

INDEPENDENT AUDITOR'S REPORT

To the Governing Board of Centre for Responsible Business,
(A Society registered under Societies Registration Act, 1860)

Report on the Financial Statements

We have audited the accompanying Financial Statements of **Centre for Responsible Business** (herein after the Society), which comprise the Balance Sheet as at **March 31, 2018**, and the Income and Expenditure Account for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with Societies Registration Act, 1860. The 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.

Auditor's 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 of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and 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 Society's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Society as at March 31, 2018; and
- (b) In the case of the Income and Expenditure account, of the excess of expenditure over income for the year ended on that date.



Emphasis of Matter

We draw attention to the following matters in the notes to the financial statements:

Note No. 7 to the financial statements, which describes the non-payment/delayed payment of statutory dues of Service Tax, Krishi Kalyan Cess, Swachh Bharat Cess, Goods and Services Tax and Tax Deducted at Source.

Our opinion is not modified in respect of this matter.

For P M H & Associates LLP
Chartered Accountants
FRN: 026443N/N-500054

Manas Piyush



Manas Piyush
(Partner)
M. No.: 517928

Date: September 28th, 2018
Place: New Delhi

Centre For Responsible Business (CRB)

Society Reg. No.: 0501/2011

Balance Sheet

	Notes	As at March 31, 2018 ₹	As at March 31, 2017 ₹
LIABILITIES			
General Fund	1	543,132	1,037,386
		543,132	1,037,386
Current Liabilities			
Trade Payable		1,374,839	-
Other Liabilities	2	1,201,469	1,943,109
		2,576,308	1,943,109
Total		3,119,440	2,980,495
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	3	539,384	613,336
		539,384	613,336
Current Assets			
Trade Receivable	4	1,573,664	810,210
Cash and Bank Balances	5	64,034	721,016
Short term Loan and Advance	6	942,358	835,932
		2,580,056	2,367,159
TOTAL		3,119,440	2,980,495

Summary of Significant Accounting Policies

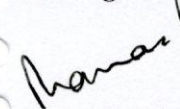
The accompanying notes are an integral part of the financial statements

As per our report of even date

For PMH & Associates LLP

Chartered Accountants

Firm Reg. No. 026443N/N-500054



Manas Piyush

Partner

M. No.: 517928

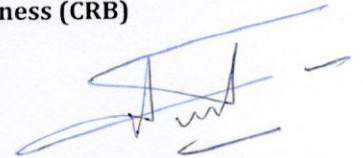


For and on behalf of

Centre For Responsible Business (CRB)



Governing Body Member



Governing Body Member

Date: September 28th, 2018

Place: New Delhi

Centre For Responsible Business (CRB)

Society Reg. No.: 0501/2011

Income & Expenditure Account

	Notes	For the Year Ended	For the Year Ended
		March 31, 2018	March 31, 2017
		₹	₹
Income			
Professional Fee		14,632,105	14,539,258
Interest Income		10,776	79,349
Other Income		581,161	12
Total Revenue		15,224,042	14,618,619
Expenditure			
Personnel Expenses		6,758,784	5,611,370
Consultancy Expenses		2,427,934	3,053,099
Workshop & Conference Expenses		3,743,704	2,032,503
Rent		835,450	833,866
Adminstration Expenses		599,300	1,095,493
Travel Expenses		544,505	2,341,571
Rates & Taxes		318,078	36,336
Web Designing/Software Expenses		139,855	159,940
Foreign Exchange Gain/loss		91,135	54,497
Depreciation		73,027	106,811
Audit Fee		60,000	75,375
Stationery Expenses		36,243	93,790
Office Expenses		31,775	9,212
Staff Welfare		23,897	77,531
Bank Charges/Interest Expenses		18,842	65,427
Miscellaneous Expenses		15,767	21,049
Amount Written off		-	100,045
Repair & Maintenance		-	57,798
Income Tax Provision		-	-
Excess of Expenditure over Income c/f to Balance Sheet		(494,254)	(1,207,093)
Total		15,224,042	14,618,619

