

INDEPENDENT AUDITORS' REPORT

To the Members of Dvara Research Foundation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Dvara Research Foundation ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Income and Expenditure and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies 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, of the state of affairs of the Company as at 31st March 2023, and excess of income over expenditure and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 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 opinion on the Financial Statements.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors report but does not include the financial statements and our auditors' report thereon. This report is expected to be made available to us after the date of this auditor's report.

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 during the audit or otherwise appears to be materially misstated.

When we read the reports containing the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.



Responsibilities of the Management and Those Charged with Governance for Financial Statements

The Company's management and Board of Directors are 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 state of affairs, income / expenditure and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' 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 auditors' 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 financial 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 the 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 and Board of Directors.



- Conclude on the appropriateness of Management and Board of Directors 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 auditors' 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 auditors' 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. The Company is a Company licensed under section 25 of the Companies Act, 1956. Accordingly, the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act is not applicable.
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 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 Accounting Standards (AS) prescribed under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) Pursuant to MCA notification dated 13th June 2017, reporting on adequacy of the internal financial controls with reference to the financial statements is exempted for this company.
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31st March 2023 on its financial position in its financial statements – Refer Note 28 to the financial statements;
 - 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, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March 2023; and
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 36 (iv) to the financial statements, 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 persons or entities, 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, as disclosed in the Note 36 (v) to the financial statements, no funds have been received by the company from any persons or entities, 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.
- (c) Based on such audit procedures that we have 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. The Company has no dividends in view of being a Company registered under Section 8 of the Companies Act, 2013 and hence requirement to report on compliance with Section 123 of the Companies Act, 2013 is not applicable.
- 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.
3. Since the Company is a private limited company, the provisions of Section 197 of the Companies Act, 2013 are not applicable to it. Accordingly, reporting on the compliance with the provisions of Section 197(16) of the Act is not applicable.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No. 003990S/S200018


Rajeshwari S

Partner

Membership No. 024105

UDIN: 23024105BGYM119213



Place of Signature: Chennai

Date: 26-09-2023

Dvara Research Foundation
Balance sheet as at March 31, 2023

(All amounts are in INR, in Lakhs, except share data and as stated)

	Note	As at March 31, 2023	As at March 31, 2022
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	1.00	1.00
Reserves and surplus	4	65.16	2.60
		66.16	3.60
Fund Balances	5	942.54	765.93
Non-current liabilities			
Long-term provisions	6	37.26	25.02
		37.26	25.02
Current liabilities			
Trade payables	7	-	-
total outstanding dues of micro enterprises and small enterprises		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		44.74	66.72
Other current liabilities	8	62.72	78.22
Short-term provisions	6	2.82	1.94
		110.28	146.88
TOTAL		1,156.24	941.43
ASSETS			
Non-current assets			
Property, Plant and Equipment and Intangible assets			
Property, Plant and Equipment	9	8.39	7.74
Intangible assets	10	1.98	-
Long-term loans and advances	11	74.25	69.84
		84.62	77.58
Current assets			
Trade receivables	12	-	-
Cash and cash equivalents	13	1,035.09	838.53
Short-term loans and advances	11	23.78	20.63
Other current assets	14	12.75	4.69
		1,071.62	863.85
TOTAL		1,156.24	941.43

Significant accounting policies 2
The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
ICAI Firm Registration No. 003990S / S200018

S. Rajeshwari
Partner
Membership No: 024105
UDIN No: 23024105864419218

Place: Chennai
Date: 26-09-2023



For and on behalf of the Board of Directors of
Dvara Research Foundation
CIN: U67190TN2008NPL068733

Indradeep Ghosh
Director
DIN: 08592589

Samir Amrit Shah
Director
DIN: 00912693



Dvara Research Foundation**Statement of Income and Expenditure for the year ended March 31, 2023**

(All amounts are in INR, in Lakhs, except share data and as stated)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME			
Grants	15	924.09	860.68
Revenue from services	16	61.75	18.72
Other income	17	46.93	11.66
TOTAL INCOME		1,032.77	891.06
EXPENDITURE			
Grants paid		40.45	57.68
Employee benefits expense	18	529.00	478.94
Depreciation and Amortization expense	19	8.13	5.88
Other expenses	20	392.63	499.77
TOTAL EXPENDITURE		970.21	1,042.27
Surplus/ (Deficit) before tax		62.56	(151.21)
Tax expenses			
Current tax	21	-	-
Deferred tax		-	-
Tax expense		-	-
Surplus/ (Deficit) after tax		62.56	(151.21)
Earnings per equity share (nominal value of INR 10 each) -Basic and Diluted (INR)	23	625.60	(1,512.10)
Significant accounting policies	2		
The notes referred to above form an integral part of the financial statements As per our report of even date attached			

