



INDEPENDENT AUDITOR'S REPORT

To the Members of **DEFY EDUCATIONAL ORGANISATION**

Report on the Financial Statements

1. We have audited the accompanying financial statements of **DEFY EDUCATIONAL ORGANISATION** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Income and Expenditure and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The management and Board of Directors of the Company are 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, 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 General Circular 15/2013 dated September 13, 2013 and also rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; design, implementation and maintenance of adequate internal financial controls, that are 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility

3. 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 there under and the Order under Section 143(11) of the Act. 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.

4. 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 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 management and Board of Directors, as well as evaluating the overall presentation of the financial statement.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. 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 31st March 2019, its Income and Expenditure its cash flows for the period ended on that date 31st March, 2019.

Report on Other Legal and Regulatory Requirements

7. As required by section 143(3) of the Act, we further 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 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 Balance Sheet, Statement of Income and Expenditure and cash flow statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act.
- e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, 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, we express an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:



- 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 derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
- III. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For **Umamaheswar & Co**
Chartered Accountants
Firm Registration No – 016659S

D. Umamaheswar

D Uma Maheswar
Membership No: 231773
Place: Bangalore, India
Date: 28/06/2019



Defy Educational Organisation
CIN: U80902KA2016NPL097014
 3rd Floor, No 29/1, Magrath Road, Bangalore 560 025

Balance Sheet as at 31st March, 2019

Particulars	Notes	FY 2018-19 Rs.	FY 2017-18 Rs.
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital		-	-
Reserves and surplus	4	44,34,638	7,32,099
Share application money pending allotment			
Non-current liabilities			
Long-term provisions		-	-
Current liabilities			
Trade payables	5	43,006	-
Other current liabilities	6	1,94,467	82,727
Short-term provisions		-	62,871
TOTAL		46,72,111	8,77,697
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets		2,73,847	1,28,148
Intangible assets		-	-
Long-term loans and advances			
Deposits		1,24,000	-
Current assets			
Trade receivables		-	-
Cash and cash equivalents	7	36,00,602	7,15,055
Other current assets	8	6,73,662	34,494
TOTAL		46,72,111	8,77,697
See accompanying notes forming part of the financial statements	1 to 13		

As per our report of even date attached
 For **UMAMAHESWAR & Co**
 Chartered Accountants
 FRN: - # 016659S

D. Umamaheswar
D UMA MAHESWAR

Membership # 231773

Place: Bangalore
 Date: 28/06/2019

For and on behalf of the board of directors
 For **DEFY EDUCATIONAL ORGANISATION**

Sinha
ABHIJIT AJIT KUMAR **ARVIND**
SINHA **BADRINARAYANAN**
 Director Director
 DIN : 07362743 DIN : 07362759

Place: Bangalore
 Date: 28/06/2019

Place: Bangalore
 Date: 28/06/2019

Defy Educational Organisation
CIN: U80902KA2016NPL097014

3rd Floor, No 29/1, Magrath Road, Bangalore 560 025

Statement of Income & Expenditure for the year ended 31st March, 2019

Particulars	Notes	FY 2018-19	FY 2017-18
		Rs.	Rs.
REVENUE			
Grants and donations	9	96,71,198	14,61,648
Other income		-	1,87,000
Total Revenue		96,71,198	16,48,648
EXPENSES			
Employee benefit expenses	10	4,21,750	3,37,555
Depreciation and Amortization		-	-
Programmes and Activities		49,62,293	
Other expenses	11	5,84,616	4,50,878
Total Expenses		59,68,659	7,88,433
Excess of Income Over Expenditure / (Excess of Expenditure Over Income)		37,02,539	8,60,215
Income Tax AY 2018-19		-	57,783
Excess of Income Over Expenditure / (Excess of Expenditure Over Income) after tax		37,02,539	8,02,432
See accompanying notes forming part of the financial statements	1 to 13		

