

INDEPENDENT AUDITORS' REPORT

To
The Members of
M/s Railway Children India

Report on Financial Statements

We have audited the accompanying standalone financial statement of **M/s Railway Children India**, a company Limited by Guarantee ("the Company") which comprises the Balance Sheet as at March 31, 2017, and the Statement of Profit & Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 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, Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the Accounting & Auditing standards and matters which are required to be included in the Audit Report under the provisions of the Act the Rules made there under.

We have conducted our audit in accordance with 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 require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements 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. 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 but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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.



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 31st March, 2017, and its loss for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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.
2. As required by section 143(3) of the Act, we report that:
 - (a) we have 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 such books;
 - (c) the Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial Statement comply with the Accounting Standards specified under section 133 of companies Act, read with Rule 7 of Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, we report that none of the directors are disqualified as at 31st March 2017, from being appointed as a director in terms of section 164(2) of the Companies Act 2013.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditor's) Rules, 2014, In our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has does not have any pending litigations.
 - ii. The Company does not have any long term contracts. The company does not have any derivative contracts;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



- iv. The Company does not use cash for its transactions and accordingly there was no cash in hand as on 01.04.16, 08.11.16, 30.11.16 as well as 31.03.17. Therefore the company has not made any disclosure with regard to Specified Bank Notes.

For **Luthra & Luthra**
Chartered Accountants
Reg. No. 002081N


Nilesht Mehta
Partner
M. No. 093847

Place : New Delhi
Date : 04-07-17

Railway Children India
(A Company Limited by Guarantee not having Share Capital)
BALANCE SHEET AS AT 31ST MARCH, 2017

	Particulars	Note	As at March 31, 2017	As at March 31, 2016
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	-	-
	(b) Reserves and surplus	4	39,25,707	43,33,959
2	Current liabilities			
	(a) Other current liabilities	5	34,73,956	2,81,459
			73,99,663	46,15,418
II.	ASSETS			
1	Non Current Assets			
	(a) Fixed Assets	14	5,02,256	-
	Tangible Assets			
2	Current assets			
	(a) Cash and cash equivalents	6	63,13,897	45,69,618
	(b) Other current assets	7	5,83,509	45,800
			73,99,663	46,15,418

Summary of significant accounting policies

1 & 2

The notes referred to above form integral part of the financial statements

This is the Balance sheet referred to in our report of even date

For Luthra & Luthra
Chartered Accountants
Reg. No. 002081N


Nilesht Mehta
Partner
M. No. 093847

For and on behalf of the Board of Directors


Mr. Navin Sellaraju Sukumar
Director


Mr. Vijay Sood
Director

Place: New Delhi

Date: 04-07-17

Railway Children India (A Company Limited by Guarantee not having Share Capital)
Statement of Income & Expenditure for the year ending 31st March, 2017

	Particulars	Note	For year ended March 31, 2017	For year ended March 31, 2016
I.	Donations and grant received	8	141,37,868	82,83,100
II.	Other incomes	9	58,012	1,13,180
III.	Total revenue (I+II)		141,95,880	83,96,280
IV.	Expenses:			
	Grants to partners	10	94,15,803	36,01,140
	Employee related expenses	11	21,90,470	13,675
	Depreciation	14	32,663	-
	Program related expenses	12	21,56,878	-
	Other expenses	13	8,08,319	2,21,146
	Total expenses		146,04,133	38,35,961
V	Surplus / Deficit		(4,08,253)	45,60,319
VI	Tax expense:			
	(1) Current income tax		-	
	(3) Deferred Tax		-	
	Total Tax expenses		-	
VII.	Profit/(Loss) after tax		(4,08,253)	

