

VISHNU DAYA & CO.,

CHARTERED ACCOUNTANTS

3rd Floor, Karuna Complex, No. 337, Sampige Road, Malleswaram, Bangalore - 560 003.
Phone : +91-80-23312779, +91-80-23560633, +91-80-23343983 Fax : +91-80-23313725
Website : www.vishnudaya.com

FORM NO. 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 balance sheet of **Vyoma Linguistic Labs Foundation**, AAECV2657F, No.155, GKW Layout, Vijaynagar, Bangalore- 560 040. as at 31st March, 2015 and the Income and Expenditure account for the year ended on that date which are in agreement with the books of account maintained by the said Trust.

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of the audit. In our opinion, proper books of account have been kept by the head office so far as appears from our examination of the books and proper returns adequate for the purposes of audit have been received from by us subject to the comments given below: - NIL

In our opinion and to the best of our information, and according to information given to us the said accounts give a true and fair view: -

- (i) In the case of the balance sheet, of the state of affairs of the above named trust as at 31st March, 2015 and
- (ii) In case of the Income and Expenditure account, of the excess of expenditure over income of its accounting year ending on 31st March, 2015

The prescribed particulars are annexed hereto.

Dated this 2nd September, 2015 at Bangalore



Shankar D

Partner

M. No. 216547

Vishnu Daya & Co.,

Chartered Accountants

FR No. 008456S

Address: GF 7, Karuna Complex, No.337,

Sampige Road, Malleswaram,

Bangalore - 560003

**ANNEXURE
STATEMENT OF PARTICULARS**

- I. Application of income for charitable or religious purposes.
1. Amount of income of the previous year applied to charitable or religious purposes in India during that year. Revenue Expenditure – Rs. 17,01,392/-
Capital Expenditure – Rs. NIL
 2. Whether the trust/institution has exercised the option under clause (2) of the Explanation to section 11 (1)? If so, the details of the amount of income deemed to have been applied to charitable or religious purposes in India during the previous year. NIL
 3. Amount of income accumulated or set apart /finally set apart for application to charitable or religious purposes, to the extent it does not exceed 15 per cent of the income derived from property held under trust wholly /in part only for such purposes. NIL
 4. Amount of income eligible for exemption under section 11(1)(c) [Give details] NIL
 5. Amount of income, in addition to the amount referred to in item 3 above, accumulated or set apart for specified purposes under section 11(2)
 6. Whether the amount of income mentioned in item 5 above has been invested or deposited in the manner laid down in section 11(2)(b)? If so, the details thereof. NIL
 7. Whether any part of the income in respect of which an option was exercised under clause (2) of the Explanation to section 11(1) in any earlier year is deemed to be income of the previous year under section 11(1B)? If so, the details thereof. NIL
 8. Whether, during the previous year, any part of income accumulated or set apart for specified purposes under section 11(2) in any earlier year



III. Investment held at any time during the previous year(s) in concerns in which persons referred to in section 13(3) have a substantial interest.

Sl. No	Name and address of the concern	Where the concern is a company No and class of shares held	Nominal value of the investment	Income from the investment	Whether the amount in Col. 4 exceeded 5% of the capital of the concern during the previous year-say. Yes/No
1	2	3	4	5	6
	Not Applicable as no such investment is held				
Total					

Dated this 2nd day of September, 2015 at Bangalore



Shankar D

Partner

M. No. 216547

Vishnu Daya & Co.,

Chartered Accountants

FR No. 008456S

GF 7, Karuna Complex, No.337,

Sampige Road, Malleswaram,

Bangalore - 560003

5. Whether any share, security, or other property was purchased by or on behalf of the trust/institution during the previous year from any such person? If so, give details thereof together with the consideration paid NIL
6. Whether any share, security, or other property was sold by or on behalf of the trust/institution during the previous year to any such person? If so, the details thereof together with the consideration received. NIL
7. Whether any income or property of the trust/institution was diverted during the previous year in favour of any such person? If so, give details thereof together with the amount of income or value of property so diverted. NIL
8. Whether the income or property of the trust/institution was used or applied during the previous year for the benefit of any such person in any other manner? If so, give details. NIL



- a) Has been applied for purposes other than charitable or religious purposes or has ceased to be accumulated or set apart for application thereto, or NIL
- b) Has ceased to remain invested in any security referred to in section 11(2)(b)(1) or deposited in any account referred to in section 11(2)(b)(1) or section 11(2) (b) (iii) or NIL
- c) Has not been utilized for purposes for which it was accumulated or set apart during the period for which it was to be accumulated or set apart, or in the year immediately following the expiry thereof? If so, the details thereof NIL

II. Application or use of income or property for the benefit of persons referred to in section 13 [3].

1. Whether any part of the income or property of the trust/institution was lent, or continues to in section 13(3) [hereinafter referred to in this Annexure as such person]? If so, give details of the amount, rate of interest charged and the nature of security, if any NIL
2. Whether any land, building or other property of the trust/institution was made, or continued to be made, available for the use of any such person during the previous year? If so, give details of the property and the amount of rent or compensation charged, if any. NIL
3. Whether any payment was made to any such person during the previous year by way of salary allowance or otherwise? If so, give details. NIL
4. Whether the services of the trust/institution were made available to any such person during the previous year? If so, give details thereof together with remuneration or compensation received, if any. NIL



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

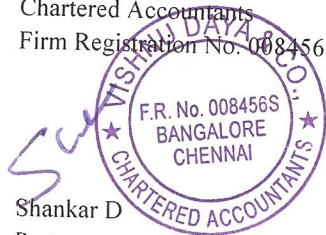
Particulars	Note	(Amount in Rs.)	
		As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.01	10,000	10,000
Reserves and Surplus	2.02	(29,85,088)	(18,91,381)
Current Liabilities			
Short-term borrowings	2.03	32,24,586	22,36,995
Trade payables	2.04	45,496	2,63,636
Other Current Liabilities	2.05	52,450	15,168
Total		3,47,443	6,34,417
II. ASSETS			
Fixed Assets			
Tangible Assets	2.06	12,130	34,268
Current assets			
Inventory	2.07	3,09,891	422,491
Trade receivables	2.08	-	3,897
Cash and cash equivalents	2.09	25,421	1,65,255
Other Current Assets	2.10	-	8,507
Total		3,47,443	6,34,417

Significant accounting policies & Notes

1

This is the Balance Sheet referred to in our report of even date

for Vishnu Daya & Co.,
Chartered Accountants
Firm Registration No. 008456S



Shankar D
Partner
Membership No. 216547

Place : Bangalore
Date: 02.09.2015

for and on behalf of Board of Directors

V. Subramanian

Venkatasubramanian
Director
DIN:01242837

Place : Bangalore
Date: 02.09.2015

P. R. Ranganna

Sudhir Ranganna
Director
DIN:01242664

Place : Bangalore
Date: 02.09.2015



Vyoma Linguistic Labs Foundation
(Company registered under section 25(1)(a) of the Companies Act, 1956)
Income and Expenditure Account for the year ended 31st March 2015

Particulars	Note	(Amount in Rs.)	
		Current year	Previous year
Revenue from operations	2.11	3,85,752	3,12,073
Other Income	2.12	2,44,071	4,96,665
Total Revenue		6,29,823	8,08,738
Expenses			
Cost of Sales	2.13	1,58,190	6,32,477
Employee benefit expenses	2.14	7,90,666	11,97,742
Depreciation	2.06	22,138	2,921
Other expenses	2.15	7,52,536	6,21,713
Total Expenses		17,23,530	24,54,854
Excess of Expenditure over income		(10,93,707)	(16,46,116)
Tax expenses			
- Current tax		-	-
Excess of Expenditure over income		(10,93,707)	(16,46,116)
Excess of Expenditure over income for the period		(10,93,707)	(16,46,116)
Earnings per equity share			
Equity shares of par value of Rs 10/- each		1,000	1,000
Basic		(1,093.71)	(1,646.12)
Diluted		(1,093.71)	(1,646.12)

