HARIBHAKTI & CO. LLP
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Utkarsh Welfare Foundation

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Utkarsh Welfare Foundation** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Income and Expenditure (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of material accounting policy information and other explanatory information (hereinafter referred to as "financial statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at March 31, 2025, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director'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 the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Haribhakti & Co. LLP, Chartered Accountants Regn. No. AAC- 3768, a limited liability partnership registered in India (converted on 17th June, 2014 from firm Haribhakti & Co. FRN: 103523W)
Registered office: 705, Leela Business Park, Andheri-Kurla Road, Andheri (E), Mumbai - 400 059, India. Tel:+91 22 6672 9999 Fax:+91 22 6672 9777
Other offices: Ahmedabad, Bengaluru, Chennai, Hyderabad, Kolkata, New Delhi, Pune, Rajkot, Vadodara.

The Director's Report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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 this 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal financial control.

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MUMBAI
CHARTERED ACCOUNTANTS

- 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.

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 contain a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India 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, except for the back-up to be done on a daily basis of the books of account and other books and papers of the Company maintained in electronic mode as per proviso to Rule 3(5) of the Companies (Accounts) Rules, 2014, which has been complied by the Company effective from September 17, 2024;

  c. The Balance Sheet, the Statement of Income and Expenditure (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

  d. In our opinion, the aforesaid financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors as on March 31, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act;

f. The observation relating to the maintenance of accounts and other matters connected therewith are as stated in point (b) above;

g. We do not report on the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls in terms of section 143(3)(i) of the Act, since in our opinion and according to the information and explanations given to us, the said reporting is not applicable to the Company.

h. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

i. 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. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

(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;

(iv) (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;

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(iv) (c) Based on the audit procedures that are 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The Company has not declared nor paid any dividend during the year. Hence, reporting the compliance with section 123 of the Act is not applicable.

(vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Deepak Kabra

Partner

Membership No. 133472

UDIN: 25133472BMOMNY2788

Place: Mumbai
Date: May 10, 2025

Utkarsh Welfare Foundation
Balance Sheet as at 31 March 2025
(All amounts are in INR lakhs, unless otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
I. ASSETS			
Non-current assets			
Property, plant and equipment	3A	211.36	74.54
Capital work in progress	3A	15.17	-
Intangible assets	3B	7.63	9.55
Other non-current financial assets	4	0.20	0.10
Other non-current assets	5	3.25	-
Total non-current assets		**237.61**	**84.19**
Current assets			
Financial assets			
(i) Cash and cash equivalents	6	256.96	305.65
(ii) Other financial assets	7	2.93	2.74
Other current assets	8	3.90	2.68
Total current assets		**263.79**	**311.07**
Total assets		**501.40**	**395.26**
II. EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	10.00	10.00
Other equity	10	91.60	87.38
Total equity		**101.60**	**97.38**
Current liabilities			
Financial liabilities			
(i) Trade payables			
- Total outstanding dues to micro enterprises and small enterprises	11	8.46	1.51
- Total outstanding dues of creditors other than micro enterprises and small enterprises		14.19	2.93
(ii) Other current financial liabilities	12	132.72	202.50
Other current liabilities	13	239.51	88.01
Current provision	14	4.92	2.93
Total current liabilities		**399.80**	**297.88**
Total liabilities		**399.80**	**297.88**
Total equity and liabilities		**501.40**	**395.26**

Material accounting policies 2

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

for Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Deepak Kabra
Partner
Membership No: 133472

Place: Mumbai
Date: 10 May 2025

For and on behalf of Board of Directors of
Utkarsh Welfare Foundation
CIN : U74900UP2010NPL041674

Ramni Nirula
Director
DIN: 00015330

Ashwani Kumar
Director
DIN: 07030311

Place: Varanasi
Date: 10 May 2025

Dollima Chaurasia
Company Secretary
Membership No.-75216

Utkarsh Welfare Foundation Varanasi

Utkarsh Welfare Foundation

Statement of Income and Expenditure account for the year ended 31 March 2025

(All amounts are in INR lakhs, unless otherwise stated)

	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
Income			
Receipts from contributions	15	993.93	694.04
Other income	16	26.56	23.68
Total income		**1,020.49**	**717.72**
Expenses			
Employee benefits cost	17	226.23	137.30
Expenditure on welfare program	18	727.03	521.42
Depreciation	19	30.45	20.88
Other expenses	20	33.68	37.66
Total expenses		**1,017.39**	**717.26**
Surplus/(Deficit) for the year		**3.10**	**0.46**
Other comprehensive income			
Items that will not be reclassified to income or expenditure			
Remeasurement of defined benefit plans		1.12	(1.37)
Total comprehensive income for the year		**4.22**	**(0.91)**
Earnings per equity share (face value of INR 10 each)			
Basic	27	3.10	0.63
Diluted	27	3.10	0.63

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

for Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Deepak Kabra
Partner
Membership No: 133472

MUMBAI

Place: Mumbai
Date: 10 May 2025

For and on behalf of Board of Directors of
Utkarsh Welfare Foundation
CIN : U74900UP2010NPL041674

