

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, 2020

Particulars	Note No.	Year ended 31.03.2020 Rs.	Year ended 31.03.2019 Rs.
REVENUE			
Income from Operation	7	10,37,378	-
Other Income	8	13,306	359
TOTAL REVENUE		10,50,684	359
EXPENSES			
Programme/Project Expenses	9	9,13,492	-
Other Expenses	10	78,864	35,400
Depreciation	4	471	636
TOTAL EXPENSES		9,92,827	36,036
Surplus(Deficit) for the year		57,857	(35,677)

Accompanying notes 1 to 10 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 : 19-06-2020



For and on behalf of the board

Lalit Kant
 Director
 DIN:07242018

Shyam Sunder Agrawal
 Director
 DIN:7701481

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, 2020

Particulars	Note No.	As at 31.03.2020 Rs.	As at 31.03.2019 Rs.
EQUITY AND LIABILITIES			
Member's funds			
Reserves and surplus	2	(53,830)	(1,11,687)
		(53,830)	(1,11,687)
Current liabilities			
Other current liabilities	3	1,95,288	1,23,300
TOTAL		1,41,458	11,613
ASSETS			
Non-current assets			
Fixed assets	4		
- Tangible assets		1,350	1,821
- Intangible assets		0	0
- Capital work in progress		0	0
		1,350	1,821
Current assets			
Cash and cash equivalents	5	1,32,505	9,792
Other Receivable	6	7,603	-
TOTAL		1,41,458	11,613

Accompanying notes 1 to 10 form part of the financial statements

For and on behalf of the board

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 : 19-06-2020



Lalit Kant
Director
DIN:07242018

Shyam Sunder Agrawal
Director
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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 2020

Rupees in '000'


	YEAR ENDED 31-03-2020	YEAR ENDED 31-03-2019
A CASH FLOW FROM OPERATING ACTIVITIES		
SURPLUS/-DEFICIT BEFORE TAX AND EXTRAORDINARY ITEMS	57.86	-35.68
ADJUSTMENT FOR		
DEPRECIATION	0.47	0.63
DEPRECIATION RESERVE	-	-
FINANCE CHARGES	-	-
INTEREST ON BANK DEPOSIT/ LOANS & ADVANCE	-13.31	-0.35
PROVISION FOR INCOME TAX	-	-
DEFERRED TAX ASSETS	-	-
TAX ON DIVIDEND	-	-
CAPITAL CHANGES	45.02	-35.40
ADJUSTMENT FOR		
(INCREASE) / DECREASE IN SUNDRY DEBTORS	-	-
INCREASE) / DECREASE IN INVENTORIES	-	-
(INCREASE) / DECREASE IN CURRENT ASSETS	-7.60	-
(INCREASE) / DECREASE IN LOANS & ADVANCES	-	-
INCREASE / (DECREASE) IN CURRENT LIABILITIES	71.99	35.40
NET CASH FLOW FROM OPERATING ACTIVITIES	109.41	-
B CASH FLOW FROM INVESTING ACTIVITIES		
ADDITION TO FIXED ASSETS	-	-
SALE OF FIXED ASSETS	-	-
ADDITION TO WORK IN PROGRESS	-	-
INTEREST ON BANK DEPOSITS / LOANS & ADVANCES	13.31	0.35
NET CASH USED IN INVESTING ACTIVITIES	13.31	0.35
C CASH FLOW FROM FINANCING ACTIVITIES		
SHARE CAPITAL	-	-
SHARE APPLICATION MONEY PENDING ALLOTMENT	-	-
INVESTMENTS	-	-
DIVIDEND AND TAX ON DIVIDEND PAID	-	-
INCOME TAX PAID	-	-
FINANCING CHARGES	-	-
NET CASH GENERATED/USED FROM FINANCING ACTIVITIES	-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	122.72	0.35
CASH & CASH EQUIVALENTS AS AT OPENING DATE	9.79	9.44
	132.51	9.79
CASH & CASH EQUIVALENTS AS AT CLOSING DATE	132.51	9.79

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

For & on behalf of the Board



(CA Rakesh K Agarwal)
Partner
Membership No. 085908
Place : New Delhi
Date: 19-06-2020


Lalit Kant Shyam Sunder Agrawal
Director Director
DIN:07242018 DIN:07701481

2 Reserves and surplus

	As at 31.03.2020	As at 31.03.2019
	Rs.	