Significant accounting policies & Notes

1

This is the Income and Expenditure 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





Venkatasubramanian

Director

DIN:01242837

Place : Bangalore

Date: 02.09.2015



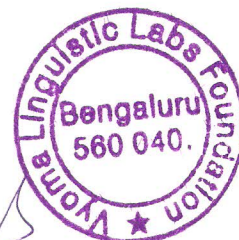
Sudhir Ranganna

Director

DIN:01242664

Place : Bangalore

Date: 02.09.2015



Vyoma Linguistic Labs Foundation
(Company registered under section 25(1)(a) of the Companies Act, 1956)
Cash flow statement for the year ended 31st March 2015

Particulars	Current year	Previous year
A. Cash flow from operating activities		
Net Profit before tax	(10,93,707)	(16,46,116)
<u>Adjustments for:</u>		
Finance costs	-	-
Depreciation and amortisation	22,138	2,921
Operating profit/(loss) before working capital changes	(10,71,569)	(16,43,195)
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Trade receivables	3,897	58,450
Stock	1,12,600	(4,22,491)
Others	8,507	(8,507)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables	(2,18,141)	1,46,135
Other current liabilities	37,282	15,168
Short term borrowings	9,87,591	19,59,911
Cash generated from operations	(1,39,832)	1,05,471
Net income tax (paid)/refunds		
Net cash flow from / (used in) operating activities (A)	(1,39,832)	1,05,471
B. Cash flow from investing activities		
Capital expenditure on fixed assets net off sales		(37,189)
Net cash flow from / (used in) investing activities (B)	-	(37,189)
C. Cash flow from financing activities		
Finance costs		
Net cash flow from / (used in) financing activities (C)	-	-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(1,39,832)	68,282
Cash and cash equivalents at the beginning of the year	1,65,255	96,971
Cash and cash equivalents at the end of the year	25,421	1,65,255
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents at the end of the year *	25,420	1,65,256
* Comprises:		
(a) Cash on hand	16,717	3,092
(b) Balances with banks - on current account	8,704	1,62,163
	25,421	1,65,255

Note:

- Cash and cash equivalents include cash on hand and bank balances.
- Figures in brackets indicate cash outgo
- The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard -3.



Abhisaranian



The notes referred to above form an integral part of the financial statements

This is the Cash Flow Statement referred to in our report of even date

for Vishnu Daya & Co.,
Chartered Accountants
Firm Registration No. 008456S

Shankar D

Shankar D
Partner

Membership No. 216547



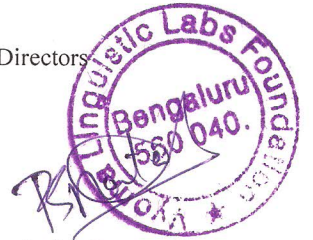
Place : Bangalore

Date: 02.09.2015

for and on behalf of Board of Directors

Venkatasubramanian

Venkatasubramanian
Director
DIN:01242837



Sudhir Ranganna
Sudhir Ranganna
Director
DIN:01242664

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

Note

(Amount in Rs.)

2.01	Share capital	As At March 31, 2015		As At March 31, 2014	
		No. of Shares	Amount	No. of Shares	Amount
(a)	Authorised share capital				
	Equity Shares Rs 10 each with voting rights	10,000	1,00,000	10,000	1,00,000
(b)	Issued, subscribed and paid-up				
	Equity Shares Rs 10 each with voting rights	1,000	10,000	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 2015		As at 31 March 2014	
	Equity Shares	No. of Shares	Amount	No. of Shares	Amount
	Number of shares at the beginning of the period	1,000	10,000	1,000	10,000
	Add: Equity Shares issued during the period	-	-	-	-
	Number of Equity shares at the end of the period	1,000	10,000	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 members 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, 2015**

