Cairn Foundation
Balance sheet as at March 31, 2018

Particulars	Schedule	As at March 31, 2018 (Rs.)		As at March 31, 2017 (Rs.)	
FUNDS EMPLOYED					
Corpus Fund			100,000		100,000
Restricted Fund					
Balance at the beginning of the year		5,509,218		4,735,710	
Additions to the Fund during the year:					
Funds received/receivable		166,490,566		149,862,511	
Interest accrued on Restricted fund		-		-	
		166,490,566		149,862,511	
Less Utilisation/Expenditure during the year:					
Amount utilised as revenue expenditure		(166,335,033)		(148,913,316)	
Amortisation of capital expenditure during the year		(155,533)		(175,688)	
		(166,490,566)	5,509,218	(149,089,003)	5,509,218
Surplus of Income over Expenditure					
(As per annexed Income and Expenditure account)			24,676,292		23,589,970
			30,285,510		**29,199,188**
REPRESENTED BY					
Non Current Assets					
Fixed Asset					
Gross Block	A		5,456,081		5,456,081
Less: Accumulated Depreciation			(2,934,790)		(2,615,238)
Net Block			2,521,291		2,840,843
Current Assets					
Cash and Bank Balances					
Balances with Scheduled Banks :					
- On Current Account			49,761,977		3,865,224
- On Deposit Account			22,984,157		21,699,594
Loans and Advances					
Donation receivable (refer note 8 in Schedule C)			111,792,737		183,834,184
Security Deposit			18,000		18,000
Advance tax net of provision			1,164,959		1,022,352
			188,243,120		**213,280,197**
Less: Current Liabilities					
Sundry Creditors			157,393,029		182,557,370
Other Liabilities			564,581		1,523,639
			157,957,610		**184,081,009**
Net Current Assets			**30,285,510**		**29,199,188**

Notes to accounts refer Schedule 'C'

The schedules and notes to accounts form an integral part of Balance sheet.

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
Firm registration number : 006711N/N500028

T R CHADHA & CO LLP GURUGRAM Chartered Accountants

Aashish Gupta
Partner
Membership Number : 097343

Place : Gurgaon
Date 06-09-2018

For and on behalf of
Cairn Foundation

Akhil Agrawal
President

Place : Gurgaon
Date : 06-09-2018

Cairn Foundation
Income and Expenditure Account for the year ended March 31, 2018

Particulars	Schedule	Year ended March 31, 2018			Year ended March 31, 2017		
		Restricted Fund (Rs.)	Other Funds (Rs.)	Total (Rs.)	Restricted Fund (Rs.)	Other Funds (Rs.)	Total (Rs.)
INCOME							
Donation received from							
Others		-	-	-	-	-	-
Interest Income		-	1,427,170	1,427,170	-	1,370,253	1,370,253
Amount transferred from Restricted Fund (to the extent of expenditure incurred)		166,490,566	-	166,490,566	149,089,003	-	149,089,003
Total Income		166,490,566	1,427,170	167,917,736	149,089,003	1,370,253	150,459,256
EXPENDITURE							
Depreciation on fixed assets	A	155,533	164,019	319,552	175,688	180,591	356,279
Other expenses	B	166,335,033	176,829	166,511,862	148,913,316	456,838	149,370,153
Total Expenditure		166,490,566	340,848	166,831,414	149,089,003	637,429	149,726,432
Excess/(Shortage) of Income over Expenditure for the year		-	1,086,322	1,086,322	-	732,824	732,824
Less : Tax expenses							
Current tax expense		-	0	0	-	-	-
Excess/(Shortage) of Income over Expenditure for the year		-	1,086,322	1,086,322	-	732,824	732,824
Add: Surplus/(Deficit) of Income and Expenditure carried from previous year		-	-	23,589,970	-	-	22,857,146
Net Surplus of Income over Expenditure carried to Balance sheet		-	1,086,322	24,676,292	-	732,824	23,589,970

Notes to accounts refer Schedule 'C'

The schedules and notes to accounts form an integral part of Income and Expenditure Account.