(a) Surplus in Statement of Income & Expenditure Account

Opening balance	(1,11,687)	(76,010)
Add: Excess of income over expenditure	57,857	(35,677)
Closing balance	<u>(53,830)</u>	<u>(1,11,687)</u>

3 Other current liabilities

	As at 31.03.2020	As at 31.03.2019
	Rs.	Rs.
Payable to related party	-	-
Audit Fees Payable	1,77,300	1,23,300
Other Expenses Payable	5,400	-
TDS payable	12,588	-
	<u>1,95,288</u>	<u>1,23,300</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 01.04.2019	Additions	Deductions	As at 31.03.2020	As at 01.04.2019	For the year	On deductions	As at 31.03.2020
Tangible Assets								
Furniture & Fixture	3375	0	0	3375	1554	471	0	1350
								1821
Total Tangible Assets	3375	0	0	3375	1554	471	0	1350
Intangible Assets	0	0	0	0	0	0	0	0
Capital - work - in progress	0	0	0	0	0	0	0	0
Previous Year's Figures	3375	0	0	3375	918	636	0	1821
								2457



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

	As at 31.03.2020 Rs.	As at 31.03.2019 Rs.
Balances with banks		
- Saving accounts	1,17,692	9,792
Cash in hand	14,813	-
	<u>1,32,505</u>	<u>9,792</u>

6 Other Receivable

	As at 31.03.2020 Rs.	As at 31.03.2019 Rs.
TDS recoverable from Hotel Holiday Inn	6,637	-
Interest Receivable	966	-
	<u>7,603</u>	<u>-</u>

7 Revenue from Operations

	As at 31.03.2020 Rs.	As at 31.03.2019 Rs.
Service Charges	10,37,378.25	-
	<u>10,37,378.25</u>	<u>-</u>

8 Other Income

	As at 31.03.2020 Rs.	As at 31.03.2019 Rs.
Saving Bank Interest	13,306	359
	<u>13,306</u>	<u>359</u>

9 Programme/Project Expenses

	As at 31.03.2020 Rs.	As at 31.03.2019 Rs.
Meeting Expenses	1,09,268	-
Travelling Expenses	4,54,855	-
Dinner Expenses	60,800	-
Lodging & Boarding Expenses	2,44,239	-
Consultancy Fees	30,000	-
Local Conveyance Expenses	10,005	-
Recruitment Expenses	4,130	-
Printing & Stationery Expenses	195	-
	<u>9,13,492</u>	<u>-</u>

10 Other expenses

	As at 31.03.2020 Rs.	As at 31.03.2019 Rs.
Bank Charges	13,513	-
Auditors' remuneration		
- As auditors	50,000	30,000
- for certification	5,000	-
-GST on above	9,900	5,400
Interest on TDS	451	-
	<u>78,864</u>	<u>35,400</u>



DNDI DRUGS FOR NEGLECTED DISEASES INITIATIVE INDIA FOUNDATION
(A Private Company Limited by Guarantee under section 8 of the Companies Act, 2013)
PHD Chambers, 3rd 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 13th 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, donations and service charges 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 Third Year of the Company as the Company was incorporated on 27th May 2016 as a private company limited by guarantee and not having a share capital and was granted a license no. 107097 dated 23rd 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 23rd March 2017 & approval under section 80-G of the Income Tax Act 1961 vide letter no. CIT(E)/DEL-DE27667-23032017/8506 dated 23rd March 2017 by Commission of Income Tax (Exemption) Delhi

B: Foreign Exchange Earning & Out – Go.

Particulars	Current Year	Previous Year
Earning	0.00	0.00
Out – Go (Foreign Travel Exp.)	2,03,369.77	26,056.00

C: 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 related party relationship with whom transaction have taken place during the year

Relationship	Name of the related party
Key Management Personnel	Dr Lalit Kant-Director
Key Management Personnel	Dr. Shyam Sundar-Director

b) Summary of Significant transaction and outstanding balances with related parties (Figures in lakhs)

Name of the related party	Nature of Transaction	Current year	Previous year	Outstanding as on 31 st Mar 20	Outstanding as on 31 st Mar 19
DR Shyam Sundar	Reimbursement of Travelling Expenses	4,000	0	0	0

D: Amount due from Director Rs.NIL


E: Provision for taxation has not been made in accounts in the absence of any income.



- F:** 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.
- G:** Notes A to G 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**


Lalit Kant
Director
DIN:07242018


Shyam Sunder Agrawal
Director
DIN:07701481

Date: 19-06-2020
Place: New Delhi





INDEPENDENT AUDITORS' REPORT

To

The Members

DNDI Drugs for Neglected Diseases Initiative India Foundation

New Delhi

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of **DNDI Drugs for Neglected Diseases Initiative India Foundation** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its surplus and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the 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. 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 statement 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. The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. Conclude on the appropriateness of management's use of the going concern basis of accounting and



based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

- 1) The provisions of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the Company as the Company is to licensed operate u/s 8 of the Companies Act 2013.

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 profit and loss, 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, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (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;
- The Company does not have any pending litigations which would impact its financial position;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For Singh K V Gupta & Co
Chartered Accountants
Firm Registration No.000133N




CA. Rakesh Agarwal
Partner

Membership No.0859087

UDIN : 20085908AAAAAZ7147

Place: New Delhi

Date: 19th June 2020

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of **DNDI Drugs for Neglected Diseases Initiative India Foundation** of even date)

Report on the internal financial controls over financial reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **DNDI Drugs for Neglected Diseases Initiative India Foundation** (“the Company”) as at March 31, 2020, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s responsibility for internal financial controls

The board of directors of the Company 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. 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting were 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 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 judgement, including the assessment of the risks of material misstatement in 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 control system over financial reporting.

Meaning of internal financial controls over financial reporting

A company's internal financial control 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 control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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.

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 of 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 according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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.