Rammi Nirula
Director
DIN: 00015330

Ashwani Kumar
Director
DIN: 07030311

Place: Varanasi
Date: 10 May 2025

Utkarsh Welfare Foundation Varanasi

Dollima Chaurasia
Company Secretary
Membership No.-75216

Utkarsh Welfare Foundation
Statement of Cashflows for the year ended 31 March 2025
(All amounts are in INR lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit	3.10	0.46
Adjustments for:		
Depreciation and amortisation	30.45	20.88
Interest income	(21.15)	(18.94)
Provision for bad and doubtful debts	-	-
Expenses written-off	-	-
Operating Surplus before working capital changes	**12.40**	**2.40**
Adjustments for:		
(Increase)/Decrease in other current assets	(0.10)	3.44
(Increase) in other non current financial assets	(0.10)	(0.10)
(Increase) in other non current assets	(3.25)	-
(Increase) in other financial assets	(0.19)	(0.16)
(Decrease)/Increase in other financial liabilities	(69.78)	180.91
(Decrease)/Increase in other current liabilities	151.50	32.68
Increase in provisions	1.99	0.64
Increase/(Decrease) in trade payables	18.21	(29.59)
Cash used from Operations	**110.68**	**190.22**
Net tax deducted at source	-	-
Net cash used from operating activities	**110.68**	**190.22**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	21.15	18.94
Payments for acquisition of property, plant and equipment	(180.52)	(53.45)
Net cash used from Investing activities	**(159.37)**	**(34.51)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from corpus funds	-	21.71
Proceeds from issuance of equity shares	-	3.63
Net cash used from financing activities	-	**25.34**
Net increase/(decrease) in balance of cash and cash equivalent flow (A+B+C)	**(48.69)**	**181.05**
Opening Balance of cash and cash equivalent	305.65	124.60
Closing Balance of cash and cash equivalent (Refer note 6)	256.96	305.65

Note: The Cash flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7.

for Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Deepak Kabra
Partner
Membership No: 133472

Place: Mumbai
Date: 10 May 2025

MUMBAI

For and on behalf of Board of Directors of
Utkarsh Welfare Foundation
CIN : U74900UP2010NPL041674

Ramni Nirula
Director
DIN: 00015330

Ashwani Kumar
Director
DIN: 07030311

Place: Varanasi
Date: 10 May 2025

Utkarsh Welfare Foundation
Varanasi

Dollima Chaurasia
Company Secretary
Membership No.-75216

Utkarsh Welfare Foundation

Statement of Changes in Equity as at the ended 31 March 2025

(All amounts are in INR lakhs, unless otherwise stated)

(a) **Equity share capital**

	Amount
Balance as at 31 March 2023	6.37
Shares issued during the year	3.63
Balance as at 31 March 2024	10.00
Shares issued during the year	-
Balance as at 31 March 2025	10.00

(b) **Other equity**

Particulars	Corpus Funds	Reserves and Surplus	Remeasurement of defined benefit plans	Total
		Retained earnings		
Balance as at 1 April 2023	15.00	53.64	(2.06)	66.58
Corpus fund	21.71	-	-	21.71
Profit for the year	-	0.46	-	0.46
Other comprehensive (loss) for the year	-	-	(1.37)	(1.37)
Total comprehensive income for the year	21.71	0.46	(1.37)	20.80
Balance at 31 March 2024	36.71	54.10	(3.43)	87.38
Corpus fund	-	-	-	-
Profit for the year	-	3.10	-	3.10
Other comprehensive income for the year	-	-	1.12	1.12
Total comprehensive income for the year	-	3.10	1.12	4.22
Balance at 31 March 2025	36.71	57.20	(2.31)	91.60

The accompanying notes are an integral part of these financial statements

for Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Deepak Kabra
Partner
Membership No: 133472

Place: Mumbai
Date: 10 May 2025

For and on behalf of Board of Directors of
Utkarsh Welfare Foundation
CIN : U74900UP2010NPL041674

Ramini Nirula
Director
DIN: 00015330

Ashwani Kumar
Director
DIN: 07030311

Place: Varanasi
Date: 10 May 2025

Utkarsh Welfare Foundation Varanasi

Dollima Chaurasia
Company Secretary
Membership No.-75216

Utkarsh Welfare Foundation
Notes to financial statements as at and for the year ended 31 March 2025
(All amounts are in INR lakhs, unless otherwise stated)

3

A Property, plant and equipment

Particulars	Gross block				Depreciation				Net Block	
	As at 1 April 2024	Additions	Deletions	As at 31 March 2025	As at 1 April 2024	For the year	Deletions	As at 31 March 2025	As at 31 March 2025	As at 1 April 2024
Owned asset										
Computer hardware	91.73	1.73	0.46	93.00	33.48	25.82	-	59.30	33.70	58.25
Furniture	10.08	0.89	-	10.97	0.88	1.05	-	1.93	9.04	9.20
Office equipment	3.44	3.58	-	7.02	2.96	0.12	-	3.08	3.94	0.48
Electrical equipment	7.53	1.55	-	9.08	0.92	1.55	-	2.47	6.61	6.61
Land for skill centre	-	158.07	-	158.07	-	-	-	-	158.07	-
Total	**112.78**	**165.82**	**0.46**	**278.14**	**38.24**	**28.54**	-	**66.78**	**211.36**	**74.54**
Capital Work in Progress excluding advances for capital assets	-	15.17	-	15.17	-	-	-	-	15.17	-

