



INDEPENDENT AUDITOR'S REPORT

**TO,
THE MEMBERS
RIPPLES OF CHANGE FOUNDATION**

We have audited the financial statements of **RIPPLES OF CHANGE FOUNDATION** ("the Company"), which comprise of the Balance Sheet as at March 31, 2019, and the Statement of Income and Expenditure for the year ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

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 March 31, 2019, and its surplus/ (deficit) for the year ended on that date.

Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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.



Head Office: 11-5-23, Karthik Complex, Brestwarpet, Raichur -584 101 Tele.+ 9880002941/45, E-mail:svkrishnan@pksandco.in / sgi@pksandco.in

Branch Offices:

Ganagavathi: Jaganmatha Complex (Above TVS Show Room), R.G. Road, Gangavathi - 583227, Mob: +91 98800 02941, E-Mail: pksgmt@pksandco.in

Hospet: Jesta Villa, Behind National College, Vidyanagar, Harihar Road, Hospet - 583201. Tele: 9845278714, E-mail: vlkunthe@pksandco.in

Hyderabad: Flat No. 106, First Floor, Shivam Elite (Above Andhra Bank), Suncity, Hydershakote, Hyderabad - 500091. Mob : +91 70935 01954, E-mail: avgbk1954@pksandco.in

Website: www.pksandco.in

This responsibility also 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; 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.

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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the necessary 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, 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 31st March, 2019 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 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:
- 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 for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For P.K. Subramaniam & Co.,
Chartered Accountants
Firm Reg. No. 004135S

V. Sgouda

CA. Veerabasana Gouda Shivappa
Partner
M.No. 208698

Place: Bangalore
Date: 24.07.2019.



Name of the Assessee	RIPPLES OF CHANGE FOUNDATION	
Address of the Assessee	2972, 1, 17th Cross Banashankari 2nd stage Bengaluru - 560070	
Date Of Incorporation	06/09/2018	
Permment Account Number	AAJCR1180N	
Assessment Year	2019-20	
Previous Year	2018-19	
Computation of Taxable Income		
	Rs.	Rs.
Net Loss as per profit & loss account		(85,016)
Add : Depreciation	-	-
Total Profit from business		(85,016)
Gross Total Income		(85,016)
Less : Chapter VI deductions		-
Net Taxable Income		-
Income Tax thereon		-
Add : Education Cess @ 4%		-
Tax payable on total income		-
Less : Prepaid Taxes		-
Tax Deducted at Source		-
Balance Tax Payable / (Refundable)		-

RIPPLES OF CHANGE FOUNDATION
(INCORPORATED UNDER SECTION 8 OF COMPANIES ACT 2013)
BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Note	As at March 31, 2019 ₹
EQUITY AND LIABILITIES		
SHAREHOLDERS' FUNDS		
Share Capital	1	1,00,000
Reserves and surplus	2	(85,016)
		<u>14,984</u>
NON-CURRENT LIABILITIES		
Long-term Borrowings		-
CURRENT LIABILITIES		
Trade payables		
Other current liabilities	3	20,000
Short-term provisions		
		<u>20,000</u>
		<u>34,984</u>
ASSETS		
NON-CURRENT ASSETS		
Fixed assets		
Tangible assets		
Non Current investments		
Long-term loans and advances		
		-
CURRENT ASSETS		
Inventories		
Trade receivables		
Cash and cash equivalents	4	34,984
Short-term loans and advances		
		<u>34,984</u>
		<u>34,984</u>

Significant Accounting policies and other Notes forming part of Accounts

7

As per our report of even date
For P. K. Subramaniam & Co.,
Chartered Accountants
Firm Regd. No.0041355

V. S. Gouda
Veerabasana Gouda S
Partner
M.N : 208698



For and on behalf of the Board

S. K. P. Hegde
Sharat Kumar P Hegde
Director
(DIN:07496188)

Anil Kumar S G
Anil Kumar S G
Director
(DIN:01189011)

Place : Bangalore
Date : 24.07.2019

RIPPLES OF CHANGE FOUNDATION
(INCORPORATED UNDER SECTION 8 OF COMPANIES ACT 2013)
INCOME AND EXPENDITURE STATEMENT FOR THE PERIOD ENDED MARCH 31, 2019

