



K JINDAL & ASSOCIATES
Chartered Accountants

FORM 10B
[See Rule 17B]

Audit report under section 12A (b) of the Income-Tax Act, 1961
in the case of Charitable or Religious Trusts or Institutions

1. We have examined the Balance Sheet of **SHIKSHA** (the "Trust"), PAN: **AADTS8271N** as at March 31, 2017, the Income & Expenditure account and Receipts & Payment Account for the year ended on that date which is in agreement with the books of account maintained by the said Trust.
2. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit. In our opinion, proper books of accounts have been kept by the Trust, so far as appears from our examination of the books.
3. In our opinion and to the best of our information and according to the information given to us, the said accounts give a true and fair view, in the case of:
 - a) the Balance Sheet, of the state of the affairs of the above named Trust as at March 31, 2017; and
 - b) the Income and Expenditure account, of the Excess of Income over Expenditure of the accounting year ended on that date.
4. The prescribed particulars are annexed hereto.

For **K Jindal & Associates**
Chartered Accountants
FRN: 026083N




(Kavita Jindal)
Partner
M.No. 522703

Place : New Delhi
Date : September 28' 2017

Our Offices at:

Delhi HO: D- 701, Gauri Ganesh Apartments, Sector- 3, Dwarka, New Delhi- 110078
Delhi : Plot No. 893, Khasra No. 154/893, Krishna Market, Firmi Road Pooth Khurd, Delhi - 110039
Noida: C-329, Second Floor, Sector 19, Noida - 201301

SHIKSHIA
F.Y. 2016-17

ANNEXURE TO REPORT U/S 12 A(b) OF THE INCOME TAX ACT* 1961

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 the year.	:	60,66,707.00
2.	Whether the Trust/Institution has exercised the option under Clause (2) of the Explanations 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.	:	No
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% of the income derived from property held under trust wholly/in part only for such purposes.	:	11,06,022.00
4.	Amount of Income eligible for exemption U/s 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 u/s 11(2).	:	Nil
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).	:	Not Applicable
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 U/s 11(1B). If so, the details thereof.	:	No
8.	Whether, during the previous year, any part of income accumulated or set apart for specified purposes u/s 11(2) in any earlier year :- a) has been applied for purposes other than Charitable or Religious purposes or has ceased to be accumulated or set apart for application thereof, or b) has ceased to remain invested in any security referred to in Section 11(2) (b) (ii) or Section 11 (2) (b) (iii) or 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, details thereof.	:	No



II	APPLICATION OR USE OF INCOME OR PROPERTY FOR THE BENEFIT OR 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 be lent, or in the previous year to any person referred to in Section 13 (3) (hereinafter referred to in this Annexure as such persons). If so, give details of the amount, rate of interest charged and the nature of Security, if any.	No
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.	No
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.	No
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.	No
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 persons. If so give details thereof together with the consideration paid.	No
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.	No
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.	No
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.	No

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:



SI No.	NAME AND ADDRESS OF THE CONCERN	WHERE THE CONCERN IS A COMPANY	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
----- N I L -----					

These are the particulars referred to in our report of even date.

For **K Jindal & Associates**

Chartered Accountants

FRN: 026083



(Kavita Jindal)

Partner

M.No. 522703

Place : New Delhi

Date : September 28' 2017

Name of the Assessee

Address

PAN

Previous Year

Assessment Year

Status

SHIKSHA

C-503, Som Vihar, R.K. Puram

New Delhi-110022

AADTS8271N

2016-17

2017-18

Trust registered U/S 12 A of the Income Tax Act

Computation of Taxable Income

Particulars	Amount (in Rs.)		
Income From Property Held Under Trust For Charitable Purpose	73,73,480		
Income Before Application of Income	73,73,480		
Less:- Application of Income			
Income accumulated or set apart as per Clause (a) of section 11(1) to the extent not exceeding 15%	11,06,022		
Income accumulated or set apart as per section 11(2) (to be utilised till 31st March 2022)	-		
Amount Applied to charitable purpose in india during the previous year-Revenue Account	59,49,458		
Amount Applied to charitable purpose in india during the previous year-Capital Account	1,17,249		
Amount deemed to applied during the previous year-clause (2) of the explanation to section 11(1)	71,72,729		
Gross Total Income	2,00,751		
Tax Payable	Nil		
Less: TDS	1,87,641		
Refund Due	1,87,641		
TDS details as per 26AS			
CENT BANK HOME FINANCE LTD.	BPLC00547B	4,71,000	47,104
PNB HOUSING FINANCE LIMITED	DEL908792A	7,77,056	77,707
HOUSING DEVELOPMENT FINANCE CORPORATION (HDFC) LIMITED	MUMH00305E	1,37,000	13,700
LIC HOUSING FINANCE LTD	MUML05003F	4,31,934	43,193
KERALA TRANSPORT DEVELOPMENT FINANCE CORPORATION LIMITED	TVDK00662E	59,361	5,937
Total			1,87,641



