

FORM NO. 10B

(See rule 17B)

Audit report under section 12A (b) of the Income-tax Act, 1961
In the case of charitable or religious trusts or institutions

We have examined the balance sheet of ISHA EDUCATION as at 31st March 2011 and the Income and Expenditure account for the year ended on that date which is in agreement with the books of account maintained by the said trust. These financial statements are the responsibility of the management of the trust. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of the audit. In our opinion, proper books of account have been kept by the head office and the branches of the above named trust visited by us so far as appears from our examination of the books, and proper returns adequate for the purposes of audit have been received from branches not visited by us subject to the comments annexed hereto:


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

- (i) In the case of the balance sheet, of the state of affairs of the above named trust as at 31st March 2011 and
- (ii) In the case of the Income and Expenditure account, of the Excess of Income over Expenditure of its accounting year ending on 31st March 2011 and

The prescribed particulars are annexed hereto.

Place: Tirupur
Date: 09.09.2011

A. SELVARAJ & CO.,
Chartered Accountants
FRN 0084673


J. Deepa Lakshmi Kumar
M. No. 207301

ISHA EDUCATION

Isha Yoga Centre, Semmodu Post, Nalluravayal Via, Coimbatore - 641 114

Income & Expenditure Account for the year ended 31st March 2011

EXPENDITURE		Rs.	INCOME		Rs.
To	Bank Charges	62,785.98	By	General Donation	14,765,973.16
	Consultancy Charges	11,400.00		Income from Schools	9,803,545.98
	Depreciation	15,768,447.00		Interest	253,387.50
	Insurance	21,382.00			
	Interest paid	50,712.00			
	Licence Fee & Taxes	5,222.00			
	Miscellaneous Expenses	66,933.00			
	Postage & Courier Charges	5,230.00			
	Printing & Stationery	65,393.00			
	Staff Welfare Expenses	8,388.00			
	Excess of Income over expenditure	<u>8,757,013.66</u>			
		<u>24,822,906.64</u>			<u>24,822,906.64</u>

For ISHA EDUCATION

Swami Nivarga
Managing Trustee,

For ISHA EDUCATION

[Signature]
Trustee,

A. SELVARAJ & CO,

Chartered Accountants
Firm: 0084675

[Signature]
Partner
I.J. Babji (Muthu Kumar)
M No. 207361

ISHA EDUCATION

Isha Yoga Centre, Semmedu Post, Nallurvayal Via, Colimbatore - 641 114

BALANCE SHEET AS ON 31ST MARCH 2011

Liabilities	Rs.	Assets	Rs.
Capital Account	240,216,423.06	Fixed Assets	181,879,677.50
Secured Loan	242,521.00	Loans and Advances	4,478,054.05
Current Liabilities	55,601.00	Cash and Bank Balances	12,740,266.92
		Isha Home School	28,411,792.50
		Isha Vidhya Matriculation school	13,004,754.09
	<u>240,514,545.06</u>		<u>240,514,545.06</u>

Tirupur
09.09.2011

As per our report of even date

For ISHA EDUCATION

Swami Nisarga
Managing Trustee,

For ISHA EDUCATION

R-V-L
Trustee

A. SELVARAJ & CO.
Chartered Accountants
F.Y.A. 0084673

J. Balaji Murthu Kumar
Partner
M No: 207381

ISHA EDUCATION
Schedule to the Balance Sheet as on 31st March 2011

I Capital Fund	
Capital Fund	119,676,198.15
Corpus Donation	111,783,211.25
Excess of Income over Expenditure	<u>8,757,013.66</u>
	<u>240,216,423.06</u>
II Secured Loan	
Kotak Mahindra - Loan A/c	<u>242,521.00</u>
III Loans and Advances	
Anilkumar.G	1,000,000.00
DMW Infrastructure India (P) Ltd	300,000.00
Madras Cements	126,000.00
Prabakaran P	300,000.00
Sridhar. S	600,000.00
Valluvan & Co	300,000.00
Kalisany K	2,519.00
Standard Tile and clay works P Ltd	239,550.00
Telephone Deposit	2,350.00
Electricity Deposit	367,430.00
Land Advance	747,600.00
Construction advance	373,035.00
Gopi Advance	38,211.50
TDS Receivable	<u>81,358.55</u>
	<u>4,478,054.05</u>
IV Current Liabilities	
PF Payable	10,116.00
TDS Payable	<u>45,485.00</u>
	<u>55,601.00</u>
V Cash & Bank Balance	
Cash in hand	232,607.00
Axis Bank Autosweep Account	6,017,033.00
Axis Bank	1,341,851.63
HDPC Bank Auto Sweep Account	1,488,442.91
HDPC Bank	<u>3,660,332.38</u>
	<u>12,740,266.92</u>