Particulars	Note	For the Period ended March 31, 2019
Revenue		
Donations received		-
Other income		-
Total Revenue		-
Expenses		
Employee benefits expenses		-
Finance cost		-
Depreciation and amortisation expenses		-
Other expenses	5	85,016
Total Expenses		85,016
Profit/(Loss) before tax		(85,016)
Tax expense		
Current tax		-
Deferred tax		-
Profit/(Loss) for the year		(85,016)
Earnings per share of face value of Rs. 10 each.	6	-
Significant Accounting policies and other Notes forming part of Accounts	7	

As per our report of even date

For P. K. Subramaniam & Co.,
Chartered Accountants
Firm Regd. No.004135S

V.S. Gouda

Veerabasana Gouda S
Partner
M.N : 208698



For and on behalf of the Board

Sharat Kumar P Hegde

Sharat Kumar P Hegde
Director
(DIN:07496188)

Anil Kumar S G

Anil Kumar S G
Director
(DIN:01189011)

Place : Bangalore
Date : 24.07.2019

RIPPLES OF CHANGE FOUNDATION
(INCORPORATED UNDER SECTION 8 OF COMPANIES ACT 2013)
Notes on Financial Statements for the period ended March 31, 2019

Particulars		As at March 31, 2019
1	SHARE CAPITAL :	₹
	Authorized	
	10,000 equity shares of Rs. 10 each	1,00,000
	Issued, Subscribed and fully Paid-up	
	10,000 equity shares of Rs. 10 each	1,00,000
		1,00,000
	The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share.	
	The Details of shareholder holding more than 5% shares as at March 31, 2019 is set out below :	
	Particulars	No. of shares
	Sharath kumar Prabhakar Hegde	5,000
	Anil Somanapalli kumar Gopala Krishna	5,000
		10,000
2	RESERVES AND SURPLUS :	
	Net Profit / (Loss) for the year	(85,016)
	Surplus / (Deficit) - Closing balance	(85,016)
3	OTHER CURRENT LIABILITIES	
	Audit fees payable	20,000
		20,000
4	CASH AND CASH EQUIVALENTS	
	Cash in Hand	3,799
	Cash at Bank:	
	HDFC Bank 8803	31,185
		34,984
5	OTHER EXPENSES	
	Administration Expenses	600
	Audit fees	20,000
	Domain Charges	34,915
	Office Expenses	4,020
	Printing & Stationery	1,349
	Professional Fees	17,500
	Reimbursement of Expenses	6,400
	Rent	-
	Staff Welfare	232
		85,016
6	EARNINGS PER SHARE	
i	Net Loss after Tax	(85,016)
ii	Number of Equity shares	10,000
iii	Face value per equity share	10
iv	Earnings per Shares(EPS)	-8.50



RIPPLES OF CHANGE FOUNDATION
CIN: U93090KA2018NPL116074
2972, 1, 17th Cross, Banashankari 2nd stage
Bengaluru, Karnataka 560070.

Schedules forming an integral part of the accounts as on March 31st, 2019.

Note: 7: Notes on Accounts

7.1 Corporate Information:

M/s. Ripples of Change Foundation ("The Company") is incorporated in India. It is a unlisted company. The registered office of the company situated at No. 2972, 1, 17th Cross, Banashankari 2nd stage, Bengaluru, Karnataka – 560070.

The company is providing services in the areas of Education, Life Skills, Environment, Health & Wellbeing and Social Impact incubation hubs based on current world needs.

7.2 Basis of Preparation:

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ("GAAP") in compliance with the provisions of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to the contingent liabilities as of the date of the financial statements. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

7.3 Significant Accounting Policies:

a) Property Plant and Equipment:

There is no Property Plant and Equipment for the year ended on 31st March 2019.

b) Cash and cash equivalents :

Cash and cash equivalents comprise of cash at banks, cash on hand and short term deposits with an originally maturity of one year or less, which are subject to an insignificant risk of changes in value.



RIPPLES OF CHANGE FOUNDATION
CIN: U93090KA2018NPL116074
2972, 1, 17th Cross, Banashankari 2nd stage
Bengaluru, Karnataka 560070.

c) Financial Instruments – initial recognition, subsequent measurement and impairment:

Financial instrument is any contract which gives rise to financial assets of one entity and financial liability or equity instrument of another entity.

