

**CARE India Solutions for
Sustainable Development**

**Financial statements for the
year ended 31 March 2018**

B S R & Associates LLP

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To The Members of CARE India Solutions for Sustainable Development

Report on the Audit of the Financial Statements (prepared as per Accounting Standards)

We have audited the accompanying financial statements (prepared as per Accounting Standards) of **CARE India Solutions for Sustainable Development** ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Income and Expenditure Account and the Cash Flow Statement for the year then ended, and, a summary of the significant accounting policies and other explanatory information.

Management's 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 Companies Act, 2013 ("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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan

and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We are also responsible to 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditors' report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2018, its excess of income over expenditure and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

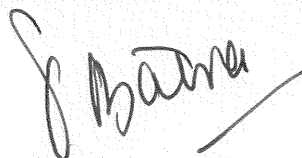
1. The Company is licensed to operate under Section 8 of the Companies Act, 2013 (the Act). Accordingly the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, is not applicable.
2. As required by Section 143(3) of the Act, we 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, the Income and Expenditure Account and the Cash Flow Statement 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 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f) 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".
- g) With respect to the Other Matter 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:
 - 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. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited financial statements for the period ended 31 March 2017 have been disclosed.

For B S R & Associates LLP

Chartered Accountants

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



Sandeep Batra

Partner

Membership No.: 093320

Place: Gurugram

Date: 13 October 2018

Annexure A to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section (3) of Section 143 of the the Act

We have audited the internal financial controls with reference to the financial statements with reference to the financial statements of **CARE India Solutions for Sustainable Development** ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to the 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 ('ICAI'). 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' (the "Guidance Note") and the Standards on Auditing, issued by Institute of Chartered Accountants of India ("ICAI") and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 the financial statements was established and maintained and if 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 system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, 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 system with reference to the financial statements.

Meaning of Internal Financial Controls with reference to the financial statements

A company's internal financial control with reference to the 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 control with reference to the financial statements includes 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 over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to the 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 the financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting with reference to the financial statements as at 31 March 2018:

The Company's internal financial controls over procurement processes for procurement planning, receiving bids/proposals, vendor selection, vendor technical evaluation, are required to be strengthened since few weaknesses in these controls have resulted in entering into contracts with vendors at a price which is more than arm's length price for such goods or services

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls with reference to financial statements as of 31 March 2018, based on the internal control with reference to the financial statements 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, and except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to the financial statements with reference to financial statements were operating effectively as of 31 March 2018.

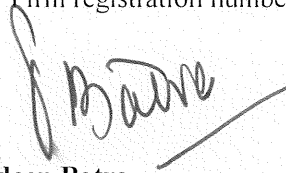
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We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31 March 2018 financial statements of the Company, and these material weaknesses do not affect our opinion on the financial statements of the Company.

For B S R & Associates LLP

Chartered Accountants

ICAI Firm registration number: 116231 W/W-100024



Sandeep Batra

Partner

Membership No.: 093320

Place: Gurugram

Date: 13 October 2018

Care India Solutions For Sustainable Development

Balance Sheet as at 31 March 2018

(All amounts are in Indian Rupees unless otherwise stated)

	Note	As at 31 March 2018	As at 31 March 2017
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	3	200	200
Reserves and surplus	4	249,949,067	211,451,818
		249,949,267	211,452,018
Non current liabilities			
Long-term provisions	5	45,964,165	40,825,840
Other long term liabilities	6	1,128,138	181,125
		47,092,303	41,006,965
Current liabilities			
Trade payables	7	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro and small enterprises		56,151,977	39,378,406
Other current liabilities	8	451,836,952	857,897,089
Short-term provisions	9	20,541,955	17,428,053
		528,530,884	914,703,548
		825,572,454	1,167,162,531
ASSETS			
Non-current assets			
Fixed assets			
Property, plant and equipment	10	29,158,767	35,292,581
Intangible fixed assets	10	1,282,724	1,994,575
		30,441,491	37,287,156
Long term loans and advances	11	9,687,371	21,771,287
		40,128,862	59,058,443
Current assets			
Cash and bank balances	12	634,904,310	1,053,068,097
Short-term loans and advances	13	147,875,538	52,561,542
Other current assets	14	2,663,744	2,474,449
		785,443,592	1,108,104,088
		825,572,454	1,167,162,531

Background and significant accounting policies

1-2

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

Place: New Delhi

Date: 13 October 2018

For and on behalf of

Care India Solutions For Sustainable Development

Yamini Mrinalika Aiyar

Director

DIN: 02882688

Place: New Delhi

Date: 13 October 2018

Namrata Kaul

Director

DIN: 00994532

Place: New Delhi

Date: 13 October 2018

Care India Solutions For Sustainable Development
Income and Expenditure Account for the year ended 31 March 2018
(All amounts are in Indian Rupees unless otherwise stated)

	Note	Year ended 31 March 2018	Year ended 31 March 2017
Income			
Grants and donations received	15	1,744,094,613	1,920,293,855
Other Income	16	30,817,063	38,873,851
Total		1,774,911,676	1,959,167,706
Expenses			
Project expenses	17	1,430,602,204	1,711,729,488
Fund raising expenses	18	72,966,721	73,774,668
Other administrative expenses	19	208,717,122	131,387,691
Prior period expenses	20	17,282,715	30,999,824
Depreciation	10	16,087,137	29,703,974
Total expenditure		1,745,655,899	1,977,595,645
Excess of Income over Expenses		29,255,777	(18,427,939)
Appropriations			
Less: Transfer from asset fund account	4c	16,087,137	29,703,974
Amount transferred to general fund	4a	45,342,914	11,276,035