Summary of significant accounting policies

1 & 2

The notes referred to above form integral part of the financial statements

This is the Statement of profit and loss referred to in our report of even date

For Luthra & Luthra
Chartered Accountants
Reg. No. 002081N

For and on behalf of the Board of Directors

Mr. Nilesh Mehta
Partner
M.No. 093847

Mr.Navin Sellaraju Sukumar
Director

Mr. Vijay Sood
Director

Place: New Delhi

Date: 04-07-17

Railway Children India (A Company Limited by Guarantee not having Share Capital)

Notes to Accounts

Note 1 Railway Children India was incorporated under Section 25 of the Companies Act, 1956 on 19 November 2013 as a private limited company limited by guarantee and not having share capital and has been granted licence under section 25 vide licence no. 103464. The company is formed to carry out activities without any distinction or discrimination on the basis of caste, religion, race or colour or sex of providing relief to children and young person under the age of 25 years who are in condition of need, hardship or distress anywhere in world and in particular those living in streets.

Note 2 Significant Accounting Policies

a) Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention, accrual basis of accounting, in accordance with the generally accepted accounting principles and comply with the accounting standards as per section 133 of the Companies Act 2013 read together with Rule 7 of the Companies (Accounts) Rules 2014.

b) Use of Estimates

The preparation of financial statements, in conformity with the generally accepted accounting principles, requires management to make estimates and make assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingencies as at the date of the financial statements and reported amount of income and expenses during the period. Examples of such estimates include accounting for rates and taxes, and provisions etc. Contingencies are recorded when it is probable that a liability will be incurred, and amount can be reasonably estimated. Actual results could differ from those estimates.

c) Taxation

The company has been incorporated under Section 25 of The Companies Act, 1956 (corresponding section 8 of the Companies Act 2013) & thus not liable to pay tax.

d) Depreciation

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as Prescribed under Part-C of Schedule II of Companies Act 2013. Depreciation for assets purchased / sold during a period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

e) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- (i) the Company has a present obligation as a result of a past event,
- (ii) a probable outflow of resources is expected to settle the obligation and
- (iii) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent Liability is disclosed in the case of

- (i) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation
- (ii) a possible obligation, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognised, nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance sheet date.



Railway Children India (A Company Limited by Guarantee not having Share Capital)
Notes Forming Part of Balance Sheet

3 Guarantee

Guarantee Deposits

Particulars	March 31,2017 Rs	March 31,2016 Rs
At the Beginning	10,000	10,000
Issued During the Year	-	-
Outstanding at the end of the period	10,000	10,000

4 Reserves and Surplus

Particulars	March 31,2017 Rs	March 31,2016 Rs
General Reserve		
Balance brought forward from previous year	43,33,959	(2,26,360)
Profit/(Loss) after Taxes	(4,08,253)	45,60,319
Closing balance as at 31st March,2016	39,25,707	43,33,959

5 Other Current Liabilities

Particulars	March 31,2017 Rs.	March 31,2016 Rs.
Salary Payable	4,05,544	-
Expenses payable	1,27,387	-
Auditors Remuneration Payable	2,50,680	2,50,680
Company Law Retainership Payable	31,500	-
Tds Payable	1,20,205	30,779
Grant received in advance	25,38,640	-
Total	34,73,956	2,81,459

6 Cash and cash equivalents

Particulars	March 31,2017 Rs.	March 31,2016 Rs.
- Cash in hand	-	-
- Cash at Bank	63,13,897	45,69,618
Total	63,13,897	45,69,618

7 Short term loans and advances

Particulars	March 31,2017 Rs.	March 31,2016 Rs.
- Security deposits	1,47,291	-
- Prepaid expenses	56,233	-
- Staff advances	12,545	-
- Amount receivable from APPI	-	45,800
- Amount receivable from SARD	3,67,440	-
Total	5,83,509	45,800

8 Donations and grant received

Particulars	March 31,2017 Rs.	March 31,2016 Rs.
Income from grant received	141,37,868	82,78,100
Donations	-	5,000
	141,37,868	82,83,100