Uday Mehta Chotra

SHIKSHA
C-503, Som Vihar, R. K. Puram, New Delhi-110022
Balance Sheet as at 31st March 2017

(All amount in Indian rupees unless otherwise stated)

Liabilities	Amount		Assets	Amount	
	As on March 31, 2017	As on March 31, 2016		As on March 31, 2017	As on March 31, 2016
Capital Account			Fixed Assets		
Capital	251,96,862		(As per Schedule B)	14,60,785	15,21,454
Add: Capital Fund during the year	-				
	251,96,862		Investments	144,00,000	203,00,000
Add: Excess of Income over Expenditure	12,46,103	264,42,965	(As per Schedule C)		
			Current Assets		
Current Liabilities			Loans and Advances		
Loans & Provisions			Chikitsa (Loan)	5,52,868	-
Loan Liability (Refer Note B4)	-	1,85,500	Interest Receivable	1,50,456	1,94,448
Creditors	-	5,000	Advances	38,645	29,439
Chikitsa (Loan)	-	44,838	Income Tax Refundable	5,43,382	3,65,449
TDS Payable	7,737	4,154	Deposits	11,500	11,500
Provision for Expenses	31,805	-	Grant Receivable	5,33,655	2,38,481
Expenses Payable			Tax Deducted at Source	1,87,639	1,77,933
(As per Schedule D)	19,678	59,224	41,962		
			Cash and Bank Balance		
			Cheques in Transit (Ref Note E3)	70,00,000	-
			Axis Bank	31,141	25,643
			Uco Bank	6,54,528	16,40,118
			Syndicate Bank-FCRA	9,04,624	9,68,407
			Cash In Hand	32,966	5,444
				86,23,259	
Total		265,02,189	Total	265,02,189	254,78,316

Significant Accounting Policies & Notes to Accounts as per Schedule A

The Schedules referred to above form an Integral part of the financial statements. (Schedule A to E)

As per our report of even date attached.

For K Jindal & Associates

Chartered Accountants

FRN 026083N


Kavita Jindal
Partner
M.No. 522703
Place: New Delhi

Date : 28th September' 2017

For and on behalf of SHIKSHA


Ajai Malhotra
Chairman & Managing Trustee

Place: New Delhi

Date : 28th September' 2017


Udai Malhotra
Trustee

Place: New Delhi

Date : 28th September' 2017

SHIKSHA
C-503, Som Vihar, R. K. Puram, New Delhi-110022
Income & Expenditure Account for the year ended 31st March, 2017

(All amount in Indian rupees unless otherwise stated)

Expenditure	Amount		Income	Amount	
	For the year ended March 31, 2017	For the year ended March 31, 2016		For the year ended March 31, 2017	For the year ended March 31, 2016
Books & Writing Materials	2,60,400	1,25,129	Donation Received (Ref Note E4)	14,93,010	13,44,970
School Uniform Expenses	5,57,502	5,50,613	Grant Received	39,19,817	34,76,105
Mid Day Meal Expenses	22,003	36,524	Interest on Saving Account	57,408	93,829
Cultural Programmes Exp.	1,21,803	1,50,360	Interest on Fixed Deposit	18,95,906	17,79,296
Picnic & Educational Tour	47,857	54,238	Interest on Income Tax Refund	-	19,996
Vocational Training Prog. Exp.	4,23,600	3,24,119	Miscellaneous Income	7,639	1,909
Indoor Games and Musical Instrument Purchased	27,574	21,463			
Shiksha Scholarship Expenses	1,32,350	1,15,550			
Salary & Wages	24,92,404	22,78,597			
Professional Fee and Consultancy	5,61,037	-			
Skill Development Training Prog	-	68,235			
Local Conveyance	23,304	20,504			
Electricity Expenses	1,50,642	1,33,498			
Communication Expenses	34,797	35,818			
School & Office Running Exp.	83,122	52,406			
Staff Welfare	71,764	78,032			
Printing & Stationery Expenses	1,08,884	82,593			
School Building Rent	7,80,000	3,48,000			
Building Repair & Maintenance	1,12,402	2,51,740			
Computer Repair & Maintenance	25,050	-			
School Renovation Work Exp	-	2,99,528			
Maintenance others	9,390	10,452			
Audit fee	10,000	10,000			
Bank Charges	1,247	1,382			
Depreciation	1,77,918	1,98,272			
Grant Written off	-	1,60,520			
Miscellaneous expenses	2,326	-			
Excess of Income over Expenditure	12,46,104	8,08,542			
Total	73,73,480	67,16,115	Total	73,73,480	67,16,115

Significant Accounting Policies & Notes to Accounts as per Schedule A

The Schedules referred to above form an integral part of the financial statements. (Schedule A to E)

As per our report of even date attached.