Particulars	Gross block				Depreciation				Net Block	
	As at 1 April 2023	Additions	Deletions	As at 31 March 2024	As at 1 April 2023	For the year	Deletions	As at 31 March 2024	As at 31 March 2024	As at 1 April 2023
Owned asset										
Computer hardware	50.72	41.01	-	91.73	16.04	17.44	-	33.48	58.25	34.68
Furniture	3.39	6.69	-	10.08	0.36	0.52	-	0.88	9.20	3.03
Office equipment	3.31	0.13	-	3.44	2.86	0.10	-	2.96	0.48	0.45
Electrical equipment	1.92	5.61	-	7.53	0.02	0.90	-	0.92	6.61	1.90
Total	**59.34**	**53.44**	-	**112.78**	**19.28**	**18.96**	-	**38.24**	**74.54**	**40.06**
Capital Work in Progress excluding advances for capital assets	-	-	-	-	-	-	-	-	-	

B Intangible assets

Particulars	Gross block				Depreciation				Net Block	
	As at 1 April 2024	Additions	Deletions	As at 31 March 2025	As at 1 April 2024	For the year	Deletions	As at 31 March 2025	As at 31 March 2025	As at 1 April 2024
Owned asset										
Computer software	11.47	-	-	11.47	1.93	1.91	-	3.84	7.63	9.55
Total	**11.47**	-	-	**11.47**	**1.93**	**1.91**	-	**3.84**	**7.63**	**9.55**

Particulars	Gross block				Depreciation				Net Block	
	As at 1 April 2023	Additions	Deletions	As at 31 March 2024	As at 1 April 2023	For the year	Deletions	As at 31 March 2024	As at 31 March 2024	As at 1 April 2023
Owned asset										
Computer software	11.47	-	-	11.47	0.01	1.92	-	1.93	9.55	11.46
Total	11.47	-	-	11.47	0.01	1.92	-	1.93	9.55	11.46

Utkarsh Welfare Foundation Varanasi

(All amounts are in INR lakhs, unless otherwise stated)

		As at 31 March 2025	As at 31 March 2024
4	**Other non-current financial assets**		
	Security deposits	0.20	0.10
	Total	**0.20**	**0.10**
5	**Other non-current assets**		
	Advance Salary	3.25	-
	Total	**3.25**	-
6	**Cash and cash equivalents**		
	Cash on hand	-	-
	Balance with banks:		
	-in saving accounts*#	256.96	305.65
	Total	**256.96**	**305.65**

*The Company has not taken impact of ECL as per Ind AS - 109 (Financial instruments) for balance with banks as the provision amount is not material and would not be have significant impact on the financial statements.
#The Company's exposure to credit risks are disclosed in Note 28

7	**Other financial assets**		
	Bank deposits (due to mature within 12 months from the reporting date)*	2.93	2.74
	Total	**2.93**	**2.74**

*The Company has not taken impact of ECL as per Ind AS - 109 (Financial instruments) for bank deposits as the provision amount is not material and would not be have significant impact on the financial statements.

		As at 31 March 2025	As at 31 March 2024
8	**Other current assets**		
	Advance Salary	1.56	0.34
	Prepaid expenses	2.34	2.18
	Leave encashment fund balance	-	0.16
	Total	**3.90**	**2.68**

Utkarsh Welfare Foundation
Varanasi

(All amounts are in INR lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
9 Share capital		
Authorised		
100,000 (31 March 2024 :100,000) Equity shares of INR 10 each	10.00	10.00
Issued, subscribed and paid-up		
100,000 (31 March 2024 : 100,000) Equity shares of INR 10 each fully paid up	10.00	10.00
	10.00	**10.00**

a. Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share.

Since the Company is registered under Section 8 of the Companies Act, 2013 it is prohibited from the payment of dividend to its members. In the event of winding up or dissolution of the Company, after the satisfaction of all its debts and liabilities, any property whatsoever shall be given or transferred to some other institution(s) having object similar to the objects of the Company.

b. Reconciliation of shares outstanding at the beginning and end of the year:

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
Shared outstanding at the beginning of the year	1,00,000	10.00	63,700	6.37
Add: Changes during the year	-	-	36,300	3.63
Shared outstanding at the end of the year	1,00,000	10.00	1,00,000	10.00
	-	-	-	-
	1,00,000	**10.00**	**1,00,000**	**10.00**

c. Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	Percentage	No. of Shares	Percentage
Equity shares of INR 10 each fully paid up, held by:				
Ramesh Chandra Singh	21,193	21.19%	21,193	21.19%
Ankur Govind Singh	33,206	33.21%	33,206	33.21%
Trilok Nath Shukla	14,914	14.91%	14,914	14.91%
Ashwani Kumar	10,989	10.99%	10,989	10.99%
Priyanka Bisht	7,849	7.85%	7,849	7.85%
Rahul Dey	7,849	7.85%	7,849	7.85%
Umanath Mishra	4,000	4.00%	4,000	4.00%
Total	**1,00,000**	**100%**	**1,00,000**	**100%**

d. During the preceding five years no shares were allotted as fully paid up pursuant to contract without payment being received in cash.

e. The Company has not bought back any shares during the preceding five years.

f. The Company has not allotted any shares as fully paid byway of bonus shares during the preceding five years.

g. The Company has issued right shares on December 29, 2023.