For ISHA EDUCATION

Swami Nil Sange
Managing Trustee,

For ISHA EDUCATION

Be...
Trustee,

A. SELVARAJ & CO,
Chartered Accountants

J. Balaji
Partner
(J. Balaji Aruthu Kumar)
M. No. 207981

ISHA EDUCATION

Fixed Assets Schedule for the year ended 31st March 2011

	Particulars	WDV as on 01.04.2010	Additions During the Year	Transfer to FA on completion	Total	Rate of Depn	Depreciation	WDV as on 31.03.2011
I	Land	2,126,771.00	519,142.00	0.00	2,645,913.00		0.00	2,645,913.00
II	Building Under Construction	36,357,645.00	88,116,517.00	96,713,769.00	27,760,393.00		0.00	27,760,393.00
III	School Buildings	52,206,672.00	115,033,146.50	0.00	167,241,818.50	10%	15,768,447.00	151,473,371.50
	Total	90,693,088.00	203,668,805.50	96,713,769.00	197,648,124.50		15,768,447.00	181,879,677.50

For ISHA EDUCATION
Sudhansu N. Sengupta
Managing Trustee

For ISHA EDUCATION
R. S. Srinivasan
Trustee

A. SELVARAJ & CO,
Chartered Accountants

A. Selvaraj
Partner

(J. Essaj Mathu Kumar)
M No. 207361

ISHA HOME SCHOOL

Isha Yoga Centre, Semmedu Post, Nallurvayal Via, Coimbatore - 641 114

Income & Expenditure Account for the year ended 31st March 2011

To	Expenditure	Rs.	By	Income	Rs.
	Advertisement Expenses	217,720.00	School Fees		42,520,452.65
	Bank Charges & Commission	22,015.77	Interest Received		1,090,766.16
	Building Maintenance	1,338,043.00	PF Employees Contribution		76,780.00
	Class Room Expenses	476,259.00			
	Computer Maintenance	25,964.00			
	Depreciation	3,348,882.00			
	Donation (Given)	5,000,000.00			
	Electrical Maintenance	41,916.00			
	Examination Expenses	94,363.00			
	Garden Maintenance	314,669.00			
	Hostel Boarding Expenses	7,182,090.50			
	Hostel Expenses	206,497.00			
	Lab Expenses	103,991.50			
	Loss on Sale of Vehicle	21,169.00			
	Medical Expenses	570,913.50			
	Miscellaneous Expenses	42,807.00			
	Newspaper & Periodicals	25,977.00			
	Postage & Courier Charges	47,441.00			
	Printing & Stationery	257,144.00			
	Provident Fund	163,825.00			
	School Celebration Expenses	100,895.50			
	School Maintenance	968,132.00			
	Sports Expenses	6,820.00			
	Staff & Labour Welfare Expenses	23,661.00			
	Staff Salary	1,660,348.00			
	Staff Training Expenses	293,233.00			
	Telephone Expenses	105,330.00			
	Transportation Charges	38,687.00			
	Travelling Expenses	221,933.00			
	Vehicle Maintenance	106,197.00			
	Excess of Income over Expenditure	20,661,075.04			
		<u>43,687,998.81</u>			
					<u>43,687,998.81</u>

For ISHA EDUCATION

Swami Nisargu
Managing Trustee,

For ISHA EDUCATION

R. S. V.
Trustee.

A. SELVARAJ & CO,
Chartered Accountants
FRN: 0084175

J. Boleji Muthu Kumar
Partner
M. No: 207361

ISHA HOME SCHOOL

Isha Yoga Centre, Semmedu Post, Nallurvayal Vin, Coimbatore

Balance Sheet as on 31st March 2011

Liabilities	Rs.	Assets	Rs.
Isha Education	28,411,792.50	Fixed Assets	26,601,858.00
Current Liabilities	40,285,299.59	Investments	10,338,868.55
		Loans & Advance	346,330.00
		Isha Vidhya Matriculation School	8,630,000.00
		Cash & Bank balance	22,780,035.54
	68,697,092.09		68,697,092.09