For K Jindal & Associates

Chartered Accountants

FRN: 026083N

Kavita Jindal

Kavita Jindal

Partner

M.No. 522703

Place: New Delhi

Date: 28th September' 2017



For and On Behalf of SHIKSHA

Ajai Malhotra

Ajai Malhotra

Chairman & Managing Trustee

Ajai Malhotra

Ajai Malhotra

Chairman & Managing Trustee

Place: New Delhi

Date: 28th September' 2017

Udai Malhotra

Udai Malhotra

Trustee

Udai Malhotra

Udai Malhotra

Trustee

Place: New Delhi

Date: 28th September' 2017



SHIKSHA

C-503, Som Vihar, R. K. Puram, New Delhi-110022

Receipt & Payment Account for the year ended March 31, 2017

(All amount in Indian rupees unless otherwise stated)

Receipts	March 31, 2017		Payments	March 31, 2017	
	Amount	Total		Amount	Total
Opening Balance			Current Liabilities		
Bank Account	16,65,762		Duties & Taxes	4,154	
Cash	5,444	16,71,206	Provisions	4,028	
Fixed Assets			Expenses Payable	36,249	44,431
Plant & Machinery	5,000	5,000	Fixed Assets		
Investments			Furniture & Fixtures	16,741	
Fixed Deposits	88,00,000	88,00,000	Plant & Machinery	82,339	
Current Assets			Computer	11,100	
Loans & Advances	2,00,000	2,00,000	Equipments	12,069	1,22,249
Direct Incomes			Investments		
Donation Receipt	13,08,010		Fixed Deposits	25,00,000	25,00,000
Grant Received	36,24,643	49,32,653	Current Assets		
Indirect Income			Loans & Advances	8,03,972	8,03,972
Interest on Fixed Deposits	8,32,970		Indirect Expenses		
Interest on Saving Bank	34,573		Administrative Expenses	8,40,649	
Interest on Income tax refund	-		Chakkarpur Education Centre	4,31,033	
Misc Receipts	454	8,67,997	Mohyal Education Centre	22,03,141	
			Wazirabad Education Centre	11,02,937	
			Vocational Training Centre	4,21,350	
			Scholarship Expenses	1,32,350	
			School Uniform Purchased	1,55,983	
			Misc Exp.	126	52,87,569
			Closing Balance		
			Bank Account	6,85,669	
			Cheques In Transit	70,00,000	
			Cash in Hand	32,966	77,18,635
Total		164,76,856	Total		164,76,856

Significant Accounting Policies & Notes to Accounts as per Schedule A

The Schedules referred to above form an Integral part of the financial statements. (Schedule A to E)

As per our separate report of even date attached.

For K Jindal & Associates

Chartered Accountants

FRN: 026083N




Kavita Jindal

Partner

M.No. 522703

Place: New Delhi

Date : 28th September' 2017

For and On Behalf of SHIKSHA




Ajai Malhotra

Chairman & Managing Trustee

Place: New Delhi

Date : 28th September' 2017




Udai Malhotra

Trustee

Place: New Delhi

Date : 28th September' 2017

SHIKSHA

C-503, Som Vihar, R. K. Puram, New Delhi-110022

Schedules forming part of financial statements

Schedule A

Significant accounting policies & Notes to accounts

1 Background

Shiksha (herein referred as 'Trust') was founded in 2002 by Gen.OP Malhotra with an object to provide free educational and vocational training to underprivileged children and youth. The Trust is registered under Income Tax Act 1961.

The Trust has established its own education centres at various locations in gurugram with the goal of mainstreaming students into the formal education system (Haryana Board Exam).

The Trust is operating various vocational training centres in Delhi at Sangam Vihar and Zakhira Slum and three education centres in Gurugram at Wazirabad Village, Mohyal Colony, and Chakkarpur Village.

2 Significant Accounting Policies

(a) Basis of preparation

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting, in accordance with generally accepted accounting principles in India, and the Accounting Standards issued by the Institute of Chartered Accountants of India.

To comply with FCRA regulations a separate financials are also prepared based on foreign grant books of accounts.

(b) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires the management to make judgement, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities (including contingent liabilities) at the end of the reporting year. Although these estimates are based on the managements' best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount(s) of assets or liabilities in future years. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized. Changes in estimates are reflected in the financial statements in the year in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(c) Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Expenditure for additions, modifications improvements and renewals are capitalized and expenditure for maintenance and repairs are charged to the Statement of Profit and Loss. Financing costs relating to acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

(d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.