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
Firm registration number : 006711N/N500028

Aashish Gupta
Partner
Membership Number : 097343

Place : Gurgaon
Date : 06-09-2018

T R CHADHA & CO LLP
GURUGRAM
Chartered Accountants

For and on behalf of
Cairn Foundation

Akhil Agrawal
President

Place : Gurgaon
Date : 06-09-2018

Cairn Foundation (formerly known as Cairn Enterprise Centre)
Schedules Forming Part of Balance Sheet
Schedule A

Fixed Assets

S.No.	DESCRIPTION	Rate	GROSS BLOCK				DEPRECIATION				NET BLOCK	
			As at 01.04.2017	Additions during the year	Deletions during the year	As at 31.03.2018	Upto 01.04.2017	For the year	On deletions	Upto 31.03.2018	As at 31.03.2018	As at 31.03.2017
	Intangible Assets											
1	Computer software	60%	383,285	-	-	383,285	380,537	1,099	-	381,636	1,649	2,748
	Tangible Assets											
1	Buildings	10%	2,814,515	-	-	2,814,515	1,224,414	159,010	-	1,383,424	1,431,091	1,590,101
2	Furniture and Fixtures	10%	1,113,809	-	-	1,113,809	429,073	70,859	-	499,932	613,877	684,736
3	Office equipment	15%	408,640	-	-	408,640	229,491	30,968	-	260,459	148,181	179,149
4	Plant and Machinery	15%	735,832	-	-	735,832	351,723	57,616	-	409,339	326,493	384,109
	CURRENT YEAR TOTAL		5,456,081	-	-	5,456,081	2,615,238	319,552	-	2,934,790	2,521,291	2,840,843
	PREVIOUS YEAR TOTAL		5,456,081	-	-	5,456,081	2,258,959	356,279	-	2,615,238	2,840,843	-

Notes:

1. Buildings represent leasehold improvements.
2. The above Gross block includes Rs.2,248,572 (previous year Rs. 2,248,572) assets acquired out of restricted funds having accumulated depreciation of Rs.1,116,002 (previous year Rs 960,470) and Net book value of Rs.1,132,570 (previous year Rs.1,288,102).
3. Fixed assets received as grants or donations are capitalised at Nil value

Cairn Foundation
Schedules Forming Part Of The Income And Expenditure Account
Schedule B

Other Expenses

Particulars	For the year ended March 31, 2018			For the year ended March 31, 2017		
	Restricted Fund (Rs.)	Other Funds (Rs.)	Total (Rs.)	Restricted Fund (Rs.)	Other Funds (Rs.)	Total (Rs.)
Training and Capacity building expenses	31,919,668	5,173	31,924,841	20,325,625	-	20,325,625
Campaigns & Social Support	600,000	-	600,000	2,273,660	-	2,273,660
Social Development Programmes	133,815,365	-	133,815,365	126,313,053	-	126,313,053
Repairs & Maintenance	-	4,760	4,760	-	81,946	81,946
Professional Fee	-	64,750	64,750	-	77,625	77,625
Audit fees	-	59,000	59,000	-	11,500	11,500
Printing & Stationery	-	1,020	1,020	-	3,100	3,100
Research & Communication	-	-	-	-	9,950	9,950
Miscellaneous expenses	-	6,212	6,212	-	10,710	10,710
Books & Periodicals	-	4,980	4,980	-	4,920	4,920
Bank charges		3,215	3,215	978	3,220	4,198
Postage & courier expenses	-	47	47	-	-	-
Penalty & Fees	-	27,672	27,672	-	253,867	253,867
	166,335,033	176,829	166,511,862	148,913,316	456,838	149,370,153

Notes :

(a) Allocation of general and administration expenses between restricted and other purposes is based on best management estimates.

(b) Penalty & fees represents interest paid on late deposit of tax deducted at source with the government authorities.

Abhil Agrawal

T R CHADHA & CO LLP
GURUGRAM
Chartered Accountants

Cairn Foundation

SCHEDULES FORMING PART OF THE BALANCE SHEET AND INCOME AND EXPENDITURE ACCOUNT

Schedule C

Notes to Accounts

1. Cairn Foundation ('the Society') was incorporated on December 06, 2010 as a society under the Societies Registration Act No. XXI of 1860. The Society is also registered under Section 12A of the Income Tax Act, 1961 w.e.f. financial year 2011-12 onwards. The Society has registered itself with Haryana Registration and Regulation of Societies Act 2012 (Haryana Act No. 1 of 2012). It enjoys the benefits of a charitable society under Sections 11 and 12 of the Income Tax Act, 1961. The Society's objective is to work for the promotion of the socio-economic, environmental and development of the local communities in the Barmer district of Rajasthan, Savoli District of Gujarat and Challapalli Village of Andhra Pradesh.

2. The financial statements have been prepared under the historical cost convention on an accrual basis and in accordance with the accounting principles generally accepted in India including the accounting standards prescribed by the Institute of Chartered Accountants of India ('ICAI').

3. **Significant Accounting Policies**

a) Grants and Donations

(i) Grants and Donations received for which there are no stipulations as to use are recognized in the Income and Expenditure Account as income as and when received.