Earning per equity share:

Basic

2,267,146

563,802

Background and significant accounting policies

1-2

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

Place: New Delhi

Date: 13 October 2018

For and on behalf of

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Director

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Care India Solutions For Sustainable Development
Cash Flow Statement for the year ended 31 March 2018
(All amounts are in Indian Rupees unless otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017
A. Cash flow from operating activities		
Excess of Income over expenses (after transfer from Asset fund account)	45,342,914	11,276,035
Adjustment for:		
- Fixed assets purchased charged off in project expenses	9,890,215	22,286,827
- Fixed assets sold considered as income	(2,099,505)	(2,341,777)
- Amount written off	6,623,530	-
- Provision for penalty	56,651,123	-
- Interest on fixed deposit	(7,925,158)	(14,887,079)
- Provision for gratuity	15,727,697	14,917,139
Working capital adjustments:		
- Decrease / (Increase) in loans and advances	(99,652,734)	114,401,495
- (Increase) in other current assets	(189,295)	(147,944)
- Increase in trade payables	16,773,571	(9,740,570)
- Increase in provisions for employees benefits	(7,475,470)	(4,488,918)
- Increase in other liabilities	(461,764,247)	480,347,273
Net cash from operating activities	(428,097,359)	611,622,481
Income tax paid (including tax deducted at source)	9,799,124	(2,865,281)
Net cash (used)/ generated from operations	(418,298,235)	608,757,200
B. Cash flow from investing activities		
Interest on fixed deposit	7,925,158	14,887,079
Purchase of fixed assets	(9,890,215)	(22,286,827)
Sale of fixed assets	2,099,505	2,341,777
Net cash generated/ (used) for investing activities	134,448	(5,057,971)
C. Cash flow from financing activities		
	-	-
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(418,163,787)	603,699,229
Cash and cash equivalents at the beginning of the year	1,053,068,097	449,368,868
Cash and cash equivalents at the end of the year	634,904,310	1,053,068,097
Components of cash and cash equivalents:		
Cash in hand	200	200
Balances with scheduled banks	634,904,110	1,053,067,897
	634,904,310	1,053,068,097

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') read with Rule 7 of the Companies (Accounts) Rules, 2014

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

Place: New Delhi
Date: 13 October 2018

For and on behalf of the Board of Directors of
Care India Solutions For Sustainable Development

Yamini Mrinalika Aiyar
Director
DIN: 02882688

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Place: New Delhi
Date: 13 October 2018

Place: New Delhi
Date: 13 October 2018

Care India Solutions for Sustainable Development
Significant Accounting Policies for the year ended March 31, 2018

1. Background

Care India Solutions for Sustainable Development (CISSD) ("the Company") was incorporated in India on 14 May 2008. The Company is registered as Section 8 Company under the provisions of Companies Act, 2013 (Erstwhile corresponding to Section 25 of the Companies Act, 1956).

The main focus area is to eradicate poverty and social injustice from India through well-planned and comprehensive programmes in health, education, livelihoods and disaster preparedness and response.

The overall goal is the empowerment of women and girls from poor and marginalized communities leading to improvement in their lives and livelihoods.

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 and 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:

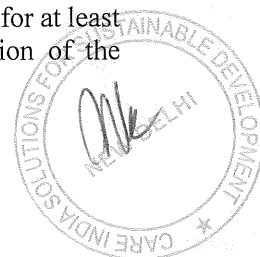
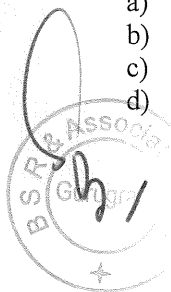
- a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless 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
- 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



Care India Solutions for Sustainable Development
Significant Accounting Policies for the year ended March 31, 2018

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) in India 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) Fixed assets and depreciation/ amortisation

Property plant and equipment

- (i) Items of property, plant and equipment are measured at cost of acquisition less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable purchase taxes or levies, any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
- (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 Assets	Useful Life
Computers	3
Furniture and fixtures	10
Vehicles	8
Office equipment	5

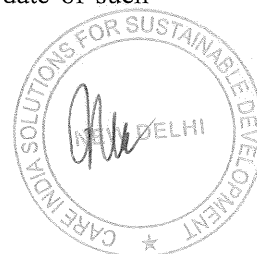
Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

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

Intangible fixed assets

Intangible fixed assets are stated at cost less any accumulated amortization and impairment losses, if any. The cost includes taxes and other incidental expenses related to the acquisition and implementation of the respective assets.

Intangible assets (computer software) is amortised over the period of license/ useful life. Amortisation on additions/ deletions is provided on pro-rata basis from/ upto the date of such additions/ deletions.



Care India Solutions for Sustainable Development
Significant Accounting Policies for the year ended March 31, 2018

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 recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment loss is recognized in the statement of profit and loss.

