

S.C. BANDI & CO

Chartered Accountants

Suresh Bandi, B.Com(Hons) L.L.B., FCA

Tel. Office: 22834298

Resi : 23898349

Email-scbandil@gmail.com

812, Maker Chamber V

221, Nariman Point

Mumbai-400021

Independent Auditor's Report to the members of RAAY FOUNDATION

Report on the Financial Statements

I have audited the accompanying financial statements of **RAAY FOUNDATION** ("the Company"), which comprise the Balance Sheet as at 31st March 2018 and the Statement of Profit and Loss and the Cash Flow Statement 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 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. 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit.

I 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 thereunder.

I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Independent Auditor's Report to the members of Raay Foundation on the Financial Statements for the year ended 31st March 2018 (continued)

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, but not for the purpose of expressing an opinion on whether the Company has in place an

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adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the financial statements.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, 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 2018 and its loss and cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, since in my opinion and according to the information given to me, the Order is not applicable to the Company.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
 - (b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my 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 my opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

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- (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 my opinion and to the best of my information and according to the explanations given to me:
- The Company does not have any pending litigations which would impact its financial position;
 - The Company did not have any long-term contracts, including derivative contracts; and
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S C Bandi & Co.
Chartered Accountants
Firm's Registration No. 130850W

S C Bandi

S C Bandi
Proprietor
Membership No. 16932



Place: Mumbai
Date: September 17, 2018

RAAY FOUNDATION

(a charitable company registered under section 8 of the Companies Act, 2013)

BALANCE SHEET AS AT 31st MARCH 2018

(Amounts in Rs.)

Particulars	Note No.	As at 31.03.2018	As at 31.03.2017
I EQUITY & LIABILITIES			
1 Shareholders' Funds			
(a) Share capital	4	4,00,000	4,00,000
(b) Reserves and Surplus	5	(2,68,452)	16,258
		1,31,548	4,16,258
2 Current liabilities			
(b) Trade payables	6		
Dues to Micro and Small Enterprises		-	-
Dues to Others		88,400	90,275
(c) Other current liabilities	7	11,515	16,400
		99,915	1,06,675
TOTAL		2,31,463	5,22,933
II ASSETS			
1 Current Assets			
(b) Cash and bank balances	8	2,31,463	5,22,813
(c) Short-term loans and advances	9	-	120
		2,31,463	5,22,933
TOTAL		2,31,463	5,22,933

As per my report of even date
For S.C.Bandi & Co.
Chartered Accountants

S. C. Bandi
Proprietor

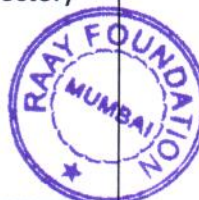
Place: Mumbai
Dated: September 17, 2018



For RAAY Foundation

Amit K. Patni Ruchi Patni
Amitkumar Patni Ruchi Patni
(Director) (Director)

Place: Mumbai
Dated: September 17, 2018



RAAY FOUNDATION

(a charitable company registered under section 8 of the Companies Act, 2013)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2018

(Amounts in Rs.)

Particulars	Note No.	Year ended 31.03.2018	Year ended 31.03.2017
Income			
Other Income	10	4,500	90,364
Expenses			
Employee benefit expense	11	5,93,168	7,64,279
Other expenses	12	31,96,042	18,91,293
		37,89,210	26,55,572
Deficit for the year		(37,84,710)	(25,65,208)
Basic & Diluted loss Per equity share [nominal value of share Rs. 10]	14	-94.62	-64.13

As per my report of even date

For S.C.Bandi & Co.