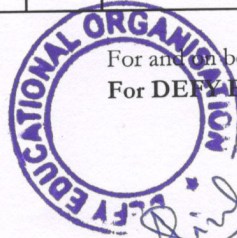
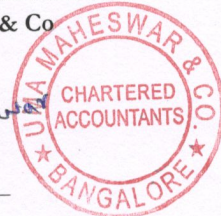
As per our report of even date attached
For **UMAMAHESWAR & Co**
Chartered Accountants
FRN: - # 016659S

D. Umamaheswar

D UMA MAHESWAR

Membership # 231773

Place: Bangalore
Date: 28/06/2019

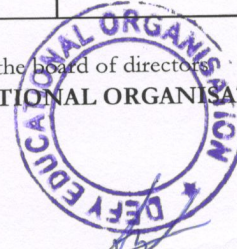


For and on behalf of the board of directors
For **DEFY EDUCATIONAL ORGANISATION**

Abhijit
ABHIJIT AJIT KUMAR
SINHA

Director
DIN : 07362743

Place: Bangalore
Date : 28/06/2019



Arvind
ARVIND
BADRINARAYANAN

Director
DIN : 07362759

Place: Bangalore
Date: 28/06/2019

Defy Educational Organisation
Cash Flow Statement for the period ended March 31, 2019

	Particulars	March 31, 2019 Rs.	March 31, 2018 Rs.
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before taxation and extraordinary items	37,02,539	8,60,215
	Adjustments (Non cash and Non operating items)		
	Depreciation & Amortization expenses	-	-
	Interest On Income Tax	-	5,088
	Operating profit before working capital changes	37,02,539	8,65,303
	(Increase)/Decrease in Current Assets		
	Current Assets	(6,57,329)	(34,494)
	Loans and Advances	(1,24,000)	-
	Increase/(Decrease) in Current Liability & Provisions		
	Trade Payables	43,006	-
	Current Liability	1,11,740	(12,606)
	Cash generated from operations	30,75,957	8,18,203
	Income taxes paid	(44,710)	-
	Net cash from operating activities	30,31,247	8,18,203
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets	(1,45,699)	(1,28,148)
	Proceeds from sale of assets	-	-
	Net cash from investing activities	(1,45,699)	(1,28,148)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Issue of Shares (or) Debentures	-	-
	Dividend received	-	-
	Net cash from financing activities	-	-
	Net Increase/(Decrease) in cash & cash equivalents	28,85,548	6,90,055
	Cash and cash equivalents at beginning of the period	7,15,055	25,000
	Cash and cash equivalents at end of the period	36,00,602	7,15,055

As per our report of even date attached
For UMAMAHESWAR & Co
Chartered Accountants
FRN: - # 016659S

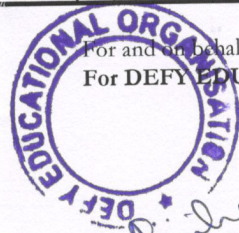
D. Umamaheswar



D UMA MAHESWAR
Partner
Membership # 231773

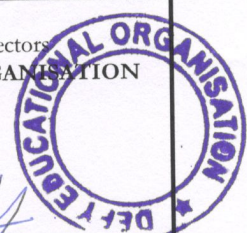
Place : Bangalore
Date : 28/06/2019

For and on behalf of the board of directors
For DEFY EDUCATIONAL ORGANISATION



Sinha
ABHIJIT AJIT KUMAR
SINHA
Director
DIN : 07362743

Place : Bangalore
Date : 28/06/2019



Arvind
ARVIND
BADRINARAYANAN
Director
DIN : 07362759

Place : Bangalore
Date : 28/06/2019

DEFY EDUCATIONAL ORGANISATION

Notes to the financial statements for the year ended March 31, 2019

12 Name and Address of the person(s) who were Directors during the Financial year

1. Megha Bhagat C-4, Vaishnavi Shloka Apartments, NR Colony, A Cross, Murugeshpalya, Bangalore 560 017
2. Abhijit Ajit Kumar Sinha C-4, Vaishnavi Shloka Apartments, NR Colony, A Cross, Murugeshpalya, Bangalore 560 017
3. Arvind Badrinarayanan 1st Floor, No 33, HIS GRACE, 3rd Cross Road, Venkat Reddy Layout, Koramangala 6th Block Bangalore 560 095

