

# **DNDi** Drugs for Neglected Diseases *initiative*

## **India Foundation**

(CIN: U73100DL2016NPL300545)

Registered Office: PHD Chamber, 3rd Floor, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi 110016, India

Ph: +91-11-45501795; E-mail: dndiindiafoundation@gmail.com

### **DIRECTORS' REPORT**

#### **Dear Members**

Your directors have the pleasure to present the first report of the directors (the "Report") of your Company together with the Audited Annual Accounts for the financial year ended 31<sup>st</sup> March, 2017.

#### **Financial Highlights**

(Figures in Rs.)	
Particulars	Financial Year ended on March 31, 2017
Total Income	64,143
Total Expenditure	1,04,020
Surplus (Deficit) for the year	(39,877)

#### **State of Company's Affairs**

DNDi Drugs for Neglected Diseases Initiative India Foundation ('the Company'), was incorporated on May 27, 2016 as a not for profit company under section 8 of the Companies Act, 2013. The prime focus of the Company is to provide support and to stimulate research and development, primarily of drugs, as well as vaccines and diagnostics for patients suffering from neglected diseases.

During the year, on 24<sup>th</sup> January 2017, the Company organized a training workshop at Sadar Hospital Chhapra, Bihar for Asha workers for raising awareness of Kala-Azar and Post-kala-azar dermal leishmaniasis in the community.

During the year, the Company has been granted registration under section 12AA and approval under section 80-G of the Income Tax Act, 1961 by the Commissioner of Income Tax (Exemptions), New Delhi. The Company also plans to make an application to the Ministry of Home Affairs (FCRA Wing) ("MHA") for grant of prior permission for receiving foreign contribution under the provisions of the Foreign Contribution (Regulation) Act, 2010.

Once permission of MHA is also obtained, your directors are optimistic about company's operations and hopeful of better performance with increased grants/donations.

#### **Material changes and commitment, if any, affecting the financial position of the Company**

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company and the date of this Report.

#### **Public Deposits**

During the year under review, your Company did not accept any deposits in terms of the provisions of section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

#### **Number of meetings of the Board held during the financial year and attendance by Directors**

During the year under review, three Board meetings were held on June 15, 2016, August 16, 2016 and January 11, 2017. The details of the Board meetings attended during the financial year by the Directors of the Company are as follows:



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Date of the Board meeting	Unni Krishnan Karunakara	Lalit Kant	Shyam Sundar Agrawal (appointed w.e.f. February 10, 2017)
June 15, 2016	Yes	Yes	-
August 16, 2016	Yes	Yes	-
January 11, 2017	Yes	Yes	-

### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

**A. Conservation of energy:** Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not quite relevant to its functioning.

**B. Technology absorption:** Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not quite relevant to its functioning.

#### **C. Foreign exchange earnings and Outgo:**

Earnings in foreign exchange (actual inflows): Nil

Expenditure in foreign currency (actual outflows): Nil

### **Extract of Annual Return**

The extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is appended as **Annexure A**.

### **Transfer to reserves**

No amount was transferred to the reserves during the financial year ended 31st March, 2017.

### **Particulars of contracts or arrangements made with related parties**

The Company did not enter into any contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013.

### **Particulars of loans, guarantees or investments made under section 186 of the Companies Act, 2013**

The Company did not provide any loan, guarantee or investment pursuant to section 186 of the Companies Act, 2013.

### **Directors and Key Managerial Personnel**

Mr. Lalit Kant and Mr. Unni Krishnan Karunakara were the first directors of the Company. Mr. Shyam Sundar Agarwal was appointed as director of the Company with effect from February 10, 2017.

### **Statement of particulars of employees pursuant to provisions of rule 5(2) & (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

The Company had no employees during the year under review.

### **Directors' Responsibility Statement**

In terms of the provisions of section 134 (5) of the Companies Act, 2013, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:



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- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Auditors**

M/s. Singh K.V. Gupta & Co., Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

**Auditors' Report**

The Auditor's Report for the period has been annexed with this report and the comments made by the Statutory Auditors in the Auditor's Report are self-explanatory.

**Statement concerning development and implementation of risk management policy of the Company**

In the opinion of the Board of Directors of the Company, no risks which may threaten the existence of the Company have been identified and therefore no risk management policy has been framed.

