



S. Sahoo & Co.

Chartered Accountants

FORM 10B
(See Rule 17B)

AUDIT REPORT UNDER SECTION 12A(b) OF THE INCOME TAX ACT, 1961, IN THE CASE OF CHARITABLE OR RELIGIOUS TRUSTS OR INSTITUTIONS

We have examined the attached Balance Sheet of LEAD India. AT: 66, Hemkunt Colony, New Delhi-110048. as at 31st March, 08 & the related Receipts & Payment Account, Income & Expenditure Account on the said date.

These financial statements are the responsibility of the LEAD India's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

On the basis of the information and explanation given to us, we are of the opinion that:

- (a) the Balance Sheet gives a true and fair view of the state of affairs of LEAD India as at 31st March, 08; and
- (b) the Income & Expenditure Account gives a true and fair view of the results of operation of LEAD India for the year ended on the date stated above.



S. Sahoo
CA Subhjit Sahoo FCA, LLb
Partner
S. Sahoo & Co.
Chartered Accountants
MMNo: 057426

Place : New Delhi
Dated: 31.05.2008

LEAD India
66, First Floor, Hemkunt Colony, Near Nehru Place
New Delhi-110048

AMOUNT IN RS.

| BALANCE SHEET AS AT 31ST, MARCH, 2008 | | | |
|--|-------------------|----------------------|----------------------|
| | SCHEDULE | 2007-08 | 2006-07 |
| SOURCES OF FUNDS | | | |
| I. FUND BALANCES: | | | |
| a. General Fund | [01] | 4,107,803.00 | 3,136,493.00 |
| b. Corpus Fund | [02] | 8,155,940.00 | 8,153,940.00 |
| c. Capital Fund | [03] | 341,126.00 | 384,519.00 |
| | | 12,604,869.00 | 11,674,952.00 |
| II. LOAN FUNDS: | | | |
| a. Secured Loans | | - | - |
| b. Unsecured Loans | | - | - |
| | | - | - |
| TOTAL Rs. | [I + II] | 12,604,869.00 | 11,674,952.00 |
| APPLICATION OF FUNDS | | | |
| I. FIXED ASSETS | | | |
| Gross Block | [04] | 2,543,184.00 | 2,452,639.00 |
| Less: Accumulated Depreciation | | 1,907,929.00 | 1,764,698.00 |
| Net Block | | 635,255.00 | 687,941.00 |
| II. INVESTMENTS | | | |
| | [05] | 8,491,101.00 | 10,229,900.00 |
| III. CURRENT ASSETS, LOANS & ADVANCES: | | | |
| a. Loans & Advances | [06] | 153,200.00 | 249,500.00 |
| b. Other Current assets | [07] | 2,732,613.00 | 32,671.00 |
| c. Cash & Bank Balance | [08] | 1,924,630.00 | 1,235,668.00 |
| | A | 4,810,443.00 | 1,517,839.00 |
| Less: CURRENT LIABILITIES & PROVISIONS: | | | |
| a. Current Liabilities | | - | 5,000.00 |
| b. Unspent Grant Balance | [09] | 1,331,930.00 | 755,728.00 |
| | B | 1,331,930.00 | 760,728.00 |
| NET CURRENT ASSETS | [A - B] | 3,478,513.00 | 757,111.00 |
| TOTAL Rs. | [I+II+III] | 12,604,869.00 | 11,674,952.00 |

Significant Accounting Policies and Notes to Accounts

[21]

The schedules referred to above from an integral part of the Balance Sheet.

IN TERMS OF OUR REPORT ON EVEN DATE

For & on behalf :

S. SAHOO & CO.

Chartered Accountants



CA. Subhjit Sahoo

Partner

M No. 057426

For:

LEAD India

Executive Director

Treasurer

Place : New Delhi

Date : 31.05.2008

LEAD India
66, First Floor, Hemkunt Colony, Near Nehru Place
New Delhi-110048

AMOUNT IN RS.

| INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31/03/2008 | | | |
|--|----------|---------|---------|
| | SCHEDULE | 2007-08 | 2006-07 |

I. INCOME

| | | | |
|------------------------|------|----------------------|---------------------|
| Grant-in-Aid | [10] | 14,411,218.00 | 5,748,183.00 |
| Interest Income | | 206,953.00 | 58,768.00 |
| Income from Investment | | 62,533.00 | 1,566,846.00 |
| Other income | [11] | 1,683,219.00 | 2,113,319.00 |
| | | 16,363,923.00 | 9,487,116.00 |

