

Deloitte Haskins & Sells

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF CII FOUNDATION

Report on the Financial Statements

We have audited accompanying financial statements of **CII FOUNDATION** ("the Trust"), which comprise the Balance Sheet as at 31 March, 2014 and the Income and Expenditure Account 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 Trust's Management is responsible for the preparation of these financial statements in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements of the Trust dealt with by this report comply with the applicable accounting standards issued by the Institute of Chartered

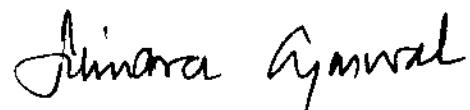


**Deloitte
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Accountants of India and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Trust as at 31 March, 2014; and
- (b) in the case of the Income and Expenditure Account, of the excess of income over expenditure for the year ended on that date.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 015125N)



JITENDRA AGARWAL
Partner
(Membership No. 87104)

GURGAON,

CII Foundation
Balance Sheet as at 31st March, 2014

	<u>Schedule Ref.</u>	<u>As At 31 March, 2014 (Rupees)</u>	<u>As At 31 March, 2013 (Rupees)</u>
Sources of funds			
1. Corpus fund	1	20,021,000	10,021,000
2. Surplus/(deficit) in Income & Expenditure account	2	(1,483,346)	(4,100,046)
3. Earmarked funds	3	61,720,903	513,965
Total		<u>80,258,557</u>	<u>6,434,919</u>
Application of funds			
4. Current assets, loans and advances			
a. Cash and bank balances	4	80,629,598	8,829,124
b. Loans and advances	5	3,523,376	-
		<u>84,152,974</u>	<u>8,829,124</u>
5. Less: Current liabilities and provisions	6	3,894,417	2,394,205
6. Net current assets (4-5)		<u>80,258,557</u>	<u>6,434,919</u>
Total		<u>80,258,557</u>	<u>6,434,919</u>

Notes forming part of the financial statements 10

The above Schedules form an integral part of the financial statements

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

Jitendra Agarwal
JITENDRA AGARWAL
Partner

Place: Gurugram
Date: 22 Sep, 2014

For and on behalf of CII Foundation

Chandrajit Banerjee
CHANDRAJIT BANERJEE
Managing Trustee

Place: New Delhi
Date: 22 Sep, 2014

CII Foundation
Income and Expenditure Account for the year ended 31st March, 2014

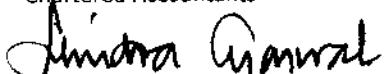
	Schedule Ref.	Year ended 31 March, 2014 (Rupees)	Year ended 31 March, 2013 (Rupees)
1. Income			
a. Donations received			
(i) On account of earmarked funds		72,789,247	1,117,465
Less:- transferred to earmarked funds		<u>72,789,247</u>	<u>1,117,465</u>
(ii) Other donations		4,702,800	410,000
		<u>4,702,800</u>	<u>410,000</u>
b. Interest income		1,885,509	199,950
		<u>6,588,309</u>	<u>609,950</u>
2. Expenditure			
a. Project expenses	7		
(i) Expenses incurred for earmarked funds		11,582,309	603,500
Less:- transferred to earmarked funds		<u>11,582,309</u>	<u>603,500</u>
(ii) Other project expenses		155,877	5,467,567
		<u>155,877</u>	<u>5,467,567</u>
b. Personnel expenses	8	2,884,300	-
c. Other expenses	9	931,432	592,910
		<u>3,971,609</u>	<u>6,060,477</u>
3. Surplus/(deficit) carried to schedule	2	2,616,700	(5,450,527)

Notes forming part of the financial statements 10

The above Schedules form an integral part of the financial statements

In terms of our report attached

For **DELOITTE HASKINS & SSELLS**
Chartered Accountants


JITENDRA AGARWAL
Partner

Place: Gurugram
Date: 22 Sep, 2014

For and on behalf of CII Foundation


CHANDRAJIT BANERJEE
Managing Trustee

Place: New Delhi
Date: 22 Sep, 2014

CII Foundation
Schedules forming part of the Balance Sheet

	As At	As At
	31 March, 2014 (Rupees)	31 March, 2013 (Rupees)