Utkarsh Welfare Foundation Varanasi

Utkarsh Welfare Foundation
Notes to financial statements as at and for the year ended 31 March 2025
(All amounts are in INR lakhs, unless otherwise stated)

		As at 31 March 2025	As at 31 March 2024
10	**Other equity**		
	Corpus funds		
	At the commencement of the year	36.71	15.00
	Add: Received during the year	-	21.71
	Balance at the end of the year	**36.71**	**36.71**
	Retained earnings		
	At the commencement of the year	54.10	53.64
	Less: Surplus/(Deficit) for the year	3.10	0.46
	Balance at the end of the year	**57.20**	**54.10**
	Remeasurement of net defined benefit plans		
	At the commencement of the year	(3.43)	(2.06)
	Less: Surplus/(Deficit) for the year	1.12	(1.37)
	Balance at the end of the year	**(2.31)**	**(3.43)**
	Total other equity	**91.60**	**87.38**

Nature and purpose of other reserves

(a) Remeasurement of defined benefit plans

Remeasurements of defined benefit plans represents the following as per Ind AS 19, Employee Benefits:

(a) actuarial gains and losses;

(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and

(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

(b) Retained earnings

The said account represents accumulated surplus/deficit of the Company till date. However, the said balance shall be utilised for welfare activities and shall not be transferred to any member of the foundation.

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Notes to financial statements as at and for the year ended 31 March 2025
(All amounts are in INR lakhs, unless otherwise stated)

		As at 31 March 2025	As at 31 March 2024
11	**Trade Payables**		
	Total outstanding dues to micro enterprises and small enterprises (Refer Note 24)	8.46	1.51
	Total outstanding dues of creditors other than micro enterprises and small enterprises	14.19	2.93
	Total	**22.65**	**4.44**

Trade payables ageing schedule:

As on 31 March 2025:

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(I) MSME	1.31	7.15	-	-	-	-	8.46
(ii) Others	1.60	12.26	0.33	-	-	-	14.19
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**2.91**	**19.41**	**0.33**	-	-	-	**22.65**

As on 31 March 2024:

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(I) MSME	1.30	0.21	-	-	-	-	1.51
(ii) Others	1.70	0.57	0.66	-	-	-	2.93
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**3.00**	**0.78**	**0.66**	-	-	-	**4.44**

		As at 31 March 2025	As at 31 March 2024
12	**Other current financial liabilities#**		
	Employees payable	24.17	13.96
	Staff security deposit	0.40	0.54
	Contributions received in advance	108.15	188.00
	Total	**132.72**	**202.50**

#The Company's exposure to liquidity risks related to above financial liabilities is disclosed in note 28

		As at 31 March 2025	As at 31 March 2024
13	**Other current liabilities**		
	Statutory dues payable	5.51	4.13
	Deferred revenue	234.00	83.88
	Total	**239.51**	**88.01**
14	**Current provision#**		
	Leave encashment	3.33	-
	Gratuity	1.59	2.93
	Total	**4.92**	**2.93**

#Refer Note 25 for employee benefits

(All amounts are in INR lakhs, unless otherwise stated)

		For the year ended 31 March 2025	For the year ended 31 March 2024
15	**Receipts from contributions**		
	Contribution from Utkarsh CoreInvest Limited	5.00	4.00
	Contribution from Utkarsh Small Finance Bank Ltd.	751.79	324.13
	Contribution from HDFC Life Insurance Co. Ltd.	227.94	365.91
	Contribution from NASSCOM Foundation	9.20	-
	Total	**993.93**	**694.04**
16	**Other income**		
	Interest income from savings account	20.96	18.78
	Interest income from bank deposits	0.18	0.16
	Notice period recovery	1.23	2.94
	Liabilities no longer required written back	-	0.18
	Miscellaneous income	2.80	1.62
	Receipts from skill centre	1.39	-
	Total	**26.56**	**23.68**
17	**Employee benefits expense**		
	Salaries and wages	205.59	123.71
	Contribution to provident and other funds (Refer note 25)	12.18	8.13
	Gratuity expense (Refer note 25)	2.71	1.56
	Staff welfare expenses	5.75	3.90
	Total	**226.23**	**137.30**
18	**Expenditure on welfare program***		
	Utkarsh small finance bank ltd.		
	E Clinic program expenses	66.53	44.22
	APC Program expenses	9.71	1.14
	Health camp expense	180.40	48.87
	Financial awareness program	3.82	2.94
	Project consultant`s fees	136.87	45.83
	Village development CSR	77.18	51.72
	Charitable expense	29.11	4.84
	Enterprise Development Program	8.33	20.60
	Skill Development Program - USFB	14.10	-
	Education Program - USFB	46.39	38.99
	Utkarsh coreinvest limited		
	Health camp expense	4.83	4.41
	HDFC Life Insurance Co. Ltd.		
	E Clinic program expenses	27.89	78.58
	Health camp expense	66.29	72.58
	Financial awareness program	1.69	17.28
	Skill Development Program HDFC Life	-	2.13
	Project consultant`s fees	44.95	87.28
	NASSCOM		
	Project consultant`s fees	3.67	-
	Women artisan program	5.27	-
	Total	**727.03**	**521.42**

*The expenses which are directly traceable to a Project has been charged under Specific Project. Other than those directly traceable, are allocated under different projects on reasonable basis.

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(All amounts are in INR lakhs, unless otherwise stated)

		For the year ended 31 March 2025	For the year ended 31 March 2024
19	**Depreciation and amortisation**		
	Depreciation on tangible assets	28.54	18.96
	Amortisation on intangible assets	1.91	1.92
	Total	**30.45**	**20.88**
20	**Other expenses**		
	Traveling and conveyance expenses	1.10	1.48
	Electricity expenses	1.52	1.08
	Audit fees ***	1.23	1.23
	Lease rent **	5.95	5.10
	Training & recruitment expenses	0.09	0.11
	Other professional charges	5.06	9.86
	Repair and maintenance	0.54	0.87
	Hotel, meeting and food expenses	0.59	1.13
	Other expenses	17.60	16.80
	Total	**33.68**	**37.66**

** Represents lease rentals for short term leases in the current year
*** Represent the Breakup of Statutory Audit and Out of Pocket Expenses

Particulars		
Audit fees	1.18	1.18
Out of pocket expenses of statutory audit	0.05	0.05
Total Audit fees	**1.23**	**1.23**

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(All amounts are in INR lakhs, unless otherwise stated)

21 **Commitments, contingent liabilities and contingent assets**

A. Commitments

There are no commitments as at 31 March 2025 and 31 March 2024.