For Singh K V Gupta & Co
Chartered Accountants
Firm Registration No 000133N



CA Rakesh Agarwal
Partner

Membership No. 085908

UDIN : 20085908AAAAAZ747

Place: New Delhi

Date: 19th June 2020

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 Fourth report of the directors (the "Report") of your Company together with the Audited Annual Accounts for the financial year ended 31st March, 2020.

Financial Highlights

(Figures in Rs.)		
Particulars	Financial Year ended on March 31, 2020	Financial Year ended on March 31, 2019
Total Income	10,50,684	359
Total Expenditure	9,92,827	36,036
Surplus (Deficit) for the year	57,857	(35,677)
Less: Current tax	0.00	0.00
Surplus (Deficit) after tax	57,857	(35,677)
Add: Balance as per last Balance Sheet	(1,11,687)	(76,010)
Balance Transferred to Balance Sheet	(53,830)	(1,11,687)

State of Company's Affairs

DNDI Drugs for Neglected Diseases Initiative India Foundation ('the Company'), a not for profit company, within the meaning of 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, Company held a meeting for reviewing a draft document on technical and operational feasibility of elimination of transmission of kala-azar in the Indian Subcontinent with the help of WHO which has generated a surplus of Rs. 57,857.00 to the Company. Further the Company is in process of filing an application for prior permission under FCRA for receiving foreign grant/donation.

Once FCRA permissions is in place, Your Directors are optimistic about company's operations and hopeful of better performance with increased grants/donations in coming year/s.

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, two Board meetings were held on July 3rd, 2019, and December 27th, 2019. The details of the Board meetings attended during the financial year by the Directors of the Company are as follows:

Date of the Board meeting	Lalit Kant	Shyam Sundar Agrawal
July 3 rd , 2019	Yes	Yes

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December 27 th , 2019	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, 2019.

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

There has been no change in the composition of the directors of the Company during the year under review. Dr. Lalit Kant, Dr. Unni Krishnan Karunakara and Dr. Shyam Sundar Agrawal were the directors of the Company during the year 2019-20. Dr Unni Krishnan Karunakara resigned from the directorship of the Company wide resignation letter dated June 12th, 2019.

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:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

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- (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 sixth Annual General Meeting and their appointment would be required to be ratified at the ensuing annual general meeting.

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.

Maintenance of cost records

The Company is not required to maintain cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013.

Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is not required to constitute Internal Complaints Committee under 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: June 19th, 2020

Place: New Delhi



(Shyam Sunder Agrawal)

Director

DIN: 07701481

**Address: 6, S K Gupta Nagar, Lanka
Varanasi -221005 (UP)**

Date: June 19th, 2020

Place:

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ANNEXURE A

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2020

[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
- 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.	Support and to stimulate research and development, primarily of drugs, as well as vaccines and diagnostics for patients suffering from neglected diseases.	- 88900	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.					

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IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Not Applicable as DNDi Drugs for Neglected Diseases Initiative India Foundation is a section 8 company limited by guarantee not having a share capital.

i. Category-wise Share Holding

[illegible]

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iv. Overseas									
d) Individual									
i. Individual Shareholders holding nominal share capital upto Rs. 1 Lakh									
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
e) Others (specify)									
Sub-total (B) (2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)									

ii. Shareholding of Promoters

Sl. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of 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	% change in shareholding during the year

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
	At the beginning of the year				

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	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				

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
	For Each of the Top 10 Shareholders				
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)				

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
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
Total (i+ii+iii)	Nil	Nil	Nil	Nil

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Change in Indebtedness during the financial year				
• Addition	Nil	Nil	Nil	Nil
• Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
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
Total (i+ii+iii)	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/WT/ Manager	Total Amount
1	Gross salary		
	• Salary as per provisions contained in section 17(1) of the Income		
	• Value of perquisites u/s 17(2) Income		
	• Profits in lieu of salary under section 17(3) Income		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	• As % of profit		
	• Others, specify ...		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

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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.						
	• Commission						
	• Others, please specify						
	Total (1)						
	2. Other Non-Executive Directors						
	• Fee for attending board/committee meetings.						
	• Commission						
	• Others, please specify Annual remuneration (pro-rated) Expenses						
	Total (2)						
	Total (B) = (1+2)						
	Total Managerial Remuneration						
	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				
	• Salary as per provisions contained in section 17(1) of the Income				
	• Value of perquisites u/s 17(2) Income				
	• Profits in lieu of salary under section 17(3) Income				
2	Stock Option				
3	Sweat Equity				
4	Commission				

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	• As % of profit				
	• Others, specify				
5	Others, please specify				
	Total				

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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A. COMPANY

Penalty					
Punishment					
Compounding					

B. DIRECTORS

Penalty					
Punishment					
Compounding					

C. OTHER OFFICERS IN DEFAULT

Penalty					
Punishment					
Compounding					

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: June 19th, 2020

Place: New Delhi


(Shyam Sunder Agrawal)
Director

DIN: 07701481

Address: 6, S K Gupta Nagar, Lanka
Varanasi-221005 (UP)

Date: June 19th, 2020

Place: