

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Foundation for Independent Journalism**

We have audited the accompanying financial statements of **Foundation for Independent Journalism** (A company registered under section 8 of Companies Act 2013, herein after referred as "the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Income & Expenditure, Statement of Receipts & Payments 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 and financial performance 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 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 financial controls and ensuring their operating effectiveness and 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 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 disclosures in the financial statements. The procedures selected depend on the auditors' 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. An audit also includes evaluating the appropriateness of 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.

#### **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, 2018, its deficit for the year ended and its receipts and payments for the year ended on that date.

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

- (1) The Companies (Auditor's Report) Order, 2016 is not applicable to the Company as it is licensed to operate under Section 8 of the Act.
- (2) 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 and the Statement of Profit and Loss 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 March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to separate report in "Annexure A" to this report.



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:

(i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 24 on Contingent Liabilities;

(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For MNV & Co.  
Chartered Accountants  
ICAI Firm Registration No: 023682N



Vikrant Suri  
Partner

Membership No. 505887



Place: New Delhi

Date: 25 July 2018

ANNEXURE "A" referred to in paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date on the Financial Statement of "Foundation for Independent Journalism"

To the Members of Foundation for Independent Journalism

Report on the Internal Financial Controls under Clause (l) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Foundation for Independent Journalism ("the Company") as on March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI").

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.


**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MNV & Co.  
Chartered Accountants  
Firm Registration No: 023682N

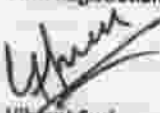
  
Vikrant Suri  
(Partner)  
Membership No.: 505887  
Place: New Delhi  
Date: 25 July 2018



**Foundation For Independent Journalism**  
 (A company registered under section 8 of the Companies Act, 2013)  
 Balance Sheet as at March 31, 2018

	Notes	March 31, 2018 (₹)	March 31, 2017 (₹)
<b>Funds and Liabilities</b>			
<b>Funds</b>			
Corpus fund	4	300,000	300,000
Restricted fund	5	7,952,690	
Reserves and surplus	6	16,392,781	16,865,862
		<u>24,645,471</u>	<u>17,165,862</u>
<b>Non-current liabilities</b>			
Long-term provisions	7	866,313	-
		<u>866,313</u>	
<b>Current liabilities</b>			
Other current liabilities	8	4,643,921	1,546,493
Short-term provisions	7	4,788	-
		<u>4,648,709</u>	<u>1,546,493</u>
<b>TOTAL</b>		<u><b>30,160,493</b></u>	<u><b>18,712,355</b></u>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment			
- Tangible assets	9	3,916,556	3,952,310
- Intangible assets	9A	1,405,150	-
Long-term loans and advances	10	858,000	405,000
		<u>6,179,706</u>	<u>4,357,310</u>
<b>Current assets</b>			
Cash and cash equivalents	11	23,661,021	13,971,590
Short-term loans and advances	12	269,576	383,455
Other current assets	13	50,190	-
		<u>23,980,787</u>	<u>14,355,045</u>
<b>TOTAL</b>		<u><b>30,160,493</b></u>	<u><b>18,712,355</b></u>
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements

As per our report of even date.  
 For MNV & Co.  
 Chartered Accountants  
 Firm Registration Number: 023682N  
  
 Vikrant Suri  
 (Partner)  
 Membership Number: 505887  
 Place: New Delhi  
 Date: 25 July 2018

For and on behalf of the Board of Directors of  
 Foundation For Independent Journalism  
  
  
 Siddharth Vardarajan  
 (Director)  
 DIN- 07208632  
 Place: New Delhi  
 Date: 25 July 2018  
  
 Mangalam Kesavan Venu  
 (Director)  
 DIN-07207091  
 Place: New Delhi  
 Date: 25 July 2018

Director

**Foundation For Independent Journalism**  
 (A company registered under section 8 of the Companies Act, 2013)  
 Income and Expenditure statement for the year ended March 31, 2018

PARTICULARS	NOTES	March 31, 2018 (₹)	March 31, 2017 (₹)
<b>INCOMES</b>			
Grants & Donations	14	54,324,353	47,376,439
Other Income	15	2,332,317	432,855
<b>Total Income (I)</b>		<b>56,656,670</b>	<b>47,809,294</b>
<b>EXPENSES</b>			
Employee benefits expense	16	28,638,770	18,076,442
Depreciation and Amortisation	9 & 9A	1,278,498	637,700
Other Expenses	17	26,878,454	15,482,120
<b>Total Expenses (II)</b>		<b>56,795,722</b>	<b>34,196,262</b>
Earning before prior period expenses		(139,052)	13,613,032
Prior period expenses		334,029	217,546
<b>(Deficit)/ Surplus during the year</b>		<b>(473,081)</b>	<b>13,395,486</b>

Summary of significant accounting policies 3

The accompanying notes are an integral part of the financial statements

As per our report of even date,  
 For MNV & Co.  
 Chartered Accountants  
 Firm Registration Number: 023682N

Vijayant Surl  
 (Partner)  
 Membership Number: 505887  
 Place: New Delhi  
 Date: 25 July 2018

For and on behalf of Board of Directors of  
 Foundation For Independent Journalism

Siddharth Vardarajan  
 (Director)  
 DIN- 07208632  
 Place: New Delhi  
 Date: 25 July 2018

Mangalam Kesaven Venu  
 (Director)  
 DIN-07207091  
 Place: New Delhi  
 Date: 25 July 2018



For FOUNDATION FOR INDEPENDENT JOURNALISM

*Siddharth Vardarajan*

*Mangalam Kesaven Venu*

Director

**Foundation For Independent Journalism**  
 (A company registered under section 8 of the Companies Act, 2013)  
 Receipt & Payment Account for the year ended March 31, 2018

PARTICULARS	NOTE	March 31, 2018 (₹)	March 31, 2017 (₹)
<b>RECEIPTS</b>			
Opening balance of cash and bank		13,971,590	137,342
Donation received		61,935,454	47,343,556
Other Income		2,374,313	432,855
Unsecured Loan Received			5,100,000
<b>Total (I)</b>		<b>78,281,357</b>	<b>53,013,753</b>
<b>PAYMENTS</b>			
Operating Expenses		51,674,359	31,345,058
Fixed Assets Purchased		2,057,977	2,467,105
Unsecured Loan Paid			5,150,000
Security Deposits paid		888,000	80,000
<b>Total (II)</b>		<b>54,620,336</b>	<b>39,042,163</b>
<b>Closing Cash and Bank Balance (I)-(II)</b>		<b>23,661,021</b>	<b>13,971,590</b>

Summary of significant accounting policies 3

The accompanying notes are an integral part of the financial statements

As per our report of even date.  
 For MNV & Co.  
 Chartered Accountants  
 Firm Registration Number: 023682N

*Vibrant Suri*  
 Vibrant Suri  
 (Partner)  
 Membership Number: 505887  
 Place: New Delhi  
 Date: 25 July 2018

For and on behalf of Board of Directors of  
 Foundation For Independent Journalism

For FOUNDATION FOR INDEPENDENT JOURNALISM

*Siddharth Vardarajan*  
 Siddharth Vardarajan  
 (Director)  
 DIN- 07208632  
 Place: New Delhi  
 Date: 25 July 2018

*Mangalam Kesavan Venu*  
 Mangalam Kesavan Venu  
 (Director)  
 DIN-07207091  
 Place: New Delhi  
 Date: 25 July 2018



**Foundation for Independent Journalism**

(A company registered under section 8 of the Companies Act, 2013)

Notes to the Financial statement for the year ended on March 31, 2018.

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**1. Background**

Foundation for Independent Journalism ("the Company") was incorporated on September 16, 2015 under section 8 of the Companies Act, 2013 ("the Act") having share capital with primary objective to promote Independent Journalism in the public interest, to secure editorial independence of any publication.

**2. Basis of Preparation**

The Financial Statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these Financial Statements to comply in all material respects with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Financial Statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been followed consistently.

**3. Summary of Significant Accounting Policies**

**(a) Current/Non-current classification of assets/liabilities**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. The company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**(b) Use of Estimates**

The preparation of Financial Statements in conformity with generally accepted accounting principles requires management to make 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 operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**(c) Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and revenue can be reliably measured.

