

INDEPENDENT AUDITOR'S REPORT

To the Members of Swades Foundation

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of Swades Foundation ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Income and Expenditure and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013, as amended ("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, 2023, its deficit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. 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 Act 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 audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 Companies (Accounting Standards) Rules, 2021 (as amended) 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies;



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Auditor's Report of Swades Foundation
For the year ended March 31, 2023

making judgments and estimates that are reasonable and prudent; and the 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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For the year ended March 31, 2023

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Ministry of Corporate Affairs in terms of section 143(11) of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the 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 Income and Expenditure and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2021 (as amended) specified under section 133 of the Act;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;
 - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;
 - (h) 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, as amended 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

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For the year ended March 31, 2023

- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

regada

per Ritesh Gada

Partner

Membership Number: 121898

UDIN: 23121898BGWSDH4316



Place of Signature: Mumbai

Date: September 18, 2023

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Auditor's Report of Swades Foundation

For the year ended March 31, 2023

Annexure 1 to the Independent Auditor's Report of even date on the financial statements of Swades Foundation

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Swades Foundation ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the "Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.



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Auditor's Report of Swades Foundation

For the year ended March 31, 2023

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Rugada

per Ritesh Gada

Partner

Membership Number: 121898

UDIN: 23121898BGWSDH4316



Place of Signature: Mumbai

Date: September 18, 2023

Swades Foundation

Balance sheet as at 31 March 2023

(All amounts in INR thousands, unless otherwise stated)

Particulars	Note No.	31st March 2023	31st March 2022
(A) EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	100	100
(b) Corpus fund	4	850	850
(c) Reserves and surplus	5	(37,721)	(21,693)
		(36,771)	(20,743)
(2) Non-current liabilities			
(a) Long-term provisions	6	24,037	21,467
		24,037	21,467
(3) Current Liabilities			
(a) Trade payables			
(i) total outstanding dues to micro enterprises and small enterprises (Refer Note 21)	7	10,845	2,330
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	7	11,307	37,371
(b) Other current liabilities	8	31,692	1,69,104
(c) Short-term provisions	6	8,592	16,623
		62,436	2,25,428
Total		49,702	2,26,152
(B) ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	9	4,422	3,707
(ii) Intangible assets	9	2,609	2,039
(iii) Capital work in progress	9	531	1,947
(d) Long-term loans and advances	10	1,832	2,662
(e) Other Non Current assets	11	382	332
		9,776	10,687
(2) Current assets			
(a) Cash and bank balances	12	34,544	1,96,208
(b) Short-term loans and advances	10	5,382	12,637
(c) Other current assets	13	-	6,620
		39,926	2,15,465
Total		49,702	2,26,152
Summary of significant accounting policies	2		

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of event date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration number: 101049W/E300004

rugada
per Ritesh Gada
Partner
Membership No:- 121898



Place: Mumbai
Date: September 18, 2023

For and on behalf of Board of Directors

Swades Foundation

Rohinton Screwvala
Rohinton Screwvala
Director
DIN No:- 00003423

Place: Mumbai
Date: September 18, 2023



Zarina Screwvala
Zarina Screwvala
Director
DIN No:- 00004518

Place: Mumbai
Date: September 18, 2023

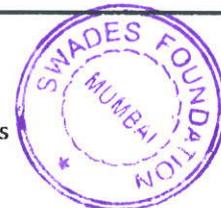
Swades Foundation
Statement of Income and Expenditure for the year ended 31 March 2023
(All amounts in INR thousands, unless otherwise stated)