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 currency transactions are recorded into Indian rupees by applying to the foreign currency amount the exchange rate between Indian rupees and the foreign currency on/or closely approximating to the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date or at the time of settlement are translated into Indian rupees at the exchange rates on that date.

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.

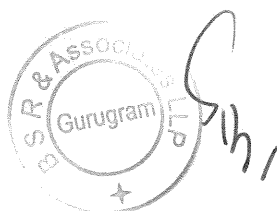
Grants and donations for specific projects are recognised as income to the extent utilised during the year as per the terms of agreement/sanction and unutilized amounts are carried forward as liability and disclosed as 'Unutilised grant balance' under other current liabilities until the actual expenditure is incurred. Donations raised for general purposes are recognized as income in the year of receipt.

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 rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, performance incentives etc. are recognised in the Income & Expenditure Account in the period in which the employee renders the related service and measured accordingly.



Care India Solutions for Sustainable Development
Significant Accounting Policies for the year ended March 31, 2018

Long term employee 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 unrecognised 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.

The Company recognises all actuarial gains and losses arising from defined benefit plans immediately in the Statement of Income and Expenditure. All expenses related to defined benefit plans are recognised in employee benefits expense in the Statement of Income and Expenditure. The Company has made gratuity contribution to a fund maintained by the Life Insurance Corporation of India ('LIC').

Other long-term employment benefits

Benefits under the Company's leave encashment policy constitutes other long-term employee benefits. The liability in respect of leave encashment is provided on the basis of an actuarial valuation done by an independent actuary at the year-end. Actuarial gains and losses are recognised immediately in the Statement of Income and Expenditure.

i) Leases

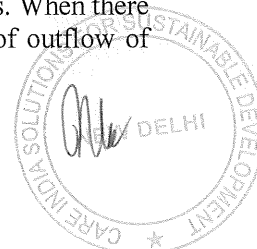
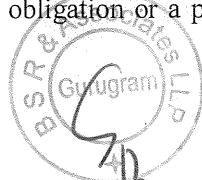
Lease rentals under an operating lease, are recognized as an expense in the Income and Expenditure Account on a straight line basis over the lease term.

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. Diluted earnings per share is computed by dividing the excess of Income over Expenditure by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

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



Care India Solutions for Sustainable Development
Significant Accounting Policies for the year ended March 31, 2018

resources is remote, no provision or disclosure is made. Contingent assets are not recognized in the financial statements.

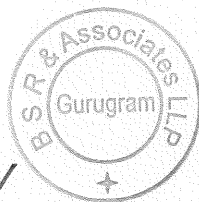
l) General funds

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.

m) Assets funds

Fixed assets purchased out of grants received are charged off to the respective donors. These assets are capitalized and an equal amount is transferred to Assets Fund Account for control purposes. Depreciation on fixed assets purchased out of grant received is debited to the Assets Fund Account. Accordingly, deletion of such fixed assets due to sale/disposal are also adjusted from the Assets Fund Account.

Gm



Care India Solutions For Sustainable Development
Notes to financial statements for the year ended 31 March 2018
(All amounts are in Indian Rupees unless otherwise stated)

3 Share capital

Authorised capital

100,000 (previous year 100,000) equity shares of Rs.10 each

Issued, subscribed and paid-up

20 (previous year 20) equity shares of Rs. 10 each fully paid up

	As at 31 March 2018	As at 31 March 2017
	1,000,000	1,000,000
	1,000,000	1,000,000
	200	200
	200	200

1) Rights, preferences and restrictions attached to the equity shares

-Each holder of equity shares is entitled one vote per share.

-Since the Company is registered under section 8 of the Companies Act, 2013 (erstwhile section 25 of the Companies Act, 1956), 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 (erstwhile section 25 of the Companies Act, 1956) 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.

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

	As at 31 March 2018		As at 31 March 2017	
	Number	Amount	Number	Amount
Equity shares				
Balance at the beginning and end of the year	20	200	20	200

3) The details of shareholders holding more than 5% shares is as follows

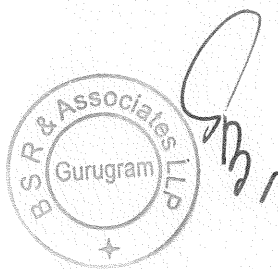
	As at 31 March 2018		As at 31 March 2017	
Name of shareholders	Number	% of total shares	Number	% of total shares
Equity shares				
Neera Saggi	2	10%	2	10%
Vinita Bali	2	10%	2	10%
Shobini Mukerji	2	10%	2	10%
Yamini Mrinalika Aiyar	2	10%	2	10%
Gowri Thyagrajan	2	10%	2	10%
Gautam Chikermame	2	10%	2	10%
Shyam Anil Divan	2	10%	2	10%
Luis Miranda	2	10%	2	10%
Namrata Kaul	2	10%	2	10%
Mathew Cherian	2	10%	2	10%



Care India Solutions For Sustainable Development
Notes to financial statements for the year ended 31 March 2018
 (All amounts are in Indian Rupees unless otherwise stated)

