

VISHNU DAYA & CO.,

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Members of Vyoma Linguistic Labs Foundation Report on the Financial Statements

We have audited the accompanying financial statements of M/s. Vyoma Linguistic Labs Foundation ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Income and Expenditure Account for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, 2013; and
- (b) in the case of the Income and Expenditure account, of the excess of expenditure over income for the period ended on that date;



Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in paragraph 4 of the Companies (Auditor's Report) Order, 2003 ("the Order") (as amended), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, as the same is not applicable to the Company.

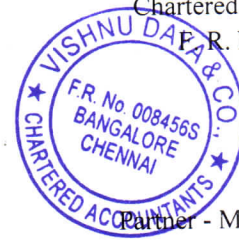
2. As required by section 227(3) of the Act, we report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c. the financial statements dealt with by this Report are in agreement with the books of account.
- d. in our opinion, the financial statements comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Act;
- e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Vishnu Daya & Co.,

Chartered Accountants

R. No. 008456S



Shankar D

Partner - M. No. 216547

Place: Bangalore

Date: 02.09.2013

Vyoma Linguistic Labs Foundation
(Company registered under section 25(1)(a) of the Companies Act, 1956)

Note No.

(Amount in Rs.)

		As at 31 March 2013			
		No. of Shares	Amount		
2.01	Share capital				
	(a) Authorised				
	Equity Shares Rs 10 each with voting rights	10,000	100,000		
	(b) Issued, subscribed and paid-up				
	Equity Shares Rs 10 each with voting rights	1,000	10,000		
	The Company has only one class of shares referred to as equity shares with a par value of Rs 10. The voting rights on equity shares is restricted to only one vote per share.				
	(c) The reconciliation of number of shares outstanding and the amount of share capital is set out below:				
	Particulars	As at 31 March 2013			
	Equity Shares	Number of shares	Amount		
	Number of shares at the beginning of the period	-	-		
	Add: Equity Shares issued during the period	1,000	10,000		
	Number of Equity shares at the end of the period	1,000	10,000		
	As per Memorandum of Association of the Company, in the event of liquidation of the Company, the holders of equity share will not be entitled to receive any of remaining assets of the Company after distribution of all preferential amounts. The balance shall be given or transferred to such other Company having similar objects, to be determined by the member of the Company at or before the time of dissolution or in default thereof by the High Court of judicature that has or may acquire jurisdiction in the matter.				
	(d) Share holding pattern as at reporting date: March 31, 2013				
	Particulars	No. of Shares	Par value of share	Amount	
	Venkatasubramanian P	500	10	5,000	
	Krishnamurthy B	500	10	5,000	
		1,000	-	10,000	
	(e) Details of shareholders holding more than 5% shares in the Company as at reporting date: March 31, 2013				
	Particulars	% held	No. of Shares	Par value of share	Amount
	Equity shares held by				
	Venkatasubramanian P	50%	500	10	5,000
	Krishnamurthy B	50%	500	10	5,000
					As At
					March 31, 2013
2.02	Reserves and surplus				
	Surplus - balance in Income and Expenditure Account				
	Opening balance				-
	Add: Net profit after tax transferred from Income and Expenditure Account				(245,266)
	Closing balance				(245,266)
2.03	Short-term borrowings				
	Loan from directors				277,083
					277,083
2.04	Trade Payables				
	Dues to micro and small enterprises				-
	Dues to other creditors				
	- Creditors for supplies				8,542
	- Creditors for expenses				108,959
					117,501
2.05	Trade receivables				
	Unsecured, considered good				
	Debts due for a period exceeding six months				-
	Others				62,347
					62,347
2.06	Cash and bank balances				
	Cash and cash equivalents				
	Balances with banks - in current account				96,285
	Cash on hand				686
					96,971
2.07	Short-term loans and advances:				
	Advances to suppliers				0
					0



Venkatasubramanian
PIRECTOR

R. Shakti
DIRECTOR



Vyoma Linguistic Labs Foundation
(Company registered under section 25(1)(a) of the Companies Act, 1956)

As at
March 31, 2013
Rs.

Note No. - 2.11 Other additional information - Balance Sheet

a. Contingent liabilities and commitments:		
(i)	Claims against Company not acknowledged as debt.	Nil
	Commitments representing long term commitment and cancellation of the same	
(ii)	having higher penalties	Nil
	In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the balance sheet.	