Particulars	Note No.	31st March 2023	31st March 2022
(A) Income			
(1) Donations	14	7,99,373	8,37,650
(2) Other income	15	5,868	15,191
Total Income (1+2)		8,05,241	8,52,841
(B) EXPENDITURE			
(1) Programme expenses	16	5,21,483	5,96,657
(2) Employee benefits expense	17	2,20,913	2,04,891
(3) Depreciation and amortisation expense	18	2,761	2,681
(4) Other expenses	19	76,112	25,625
Total Expenditure (1+2+3+4)		8,21,269	8,29,854
(Deficit)/Surplus of Income over Expenditure (A-B)		(16,028)	22,987
Basic and Diluted Earnings per share [Face Value of Rs. 10 each (31st March 2022: Rs.10)]	20	(1.60)	2.30
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements
As per our report of event date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

For and on behalf of Board of Directors
Swades Foundation



sugada
per Ritesh Gada
Partner
Membership No:- 121898



Rohinton
Rohinton Screwvala
Director
DIN No:- 00003423

Zarina
Zarina Screwvala
Director
DIN No:- 00004518

Place: Mumbai
Date: September 18, 2023

Place: Mumbai
Date: September 18, 2023

Place: Mumbai
Date: September 18, 2023

Swades Foundation
Cash flow statement for the year ended 31 March 2023
(All amounts in INR thousands, unless otherwise stated)

Particulars	31st March 2023	31st March 2022
Cash flow from operating activities (Deficit)/Surplus of income over expenditure	(16,028)	22,987
Adjustments to reconcile (deficit)/surplus to net cash flows:		
Depreciation and amortisation expense	2,761	2,681
Interest income	(5,726)	(15,165)
Operating (deficit)/surplus before working capital changes	(18,993)	10,503
Movements in working capital:		
Increase in current loans and advances	7,255	1,131
Increase in Other Non Current Assets	50	-
(Decrease) in trade payables	(17,550)	(36,198)
(Decrease) in other current liabilities	(1,37,412)	(1,15,186)
(Decrease) in short-term provisions	(8,032)	(17,056)
Increase in long-term provisions	2,571	1,780
Cash used in operations	(1,72,111)	(1,55,028)
Direct taxes paid (net of refunds)	829	(167)
Net cash flow used in operating activities (A)	(1,71,282)	(1,55,195)
Cash flow from investing activities		
Purchase of property, plant and equipment	(2,630)	(4,248)
Interest Received	12,248	10,798
Liquidation/(Investment) in bank deposits (having maturity of more than 3 months)	1,75,900	(8,135)
Net cash generated from/(used in) investment activities (B)	1,85,518	(1,585)
Net increase/(decrease) in cash and cash equivalents (A+B)	14,236	(1,56,780)
Cash and cash equivalents at the beginning of year	20,308	1,77,088
Cash and cash equivalents at the end of year	34,544	20,308
Components of cash and cash equivalents (Refer Note 12)		
Balance with Bank	34,544	20,308
Total cash and cash equivalents	34,544	20,308

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements
As per our report of event date

Notes to the Cash Flow Statement:

1. Cash flow statement has been prepared as per indirect method prescribed in Accounting Standard 3 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India .

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

For and on behalf of Board of Directors
Swades Foundation

regada
per Ritesh Gada
Partner
Membership No:- 121898



Roninton Screwvalla
Roninton Screwvalla
Director
DIN No:- 00003423

Place: Mumbai
Date: September 18, 2023

Zarina Screwvalla
Zarina Screwvalla
Director
DIN No:- 00004518

Place: Mumbai
Date: September 18, 2023



1 Corporate information

Swades Foundation ("the Company") was incorporated under section 8 of the Companies Act, 2013 on 30 June 2015 and granted registration under Section 12A of the Income Tax Act, 1961 on 18 January, 2016. The Company has also obtained registration number 083781348 under Foreign Contribution (Regulation) Act, 2010 ("FCRA")

The objective of the Company is to promote education, research, vocational education, skill development, learning by supporting educational institutions, to promote welfare activities for generating livelihood, employment opportunities, entrepreneurship, enterprising skill for upliftment of marginalized and disadvantaged section of the society, to promote philanthropic activities for the welfare of the society.

