

**AUDITOR'S REPORT**

To the Members of  
**MITRA TECHNOLOGY FOUNDATION**

We have audited the attached balance sheet of **MITRA TECHNOLOGY FOUNDATION** as on 31<sup>st</sup> March 2007 and the statement of Income and Expenditure for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit with 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 misstatements. An audit also includes assessing the accounting principals used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion. We report that:

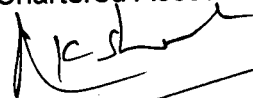
1. The Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956 is not applicable to **MITRA TECHNOLOGY FOUNDATION**, as it is a Company licensed to operate under Section 25 of the Companies Act, 1956.
  
2. (a) We have obtain all the information and explanation 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 **MITRA TECHNOLOGY FOUNDATION**, so far as appears from our examination of the books;
  
- (c) The Balance sheet and the statement of Income and Expenditure dealt with by this report are in agreement with the books of account;

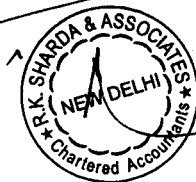


Rahul Nainwal

3. In our opinion, the Balance sheet and the statement of income and expenditure dealt with by this report comply with the Accounting Standards referred to in section 211(3C) of the Companies Act, 1956 to the extent applicable;
4. On the basis of the written representation received from the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as at March 31, 2007 from being appointed in terms of section 274 (1) (g) of the Companies Act, 1956; and
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view;
  - (i) In the case of the Balance Sheet, of the state of affairs of **MITRA TECHNOLOGY FOUNDATION**, as at 31<sup>st</sup> March 2007; and
  - (ii) In the case of the Statement of Income and Expenditure, of the excess of income over expenditure of **MITRA TECHNOLOGY FOUNDATION** for the year ended on that date.

For R.K.SHARDA & ASSOCIATES  
Chartered Accountants

  
R.K.SHARDA  
Prop.



  
Rahul Nainwal

Place: New Delhi

Date: 25-7-07

**MITRA Technology Foundation :: New Delhi**  
**Balance Sheet as at March 31, 2007**

	Schedule	As at 31-Mar-07 (Rupees)	As at 31-Mar-07 (Rupees)	As at 31-Mar-06 (Rupees)	As at 31-Mar-06 (Rupees)
<b>Sources of Funds:</b>					
Share Capital	1		200.00		200.00
Reserve & Surplus	2		44,151,459.35		4,514,212.89
<b>TOTAL:</b>			<b>44,151,659.35</b>		<b>4,514,412.89</b>
<b>Application of Funds:</b>					
<b><u>Fixed Assets:</u></b>					
Gross Block	3	1,666,811.60		1,240,279.00	
Less: Accumulated Depreciation		<u>1,008,947.35</u>	657,864.25	<u>702,205.75</u>	538,073.25
Net Block					
<b><u>Current Assets, Loans and Advances:</u></b>					
Cash and Bank Balances	4	53,062,656.41		5,694,891.76	
Sundry Debtors		218,316.36		162,892.11	
Advances Recoverable in Cash or in Kind		274,034.00		137,208.11	
Total Current Assets:		53,555,006.77		5,994,991.98	
Less:					
<b><u>Current Liabilities and provisions</u></b>					
Net Current Asstes	5	<u>10,069,405.00</u>	43,485,601.77	<u>2,028,894.00</u>	3,966,097.98
<b><u>Miscellaneous Expenditure to the extent not written off:</u></b>					
Preliminary Expenses			8,193.33		10,241.66
<b>TOTAL:</b>			<b>44,151,659.35</b>		<b>4,514,412.89</b>
Notes to the Accounts	9				

As per our Report of even date  
For R.K.SHARDA & ASSOCIATES

For MITRA TECHNOLOGY FOUNDATION

Chartered Accountants

  
Director

Rahul Nainwal  
Director

R.K.SHARDA  
Prop.