II. EXPENDITURE

| | | | |
|--|------|------------------|-------------------|
| Training activities | [12] | 1,448,792.00 | 1,952,521.00 |
| Communication & Networking | [13] | 963,029.00 | 885,867.00 |
| Co-Ordinating & Fund Raising | [14] | 184,596.00 | 388,956.00 |
| Governance Expenses | [15] | 337,519.00 | 1,192,167.00 |
| Lead Net | [16] | 218,249.00 | 144,232.00 |
| Project expenses | [17] | 10,035,274.00 | 4,304,954.00 |
| Other Administrative Expenses | [18] | 2,105,316.00 | 1,970,071.00 |
| Depreciation | [04] | 143,231.00 | 200,046.00 |
| Less: Depreciation Transferred to Asset Fund | [04] | 43,393.00 | 49,213.00 |
| | | 99,838.00 | 150,833.00 |

| | | | |
|--|--|----------------------|----------------------|
| | | 15,392,613.00 | 10,989,601.00 |
|--|--|----------------------|----------------------|

**V. EXCESS OF EXPENDITURE OVER INCOME
TRANSFERRED TO BALANCE SHEET**

| | | | |
|--|--|-------------------|-----------------------|
| | | 971,310.00 | (1,502,485.00) |
|--|--|-------------------|-----------------------|

Significant Accounting Policies and
Notes to Accounts

[21]

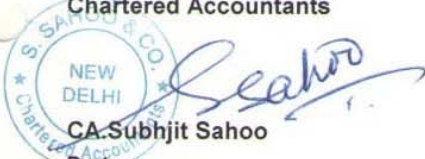
The schedules referred to above from an
integral part of the Income & Expenditure Account.

IN TERMS OF OUR REPORT OF EVEN DATE

For & on behalf :

S.SAHOO & CO.

Chartered Accountants



CA. Subhjit Sahoo

Partner

MM No. 057426

Place : New Delhi

Date : 31.05.2008

For:

LEAD India


Executive Director


Treasurer

LEAD India
66, First Floor, Hemkunt Colony, Near Nehru Place
New Delhi-110048

AMOUNT IN RS.

| RECEIPTS & PAYMENT ACCOUNT FOR THE YEAR ENDED 31/03/2008 | | |
|--|----------|-------------|
| | SCHEDULE | Amount (Rs) |

| | SCHEDULE | Amount (Rs) | Amount (Rs) |
|------------------------------------|----------|----------------------|----------------------|
| I. RECEIPTS | | | |
| Opening Balance: | | | |
| Cash in Hand | | 18,323.00 | 230,368.00 |
| Cash at Bank | | 1,217,345.00 | 833,692.00 |
| Grant Received | [20] | 12,420,427.00 | 5,942,994.00 |
| Bank Interest | | 72,439.00 | 58,768.00 |
| Income Received From Investment | | 39,717.00 | 1,566,846.00 |
| Net Sale Proceeds of Investment | | 8,660,293.00 | 312,588.00 |
| Other Receipts | [21] | 1,650,367.00 | 2,096,719.00 |
| Project Advance Recovered | | - | 1,107,421.00 |
| Sale Proceeds of Capital Assets | | - | 56,595.00 |
| Advances & Deposit given, Received | | 99,500.00 | |
| Life Membership Fees | | 2,000.00 | - |
| Refund from Income tax | | 13,316.00 | |
| TOTAL | | 24,193,727.00 | 12,205,991.00 |

| | | | |
|-------------------------------|-------|----------------------|----------------------|
| II. PAYMENT | | | |
| Training activities | [12] | 1,448,792.00 | 1,952,521.00 |
| Communication & Networking | [13] | 963,029.00 | 885,867.00 |
| Co-Ordinating & Fund Raising | [14] | 184,596.00 | 388,956.00 |
| Governance Expenses | [15] | 337,519.00 | 1,192,167.00 |
| Lead Net | [16] | 218,249.00 | 144,232.00 |
| Project expenses | [17] | 10,035,274.00 | 4,304,954.00 |
| Other Administrative Expenses | [18A] | 2,037,893.00 | 1,970,071.00 |
| Investment Purchased | | 6,950,000.00 | - |
| Security Deposit | | - | 750.00 |
| Current Liabilities Paid | | - | 51,755.00 |
| Project Advance | | 3,200.00 | 28,500.00 |
| Non-Recurring Expenses | | 90,545.00 | 50,550.00 |
| Closing Balance: | | | |
| Cash in Hand | | 91,583.00 | 18,323.00 |
| Cash at Bank | | 1,833,047.00 | 1,217,345.00 |
| TOTAL | | 24,193,727.00 | 12,205,991.00 |

| | | | |
|---|------|---|---|
| Significant Accounting Policies and Notes to Accounts | [22] | - | - |
|---|------|---|---|

The schedules referred to above from an integral part of the Receipts & Payment Account.

IN TERMS OF OUR REPORT OF EVEN DATE

For & on behalf :

S.SAHOO & CO.

Chartered Accountants

NEW DELHI

CA. Subhjit Sahoo

Partner

M No. 057426

Place : New Delhi

Date : 31.05.2008

For:

LEAD India

Magyad. Kumar
Executive Director

R. Ahluwalia
Treasurer