However the company has applied for 12A certificate and 80G deduction on 13/12/2019 and 20/02/2020 with income tax department. This application is subject to approval of income tax authorities. Provision for income tax and creation of deferred tax asset are subject to such approval.

See accompanying notes to the financial statements
In terms of our report attached

FOR AMRK & ASSOCIATES
(CHARTERED ACCOUNTANTS)
FRN - 016728C

KUMAR
(PARTNER)
M.No. 501863

Date - 03/09/2020



FOR FOUNDATION FOR ADVANCEMENT OF MICRO ENTERPRISES

Sanjay Sharma *Brij Mohan*

Sanjay Sharma
Director
DIN:- 03337545

H.No. 17/404, Heritage City,
Gurgaon, Haryana

Brij Mohan
Director
DIN:- 00667210

C-4C-085 Carlton-IV, Phase-V,
Gurgaon, Haryana

FOUNDATION FOR ADVANCEMENT OF MICRO ENTERPRISES

(Amount in INR, unless otherwise stated)

Notes forming part of the Standalone Financial Statements for the year ended 31 March 2020

Note No.	Particulars	As at 31 March 2020
2	Cash and cash equivalents Cash on hand Balances with banks On current accounts Total cash and cash equivalents	 215,544 215,544
3	Bank balances other than Cash and cash equivalents In Fixed deposit with maturity for more than 3 months but less than 12 months	 2,600,000 2,600,000
4	Other Financial assets Accruals (i) Interest accrued on fixed deposits Total	 54,470 54,470
5	Other Non Financial Assets TDS Recoverable Advance with employees Deffered tax assets Advance to Suppliers	 8,903 12,308 22,880 600 44,691

FOUNDATION FOR ADVANCEMENT OF MICRO ENTERPRISES

(Amount in INR, unless otherwise stated)

Note No.	Particulars	As at 31 March 2020
6	Other Financial liabilities	
	Expenses payable	
		231,121
		231,121
7	Other Non-Financial liabilities	
	Provision for income tax	
		81,205
8	Equity share capital	
	<u>Authorized share capital</u>	
	10,00,000 Equity shares of ` 10 each	10,000,000
	<u>Issued, subscribed and paid up</u>	
	2,50,000 Equity shares of ` 10 each	2,500,000
	Total	2,500,000
(H)	Surplus/(deficit) in the Statement of Income and expenditure	
	Opening balance	
	Add: Surplus for the current year	102,379
	Closing balance	102,379
	Total other equity	102,379

FOUNDATION FOR ADVANCEMENT OF MICRO ENTERPRISES
(Amount in INR, unless otherwise stated)

Note No.	Particulars	Amount
10	Revenue from operations	1,830,745
11	Other Income	89,033
	Total	1,919,778
12	Employee Benefits Expenses	
	Particulars	Amount
	Salaries and wages	890,554
	Total	890,554
13	Other expenses	
	Particulars	Amount
	Event Exp.	
	LAUNCH PROGRAMME	17,971
	Quality improvement session	12,408
	FINANCIAL LITRACY PROGRAMME-MEERUT	18,195
	DAIRY AWEARNESS CAMP	54,908
	ANIMAL HEALTH CAMP	14,100
	Renovation of Kilkari Rainbow Homes	218,300
	Printing and stationery	14,891
	Legal and Professional charges	323,898
	Payment to auditors *	
	- Audit fees	59,000
	Other expenditure	
	- Travel and conveyance	115,742
	-IT Expenses	16,332
	- Interest on TDS	415
	- Miscellaneous Expenses	2,360
	Total	868,520

In terms of our report attached
FOR AMRK & ASSOCIATES
(CHARTERED ACCOUNTANTS)
FRN - 016728C

Raj Kumar
CA RAJ KUMAR
(PARTNER)
M. No. 501863



Date - 03/09/2020
Place - GURUGRAM

FOR FOUNDATION FOR ADVANCEMENT OF MICRO ENTERPRISES

Sanjay Sharma

Sanjay Sharma
Director
DIN:- 03337545

H.No. 17/404, Heritage City,
Gurgaon, Haryana

Brij Mohan

Brij Mohan
Director
DIN:- 00667210

C-4C-085 Carlton-IV, Phase-
V, Gurgaon, Haryana