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

ICAI Firm Registration No. 003990S / S200018


S. Rajeshwari

Partner

Membership No; 024105

UDIN No :

Place: Chennai

Date: 26-09-2023



For and on behalf of the Board of Directors of

Dvara Research Foundation

CIN: U67190TN2008NPL068733


Indradeep Ghosh

Director

DIN: 08592589


Samir Amrit Shah

Director

DIN: 00912693



Dvara Research Foundation

Statement of cash flow for the year ended March 31, 2023

(All amounts are in INR, in Lakhs, except share data and as stated)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flows from operating activities			
Surplus/ (Deficit) before tax		62.56	(151.21)
<i>Adjustments for:</i>			
Depreciation and Amortization expense		8.13	5.88
Grants received but not utilized during the year		176.61	762.93
Gratuity and leave encashment provision		13.12	15.29
Interest income		(11.74)	(10.91)
Surplus/ (Deficit) before working capital changes		248.68	621.98
Changes in working capital:			
Decrease in trade receivables		-	8.75
Decrease / (increase) in loans and advances		(3.15)	167.97
(Increase) in other current assets		(8.06)	(4.69)
(Decrease) / increase in trade payables		(21.98)	(54.40)
(Decrease) / increase in provisions		-	(4.90)
(Decrease) in other liabilities		(15.50)	(45.16)
Cash generated (used) in operating activities		199.99	689.55
Income tax paid		(4.41)	(0.81)
Net cash generated / (used) in operating activities	(A)	195.58	688.74
Cash flows from investing activities			
Purchase of fixed assets		(8.63)	(7.47)
Purchase of Intangible assets		(2.13)	-
Interest received		11.74	10.91
Net cash generated from investing activities	(B)	0.98	3.44
Cash flows from financing activities			
	(C)	-	-
Net Increase / (decrease) in cash and cash equivalents (A+B+C)		196.56	692.18
Cash and cash equivalents at the beginning of the year		838.53	146.35
Cash and cash equivalents at the end of the year		1,035.09	838.53

Reconciliation of cash and cash equivalents:

	Note	As at March 31, 2023	As at March 31, 2022
Components of cash and cash equivalents			
Cash on hand	13	0.01	0.01
Balance with bank			
- In current accounts		-	0.16
- In FCRA accounts		22.62	777.32
- In savings accounts		64.78	61.04
- On deposit accounts (with original maturity of 3 months or less)		395.00	-
- Other bank deposits due to mature within 12 months		552.68	-
		1,035.09	838.53

Significant accounting policies

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

ICAI Firm Registration No. 003990S / S200018

S. Rajeshwari

Partner

Membership No: 024105

UDIN No :

Place: Chennai

Date: 26-09-2023



For and on behalf of the Board of Directors of

Dvara Research Foundation

CIN: U67190TN2008NPL068733

Indradeep Ghosh

Director

DIN: 08592589

Samir Amrit Shah

Director

DIN: 00912693



Dvara Research Foundation

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in INR, in Lakhs, except share data and as stated)

1 Company overview

Dvara Research Foundation (hereinafter referred to as, "The Company") is a Section 25 company incorporated on 4th August 2008 under the Companies Act 1956, as a wholly owned subsidiary of DVARA Trust and is also registered under Section 12A of the Income Tax Act, 1961. During the financial year 2013-14, the company was registered under the Foreign Contribution Regulation Act, 2010

2 Significant accounting policies

2.1 a. Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with the Rule 7 of the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013 and other pronouncements of Institute of Chartered Accountants of India. 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 is a small and medium sized company (SMC) as defined in the general instructions in respect of accounting standards specified under Section 133 of the Companies Act, 2013. Accordingly, the Company has complied with the accounting standards, as applicable to the small and medium sized company. The Company has prepared and presented cash flow statement in accordance with the requirements of the Companies Act, 2013.