Schedule 1
Corpus Fund

Opening Balance	10,021,000	21,000
Add: Addition during the year	10,000,000	10,000,000
Closing Balance	20,021,000	10,021,000

Schedule 2
Surplus/(deficit) in Income and Expenditure account

Opening Balance	(4,100,046)	1,350,481
Add: Balance transferred from Income and Expenditure account	2,616,700	(5,450,527)
Closing Balance	(1,483,346)	(4,100,046)

Schedule 3
Earmarked funds (see note 3)

Opening Balance	513,965	-
Add: Donation received during the year	72,789,247	1,117,465
Less: Amount utilized during the year	11,582,309	603,500
Closing balance	61,720,903	513,965

Schedule 4
Cash and bank balances

Cheque on hand	-	10,000
Balances with scheduled bank	-	-
- in savings account	25,459,485	8,819,124
- in deposit accounts	55,170,113	8,829,124
	80,629,598	8,829,124

SCHEDULE 5
Loans and advances (Unsecured, considered good)

Advances recoverable in cash or in kind or for value to be received	3,150,000	-
Income tax deducted at source	73,573	-
Interest accrued but not due	299,803	-
	3,523,376	-

SCHEDULE 6
Current liabilities and provisions

Current Liabilities

Sundry creditors	3,602,445	2,381,983
Other liabilities	291,972	12,222
	3,894,417	2,394,205

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CII Foundation
Schedules forming part of the Income and Expenditure Account

	Year ended 31 March, 2014	Year ended 31 March, 2013
	(Rupees)	(Rupees)

Schedule 7

Project expenses

Expenses incurred for earmarked funds

a. Anganwadi project		
i. Material distribution	88,418	-
ii. Professional expenses	75,250	-
iii. Printing and stationery	7,348	-
iv. Miscellaneous expenses	64,289	-
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	235,305	-
b. Maharashtra draught relief		
i. Excavator hire charges	2,366,553	-
c. Odisha cyclone Phailin relief		
i. Material distribution	140,000	-
ii. Food and beverages	119,834	-
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	259,834	-
d. Uttarakhand relief operation		
i. Material distribution	3,191,732	-
ii. Travelling	344,269	-
iii. Rehabilitation of educational institutions	3,162,087	-
iv. Miscellaneous expenses	208,469	-
	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none;"/>	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none;"/>
	6,906,557	-
e. Women exemplar awards		
i. Award function expenses	1,000,705	-
ii. Cash awards	672,855	-
iii. Miscellaneous expenses	140,500	-
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	1,814,060	-
f. Ukhimath relief initiative		
i. Material distribution expenses	-	442,104
ii. Travelling	-	52,766
iii. Printing and stationery	-	9,000
iv. Postage and communication	-	620
v. Freight and cartage	-	42,950
vi. Miscellaneous expenses	-	6,060
	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none;"/>	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none;"/>
	553,500	-
g. Eureka model villages programme		
i. Donation	-	50,000
Total	<u>11,582,309</u>	<u>603,500</u>

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CII Foundation
Schedules forming part of the Income and Expenditure Account

	Year ended 31 March, 2014	Year ended 31 March, 2013
	(Rupees)	(Rupees)

Other project expenses

h. Sikkim relief program		
i. Travelling	-	47,690
i. Skills development project- Udaan programme		
i. Travelling and accommodation Expenses	38,353	5,266,094
ii. Workshop and seminar	899	24,488
iii. Printing and stationery expenses	-	39,620
iv. Insurance	-	89,675
	<u>39,252</u>	<u>5,419,877</u>
j. Symbiosis finishing school programme		
i. Travelling	13,301	-
ii. Professional expenses	77,500	-
iii. Miscellaneous expenses	25,824	-
	<u>116,625</u>	<u>-</u>
Total	<u>155,877</u>	<u>5,467,567</u>

Schedule 8

Personnel expenses

a. Salaries and allowances	2,884,300	-
	<u>2,884,300</u>	<u>-</u>

Schedule 9

Other expenses

a. Donation to charitable institution	-	400,000
b. Legal and professional expenses	577,528	60,322
c. Statutory audit fee (including service tax)	112,360	112,360
d. Meeting expenses	110,736	-
e. Travelling	83,246	18,708
f. Printing and stationery expenses	42,375	-
g. Bank charges	<u>5,187</u>	<u>1,520</u>
	<u>931,432</u>	<u>592,910</u>