B. Contingent Liabilities

There are no contingent liabilities as at 31 March 2025 and 31 March 2024.

C. Contingent Assets

There are no contingent assets as at 31 March 2025 and 31 March 2024.

22 **Segment information**

The Board of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments." The Company's operating segments are established in the manner consistent with the components of the Company that are evaluated regularly by the Chief Operating Decision Maker as defined in 'Ind AS 108 - Operating Segments.' As the Company is a section 8 company and is involved in welfare operations, hence there are no separate reportable segments as per Ind AS 108.

Information about products and services:
The Company is involved in welfare operations and is primarily involved in projects related to providing welfare services to under privileged.

Information about geographical areas:
The Company is involved in welfare operations in India. Hence, no separate disclosure is provided.

Information about major customers (from external customers):
The Company does not have any customer. Hence, the said disclosure is not applicable.

23 **Leases**

The Company has elected not to recognise right of use assets and lease liabilities for short term lease of building that have a lease term of 12 months or less. The Company recognises the lease payments associated with these leases as an expense on straight line basis.

Rent expense recognised in the statement of income and expenditure on account of short term exemption is INR 5.95 (31 March 2024: INR 5.10).

24 **Disclosure as required under the micro, small and medium enterprises development Act, 2006 ("the Act") based on the information available with the Company**

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("the Act"). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2025 and 31 March 2024 has been made in the financial statements based on information received and available with the Company. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	**31 March 2025**	**31 March 2024**
Principal amount remaining unpaid to any supplier as at the end of the year.	8.46	1.51
Interest due thereon remaining outstanding as at the end of the year.	-	-
The amount of interest paid by the buyer as per Micro, Small and Medium Enterprises Development Act, 2006 and the amount of the payments made to micro and small suppliers beyond the appointed date during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

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25 Employee benefits

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined contribution plan

Provident fund:
The Company makes contribution towards provident fund for employees. The Company's contribution to the Employees' Provident Fund is deposited with the Government under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The contribution paid under the plan by the Company is at the rate specified under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

Employee State Insurance:
The Company makes contribution towards employees state insurance. The Company's contribution to the Employees' State Insurance is deposited with the Government under the Employees' State Insurance Act, 1948. The contribution paid under the plan by the Company is at the rate specified under the Employees' State Insurance Act, 1948.

During the year, the Company has recognised following amounts in the Statement of Income and expenditure (included in note 17 'Employee benefits expense'):

Particulars	For the year ended 31 March 2025	31 March 2024
Contribution to provident fund	11.40	7.60
Contribution to employee state insurance	0.78	0.54
	12.18	8.13

(ii) Defined benefit plan

Gratuity:
The Company makes annual contribution to a gratuity fund administered by trustees and managed by Life Insurance Corporation of India (LIC). Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service inline with the Payment of Gratuity Act 1972. The same is payable at the time of separation from the Company or retirement whichever is earlier.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2025. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.
Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	As at 31 March 2025	As at 31 March 2024
Net defined benefit liability		
Defined benefit obligation as at year-end	11.77	9.60
Fair value of plan assets as at year-end	10.18	6.67
Net defined benefit liability / (asset)	1.59	2.93

B. **Movement in net defined benefit liability/ (asset)**

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	As at 31 March 2025			As at 31 March 2024		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability/ (asset)	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability/ (asset)
Balance as at beginning of the year	9.60	6.67	2.93	12.65	12.30	0.35
Included in Statement of Income and Expenditure						
Expected return on plan assets	-	-	-	-	-	-
Current service cost	2.50	-	2.50	1.54	-	1.54
Interest cost/(income)	0.69	(0.48)	0.21	0.92	(0.89)	0.03
	3.19	(0.48)	2.71	2.46	(0.89)	1.56
Included in Other comprehensive income						
Remeasurement loss/ (gain)						
Actuarial loss/ (gain) arising from:						
- financial assumptions	(0.18)	-	(0.18)	1.09	-	1.09
- demographic assumptions	0.03	-	0.03	(0.17)	-	(0.17)
- experience adjustment	(0.87)	-	(0.87)	0.25	-	0.25
on plan assets	-	(0.10)	(0.10)	-	0.20	0.20
	(1.02)	(0.10)	(1.12)	1.17	0.20	1.37
Others						
Contributions paid by the employer	-	2.93	(2.93)	-	0.35	(0.35)
Benefits paid	-	-	-	(6.67)	(6.67)	-
	-	2.93	(2.93)	(6.67)	(6.32)	(0.35)
Balance as at end of the year	11.77	10.18	1.59	9.60	6.67	2.93

C. **Plan assets**

	As at 31 March 2025	As at 31 March 2024
Investment with Life Insurance Corporation of India	100%	100%

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

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D. Actuarial assumptions

a) Economic assumptions

The principal assumptions are the discount rate, salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long-term basis.
Financial and demographic valuation assumptions are as follows:

	As at 31 March 2025	As at 31 March 2024
Discount rate (p.a.)	6.50%	7.15%
Salary increase (p.a.)	10.00%	11.00%

b) Demographic assumptions

	As at 31 March 2025	As at 31 March 2024
i) Retirement age (years)	60 yrs	60 yrs
ii) Withdrawal rates (p.a.)		
-For Senior management staff	28.00% p.a	17.00% p.a
-For Junior and middle management staff	21.00%-30.00% p.a	24.00%-29.00% p.a
iii) Mortality table	100% of IALM 2012-14	100% of IALM 2012-14

E. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	As at 31 March 2025		As at 31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.57)	0.63	(0.43)	0.47
Future salary growth (1% movement)	0.60	(0.56)	0.45	(0.42)

F. Expected maturity analysis gratuity benefit is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Duration of defined benefit payments		
1 year	2.02	1.87
2 - 5 years	6.76	5.69
More than 5 years	8.57	6.64
Total	17.35	14.19

The weighted average duration of the defined benefit plan obligation at the end of 31 March 2025: 5 years (31 March 2024: 5 years)

G. Description of Risk exposures

Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Mortality table - The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For the current year, we have used Indian Assured Lives Mortality (2012-14) ultimate table and in the previous year, Indian Assured Lives Mortality (2012-14) had been used.

A change in mortality rate will have a bearing on the plan's liability.

Other long-term employee benefits:

The Company provides compensated absences benefits to the employees of the Company which can be carried forward to future years. During the period ended 31 March 2025, the Company has incurred an expense on compensated absences amounting to INR 1.22 lakhs (31 March 2024: INR 2.42 lakhs). The Company determines the expense for compensated absences basis the actuarial valuation.

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(All amounts are in INR lakhs, unless otherwise stated)

26 Related parties

A. Names of related party and nature of relationship

Key Management Personnel (KMP)	Nature of relationship
Himendu Prakash Mathur	Director
Govind Singh	Director
Ashwani Kumar	Director
Ramni Nirula	Director

B. Related Company

Utkarsh Small Finance Bank	Common Director and relatives of the common director are members in the company
Utkarsh CoreInvest Limited (till 18 December, 2023)	Common Director

C. Transactions with the related parties

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
i) Company in which Director/KMP/their relative are members		
Contribution received from Utkarsh coreinvest limited	0.00	4.00
Contribution received from Utkarsh small finance bank (CSR)	1,038.00	512.00
Interest received from Utkarsh small finance bank	20.94	18.64
Director sitting fee	3.60	3.60
Purchase of equity shares of Utkarsh welfare foundation by Ashwani Kumar	0.00	0.40
Refund of Contribution received to Utkarsh small finance bank	108.15	188.00

D. Related party balances

Particulars	As at 31 March 2025	As at 31 March 2024
Bank balance	256.31	305.03
Current financial liabilities (Refund of CSR fund)	108.15	188.00

27 Earning per share (EPS)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Surplus for the year attributable to equity shareholders (A)	3.10	0.46
Shares		
Number of shares at the beginning of the year	1,00,000	63,700
Add: Number of Equity shares issued during the year	-	36,300
Weighted average number of equity shares for Basic and diluted EPS (B)	1,00,000	73,048
Basic and Diluted EPS - par value of INR 10 per share (A/B) (in INR)	3.10	0.63

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28 Financial instruments – Fair values and risk management

I. Fair value measurements

A. Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at 31 March 2025	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current assets								
Security Deposits			0.20	0.20				
Current assets								
Cash and cash equivalents	-	-	256.96	256.96	-	-	-	-
Trade receivables	-	-	-	-	-	-	-	-
Other financial assets	-	-	2.93	2.93	-	-	-	-
	-	-	**260.09**	**260.09**	-	-	-	-
Financial liabilities								
Current liabilities								
Trade payables	-	-	22.65	22.65	-	-	-	-
Other current financial liabilities	-	-	132.72	132.72	-	-	-	-
	-	-	**155.37**	**155.37**	-	-	-	-

As at 31 March 2024	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current assets								
Security Deposits			0.10	0.10				
Current assets								
Cash and cash equivalents	-	-	305.65	305.65	-	-	-	-
Trade receivables	-	-	-	-	-	-	-	-
Other financial assets	-	-	2.74	2.74	-	-	-	-
	-	-	**308.49**	**308.49**	-	-	-	-
Financial liabilities								
Current liabilities								
Trade payables		-	4.44	4.44	-	-	-	-
Other current financial liabilities		-	202.50	202.50	-	-	-	-
		-	**206.94**	**206.94**	-	-	-	-

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B. Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are:
(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Indian Accounting Standard 113. An explanation of each level follows underneath the table

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between level 1 and level 2 during the year.

C. Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of all current financial assets and liabilities like cash and cash equivalent, bank balance other than cash, current loans, trade receivables, trade payable and other financial liability are considered to be the same as their fair values due to their short-term nature.

II. Financial risk management

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all the employees understand their roles and obligations. The Board of directors with top management oversee the formulation and implementation of the risk management framework. The risks are identified at business unit level and mitigation plans are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:
a) Credit risk ;
b) Liquidity risk ; and
c) Market risk

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from cash and cash equivalents and deposits with banks.

Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Company are held with banks which have high credit rating. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the cash flows generated from operations to meet obligations when due and to close out market positons.

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(All amounts are in INR lakhs, unless otherwise stated)

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and exclude the impact of netting agreements.

