

MANTRA SOCIAL SERVICES

FINANCIAL STATEMENTS
For the year ended March 31, 2017

GPSV & CO.,
CHARTERED ACCOUNTANTS
Bangalore

GPSV & Co.

Chartered Accountants

80/1, Sriranga Nilaya, First Floor, West Park Road,
18th Cross, Malleshwaram, Bengaluru – 560055,
Landline: 080-23561778, Website: www.gpsv.in



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MANTRA SOCIAL SERVICES, BENGALURU

Report on the Financial Statements

We have audited the accompanying financial statements of Mantra Social Services ("the Company"), which comprises the balance sheet as at 31 March 2017 and the statement of profit and loss for the year then ended, and a summary of the 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting standards and the 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 the 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 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

For GPSV & CO.
Chartered Accountants

Partner



appropriateness of the 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 31 March 2017 and its Profits for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, the report has not enclosed as the same is not applicable to the company for the period as per class 2(v) of para 1 of the said order.
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 the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, the report has not enclosed as the same is not applicable.
 - 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:

For GPSV & CO.
Chartered Accountants

Bhat

Partner



- i. the Company does not have any pending litigations which would impact its financial position.
- ii. the Company did not have any long-term contracts including derivate contracts for which there were any material foreseeable loss.
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. the company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company.

for G P S V & Co.,

Chartered Accountants

ICAI Firm's registration number: 013175S

V Bhat

Venkatesha Bhat

Partner

ICAI Membership No. 131243



Place: Bangalore

Date: 06th September, 2017

MANTRA SOCIAL SERVICES
BALANCE SHEET AS AT 31ST MARCH 2017

(Amounts in Rupees)

	Notes	As at March 31, 2017	As at March 31, 2016
Equity and Liabilities			
Shareholders' Fund			
Share Capital	2	100,000	100,000
Reserves & Surplus	3	2,643,961	1,003,718
Non-current liabilities			
Current Liabilities			
(a) Short term Borrowings		-	-
<i>Unsecured - From related parties</i>		6,495	630
(b) Trade payables		-	-
<i>For services</i>		37,785	687
(c) Other Current Liabilities		5,953	257,863
(d) Short term provisions		47,800	-
Total		2,841,994	1,362,898
Assets			
Non-current assets			
(a) Fixed assets:		-	-
Tangible Assets		27,040	-
Intangible Assets		-	-
Capital Work in Progress		-	-
(b) Non-Current Investments		-	-
(c) Deferred Tax Asset (Net)		-	-
(d) Long Term Loans and Advances		-	-
(e) Other Non-Current Assets		-	-
Current Assets			
(a) Inventories		-	-
(b) Trade Receivables		-	-
(c) Cash and Bank Balances		2,802,937	1,362,898
(d) Short Term Loans and Advances		11,517	-
(e) Other Current Assets		500	-
Total		2,841,994	1,362,898

Notes to Financial Statements
As per our report of even date

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For G P S V & Co.,
Chartered Accountants
Firm Reg No. 013175S

VBhat
CA Venkatesha Bhat
Partner
M.No.131243



For and on behalf of the Board of Directors

Santosh Kumar More
Santosh Kumar More
Director
DIN 05264521



Khusboo Kumari
Khusboo Kumari
Director
DIN 05264529

Date : 06.09.2017
Place : Bengaluru

MANTRA SOCIAL SERVICES**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2017**

	(Amounts in Rupees)	
	Year ended March 31, 2017	Year ended March 31, 2016
Revenue		
Donations Received	6,930,950	3,009,157
Other Revenue	106,765	221,088
Total	7,037,715	3,230,245
Expenses:		
Project expenses	364,874	105,749
Audit Fees	20,000	20,213
Professional Fees	110,963	366,245
Printing & Stationery	15,337	35,500
Conveyance Expenses	12,402	77,455
Travelling Expenses	63,962	-
Rates & Taxes	10,334	6,294
Scholarship to students	107,000	-
Miscellaneous expenses	70,333	-
Salary Expenses	4,612,607	1,885,079
Depreciation	9,660	-
Total	5,397,472	2,496,535
Profit/(Loss) before Tax	1,640,243	733,710
Less: Tax expenses	-	-
Profit/(Loss) for the period	1,640,243	733,710
Earnings per Share:		
(1) Basic	164.02	73.37
(2) Diluted	164.02	73.37
No. of shares used for computing EPS	10,000	10,000

Notes to Financial Statements

1

As per our report of even date

For G P S V & Co.,
Chartered Accountants
Firm Reg No. 013175S



CA Venkatesha Bhat
Partner
M.No.131243

Date : 06.09.2017
Place: Bengaluru



For and on behalf of the Board of Directors



Santosh Kumar More
Director
DIN 05264521



Khusboo Kumari
Director
DIN 05264529



MANTRA SOCIAL SERVICES
NOTES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