2.2 Use of estimates

The preparation of financial statements in conformity with the Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting year, reported balance of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future years.

2.3 Operating cycle

Assets and liabilities are classified as current and non-current based on the operating cycle which has been estimated to be 12 months. All assets and liabilities which are expected to be realized and settled within a period of 12 months from the date of balance sheet have been classified as current and other assets and liabilities are classified as non-current.

2.4 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby surplus / (deficit) before 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 are segregated based on the available information. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing on the date of transactions.

2.6 Revenue recognition

A Grants

- Grants are recognised as income when there is reasonable certainty that the Company will comply with the conditions attached to them.
- Grants received towards specific research are treated as revenue grants in accordance with the terms of the agreement with the grantors. Interest related to deposits for grants being accounted for on fund based accounting are also recognised as other income only to the extent amounts have been spent during the year.
- Grants received towards Corporate Social Responsibility ("CSR") activities are treated as revenue grants in accordance with the terms of the agreement with the grantors.
- Grants received for specific projects are accounted using the fund based accounting and accordingly, recognised as revenue only to the extent of amounts spent towards such projects in the year.

B Revenue from services

Revenue from services are recognised over the period of the contract when the related services are rendered and collectability of the receivables is reasonably assured, based on the terms of contract with the respective customers.



Dvara Research Foundation**Notes to the financial statements for the year ended March 31, 2023**

(All amounts are in INR, in Lakhs, except share data and as stated)

C Other income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable. Interest related to deposits for grants being accounted on fund based accounting are also recognised as other income only to the extent amounts have been spent during the year.

2.7 Property, plant and equipment ("PPE")

PPE are carried at historical cost less accumulated depreciation and impairment losses, if any. The Company capitalizes all costs relating to the acquisition and installation of fixed assets. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. Borrowing costs directly attributable to acquisition or construction of qualifying assets for the period to the completion of installation or construction of such assets respectively are capitalized.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gain or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the Statement of Income and expenditure when the asset is derecognized.

2.8 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.

2.9 Depreciation and amortization

The depreciable amount of an asset is the cost of an asset or other amount substituted for cost, less its residual value. Depreciation is provided on the depreciable value on a written down value method at the useful life given under Part C of the Schedule II of the Companies Act, 2013.

Pro-rata depreciation is provided for all assets purchased / sold during the year. Leasehold improvements are depreciated over the remaining period of lease or estimated useful life of the assets, whichever is lower. The estimated useful life of various tangible and intangible assets are as under:

Asset Category	Useful Life
a) Property, plant & equipment	
Office equipment	5 years
Computers and accessories	3 years
b) Intangible assets	
Software (Purchased)	5 years
Software (Development in house)	5 years

2.10 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceeds the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Income and expenditure, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Income and expenditure, to the extent the amount was previously charged to the Statement of Income and expenditure. In case of revalued assets such reversal is not recognized.



Dvara Research Foundation

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in INR, in Lakhs, except share data and as stated)

2.11 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and incentive. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related services are rendered by the employee.

Post-employment benefits

Defined contribution plan

The Company's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Provident fund

Eligible employees receive benefit from the provident fund, which is a defined contribution plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company's contribution to the Employees' Provident Fund scheme maintained by the Central Government is charged to the Statement of Profit and Loss.

Defined benefit plan

Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The calculation of the Company's obligation under such defined benefit plan is performed annually by a qualified actuary using the Projected Unit Credit Method.

The Company recognises all actuarial gains and losses arising from defined benefit plans immediately in the Statement of Profit and Loss. All expenses related to defined benefit plans are recognised in employee benefits expense in the Statement of Profit and Loss. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employee is recognised in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

Long-term employee benefits

Compensated absences

The employee can carry forward a portion of the unutilised accrued compensated absences and utilise it in the future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within next 12 months after the end of the period in which in the employees render related services and are also not expected to be utilised wholly within 12 months after the end of such period, the benefit is classified as long term employee benefits. The Company records an obligation of such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Actuarial gains and losses are recognised in the Statement of Profit and Loss in the year in which they occur.

2.12 Investments

The Company had invested the surplus fund available, in fixed deposits with a scheduled bank domiciled in India. The investments were made in compliance with section 11(5) of the Income Tax Act, 1961.

Investments are valued at cost. Investments are classified as current and long-term investments in accordance with AS 13 Investments. Current investments are those that are readily realizable and intended to be held for not more than one year from the date on which such investments are made. A long-term investment is an investment other than a current investment.