As per our report of even date

For PMH & Associates LLP

Chartered Accountants

Firm Reg. No. 026443N/N-500054

Manas Piyush

Partner

M. No.: 517928



For and on behalf of

Centre For Responsible Business (CRB)

Rohaan
Governing Body Member

Governing Body Member

Place : New Delhi

Date: September 28th, 2018

SCHEDULE 1: BACKGROUND AND SIGNIFICANT ACCOUNTING POLICIES:

1. BACKGROUND AND OVERVIEW OF THE SOCIETY'S OPERATIONS:

Centre for Responsible Business (CRB) was incorporated on November 14, 2011 under the "Societies Registration Act XXI of 1860" with the objective to promote responsible business strategies, policies and practices and to perform customized advisory services, action and policy research, training and capacity building and convening knowledge forums in CSR and Sustainability domains.

2. SIGNIFICANT ACCOUNTING POLICIES:

a. Basis of Preparation of Financial Statements

The financial statements of the Society have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Society has prepared these financial statements to comply in all material respects with the accounting standards specified by the Institute of Chartered Accounts of India. The financial statements are prepared under historical cost convention, on accrual basis of accounting and in accordance with the normally accepted accounting principles and accounting standards, unless otherwise stated.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b. Use of Estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

c. Revenue Recognition

Rendering of Services

Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

Government Grants



Revenue from duty drawback is recognized when there is a reasonable assurance that the Society will comply with the conditions attached to it and it is reasonably certain that ultimate collection will be made.

Revenue from other government grants is recognized when such grant is received by the Society.

d. Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Expenditure for additions, modifications, improvements and renewals are capitalized and expenditure for maintenance and repairs are charged to income and expenditure account. Financing costs relating to acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

e. Depreciation

Depreciation on other assets is calculated using the Written - Down Value Method (WDV) as per the rates prescribed by the Income Tax Act, 1961.

f. Leases

Where the Society is the lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Income and Expenditure account on a straight-line basis over the lease term.

g. Foreign Currency Transactions

a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting society's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized



as income or as expenses in the year in which they arise except those arising from investments in non-integral operations.

h. Income Taxes

Tax expense comprises of current taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961.

i. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, any decline, other than temporary, in the value of the investments is charged to the income and expenditure account.

j. Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

k. Provisions, Contingent Liabilities and Contingent Assets

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. Provision for expenditure relating to voluntary retirement is made when the employee accepts the offer of early retirement.

Contingent Liability

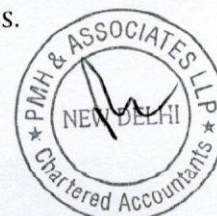
A contingent liability is disclosed where, as a result of past events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets

Contingent Assets are not recognised in the financial statements.

l. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



Centre For Responsible Business (CRB)
Society Reg. No.: 0501/2011
Notes

1 General Fund

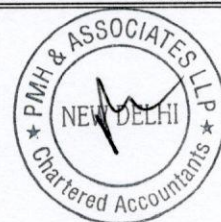
	As at March 31, 2018	As at March 31, 2017
	₹	₹
Opening Balance	1,037,386	2,244,479
Add: Income as per Income & Expenditure Statement	(494,254)	(1,207,093)
	<u>543,132</u>	<u>1,037,386</u>

2 Other Current Liabilities

	As at March 31, 2018	As at March 31, 2017
	₹	₹
Statutory Liabilities		
TDS Payable	524,673	293,934
GST Payable	328,138	-
Service Tax payable	51,000	125,062
Krishi Kalyan Cess payable	1,806	4,467
Swachh Bharat Cess Payable	1,806	6,236
Other Liabilities		
Audit Fee Payable	132,750	78,750
Expenses Payable	161,296	16,910
Other	-	1,417,751
	<u>1,201,469</u>	<u>1,943,109</u>