**Subsidiaries, joint ventures and associate Companies**

The Company does not have any Subsidiary, Joint Venture or Associate Company.

**Details of significant & material orders passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future**

No significant & material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

**Adequacy of internal financial controls**

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.

**General**

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.



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**Acknowledgment**

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from banks and various Government Departments.

For and on behalf of the Board of Directors of  
**DNDi Drugs for Neglected Diseases Initiative India Foundation**



(Lalit Kant)

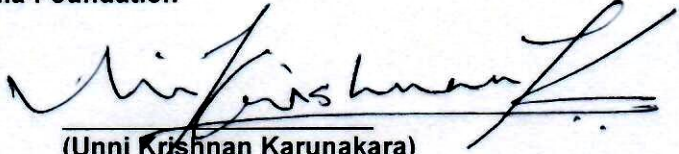
Director

DIN: 07242018

Address: B-95, Block B, Gulmohar Park,  
New Delhi – 110049, India

Date: May 29, 2017

Place: New Delhi



(Unni Krishnan Karunakara)

Director

DIN: 07241987

Address: H. No. D - 142, Defence Colony,  
New Delhi – 110024, India

Date: May 29, 2017

Place: New Delhi



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**ANNEXURE A**

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
As on the financial year ended on March 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN: U73100DL2016NPL300545
- ii) Registration Date: May 27, 2016
- iii) Name of the Company: DNDi Drugs for Neglected Diseases Initiative India Foundation
- iv) Category / Sub-Category of the Company: Section 8 company (not for profit) Company limited by guarantee not having share capital
- v) Address of the Registered office and contact details:  
  
Registered office: PHD Chamber, 3rd Floor 4/2 Siri Institutional Area, August Kranti Marg,  
New Delhi - 110016 India  
  
Contact details:  
  
Telephone No: +91 (11) 4550-1795  
Mail id: [dndiindiafoundation@gmail.com](mailto:dndiindiafoundation@gmail.com)
- vi) Whether listed company: No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

DNDi Drugs for Neglected Diseases Initiative India Foundation is a section 8 company and is incorporated with the aim of providing support and to stimulate research and development, primarily of drugs, as well as vaccines and diagnostics for patients suffering from neglected diseases.

**All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-**

Sl. No.	Name and Description of main products services	NIC Code of the Product/ service	% to total turnover of the company
1.	Donation	-	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – Not Applicable**

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
N.A.					



(CIN: U73100DL2016NPL300545)

[illegible]



(CIN: U73100DL2016NPL300545)

**Ph: +91-11-45501795; E-mail: [dndiindiafoundation@gmail.com](mailto:dndiindiafoundation@gmail.com)**

[illegible]



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**Ph: +91-11-45501795; E-mail: [dndiindiafoundation@gmail.com](mailto:dndiindiafoundation@gmail.com)**

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**ii. Shareholding of Promoters**

Sl. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**iii. Change in Promoters' Shareholding ( please specify, if there is no change)**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Nil	At the beginning of the year	Nil	Nil	Nil	Nil
Nil	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

**iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Nil	For Each of the Top 10 Shareholders				
Nil	At the beginning of the year	Nil	Nil	Nil	Nil



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Nil	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Nil	Nil	Nil	Nil
Nil	At the End of the year ( or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil
<b>Change in Indebtedness during the financial year</b>				
• Addition	Nil	Nil	Nil	Nil
• Reduction	Nil	Nil	Nil	Nil
<b>Net Change</b>	Nil	Nil	Nil	Nil
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil



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iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Not Applicable**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	Nil	Nil
	• Salary as per provisions contained in section 17(1) of the Income	Nil	Nil
	• Value of perquisites u/s 17(2) Income	Nil	Nil
	• Profits in lieu of salary under section 17(3) Income	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission	Nil	Nil
	• As % of profit	Nil	Nil
	• Others, specify ...	Nil	Nil
5	Others, please specify	Nil	Nil
	Total (A)	Nil	Nil
	Ceiling as per the Act	Nil	Nil

**B. Remuneration to other directors: Not Applicable**

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
	1.Independent Directors							
	• Fee for attending board/committee meetings.	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil



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	2. Other Non-Executive Directors	Nil	Nil	Nil	Nil	Nil	Nil
	• Fee for attending board/committee meetings.	Nil	Nil	Nil	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil	Nil	Nil	Nil
	• Others, please specify Annual remuneration (pro-rated) Expenses	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil	Nil
	Total (B) = (1+2)	Nil	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act						

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: Not applicable**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary	Nil	Nil	Nil	Nil
	• Salary as per provisions contained in section 17(1) of the Income	Nil	Nil	Nil	Nil
	• Value of perquisites u/s 17(2) Income	Nil	Nil	Nil	Nil
	• Profits in lieu of salary under section 17(3) Income	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	• As % of profit	Nil	Nil	Nil	Nil
	• Others, specify	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total	Nil	Nil	Nil	Nil



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**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: Not Applicable**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
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<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors of  
**DNDi Drugs for Neglected Diseases Initiative India Foundation**



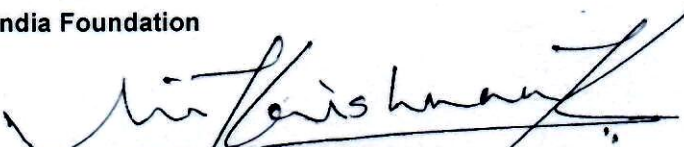
(Lalit Kant)  
Director

DIN: 07242018

Address: B-95, Block B, Gulmohar Park,  
New Delhi – 110049, India

Date: May 29, 2017

Place: New Delhi



(Unni Krishnan Karunakara)  
Director

DIN: 07241987

Address: H. No. D - 142, Defence Colony,  
New Delhi – 110024, India

Date: May 29, 2017

Place: New Delhi





**INDEPENDENT AUDITOR'S REPORT**

To

The Members

**DNDI Drugs for Neglected Diseases Initiative India Foundation**

**New Delhi**

**Report on the Standalone Financial Statements**

We have audited the accompanying Standalone financial statements of **DNDI Drugs for Neglected Diseases Initiative India Foundation** ("the Company"), which comprise the Balance Sheet as at **31<sup>st</sup> March, 2017**, the Statement of Income & Expenditure Account, 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 Standalone Financial Statements and for Internal Financial Controls over Financial Reporting**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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

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material misstatement, whether due to fraud or error.

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 these standalone financial statements based on our audit and to express an opinion on the Company's internal financial controls over financial reporting 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting. Those Standards and Guidance Note 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 and whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements and adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of





internal financial controls over financial reporting, 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 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements and unqualified opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial controls over financial reporting 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 over financial reporting 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 over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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<sup>st</sup> March, 2017, and its deficit and its cash flows for the year ended on that date.

## **Report on Other Legal and Regulatory Requirements**

- 1) 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 Act is not applicable to the Company as the Company was licensed to operate u/s 8 of the Companies Act 2013.
- 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 Statement of Income & Expenditure, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- (d) In our opinion, the aforesaid standalone 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 written representations received from the directors as on 31<sup>st</sup> March 2017 taken on records by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2017 from being appointed as director in terms of section 164(2) of the Companies Act 2013.
- (f) In our opinion considering nature of business, size of operation and organisational structure of the entity, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, based on the internal control over financial reporting 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.
- (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.
- iv. The Company has provided requisite disclosure in its financial statements as to holding as well as well dealing in Specified Bank Notes during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016 and these are in accordance with books of accounts maintained by the company.

For Singh K.V. Gupta & Co

Chartered Accountants

Firm's Registration Number: 000133N

  
CA RAKESH K AGARWAL  
Partner  
(M. No. 085908)

Place of Signature: New Delhi

Date : 29<sup>th</sup> May 2017



**DNDI DRUGS FOR NEGLECTED DISEASES INITIATIVE INDIA FOUNDATION**  
**PHD CHAMBERS, 3RD FLOOR, 4/2, INSTITUTIONAL AREA, AUGUST KRANTI MARG, NEW DELHI--110049**  
 (A Private Company limited by guarantee under section 8 of the Companies Act 2013 )  
**BALANCE SHEET AS AT MARCH 31, 2017**