2.13 Foreign currency transactions and translations

Foreign currency transactions are recorded into Indian rupees using the actual exchange rates prevailing at the date of the transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Income and expenditure. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. Exchange differences arising on foreign exchange transactions during the year and on restatement of monetary assets and liabilities are recognized in the Statement of Income and expenditure.



Dvara Research Foundation

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in INR, in Lakhs, except share data and as stated)

2.14 Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present legal or constructive obligation as a result of past events for which it is probable that an outflow of economic benefit will be required to settle the transaction and a reliable estimate can be made for the amount of the obligation. Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the company or (ii) Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements.

2.15 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with AS 20, Earnings Per Share issued by the Institute of Chartered Accountants of India. Basic earnings per equity share is computed by dividing net surplus / deficit attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing net surplus / deficit attributable to the equity share holders after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

2.16 Taxes on income

Current Tax

Current tax is the amount of tax payable in respect of taxable income for the period, measured using the applicable tax rates and tax laws.

Deferred tax

Deferred tax is to be provided on timing differences between taxable income and accounting income subject to consideration of prudence, measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are not to be recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that there will be sufficient future taxable income available to realize such assets.

All the grants received and other income of the company is fully exempt from tax under Section 12A of the said Act subject to the conditions specified in the said provisions. Therefore, current tax and deferred tax provisions are not required to be made as at the balance sheet date for all the grants received.

2.17 Leases

Leases are classified as finance or operating leases depending upon the terms of the lease agreements.

Finance leases

Finance leases, which effectively transfer substantially all the risks and benefits incidental to the ownership of the leased item, are capitalised at the lower of the fair value or present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and the reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income.

Operating leases

Leases of assets under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term.



Dvara Research Foundation
Notes to the financial statements for the year ended March 31, 2023
(All amounts are in INR, in Lakhs, except share data and as stated)

3 Share capital	As at March 31, 2023		As at March 31, 2022	
	No of Shares	Amount	No of Shares	Amount
Authorized:				
Equity shares:				
Equity shares of INR 10 each	20,000	2,00,000.00	20,000	2,00,000.00
	20,000	2,00,000.00	20,000	2,00,000.00
Issued, subscribed and fully paid up				
Equity shares of INR 10 each	10,000	1,00,000.00	10,000	1,00,000.00
	10,000	1,00,000.00	10,000	1,00,000.00

a) **Rights, preferences and restrictions attached to each class of shares**

(I) Equity shares: The Company has one class of equity shares having a par value of INR 10 each. The shareholders of the Company do not have any right to dividend.

As per clause X of Memorandum of Association (MoA) of the Company, if upon a winding up or dissolution of the Company, there remains, after the satisfaction of all the debts and liabilities, any property whatsoever, the same shall not be distributed amongst the members of the Company but shall be given or transferred to such other company having objects similar to the objects of this Company etc.,

b) **Reconciliation of the shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the beginning of the year	10,000	1.00	10,000	1.00
Add: Issued during the year	-	-	-	-
At the end of the year	10,000	1.00	10,000	1.00

c) **Shareholding of Promoters**

Name of Promoters	Nature	No. of shares	% of total shares	% change during the year
Dvara Holdings (Holding on behalf of Dvara Trust)	Equity	9,990	99.90%	0%

d) **Particulars of shareholders holding more than 5% shares of a class of shares:**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% holding	No. of shares	% holding
Equity shares				
Dvara Holdings (Holding on behalf of Dvara Trust)	9,990	99.90%	9,990	99.90%

e) **For the period of five years immediately preceding the date as at Balance Sheet**

	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
1) Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash.	-	-	-	-	-
2) Aggregate number and class of shares allotted as fully paid-up by way of bonus shares	-	-	-	-	-
3) Aggregate number and class of shares bought back	-	-	-	-	-



Notes to the financial statements for the year ended March 31, 2023

(All amounts are in INR, in Lakhs, except share data and as stated)