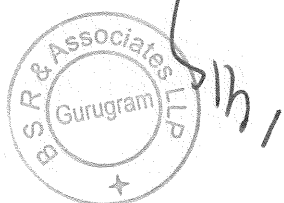
4 Reserves and surplus

	<u>As at 31 March 2018</u>	<u>As at 31 March 2017</u>
a) General fund		
Opening balance	168,164,662	156,888,627
Add Amount transferred from income and expenditure	45,342,914	11,276,035
Closing balance	<u><u>213,507,576</u></u>	<u><u>168,164,662</u></u>
b) Sustainability fund		
Opening balance	6,000,000	6,000,000
Closing balance	<u><u>6,000,000</u></u>	<u><u>6,000,000</u></u>
c) Asset fund account		
Opening balance	37,287,156	45,183,541
Add: Assets purchased during the year	9,890,215	22,286,827
Less : Assets sale /written off the year	648,743	479,238
	<u>46,528,628</u>	<u>66,991,130</u>
<u>Less :</u>		
Transferred to Income and expenditure account	16,087,137	29,703,974
Closing balance	<u><u>30,441,491</u></u>	<u><u>37,287,156</u></u>
Grand total	<u><u>249,949,067</u></u>	<u><u>211,451,818</u></u>



Care India Solutions For Sustainable Development
Notes to financial statements for the year ended 31 March 2018
(All amounts are in Indian Rupees unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
5 Long-term provisions		
Provisions for employee benefits		
-Provision for gratuity (Refer Note 28)	22,555,965	18,548,467
-Provision for compensated absences	23,408,200	22,277,373
	45,964,165	40,825,840
6 Other long term liabilities		
Lease equalisation reserve	1,128,138	181,125
	1,128,138	181,125
7 Trade payables		
Trade payables*		
- dues to micro and small enterprises	-	-
- dues to other than micro and small enterprises	56,151,977	39,378,406
	56,151,977	39,378,406
* Refer Note 25		
8 Other current liabilities		
Employee related payables	12,729,556	17,483,839
Unutilised grants	346,622,445	810,627,034
PF payable	4,384,035	3,968,139
Other statutory payable	10,178,488	11,261,187
Other payable	77,922,428	14,556,890
	451,836,952	857,897,089
9 Short-term provisions		
Provisions for employee benefits		
-Provision for gratuity (Refer Note 28)	10,944,155	8,605,800
-Provision for compensated absences	9,597,800	8,822,253
	20,541,955	17,428,053



Care India Solutions For Sustainable Development
Notes to financial statements for the year ended 31 March 2018
(All amounts are in Indian Rupees unless otherwise stated)

10 Fixed assets

Current year

Particulars	Gross block			Accumulated depreciation/ amortisation			Net block as at 31 March 2018
	as at 1 April 2017	additions	deletions/ adjustment	as at 31 March 2018	for the year as at 31 March 2018	deletions/ adjustment	
Property, plant and equipment							
Computers	44,404,102	4,854,586	890,103	48,368,585	3,924,432	709,656	6,347,507
Furniture and fixtures	9,181,212	973,118	120,919	10,033,411	1,223,197	40,437	4,145,958
Vehicles	21,203,952	813,166	-	22,017,118	3,004,188	-	7,341,229
Office equipment	45,463,606	3,211,845	1,088,483	47,586,968	7,185,969	700,669	11,324,073
Total tangible assets	120,252,872	9,852,715	2,099,505	128,006,082	15,337,786	1,450,762	29,158,767
Intangible assets							
Software	4,252,413	37,500	-	4,289,913	749,351	-	1,282,724
Total	124,505,285	9,890,215	2,099,505	132,295,995	16,087,137	1,450,762	30,441,491

Previous year

Particulars	Gross block			Accumulated depreciation/ amortisation			Net block as at 31 March 2017
	as at 1 April 2016	additions	deletions/ adjustment	as at 31 March 2017	for the year as at 31 March 2017	deletions/ adjustment	
Property, plant and equipment							
Computers	42,350,675	3,399,130	1,345,703	44,404,102	9,479,104	1,046,789	5,597,800
Furniture and fixtures	8,903,084	344,727	66,599	9,181,212	1,574,956	23,427	4,476,519
Vehicles	16,750,918	4,453,034	-	21,203,952	4,416,781	-	9,532,251
Office equipment	34,200,645	12,192,436	929,475	45,463,606	12,943,546	792,323	15,686,011
Total tangible assets	102,205,322	20,389,327	2,341,777	120,252,872	28,414,387	1,862,539	35,292,581
Intangible assets							
Software	2,354,913	1,897,500	-	4,252,413	1,289,587	-	1,994,575
Total	104,560,235	22,286,827	2,341,777	124,505,285	29,703,974	1,862,539	37,287,156



Care India Solutions For Sustainable Development
Notes to financial statements for the year ended 31 March 2018
(All amounts are in Indian Rupees unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
11 Long term loans and advances		
<i>(unsecured, considered good unless otherwise stated)</i>		
Security deposits	5,067,500	5,765,571
Advance rent	420,000	2,940,000
Income tax and TDS receivable	4,199,871	13,065,716
	<u>9,687,371</u>	<u>21,771,287</u>

	As at 31 March 2018	As at 31 March 2017
12 Cash and bank balances		
Cash and cash equivalents		
Cash in hand	200	200
Balance with scheduled banks		
- in savings accounts	634,904,110	1,053,067,897
	<u>634,904,310</u>	<u>1,053,068,097</u>