Particulars	Note No.	As at 31.03.2017 Rs.
<b>EQUITY AND LIABILITIES</b>		
<b>Member's funds</b>		
Reserves and surplus	2	<u>(39,877)</u> <b>(39,877)</b>
<b>Current liabilities</b>		
Other current liabilities	3	57,500
<b>TOTAL</b>		<u><u><b>17,623</b></u></u>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Fixed assets	4	
- Tangible assets		3,315.00
- Intangible assets		-
- Capital work in progress		<u>-</u>
		<u><b>3,315.00</b></u>
<b>Current assets</b>		
Cash and cash equivalents	5	14,308
<b>TOTAL</b>		<u><u><b>17,623</b></u></u>

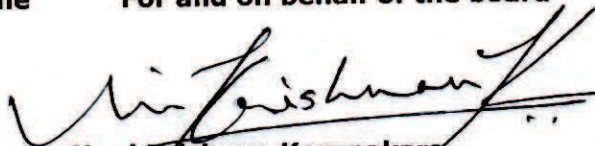
Accompanying notes 1 to 9 form part of the financial statements

In terms of our report attached  
 For Singh K.V. Gupta & Co  
 Chartered Accountants  
 Firm Registration No. 000133N



**CA. Rakesh K. Agarwal**  
 Partner  
 M.No. 085908  
 Place : New Delhi  
 Date : 29th May 2017

For and on behalf of the board

  
**Unni Krishnan Karunakara**  
 Director  
 DIN:07241987

  
**Lalit Kant**  
 Director  
 DIN:07242018



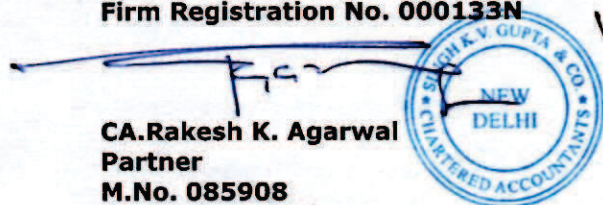
**DNDI DRUGS FOR NEGLECTED DISEASES INITIATIVE INDIA FOUNDATION**  
**PHD CHAMBERS, 3RD FLOOR, 4/2, INSTITUTIONAL AREA, AUGUST KRANTI MARG, NEW DELHI--110049**  
**(A Private Company limited by guarantee under section 8 of the Companies Act 2013 )**

**STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED MARCH 31, 2017**

Particulars	Note No.	Year ended 31.03.2017 Rs.
<b>REVENUE</b>		
Income from Operation	6	64,011
Other Income	7	132
<b>TOTAL REVENUE</b>		<b>64,143</b>
<b>EXPENSES</b>		
Programme/Project Expenses	8	46,460
Other Expenses	9	57,500
Depreciation	4	60
<b>TOTAL EXPENSES</b>		<b>104,020</b>
<b>Surplus(Deficit) for the year</b>		<b>(39,877)</b>

Accompanying notes 1 to 9 form part of the financial statements

In terms of our report attached  
For Singh K.V. Gupta & Co  
Chartered Accountants  
Firm Registration No. 000133N



CA. Rakesh K. Agarwal  
Partner  
M.No. 085908  
Place : New Delhi  
Date : 29th May 2017

For and on behalf of the board

*[Signature of Unni Krishnan Karunakara]*

Unni Krishnan Karunakara  
Director  
DIN:07241987

*[Signature of Lalit Kant]*

Lalit Kant  
Director  
DIN:07242018



**DNDI DRUGS FOR NEGLECTED DISEASES INITIATIVE INDIA FOUNDATION**  
**(A Private Company limited by guarantee under section 8 of the Companies Act 2013 )**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017**

