

**AUDIT REPORT  
of  
ACCESS DEVELOPMENT SERVICES**

**For the year 2017-18**



**Independent Auditor's Report**

To,

**The Members of ACCESS DEVELOPMENT SERVICES**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Access Development Services ("the company"), which comprise the Balance Sheet as at March 31, 2018, the Income and Expenditure Account and the cash flow statement 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 and presentation 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 financial 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 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 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 Company'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 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 Company as at March 31, 2018,
- b) In the case of the Income and Expenditure Account, of the excess of income over expenditure for the year ended on that date; and
- c) In the case of the Cash flow statement, the cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. 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 account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - 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 written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- f) On the basis MCA notifications with respect to adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, no separate report on internal financial control and its operating effectiveness is issued.
- g) 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:
- The Company did not have any pending litigation which would impact its financial position.
  - The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to Investor Education and Protection Fund by the Company.
2. As required by 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 Act, we are not giving any comments on the matters specified in the paragraphs 3 & 4 of the order as the said order is not applicable to the company.

**For SCM Associates**

Chartered Accountants

Firm Registration Number : 314173E

*Prakhar Banthiya*

**Prakhar Banthiya**

Partner

Membership Number : 088526

Place : New Delhi

Date : 03/09/2018



**Access Development Services**  
Balance sheet as at 31st March 2018

(All amount in Indian Rupees)

	Note	As at 31st March 2018	As at 31st March 2017
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	400	400
Reserve and surplus	3	18,05,79,240	17,49,41,289
		<u>18,05,79,640</u>	<u>17,49,41,689</u>
<b>Non current liabilities</b>			
Long-term borrowings	4	11,34,692	-
Long term provisions	5	57,54,826	57,44,024
		<u>68,89,518</u>	<u>57,44,024</u>
<b>Current liabilities</b>			
Short term borrowings	6	35,65,332	81,86,225
Accounts payable	7	11,95,341	65,82,681
Other current liabilities	8	4,33,38,983	2,28,01,603
Short-term provisions	9	31,14,043	28,82,374
		<u>5,12,13,700</u>	<u>4,04,52,884</u>
		<u><b>23,86,82,857</b></u>	<u><b>22,11,38,597</b></u>
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, Plant and Equipments	10	49,14,153	36,20,114
Intangible assets		24,622	69,725
Long term loans and advances	11	1,08,10,414	1,37,44,687
		<u>1,57,49,189</u>	<u>1,74,34,527</u>
<b>Current assets</b>			
Cash and cash equivalents	12	20,98,53,118	19,15,04,125
Short term loans and advances	13	23,85,106	27,37,569
Other current assets	14	1,06,95,445	94,62,376
		<u>22,29,33,669</u>	<u>20,37,04,070</u>
		<u><b>23,86,82,857</b></u>	<u><b>22,11,38,597</b></u>
<b>Significant Accounting Policies</b>	1		
<b>Notes forming part of the financial statements</b>	1 to 32		

As per our report of even date attached.

**For SCM Associates**

Chartered Accountants

Firm Registration Number : 314173E

**Prakhar Banthiya**

Partner

Membership Number : 088526

Place : New Delhi

Date : 03/09/2018

**For and on behalf of the Board of Directors**

**Vipin Sharma**

CEO

DIN: 02565320

Place : New Delhi

Date : 03/09/2018

**Arvind Mayaram**

Chairperson

DIN: 00080262

Place : New Delhi

Date : 03/09/2018



**Access Development Services**  
**Income and expenditure account for the year ending 31st March 2018**

(All amount in Indian Rupees)

	Note	for the year ending 31st March 2018	for the year ending 31st March 2017
<b>Revenue</b>			
Revenue from operations	15	13,49,87,924	11,97,45,220
Other income	16	66,32,012	59,73,927
Interest from LIIF corpus fund		1,00,45,780	1,07,28,405
		<b>15,16,65,716</b>	<b>13,64,47,552</b>
<b>Expenses</b>			
Programme expenses	17	7,95,26,259	6,23,98,496
Expenses made out of LIIF Corpus fund		59,68,924	56,77,899
Employee benefit expenses	18	4,36,63,033	4,00,97,665
Finance costs	19	13,48,589	13,02,916
Depreciation and amortisation	20	7,04,585	6,18,461
Other expenses	21	1,46,58,557	1,93,77,866
		<b>14,58,69,947</b>	<b>12,94,73,302</b>
<b>Excess of income over expenditure for the year</b>		<b>57,95,769</b>	<b>69,74,250</b>
Basic/diluted earning per share	[See Note 23]	<b>1,44,894.22</b>	<b>1,74,356.24</b>
Diluted earning per share		<b>1,44,894.22</b>	<b>1,74,356.24</b>

**Significant Accounting Policies**

1

**Notes forming part of the financial statements**

1 to 32

As per our report of even date attached.