	As at 31 March 2018	As at 31 March 2017
13 Short term loans and advances		
<i>(unsecured, considered good unless otherwise stated)</i>		
Security deposits	3,252,515	2,005,793
Advance rent	2,520,000	2,520,000
Grant receivable	134,225,584	36,744,838
TDS receivable	792,516	1,725,795
Loans and advances to employees	1,792,581	2,546,338
Project advances	5,292,342	7,018,778
	<u>147,875,538</u>	<u>52,561,542</u>

	As at 31 March 2018	As at 31 March 2017
14 Other current assets		
<i>(unsecured, considered good unless otherwise stated)</i>		
Gratuity plan assets	2,663,744	2,474,449
	<u>2,663,744</u>	<u>2,474,449</u>



Care India Solutions For Sustainable Development
Notes to financial statements for the year ended 31 March 2018
(All amounts are in Indian Rupees unless otherwise stated)

15 Grants and donations received	Year ended 31 March 2018	Year ended 31 March 2017
Grants and donations received	1,744,094,613 <u>1,744,094,613</u>	1,920,293,855 <u>1,920,293,855</u>
16 Other income	Year ended 31 March 2018	Year ended 31 March 2017
Interest on fixed deposit	7,925,158	14,887,079
Interest on saving bank account	15,696,650	15,105,597
Interest on others	32,826	89,984
Other income	1,721,341	1,934,186
Recovery of overheads cost from project	5,441,088	6,857,005
	<u>30,817,063</u>	<u>38,873,851</u>
17 Project expenses	Year ended 31 March 2018	Year ended 31 March 2017
Salary, wages and bonus	346,254,515	384,231,685
Contribution to provident fund	19,672,279	20,911,759
Gratuity	12,370,466	12,679,333
Staff welfare	6,231	5,744,783
Contract staff wages	450,780,178	523,048,378
Training and material expenses	131,703,596	174,892,071
Subgrants to partners	30,832,910	37,349,225
Rent	25,285,375	23,080,312
Repairs and maintenance:		
- Office equipments	2,052,889	3,137,357
- Building	4,019,019	3,377,147
- Computers	1,524,603	2,036,173
Communication expenses	19,196,283	27,092,494
Legal and professional fees (Refer Note 23)	178,945,598	257,178,852
Travelling expenses	152,887,486	164,488,760
Insurance	4,145,180	3,216,670
Advertisement	468,445	3,090,995
Office supplies	17,707,903	20,666,665
Printing and stationery	16,052,103	21,131,031
Bank charges	300,209	973,565
Amount written off	6,623,530	-
Fixed assets purchased	8,097,970	21,423,129
Other expenses	1,675,436	1,979,104
	<u>1,430,602,204</u>	<u>1,711,729,488</u>



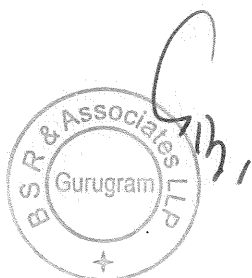
Care India Solutions For Sustainable Development
Notes to financial statements for the year ended 31 March 2018

(All amounts are in Indian Rupees unless otherwise stated)

18 Fund raising expenses	Year ended 31 March 2018	Year ended 31 March 2017
Salary, wages and bonus	19,554,644	22,372,408
Contribution to provident fund	1,242,096	1,388,301
Gratuity	645,645	495,718
Rent	2,826,995	2,969,570
Communication expenses	806,541	1,431,243
Legal and professional fees	19,353,810	8,013,699
Travelling expenses	1,458,973	1,288,433
Insurance	179,366	114,037
Repairs and maintenance:		
- Office equipments	60,418	19,999
- Building	96,927	227,601
- Computers	348,494	649,066
Training and material expenses	170,186	323,127
Advertisement	-	35,058
Office supplies	996,270	1,167,643
Bank charges	449,678	34
Other expenses	377,004	174,455
Fixed assets purchased	620,975	363,420
Contract staff wages	23,357,106	32,353,374
Printing and stationery	421,593	387,482
	72,966,721	73,774,668

19 Other administrative expenses	Year ended 31 March 2018	Year ended 31 March 2017
Salary, wages and bonus	67,605,717	51,883,641
Contribution to provident fund	3,938,058	3,057,836
Gratuity	2,711,586	1,742,088
Rent	13,139,629	11,455,507
Membership fees	6,714,415	5,775,000
Communication expenses	2,134,460	2,221,091
Legal and professional fees	22,570,749	25,493,004
Travelling expenses	6,096,274	7,302,095
Insurance	559,932	520,612
Repairs and maintenance:		
- Office equipments	1,656,348	1,942,077
- Building	4,230,676	3,460,180
- Computers	970,856	1,600,498
Training expenses	1,990,594	3,234,307
Advertisement	13,303	12,125
Office supplies	1,171,477	1,886,428
Other expenses (Refer Note 30)	8,586,218	872,979
Fixed assets purchased	1,171,270	500,278
Contract staff wages	852,914	1,418,614
Printing and stationery	510,435	296,171
Overhead cost recovered	5,441,088	6,713,160
Rates and taxes (Refer Note 32)	56,651,123	-
	208,717,122	131,387,691

20 Prior period expenses	Year ended 31 March 2018	Year ended 31 March 2017
Legal and professional fees	-	22,217,934
Membership Fees	-	8,781,890
Other expenses	17,282,715	-
	17,282,715	30,999,824