Place: New Delhi

Date: 25.7.07

**MITRA Technology Foundation :: New Delhi**  
Statement of Income and Expenditure Account for the period ended on March 31, 2007

	Schedule	Amount (Rs.) For the year 01.04.2006 to 31.03.2007	Amount (Rs.) For the year 01.04.2005 to 31.03.2006
<b><u>Income:</u></b>			
Revenue Grant		22,623,944.00	11,071,702.00
Fees on Consultancy Services		2,095,773.00	2,890,999.02
Other Income	6	1,070,341.00	313,083.50
<b>TOTAL:</b>		25,790,058.00	14,275,784.52
<b><u>Expenditure:</u></b>			
Project Expenses	7	12,584,252.11	8,285,289.89
Technical Expenses		83,946.00	33,000.00
Administrative and other expenses	8	2,112,871.83	2,890,749.12
Directors Remuneration		1,065,000.00	816,000.00
Depreciation		306,741.60	227,771.00
<b>TOTAL:</b>		16,152,811.54	12,252,810.01
Surplus of Income over expenditure		9,637,246.46	2,022,974.51
Notes to the Accounts	9		

As per our Report of even date  
**For R.K.SHARDA & ASSOCIATES**  
*Chartered Accountants*

**For MITRA TECHNOLOGY FOUNDATION**

*R.K. Sharda*  
**R.K.SHARDA**  
 Prop.



*Rahul Nainud*  
**Director**

*Rahul Nainud*  
**Director**



Place: New Delhi

Date: 25.7.07

**Schedule 1 : Share Capital**

	<u>For the year ended 31.03.2007</u>	<u>For the year ended 31.03.2006</u>
<b><u>Authorised</u></b>		
10,000 Equity Shares of Rs. 10/- each	100,000.00	100,000.00
<b><u>Issued, m Subscribed and Paid Up</u></b>		
20 Equity Shares of Rs. 10/- each fully paid up	200.00	200.00
Total	<u>200.00</u>	<u>200.00</u>

**Schedule 2 : Reserve and Surplus**

	<u>For the year ended 31.03.2007</u>	<u>For the year ended 31.03.2006</u>
<b><u>Income &amp; Expenditure Account</u></b>		
Balance as on 01.04.2006	4,514,212.89	2,491,238.38
Add:		
Corpus Grant	30,000,000.00	
Surplus over expenditure for the year	9,637,246.46	2,022,974.51
Total	<u>44,151,459.35</u>	<u>4,514,212.89</u>

**Schedule 4 : Current Assets, Loans & Advances**

	<u>For the year ended 31.03.2007</u>	<u>For the year ended 31.03.2007</u>	<u>For the year ended 31.03.2006</u>	<u>For the year ended 31.03.2006</u>
<b><u>Current Assets:</u></b>				
<i>Cash and Bank Balances</i>				
Cash in Hand		19,638.00		1,205.75
Balances with Schedule Bank:				
-in current accounts	98,834.41		1,541,247.01	
-in deposit accounts	<u>52,944,184.00</u>	<u>53,043,018.41</u>	<u>4,152,439.00</u>	<u>5,693,686.01</u>
Total		<u>53,062,656.41</u>		<u>5,694,891.76</u>
<b><u>Loans &amp; Advances:</u></b>				
<i>(Unsecured, Considered good)</i>				
<i>Advances recoverable in cash or in kind or for value to be received:</i>				
Tax Deducted at Source	134,750.00		15,542.00	
Deposit	139,284.00		121,666.11	
Advances to Directors	0.00		0.00	
Prepaid Expenses	<u>0.00</u>		<u>0.00</u>	
Total		<u>274,034.00</u>		<u>137,208.11</u>
<b><u>Sundry Debtors (Unsecured)</u></b>				
Over Six months	0.00		0.00	
Others	<u>218,316.36</u>		<u>162,892.11</u>	
Total		<u>218,316.36</u>		<u>162,892.11</u>
<b>Note:</b>				
<b>Sundry Debtors include:</b>				
Considered Good		218,316.36		162,892.11
Considered Doubtful		<u>0.00</u>		<u>0.00</u>
Total		<u>218,316.36</u>		<u>162,892.11</u>