**Income from donations**

Income from donations is recognized as income on receipt basis unless there are any restrictions placed upon the company by the donor regarding the portion of the income that may be taken to the income based upon the fulfillment of certain conditions imposed upon by donor/grantee.

**Income from Interest**

Revenue from interest on time deposits is recognised on the time proportion method taking into consideration the amount outstanding and the applicable interest rates.

**(d) Fixed assets**

Tangible fixed assets are stated at cost of acquisition net of recoverable taxes (wherever applicable), less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.



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**Foundation for Independent Journalism**  
**(A company registered under section 8 of the Companies Act, 2013)**  
**Notes to the Financial statement for the year ended on March 31, 2018.**

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance and cost of replacing parts are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

**(e) Depreciation**

Depreciation has been calculated on Straight Line Method at the useful lives as estimated by the management, which are equal to useful lives specified as per schedule II to the Act.

The useful lives of the assets are as under:

Particulars	Useful life (years)
Furniture and fixtures	10
Office equipment	5
IT equipment	3
Website	3

Useful lives of fixed assets are reviewed at each Balance Sheet date.

**(f) Provisions, contingent liabilities and contingent assets**

*Provision*

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

*Contingent liabilities*

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

*Contingent assets*

Contingent assets are neither recorded nor disclosed in the financial statements.

**(g) Leases**

*Where the Company is the lessee*

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets.

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



**Foundation for Independent Journalism**

(A company registered under section 8 of the Companies Act, 2013)

Notes to the Financial statement for the year ended on March 31, 2018.

**(h) Employee Benefits**

**Short term employee benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus etc are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

**Long term employee benefits**

**Defined contribution plan: 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 as per the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952.

These contributions are made to the fund administered and managed by the Government of India. The Company has no further obligations under the plan beyond its monthly contributions.

**Defined Benefit Plan: Gratuity**

The Company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the balance sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation is recognised as an income or expense in the Statement of Profit and Loss.

**(i) Taxation**

Tax expense for the year comprising current tax, deferred tax charge or benefit and MAT credit entitlement is included in determining the net profit for the year.

**Current tax**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

**Deferred tax**

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty backed by convincing evidence of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet



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**Foundation for Independent Journalism**

**(A company registered under section 8 of the Companies Act, 2013)**

**Notes to the Financial statement for the year ended on March 31, 2018.**

date and are written-down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

The break-up of the major components of the deferred tax assets and liabilities as at Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the entity has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

**Minimum alternate tax**

Minimum alternate tax (MAT) under the Income Tax Act, 1961, payable for the year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the period in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the "Income-tax Act, 1961", the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**(j) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

**(k) Material Events**

Material events occurring after the balance sheet date are taken into cognizance.



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Foundation For Independent Journalism  
(A company registered under section 8 of the Companies Act, 2013)  
Notes to the financial statements for the year ended March 31, 2018

4 Corpus Fund		March 31, 2018	March 31, 2017
		(₹)	(₹)
Opening balance		300,000	300,000
Addition during the year		-	-
Closing balance		300,000	300,000

5 Restricted Fund		March 31, 2018	March 31, 2017
		(₹)	(₹)
<b>TATA Trust fund</b>			
Grants received		11,600,000	-
Add: Interest on FDR		55,767	-
Add: Interest on savings account		41,962	-
Less: Transferred to Income		(3,745,039)	-
		7,952,690	-

6 Reserves and surplus		March 31, 2018	March 31, 2017
		(₹)	(₹)
<b>Surplus in the statement of Income and expenditure</b>			
Balance as per last financial statement		16,865,862	3,470,376
(Deficit)/ Surplus during the year		(473,081)	13,395,486
<b>Net surplus in the statement of Income and expenditure</b>		16,392,781	16,865,862
<b>Total reserves and surplus</b>		16,392,781	16,865,862

7 Provisions for employee benefits	Long Term		Short Term	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	(₹)	(₹)	(₹)	(₹)
Provision for gratuity (Refer note 23 )	866,313	-	4,788	-
	866,313	-	4,788	-

8 Other current liabilities		March 31, 2018	March 31, 2017
		(₹)	(₹)
Expenses payable		1,308,774	332,681
Salary payable (Refer Note 18)		1,991,528	-
Payable for fixed assets		382,320	-
Statutory dues payable		961,299	1,213,812
		4,643,921	1,546,493