**For SCM Associates**

Chartered Accountants

Firm Registration Number : 314173E

**Prakhar Banthiya**

Partner

Membership Number : 088526

Place : New Delhi

Date : 03/09/2018

**For and on behalf of the Board of Directors**

**Vipin Sharma**

CEO

DIN: 02565320

Place : New Delhi

Date : 03/09/2018

**Arvind Mayaram**

Chairperson

DIN: 00080262

Place : New Delhi

Date : 03/09/2018



Access Development Services  
Cash flow statement for the year ending 31st March 2018

	All amount in Indian Rupees	
	for the year ending 31st March 2018	for the year ending 31st March 2017
<b>Cash flow from operating activities</b>		
Surplus during the year	17,18,913	19,23,744
Surplus from LIIF Corpus fund	40,76,856	50,50,506
Amount charged to Capital Asset fund	(1,57,818)	(6,91,452)
<b>Net surplus for the year</b>	<b>56,37,951</b>	<b>62,82,798</b>
<i>Adjustments for:</i>		
Depreciation and amortisation during the year (including depreciation charged to capital asset fund)	14,47,781	12,92,699
Finance costs	13,48,589	13,02,916
(Profit)/ Loss on sale of fixed assets (After adjusting asset written off from capital asset fund)	-	1,87,982
Unrealised Foreign currency (Gain)/ Loss	4,083	-
Provision for compensated absences	2,37,224	1,52,126
Provision for Gratuity/ superannuation	8,41,747	7,32,066
Provision for bad and doubtful receivables	(6,38,368)	(6,67,635)
Provision for sick leave	(8,36,500)	
Operating profit before working capital changes	80,42,506	92,82,952
<b>Changes in working capital</b>		
Decrease/ (increase) in long term loans and advances	2,010	(1,87,600)
(Decrease)/ increase in short term provision	2,31,669	
Decrease/ (increase) in short term loans and advances	3,52,463	(3,20,288)
Decrease/ (increase) in other current assets	(5,94,701)	(11,83,020)
Decrease/ (increase) in inventories		
(Decrease)/ increase in long term provisions	10,802	8,96,940
(Decrease)/ increase trade payables	(53,87,340)	31,54,853
(Decrease)/ increase in other current liabilities	2,05,37,380	2,60,730
(Decrease)/ increase in short term borrowings		
<b>Cash generated from operations</b>	<b>2,31,94,789</b>	<b>1,19,04,567</b>
Income tax paid (net of refund)	29,32,263	(17,91,810)
<b>Net cash (used in)/generated from operating activities (A)</b>	<b>2,61,27,052</b>	<b>1,01,12,757</b>
<b>Cash flow from investing activities</b>		
Amount paid for acquisition of fixed assets	(29,43,270)	(25,78,891)
Proceeds from sale of fixed assets	-	86,050
<b>Net cash used in investing activities (B)</b>	<b>(29,43,270)</b>	<b>(24,92,841)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity shares		
Receipt/ (payment) of short-term borrowings	2,93,356	-
Proceeds/(Payment) from/of long-term borrowings	11,34,692	
Finance cost	(13,48,589)	(13,02,916)
<b>Net cash flow generated from / (used in) financing activities (C)</b>	<b>79,459</b>	<b>(13,02,916)</b>
Net decrease in Cash and Cash equivalents (A+B+C)	32,63,241	63,17,000
Cash and cash equivalents at the beginning of the year	18,33,17,900	17,70,00,901
<b>Cash and cash equivalents at the end of the year</b>	<b>20,65,81,142</b>	<b>18,33,17,900</b>



**Access Development Services**  
**Cash flow statement for the year ending 31st March 2018**

	All amount in Indian Rupees	
	for the year ending 31st March 2018	for the year ending 31st March 2017
<b>Cash and cash equivalents comprise of:</b>		
Cash in hand	10,869	8,771
<b>Balances with banks:</b>		
- in current accounts	1,68,05,007	1,20,14,709
- in deposit accounts including accrued interest	19,30,37,242	17,94,80,646
<b>Overdraft Account :</b>		
Bank overdraft	(32,71,976)	(81,86,225)
	20,65,81,142	18,33,17,900

As per our report of even date attached.

**For SCM Associates**  
Chartered Accountants  
Firm Registration Number : 314173E


*Prakhar Banthiya*  
**Prakhar Banthiya**  
Partner  
Membership Number : 088526  
Place : New Delhi  
Date : 03/09/2018



**For and on behalf of the Board of Directors**

*Vipin Sharma*  
**Vipin Sharma**  
CEO  
DIN: 02565320  
Place : New Delhi  
Date : 03/09/2018

*Arvind Mayaram*  
**Arvind Mayaram**  
Chairperson  
DIN: 00080262  
Place : New Delhi  
Date : 03/09/2018



## Access Development Services

### Notes forming part of the financial statements

(All amount in Indian Rupees)

#### Note 1: Significant accounting policies

##### Corporate information

Access Development Services is a not for profit organization engaged mainly in promotion of microfinance and livelihood activities. It has been licensed by the Government of India to operate under section 8 of the Indian Companies Act 2013 (erstwhile section 25 of the Companies Act, 1956) on certain conditions, mainly being that the company shall apply its surplus, if any, or other income solely in promoting its objects, and is prohibited from payment of any dividend to its members. Further, the Company is registered under Section 12A of the Income Tax Act, 1961 with effect from April 1, 2006.

##### 1.1 Basis of accounting and preparation of financial statements

The Financial Statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified under the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013.

The company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis. Wherever it is not possible to determine the quantum of accrual with reasonable certainty, the same is accounted for on cash basis.

##### 1.2 Use of estimates

The preparation of financial statement in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in future periods.

##### 1.3 Fixed assets

Tangible fixed assets are stated at cost of acquisition including taxes, duties, freight, and other incidental expenses related to acquisition and installation and are recognized at cost less depreciation.

Intangible fixed assets comprising computer software are stated at their cost of acquisition and amortized over the estimated useful life.

##### 1.4 Impairment of assets

Management periodically assesses whether there is an indication that an asset may be impaired. In case of such an indication, the management estimates the recoverable amount of the asset. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the difference is recognized as impairment loss.