12.1 Transactions with related parties

Particulars	March 31,2019	March 31,2018
	Rs.	Rs.
Expenses/Asset cost incurred on behalf of the company		
Abhijit Sinha	26,521	4,977
Megha Bhagat	33,706	-
Professional Charges -		
Abhijit Sinha	2,20,000	-
Megha Bhagat	2,20,000	-

12.2 Outstanding Balances

Particulars	March 31,2019	March 31,2018
	Rs.	Rs.
Abhijit Sinha	(57,625)	4,977
Megha Bhagat	11,795	-

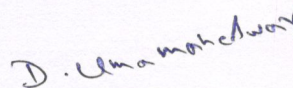
- 13 Rs.24,37,069/- is the amount accumulated in the FY 2018-19 for non utilizing 85% of the donations received money during the year and the management confirmed us that Form 10 will be filed by them for utilizing the same in the next FY 2019-20.(As per the Income Tax Act 1961)

As per our report of even date attached

For **UMAMAHESWAR & Co**

Chartered Accountants

FRN: - # 016659S

**D UMA MAHESWAR**

Partner

Membership # 231773

Place : Bangalore

Date : 28/06/2019

For and on behalf of the board of directors

For **DEFY EDUCATIONAL ORGANISATION****ABHIJIT AJIT KUMAR SINHA**

Director

DIN : 07362743

Place : Bangalore

Date : 28/06/2019

**ARVIND BADRINARAYANAN**

Director

DIN : 07362759

Place : Bangalore

Date : 28/06/2019

DEFY EDUCATIONAL ORGANISATION

Notes to the financial statements for the year ended March 31, 2019

1. Corporate Information

Defy Educational Organisation (the "Company") , a not for profit company in the meaning of section 8 of the companies act,2013, was incorporated in the state of Karnataka on October 6th, 2016. The registered office of the Company is located at Bangalore. The Company limited by Gaurantee and not having Share Capital is engaged in promoting services in the field of education spread of knowledge and awareness including providing educational modules, educational material, educational tools and software, establishing, running and maintaining institutions in required areas, cities, towns and villages at a concessional fees for poor students and strive for women empowerment by conducting training programs in various fields.

2. Basis of preparation of Financial Statements

The financial statements have been prepared to comply in all material respects with the notified accounting standards by the Companies Accounting Standards Rules, 2006 (as amended), the relevant provisions of the Companies Act, 1956, read with General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs, in respect of section 133 of the Companies Act 2013. The financial statements have been prepared under the historical cost convention on an accrual basis in accordance with the accounting principles generally accepted in India. The accounting policies have been consistently applied by the Company.

3. Significant Accounting Policies

(a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India ("Indian GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon managements evaluation of relevant facts and circumstances as of the date of financial statements. Actual results could differ from those estimates. Any revisions to the accounting estimates is recognised prospectively in current and future periods.

(b) Revenue recognition

Grants and donations are recognized in the year in which the same are received. In addition, the following criteria must also be met before revenue is recognised:

Voluntary Contribution:

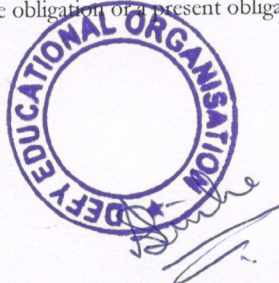
- (i) Contribution received other than for corpus donation are recognised as income in the year of receipt.
- (ii) Contributions received as corpus donation are credited to 'Fund held in corpus donation' in the Balance sheet. Such contributions are transferred to Statement of Income and Expenditure as per the direction of the management for carrying out the activities of the company.