Chartered Accountants

S.C. Bandi

S. C. Bandi
Proprietor



Place: Mumbai

Dated: September 17, 2018

For RAAY Foundation

Amit K. Patni
Amitkumar Patni
(Director)

Ruchi Patni
Ruchi Patni
(Director)

Place: Mumbai

Dated: September 17, 2018



RAAY FOUNDATION

(a charitable company registered under section 8 of the Companies Act, 2013)

Cash Flow statement for the year ended 31st March 2018

(Amounts in Rs.)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
A Cash flow from operating activities		
Deficit for the period	(37,84,710)	(25,65,208)
Adjustments for		
Dividend	-	88,468
Profit on sale of investment	-	1,896
Operating deficit before working capital changes	(37,84,710)	(26,55,572)
Adjustments for :		
Trade payables	(1,875)	70,275
Other current liabilities	(4,885)	16,200
Short term loans and advances	120	120
Net cash used in operating activities	(37,91,350)	(25,68,977)
B Cash flow from investing activities		
Sale of current investments	-	32,31,331
Purchase of current investments	-	(10,88,468)
Dividend received	-	88,468
Net cashflow generated from investment activities	-	22,31,331
C Cash flow from financing activities		
Donation received towards Corpus	35,00,000	30,00,000
Repayment of short term loans	-	(25,00,000)
Net cash generated from financing activities	35,00,000	5,00,000
Net increase/(decrease) in cash and cash equivalents	(2,91,350)	1,62,354
Cash and cash equivalents at the beginning of the year	5,22,813	3,60,459
Cash and cash equivalents at the end of the year	2,31,463	5,22,813

Note: Components of cash and cash equivalents are as per note no. 8

As per my report of even date

For S.C.Bandi & Co.

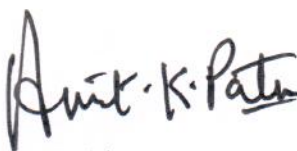
Chartered Accountants

S. C. Bandi
Proprietor

Place: Mumbai

Dated: September 17, 2018

For RAAY Foundation

Amitkumar Patni
(Director)Ruchi Patni
(Director)

Place: Mumbai

Dated: September 17, 2018



RAAY FOUNDATION

(a company limited by guarantee and not having share capital)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

1 CORPORATE INFORMATION

RAAY Foundation (the "Company") is a charitable company, registered under section 8 of the Companies Act, 2013. The Company is also registered under section 12A of the Income-tax Act. The main objects for which the Company is incorporated is to carry out charitable activities in India.

2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention and on accrual basis. These financial statements comply in all material respects with the applicable accounting standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

The Company is a Small Company as defined under section 2(85) of the Companies Act 2013. Accordingly, the company has compiled with the Accounting Standard as applicable to a Small Company.

3 SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies followed are as under :

- a) **Corpus Fund:**
Contributions received with a specific direction that they shall form part of the Corpus of the Company are credited to Corpus Fund.
- b) **Revenue recognition:**
Dividend income is recognised when the unconditional right to receive the dividend is established.
- c) **Provisions and Contingent Liabilities :**
A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. 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. When there is possible obligation or a present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

RAAY FOUNDATION

Notes to the financial statements for the year ended 31st March 2018

4 Share capital	(Amounts. in Rs.)	
	As at 31-03-2018	As at 31-03-2017
Authorized capital		
50,000 Equity shares of Rs. 10/- each	5,00,000	5,00,000
Issued, subscribed and paid Up Capital		
40,000 Equity shares of Rs. 10/- each	4,00,000	4,00,000
	4,00,000	4,00,000

a) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The equity shares are not entitled to either dividend on the shares or any amount in the event of liquidation of the Company.

b) Number of shares held by each shareholder holding more than 5 % shares in Company:

Name of the shareholder	As at 31-Mar-2018		As at 31-Mar-2017	
	Nos.	%	Nos.	%
Mr. Amitkumar Patni	10,000	25%	10,000	25%
Mrs. Ruchi Patni	10,000	25%	10,000	25%
Ms. Ayushi Patni	10,000	25%	10,000	25%
Ms. Aakriti Patni	10,000	25%	10,000	25%

RAAY FOUNDATION

Notes to the financial statements for the year ended 31st March 2018

	(Amt. in Rs.)	
	As at 31-Mar-18	As at 31-Mar-17
5 Reserves and Surplus		
(a) Corpus Fund		
Opening Balance	125,00,000	95,00,000
Add: Donation towards corpus received during the year	35,00,000	30,00,000
Total	160,00,000	125,00,000
(b) Deficit in the Statement of Profit & Loss		
Opening Deficit	(124,83,742)	(99,18,534)
Deficit for the year	(37,84,710)	(25,65,208)
Deficit as at the end of the year	(162,68,452)	(124,83,742)
	(2,68,452)	16,258

6 Trade payables

Dues to Micro and Small Enterprises	-	-
Dues to others	88,400	90,275
	88,400	90,275

There is no amount due to "Micro or Small Enterprises" under Micro, Small and Medium Enterprises Act, 2006. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of the information available with the Company. Further no interest is paid / payable in terms of section 16 of the said Act.