Foundation For Independent Journalism  
 (A company registered under section 8 of the Companies Act, 2013)  
 Notes to the financial statements for the year ended March 31, 2018

9 Tangible assets

Current year

Particulars	Gross block (at cost)			Accumulated depreciation				Net block	
	As at April 1, 2017	Additions	Disposals	As at March 31, 2018	As at April 1, 2017	Depreciation for the year	Disposals	As at March 31, 2018	As at March 31, 2018
Tangible assets									
IT Equipment	2,616,207	815,990	-	3,432,197	448,675	904,931	-	1,353,605	2,078,591
Furniture and fixtures	1,227,478	238,773	-	1,466,251	126,291	119,386	-	245,677	1,220,574
Office equipment	788,806	93,892	-	882,698	105,215	160,092	-	265,307	617,391
<b>Total</b>	<b>4,632,491</b>	<b>1,148,655</b>	<b>-</b>	<b>5,781,146</b>	<b>680,181</b>	<b>1,184,409</b>	<b>-</b>	<b>1,864,590</b>	<b>3,916,556</b>

9A Intangible assets

Particulars	Gross block (at cost)			Accumulated amortisation				Net block	
	As at April 1, 2017	Additions	Disposals	As at March 31, 2018	As at April 1, 2017	Depreciation for the year	Disposals	As at March 31, 2018	As at March 31, 2018
Website	-	1,499,239	-	1,499,239	-	94,089	-	94,089	1,405,150
	-	1,499,239	-	1,499,239	-	94,089	-	94,089	1,405,150

Previous year

Particulars	Gross block (at cost)			Accumulated depreciation				Net block	
	As at April 1, 2016	Additions	Disposals	As at March 31, 2017	As at April 1, 2016	Depreciation for the year	Disposals	As at March 31, 2017	As at March 31, 2017
IT Equipment	715,800	1,900,407	-	2,616,207	25,395	423,280	-	488,675	2,167,532
Furniture and fixtures	1,165,104	62,374	-	1,227,478	12,616	113,675	-	126,291	1,101,187
Office equipment	216,964	571,842	-	788,806	4,470	100,745	-	105,215	683,591
<b>Total</b>	<b>2,097,868</b>	<b>2,534,623</b>	<b>-</b>	<b>4,632,491</b>	<b>42,481</b>	<b>637,700</b>	<b>-</b>	<b>680,181</b>	<b>3,952,310</b>



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Foundation For Independent Journalism  
(A company registered under section 8 of the Companies Act, 2013)  
Notes to the financial statements for the year ended March 31, 2018

10 Long-Term Loans and Advances

	March 31, 2018 (₹)	March 31, 2017 (₹)
Security deposit	858,000	405,000
	<u>858,000</u>	<u>405,000</u>

11 Cash and cash equivalents

	March 31, 2018 (₹)	March 31, 2017 (₹)
Balance with banks	17,661,021	13,971,590
Fixed deposit	6,000,000	-
	<u>23,661,021</u>	<u>13,971,590</u>

12 Short-term loans and advances

	March 31, 2018 (₹)	March 31, 2017 (₹)
Advance recoverable in cash or kind	126,954	264,691
Capital advances	-	2,860
Advance with govt. authorities	9,925	-
Security deposit	110,000	80,000
Prepaid expenses	22,697	35,905
	<u>269,576</u>	<u>383,455</u>

13 Other current assets

	March 31, 2018 (₹)	March 31, 2017 (₹)
Accrued interest on fixed deposits	50,190	-
	<u>50,190</u>	<u>-</u>

14 Grants & Donations

	March 31, 2018 (₹)	March 31, 2017 (₹)
Donations receipts	18,979,314	7,916,439
Grant receipts	35,345,039	39,460,000
	<u>54,324,353</u>	<u>47,376,439</u>

15 Other Income

	March 31, 2018 (₹)	March 31, 2017 (₹)
Syndication receipts	249,121	432,855
Internet advertising revenue (refer Note 20)	2,039,147	-
Interest on fixed deposits	43,479	-
Interest on savings account	571	-
	<u>2,332,317</u>	<u>432,855</u>