(c) Income taxes

The Company has been granted exemption from Income Tax under section 12A read with section 12AA of the Income Tax Act, 1961. Income tax/Deferred Tax has not been recognized due to the exemptions available under Section 11 and 12 of Income Tax Act 1961.

(d) Provisions

The Company recognizes a provision when there is a present obligation as a result of a past (or obligating) even that probably required an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

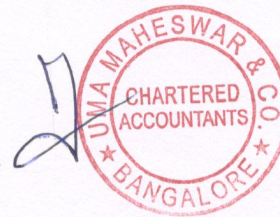
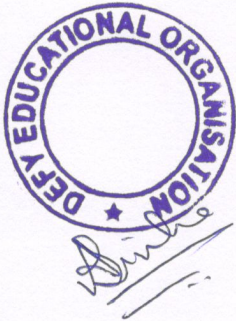


Defy Educational Organisation
CIN: U80902KA2016NPL097014

3rd Floor, No 29/1, Magrath Road, Bangalore 560 025

Notes to the Financial Statements for the Year ended March 31, 2019

Note	Particulars	FY 2018-19 Rs.	FY 2017-18 Rs.
4	RESERVES AND SURPLUS		
	General Reserve		
	Surplus / (Deficit) in Statement of Income & Expenditure		
	Opening balance	7,32,099	(70,332)
	Add / (less) : Movements during the year:		
	Excess of Income over Expenditure / (Excess of Expenditure over Income) for the year	37,02,539	8,02,432
		44,34,638	7,32,099
5	TRADE PAYABLES		
	Sundry Creditors	43,006	-
		43,006	-
6	OTHER CURRENT LIABILITIES		
	Unsecured loan	40,977	4,977
	Statutory Liabilities	29,000	4,425
	Kushal	-	-
	Accrued liabilities	1,24,490	73,325
		1,94,467	82,727
7	CASH AND CASH EQUIVALENTS		
	Balances with banks		
	In Current Accounts	36,00,602	7,15,055
	Cash on hand	-	-
		36,00,602	7,15,055
8	OTHER CURRENT ASSTES		
	Loans and Advances(Asset)	95,464	15,794
	TDS Receivable	5,61,112	18,700
	Other Assets	17,086	-
		6,73,662	34,494



Defy Educational Organisation
CIN: U80902KA2016NPL097014

3rd Floor, No 29/1, Magrath Road, Bangalore 560 025

Notes to accounts forming part of Statement of Profit & Loss as at 31st March, 2019

Note	Particulars	FY 2018-19 Rs.	FY 2017-18 Rs.
9	DIRECT INCOME		
	Donation	96,71,198	13,66,113
	Finland Travel Donation	-	80,535
	Tailoring Machine Donation	-	15,000
		96,71,198	14,61,648
10	EMPLOYEE BENEFIT EXPENSES		
	Salaries & Allowances	4,20,000	3,27,000
	Staff Welfare Expenses	1,750	10,555
		4,21,750	3,37,555
	PROGRAMMES AND ACTIVITIES		
	<u>Nasscom</u>		
	Demo Day-NF	1,43,865	-
	Bottles and Sippers-12%	94,189	-
	Delivery Charges-Hackathon	1,520	-
	Food & Snacks_Hackathon	1,27,247	-
	Other Expenses-Hackathon	1,11,164	-
	Postage & Courier_Hackathon	980	-
	Travel & Conveyance-Hackathon	516	-
	Other Fees-Launch Event	79,843	-
	Stickers	45,508	-
	T Shirts	6,441	-
	T Shirts-5%	2,34,000	-
	Consultant Fees-NF	12,74,452	-
	Lodging & Boarding Expenses	35,272	-
	Other Expense	1,33,690	-
	Postage & Courier_NF	7,974	-
	Printing & Stationery_NF	11,944	-
	Snacks & Refreshments	1,42,803	-
	Lodging & Boarding Expenses-Operational	20,260	-
	Snacks & Refreshments-Operational	8,129	-
	Travel & Conveyance-Operational	2,09,697	-
	Accounting Charges	48,000	-
	Airport Charges-NF	871	-
	Central Team Costs	12,02,459	-
	Domain Charges-NF	3,966	-
	Other Overhead Costs-NF	20,738	-
	Travel & Conveyance-NF	2,00,995	-
	Traveling Expenses-Flight Tickets	17,661	-
	<u>Kaggalipura Nook</u>		
	Kaggalipura Nook Expenses	1,00,328	-
	Rent-Kaggalipura Nook	88,930	-
	<u>Whitefield-Nook</u>		
	Appliances & Electricals	10,075	-