SHIKSHA

C-503, Som Vihar, R. K. Puram, New Delhi-110022

Schedules forming part of financial statements

Schedule A

Significant accounting policies & Notes to accounts

(e) Depreciation and amortisation

Depreciation is provided on the Written Down value method at rates provided under Income Tax Act 1961. In respect of addition to Fixed Assets during the year, full depreciation is provided for the assets in use for more than 180 days, for other such assets (use of less than 180 days) half depreciation is provided.

(f) Investments

Investments being of permanent nature are, valued at cost.

(g) Grants and Donations

Grants are recognised when there is reasonable assurance that the trust will comply with the conditions attached to them and the grants will be received.

Grants whose primary condition is that the trust should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Donations including foreign contributions are recognised on receipt basis.

(h) Interest Income

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Income tax refunds and interest thereon are recognised on receipt basis.

(i) Employee benefits

Cost of short term employee benefits are recognized on accrual basis based on the terms of employment contract and other relevant compensation policies followed by the Trust.

(j) Provisions and Contingent Liabilities and Contingent Assets

Provisions

A provision is recognized when the Trust has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liability

A contingent liability is disclosed where, as a result of past events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets

Contingent assets are not recognised in the financial statements.



SHIKSHA

C-503, Som Vihar, R. K. Puram, New Delhi-110022

Schedules forming part of financial statements**Schedule B**

Fixed Assets schedule for the year ended March 31, 2017

(All amount in Indian rupees unless otherwise stated)

Particulars	WDV as on April 01, 2016	Assets put to use for more than 180 days	Assets put to use for less than 180 days	Sales during the year	Assets as on March 31, 2017	Dep.rate	Depreciation for the year	WDV as on March 31, 2017
Building	8,26,627	-	-	-	8,26,627	10%	82,663	7,43,964
Furniture	4,85,056	1,300	15,441	-	5,01,797	10%	49,408	4,52,389
Equipments	-	7,770	4,299	-	12,069	10%	992	11,077
Plant & Machinery	1,92,940	17,873	64,466	-	2,75,279	15%	36,456	2,38,823
Computer	11,034	-	11,100	5,000	17,134	60%	6,950	10,184
Softwares	5,797	-	-	-	5,797	25%	1,449	4,348
Total	15,21,454	26,943	95,306	5,000	16,38,703		1,77,918	14,60,785

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SHIKSHA
C-503, Som Vihar, R. K. Puram, New Delhi-110022
Schedules forming part of financial statements

Schedule - C

List of Investments (All amount in Indian rupees unless otherwise stated)

Particulars	As on	As on
	March 31, 2017	March 31, 2016
Panjab National Bank	5,00,000	88,00,000
HDFC Ltd.	15,00,000	15,00,000
Central Bank	52,00,000	52,00,000
LIC of India	52,00,000	48,00,000
Kerala Transport Development	20,00,000	-
Total	144,00,000	203,00,000

Schedule - D

Expenses payable

Particulars	As on	As on
	March 31, 2017	March 31, 2016
Audit Fee Payable	10,000	11,685
Electricity Expenses Payable	8,993	24,849
Telephone Payable	685	5,428
Total	19,678	41,962

Schedule - E

Miscellaneous disclosures and notes

- E.1 Amount received in foreign currency during the year is Rs. Nil (Previous Year Rs. 35,670/-).
- E.2 Amount of Rs.19,551/- received from PNB Housing Finance Limited is recognised as Interest Income during the year, however same is not appearing in Form 26AS. Consequential adjustment if any required will be taken in future period.
- E.3 Cheque in transit Rs.70,00,000 represents;
(i) Cheque issued to Kerla transport development finance corporation Rs. 20,00,000 for Investment in FDR.
(ii) Cheque issued to PNB Rs.50,00,000 for Investment in 8% Govt of India Saving bond Scheme.
- E.4 Board of trustee in it's meeting held on dated March 25, 2017 have decided that loan of Rs.1,85,000/- pertains to earlier year(s), due to Late Gen. O.P. Malhotra has to be treated as donation of current year. Thereby loan amount is eligible for write back to income and expenditure account.
- E.5 Previous year amounts have been re-classified/re-grouped, wherever considered necessary to make them comparable with current year's amount.
- E.6 Current year's amounts have been rounded off to the nearest of rupee.

As per our report of even date attached.

For K Jindal & Associates

Chartered Accountants

FRN. 026083N



Kavita Jindal

Partner

M.No. 522703

Place: New Delhi

Date : 28th September' 2017

For and On Behalf of SHIKSHA

Ajai Malhotra
Chairman & Managing
Trustee

Place: New Delhi

Date : 28th September' 2017

Uday Malhotra
Trustee

Place: New Delhi

Date : 28th September' 2017