Tirupur
09.09.2011

As per our report of even date

For ISHA EDUCATION

Swarni Nisarga
Managing Trustee,

For ISHA EDUCATION

R. J. V.
Trustee.

A. SELVARAJ & CO,

Chartered Accountants

FRN: 008467.S

J. Balaji Muthu Kumar
Partner

(J Balaji Muthu Kumar)
M No: 207381

ISHA HOME SCHOOL

Schedule to the Balance Sheet as on 31st March 2011

I Current Liabilities

Isha Designs	117,829.00
Student Personal Account	1,743,211.59
Caution Deposit	38,424,259.00
	<u>40,285,299.59</u>

II Investments

City Union Bank FD	3,000,000.00
City Union Bank FD2	3,280,851.00
Indus Ind Fixed Deposit	1,551,198.24
Indus Ind Fixed Deposit 2	1,551,198.24
Indus Ind Fixed Deposit 3	955,621.07
	<u>10,338,868.55</u>

III Loans and Advances

Gas Connection - Deposit	12,025.00
Staff Advances	92,696.00
School Scape	35,000.00
Senhil Kumar.G	7,610.00
Spotlight Interiors	102,600.00
TDS Receivables	36,370.00
Telephone Deposit	5,000.00
Tuck Shop	55,029.00
	<u>346,330.00</u>

IV Cash & Bank Balance

Cash-in-hand	384,158.15
Indusind Bank Autosweep account	4,444,928.25
Indusind Bank	152,259.63
ICICI Bank	17,798,689.51
	<u>22,780,035.54</u>

For ISHA EDUCATION

Swarni Nilanya
Managing Trustee,

For ISHA EDUCATION

R. L. V.
Trustee,

A. SELVARAJ & CO,
Chartered Accountants

J. Balaaji
Partner
(J. Balaaji Muthu Kumar)
M. No. 287361

ISHA HOME SCHOOL

Fixed Assets Schedule For the year ended 31st March 2011

	Particulars	WDV as on 01.04.2010	Additions During the year	Sold During the year	Total	Rate of Depn	Depreciation	WDV as on 31-03-11
I	Computer	439,499.00	1,058,673.00		1,498,172.00	60%	745,377.00	752,795.00
II	Furniture & Fixings	6,527,197.00	9,001,140.00		15,528,337.00	10%	1,389,417.00	14,138,920.00
III	Electrical & Electronics					10%		
	Audio & Video Equipments	58,729.00	56,033.00		114,762.00		11,206.00	103,556.00
	Electrical & Electronics Equipments	99,730.00	587,095.00		686,825.00		58,161.00	628,664.00
	Electrical Fixings	453,965.00	5,044,237.00		5,498,202.00		513,845.00	4,984,357.00
	Motor Pumps	Nil	4,888.00		4,888.00		489.00	4,399.00
	Refrigerator	93,714.00	Nil		93,714.00		9,371.00	84,343.00
	Solar Water Heaters	1,097,893.00	422,920.00		1,520,813.00		152,082.00	1,368,731.00
	Washing Machine	391,938.00	Nil		391,938.00		39,194.00	352,744.00
	Water Purifier	95,134.00	Nil		95,134.00		9,513.00	85,621.00
	Xerox Machine	112,318.00	Nil		112,318.00		11,232.00	101,086.00
IV	Library Books	841,200.00	33,151.00		874,351.00	10%	86,415.00	787,936.00
V	Vehicle - Bolero	126,169.00	Nil	126,169.00	0.00		0.00	0.00
VII	Vehicle - Cycle	14,980.00	3,100.00		18,080.00	15%	2,480.00	15,600.00
VIII	Other Assets					10%		
	Kitchen Equipments	117,943.00	18,467.00		136,410.00		12,932.00	123,478.00
	Lab Equipments	406,182.00	70,049.00		476,231.00		47,623.00	428,608.00
	Medical Equipments	60,789.00	Nil		60,789.00		6,079.00	54,710.00
	Montessori Equipment	160,064.00	Nil		160,064.00		16,006.00	144,058.00
	Music Instruments	241,949.00	41,710.00		283,659.00		28,171.00	255,488.00
	Sanitary Assets	1,024,996.00	1,371,057.00		2,396,053.00		209,289.00	2,186,764.00
	Total	12,364,389.00	17,712,520.00	126,169.00	29,959,740.00		3,348,892.00	26,610,858.00