Financial Assets – initial recognition, subsequent measurement -

All financial assets are initially recognized at fair value. Transaction cost which are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified as financial assets measured at fair value or those of measured at amortized cost.

For the purpose of subsequent measurement, financial assets are broadly classified into two categories as follow:

- i) Financial assets at fair value and
- ii) Financial assets at amortized cost.

A financial assets or part of financial assets or group of same financials assets, where applicable is primarily derecognized i.e. removed from the Company's Financial statement when

- i) The right to receive cash flow from the assets has expired.
- ii) The company has transferred its rights to receive cash flow from assets.

Financial Liabilities– initial recognition, subsequent measurement –

The financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of transaction cost, which are directly attributable to loans and borrowings and payables

For Trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these.



RIPPLES OF CHANGE FOUNDATION
CIN: U93090KA2018NPL116074
2972, 1, 17th Cross, Banashankari 2nd stage
Bengaluru, Karnataka 560070.

A financial liabilities or part of financial liabilities or group of same financial liabilities, where applicable is primarily derecognized i.e. removed from the Company's Financial statement when

- i) The obligation under the liability as discharged or cancelled or expires.
- ii) An existing financial liability is replaced by another, from same lender or substantially different terms or the terms of existing liability substantially modified, such an exchange or modification is treated as derecognition of existing liability and recognition of new one liability. The difference in respective carrying amounts is recognized in the statement of profit and loss.

d) Taxes on Income :

Income tax expense represents the sum of current tax (including MAT and income tax for earlier years) and deferred tax. Tax is recognized in the statement of profit and loss. Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net after one year from the end of financial year or communication form Income Tax Department, whichever is earlier.

e) Earnings Per Share:

Basic earnings per share are computed using the net loss for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the net loss for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year.



RIPPLES OF CHANGE FOUNDATION
CIN: U93090KA2018NPL116074
2972, 1, 17th Cross, Banashankari 2nd stage
Bengaluru, Karnataka 560070.

f) Current and noncurrent classification:

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by Ministry of Corporate Affairs.

An asset is classified as current when it is:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle,
- ii) Held primarily for the purpose of trading,
- iii) Expected to be realized within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

- i) A liability is classified as current when it is:
- ii) Expected to be settled in normal operating cycle,
- iii) Held primarily for the purpose of trading,
- iv) Due to be settled within twelve months after the reporting period, or
- v) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its normal operating cycle.



RIPPLES OF CHANGE FOUNDATION
CIN: U93090KA2018NPL116074
2972, 1, 17th Cross, Banashankari 2nd stage
Bengaluru, Karnataka 560070.

7.4 Significant Accounting Judgments, Estimates and Assumptions:

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based on its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Property, Plant and Equipment :

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

b) Contingent Liabilities:

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

c) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and



RIPPLES OF CHANGE FOUNDATION
CIN: U93090KA2018NPL116074
2972, 1, 17th Cross, Banashankari 2nd stage
Bengaluru, Karnataka 560070.

quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

7.5 Related Parties Disclosure:

As per requirement IGAPP and The Companies Act, 2013, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are as detail below:

a) List of Related Parties: Key Management Personnel:

Mr. Sharat Kumar P Hegde - Key Managerial Personnel

Mr. Anil Kumar S G - Key Managerial Personnel

7.6 Transaction in Foreign Currency:


No transactions are there in foreign currency.

7.7 Auditor's Remuneration:

Details of payment made to or payable to auditor is as under.

Particulars	FY 2018-19
Statutory Audit Fees	20,000/-

For P. K. Subramaniam & Co.,
Chartered Accountants
Firm Reg. No: 004135S



Veerabasana Gouda S
Partner

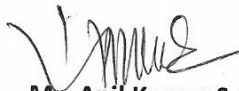
M. No.208698

Signed at Bangalore on 24.07.2019



For and on behalf of Board of Directors


Mr. Sharat Kumar P Hegde
Director
DIN 07496188


Mr. Anil Kumar S G
Director
DIN 01189011