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:**

Particulars	As at March 31, 2015		As at March 31, 2014	
	% held	No. of Shares	% held	No. of Shares
Equity shares held by				
Venkatasubramanian P	50%	500	50%	500
Krishnamurthy B	50%	500	50%	500
		1,000		1,000

	As At March 31, 2015	As At March 31, 2014
2.02 Reserves and surplus		
Surplus - balance in Income and Expenditure Account		
Opening balance	(18,91,381)	(2,45,265)
Add: Net profit after tax transferred from Income and Expenditure Account	(10,93,707)	(16,46,116)
Closing balance	(29,85,088)	(18,91,381)
2.03 Short-term borrowings		
Loan from directors	32,24,586	22,36,995
	32,24,586	22,36,995
2.04 Trade Payables		
Dues to micro and small enterprises	-	-
Dues to other creditors		
- Creditors for supplies	21,941	1,42,055
- Creditors for expenses	23,555	1,21,581
	45,496	2,63,636
2.05 Other Current Liabilities		
TDS payable	-	15,168
Salary Payable	52,450	-
	52,450	15,168
2.08 Trade receivables		
Unsecured, considered good		
Debts due for a period exceeding six months	-	3,897
	-	3,897
2.09 Cash and cash equivalents		
Cash on hand	8,704	1,62,163
Balances with banks - in current account	16,717	3092
	25,421	1,65,255
2.10 Other current assets		
Receivable from the clients for the reimbursement of expenses	-	8,507
	-	8,507



Venkatasubramanian



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

(Amount in Rs.)

Note No.	For the period ended 31 March 2015	For the period ended 31 March 2014
2.11 Revenue from operations		
Sale of products	2,46,229	2,77,973
Sale of Services	1,39,523	34,100
Total	3,85,752	3,12,073
2.12 Other Income		
CDs and Books Contributed by Directors	-	4,48,069
Donation received	2,44,071	48,596
	2,44,071	4,96,665
2.13 Cost of Sales		
Opening Stock	4,22,491	-
CDs and Books received from Directors	-	4,33,069
Product Creation and CD Recordings	45,590	6,16,351
Purchase of Books and CDs	-	5,548
Less: Closing stock	3,09,891	4,22,491
	1,58,190	6,32,477
2.14 Employee benefit expense		
Salaries and wages	6,92,111	11,80,300
Staff welfare expenses	98,555	17,442
Total	7,90,666	11,97,742
2.15 Other expenses		
Computer Maintenance	25,282	-
Freelancer Expense	2,61,069	39,694
Miscellaneous expenses*	4,66,185	5,82,019
Total	7,52,536	6,21,713

*Miscellaneous expenses include aggregate of various expenses.



Abubramanian

Vyoma Linguistic Labs Foundation

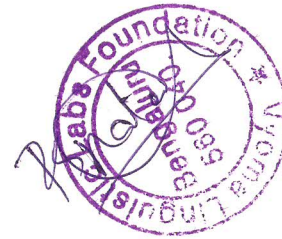
Notes forming part of the financial statements

Note - 2.06 Fixed Assets:

Asset	Gross Block			Depreciation				Net Block		
	As at 01.04.2014	Additions	Deletions	As at 31.03.2015	As at 01.04.2014	For the year	Deletions	As at 31.03.2015	As at 31.03.2014	As at 31.03.2014
Tangible Asset:										
Laptop	37,189	-	-	37,189	2,921	22,138	-	25,059	12,130	34,268
Total (A)	37,189	-	-	37,189	2,921	22,138	-	25,059	12,130	34,268
Total Previous Year	-	37,189	-	37,189	-	2,921	-	2,921	34,268	-



Abulhasan



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.