##### 1.5 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash in hand, savings accounts and demand deposits with banks and also includes the overdraft facility from the bank.

Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

##### 1.6 Cash flow statement

Cash flows are reported using the indirect method, whereby net surplus during the year is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

##### 1.7 Depreciation and amortisation

Depreciation has been provided on the written down value method using the rates arrived at based on useful lives provided in Schedule II to the Companies Act, 2013.

Intangible assets are amortised over their estimated useful life of the asset.

Leasehold improvements are depreciated over the period of lease.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Depreciation on the amount capitalized on account of foreign exchange difference is provided over the residual life of assets.



**Note 1: Significant accounting policies****1.8 Revenue recognition**

- (i) Grants received for a specific purpose, are recognized as income to the extent of expenditure incurred during the year.
- (ii) Conference receipts are recognized as income to the extent of actual receipts made during the year.
- (iii) Revenue from consultancy contracts is recognized as per the terms of agreement for each contract.
- (iv) Grants received in form of fixed assets or kinds other than cash are not valued or accounted for in the books of account. Proceeds from sale of fixed assets received in grant is considered as other income.

**1.9 Capital asset fund**

Assets purchased out of grants received for a specific purpose are expensed in the year of purchase. These assets are also capitalized with the creation of a corresponding capital asset fund.

Depreciation during the year on assets acquired out of grants received for a specific purpose is transferred to the capital asset fund.

**1.10 Foreign currency transactions**

Transactions in foreign currency are recorded at the exchange rate prevailing at the date of the transaction. Monetary items denominated in foreign currency are restated at the year end exchange rates. Resultant exchange differences arising on settlement of transactions and/or restatements are recognized as Income or Expense in the year.

**1.11 Investments**

Investments are classified into current investments and Long term investments.

Current investments are valued at cost or market / fair value, whichever is lower.

Long term investments are valued at cost. Provision for diminution is made only if, in the opinion of the management, such a decline is permanent in nature.

**1.12 Employee benefits**Defined contribution plans

**Provident Fund** - All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary. These contributions are made to the fund administered and managed by the Government of India. The Company's contribution to the scheme is expensed off in the Income and Expenditure Account in the year when the amounts are due. The Company has no further obligations under the plan beyond its monthly contributions.

Defined benefit plans

**Gratuity** - Gratuity is a post employment defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually at the year end by an independent actuary using the projected unit credit method. Actuarial gains and losses are recognized as an income or expense in the Income and Expenditure Account in the year in which they arise.

Other long-term employee benefits

**Leave Encashment** - Liability in respect of Leave Encashment is provided both for encashable leave and those expected to be availed based on actuarial valuation and estimate based on actual leave available for availment, which considers undiscounted value of the benefits expected to be paid/availed during the next one year and appropriate discounted value for the benefits expected to be paid/availed after one year. Actuarial gains and losses are recognized as an income or expense in the Income and Expenditure Account in the year in which they arise.

**Sick Leave** - The Company provides sick leave of six days per financial year to each employees on pro-rata basis. Unclaimed sick leave can be carried forward to next financial year and can be availed for a maximum of 45 days with full pay and next 45 days with half pay, subject to maximum accumulation of 90 days. Accumulated sick leave is not encashable, however the Company calculates the liability on CTC of the employees and make provision as per actuarial valuation as at the Balance Sheet date.




Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

Note 1: Significant accounting policies

**1.13 Leases**

Lease rent payments pertaining to cancellable operating leases are charged to the income and expenditure account on the basis of the terms of the lease agreement over the period of lease on payment basis.

**1.14 Earnings per share**

The earnings considered in ascertaining the Company's EPS comprises the excess of income over expenditure. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

**1.15 Provisions and contingencies**

Provisions are recognized when the company has a present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provision required settling the obligation are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation.

**1.16 Previous year's figure regrouped wherever necessary**

**1.17 Prior period items**

Expenses/income pertaining to previous financial year is to be shown separately from the figure of current financial year.



## Notes forming part of the financial statements

(All amount in Indian Rupees)

	As at 31st March 2018	As at 31st March 2017
<b>Note 2: Share capital</b>		
Authorised share capital		
50,000 (previous year 50,000) equity shares of Rs. 10 each	5,00,000	5,00,000
	<b>5,00,000</b>	<b>5,00,000</b>
Issued and subscribed share capital		
40 (previous year 40) equity shares of Rs. 10 each.	400	400
	<b>400</b>	<b>400</b>
Paid up share capital		
40 (previous year 40) equity shares of Rs. 10 each fully paid up	400	400
	<b>400</b>	<b>400</b>

## Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

	As at 31st March 2018		As at 31st March 2017	
Name	Number of shares held	Percentage	Number of shares held	Percentage
ACCESS Holding Venture India Pvt.Ltd.	20	50%	20	50%

## Details of shareholders holding more than 5% of aggregate shares in the Company

	As at 31st March 2018		As at 31st March 2017	
Name	Number of shares held	Percentage	Number of shares held	Percentage
Ms. Radhika Agashe Mathur	20	50%	20	50%
ACCESS Holding Venture India Pvt.Ltd.	20	50%	20	50%

## Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year

Number of shares outstanding at the beginning of the year	40	40
Shares issued during the year	-	-
Number of shares outstanding at the end of the year	<b>40</b>	<b>40</b>




## Notes forming part of the financial statements

(All amount in Indian Rupees)