Particulars	Carrying amount as at 31 March 2025	Contractual cash flows Total	Upto 1 year	Between 1 and 2 year	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities						
Trade payables	22.65	22.65	22.65	-	-	-
Other financial liabilities	132.72	132.72	132.72	-	-	-
Total	**155.37**	**155.37**	**155.37**	-	-	-

Particulars	Carrying amount as at 31 March 2024	Contractual cash flows Total	Upto 1 year	Between 1 and 2 year	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities						
Trade payables	4.44	4.44	4.44	-	-	-
Other financial liabilities	202.50	202.50	202.50	-	-	-
Total	**206.94**	**206.94**	**206.94**	-	-	-

iii. **Market risk**

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Company's revenue from operations or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is not exposed to any foreign currency risk as the Company has no foreign operations and Company has no transactions in foreign currencies.

Interest rate risk

The Company does not have any borrowings. Hence, the Company does not have any exposure to interest rate risk.

29 **Capital management**

The core business of the company is to conduct welfare programs such as setting up health camps and financial awareness programs. Accordingly, the company does not operate with the objective of offering returns to its shareholders investors. Therefore, Capital management note is not applicable to the company.

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30 **Financial ratios**

Particulars	Numerator	Denominator	Numerator	Denominator	Current Period	Previous Period	% of variance	Explanation for change in the ratio by more than 25%
Current ratio	Current assets	Current liabilities	263.79	399.80	0.66	1.04	-36.82%	Due to increase in Deferred Revenue during FY 2024-25
Net profit ratio	Profit after tax	Receipts from contributions	3.10	993.93	0.31%	0.07%	370.58%	There is an increase in receipts by INR 299.89 Lakhs and Profit after tax (surplus of the year) during the year which has positive variance.
Return on Equity ratio	Profit after tax	Average Shareholder's funds	3.10	99.49	3.12%	0.54%	476.88%	Due to increase in surplus during the FY'25 as compared to FY'24. there is an increase in other equity and therefore, the variance is arising.
Trade payables turnover ratio	Trade payables*	Average trade payables	22.65	13.55	1.67	0.23	624.43%	Due to increase in trade payables during FY25 as compared to FY24, there is increase in ratio
Trade receivables turnover ratio	Trade receivables	Average trade receivables	-	-	-	-	0.00%	NA
Net capital turnover ratio	Receipts from contributions	Working capital	993.93	(136.01)	(7.31)	52.62	-113.89%	The variance is coming as there is an increase in receipts by INR 299.89 Lakhs during the year. Also there is a decrease in current assets by INR 47.28 Lakhs & current liabilities by INR 101.92 Lakhs.
Return on capital employed	Profit after tax	Average Shareholder's funds	3.10	99.49	3.12%	0.54%	476.88%	Due to increase in surplus during the FY'25 as compared to FY'24. there is an increase in other equity and therefore, the variance is arising.

* The company don't have any credit purchases so have taken trade payables amount

31 There were no transaction that have taken place with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial year.

32 No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

33 The Company has no borrowings from banks and financial institutions on the basis of security of current assets.

34 The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

35 Since the Company does not have any subsidiary, the provision of Section 2 clause 87 of the Act, read with Companies (Restriction on number of Layer) Rules 2017, is not applicable to the Company. There are no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 as at 31 March 2025.

36 There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

37 No crypto virtual currency was traded invested during the current year or previous year. No deposits advances were received from any person for the purpose of trading investing in crypto currency during the current year or previous year.

38 The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

39 There are no charges which are yet to be registered with the Registrar of Companies beyond the statutory period.

40 The Company has not taken any borrowings from banks and financial institutions during the current or previous period.

41 The Company has not guaranteed any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are repayable on demand; or without specifying any terms or period of repayment.

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42 a) The Company has not advanced loaned invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(I) Directly or indirectly lend invest in other person or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries)
(II) 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 party(s),including foreign entities (Funding Party) with the understanding that the Company shall:
(I) Directly or indirectly lend or invest in other persons or entities identified by any manner whatsoever by or on behalf of the Company ("ultimate beneficiaries")
(II) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries

for **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W W100048

Deepak Kabra
Partner
Membership No: 133472

Place: Mumbai
Date: 10 May 2025

For and on behalf of Board of Directors of
Utkarsh Welfare Foundation
CIN : U74900UP2010NPL041674

Ramni Nirula
Director
DIN: 00015330

Ashwani Kumar
Director
DIN: 07030311

Place : Varanasi
Date: 10 May 2025

Utkarsh Welfare Foundation
Varanasi

Dollima Chaurasia
Company Secretary
Membership No.-75216

1. Reporting entity

Utkarsh Welfare Foundation ('the Company') is a Section 8 Company as per Companies Act, 2013 and is domiciled in India (CIN:U74900UP2010NPL041674). The Company was incorporated on 12 August 2010. The Company has its registered office at S-2/641-34, Varuna Vihar Colony J. P. Mehta Road, Cantt. Varanasi, Uttar Pradesh. The Company is registered under section 12A(a) of Income Tax Act, 1961 for exemption from tax.

The Company is engaged in the business to provide welfare services, development, help and assistance to the under privileged inhabitants, groups of rural and urban slum sectors by way of financial products, market linkages, opportunities, education, health and vocational training programs.

2. Material accounting policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements:

a. Basis of preparation

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

These financial statements were authorised for issue by the Board of Directors on May 10, 2025.

b. Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR'), which is the Company's functional currency. All amounts have been rounded to the nearest INR lakhs, unless otherwise stated.

c. Basis of measurement

The financial statements have been prepared under the historical cost convention on accrual basis except for the following items:

i. Certain financial assets and liabilities that are measured at fair value or amortised value;
ii. Net defined benefit liability/ (asset): present value of defined benefit obligation less fair value of plan assets.