For the period ended
March 31, 2013

Note No. - 2.12 Other additional information - Income and Expenditure Account

a.	Net (loss)/gain on foreign currency transaction	-
b.	Payment to auditors:	
	i) Audit fee including tax audit	16,854
	ii) other services	-

Note No. - 2.13 Other information - Income and Expenditure Account

a.	Value of imports calculated on CIF basis	-
b.	Expenditure in foreign currency - Travelling expenses	-
c.	Details of consumption of imported items- Raw materials	-
	Details of consumption of indigenous items - Raw materials	-
d.	Amount remitted in foreign currency on account of dividend	-
e.	Earnings in foreign exchange	-

Note No. - 2.14 Additional information

- a. **Due to Micro, Small and Medium Enterprises**
i) Principal and interest amount remaining unpaid to any suppliers as at the end of the accounting year* Nil
* There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium enterprises has been identified on the basis of information available with the Company.

b. **Related party disclosure**

List of related parties:

Nature of Relation	Related Parties
Enterprises having control over reporting enterprise	Nil
Subsidiaries	Nil
Joint Venture, associate enterprise	Nil
Enterprise under common control	Nil
Enterprise over which the key management personnel exercise significant influence	Ideas Software and Consulting Private Limited
Key Management Personnel	a. Venkatasubramanian Panchukrishnan b. Krishnamurthy Balakrishnan c. Sudhir Ranganna Patavardhan

There are no transactions with the related parties during the period of this financial statements.

c. **Earnings per share**

The Company has evaluated its earnings per share as per the requirements of Accounting Standard – 20, as under

	Current year
Net profit as per Income and Expenditure Account	(245,266)
Weighted average no. of equity shares issued	1,000
Nominal value per share in Rs	10
Basic/Diluted EPS (in Rupees)	(245.27)

*The Company does not have any outstanding dilutive potential equity shares as at March 31, 2013. Consequently, the basic and diluted earnings per share of the Company remain the same.

The Company was incorporated on December 07, 2012 and the financial statements have been prepared from the aforesaid date till March 31, 2013 accordingly, there are no comparative figures of previous year.

As per our report of even date

for Vishnu Daya & Co.,
Chartered Accountants
Firm Registration No. 0084563

Shankar D
Partner
Membership No. 21657

Place: Bangalore
Date: 02.09.2013



for and on behalf of the Board of Directors

Aksharamanian
Director

Rkhatok
Director



Vyoma Linguistic Labs Foundation
(Company registered under section 25(1)(a) of the Companies Act, 1956)
Income and Expenditure Account for the period from December 07, 2012 to March 31, 2013
(Amount in Rs.)

Particulars	Note No.	For the period from December 07, 2012 to March 31, 2013
Revenue from operations	2.08	344,336
Total Revenue		344,336
Expenses		
Cost of Sales	2.09	81,690
Employee benefit expenses	2.10	335,452
Other expenses	2.11	146,205
Preliminary expenses		26,254
Total Expenses		589,602
Excess of Expenditure over income		(245,266)
Tax expenses		
- Current tax		-
Excess of Expenditure over income		(245,266)
Excess of Expenditure over income for the period		(245,266)
Earnings per equity share		
Equity shares of par value of Rs 10/- each		1,000
Basic		(245.27)
Diluted		(245.27)

Significant accounting policies & Notes 1
This is the Income and Expenditure referred to in our report of even date

for Vishnu Daya & Co.,
Chartered Accountants
Firm Registration No. 0084565

Shankar D
Partner
Membership No. 246547



for and on behalf of Board of Directors

A. Subramanian
Director

P. Srinivas
Director



Place : Bangalore
Date : 02.09.2013

Vyoma Linguistic Labs Foundation
 (Company registered under section 25(1)(a) of the Companies Act, 1956)
Balance Sheet


Particulars	Note No	(Amount in Rs.) As at March 31, 2013
I. EQUITY AND LIABILITIES		
Shareholders' Funds		
Share Capital	2.01	10,000
Reserves and Surplus	2.02	(245,266)
Current Liabilities		
Short-term borrowings	2.03	277,083
Trade payables	2.04	117,501
Total		<u><u>159,319</u></u>
II. ASSETS		
Current assets		
Trade receivables	2.05	62,347
Cash and cash equivalents	2.06	96,971
Short-term loans and advances	2.07	-
Total		<u><u>159,319</u></u>