2 Significant accounting policies

i Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013 read together with the Companies (Accounting Standards) Rules, 2021 (as amended from time to time) and presentation requirements of Division I of Schedule III to the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The Company has a deficit of Rs. 16,028 thousands for the year ended March 31, 2023 (March 31, 2022 - Surplus of Rs. 22,987 thousands). As at March 31, 2023, the Company has employee benefits related provision of Rs. 32,629 thousands (March 31, 2022 - Rs. 38,090 thousands). The Company has accumulated losses of Rs. 37,721 thousands as at March 31, 2023 (March 31, 2022: Rs. 21,693 thousands), resulting in erosion of Company's networth. However, the management of the Company is confident of its ability to continue the objectives of the Company for a foreseeable future. The Shareholders/Promoters have committed to provide financial support to the Company to meet its objectives, capital requirements and settle its liabilities/obligations as they become due, over the next twelve months from the date of said financial statement, accordingly, the said financial statements have been prepared on going concern basis.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash and cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

ii Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's 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 amounts of assets or liabilities in future periods.

iii Donations

General Grants and Donations are recognized in the year in which same are received.

Grants and Donation for specific projects are recognized as income to the extent utilised during the year as per terms of agreement/sanction and unutilized amounts are carried forward as liability and disclosed as "Unutilised Donor Funds" under other current Liabilities until the actual expenditure is incurred.

Grants or donation in the form of non-monetary assets (such as fixed assets) received at a concessional rate is accounted for on the basis of their acquisition cost to the Company. In case a non-monetary grant or donation is received free of cost, it is be recognised at the nominal value of Re. 1.

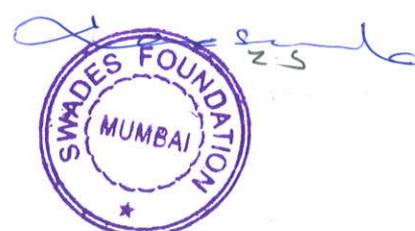
Interest income on Fixed Deposit placed from donation received for specific project are recognized as income to the extent utilised during the year as per terms of agreement/sanction and unutilized amounts are carried forward as liability and disclosed as "Unutilised Donor Funds" under other current liabilities until the actual expenditure is incurred.

iv Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of income and expenditure.



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Swades Foundation

Notes forming part of the financial statements for the year ended 31 March 2023

v Property, Plant and Equipment

(a) **Property, Plant and Equipment** - Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price including incidental costs related to acquisition and installation.

(b) **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.

vi Depreciation/amortization of Fixed Assets.

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The company has used the following rates to provide depreciation on its property, plant and equipment.

Assets	Useful life (in years)
Furniture and fixtures	10
Office equipments	5
Computers and data processing units - Laptop	3
Software	5
Motor vehicles	8

Intangible assets are amortised over a period of 5 years on straight line basis.

vii Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

The Company operates defined benefit plans for its employees, viz., gratuity liability. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial gains and losses for defined benefit plan is recognized in full in the period in which they occur in the statement of income and expenditure.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Such compensated absences are provided for based on the actuarial valuation at each year-end

viii Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

ix Operating Lease

Assets acquired on lease, where significant portions of risks and rewards incidental to ownership are retained by the lessor, are classified as operating lease. Lease rentals under operating leases are recognised in the statement of income and expenditure on the Straight-line basis over the lease term.

x Cash and Cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

xi Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the income and expenditure account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

xii Earnings Per Share

Basic earnings per share are calculated by dividing the net surplus or deficit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.



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Swades Foundation

Notes forming part of the financial statements for the year ended 31 March 2023

xiii Provisions

A provision is recognized when the Company 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 their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

xiv Cash Flow Statement

Cash flows are reported using the indirect method, whereby surplus / (deficit) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

xv Segment Reporting

The Company is incorporated under section 8 of the Companies Act, 2013 and operates under a single reportable segment in India as per the objective of the Company as mentioned under Corporate information.