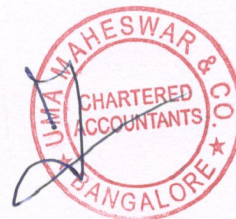
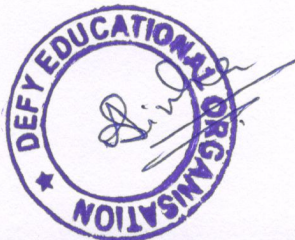


Defy Educational Organisation
CIN: U80902KA2016NPL097014

3rd Floor, No 29/1, Magrath Road, Bangalore 560 025

Notes to accounts forming part of Statement of Profit & Loss as at 31st March, 2019

Note	Particulars	FY 2018-19 Rs.	FY 2017-18 Rs.
	Battery Backup-WF Nook	35,624	-
	Furniture-Whitefield Nook Setup	23,580	-
	Implementing Partner Costs-WF Nook	76,500	-
	Initial Tools & Material-WF Nook	63,164	-
	Internet-WF Nook	4,130	-
	Knowledge Management Fees-WF	1,12,500	-
	Laptops-WF Nook	2,00,000	-
	Outreach/Marketing-Setup-WF	5,357	-
	Research-Setup-WF Nook	16,000	-
	RO Water Purifier-WF Nook	15,601	-
	Setup Fees-WF	16,935	-
	Travel Expenses-Setup	9,385	-
		49,62,293	-
11	OTHER EXPENSES		
	Bank Charges	-	133
	Domain charges	7,900	19,647
	Electricity charges	1,577	15,095
	Legal & Professional Fee	1,42,711	27,050
	Meals and entertainment	-	4,523
	Office Expenses	1,12,049	21,403
	Accounting Charges	-	44,250
	Rates & Taxes	2,500	2,400
	Rent Expenses	-	85,050
	Telephone & Internet charges	18,079	53,416
	Training Expenses	-	-
	Travelling Expenses	52,247	39,927
	Travelling Expenses-Foreign	-	80,585
	Repair & Maintenance	-	20,617
	Launch Event Expenses	56,078	-
	Other Nook Expenses	1,91,339	28,169
	Miscellaneous Expenses	136	8,613
	Other Expenses	-	-
		5,84,616	4,50,878
	Payment to Auditor		
	Statutory Audit fee	25,000	15,000
		25,000	15,000



Fixed Assets as on 31/03/2019

Particulars	Gross block				Depreciation And Amortization				Net Book value	
	As at 01.4.2018 Rs.	Addition during the period Rs.	Deletion during the year Rs.	As at 31.3.2019 Rs.	As at 01.4.2018 Rs.	For the year Rs.	Deduction during the year Rs.	As at 31.3.2019 Rs.	As at 31.3.18 Rs.	As at 31.3.19 Rs.
Tangible Asset										
Computer Equipment	1,02,556	1,05,000	-	2,07,556	-	-	-	-	1,02,556	2,07,556
Plant and Machinery	25,592	-	-	25,592	-	-	-	-	25,592	25,592
Furniture	-	17,700	-	17,700	-	-	-	-	-	17,700
Office Equipment	-	22,999	-	22,999	-	-	-	-	-	22,999
Total	1,28,148	1,45,699	-	2,73,847	-	-	-	-	1,28,148	2,73,847