**Rupees in '000'**  
**YEAR ENDED**  
**31-03-2017**

<b>A</b>	<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>	
	SURPLUS/-DEFICIT BEFORE TAX AND EXTRAORDINARY ITEMS	-39.88
	<b><u>ADJUSTMENT FOR</u></b>	
	DEPRECIATION	0.06
	DEPRECIATION RESERVE	-
	FINANCE CHARGES	-
	INTEREST ON BANK DEPOSIT/ LOANS & ADVANCE	-0.13
	PROVISION FOR INCOME TAX	-
	DEFERRED TAX ASSETS	-
	TAX ON DIVIDEND	-
	CAPITAL CHANGES	-39.95
	<b><u>ADJUSTMENT FOR</u></b>	
	(INCREASE) / DECREASE IN SUNDRY DEBTORS	-
	INCREASE) / DECREASE IN INVENTORIES	-
	(INCREASE) / DECREASE IN NON CURRENT ASSETS	-
	(INCREASE) / DECREASE IN LOANS & ADVANCES	-
	INCREASE / (DECREASE) IN CURRENT LIABILITIES	57.50
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>17.55</b>
<b>B</b>	<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>	
	ADDITION TO FIXED ASSETS	-3.38
	SALE OF FIXED ASSETS	-
	ADDITION TO WORK IN PROGRESS	-
	INTEREST ON BANK DEPOSITS / LOANS & ADVANCES	0.13
	<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>-3.25</b>
<b>C</b>	<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>	
	SHARE CAPITAL	-
	SHARE APPLICATION MONEY PENDING ALLOTMENT	-
	INVESTMENTS	-
	DIVIDEND AND TAX ON DIVIDEND PAID	-
	INCOME TAX PAID	-
	FINANCING CHARGES	-
	<b>NET CASH GENERATED/USED FROM FINANCING ACTIVITIES</b>	<b>-</b>
	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>14.31</b>
	<b>CASH &amp; CASH EQUIVALENTS AS AT OPENING DATE</b>	<b>-</b>
		<b>14.31</b>
	<b>CASH &amp; CASH EQUIVALENTS AS AT CLOSING DATE</b>	<b>14.31</b>

As per our report of even date attached  
For Singh K. V. Gupta & Co.  
Chartered Accountants  
FRN 000133N

For & on behalf of the Board



*[Signature]*  
*[Signature]*

Vnni Krishnan Karunakara  
Director  
DIN:07241987

Lalit Kant  
Director  
DIN:07242018

(CA Rakesh K Agarwal)  
Partner  
Membership No. 085908  
Place : New Delhi  
Date:29th May 2017



**DNDI DRUGS FOR NEGLECTED DISEASES INITIATIVE INDIA FOUNDATION**  
(A Private Company Limited by Guarantee under section 8 of the Companies Act, 2013)  
PHD Chambers, 3<sup>rd</sup> Floor, 4/2, Institutional Area, August Kranti Marg, New Delhi-110049  
Tel.:- 011-45501795

**Note – 1: SIGNIFICANT ACCOUNTING POLICIES:**

**A: ACCOUNTING CONCEPT**

The accounts are prepared on historical cost convention on accrual basis and also on a going concern basis in accordance with Generally Accepted Accounting Principles and accounting standards applicable in India as applicable under section 133 of the Companies Act 2013 read with MCA General Circular No. 15/2013 dated 13<sup>th</sup> September 2013 and other relevant provision of the Indian Companies Act 2013 read with the Companies (Accounts) Rules. 2014 except where otherwise stated.

**B. USE OF ESTIMATES**

The preparation of financial statements in conformity with the generally accepted accounting practices requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year. Actual results could differ from those estimates. Differences between the actual results and estimates are recognised in the year in which the results are known/ materialized. Any revision to accounting estimates is recognised prospectively in current and future periods.

Contingencies are recorded when it is probable that a liability will be incurred and the amount can be reasonably estimated.

**C: FIXED ASSETS AND DEPRECIATION**

Fixed Assets are stated at their original cost including freight, duties, customs and other incidental expenses relating to acquisition, installation and construction. Depreciation has been provided on written down value method over the useful life of Assets as specified in Schedule-II to the Companies Act 2013

**D: REVENUE RECOGNITION**

- 1) Grants and donations are recognized in the financial statements only when the same are sanctioned by the concerned agencies and received by the Company.
- 2) Interest on saving banks is recognized whenever same is credited by bank in the account of the Company.





**E:** Grants made to projects carried out through partner agencies are accounted for on the basis of utilization certificate/statement submitted by the grantees.

**F: FOREIGN EXCHANGE TRANSACTIONS**

Transactions in foreign currencies are recorded at the rate at which credit/ debit is given by the bank at the time of occurrence of the transaction.

**G: PROVISIONS**

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

**H: OTHERS**

Accounting Policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the Company.