Note No. - 2 Share capital

Share Capital	As at 31st March, 2017			As at 31st March, 2016		
	No. of Shares	Par value of share	Rupees	No. of Shares	Par value of share	Rupees
a. Authorised						
- Equity Shares	10,000	10	100,000	10,000	10	100,000
b. Issued, subscribed and fully paid up						
Share Capital						
- Equity Shares	10,000	10	100,000	10,000	10	100,000
c. Reconciliation						
- Equity Shares						
Shares outstanding at the beginning of the period	10,000	100	100,000	-	-	-
Add: Allotment of shares during the period	-	-	-	10,000	10	100,000
Shares outstanding at the end of the reporting date	10,000	100	100,000	10,000	100	100,000

- d. The Company has only one class of shares referred to as Equity shares having a par value of Rs. 100/- Each holder of equity shares is entitled to one vote per
e. Share holding pattern as at reporting date:

List of shareholder holding over 5% shares as at reporting date:

Name of the Share holder	No. of Shares	Par value of share	% held	Amount
Equity Shares				
Santosh Kumar More	2,500	10	25%	25,000
Rishi Singhal	2,500	10	25%	25,000
Khushboo Kumari	2,500	10	25%	25,000
Ritesh Kumar Mishra	2,500	10	25%	25,000
Total	10,000		100%	100,000

- f. Shares reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment, including terms and amount: Nil
(Company has not reserved any shares for issue under options or otherwise and contracts/ commitments for sale / disinvestment as on reporting date.)
i. Shares information related to immediately preceding five years from reporting date:
Share allotted as fully paid up pursuant to contract(s) without payment being received in cash : Nil
Share allotted as fully paid up bonus shares : Nil
Shares brought back - Aggregate number and amount: Nil
j. Terms of securities convertible in to equity / preference shares as at reporting date: Nil
k. Calls unpaid as at reporting date: Nil
Calls unpaid by directors and officers as at reporting date: Nil
l. Forfeited shares as at reporting date: Nil

Note No. - 3 Reserves and Surplus

Reserves and Surplus	As at 31st March, 2016	As at 31st March, 2015
Opening Balance	1,003,718	270,008
Profit/ Loss for the Year	1,640,243	733,710
Closing Balance	2,643,961	1,003,718

For GPSV & CO.
Chartered Accountants

Bhat
Partner



For MANTRA SOCIAL SERVICES
Director

For MANTRA SOCIAL SERVICES
Director

Santosh Kumar More

Khushboo



MANTRA SOCIAL SERVICES

Notes forming part of the financial statements

(All amounts in Rs, unless otherwise stated)

Fixed Assets Schedule

Particulars	Gross block				Accumulated depreciation			Net block		
	as at 01/04/2016	Additions	Disposals	as at 31/03/2017	as at 01/04/2016	Depreciation	Reversal	as at 31/03/2017	as at 31/03/2017	as at 31/03/2016
Tangible assets										
Furniture & Fixtures	-	19,700	-	19,700	-	3,887	-	3,887	15,813	-
Office equipments	-	17,000	-	17,000	-	5,773	-	5,773	11,227	-
	-	36,700	-	36,700	-	9,660	-	9,660	27,040	-
Previous Year	-	-	-	-	-	-	-	-	-	-

For GPSV & CO
Chartered Accountants

Partner



For MANTRA SOCIAL SERVICES
Director

For MANTRA SOCIAL SERVICES
Director

Shushro

Santosh Kumar more



MANTRA SOCIAL SERVICES

Note No. - 1 Significant Accounting Policies

a Background:

Mantra Social Services ("the Company") was incorporated on 27th March 2013 as a private limited company under the Sec 25 of Companies Act, 1956 ('the Act'). The registered office of the Company is at NO.3/20,Ganesha Block,4th Cross,Mahalaxmi Layout,Bengaluru- 560 086. The Company is engaged in creation of enabling factors for underresourced children, Research and develop curriculam such that values and ethics are woven into tasks and activities students enjoy, Promote and Practise Preventive Healthcare.

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, 2013, 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 year 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 Fixed assets

Fixed assets are carried at cost of acquisition less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs directly attributable to acquisition or construction of fixed assets which necessarily takes a substantial year of time to get ready for their intended use are also included to the extent they relate to the year till such assets are ready to be put to use. Intangible assets are recorded at their acquisition cost.

e Depreciation

Depreciation on tangible fixed assets has been provided on the written down value method as per the useful life as determined by the Company which is as prescribed in Schedule II to the Companies Act, 2013. Assets costing less than Rs 5,000 each are fully depreciated in the year of capitalisation.

f Revenue Recognition

a Company is a Non Profit Organisation. Hence any voluntary contribution will be recognised on receipt basis. Income from rendering services will be recognised on delivery services to the satisfaction of the clients.

b Revenue from interest income and other income are accounted on accrual basis.

g Foreign currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the profit and loss account of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The resultant exchange differences are recognized in the profit and loss account.

Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

h Taxation:

a Income tax

Income tax expense comprises current tax for the year 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 year 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.

c Minimum Alternative Tax

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified year. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the provisions contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified year.