Vyoma Linguistic Labs Foundation teaches Sanskrit through online and classes are conducted through webinar. The notes and recordings of these classes are available to people online free for learning. In the financial year 2014-2015 approximately 1530 students have been benefitted by these classes and about 12 courses were conducted. Vyoma Linguistic Labs Foundation also has donated 280 CD's (shandaroopasangraha) to 280 students who have secured the highest marks in Sanskrit in Karnataka State. This donation was made to the Karnataka State Sanskrit Teacher's association, Bangalore, who organised a public function and distributed the same in Company's presence.

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, CDs & DVDs and linguistic services 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.

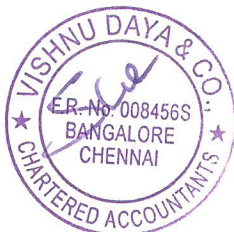
f Provisions and Contingencies

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.

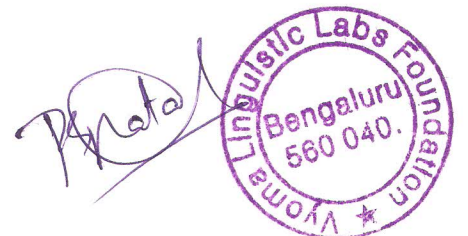
g Earnings per share ('EPS')

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.



Abubramanian



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

As at
March 31, 2015 As at
March 31, 2014
Rs.

Note No. - 2.16 Other additional information - Balance Sheet

a. Contingent liabilities and commitments:

- | | | | |
|--|---|-----|-----|
| (i) Claims against Company not acknowledged as debt. | - | Nil | Nil |
| Commitments representing long term commitment and cancellation | | | |
| (ii) of the same having higher penalties | | Nil | Nil |

b. 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, 2015 For the period ended
March 31, 2014

Note No. - 2.17 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 | | 25,650 | 25,281 |
| ii) other services | | - | - |

Note No. - 2.18 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. - 2.19 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 | 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	a. Ideas Software and Consulting Private Limited b. NAMDUS Marketing and Technology Consulting LLP
Key Management Personnel	a. Venkatasubramanian Panchukrishnan b. Krishnamurthy Balakrishnan c. Sudhir Ranganna Patavardhan



A. Subramanian



c. Earnings per share

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

	Current year	Previous Year
Net profit as per Income and Expenditure Account	(10,93,707)	(16,46,116)
Weighted average no. of equity shares issued	1,000	1,000
Nominal value per share in Rs	10	10
Basic/Diluted EPS (in Rupees)	(1,093.71)	(1,646.12)

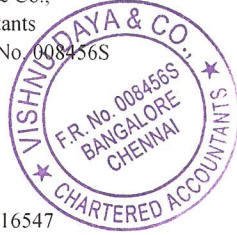
*The Company does not have any outstanding dilutive potential equity shares as at March 31, 2015. Consequently, the basic and diluted earnings per share of the Company remain the same.

As per our report of even date

for Vishnu Daya & Co.,
Chartered Accountants
Firm Registration No. 008456S

Sue

Shankar D
Partner
Membership No. 216547



Place: Bangalore
Date: 02.09.2015

for and on behalf of the Board of Directors

Venkatasubramanian

Venkatasubramanian
Director
DIN:01242837

Place: Bangalore
Date: 02.09.2015

Sudhir Ranganna

Sudhir Ranganna
Director
DIN:01242664

Place: Bangalore
Date: 02.09.2015



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, 2015

Particulars		Amount (Rs.)
Gross Receipts		6,29,823
Less: Deduction u/s.11(1)(a) (15% of Income)		-
		6,29,823
Less: Revenue expenditure incurred and amount applied for Charitable purpose u/s.11(1)(a)	17,23,530	
Less: Depreciation debited to the Income and Expenditure account	22,138	
	17,01,392	
Add: Fixed Assets Purchased during the year	-	17,01,392
Loss for the period		(10,71,569)
Loss for A.Y.2015-16 Carried Forward		(10,71,569)
Loss for A.Y.2014-15 Carried Forward		(16,80,383)
Total Income		Nil
Tax thereon		Nil

for Vyoma Linguistic Labs Foundation

Abubramanian

Director

Thata

Director