Foundation For Independent Journalism  
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Notes to the financial statements for the year ended March 31, 2018

16 Employee benefits expense

	March 31, 2018 (₹)	March 31, 2017 (₹)
Salaries & wages (Refer Note 18)	26,187,955	17,723,596
Contribution to provident fund (Refer note 23)	1,467,723	305,384
Gratuity (Refer note 23)	871,101	-
Staff welfare	111,991	47,462
	<b>28,638,770</b>	<b>18,076,442</b>

17 Other Expenses

	March 31, 2018 (₹)	March 31, 2017 (₹)
Content writing (Refer Note 19)	9,849,099	7,033,258
Hosting charges (Refer Note 19)	3,222,810	630,756
Foundation promotion (Refer Note 19)	786,615	1,281,536
Donation collection charges	242,963	31,400
Internship expenses	246,800	114,000
Travelling & conveyance	590,212	15,124
Professional charges	4,406,566	637,550
Rent (Refer Note 21)	1,899,450	1,864,100
Electricity charges	218,615	101,257
Office expenses	350,915	148,155
Payment to auditor (Refer details below)	50,000	47,000
Stamp duty charges	62,400	-
Bank charges	5,130	8,082
Printing and stationery	60,684	38,758
Communication expenses	679,313	448,257
News coverage expense	3,603,935	1,976,137
Website maintenance charges (Refer Note 19)	114,058	697,206
Donation paid	100,000	342,473
Repair & maintenance expense	92,508	43,838
Security deposit written off	253,400	-
Other miscellaneous expenses	42,982	23,233
	<b>26,878,454</b>	<b>15,482,120</b>

17.1 Payment to Auditor

Statutory audit fees	50,000	45,000
Out of pocket expense	-	2,000
	<b>50,000</b>	<b>47,000</b>



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**Foundation For Independent Journalism**

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Notes to the financial statements for the year ended March 31, 2018

**18 Related Party Disclosures**

(a) List of Related Parties along with their relationship.

Name of the related party	Relationship
Mangalam Kesavan Venu	Director
Siddharth Vardarajan	Director
Sidharth Roshanlal Bhatia	Director
Almona Bhatia	Wife of director
Usha Vardarajan	Mother of director

(b) Details of Transactions with Related parties are as follows:

Particulars

	March 31, 2018 (₹)	March 31, 2017 (₹)
<b>Managerial Remuneration</b>		
- Mangalam Kesavan Venu	2,256,000	1,564,000
- Siddharth Vardarajan	2,256,000	1,564,000
- Sidharth Roshanlal Bhatia	2,400,000	1,600,000
<b>Reimbursement of expenses</b>		
- Mangalam Kesavan Venu	122,517	23,590
- Siddharth Vardarajan	7,537	35,019
- Sidharth Roshanlal Bhatia	99,517	22,154
<b>Loan taken</b>		
- Mangalam Kesavan Venu	-	500,000
- Siddharth Vardarajan	-	1,300,000
- Almona Bhatia	-	300,000
- Usha Vardarajan	-	3,000,000
<b>Loan Repaid</b>		
- Mangalam Kesavan Venu	-	550,000
- Siddharth Vardarajan	-	1,300,000
- Almona Bhatia	-	300,000
- Usha Vardarajan	-	3,000,000
<b>Managerial remuneration payable</b>		
- Mangalam Kesavan Venu	155,000	24,000
- Siddharth Vardarajan	135,000	24,000
- Sidharth Roshanlal Bhatia	170,000	-

**19 Expenditure in foreign currency (accrual basis)**

	March 31, 2018 (₹)	March 31, 2017 (₹)
Content writing	256,872	233,232
Hosting charges	-	694,519
Marketing expenses	200,402	-
Foundation promotion expenses	130,442	868,073
Website maintenance charges	9,052	-

**20 Earning in foreign currency (accrual basis)**

	March 31, 2018 (₹)	March 31, 2017 (₹)
Internet Advertising Revenue	2,039,147	-



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**21 Leases**

**As lessee**

The company has entered into operating lease on certain commercial property. There are no restrictions placed upon the company by entering into these leases. Rental expense for operating lease for the year ended March 31, 2018 and March 31, 2017 was Rs. 1,899,450 and Rs. 1,864,100 respectively. Total of future minimum lease payments under non-cancellable leases are as follows:

Particulars	March 31, 2018	March 31, 2017
	(₹)	(₹)
Not later than one year	2,784,000	1,620,000
Later than one year but not later than 5 years	6,457,200	1,410,968
Later than 5 years	-	-
<b>Total</b>	<b>9,241,200</b>	<b>3,030,968</b>

**22 Disclosure relating to suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006):**

	March 31, 2018	March 31, 2017
	(₹)	(₹)
The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting year included in:		
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-

The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.