For ISHA EDUCATION

For SELVARAJ & CO.,

Chartered Accountants

[Signature]
Partner

[Signature]
Treasurer

For ISHA EDUCATION

[Signature]
Managing Trustee,

(J. Fear. Venu Kumar)

ISHA VIDHYA MATRICULATION SCHOOL

Isha Yoga centre, Semmedu Post, Nallurvayal Via, Colmbatore - 641 114

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

Expenditure	Amount	Income	Amount
To Advertisement Expenses	118,527.00	By School Fees	17,034,821.00
Class Art & Craft Expenses	73,496.50	Interest Received	75,257.00
Bank Charges & Commission	4,118.75	PF Employees Contribution	451,810.00
Building Maintenance	246,002.50	Excess of Expenditure over Income	10,857,529.06
Computer Maintenance	125,164.00		
Depreciation	2,865,497.00		
Electrical Maintenance	90,207.00		
Electricity Charges	448,447.00		
Garden Maintenance	18,883.00		
Insurance	117,997.00		
License, Fees & Taxes	188,614.00		
Medical Expenses	16,946.50		
Miscellaneous Expenses	74,108.81		
Newspaper & Periodicals	11,702.00		
Postage & Courier Charges	71,086.00		
Printing & Stationery	659,071.00		
Provident Fund	964,058.00		
Rent	110,885.00		
Repairs & Maintenance	82,058.00		
Salary	9,540,977.00		
School Celebration Expenses	137,036.50		
Security Charges	470,484.00		
Sports Expenses	92,129.50		
Staff & Labour Welfare Expenses	574,139.75		
Students Meal and Health Suppliments	2,003,499.00		
Students Notes and Books	1,304,386.00		
Students Transport	5,270,084.25		
Students Uniforms	1,454,273.00		
Telephone Expenses	276,200.00		
Transportation Charges	113,076.00		
Travelling Expenses	660,859.00		
Vehicle Maintenance	235,404.00		
	<u>28,419,417.06</u>		<u>28,419,417.06</u>

For ISHA EDUCATION

Suvarni Nisarga
Managing Trustee

For ISHA EDUCATION

R. K. V
Trustee

A. SELVARAJ & CO,

Chartered Accountants

FRN: 0084671

J. Ram
Partner

U. R. Raju Kumar
M. No. 207361

ISHA VIDHYA MATRICULATION SCHOOL
Isha Yoga centre, Semmedu Post, Nallurvayal Via, Coimbatore - 641 114

BALANCE SHEET AS ON 31st MARCH 2011

Liabilities	Amount	Assets	Amount
Isha Education	13,004,754.09	Fixed Assets	15,055,661.50
Isha Home School	8,630,000.00	Investments	635,002.00
Sundry Creditors	52,147.00	Advances & Deposits	1,518,658.75
	<u>21,686,901.09</u>	Cash & Bank balance	4,477,578.84
			<u>21,686,901.09</u>

Tirupur
09.09.2011

As per our Report of even date

A. SELVARAJ & CO,
Chartered accountants
FIRN 0084675

For ISHA EDUCATION

S. S. S. S. S.
Managing Trustee,

For ISHA EDUCATION

[Signature]
Trustee,
B. S. S. S. S.
M No: 207381

ISHA VIDHYA MATRICULATION SCHOOL
 Schedule to the Balance Sheet as on 31st March 2010

I Sundry Creditors	
Topper Books	6,666.00
VIP Add Fresh	6,921.00
Isha Foods & Spices Pvt. Ltd	<u>38,560.00</u>
	<u>52,147.00</u>
II Investments	
IOB Fixed Deposits	<u>635,002.00</u>
III Advances & Deposits	
Rent Advance	55,000.00
Gopi Advance	42,562.00
School Advances	6,226.75
Electricity Deposit	14,870.00
CUB Deposit - Matric Board	100,000.00
ICICI Deposit - Matric Board	100,000.00
IOB Deposit - Matric Board	<u>1,200,000.00</u>
	<u>1,518,658.75</u>
IV Cash & Bank Balance	
Cash in hand	64,090.75
ICICI Bank, Coimbatore	342,276.90
Indian Overseas Bank, Alandurai School A/c	732,797.00
Indian Overseas Bank, Erode School A/c	520,040.00
Indian Overseas Bank, Cuddalore School A/c	507,547.00
Indian Overseas Bank, Nagercoil School A/c	704,328.50
Indian Overseas Bank, Tuticorin School A/c	555,879.00
Indian Overseas Bank, Vanavasi School A/c	694,844.25
Indian Overseas Bank, Villupuram School A/c	<u>355,775.44</u>
	<u>4,477,578.84</u>