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Swades Foundation		31st March 2023	31st March 2022			
Notes forming part of the financial statements for the year ended 31 March 2023 (All amounts in INR thousands, unless otherwise stated)						
3. Share capital						
Authorised						
100,000 (31st March 2022: 100,000) equity shares of Rs. 10 each		1,000	1,000			
		1,000	1,000			
Issued, subscribed and paid up						
10,000 (31st March 2022: 10,000) equity shares of Rs. 10 each fully paid up		100	100			
		100	100			
a. Reconciliation of number of equity shares and equity share capital						
	31st March 2023		31st March 2022			
	Number of Equity Shares	Amount	Number of Equity Shares	Amount		
Outstanding at the beginning of the year	10,000	100	10,000	100		
Outstanding at the end of the year	10,000	100	10,000	100		
b. Details of shareholders holding more than 5% shares						
Name of the shareholder	31st March 2023		31st March 2022			
	Number of Equity Shares	Percentage of holding	Number of Equity Shares	Percentage of holding		
Rohinton Screwvala	3,500	35%	3,500	35%		
Zarina Screwvala	3,500	35%	3,500	35%		
Trishya Screwvala	3,000	30%	3,000	30%		
c. Terms/ rights attached to equity shares						
The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.						
d. Details of shares held by promoters						
	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	Rohinton Screwvala	3,500	-	3,500	35%	-
	Zarina Screwvala	3,500	-	3,500	35%	-
	Trishya Screwvala	3,000	-	3,000	30%	-
Total		10,000	-	10,000	100%	-
4. Corpus fund		31st March 2023	31st March 2022			
As per last balance sheet		850	850			
		850	850			
5. Reserves and surplus		31st March 2023	31st March 2022			
Surplus in the statement of income and expenditure						
As per last balance sheet		(21,693)	(44,680)			
Add: (Deficit)/Surplus of income over expenditure		(16,028)	22,987			
		(37,721)	(21,693)			
6. Provision		Long-term		Short-term		
		31st March 2023	31st March 2022	31st March 2023	31st March 2022	
Provision for gratuity (Refer note 23)		17,868	17,142	4,840	2,972	
Provision for leave benefits (Refer note 23)		-	-	3,752	4,307	
Provision for Retention bonus		6,169	4,325	-	9,344	
		24,037	21,467	8,592	16,623	



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Swades Foundation					
Notes forming part of the financial statements for the year ended 31 March 2023					
(All amounts in INR thousands, unless otherwise stated)					
	31st March 2023	31st March 2022			
7. Trade Payables	31st March 2023	31st March 2022			
(i) total outstanding dues to micro enterprises and small enterprises (Refer note 21)	10,845	2,330			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	11,307	37,371			
	<u>22,152</u>	<u>39,701</u>			
Ageing schedule - As of 31st March 2023					
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	10,845	-	-	-	10,845
Others	11,084	223	-	-	11,307
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Ageing schedule - As of 31st March 2022					
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	2,330	-	-	-	2,330
Others	36,823	548	-	-	37,371
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
8. Other Current Liabilities	31st March 2023	31st March 2022			
Payable to employees	3,401	4,178			
Statutory dues	1,909	7,035			
Deposit from suppliers	4,750	4,650			
Unutilised donor funds for specific projects:					
Balance as per Last Balance Sheet	1,53,241	2,71,072			
Add: Received during the year	3,99,556	4,43,412			
Add: Interest received during the year	4,804	13,821			
Less: Spent during year	(5,35,969)	(5,75,064)			
	<u>21,632</u>	<u>1,53,241</u>			
	<u>31,692</u>	<u>1,69,104</u>			



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Swades Foundation
Notes forming part of the financial statements for the year ended 31 March 2023
(All amounts in INR thousands, unless otherwise stated)