	As at 31st March 2018	As at 31st March 2017
<b>Note 3: Reserve and surplus</b>		
<b>Capital Reserve</b>		
<b>General Corpus fund</b>		
Balance at the beginning of the year	98,00,000	98,00,000
Add: Addition during the year	-	-
Less: Utilised during the year	-	-
(a)	<b>98,00,000</b>	<b>98,00,000</b>
<b>LIIF Corpus fund</b>		
Balance at the beginning of the year	13,32,25,483	13,01,95,180
Add : Interest earned on term deposits made of LIIF	1,00,45,780	1,07,28,405
Less: Expenses incurred related with LIIF	59,68,924	56,77,899
<b>Surplus before provisioning</b>	<b>40,76,856</b>	<b>50,50,506</b>
Less : Reserve fund for contingent liability @15%	6,11,528	7,57,576
Less : Reserve fund for promotional activities @25%	10,19,214	12,62,627
(b)	<b>13,56,71,597</b>	<b>13,32,25,483</b>
<b>Contingent liability fund (LIIF)</b>		
Balance at the beginning of the year	51,81,371	44,23,796
Add: Transfer during the year from LIIF Corpus fund	6,11,528	7,57,576
(c)	<b>57,92,900</b>	<b>51,81,371</b>
<b>Promotional activities fund (LIIF)</b>		
Balance at the beginning of the year	86,35,618	73,72,992
Add: Transfer during the year from LIIF Corpus fund	10,19,214	12,62,627
(d)	<b>96,54,832</b>	<b>86,35,618</b>
<b>Total Corpus fund</b>	<b>(a+b+c+d) 16,09,19,329</b>	<b>15,68,42,473</b>

The Company has received Rs. 11.25 Crores from CARE (Cooperative for Assistance and Relief Everywhere Inc.) as (RLF) Revolving Loan Fund, pursuant to the RLF exit agreement entered between CARE and United Kingdom's Department for International Development (DFID). The RLF is to be used to provide loan funds to promote livelihoods and microfinance by way of Term loan, Short term working capital loan, Asset finance loan, MFI incubation loan, Loan guarantee and Livelihood innovations. On the basis of the agreement entered with CARE the Company has treated it under Corpus Fund as Livelihoods Innovation and Investment Fund (LIIF).

In terms of the agreement entered between the Company and CARE the LIIF has been increased by the income earned from investment of LIIF net of expenses; and Contingent liability fund and Promotional activities fund has been created @ 15% and 25% respectively, of the net income from investment of LIIF.

**Capital asset fund**

Balance at the beginning of the year	10,73,740	17,65,192
Add: Fixed assets acquired out of grants during the year	2,76,818	1,32,554
Less: Cost of fixed asset written off (net of accumulated depreciation)	2,59,438	1,49,768
Less: Depreciation (transferred from income and expenditure account)	7,30,312	6,74,238
Add : Fixed Assets Charged to programme	5,55,114	-
	<b>9,15,923</b>	<b>10,73,740</b>

**Reserve and surplus**

Balance at the beginning of the year	1,70,25,076	1,51,01,332
Add: Excess of income of general fund over expenditure during the year	17,18,913	19,23,744
	<b>1,87,43,988</b>	<b>1,70,25,076</b>
	<b>18,05,79,240</b>	<b>17,49,41,289</b>



## Notes forming part of the financial statements

(All amount in Indian Rupees)

		As at 31st March 2018	As at 31st March 2017
<b>Note 4: Long-term borrowings</b>			
<b>Secured</b>			
Other Loan From Bank		11,34,692	-
		<u>11,34,692</u>	<u>-</u>
<b>Note 5: Long term provisions</b>			
<b>Employee benefits</b>			
Provision for compensated absences	[See Note 27]	16,58,813	14,33,220
Provision for gratuity	[See Note 27]	30,75,864	24,28,873
Provision for Sick leave	[See Note 27]	10,20,149	18,81,931
		<u>57,54,826</u>	<u>57,44,024</u>
<b>Note 6: Short term borrowings</b>			
<b>Secured</b>			
Bank overdraft*		32,71,976	81,86,225
Current Maturity of long term debt**		2,93,356	-
		<u>35,65,332</u>	<u>81,86,225</u>
* The Company has availed overdraft facility of Rs. 1.94 Crores (Previous Year Rs. 1.94 Crores) by way of pledging of fixed deposit of Rs. 2.28 Crores (Previous Year Rs. 2.28 Crores).			
<b>Note 7: Accounts payable</b>			
Sundry creditors		6,98,429	63,24,066
Other payables		4,96,913	2,58,615
		<u>11,95,341</u>	<u>65,82,681</u>
<b>Note 8: Other current liabilities</b>			
Duties and taxes		12,39,021	10,28,897
ESI & EPF Payable		7,30,570	11,40,714
Festival allowance payable		2,97,180	2,21,989
Interest accrued but not due on borrowings		6,968	-
Income received in advance		3,89,14,547	2,00,25,619
Advance from customers		5,81,831	-
Other Reimbursable Expenses		8,77,922	-
Reimbursable expenses to staff		6,75,069	2,86,779
Other liabilities		15,875	97,605
		<u>4,33,38,983</u>	<u>2,28,01,603</u>
<b>Note 9: Short-term provisions</b>			
<b>Employee benefits</b>			
Provision for compensated absences	[See Note 27]	10,13,928	10,02,297
Provision for gratuity	[See Note 27]	20,74,833	18,80,077
Provision for sick leave		25,282	-
		<u>31,14,043</u>	<u>28,82,374</u>




