



# V. NAGARAJAN & CO.,

Chartered Accountants

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITED CARE DEVELOPMENT SERVICES

### 1. Report on the financial statements

We have audited the accompanying financial statements of **UNITED CARE DEVELOPMENT SERVICES** (the 'Company'), which comprise the Balance Sheet as at March 31, 2017, the Statement of Income and Expenditure, the Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### 2. 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, including the Accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 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.

### 3. 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 and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Act. 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 judgement, 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 on the financial statements.





# V. NAGARAJAN & CO.,

Chartered Accountants

## 4. Opinion

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 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, 2017 and its loss and its cash flows for the year ended on that date.

## 5. Report on other legal and regulatory requirements

- i. As The Company is licensed to operate under Section 8 of the Companies Act, 2013, the provision of Companies (Auditors Report) Order, 2016 is not applicable.
- ii. 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 accounts as required by the law have been kept by the Company, so far as it appears from our examination of those books.
  - c) The Balance Sheet, Statement of Income and Expenditure, and Cash Flow statement dealt with by this report are in agreement with the books of accounts;
  - 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, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of sub-section (2) of section 164 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 and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - I. The company does not have any pending litigations which would impact its financial position.
    - II. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company.

Date: September 04, 2017

Place: Hyderabad

for V. Nagarajan & Co.,  
Chartered Accountants

A.G Sitaraman  
Partner

M. No.: 017799 | ICAI Firm Reg. No.: 04879N



# UNITED CARE DEVELOPMENT SERVICES

(All amounts in ₹ except otherwise stated)

BALANCE SHEET AS AT	Note No.	31-Mar-17	31-Mar-16
<b>I. EQUITY AND LIABILITIES</b>			
Shareholders' funds			
(a) Share capital	2.1	1,00,000	1,00,000
(b) Reserves and surplus	2.2	1,04,31,984	7,69,822
		<u>1,05,31,984</u>	<u>8,69,822</u>
Current liabilities	2.3		
(a) Committed Grant		21,06,368	-
(b) Other current liabilities		5,40,628	17,976
		<u>26,46,996</u>	<u>17,976</u>
<b>Total</b>		<u><b>1,31,78,980</b></u>	<u><b>8,87,798</b></u>
<b>II. ASSETS</b>			
Non-current assets			
(a) Fixed assets			
Tangible assets	2.4	1,00,92,790	46,657
		<u>1,00,92,790</u>	<u>46,657</u>
Current assets			
(a) Cash and cash equivalents	2.5	29,55,955	8,09,141
(b) Other current assets	2.6	1,30,235	32,000
		<u>30,86,190</u>	<u>8,41,141</u>
<b>Total</b>		<u><b>1,31,78,980</b></u>	<u><b>8,87,798</b></u>
Significant accounting policies and notes on accounts	1 & 2		

The accompanying notes are an integral part of these financial statements

As per our report of even date  
for V. NAGARAJAN & CO.,  
Chartered Accountants

for UNITED CARE DEVELOPMENT SERVICES



*A. G. Sitaraman*

A. G. Sitaraman  
Partner

ICAI Firm No. 04879N | M. No.: 017799

*G. Satish Raju*

G. Satish Raju  
Director

*P. S. Gunaranjan*

P. S. Gunaranjan  
Director



Place: Hyderabad  
Date: 04-Sep-2017

Audited financial statements for the year ended March 31, 2017



# UNITED CARE DEVELOPMENT SERVICES

(All amounts in ₹ except otherwise stated)

## STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED

	Note No.	31-Mar-17	31-Mar-16
Grants & Donations	2.7	2,72,71,048	58,13,343
Other income	2.8	30,462	58,298
<b>Total Revenue</b>		<b>2,73,01,510</b>	<b>58,71,641</b>
<b>Expenses</b>			
Grants and Direct programme expenses	2.9	1,34,27,314	65,80,675
Employee benefits expense	2.10	4,25,778	3,46,957
Depreciation		15,302	47,994
Other operating expenses	2.11	4,46,760	3,74,746
<b>Total expenses</b>		<b>1,43,15,154</b>	<b>73,50,372</b>
Transfer to Asset acquisition fund (Refer 1.3.2 / 2.2.iii)		(1,33,85,629)	
<b>Surplus/(deficit) (Refer Note-2.2)</b>		<b>(3,99,273)</b>	<b>(14,78,731)</b>
Significant accounting policies and notes on accounts	1 & 2		

The accompanying notes are an integral part of these financial statements

As per our report of even date  
for V. NAGARAJAN & CO.,  
Chartered Accountants



*A. G. Sitaraman*  
A. G. Sitaraman  
Partner

ICAI Firm No. 04879N | M. No.: 017799

for UNITED CARE DEVELOPMENT SERVICES

*G. Satish Raju*  
G. Satish Raju  
Director

*P. S. Gunaranjan*  
P. S. Gunaranjan  
Director

Place: Hyderabad  
Date: 04-Sep-2017



Audited financial statements for the year ended March 31, 2017

# UNITED CARE DEVELOPMENT SERVICES


(All amounts in ₹ except otherwise stated)