Care India Solutions For Sustainable Development
Notes to the financial statements for the year ending 31 March 2018

21. Earnings in foreign currency (On receipt basis)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Income from grant and donation	933,785,245	2,326,889,366

22. Expenditure in foreign currency

Nature of Expenses	For the year ended 31 March 2018	For the year ended 31 March 2017
Legal and professional fees	-	1,988,094
Advertisement	219,917	638,716
Other Expenses	264,620	-
Travelling expenses	1,619,895	2,021,665
Total	2,104,432	4,648,475

23. Payment to auditor's (Included under legal and professional expenses)*:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Statutory audit	2,000,000	2,100,000
Other certifications	200,000	200,000
Total	2,200,000	2,300,000

*exclusive of GST (Previous year service tax) and out of pocket expenses

24. 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. Rajan Bahadur- Managing Director and CEO

b) Summary of significant transaction with related parties

Managerial remuneration	For the year ended 31 March 2018	For the year ended 31 March 2017
Mr. Rajan Bahadur	7,053,471	6,582,672

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.



Care India Solutions For Sustainable Development
Notes to the financial statements for the year ending 31 March 2018

25. Dues to micro and small enterprises

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

26. The Company has taken certain cancellable and non-cancellable operating leases for commercial and residential accommodation and vehicles. Lease payments charged during the year in the Income and Expenditure Account is Rs. 41,251,999 (previous year Rs. 37,505,389). The total of future minimum lease payments under non-cancellable operating leases for each of the following periods is as follows:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Not later than one year	11,894,400	11,592,000
Later than one year and not later than five years	37,665,600	46,368,000
Later than five year	-	1,932,000

27. Earnings per share

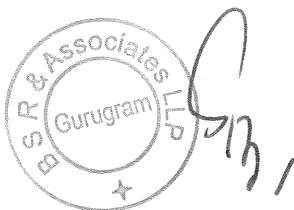
The computation of basic/diluted earnings per share is set out below:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Excess of income over expenditure attributable to equity shareholders (Rs.)	45,342,914	11,276,035
Weighted average number of equity shares outstanding during the year	20	20
Nominal value per share (Rs.)	10	10
Basic (earnings) per share (Rs.)	2,267,146	563,802

28. Disclosure in respect of employee benefits under Accounting Standard (AS) – 15 (Revised) “Employee Benefits” prescribed by the Companies (Accounting Standards) Rules, 2006.

- I) **Defined contribution plans:** Amount of Rs. 24,852,433 (previous year Rs. 25,357,896) pertaining to employers' contribution to provident fund is recognised as an expense and included in note 17, 18 and 19 to the financial statement.

- II) The disclosures for gratuity costs are given below:



Care India Solutions For Sustainable Development
Notes to the financial statements for the year ending 31 March 2018

(i) Movement in present values of defined benefit obligation

Particulars		As at 31 March 2018	As at 31 March 2017
1	Present value of obligation as at the beginning of the year	27,154,267	20,668,157
2	Interest cost	2,047,432	1,653,453
3	Past service cost	-	-
4	Current service cost	10,407,026	9,931,823
5	Benefits paid	(9,286,991)	(8,619,613)
6	Actuarial loss on obligation	3,178,386	3,520,447
7	Present value of obligation as at the end of the year	33,500,120	27,154,267

(ii) Movement in fair value of plan assets

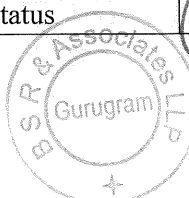
Particulars		As at 31 March 2018	As at 31 March 2017
1	Fair value of plan assets at the beginning of the year	2,474,449	2,285,865
2	Expected return on plan assets	197,956	182,869
3	Employer Contributions	-	-
4	Benefits paid	-	-
5	Actuarial gain / (loss) on plan assets	(8,661)	5,715
6	Fair value of plan assets at the end of the year	2,663,744	2,474,449

(iii) Actuarial gain/ loss recognized in the Statement of Income and Expenditure are as follows

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
1	Actuarial loss for the year - obligation	(3,178,386)	(3,520,447)
2	Actuarial (gain) / loss for the year - plan assets	8,661	(5,715)
3	Total actuarial loss for the year recognised in the statement of income and expenditure.	3,187,047	3,514,732

(iv) Assets and liabilities recognized in the Balance Sheet

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
1	Present value of obligation as at the end of the year	33,500,120	27,154,267
2	Fair value of plan assets as at the end of the year.	2,663,744	2,474,449
3	Funded / (unfunded) status	(30,836,376)	(24,679,818)



Care India Solutions For Sustainable Development
Notes to the financial statements for the year ending 31 March 2018

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
4	Excess of actual over estimated	(8,661)	5,715
5	Unrecognised actuarial (gains) losses	-	-
6	Net assets / (liability) recognized in balance sheet	(30,836,376)	(24,679,818)

(v) Expenses recognised in the Statement of Income and Expenditure

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
1	Current service cost	10,407,026	9,931,823
2	Past service cost	-	-
3	Interest on obligation	2,047,432	1,653,453
4	Expected return on plan assets	(197,956)	(182,869)
5	Net actuarial loss recognized in the period.	3,187,047	3,514,732
6	Expense recognised in the Statement of Income and Expenditure*	15,443,549	14,917,139