4 Trade Receivable

	As at March 31, 2018	As at March 31, 2017
	₹	₹
Rainforest Alliance	785,706	13,536
Green Electronic Council	390,285	-
MVO Netherlands	356,036	3,000
Save the children India	23,601	-
Eric R Beil	13,536	-
Pooja Internattional	3,000	-
Supreme Texmart Ltd.	1,500	1,500
Foundation Global Values Alliance	-	617,956
Quality Council Of India	-	113,000
Mahindra Sanyo Special Steel Pvt Ltd	-	60,000
Fortune Select JP Cosmos	-	1,218
	<u>1,573,664</u>	<u>810,210</u>



Centre For Responsible Business (CRB)
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Notes

3. Tangible Assets

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	W.D.V AS ON 01.04.2017	ADDITION / SALE BEFORE 30.09.2017	ADDITION / SALE AFTER 30.09.2017	W.D.V. AS ON 31.03.2018	FOR THE YEAR	SALES/ ADJUSTMENT	AS AT 31.03.2018	WDV AS AT 31.03.2018
COMPUTERS & ACCESSORIES	22,970	6,100	(7,025)	22,045	8,818	-	8,818	13,227
OFFICE EQUIPMENTS	103,450	-	-	103,450	15,518	-	15,518	87,932
FURNITURE AND FITTING	70,824	-	-	70,824	7,082	-	7,082	63,742
BUILDING RENOVATION	416,092	-	-	416,092	41,609	-	41,609	374,483
	613,336	6,100	(7,025)	612,411	73,027	-	73,027	539,384



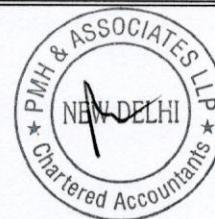
Centre For Responsible Business (CRB)
Society Reg. No.: 0501/2011
Notes

5 Cash and Bank Balances

	As at March 31, 2018	As at March 31, 2017
	₹	₹
Cash in hand	1,886	8,074
Balances with banks in current accounts	62,148	712,942
	64,034	721,016

6 Short Term Loan and advances

	As at March 31, 2018	As at March 31, 2017
	₹	₹
Advance Tax & TDS	841,525	835,932
Service Tax Receivable	54,803	-
Advance Recoverable in Cash and Kind	46,030	-
	942,358	835,932



7 The Society is generally regular is the payment of its statutory dues except the following:

Nature of dues	Amount
Service Tax	51,000
Krishi Kalyan Cess	1,806
Swachh Bharat Cess	1,806
Goods and Service Tax	222,240
Tax Deducted at Source*	524,673
Total	801,525

* The same has been paid subsequently post March 31st, 2018.

8 Related Party Disclosures

Key Management Personnel

Executive Director Mr. Arun Asthana
Chief Operating Officer Mr. Rijit Sengupta

Particulars	Key Management Personnel		Total	
	2017-18	2016-17	2017-18	2016-17
Managerial Remuneration				
Mr. Arun Asthana	2,100,600	322,904	2,100,600	322,904
Mr. Rijit Sengupta	2,004,000	1,631,015	2,004,000	1,631,015
Year End Balances (Recoverable From)/Payable to:				
Mr. Arun Asthana	(60,000)	-	(60,000)	-
Mr. Rijit Sengupta	59,000	-	59,000	-

9 Operating Leases

The Society has taken the office premises under cancellable operating lease agreements. The Society intends to renew such leases in the normal course of business. Total rental expenses under cancellable operating leases amounted to Rs. 835,450/- (previous year: Rs. 833,866/-). The same has been shown under Rent in other expenses in the Statement of Profit and Loss. The Society has no non-cancellable operating leases during the year ended 31 March 2018.

10 Previous year figures have been regrouped, wherever considered necessary

As per our report of even date
For PMH & Associates LLP
Chartered Accountants
Firm Reg. No. 026443N/N-500054

Manas Piyush
Partner
M. No.: 517928



For and on behalf of
Centre For Responsible Business (CRB)

Rehman
Governing Body Member

[Signature]
Governing Body Member

Place : New Delhi
Date: September 28th, 2018