Fair value measurement

Fair value is the price that would be received from sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to/ by the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole-

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

d. Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

i. Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

Note 23 - The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals).

Note 28 - Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

ii. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for every period end are included below:

Note 3 – useful lives and residual values of property, plant and equipment and intangible assets

Note 25 – measurement of defined benefit obligations: key actuarial assumptions

Note 28– Fair value measurement of financial instruments: When the fair value of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques as per the valuation policy. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of the financial instruments.

iii. Classification of assets and liabilities as current and non-current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

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A liability is treated as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

e. Property, plant and equipment

i. Recognition and measurement

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate items (major components) of property, plant and equipment.

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective item of property, plant and equipment when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Any gain or loss on disposal of property, plant and equipment is recognised in the statement of income and expenditure.

ii. Subsequent measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

iii. Depreciation

Depreciation on property, plant and equipment is calculated on Straight Line Method using the estimated useful lives given in Schedule II of the Companies Act, 2013:

Assets	Estimated useful life (in Years)
Furniture	10
Office equipment	5-15
Computer Hardware	3

Depreciation on additions (disposals) is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

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Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the statement of income and expenditure.

Capital Work in Progress (CWIP)

Capital work in progress comprises of property, plant and equipment that are not ready for intended use at the end of the reporting period. CWIP is measured at costs comprising of direct costs, related incidental expenses and other direct attributable costs.

f. Intangible assets

i. Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost.

Gains or losses arising from de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of income and expenditure when the asset is de-recognised.

ii. Subsequent measurement

Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

iii. Amortisation

The Company amortizes intangible assets with a finite useful life using the straight-line method over the following periods:

Assets	Estimated useful life (in Years)
Software	6

Amortisation on additions (disposals) is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

Amortisation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

An item of intangible assets is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of intangible assets is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the statement of income and expenditure.

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g. Impairment of non–financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of a cash generating unit (CGU) (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

Where it is not possible to estimate the recoverable amount of individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years. A reversal of impairment loss is recognised immediately in the Statement of Income and Expenditure.

h. Employee benefits

i. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Defined contribution plans

The Company's contribution to Employees' Provident Fund and Employees' State Insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards government administered Provident Fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of income and expenditure in the periods during which the related services are rendered by employees.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Gratuity

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The contributions made to the fund are recognised as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognised in the Balance Sheet. Re-measurements are recognised in the other comprehensive income, net of tax in the year in which they arise.

When the calculation results in a potential asset for the company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or

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reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprises actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of income and expenditure.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of income or expenditure. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets, if any out of which the obligations are expected to be settled. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the statement of income and expenditure in the period in which they occur.

i. Revenue

The Company derives revenues primarily from receipts of contributions from various institutions. Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services. This is applicable to receipt of contributions for non-depreciable assets as well. In case of non-refundable consideration received from the customer for which the Company has no remaining obligations to transfer any services to the customer, the Company recognises the revenue immediately. Corpus Fund received with no obligation attached related to performance is treated as Other Equity. The contributions received for capital expenditure is recognised as revenue on a systematic basis over the useful life of the asset.

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

Interest income is recognised using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

j. Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

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If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the entity. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets are not recognised in the financial statements but disclosed, where an inflow of economic benefit is probable.

k. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts, embedded derivatives in the host contract, etc.

i. Financial assets

Initial recognition and measurement

The Company initially recognises financial assets on the date on which they are originated. The company recognises the financial assets on the trade date, which is the date on which the company becomes a party to the contractual provision of the instrument.

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset except assets measured at fair value through profit or loss.

Classifications

The company classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Debt instrument at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value though profit and loss (FVTPL):

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

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- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the statement of income and expenditure. The losses arising from impairment are recognised in the statement of income and expenditure.

Debt instrument at fair value through Other Comprehensive Income (FVOCI)

A financial asset is measured at FVOCI only if both of the following conditions are met:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at fair value with changes in fair value recognised in other comprehensive income (OCI). Interest income is recognised basis EIR method and the losses arising from Expected Credit Loss model are recognised in the statement of income and expenditure.

Debt instrument at fair value through profit and loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

Reclassification of financial assets

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the company changes its business model for managing financial assets.

Financial assets not measured at fair value

The carrying value less expected credit loss provision of other financial assets are assumed to approximate their fair values due to their short-term nature.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial assets) is primarily de-recognised (i.e. removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

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With regard to trade receivables, the Company applies the simplified approach as permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

Write off

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery and when the assets are not subject to any enforcement activity. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instrument in the statement of income and expenditure.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

Classification and subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

After initial recognition, financial liabilities are measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of income and expenditure.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains and losses attributable to changes in own credit risk are recognised in OCI. These gains and losses are not subsequently transferred to profit and loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of income and expenditure.

Financial liabilities not measured at fair value

The carrying value less expected credit loss provision of other financial liabilities are assumed to approximate their fair values due to their short-term nature.

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Derecognition of financial liabilities

The Company de-recognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously ('the offset criteria').

l. Income taxes

Income tax comprises current and deferred tax. However, the Company is registered under Section 12A(a) of Income Tax Act, 1961 for claiming income as exempted income under Section 11 & Section 12, the Company has not made any provision in its financial statements for Income Tax.

m. Leases

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

n. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

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