Cash flow statement for the year ended	31-Mar-17	31-Mar-16
<b>A. Cash flows from operating activities</b>		
Surplus/(deficit) for the year	(3,99,273)	(14,78,731)
<b>Adjustments for non-cash expenditure</b>		
Depreciation	15,302	47,994
Operating profit before working capital changes	(3,83,971)	(14,30,737)
<b>Adjustments for:</b>		
Decrease / (Increase) in operating assets	(98,236)	69,672
(Decrease) / Increase in current liabilities	26,29,020	(35,132)
<b>Net cash flow from operating activities [A]</b>	<b>21,46,813</b>	<b>(13,96,197)</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets	(1,33,85,629)	-
<b>Net cash flow from investment activities [B]</b>	<b>(1,33,85,629)</b>	<b>-</b>
<b>C. Cash flows from financing activities</b>		
Increase/(Decrease) in share capital	1,33,85,629	-
<b>Net cash flow from financing activities [C]</b>	<b>1,33,85,629</b>	<b>-</b>
<b>Net change in cash and cash equivalents during the year (A+B+C)</b>	<b>21,46,813</b>	<b>(13,96,197)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>8,09,142</b>	<b>22,05,339</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>29,55,955</b>	<b>8,09,142</b>

This is the cash flow statement referred to in our report of even date.

As per our report of even date  
for **V. NAGARAJAN & CO.,**  
Chartered Accountants

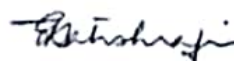
for **UNITED CARE DEVELOPMENT SERVICES**



**A. G. Sitaraman**  
Partner

ICAI Firm No. 04879N | M. No.: 017799





**G. Satish Raju**  
Director



**P. S. Gunaranjan**  
Director



Place: Hyderabad  
Date: 04-Sep-2017

# UNITED CARE DEVELOPMENT SERVICES

## Notes Forming Part of Financial statement

### Company overview:

"United Care Development Services" (herein after referred as 'UCDS' or the 'Company') is licensed to operate under Section 8 of the Companies Act, 2013 (earlier Sec 25 of Companies Act, 1956) and also registered as a charitable organisation u/s 12A of the Income Tax act, 1961.

The objective of UCDS is to bring a result-based approach to development finance in the areas of Education, Health and Energy & Environmental services for the poor. UCDS aims to attract development funding for projects undertaken by it, by seeking grant contributions from both individuals and institutions based on demonstrable results achieved. By emphasizing on results and thereby reducing the risk of opportunity cost for social returns, the result based funding model aims to attract more individual and institutional donors and funders, to create a larger and efficient market for philanthropy and development finance.

### 1 Significant accounting policies

#### 1.1 Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and comply in all material aspects with the applicable accounting principles in India, including accounting Standards specified under Section 133 of the Companies Act, 2013 (the "Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014.

#### 1.2 Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of the operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revisions to the accounting estimates are recognised prospectively in the current and future years.

#### 1.3 Fixed assets and Depreciation

1.3.1 Fixed assets are stated at cost inclusive of all incidental expenses incurred for acquisition of such assets.

1.3.2 Assets purchased out of grant are reflected under "Assets Acquisition Fund" after deducting accumulated depreciation to reflect the written down value at the end of the period.

1.3.3 Depreciation is calculated on the written down value method on prorata basis from the day the asset is put to use at the rates determined by the management. These rates are not lower than the rate prescribed in schedule II of the Companies Act, 2013.

The estimated useful life and rate assumed for calculating the depreciation under Written down value method is as follows:

Class of Fixed Assets	Useful Life	Rate of Depreciation
Computers	3 Years	63.16%
Office equipment	5 Years	45.07%
Plant & Machinery	3 Years	63.16%
Furniture	10 Years	25.89%

#### 1.4 Investments

All current and long-term investments are valued at lower of cost or market value.

#### 1.5 Income tax

The Company is registered under section-12A of the Income Tax Act, 1961 as a tax exempt entity and has fulfilled all the conditions laid down therein and hence no tax liability is expected.