For GPSV & CO.
Chartered Accountants

Bhat
Partner



For MANTRA SOCIAL SERVICES
Director

For MANTRA SOCIAL SERVICES
Director

Shushko
Santosh Kumar More



i **Impairment of assets:**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting years no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

j **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.

k **Earnings per share ('EPS')**

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

l **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.

For GPSV & CO.
Chartered Accountants

Partner

Bhat



For MANTRA SOCIAL SERVICES
Director

For MANTRA SOCIAL SERVICES
Director

Ashish

Santosh Kumar More



MANTRA SOCIAL SERVICES

Note No. 4

(Amount in Rs)
As at 31 March 2017 As at 31 March 2016

4.1 Other Additional information- Balance Sheet:

a Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities

(a) Claims against the Company not acknowledged as debt

(b) Guarantees(BG and LC)

(c) Other money for which the Company is contingently liable

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.

4.2 Other Additional information- Statement of Profit and Loss:

Payment to auditor for audit

- Statutory Audit

20,000

20,213

4.3 Other disclosures:

a Expenditure in foreign currency

Import of goods

Nil

Nil

b Earnings in foreign exchange

Export of goods

Nil

Nil

Consultancy services

Nil

Nil

4.4 Additional information:

a Dues to micro and small enterprises

The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006.

The Ministry of Micro, Small and Medium enterprises has issued an office Memorandum dated 26 August 2008 which recommends that the Micro and Small enterprises should mention in their correspondence with its customers the entrepreneur's Memorandum number as

allocated after filing of the Memorandum. The Company has not received any claim for interest from any supplier under the said Act

As at 31 March 2017 As at 31 March 2016

The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; *

-

-

The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year; *

-

-

The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;

-

-

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

-

-

* excluding interest

b Related party transactions

Name of related parties, description, nature and amount of related party transaction:

Nature of relation	Nature of Transaction	Amount	Amount	
Enterprise having control over reporting enterprise			Nil	Nil
Subsidiaries			Nil	Nil
Joint venture			Nil	Nil
Enterprises under common control : Mantra 4 Change Private Li	Repayment of Loan		Nil	6250
Enterprises over which key management personnel exercise significant influence			Nil	Nil

Key management personnel

Directors :

a. Mr.Santosh Kumar More

Remuneration

b. Mrs. Khushboo Kumari

Remuneration

Santosh Kumar More
Director

Khushboo
Director

	As at 31 March 2017	As at 31 March 2016
Mr.Santosh Kumar More	605,000	500,000
Mrs. Khushboo Kumari	720,000	350,000

For GPSV & CO.
Chartered Accountants

Bhot
Partner



d Earnings per share

	For the year ended 31 March 2017	For the year ended 31 March 2016
Net profit for the year attributed to equity shareholders	1,640,243	733,710
Weighted average number of equity shares of Rs 10/- each used for calculation of earning per share- basic	10,000	10,000
Weighted average number of equity shares of Rs 10/- each used for calculation of earning per share- diluted	10,000	10,000
Earnings per share- basic	164.02	73.37
Earnings per share- diluted	164.02	73.37

e This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

4.5 Disclosure details of Specified Bank Notes (SBN's) - as per Annexure attached

As per our report of even date attached
for **GPSV & Co.,**
Chartered Accountants
Firm Registration No. 013175S

Bhat

CA Venkatesha Bhat
Partner
M.No.131243
Place: Bengaluru
Date:06/09/2017



for and on behalf of the Board of Directors

Santosh Kumar More

**SANTOSH KUMAR
MORE**
Director
DIN 05264521

Khusboo

KHUSBOO KUMARI
Director
DIN: 05264529



4.5] Disclosure details of Specified Bank Notes (SBN's)					
Mantra Social Services					
Cash Transactions between 9th November, 2016 to 30th December, 2016					
SBN Details	SBNs		Other denomination notes		Total
	Denomination	Amount	Denomination	Amount	
Closing balance at 8th November 2016	-	-	(100*267)+(10*1)+(1*3)	13	(100*267)+(10*1)+(1*3) 26,713
Transaction between 9th November, 2016 to 30th December, 2016					
Add: Withdrawal from bank account	-	-	100*400	40,000	100*400 40,000
Add: Receipts for permitted transactions	-	-	-	-	-
Add: Receipts for not-permitted transactions (if any)	-	-	-	-	-
Less: paid for permitted transactions	-	-	(100*193)	19,300	(100*193) 19,300
Less: paid for non-permitted transactions (if any)	-	-	-	-	-
Less: Deposited in bank accounts	-	-	-	-	-
Closing balance at 30th December 2016	-	-	(100*474)+(10*1)+(1*3)	47,413	(100*474)+(10*1)+(1*3) 47,413



For GPSV & CO.
Chartered Accountants

Bhat

Partner

FOR MANTRA SOCIAL SERVICES
Director

For MANTRA SOCIAL SERVICES
Director



Shankar

Santosh Kumar More