9. Property, Plant and Equipment and Intangible assets

Particulars	Tangible assets				Intangible assets		Total
	Furniture and fixtures	Office equipments	Computers and data processing units	Motor vehicles	Software		
Cost or Valuation							
At 1st April 2021	758	1,963	4,835	931	3,864	8,486	12,351
Additions	-	13	1,439	-	1,416	1,452	2,868
Disposals	-	-	-	-	-	-	-
At 31st March 2022	758	1,976	6,274	931	5,280	9,938	15,218
Additions	-	-	2,630	-	1,416	2,630	4,046
Disposals	-	-	-	-	-	-	-
At 31st March 2023	758	1,976	8,904	931	6,696	12,568	19,264
Depreciation / amortisation							
At 1st April 2021	255	1,077	2,724	355	2,380	4,412	6,791
Charges for the year	72	383	1,253	111	851	1,819	2,680
Disposals	-	-	-	-	-	-	-
At 31st March 2022	327	1,460	3,977	466	3,241	6,231	9,472
Charges for the year	72	288	1,444	111	846	1,915	2,761
Disposals	-	-	-	-	-	-	-
At 31st March 2023	399	1,748	5,421	577	4,087	8,146	12,233
Net Block							
At 31st March 2022	431	516	2,297	465	2,039	3,707	5,746
At 31st March 2023	359	228	3,483	354	2,609	4,422	7,031

Capital Working Progress (CWIIP) Ageing Schedule

As At 31st March 2023

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
CWIP- Synergy App	531	-	-	-	531
Total	531	-	-	-	531

As At 31st March 2022

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
CWIP- Synergy App	1,416	531	-	-	1,947
Total	1,416	-	-	-	1,947



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Swades Foundation

Notes forming part of the financial statements for the year ended 31st March 2023

(All amounts in INR thousands, unless otherwise stated)

10. Loans and Advances

	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Advance Income Tax / TDS receivable	1,832	2,662	-	-
Advances to vendors	-	-	3,458	11,419
Advances to employees	-	-	480	355
Advances to others	-	-	480	300
Prepaid expenses	-	-	964	563
	1,832	2,662	5,382	12,637

11. Other Non Current Assets

	31st March 2023	31st March 2022
Security deposits	382	332
	382	332

12. Cash and bank balances

	31st March 2023	31st March 2022
a) Cash & Cash Equivalents		
Balance with Bank	34,544	20,308
Cash & Cash Equivalents	34,544	20,308
b) Other bank balances		
Deposits with remaining maturity for less than 12 months	-	1,75,900
	34,544	1,96,208

13. Other Current Assets

	31st March 2023	31st March 2022
Accrued Interest on Bank deposits	-	6,620
	-	6,620



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Swades Foundation
Notes forming part of the financial statements for the year ended 31 March 2023
(All amounts in INR thousands, unless otherwise stated)

	31st March 2023	31st March 2022
14. Donations		
Donation from Institution (includes donation utilised for specific projects)	7,59,278	7,98,928
Donation from Community	40,095	38,722
	<u>7,99,373</u>	<u>8,37,650</u>
15. Other income		
Interest on fixed deposits from donation received for specific projects	4,804	13,821
Interest on savings bank account	922	1,344
Miscellaneous Income	142	26
	<u>5,868</u>	<u>15,191</u>
16. Programme expenses		
Programme Expenses incurred for the following :		
(a) Rural Development and Eradication of Poverty	2,91,246	1,97,134
(b) Education (Refer Note A below)	30,076	30,629
(c) Healthcare, Medical Relief, Water and Sanitation	2,00,161	3,68,894
	<u>5,21,483</u>	<u>5,96,657</u>

Note A : During the year ended March 31, 2023, the Company has not donated (March 31, 2022: Rs. 1.08 crore to 308 students) towards scholarship for online courses enrolled with Upgrad Education Private Limited ('Upgrad'). The Scholarship Program intended to support the meritorious professionals to take up/continue with their online education during COVID-19. The Company had taken assistance of Upgrad for identification and selection of eligible professionals under this Program. (Refer note 22)