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**Schedule 3: Fixed Assets**

Particulars	Gross Block (At Cost)			Depreciation			Net Block As at 31.03.2007
	Opening Bal. As at 1.4.2006	Addition during the year	As at 31.03.2007	Accumulation Balance on 1.4.2006	Depreciation for the year	As at 31.03.2007	
Computer & Peripherals	703,810.00	334,988.60	1,038,798.60	502,246.75	214,620.60	716,867.35	321,931.25
Furniture & Fixture	242,504.00	47,800.00	290,304.00	77,554.00	38,295.00	115,849.00	174,455.00
Office Equipment	293,965.00	43,744.00	337,709.00	122,405.00	53,826.00	176,231.00	161,478.00
	1,240,279.00	426,532.60	1,666,811.60	702,205.75	306,741.60	1,008,947.35	657,864.25

0.00



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**Schedule 5 : Current Liabilities & Provisions**

	<u>For the year</u> <u>ended 31.03.2007</u>	<u>For the year</u> <u>ended 31.03.2007</u>	<u>For the year</u> <u>ended 31.03.2006</u>	<u>For the year</u> <u>ended 31.03.2006</u>
<b><u>Current Liabilities:</u></b>				
Sundry Creditors for Expenses	8,675.00		26,894.00	
Due to Directors	0.00		0.00	
Expenses Payable	15,786.00		2,000.00	
Advance Grant Received	10,000,000.00		2,000,000.00	
Provisions	<u>44,944.00</u>		<u>0.00</u>	
<b>Total</b>		<u>10,069,405.00</u>		<u>2,028,894.00</u>

**Schedule 6 : Other Income**

	<u>For the year</u> <u>ended 31.03.2007</u>	<u>For the year</u> <u>ended 31.03.2006</u>
Bank Interest	746,496.00	107,996.00
Misc. Income	<u>323,845.00</u>	<u>205,087.50</u>
<b>Total</b>	<u>1,070,341.00</u>	<u>313,083.50</u>

**Schedule 7 : Project expenses**

	<u>For the year</u> <u>ended 31.03.2007</u>	<u>For the year</u> <u>ended 31.03.2006</u>
<b><u>HIVOS Programme</u></b>		
Marketing Programme- HM & P	94,459.00	0.00
Travel-Project Coordinator HTPC	36,133.00	0.00
Salary Project Co-ordinator	329,619.00	
Salary Project Manager	<u>75,000.00</u>	535,211.00
<b><u>Global Knowledge Partnership</u></b>		
GKP	33,115.00	0.00
Travel- Coordinator	<u>13,387.00</u>	46,502.00
<b><u>Canada World Youth (CWY)</u></b>		
CWY Programme Expenses	257,761.00	
<b><u>CSO Programme</u></b>		
Manpower & Organisation Overheads	2,880,000.00	3,500,732.00
Travel	611,594.00	497,141.89
Postage & Stationary	127,834.00	32,735.00
Communication	72,171.00	55,533.00
Volunteers Selection & Medical Clearance cost	359,396.00	104,613.00
Training Cost	1,812,136.11	1,055,907.00
Marketing & promotion	801,689.00	403,433.00
Volunteers Resource Centre	34,670.00	161,820.00
Volunteers Travel	1,930,227.00	1,549,122.00
Volunteers Grants	2,436,870.00	860,316.00
Secondees Expenses	162,361.00	0.00
Volunteer Management Workshop	241,566.00	0.00
Misc. Cost	144,928.00	0.00
Website Design	112,500.00	
Legal Cost	<u>16,836.00</u>	26,020.00
	11,744,778.11	
<b><u>Marathon Prog. Expenses</u></b>		
Marathon Expenses	0.00	37,917.00
<b>TOTAL:</b>	<u>12,584,252.11</u>	<u>8,285,289.89</u>