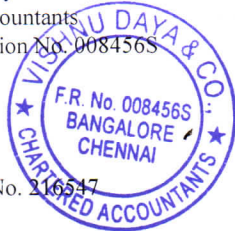
Significant accounting policies & Notes 1
 This is the Balance Sheet referred to in our report of even date

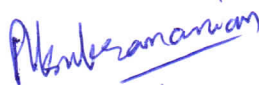
for Vishnu Daya & Co.,

for and on behalf of Board of Directors

Chartered Accountants
 Firm Registration No. 008456S


 Shankar D
 Partner
 Membership No. 216547





Director



Director



Place : Bangalore
 Date : 02.09.2013

Vyoma Linguistic Labs Foundation
(Company registered under section 25(1)(a) of the Companies Act, 1956)

(Amount in Rs.)

For the period ended
31 March 2013

Note No.

2.08 Revenue from operations

Sale of products	344,336
Total	344,336

2.09 Cost of Sales

CD Recordings	69,516
Purchase of Books and CDs	12,174
Total	81,690

2.1 Employee benefit expense

Salaries and wages	326,187
Staff welfare expenses	9,265
Total	335,452

2.11 Other expenses

Miscellaneous expenses*	146,205
Total	146,205

*Miscellaneous expenses include aggregate of various expenses.

Abhishek Manian
DIRECTOR

R. R. R. R.
DIRECTOR



Vyoma Linguistic Labs Foundation
(Company registered under section 25(1)(a) of the Companies Act, 1956)

Computation of Total Income and Tax Liability for the year March 31, 2013

Particulars		Amount (Rs.)
Gross Receipts		344,336
Less: Deduction u/s.11(1)(a)	(15% of Income)	51,650
		292,686
Less: Revenue expenditure incurred and amount applied for Charitable purpose u/s.11(1)(a)	589,602	589,602
Add: Depreciation as per IT Act	-	
Loss for the period		(296,916)
Loss for A.Y.2012-13 Carried Forward		(296,916)
Total Income		Nil
Tax thereon		Nil



for Vyoma Linguistic Labs Foundation

Ramanian
Director

Pratod
Director

Vyoma Linguistic Labs Foundation
(Company registered under section 25(1)(a) of the Companies Act, 1956)

Note No. - 1 Significant Accounting Policies

a Background

Vyoma Linguistic Labs Foundation ("the Company") was incorporated on December 07, 2012 as a Section 25 private limited company under the Companies Act, 1956 ('the Act'). The registered office of the Company is at No. 155, G.K.W Layout, Vijayanagar - 560 040. The Company is engaged in promoting Sanskrit learning through the use of technology, spreading the usage of Sanskrit language and other related activities towards this objective.

Vyoma Linguistic Labs Foundation is a Section 25 private limited company incorporated under the Companies Act, 1956 having Section 25 Company license number 102545. The Company has carried out the activities during the period in accordance with the Memorandum and Articles of the Association. The Company has not declared any dividend or paid any salary or remuneration or by whatever name called (other than reimbursement of actual expenses incurred) to its directors and members. The Company has not made any changes in the Memorandum and Articles of Association during the year.

b Basis of preparation of financial statement

These financial statements have been prepared in accordance with Generally Accepted Accounting Principles ('GAAP') in India under the historical cost convention on the accrual basis of accounting. GAAP comprises mandatory Accounting Standards ('AS') as specified in the Companies (Accounting Standards) Rules, 2006, ('the Rules') and the relevant provisions of the Companies Act, 1956, to the extent applicable.

The financial statements are presented in Indian rupees.

c Use of Estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities, as of the balance sheet date and the reported amount of revenue and expenses for the period and disclosure of contingent liabilities as of the date of the Financial Statements. Actual amount could differ from these estimates. The differences, if any, will be dealt accordingly in subsequent years.

d Revenue Recognition

Company derives its revenues primarily from sale of books and DVDs and the same is recognised on accrual basis

e Taxation:

a Income tax

Income tax expense comprises current tax for the period determined in accordance with the Income Tax Act, 1961.

b Deferred tax

Deferred tax is recognised on timing differences between the accounting income and the taxable income for the period and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognised and carried forward to the extent that there is a reasonable or virtual certainty, as may be applicable, that sufficient future taxable income will be available against which such deferred tax asset can be realised.

f Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

g Earnings per share ('EPS')

Basic and diluted earnings per share are computed in accordance with Accounting Standard - 20.

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity share holders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.



Abubakarian
DIRECTOR

Pshata
DIRECTOR