9 Other Income

Particulars	March 31,2017 Rs.	March 31,2016 Rs.
Creditors written back	-	1,13,180
Interest Income	58,012	-
	58,012	1,13,180

10 Grants to Partners

Particulars	March 31,2017 Rs.	March 31,2016 Rs.
- Grants to Partners	94,15,803	36,01,140
	94,15,803	36,01,140



11 Employee Benefit expense

Particulars	March 31,2017 Rs.	March 31,2016 Rs.
Salary (Program)	15,64,367	-
Salary (Enabling Function)	4,97,844	-
Staff welfare and capacity development	1,28,259	13,675
	21,90,470	13,675

12 Program expenses

Particulars	March 31,2017 Rs.	March 31,2016 Rs.
Training and Program Monitoring Travel Expenses	5,09,646	-
Recruitment expenses	72,575	-
Research & Baseline study expenses	4,98,002	-
Livelihood Program Market Study	4,08,050	-
Organisational development expenses	6,68,605	-
	21,56,878	-

13 Other Expense

Particulars	March 31,2017 Rs.	March 31,2016 Rs.
Office rent	3,06,027	40,047
Bank charges	535	5,999
Interest on tds	429	2,600
Legal & Professional Expenses	2,07,000	1,72,500
Office utilities and other expenses	2,24,429	-
Telephone communication expense	69,900	-
Total	8,08,319	2,21,146

Legal & Professional includes Payment to Auditor

	(Rs)	(Rs)
As Auditor		
Audit Fees	172,500	1,72,500
Tax Audit Fees	-	-
In Other Capacity		
Taxation Matters	-	-
Company Law Matters	34,500	-
Reimbursement Expenses	2,07,000	1,72,500

Related Party Transactions

Directors

Navin Sellaraju Sukumar
Sunita
Vaiyacheri Subramaniam Gurumani
Manisha Chadha
Naghma Parvez Mulla
Vijay Sood

Transactions with Related Parties :- Rs. NIL/- (Previous Year:- Rs 5000)

Note 15 The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

Note 16 The Enterprise is a Level -II enterprise as per the norms of the NACAS and in persuasion of exemption of exemption or relaxation from the applicability of Accounting Standard issued by NACAS, available to such enterprises, information required in AS-3 Cash Flow statement, AS-17 Segment Reporting has not been disclosed

Note 17 The Company has taken 2 Office premises on lease in Delhi for its operations. The Office Premises is on lease for period of three years which is further extendable as per mutual agreement. The total lease rental recognized as an expense during the year under the above lease agreement amounts to Rs. 3,06,027 (Previous year Rs. 40,047).

Note 18 Previous year figures have been regrouped / recast wherever found necessary to correspond with current year classification.

For and on behalf of the Board of Directors



Mr. Navin Sellaraju Sukumar
Director



Mr. Vijay Sood
Director



Railway Children India (A Company Limited by Guarantee not having Share Capital)
Notes forming part of financial statements

14 Fixed Assets

Particulars	Tangible		Grand
	Computer	Office equipment	Total
Gross Block			
Balance as at April 01, 2015	-	-	-
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2016	-	-	-
Balance as at April 01, 2016	-	-	-
Additions	5,11,594	23,325	5,34,919
Disposals	-	-	-
Balance as at March 31, 2017	5,11,594	23,325	5,34,919
Depreciation/Amortisation			
Balance as at April 01, 2015	-	-	-
Depreciation for the year	-	-	-
Accumulated Depreciation on disposals	-	-	-
Balance as at March 31, 2016	-	-	-
Balance as at April 01, 2016	-	-	-
Depreciation for the year	31,630	1,032	32,663
Accumulated Depreciation on disposals	-	-	-
Balance as at March 31, 2017	31,630	1,032	32,663
Net Block			
Balance as at March 31, 2016	-	-	-
Balance as at March 31, 2017	4,79,963	22,293	5,02,256