	31st March 2023	31st March 2022
17. Employee benefit expenses		
Salaries, wages & bonus	2,00,755	1,86,061
Contribution to Provident Fund & Others	10,883	9,834
Gratuity Expenses (Refer note 23)	4,514	7,338
Staff Welfare Expenses	4,761	1,658
	<u>2,20,913</u>	<u>2,04,891</u>

	31st March 2023	31st March 2022
18. Depreciation and amortisation expense		
Depreciation of tangible assets	1,915	1,819
Amortization of intangible assets	846	862
	<u>2,761</u>	<u>2,681</u>

	31st March 2023	31st March 2022
19. Other expenses		
Rent	1,804	1,483
Travelling & Conveyance Expenses	19,060	4,168
Recruitment Expenses	1,638	1,000
Printing, Stationery, Postage & Photocopy	688	616
Repairs & Maintenance - Others	844	814
Rates & Taxes	35	60
Seminar, Membership & Subscriptions	2,496	1,376
Auditor's Fees & Expenses (Refer note below)	2,041	1,982
Telecommunication Expenses	3,438	2,843
Advertisement & Marketing Expenses	13,803	4,155
Electricity & Water Expenses	492	341
Insurance	779	3,013
Legal & Professional Charges	28,781	3,498
Bank Charges	68	98
Miscellaneous Expenses	145	178
	<u>76,112</u>	<u>25,625</u>

Note:

Payments to auditor (including tax wherever applicable):

	31st March 2023	31st March 2022
As auditor:		
a) Audit fee	1,914	1,859
b) Tax audit fee	61	59
c) Reimbursement of expenses	5	5
In other capacity:		
a) Certification fee	61	59
	<u>2,041</u>	<u>1,982</u>



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Swades Foundation		
Notes forming part of the financial statements for the year ended 31 March 2023 (All amounts in INR thousands, unless otherwise stated)		
20. Earning per share (Basic and diluted)		
The following reflects the (deficit)/surplus and share data used in the basic and diluted EPS computations:		
Particulars	31st March 2023	31st March 2022
(Deficit)/Surplus of income over expenditure (A)	(16,028)	22,987
Weighted Average number of equity shares (B)	10,000	10,000
Basic and diluted earnings per share (Rs.) - (A) / (B)	(1.60)	2.30
21. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006		
Particulars	31st March 2023	31st March 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	10,845	2,330
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.		
22. Related party disclosures		
Names of related parties and related party relationship		
Key management personnel		
Rohinton Soli Screwvala	Director	
Zarina Screwvala	Director	
Trishya Rohinton Screwvala	Director	
Other Related Parties with whom transactions have taken place during the relevant Financial Year		
Unilazer Ventures Private Limited	Entity Controlled by Directors	
SHARE Society to Heal Aid Restore Educate	Directors are trustees	
Unisports And Management Private Limited	Entity Controlled by Directors	
Upgrad Education Private Limited	Entity Controlled by Directors	
Transactions with related parties		
	31st March 2023	31st March 2022
Donation received		
Unilazer Ventures Private Limited	2,08,000	1,82,500
Rohinton Soli Screwvala	11,200	15,000
SHARE Society to Heal Aid Restore Educate	-	3,350
Expenditure incurred		
Unilazer Ventures Private Limited (Rent for office premises)	283	-
Upgrad Education Private Limited (Refer note below)	-	-
Note : The Company has taken assistance of Upgrad for identification and selection of eligible professionals under scholarship Program (Refer note A under Note 16 - Programme expenses)	-	-



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Swades Foundation

Notes forming part of the financial statements for the year ended 31st March 2023

(All amounts in INR thousands, unless otherwise stated)

23. Gratuity and other post-employment benefit plans

The Company has a defined gratuity benefit plan. Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The Company operates an unfunded gratuity plan wherein employees are entitled to the benefit as per scheme of the Company for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service.