## Notes forming part of the financial statements

## Note 10: Property, Plant and Equipments

Particulars	Gross Block				Depreciation				Net Block	
	As at 1st April 2017	Additions during the year	Deletion during the year	As at 31st March 2018	As at 1st April 2017	Additions during the year	Charged to Reserve & Surplus	Deletion during the year	As at 31st March 2018	As at 31st March 2017
<b>Tangible assets</b>										
Furniture and fixtures	26,96,783	-	1,55,469	25,41,314	21,92,668	1,23,491	-	86,105	22,30,054	5,04,116
Vehicles	16,36,158	22,74,867	-	39,11,025	14,61,684	2,40,537	-	-	22,08,805	1,74,474
Office equipments	38,39,654	14,000	4,29,937	34,23,717	30,56,632	3,11,699	-	3,18,168	3,73,553	7,83,022
Leasehold improvements	14,52,729	3,67,085	-	18,19,814	50,003	3,20,197	-	-	14,49,614	14,02,726
Computer hardwares	65,70,112	2,87,318	8,27,148	60,30,282	58,14,335	3,93,869	-	7,48,843	54,59,361	7,55,777
<b>Subtotal (a)</b>	<b>1,61,95,436</b>	<b>29,43,270</b>	<b>14,12,554</b>	<b>1,77,26,152</b>	<b>1,25,75,322</b>	<b>13,89,793</b>	-	<b>11,53,116</b>	<b>49,14,153</b>	<b>36,20,114</b>
<b>Intangible assets</b>										
Computer software	2,99,440	-	-	2,99,440	2,29,715	45,103	-	-	24,622	69,725
<b>Subtotal (b)</b>	<b>2,99,440</b>	<b>-</b>	<b>-</b>	<b>2,99,440</b>	<b>2,29,715</b>	<b>45,103</b>	-	<b>-</b>	<b>24,622</b>	<b>69,725</b>
<b>Total</b>	<b>1,64,94,876</b>	<b>29,43,270</b>	<b>14,12,554</b>	<b>1,80,25,592</b>	<b>1,28,05,036</b>	<b>14,34,897</b>	-	<b>11,53,116</b>	<b>49,38,775</b>	<b>36,89,840</b>
<b>Previous year</b>	<b>1,61,09,239</b>	<b>25,78,891</b>	<b>21,93,254</b>	<b>1,64,94,876</b>	<b>1,34,31,559</b>	<b>12,92,699</b>		<b>19,19,222</b>	<b>36,89,840</b>	<b>26,77,680</b>



*Vijai Mahana*

## Notes forming part of the financial statements

## Note 10.1: Property, Plant and Equipments acquired out of grant funds

Particulars	Gross Block				Depreciation				Net Block	
	As at 1st April 2017	Additions during the year	Deletion during the year	As at 31st March 2018	As at 1st April 2017	Additions during the year	Charged to Reserve & Surplus	Deletion during the year	As at 31st March 2018	As at 31st March 2017
<b>Tangible assets</b>										
Furniture and fixtures	13,98,490	-	1,55,469	12,43,021	10,76,416	79,191	-	86,105	1,73,519	3,22,074
Vehicles	15,87,041	-	-	15,87,041	14,17,184	44,114	-	-	1,25,743	1,69,857
Office equipments	21,57,405	14,000	4,29,937	17,41,468	16,68,189	1,91,684	-	3,18,168	1,99,762	4,89,216
Computer hardwares	46,56,707	2,62,818	8,27,148	40,92,377	41,63,998	2,63,827	-	7,48,843	4,13,395	4,92,709
<b>Subtotal (a)</b>	<b>97,99,643</b>	<b>2,76,818</b>	<b>14,12,554</b>	<b>86,63,907</b>	<b>83,25,788</b>	<b>5,78,816</b>	-	<b>11,53,116</b>	<b>9,12,419</b>	<b>14,73,856</b>
<b>Intangible assets</b>										
Computer software	21,210	-	-	21,210	11,340	6,366	-	-	3,504	9,870
<b>Subtotal (b)</b>	<b>21,210</b>	<b>-</b>	<b>-</b>	<b>21,210</b>	<b>11,340</b>	<b>6,366</b>	-	<b>-</b>	<b>3,504</b>	<b>9,870</b>
<b>Total</b>	<b>98,20,853</b>	<b>2,76,818</b>	<b>14,12,554</b>	<b>86,85,117</b>	<b>83,37,127</b>	<b>5,85,183</b>	-	<b>11,53,116</b>	<b>9,15,923</b>	<b>14,83,726</b>
<b>Previous year</b>	<b>1,04,29,935</b>	<b>1,32,554</b>	<b>7,41,636</b>	<b>98,20,853</b>	<b>82,54,757</b>	<b>6,74,238</b>		<b>5,91,868</b>	<b>14,83,726</b>	<b>21,75,178</b>

The addition in fixed assets, depreciation and deletion in fixed assets net of depreciation has been charged off to the capital asset fund.