*Included in Note 17, 18 and 19 to the financial statement

(vi) Principal actuarial assumptions :

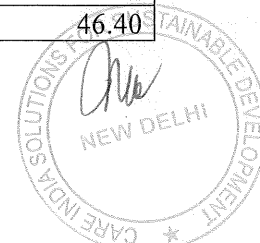
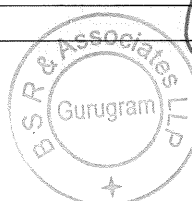
A Economic assumptions

The principal assumptions are the discount rate, expected rate of return on plan assets and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars		As at 31 March 2018	As at 31 March 2017
1	Discounting rate (p.a)	7.08%	7.54%
2	Expected rate of return on plan assets (p.a)	7.65%	8.00%
3	Salary growth rate (p.a)	8.00%	8.00%

B Demographic assumptions

Particulars		As at 31 March 2018	As at 31 March 2017
1	Retirement age	60 Years	60 Years
2	Mortality table	IALM (2006-08)	IALM (2006-08)
3	Ages	Withdrawal rate (%) (p.a)	Withdrawal rate (%) (p.a)
	Upto 30 Years	21.74	21.74
	From 31 to 44 Years	29.41	29.41
	Above 44 Years	30.00	46.40



Care India Solutions For Sustainable Development
Notes to the financial statements for the year ending 31 March 2018

(vii) Investment detail of plan assets: The gratuity trust has taken up group policies with an insurance company.

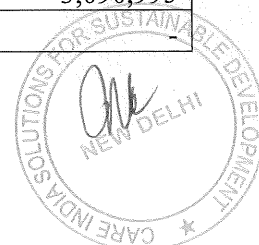
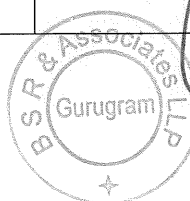
(viii) Amounts recognised in current year:

Gratuity	As at 31 March 2018	As at 31 March 2017
Defined benefit obligation	33,500,120	27,154,267
Plan assets	2,663,744	2,474,449
Net asset/(liability)	(30,836,376)	(24,679,818)
Experience adjustment in plan liabilities loss	-	-
Experience adjustment in plan assets (loss)/ gain	-	-

29. The Company has changed its method of recovering its indirect cost in the current year. The indirect cost were earlier recovered from donors on the basis of actual identified costs. During the current year, the same are recovered by applying a fixed overhead rate negotiated with each donor separately. Accordingly, the Company has presented such costs in Note 19 as 'Other administrative costs'. In order to make the previous year figures comparable with those of current year, the previous year expenses in the nature of indirect costs aggregating Rs. 197,373,855 have been reclassified from 'Project expenses' to 'Other administrative expenses' in the current year financial statements. Further, fund raising expenses are separately disclosed for better presentation of nature of expenses. Reclassification done is as shown below:

Note 17 Project expenses

Particulars	Amount (last year's signed financial statements)	Amount (Current year financial statements)
Salary, wages and bonus	406,604,093	384,231,685
Contribution to provident fund	22,300,060	20,911,759
Gratuity	13,175,051	12,679,333
Staff welfare	5,744,783	5,744,783
Contract staff wages	555,401,752	523,048,378
Training and material expenses	175,215,198	174,892,071
Subgrants to partners	37,349,225	37,349,225
Rent	26,049,882	23,080,312
Repairs and maintenance:		
- Office equipment	3,157,356	3,137,357
- Building	3,604,748	3,377,147
- Computers	2,685,239	2,036,173
Communication expenses	28,523,737	27,092,494
Legal and professional fees	265,192,551	257,178,852
Travelling expenses	165,777,193	164,488,760
Insurance	3,330,707	3,216,670
Advertisement	3,126,595	3,090,995
Overhead cost	123,599,187	

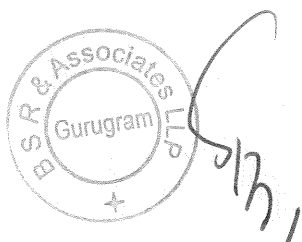


Care India Solutions For Sustainable Development
Notes to the financial statements for the year ending 31 March 2018

Particulars	Amount (last year's signed financial statements)	Amount (Current year financial statements)
Office supplies	21,834,308	20,666,665
Printing and stationary	21,518,513	21,131,031
Bank charges	973,057	973,565
Fixed assets purchased	21,786,549	21,423,129
Other expenses	2,153,559	1,979,104
Total	1,909,103,343	1,711,729,488

Note 18 Fund raising expenses

Particulars	Amount (last year's signed financial statements)	Amount (current year's financial statements)
Salary, wages and bonus	-	22,372,408
Contribution to provident fund	-	1,388,301
Gratuity	-	495,718
Rent	-	2,969,570
Communication expenses	-	1,431,243
Legal and professional fees	-	8,013,699
Travelling expenses	-	1,288,433
Insurance	-	114,037
Repairs and maintenance:	-	
- Office equipment	-	19,999
- Building	-	227,601
- Computers	-	649,066
Training and material expenses	-	323,127
Advertisement	-	35,058
Office supplies	-	1,167,643
Bank charges	-	34
Other expenses	-	174,455
Fixed assets purchased	-	363,420
Contract staff wages	-	32,353,374
Printing and stationery	-	387,482
Total	-	73,774,668