*Ratishaji Sundar*



Audited financial statements for the year ended March 31, 2017



# UNITED CARE DEVELOPMENT SERVICES

## Notes Forming Part of Financial statement

### 2 Notes on accounts

#### 2.1 Share capital

	31-Mar-17	31-Mar-16
<b>Authorized</b>		
1,000 (31 March 2016: 1,000) equity shares of Rs. 100 each	1,00,000	1,00,000
<b>Issued, subscribed and fully paid-up</b>		
<b>Equity shares:</b>		
1,000 (31 March 2016: 1,000) equity shares of Rs. 100 each fully paid-up.	1,00,000	1,00,000
<b>Total</b>	<b>1,00,000</b>	<b>1,00,000</b>

(a) The details of Equity shareholders holding more than 5% shares is set out below

Sl No.	Name	No. of fully paid up shares held	% of total	31-Mar-17	31-Mar-16
1	Gunaranjan.P	505	50.5%	50,500	50,500
2	Ramana .N.V	99	9.9%	9,900	9,900
3	Satish Raju .G	99	9.9%	9,900	9,900
4	Rai P.D	99	9.9%	9,900	9,900
5	Sushil Ramola	99	9.9%	9,900	9,900
6	Vijay Mahajan	99	9.9%	9,900	9,900
		<b>1000</b>	<b>100%</b>	<b>1,00,000</b>	<b>1,00,000</b>

(b) Reconciliation of the number of Equity Shares:

Number of equity shares outstanding at the beginning of the year

1,000

Number of equity shares outstanding at the end of the year

1,000

There was no issue / buy of shares during the year and in the previous year.

(c) The company has issued only one class of Equity shares of the par value of Rs. 100 each, with voting right of one vote per share.

#### 2.2 Reserves and surplus

	31-Mar-17	31-Mar-16
<b>i. Capital reserve</b>		
Opening balance	8,18,997	8,18,997
Additions during the year	-	-
Deductions during the year	-	-
	<b>8,18,997</b>	<b>8,18,997</b>
<b>ii. Surplus in income and expenditure account</b>		
Opening balance	(49,175)	14,29,556
Additions during the year	(3,99,273)	(14,78,731)
	<b>(4,48,448)</b>	<b>(49,175)</b>
<b>iii. Asset Acquisition Fund</b>		
Opening balance	-	-
Transfer during the year	1,33,85,629	-
Less: Accumulated Depreciation	33,24,194	-
	<b>1,00,61,435</b>	<b>-</b>
	<b>1,04,31,984</b>	<b>7,69,822</b>



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Audited financial statements for the year ended March 31, 2017

# UNITED CARE DEVELOPMENT SERVICES

## Notes Forming Part of Financial statement

2.3	Current liabilities	31-Mar-17	31-Mar-16
a.	Committed Grant (Tata Trusts)	17,22,453	-
	Interest on above (see note 2.8)	3,83,915	-
		<u>21,06,368</u>	
b.	Other payables	5,40,628	17,976
		<u>5,40,628</u>	<u>17,976</u>
2.5	Cash and cash equivalents	31-Mar-17	31-Mar-16
	Balances with banks		
	in current account- with HDFC Bank	2,27,233	8,09,141
	In Saving account-with YES Bank (Tata Trusts)	27,28,722	-
		<u>29,55,955</u>	<u>8,09,141</u>
2.6	Other current assets	31-Mar-17	31-Mar-16
	Rent deposit	32,000	32,000
	Other receivables	98,235	-
		<u>1,30,235</u>	<u>32,000</u>
2.7	Revenue from operations	31-Mar-17	31-Mar-16
	Donations		
	from institutions		
	Tata Trusts	1,95,77,547	-
	Charities Aid Foundation America	13,17,523	-
	Gandhi Global Alumni Association (GMCGA)	21,43,379	27,74,235
	Samriddhi PetroProducts Pvt Ltd	8,60,152	-
	Abhaya Foundation	25,000	-
	United Way of Hyderabad	8,40,000	7,00,000
	Pragathi Welfare Association	-	15,58,880
	from individuals	<u>25,07,447</u>	<u>7,80,228</u>
		<u>2,72,71,048</u>	<u>58,13,343</u>
2.8	Other income	31-Mar-17	31-Mar-16
	Interest on term deposits	3,83,915	58,298
	Interest on Savings account	27,812	-
	Interest on IT Refund	2,650	-
	Less: Transferred to committed Grant	<u>(3,83,915)</u>	
		<u>30,462</u>	<u>58,298</u>



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# UNITED CARE DEVELOPMENT SERVICES

## Notes Forming Part of Financial statement

2.9	Project Expenses	31-Mar-17	31-Mar-16
	Education - Burugula Govt Schools	3,36,000	6,11,762
	Health - Public Hospitals in AP and Telangana	1,25,74,789	51,54,066
	Health4All - Free and Open Source InfoTech solutions	1,17,513	68,572
	Seva Mela	1,34,543	7,11,076
	Consumables for Health project	2,64,469	-
	Other Project Expenses	-	35,199
		<b>1,34,27,314</b>	<b>65,80,675</b>

2.10	Employee benefit expense	31-Mar-17	31-Mar-16
	Salaries	3,20,500	2,86,000
	Staff & Volunteers Welfare	1,05,278	60,957
		<b>4,25,778</b>	<b>3,46,957</b>