7 Other current liabilities

Statutory dues and taxes	11,515	16,400
	11,515	16,400

RAAY FOUNDATION

Notes to the financial statements for the year ended 31st March 2018

	(Amt. in Rs.)	
	As at 31-Mar-18	As at 31-Mar-17
8 Cash and bank balances		
Cash and cash equivalents		
Cash in hand	8,831	12,873
Balances with banks in current accounts	2,22,632	5,09,940
	<u>2,31,463</u>	<u>5,22,813</u>
9 Short-term loans and advances (unsecured & considered good)		
Prepaid Shop & Establishment License Fee	-	120
	<u>-</u>	<u>120</u>

RAAY FOUNDATION

Notes to the financial statements for the year ended 31st March 2018

		(Amounts. in Rs.)	
10	Other income	2017-2018	2016-2017
	Dividend on current investments	-	88,468
	Gain on sale of current investments	-	1,896
	Fees collected	4,500	-
	Total	4,500	90,364
11	Employee benefits expense:		
	Salaries and wages	5,89,652	7,61,029
	Staff welfare	3,516	3,250
		5,93,168	7,64,279
12	Other expenses		
	Donations	28,55,200	12,37,400
	Legal & Professional fees and expenses	2,88,177	5,73,601
	Miscellaneous Expenses	52,665	80,292
	Total	31,96,042	18,91,293

RAAY FOUNDATION

Notes to the financial statements for the year ended 31st March 2018

13 Related Party Disclosure:

a) Name Of Related Parties with whom there are transactions during the year

Key Management Personnel :

Mr. Amit Kumar Patni - Director

Relative of Key Management Personnel:

Gajendrakumar Patni

Father of Amit Kumar Patni

b) Particulars of Transactions

Transactions during the year	(Amount in Rs.)	
	<u>2017-2018</u>	<u>2016-2017</u>
Donation towards corpus		
Amit Patni	20,00,000	15,00,000
Gajendrakumar Patni	15,00,000	15,00,000
	<u>35,00,000</u>	<u>30,00,000</u>
Loan repaid		
Mr. Amit Patni	-	25,00,000

RAAY FOUNDATION

Notes to the financial statements for the year ended 31st March 2018

14 Calculation of Earning per Shares (EPS)

Particulars	2017-2018	2016-2017
Deficit for the year (Rs.)	(37,84,710)	(25,65,208)
Weighted average no. of equity shares outstanding during the year	40,000	40,000
Nominal value of each share (Rs.)	10	10
Basic and diluted loss Per Share (Rs.)	(94.62)	-64.13

As per my report of even date
For S.C.Bandi & Co.
Chartered Accountants

S. C. Bandi
Proprietor

Place: Mumbai
Dated: September 17, 2018



For RAAY Foundation

Amitkumar Patni
(Director)

Ruchi Patni
(Director)

Place: Mumbai
Dated: September 17, 2018



RAAY FOUNDATION**S. NO. 1A, IRANI MARKET COMPOUND, YERAWADA, PUNE 411006**

PAN: AAHCR1177M

Date of Incorporation: 08/12/2014

STATEMENT OF TOTAL INCOME FOR THE YEAR ENDED 31/3/2018 (A.Y. 2018-19)**INCOME FROM OTHER SOURCES**

Other income	4,500	
Less: Expenses on object of the trust	<u>37,89,210</u>	
		<u>-37,84,710</u>
Deficit		<u>-37,84,710</u>

Note:

The Company is registered u/s 8 of the Companies Act, 2013 viz. a "not-for-profit company". The Company is also registered u/s 12A of the Income-tax Act.