Care India Solutions For Sustainable Development
Notes to the financial statements for the year ending 31 March 2018

Note 19 Other administrative expenses

Particulars	Amount (last year's signed financial statements)	Amount (current year's financial statements)
Salary, wages and bonus	1,192,261	51,883,641
Contribution to provident fund	-	3,057,836
Gratuity	-	1,742,088
Rent	203,625	11,455,507
Membership Fees	5,775,000	5,775,000
Communication expenses	3,000	2,221,091
Legal and professional fees	127,993	25,493,004
Travelling expenses	18,801	7,302,095
Insurance	273,304	520,612
Repairs and maintenance:		
- Office equipment	-	1,942,077
- Building	-	3,460,180
- Computers	-	1,600,498
Training and material expenses	23,090	3,234,307
Advertisement	-	12,125
Office supplies	19,072	1,886,428
Bank charges	45,605	-
Other expenses	99,916	872,979
Fixed assets purchased	-	500,278
Contract staff wages	-	1,418,614
Printing and stationery	-	296,171
Overhead cost recovered	-	6,713,160
Interest on TDS/service Tax	6,837	
Total	7,788,504	131,387,691
Total of Project expenses, Fund raising expenses and Other administrative expenses	1,916,891,847	1,916,891,847

30. During the year ended 31 March 2018, the Company and one of its donor has received two separate complaints alleging certain irregularities in the procurement of goods and services. The Company along with the aforesaid donor conducted a detailed investigation over the matter with the help of an internal independent investigation team/ independent external agency.

One of the investigation concluded that documentary evidence and actions of certain procurement staff suggest an intent to favour certain vendors through manipulation of the process, deviation from the Company's policies and procedures and sound internal controls. The Company took action against staff identified for abovementioned lapses. The Company has also identified a potential excess payment of approximately Rs. 7,289,730 due to such lapses. This amount, has been appropriately charged off by the Company to 'Other expenses' under Note 19 of the financial statements.

SRB Associates
Gurugram

CARE INDIA SOLUTIONS FOR SUSTAINABLE DEVELOPMENT
NEW DELHI

Care India Solutions For Sustainable Development
Notes to the financial statements for the year ending 31 March 2018

Further, during the course of the above investigation, subsequent to the year end, another anonymous complaint is raised to one of the donor of the Company alleging irregularities in business conduct of a senior employee with certain vendors wherein the basis of single source selection and contract being awarded at higher prices was questioned. It also alleged favoritism and harassment of few employees by the same individual. The donor has got the first allegations investigated by an independent external agency and concluded that potential disallowed costs that may result from this investigation will not be material.

Further, the donor and also the Company is of the same view that there is not likely to be any material liability on it on completion of full investigation and accordingly, these financial statements will not require any further adjustments.

31. 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.
32. During the year 2012-13, the Company had received foreign contribution from two parties, situated outside India, aggregating Rs. 283,255,616 (including Rs. 267,629,262 received in the year 2011-12) without obtaining prior permission from Ministry of Home Affairs (MHA). The said funds were received in bank account maintained for local funds and the Foreign Inward Remittance Certificates relating to this foreign contribution indicates that these funds have been received by the Company for Business and Management Consultancy and Public Relations. This had also resulted in non-compliance of Section 17(1) of the Foreign Contribution (Regulation) Act, 2010 as the foreign funds were received in the bank account maintained for local funds. The Company had indicated to us that these funds are grants to be characterized as Foreign Contribution and these are not for any services liable for any tax in India. The Company had filed the necessary condonation application with the MHA and is still waiting for the necessary disposal of its application by MHA. The Company believes that since it has voluntarily disclosed the factual information, MHA may take a favourable view. However, on the basis of abundant caution, during the year ended 31 March 2018, the Company has provided a penalty of Rs. 56,651,123 on the basis of applicable provisions related to such non-compliance, in the current year financial statements and included the same under the head rates and taxes in Note no. 19 'Other administrative expenses'.
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.

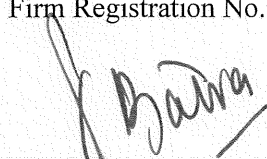


Care India Solutions For Sustainable Development
Notes to the financial statements for the year ending 31 March 2018

34. The disclosure regarding details of specified bank notes held and transacted during 8 November, 2016 to 30 December, 2016 has not been made since the requirement does not pertain to the financial year ended 31 March 2018. Corresponding amounts as appearing in the audited financial statements for the period ended 31 March 2017 has been disclosed.

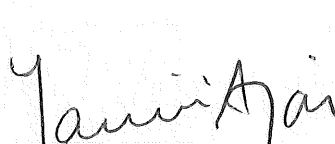
Particulars	SBNs	Others Denomination Notes	Total
Closing cash in hand as on 08.11.2016	-	200	200
(+) Permitted receipts	-	-	-
(+) Non-Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	200	200

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
Care India Solutions For Sustainable Development



Yamini Mrinalika Aiyar
Director
DIN : 02882688



Namrata Kaul
Director
DIN : 00994532

Place : New Delhi
Date : 13 October 2018

Place : New Delhi
Date : 13 October 2018

Place : New Delhi
Date : 13 October 2018