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CII Foundation
Schedule forming part of the Financial Statements

Schedule 10 - Significant accounting policies and notes to accounts

1. Background

CII Foundation ("the Trust") was set up in New Delhi on 7 April, 2011 as an independent Public Charitable Trust. The Trust was set up to for the purpose of carrying out public welfare activities including provision of assistance and educational facilities to the deprived members, for providing medical relief and rehabilitation to people in stress and all other permitted charitable activities.

2. Significant Accounting Policies

2.1 Basis of Accounting

The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting and comply with the Accounting Standards prescribed by the Institute of Chartered Accountants of India (ICAI) to the extent applicable. The Trust follows the mercantile basis of accounting and recognises all income, expenses, assets and liabilities on the accrual basis.

2.2 Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reporting balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reporting amounts of income and expenses during the year. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Actual results could differ from such estimates.

2.3 Recognition of grants and donations

Donations

Amount received as donations towards general objects of the Trust are considered as income for the year / period and is credited to the Income and Expenditure account.

Corpus fund

Corpus fund relates to funds contributed by the trustees at incorporation and donation received with the direction to be included as a part of the Corpus.

Earmarked funds

Amounts collected against specific projects with a stipulation that expenses are to be incurred only against these projects are considered as earmarked funds. Expenses incurred against the specific projects are adjusted from the funds.

2.4 Interest Income

Interest income is recognised on time proportionate basis.

2.5 Provisions & contingencies

A provision is recognised when the Trust has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made



CII Foundation
Schedule forming part of the Financial Statements

of the amount of the obligation. A contingent liability is recognised where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

2.6 Income Tax

The Trust is registered under Section 12A of the Income tax Act, 1961 ('the Act'). Under the provisions of the Act, the income of the Trust is exempt from tax, subject to the compliance of terms and conditions specified in the Act.

3. The fund movement of the earmarked funds is given below:

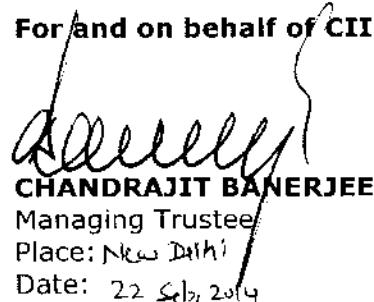
(In Rupees)

Projects	Opening Balance As at 1 April, 2013	Received during the year	Disbursed During the year	Balance as at 31 March, 2014
Anganwadi Project	-	866,790	235,305	631,485
	(-)	(-)	(-)	(-)
Maharashtra Draught Relief	-	2,500,000	2,366,553	133,447
	(-)	(-)	(-)	(-)
Odisha Relief	-	510,000	259,834	250,166
	(-)	(-)	(-)	(-)
Uttarakhand Relief Operation	-	65,267,457	6,906,557	58,360,900
	(-)	(-)	(-)	(-)
Women Exemplar Awards	-	3,000,000	1,814,060	1,185,940
	(-)	(-)	(-)	(-)
Inclusive Employment-Equal Opportunity Programme	-	645,000		645,000
	(-)	(-)	(-)	(-)
Ukhimath Relief Initiative	-	-	-	-
	(-)	(553,500)	(553,500)	(-)
Eureka Lodel Villages Programme	7,500	-	-	7,500
	(-)	(57,500)	(50,000)	(7,500)
Relief Operation In Assam Disaster	506,465	-	-	506,465
	(-)	(506,465)	(-)	(506,465)
Total	513,965	72,789,247	11,582,309	61,720,903
		(-)	(1,117,465)	(603,500)
				(513,965)

Figures in brackets indicate amounts pertaining to the previous year.

4. Previous period figures have been regrouped and reclassified, wherever necessary, to conform to the current year's classification.

For and on behalf of CII Foundation


CHANDRAJIT BANERJEE
 Managing Trustee
 Place: New Delhi
 Date: 22 Sep, 2014