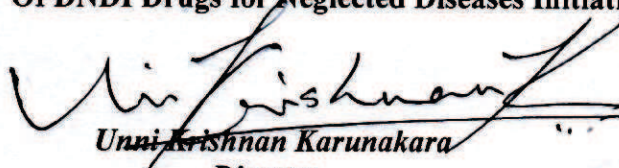
## NOTES TO THE ACCOUNTS:

- A: This is the First Year of the Company as the Company was incorporated on 27<sup>th</sup> May 2016 as a private company limited by guarantee and not having a share capital and was granted a license no. 107097 dated 23<sup>rd</sup> May 2016 under section 8(1) of the Companies Act, 2013, by Government of India- Ministry of Corporate Affairs. The Company has been granted registration under section 12AA of the Income Tax Act 1961 vide letter no CIT (E)/DEL-DR26044-23032017/7387 dated 23<sup>rd</sup> March 2017 & approval under section 80-G of the Income Tax Act 1961 vide letter no. CIT(E)/DEL-DE27667-23032017/8506 dated 23<sup>rd</sup> March 2017 by Commission of Income Tax (Exemption) Delhi
- B: Amount due from Director Rs.NIL
- C: Provision for taxation has not been made in accounts in the absence of any income.
- D: The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.
- E: Details of Specified Bank Notes (SBN) held and transacted during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016

	SBN	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	NIL	NIL	NIL
(+) Permitted receipts	NIL	NIL	NIL
(-) Permitted payments	NIL	NIL	NIL
(-) Amount deposited in Banks	NIL	NIL	NIL
Closing cash in hand as on 30.12.2016	NIL	NIL	NIL

- F: Notes A to E form an integral part of the balance sheet and income & expenditure account.

**For and on behalf of the Board of Directors  
Of DNDI Drugs for Neglected Diseases Initiative India Foundation**

  
**Unni Krishnan Karunakara**  
Director

**DIN:07241987**

  
**Lalit Kant**  
Director

**DIN:07242018**

**Date :29<sup>th</sup> May 2017  
Place :New Delhi**





**2 Reserves and surplus**

	<b>As at 31.03.2017</b>
	<b>Rs.</b>

**(a) Surplus in Statement of Income & Expenditure Account**

Opening balance	-
Add: Excess of income over expenditure	<u>(39,877)</u>
Closing balance	<u><b>(39,877)</b></u>

**3 Other current liabilities**

	<b>As at 31.03.2017</b>
	<b>Rs.</b>
Payable to related party	-
TDS Payable	5,000
Audit Fees Payable	52,500
	<u><b>57,500</b></u>





**DNDI DRUGS FOR NEGLECTED DISEASES INITIATIVE INDIA FOUNDATION**

(A Private Company limited by guarantee under section 8 of the Companies Act 2013 )

Notes to the accounts (continued)

**4 Fixed Assets**

(Amount in INR)

Particulars	GROSS BLOCK			DEPRECIATION			Net block As at 31.03.2017
	Additions	Deductions	As at 31.03.2017	For the year	On deductions	As at 31.03.2017	
<b><u>Tangible Assets</u></b>							
Furniture & Fixture	3375	0	3375	60	0	60	3315
<b>Total Tangible Assets</b>	<b>3375</b>	<b>0</b>	<b>3375</b>	<b>60</b>	<b>0</b>	<b>60</b>	<b>3315</b>
<b>Intangible Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capital - work - in progress</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>





**DNDI DRUGS FOR NEGLECTED DISEASES INITIATIVE INDIA FOUNDATION**  
(A Private Company limited by guarantee under section 8 of the Companies Act 2013 )

**Notes to the accounts (continued)**

**5 Cash and cash equivalents**

	<b>As at 31.03.2017</b>
	<b>Rs.</b>
Balances with banks	
- Saving accounts	4,368
Cash in hand	9,940
	<b>14,308</b>

**6 Revenue from Operations**

	<b>As at 31.03.2017</b>
	<b>Rs.</b>
Donation received	64,011
	<b>64,011</b>

**7 Other Income**

	<b>As at 31.03.2017</b>
	<b>Rs.</b>
Saving Bank Interest	132
	<b>132</b>

**8 Programme/Project Expenses**

	<b>As at 31.03.2017</b>
	<b>Rs.</b>
Asha Worker's Training Expenses	28,360
Conveyance to participants & trainer	18,100
	<b>46,460</b>

**9 Other expenses**

	<b>As at 31.03.2017</b>
	<b>Rs.</b>
Auditors' remuneration	
- As auditors	50,000.00
-Service tax on above	7,500.00
	<b>57,500</b>