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-

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the interest specified under the MSMED Act, 2006.

-

-

The amount of interest accrued and remaining unpaid at the end of each accounting year.

-

-

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible under section 23 of the MSMED Act 2006.

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**23 Employee benefits**

**A. Defined contribution plan**

The Company has contributed to Employee Provident Fund, under defined contribution plans. The provident fund is operated by the Regional Provident Fund Commissioner.

During the year the Company has recognized the following amounts in the Statement of Profit and Loss:

	March 31, 2018	March 31, 2017
	(₹)	(₹)
Employer's contribution to provident fund (Refer note 16 )	1,467,723	305,384



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**B. Defined benefit plan and other long term employee benefits**

The present value obligation in respect of gratuity is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligations. The summarised positions of various defined benefits are as under:

**I. Actuarial assumptions**

	Gratuity (Unfunded) March 31, 2018
Discount Rate (per annum)	7.88%
Expected rate of increase in compensation levels	8.85%
Retirement Age (in years)	60
Expected average remaining lives of employees(in years)	24.35
Employee turnover (in %)	2.00%

**Note:**

The discount rate has been assumed at 7.88% which is determined by reference to the 19 year government bond yield. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The Company's gratuity liability is not funded.

**ii. Present Value of obligation**

Particulars	Gratuity (Unfunded) March 31, 2018 (₹)
Current service cost	493,457
Past Service cost	377,644
Present value of obligation at the end of the period	<u>871,101</u>

**iii. Expenses recognised in the statement of profit and loss**

Particulars	Gratuity (Unfunded) March 31, 2018 (₹)
Current service cost	493,457
Past service cost	377,644
Expense recognised in Statement of Profit and Loss	<u>871,101</u>

**iv. Reconciliation of Present value of defined benefit obligation and fair value of assets.**

	Gratuity (Unfunded) March 31, 2018 (₹)
Present value of obligation as at the end of the period (A)	871,101
Net liability recognized in Balance Sheet as at period end (A-B)	871,101
Amount classified as:	
Short term provision (Refer note 7)	4,788
Long term provision (Refer note 7)	<u>866,313</u>



**Foundation For Independent Journalism**  
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**Notes to the financial statements for the year ended March 31, 2018**

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**24 Contingent Liabilities and Commitments**

The Company is in business of online news publications focusing on politics, foreign policy, political economy, science and development in the name of "The Wire". Various persons, aggrieved by the publications of the Company, have filed civil suits against the Company demanding damages for defamation to their reputation. Based on discussions with concerned lawyers and the proceedings of the cases the Company is hopeful that there would not be any adverse impact on the financial position, and there would not be any liability on the Company.  
Further, there are no material commitments as at March 31, 2018 and March 31, 2017.

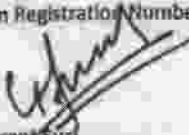
25 The Company has reclassified/regrouped previous year figures where necessary to conform to the current year's classification.

As per our report of even date.

For MNV & Co.

Chartered Accountants

Firm Registration Number: 023682N



Vikrant Suri  
(Partner)

Membership Number: 505887

Place: New Delhi

Date: 25 July 2018



For and on behalf of the Board of Directors of  
**Foundation For Independent Journalism**

FOUNDAATION FOR INDEPENDENT JOURNALISM FOUNDATION FOR INDEPENDENT JOURNALISM



Siddharth Vardarajan  
(Director)

DIN- 07208637

Place: New Delhi

Date: 25



Mangalam Kesavan Venu  
(Director)

DIN-07207091

Place: New Delhi

Date: 25 July 2018

Director