For ISHA EDUCATION

Sucami Nisarga
 Managing Trustee,

For ISHA EDUCATION

R. K. V.
 Trustee,

A. SELVARAJ & CO₂
 Chartered accountants

J. Bolep N. J. Kumar
 Partner
 M No. 20/381

ISHA VIDHYA MATRICULATION SCHOOL

Fixed Assets Schedule For the year ended 31st March 2011

S.No	Particulars	WDV as on 01.04.2010	Additions during the year	Total	Rate of Depn	Depreciation	WDV as on 31.03.11
I	Borewell	51,200.00	80,071.00	131,271.00		Nil	131,271.00
II	Computer	412,541.00	1,091,944.00	1,504,485.00	60%	805,639.00	698,846.00
III	Furniture & Fittings	3,717,154.00	275,260.00	3,992,414.00	10%	392,717.00	3,599,697.00
IV	Electricals & Electronics						
	Electrical Fittings	145,004.00	1,161,682.00	1,306,686.00	10%	129,904.00	1,176,782.00
	Electronic Equipments	286,281.00	260,236.00	546,517.00	10%	49,751.00	496,766.00
V	Library Books	92,181.50	11,343.00	103,524.50	10%	9,826.00	93,698.50
VI	School Bus	2,685,907.00	5,693,328.00	8,379,235.00	15%	1,256,886.00	7,122,349.00
VII	Other Vehicles	19,553.00	63,486.00	83,039.00	15%	7,694.00	75,345.00
VIII	Vehicle- XYLO	671,300.00	Nil	671,300.00	15%	100,695.00	570,605.00
IX	Other Assets						
	Lab Equipments	33,222.00	391,862.00	425,084.00	10%	35,551.00	389,533.00
	Play Equipments	327,202.00	69,426.00	396,628.00	10%	39,664.00	356,964.00
	Sundry Assets	161,507.00	144,335.00	305,842.00	10%	29,656.00	276,186.00
	Kitchen Utensils	Nil	75,133.00	75,133.00	10%	7,514.00	67,619.00
		8,603,052.50	9,318,106.00	17,921,158.50		2,865,497.00	15,055,661.50

For ISHA EDUCATION

Swami Nisarga
Managing Trustee,

For ISHA EDUCATION

[Signature]
Trustee.

[Signature]
Partner
M. Prasad Murthy Kumar
No. 207361

A. SELVARAJ & CO.
Chartered Accountants

ISHA Education

Notes on accounts for the year ended 31st March 2011

1. Significant Accounting Policies

a. Basis of Accounting

The financial statements are prepared in accordance with the generally accepted accounting principles in India and based on the accounting standards issued by the Institute of Chartered Accountants of India, to the extent applicable. As the entity is a nonprofit organization, generally the income and expenditure are accounted on cash basis and not on accrual basis.

b. Revenue Recognition

The income is recognized on receipt basis. The non monetary contributions, being revenue in nature like the free services rendered by the volunteers, were not considered in the financial statements.

c. Fixed Assets

The fixed assets are carried at cost of acquisition less depreciation. The Fixed assets were transferred from the trust to the schools during the year and they were given effect in the opening balance of the respective assets.

d. Depreciation

The depreciation is provided on fixed assets on the written down value at the rates provided under the Income Tax Act, 1961.

e. Investments

The investments, being the fixed deposits in scheduled banks, were shown along with the interest accrued and provided by the bank during the year.

f. Foreign exchange transactions

The donations received from the foreign countries were accounted at the exchange rate at which they were converted into Indian Rupees and credited in the bank account of the trust.

g. Employee Benefits

The contributions of the trust towards the Employees provident fund, along with the contributions of the employees, are charged to the income and expenditure account.

h. Borrowing Costs

The borrowing cost incurred towards the Term Loan is charged to the income and expenditure account.

For ISHA EDUCATION

Swami Nilarga
Managing Trustee.

For ISHA EDUCATION

R.V. [Signature]
Trustee.

A. SELVARAJ & CO,
Chartered Accountants

[Signature]
Partner

[Signature]
A. Selvaraj & Co.,
No. 207/381