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**Schedule 8 : Administrative & other expenses**

	<u>For the year</u> <u>ended 31.03.2007</u>		<u>For the year</u> <u>ended 31.03.2006</u>	
<b><u>Auditor's Remuneration:</u></b>				
Audit Fees	44,944.00		22,448.00	
Other Charges	5,612.00		0.00	
Service Tax	<u>0.00</u>	50,556.00	<u>0.00</u>	22,448.00
Advertisement & Publicity		560.00		0.00
Bank Charges		857.00		3,098.06
Books & Periodicals		9,775.00		6,928.50
Repair & Maintenance		74,364.00		66,074.00
Electricity Expenses		51,266.00		45,008.50
Entertainment		7,830.50		12,984.50
Insurance Charges		30,392.00		29,606.00
Membership & Subscription		24,701.00		23,872.00
Office Expenses		142,186.00		191,846.50
Postage & Courier		2,887.00		24,679.16
Printing & Stationary		58,795.00		58,586.50
Professional Charges		12,898.00		6,250.00
Preliminary Expenses written off		2,048.33		2,560.42
Rent		170,585.00		188,000.00
Salary		579,270.00		908,908.00
Stipend & Workshop		323,189.00		525,661.00
Staff Welfare		31,261.00		23,031.00
Telephone & Communication Charges		158,732.00		253,429.48
Travelling & Conveyance		380,719.00		377,675.50
Bad Debts		0.00		120,102.00
<b>TOTAL:</b>		<u>2,112,871.83</u>		<u>2,890,749.12</u>



*Rahul Nainwal*

Rahul Nainwal



Schedule 9: **Notes on Accounts**

**A) Significant Accounting Policies:**

1. **Accounting convention:**  
The financial statements are prepared on the accrual basis under the historical cost convention, in accordance with applicable accounting standards and provisions of the Companies Act, 1956.
2. **Fixed Assets:**  
Fixed Assets are recorded at the cost of acquisition including costs related to acquisition and installation.
3. **Depreciation:**  
Depreciation has been provided over the useful life on the written down value method on pro-rata basis from the date of purchase up to the date of sale, at rate specified in Schedule XIV to the Companies Act, 1956.
4. **Investments:**  
Current Investments are carried at lower of cost and fair value.

- B)**
1. During the year, the Foundation has received grants of Rs. 3,26,23,944/-. Out of this Rs.100,00,000/- pertains to next year has been shown as Grant received in Advance.
  2. During the year the foundation has received Corpus Grant of Rs. 3,00,00,000/- from ICICI Bank Ltd. The same has been earmarked as Corpus Fund under Reserve & Surplus.

a. Contingent Liability:	Current Year Rs.	Previous Year Rs.
--------------------------	------------------------	-------------------------

- |   |     |     |
|---|-----|-----|
| i) Claims against the company not acknowledged as debts | NIL | NIL |
|---|-----|-----|
- b. Debt amount to Rs. Nil has been outstanding for a period exceeding six months as on the date of Balance Sheet. The Management has undertaken reasonable steps towards the recovery of the same and is of the opinion that the said debts are doubtful of recovery. No provision has been made for doubtful debts.
  - c. During the year under review, the Company is eligible for exemption under section 11 of the Income Tax Act'1961 towards its surplus. No provision for income tax is made taking into consideration the same. As a result, no deferred tax asset or liability is created in the books of account, in consideration of Accounting Standards 22 issued by the Institute of chartered Accountants of India.
  - d. The provisions of paragraph 3, 4C and 4D of part II of schedule VI to the Companies Act'1956 are not applicable to the Company for the year under review.
  - e. Previous year figures are rearranged and/or regrouped wherever necessary.

Rahul Hainwal