The following tables summarize the components of net benefit expense recognized in the statement of income and expenditure and amounts recognized in the balance sheet for the respective plans.

Statement of income and expenditure

A. Net employee benefit expense (recognised in employee cost)

Particulars	31st March 2023	31st March 2022
Current service cost	3,672	2,530
Interest cost on benefit obligation	1,226	675
Actuarial loss	(384)	4,133
Expense recognized in income & expenditure statement	4,514	7,338

Balance sheet

B. Details of provision for gratuity

Particulars	31st March 2023	31st March 2022
Present value of benefit obligation	(22,708)	(20,114)
Fair value of plan assets	-	-
Net liability recognized in the balance sheet	(22,708)	(20,114)

Balance sheet

C. Changes in the present value of the defined benefit obligation are as follows:

Particulars	31st March 2023	31st March 2022
Opening defined benefit obligation	20,114	13,945
Interest Cost	1,226	675
Current Service Cost	3,672	2,530
Benefits paid	(1,920)	(1,169)
Actuarial losses on obligations	(384)	4,133
Closing defined benefit obligation	22,708	20,114

D. The principal assumptions used in determining gratuity benefit obligations are shown below

Particulars	31st March 2023	31st March 2022
Discount Rate	7.15%	6.40%
Salary Escalation	8%	8%
Withdrawal Rate	22.00%	17.00%

To provide for liability on account of death while in service have been used mortality rates as given under Indian Assured Lives Mortality (2012-14) Ultimate.

Salary escalation assumption has been set in discussions with the enterprise based on their estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.



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Swades Foundation

Notes forming part of the financial statements for the year ended 31st March 2023
(All amounts in INR thousands, unless otherwise stated)

E. The Company has a defined leave plan wherein, 22 days of paid leave is credited to the employee per financial year with pro rata applicable to employees joining during the period. Employees can carry forward maximum 21 days of leave in financial year and no leaves will be encashed. The scheme is not funded. For the year ended March 31, 2023 the charge made in the statement of income and expenditure for leave liability is Rs. (555)/- (March 31, 2022 is Rs. 1,494/-)

24. Capital commitment

A. Company has a commitment towards capital expenditure for Rs. 5,841 (Net of Advances) (Previous year: Rs. 8,083).

25. Ratio Analysis and its elements

Ratio	Numerator	Denominator	31st March 2023	31st March 2022	% Change	Reason for variance
Current ratio	Current Assets	Current Liabilities	0.64	0.96	-33%	The cash and bank balances and unutilised donor funds have reduced in current year
Trade Payable Turnover Ratio	Total purchase	Closing Trade Payables	26.98	15.67	79%	Trade Payable payment cycle has improved in current year

Note: Considering the nature of operations of the Company the below ratios are not applicable and accordingly not disclosed:

a) Debt – Equity Ratio, b) Debt Service Coverage Ratio, c) Return on Equity, d) Inventory Turnover Ratio, e) Trade receivables turnover ratio, f) Net capital turnover ratio, g) Net profit ratio, h) Return on capital employed and i) Return on investment.

26. Other Statutory Information

A. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

C. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

D. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

E. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

F. The Company has not entered into any transaction with struck off companies as per Section 248 of Companies Act 2013 during the year.

27. Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of event date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration number: 101049W/E300004

augada
per Ritesh Gada
Partner
Membership No:- 121898

Place: Mumbai
Date: September 18, 2023



For and on behalf of Board of Directors
Swades Foundation

[Signature]
Rohinton Screwvala
Director
DIN No:- 00003423

[Signature]
Zarina Screwvala
Director
DIN No:- 00004518

Place: Mumbai
Date: September 18, 2023

Place: Mumbai
Date: September 18, 2023