*Vinay Sharma*

*Sharma*



## Notes forming part of the financial statements

(All amount in Indian Rupees)

	As at 31st March 2018	As at 31st March 2017
<b>Note 11: Long term loans and advances</b>		
Security deposits	9,17,990	9,20,000
Income tax refund receivable	98,92,424	1,28,24,687
	<b>1,08,10,414</b>	<b>1,37,44,687</b>
<b>Note 12: Cash and cash equivalents</b>		
Cash in hand	10,869	8,771
<b>Balances with banks</b>		
-Savings bank accounts *	1,68,05,007	1,20,14,709
-Term deposit accounts #	19,17,40,569	17,23,34,322
-Interest accrued on term deposit accounts	12,96,673	71,46,324
	<b>20,98,53,118</b>	<b>19,15,04,125</b>
* Savings account includes Rs. 27,09,905 (Previous year Rs. 4,75,739) lying in designated FCRA bank accounts)		
# Deposits accounts are created out of FCRA funds and includes fixed deposits on account of Corpus Fund - Rs. 13.92 Crores (Previous Year Rs. 13.89 Crores). Out of total deposits, fixed deposits amounting to Rs. 2.31 Crores (Previous Year Rs. 2.28 Crores) have been pledged as security against the overdraft facility of Rs. 1.94 Crores (Previous Year Rs. 1.94 Crores) with Axis Bank.		
<b>Note 13: Short term loans and advances</b>		
Security deposits	5,10,000	5,15,000
Loans and advances	11,94,220	15,15,020
Prepaid expenses	6,64,186	7,07,549
Advances to Staff	16,700	-
	<b>23,85,106</b>	<b>27,37,569</b>
<b>Note 14: Other current assets</b>		
Grants receivable	15,10,999	64,55,697
Receivables from other development organisations	86,86,821	11,64,724
Contractually reimbursable expenses	82,149	17,47,387
Other receivables	4,15,476	7,32,936
	<b>1,06,95,445</b>	<b>1,01,00,744</b>
Less: provision for overdue receivables	[See Note 30]	-
	<b>1,06,95,445</b>	<b>94,62,376</b>




## Notes forming part of the financial statements

(All amount in Indian Rupees)

	for the year ending 31st March 2018	for the year ending 31st March 2017
<b>Note 15: Revenue from operations</b>		
Grant income	11,68,18,864	10,35,03,303
Conference receipts	44,51,953	32,82,846
Consultancy income	1,37,17,107	1,29,59,071
	<b>13,49,87,924</b>	<b>11,97,45,220</b>
<b>Note 16: Other income</b>		
<b>Interest income on:</b>		
Bank deposits	49,73,630	37,14,359
Income tax refund	10,86,618	2,30,230
	<b>60,60,248</b>	<b>39,44,589</b>
Liabilities / provisions no longer required written back	1,97,351	14,97,757
Profit on sale of fixed assets	-	1,53,122
Unrealised gain on foreign currency	4,083	-
Gain on sale of fixed assets received as grant	-	33,953
Miscellaneous income	3,70,330	3,44,506
	<b>5,71,764</b>	<b>20,29,338</b>
	<b>66,32,012</b>	<b>59,73,927</b>
<b>Note 17: Programme expenses</b>		
Project expenses	3,41,91,989	3,24,81,521
Consultancy	3,77,90,356	2,37,11,976
Travelling expenses	67,11,982	60,72,444
Fixed assets charged to programme	8,31,932	1,32,554
	<b>7,95,26,259</b>	<b>6,23,98,496</b>
<b>Note 18: Employee benefit expenses</b>		
Salary and allowances	3,96,13,854	3,42,80,959
Contribution to employee's provident fund	25,54,873	23,02,204
Gratuity	[See Note 27] 6,90,310	8,93,578
Compensated absences	[See Note 27] 5,84,266	8,37,480
Sick Leave*	[See Note 27] (8,36,500)	8,96,940
Other employee related costs	10,56,230	8,86,504
	<b>4,36,63,033</b>	<b>4,00,97,665</b>
*For sick leave, present value of future obligation is considered during the current year itself as compare to previous year.		
<b>Note 19: Finance costs</b>		
Interest paid on borrowings	13,48,589	13,02,916
	<b>13,48,589</b>	<b>13,02,916</b>
<b>Note 20: Depreciation and amortisation</b>		
Depreciation on fixed tangible assets	13,89,793	12,59,615
Amortisation of intangible assets	45,103	33,084
	<b>14,34,897</b>	<b>12,92,699</b>
Less: Depreciation charged to capital asset fund	7,30,312	6,74,238
	<b>7,04,585</b>	<b>6,18,461</b>




## Notes forming part of the financial statements

(All amount in Indian Rupees)

	for the year ending 31st March 2018	for the year ending 31st March 2017
<b>Note 21: Other expenses</b>		
<b>Administrative costs</b>		
Board meeting expenses	24,000	28,956
Directors sitting fees	50,000	1,00,000
Other meeting expenses	1,83,911	11,34,419
Electricity expenses	6,87,254	6,23,282
Communication expenses	18,59,180	22,03,166
Legal and professional expenses	4,64,432	8,74,829
Printing and stationary expenses	15,54,727	22,50,269
Insurance expenses	83,486	1,00,768
Rent	43,92,474	37,62,696
Office expenses	16,93,713	27,19,381
Repair and maintenance expenses	4,59,139	12,38,428
Vehicle running and maintenance expenses	3,31,909	2,74,484
Travelling & Conveyance	26,98,984	30,40,749
Bad and doubtful receivables written off	-	20,000
Bank charges	65,364	81,328
Net loss on foreign currency transactions and translation	51,123	30,476
Other expenses	58,861	6,69,346
Loss On Sale of Fixed Assets received as grant	-	1,06,071
Loss On Sale of Fixed Assets	-	1,19,218
	<b>1,46,58,557</b>	<b>1,93,77,866</b>




## Access Development Services

### Notes forming part of the financial statements

(All amount in Indian Rupees)

#### Note 22 : Related party disclosure

As per Accounting Standard 18, the disclosures of transactions with related parties are given below:

Relationship	Name of related parties
Other organisations where significant influence exists and having transactions during the year	Access Assist Ode to Earth Enterprises Private Limited ACCESS Holding Venture India Pvt.Ltd.
Key Managerial Personnel	Mr. Vipin Sharma- Chief Executive Officer

#### Transactions with related parties during the year in the ordinary course of business at commercial terms

##### Remuneration to Key Managerial Personnel

	for the year ending 31st March 2018	for the year ending 31st March 2017
Salary and allowances	70,62,925	65,01,637
Employer's contribution to benefit funds	4,49,208	4,41,592
	<b>75,12,133</b>	<b>69,43,229</b>

The above amounts are included in salary and contribution to employee benefit funds.