(ii) Grants and Donations received whose use is restricted by the contributors, are credited to separate fund accounts when the amount is received and reflected separately in the Balance sheet.

(iii) Donations received in kind are valued or accounted for in the books of accounts at Rs. Nil.

b) Fixed Assets and Depreciation

-Fixed Assets are shown at cost less accumulated depreciation. The cost of an asset comprises of purchase price and any directly attributable cost of bringing the asset to working condition for its intended use.

-Depreciation on Fixed Assets has been charged on the written down value method in accordance with the rates prescribed under Appendix-I of Income Tax Rules, 1962. In case of an asset acquired during the previous year and is put to use for a period less than 180 days in that previous year, the deduction as depreciation allowance has been restricted to 50% of the amount of such depreciation.

Following depreciation rates have been used to provide depreciation on fixed assets, as these coincide with the management's estimate of the useful lives of these assets.

Buildings	10%
Furniture & Fixtures	10%
Office Equipment	15%
Computer Software	60%
Plant & Machinery	15%

T R CHADHA & CO LLP
GURUGRAM
Chartered Accountants

c) **Funds**

-Corpus Fund: The Corpus Fund represents the corpus of the Society and it not subject to any restrictions on its utilisation.

-Restricted Funds: The Restricted Funds are subject to certain restrictions set out by the contributor and agreed to by the Society when accepting the contribution. These are held until used for the purpose specified and fixed deposits/investments are earmarked against them. Income arising out of the investments earmarked is credited to the Fund and is used for the purpose specified. Where the funds are meant for meeting revenue expenditure, upon incurrence of such expenditure, the same is charged to the income and expenditure account ('Restricted Funds'); a corresponding amount is transferred from the concerned restricted fund account to the credit of the Income and Expenditure Account ('Restricted Funds') and where the fund is meant for meeting capital expenditure, upon incurrence of the expenditure, the relevant asset account is debited which is depreciated over the useful lives of the asset. The unamortised portion of such asset is transferred to the credit of the Income and Expenditure Account in proportion to the depreciation charged every year.

d) **Revenue Recognition**

- Interest on deposits is recognized on a time proportion basis over the term of the deposits.

4. **Contingent Liabilities**

The Assessing Officer ('AO') in its tax assessment order for the Assessment Year 2012-13 has considered corpus donation received amounting to Rs. 5,000,000 as general donation and raised a demand of Rs.1,049,364 including interest. Aggrieved with the order of AO, the Society had filed an appeal before Commissioner of Income Tax (Appeals.) ('CIT (A)'). The Society has deposited a sum of Rs. 650,000 (including tax deducted at source of Rs. 100,000) against the said demand and have obtained a stay on the remaining amount. CIT (A) has directed the AO to examine whether the funds were utilized towards purchase of fixed assets out of the said donation and if found correct to allow the same as application of funds. The AO has verified the facts as directed by the CIT(A). The Society believes that it has good grounds to sustain its position and accordingly no provision has been made against the said demand in the financial statements. The copy of the order from AO giving effect to the order of CIT (A) is awaited by the Society.

5. There are no capital commitments as at March 31, 2018 (March 31, 2017 Nil).

6. The Society is a level III entity as defined in the General Instructions in respect of Accounting Standards issued by ICAI. Accordingly, the entity has complied with the Accounting Standards as applicable to a Level III entity.

7. **Related Party Disclosures**

Name of Related Party and relationship:
Society controlled by the company –Vedanta Limited

Related Party Transactions:

Nature of Transaction	**Related Party**	**31 March 2018 Rs.**	**31 March 2017 Rs.**
Donations received/ receivable	Vedanta Limited	166,490,567	149,089,003
Amounts outstanding as at the year end			
Donations receivable*	Vedanta Limited	111,792,737	183,834,184

GURUGRAM

* The Society has entered into an arrangement with Vedanta Limited whereby Vedanta Limited has provided an assurance to fund the Society for carrying out certain activities. Based on the expenditure incurred as at March 31, 2018, Society has recognised a receivable of Rs. 111,792,737. (March 31, 2017: Rs.183, 834,184) as at March 31, 2018.

8. Previous year's figures have been re-grouped as necessary to conform to this year's classification.

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
Firm registration number : 006711N/N500028

T R CHADHA & CO LLP GURUGRAM Chartered Accountants

Aashish Gupta
Partner
Membership Number: 097343
Place: Gurugram
Date: 06-09-2018

For and on behalf of
Cairn Foundation

Akhil Agrawal
President