2.11	Other operating expenses	31-Mar-17	31-Mar-16
	Rent	2,04,000	2,04,000
	Travelling & Conveyance	90,798	57,004
	Telephone & Internet Charges	39,340	26,703
	Professional & Consultancy fee	14,792	5,200
	Audit Fee	11,800	11,500
	IT Solutions (Domain Main)	-	13,169
	Printing & Stationery	4,355	1,080
	Office Maintenance	66,814	37,831
	Bank Charges	14,861	18,259
		<b>4,46,760</b>	<b>3,74,746</b>

- 2.12 **Grant from Tata Education and Development Trust**  
UCDS has been sanctioned a grant of Rs. 426 lakhs by Tata Education and Development Trust (hereinafter referred as Tata Trusts), which is to be utilised for "Extending Model and Emergency and Critical Care Services support at Gandhi Hospital Hyderabad and Government General Hospital, Vijayawada, over a period of 1 Year commencing from June 1 2016 to May 31, 2017. During the year, a sum of Rs. 213,00,000 has been received and receipt, and utilisation of the funds is summarised below:

S.No	Particulars	Rs.
1	<b>Income</b>	
	Grant received	2,13,00,000
2	<b>Expenses</b>	1,06,19,812
	<b>Total-A</b>	<b>1,06,80,188</b>
	<b>Less:</b>	
c	Assets purchased	69,93,059
	Purchase of Fixed Assets	18,15,999
	<b>Total-B</b>	<b>88,09,058</b>
	<b>Total (A-B)</b>	<b>18,71,130</b>
3	Interest	3,83,915
4	Creditors/Others	4,73,677
	<b>Balance at Bank</b>	<b>27,28,722</b>



*Signature*



Audited financial statements for the year ended March 31, 2017

## UNITED CARE DEVELOPMENT SERVICES

### Notes Forming Part of Financial statement

- 2.13 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-


Particulars	SBN	Other Denominations	Total
Closing cash in hand as on 08.11.2016	Nil	Nil	Nil
Add: Permitted Receipts	Nil	Nil	Nil
Less: Permitted Payments	Nil	Nil	Nil
Less: Amount Deposited in Banks	Nil	Nil	Nil
Closing cash in hand as on 30.12.2016	Nil	Nil	Nil

- 3 Other information required under Para 5(viii) of part II of revised schedule III of the companies Act 2013 - Nil.
- 4 **Prior year comparatives**  
The previous year figures are regrouped /rearranged to conform to current year presentation.
- 5 Based on information available with the Company, there are no suppliers who are registered as micro and small enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006.

As per our report of even date

for **V. NAGARAJAN & CO.,**

Chartered Accountants



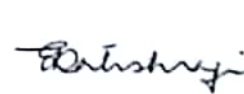
**A. G. Sitaraman**

Partner

ICAI Firm No. 04879N | M. No.: 017799



for **UNITED CARE DEVELOPMENT SERVICES**



**G. Satish Raju**  
Director



**P. S. Gunaranjan**  
Director

Place: Hyderabad

Date: 04-Sep-2017



# UNITED CARE DEVELOPMENT SERVICES

## Notes to the Financial Statements

### 2.4 Fixed assets

(All amounts in ₹, except otherwise stated)

Particulars	Gross block			Depreciation			Net block	
	As at 01-Apr-16	Additions	Deletions/ Adjustments	As at 31-Mar-17	As at 01-Apr-16	Additions Adjustments	As at 31-Mar-17	As at 31-Mar-16
<b>Tangible assets</b>								
<b>Others</b>								
Computers	2,84,490	14,03,832	-	16,88,322	2,73,626	2,27,337	11,87,359	10,85,64
Office equipment	2,87,281	-	-	2,87,281	2,51,488	9,267	26,526	35,793
Plant & Machinery	-	95,30,291.00	-	95,30,291	-	30,19,615	65,10,676	-
Furniture	-	5,79,610.00	-	5,79,610	-	78,706	5,00,904	-
Computer-Software	-	55,637	-	55,637	-	4,571	51,326	-
<b>Total (A+B)</b>	<b>5,71,771</b>	<b>1,15,59,630</b>	<b>-</b>	<b>1,21,41,401</b>	<b>5,25,114</b>	<b>33,39,496</b>	<b>82,76,791</b>	<b>46,657</b>
Capital work in progress ( Including Advances)	-	18,15,999	-	-	-	-	18,15,999	-
<b>Previous year</b>	<b>5,71,771</b>	<b>1,33,85,629</b>	<b>-</b>	<b>1,21,41,401</b>	<b>5,25,114</b>	<b>33,39,496</b>	<b>1,00,92,790</b>	<b>94,651</b>

*Signature*