The above disclosure is excluding group insurance benefits, as the same is on basis of premium paid to insurance company as the amount pertaining to individual employees is not available separately.

The provision for gratuity and leave encashment liability is taken on an overall basis based on actuarial valuation and separate figure applicable to an employee is not available and therefore, the same has not been taken into account in the above disclosure.

##### Transactions with other organisations where significant influence exists

	for the year ending 31st March 2018	for the year ending 31st March 2017
<b>Access Assist</b>		
Consultancy Services received from Access Assist	3,50,000	
Allocation of administrative expenses	73,205	2,79,306
Unsecured loans provided during the year	21,50,000	
Unsecured loans received back during the year	22,69,053	
Allocation of payroll expenses	0	
Consultancy Services provided to Access Assist	2,25,000	4,60,000
	<b>50,67,258</b>	<b>7,39,306</b>
<b>Ode to Earth Enterprises Private Limited</b>		
Payment for event participation fees	0	45,570
Payment for programme related expenses	4,42,900	9,90,000
Purchase of programme related materials	7,19,280	4,02,500
	<b>11,62,180</b>	<b>14,38,070</b>
<b>ACCESS Holding Venture India Private Limited</b>		
Allocation of administrative expenses	0	1,06,027
Allocation of payroll expenses	0	2,08,189
Consultancy provided	64,505	1,35,340
	<b>64,505</b>	<b>3,14,216</b>

The company has entered into Memorandum of Understanding with it's group organisations (entities under common management) regarding cost sharing of expenses incurred on various projects of social, economic and other development related work including organising microfinance summit, which the above organisations executes jointly with the Company.

##### Balance outstanding at the year end of the related parties

	As at 31st March 2018	As at 31st March 2017
<b>Receivables</b>		
Access Assist	-	830451
ACCESS Holding Venture India Pvt. Ltd.	-	629136
Ode to Earth Enterprises Private Limited	87,280.00	
Rent security paid on behalf of Mr. Vipin Sharma	-	213000
Other advances to Key Managerial Personnel	-	
	<b>87,280</b>	<b>16,72,587</b>
<b>Payables</b>		
Expenses reimbursable to Key Management Personnel	46,856	-




# Access Development Services

## Notes forming part of the financial statements

(All amount in Indian Rupees)

### Note 23 : Earnings per share

The following reflects the profit and share data used in the basic and diluted EPS computations

	for the year ending 31st March 2018	for the year ending 31st March 2017
Net profit after tax attributable to equity shareholders (A)	57,95,769	69,74,250
Weighted average number of equity shares outstanding during the year - (B)	40	40
Nominal value of equity share	10	10
<b>Basic /diluted earnings per share (Rs.) - (A)/(B)</b>	<b>1,44,894.22</b>	<b>1,74,356.24</b>

### Note 24 : Receipt in foreign currency

	for the year ending 31st March 2018	for the year ending 31st March 2017
Conference receipts	2,25,569	3,05,877
Reimbursement	73,867	
Grant income	3,94,75,284	77,90,958
	<b>3,97,74,720</b>	<b>80,96,835</b>

### Note 25 : Expenditure in foreign currency (on payment basis)

	for the year ending 31st March 2018	for the year ending 31st March 2017
Travelling & lodging expenses	4,10,079	1,16,276
Consultancy charges	-	-
	<b>4,10,079</b>	<b>1,16,276</b>

### Note 26 : Auditor's remuneration

	for the year ending 31st March 2018	for the year ending 31st March 2017
Statutory audit fees (including service tax & GST)	2,25,000	2,58,750
Other certification fees	-	-
Expenses reimbursed	22,500	27,001
	<b>2,47,500</b>	<b>2,85,751</b>

### Note 27 : Employee benefits

#### Defined contribution plan

During the year, the Company has recognized the following amounts in the Income and Expenditure Account.

	for the year ending 31st March 2018	for the year ending 31st March 2017
Employer's contribution to employee provident fund	25,54,873	23,02,204
	<b>25,54,873</b>	<b>23,02,204</b>

#### Defined benefit plans

In accordance with Accounting Standard 15 (Revised), actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions:

#### Gratuity

	for the year ending 31st March 2018	for the year ending 31st March 2017
<b>Reconciliation of present value of the defined benefits obligation :</b>		
Obligation at beginning of year	43,08,950	35,76,884
Interest Cost	3,24,895	2,86,151
Service Cost	8,51,254	7,30,398
Benefits paid	-	(3,65,208)
Actuarial (gain)/loss on obligation	-3,34,402	80,725
Obligation at end of year	<b>51,50,697</b>	<b>43,08,950</b>

#### Expense recognized during the year in the income and expenditure account:

Current service cost	8,51,254	7,30,398
Interest cost	3,24,895	2,86,151
Actual return on plan assets		
Net actuarial (gain)/ loss recognized in the period	(3,34,402)	80,725
Expenses to be recognized in the income and expenditure account	<b>8,41,747</b>	<b>10,97,274</b>

#### Reconciliation of gratuity expenses recognised in the income and expenditure account

Expenses recognised under employee benefit expenses	6,90,310	8,93,578
Amount charged under expenses related to LIIF Corpus fund	1,51,437	2,03,696
Amount charged under expenses related Access Assist		
Amount charged under expenses related Access Holding Venture	8,41,747	10,97,274

*[Signature]*



# Access Development Services

## Notes forming part of the financial statements

(All amount in Indian Rupees)

### Compensated absences

	for the year ending 31st March 2018	for the year ending 31st March 2017
<b>Reconciliation of present value of the defined benefits obligation :</b>		
Obligation at beginning of year	24,35,517	22,83,391
Interest Cost	1,83,638	1,82,671
Service Cost	4,96,462	4,53,377
Benefits paid	(3,84,636)	(7,58,100)
Actuarial (gain)/loss on obligation	(58,240)	2,74,178
Obligation at end of year	26,72,741	24,35,517

### Expense recognized during the year in the income and expenditure account:

Current service cost	4,96,462	4,53,377
Interest cost	1,83,638	1,82,671
Actual return on plan assets		
Net actuarial (gain)/ loss recognized in the period	(58,240)	2,74,178
Expenses to be recognized in the income and expenditure account	6,21,860	9,10,226

### Reconciliation of leave encashment expenses recognised in the income and expenditure account

Expenses recognised under Employee benefit expenses	5,84,266	8,37,480
Amount charged under expenses related to LIIF Corpus fund	37,594	72,746
Amount charged under expenses related Access Assist	-	-
Amount charged under expenses related Access Holding Venture	-	-
Less: Sick leave included in leave encashment under Employee benefit		
	6,21,860	9,10,226

### Sick Leave

	for the year ending 31st March 2018	for the year ending 31st March 2017
<b>Reconciliation of present value of the defined benefits obligation :</b>		
Obligation at beginning of year	18,81,931	-
Interest Cost	1,45,097	-
Service Cost	1,72,181	-
Benefits paid	-	-
Actuarial (gain)/loss on obligation	(11,53,778)	-
Obligation at end of year	10,45,431	-

### Expense recognized during the year in the income and expenditure account:

Current service cost	1,72,181	-
Interest cost	1,45,097	-
Actual return on plan assets		
Net actuarial (gain)/ loss recognized in the period	(11,53,778)	-
Expenses to be recognized in the income and expenditure account	(8,36,500)	-

### Reconciliation of sick leave expenses recognised in the income and expenditure account

Expenses recognised under employee benefit expenses	(8,36,500)	-
Amount charged under expenses related to LIIF Corpus fund	-	-
Amount charged under expenses related Access Assist	-	-
Amount charged under expenses related Access Holding Venture	-	-
	(8,36,500)	-

### Actuarial assumptions

Mortality Table	IALM 2006-08	IALM 2006-08
Discount Rate (per annum)	7.71%	7.54%
Expected Rate of increase in compensation levels	6.00%	6.00%
Expected Average remaining working lives of employees (years)	22.12	20.37

The estimates of increase in compensation levels considered in the actuarial valuation takes into account factors like inflation, future

### Note 28 : Disclosures required under Section 22 of the MSMED Act, 2006

Information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. As represented by the management there are no Micro, Small and Medium enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2018.

### Note 29 : Taxation

The company is a not for profit organization engaged mainly in promotion of microfinance and livelihood activities and the company is registered under Section 12A of the Income Tax Act, 1961 with effect from April 1, 2006.

The management believes that the activities of the companies are covered within the definition of the charitable purpose as defined in section 2(15) of the Income tax Act, 1961 and accordingly the company has not provided for tax in the current year and previous years.



Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

**Note 30 : Provision for overdue receivables**

The balances of loans and advances and other receivables are subject to confirmations. As at the end of reporting year the management has made no provision (Previous year Rs. Nil) in respect of certain overdue receivables.

In the opinion of the management, other current assets, loans and advances have a value on realization in ordinary course of business, at least equal to the amount at which they are stated.

**Note 31 : Applicability of accounting standards**

The company is a small and medium sized company (SMC) as defined in the general instruction in respect of accounting standards notified under the Companies Act. Accordingly, the company has complied with the Accounting Standards as applicable to Small and Medium Sized Company.

As per the exemptions/relaxations as contained in the notification, AS-17 Segment reporting and certain disclosure requirements of AS-19 Leases, AS-29 Provisions, Contingent Liabilities and Contingent Assets are not applicable to the company for the reporting period.

**Note 32 : Applicability of Schedule III of Companies Act, 2013**

These financial statements have been prepared in the format prescribed by the Schedule III to the Companies Act 2013. Previous year's figures have been regrouped and rearranged, wherever necessary, to confirm to the current year's classification.

As per our report of even date attached.

**For SCM Associates**

Chartered Accountants

Firm Registration Number : 314173E

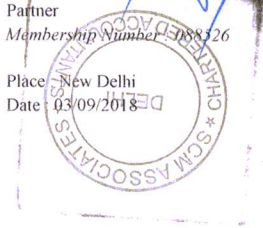
**Prakhar Banthiya**

Partner

Membership Number : 1088326

Place : New Delhi

Date : 03/09/2018



**For and on behalf of the Board of Directors**

**Vipin Sharma**

CEO

DIN: 02565320

Place : New Delhi

Date : 03/09/2018

**Arvind Mayaram**

Chairperson

DIN: 00080262

Place : New Delhi

Date : 03/09/2018