	As at March 31, 2023	As at March 31, 2022				
4 Reserves and surplus						
General fund						
At the beginning of the year	2.60	153.81				
Surplus / (deficit) for the year	62.56	(151.21)				
At the end of the year	65.16	2.60				
5 Fund balances						
At the beginning of the year	765.93	3.00				
Add : Amount of grant and interest received (refer note 25)	795.70	947.12				
Add : Amount of interest received (refer note 25)	39.96	8.51				
Less: Utilisation for project, administrative and other purposes	(659.05)	(192.70)				
At the end of the year	942.54	765.93				
6 Provisions	As at March 31, 2023	As at March 31, 2022				
	Long-term	Short-term				
	Long-term	Short-term				
Provision for employee benefits						
Provision for gratuity (refer note 22)	23.06	1.65				
Provision for leave encashment	14.20	1.17				
	37.26	2.82				
	25.02	1.94				
7 Trade payables	As at March 31, 2023	As at March 31, 2022				
- total outstanding dues of micro enterprises and small enterprises (refer note 31)	-	-				
- total outstanding dues of creditors other than micro enterprises and small enterprises	44.74	66.72				
	44.74	66.72				
Ageing of trade payables						
	Not Due	Up to 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
As at March 31, 2023						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	43.09	-	-	-	43.09
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
(v) Unbilled Dues	1.65	-	-	-	-	1.65
Total	1.65	43.09	-	-	-	44.74
As at March 31, 2022						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	36.32	1.68	-	-	38.00
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
(v) Unbilled Dues	28.72	-	-	-	-	28.72
Total	28.72	36.32	1.68	-	-	66.72
8 Other current liabilities						
Employee benefits payable	60.57	56.37				
Statutory dues	2.15	21.83				
Other liabilities	-	0.02				
	62.72	78.22				



Dvara Research Foundation
Notes to the financial statements for the year ended March 31, 2023
(All amounts are in INR, in Lakhs, except share data and as stated)

9 Tangible assets

Particulars	Office equipment	Computers and accessories	Total
Gross block			
As at April 1, 2021	1.21	32.13	33.34
Additions	-	7.47	7.47
Deletions	-	-	-
As at March 31, 2022	1.21	39.60	40.81
Additions	-	8.63	8.63
Deletions	-	-	-
As at March 31, 2023	1.21	48.23	49.44
Accumulated depreciation			
As at April 1, 2021	1.04	26.15	27.19
For the year	0.08	5.80	5.88
On disposals	-	-	-
As at March 31, 2022	1.12	31.95	33.07
For the year	0.04	7.94	7.98
On disposals	-	-	-
As at March 31, 2023	1.16	39.89	41.05
Net block			
As at March 31, 2022	0.09	7.65	7.74
As at March 31, 2023	0.05	8.34	8.39

10 Intangible assets

Particulars	Software	Total
Gross block		
As at April 1, 2021	1.26	1.26
Additions	-	-
Deletions	-	-
As at March 31, 2022	1.26	1.26
Additions	2.13	2.13
Deletions	-	-
As at March 31, 2023	3.39	3.39
Accumulated amortization		
As at April 1, 2021	1.26	1.26
For the year	-	-
On deletions/disposal	-	-
As at March 31, 2022	1.26	1.26
For the year	0.15	0.15
On deletions/disposal	-	-
As at March 31, 2023	1.41	1.41
Net block		
As at March 31, 2022	-	-
As at March 31, 2023	1.98	1.98



Dvara Research Foundation

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in INR, in Lakhs, except share data and as stated)

11 Loans and advances

	As at March 31, 2023		As at March 31, 2022	
	Long-term	Short-term	Long-term	Short-term
To parties other than related parties				
(Unsecured, considered good)				
Advance taxes	29.21	-	24.80	-
Deposits with government authorities (Income tax purpose)	45.04	-	45.04	-
Advance	-	-	-	-
Security deposit	-	-	-	-
Advances to employees	-	9.93	-	10.55
Balances with government authorities	-	241.09	-	201.69
Other advances	-	-	-	-
Less: Provision for doubtful advances	-	-	-	-
Less : Provision for GST Input	-	(241.09)	-	(201.69)
Advances recoverable in cash or in kind or for value to be received	-	0.87	-	0.87
Prepaid expenses	-	12.98	-	9.21
	74.25	23.78	69.84	20.63

12 Trade receivables

	As at March 31, 2023	As at March 31, 2022
Receivables outstanding for a period exceeding six months from the date they became due for payment		
- Unsecured- considered Good	-	-
- Unsecured- considered Doubtful	-	-
Less: Provision for doubtful receivables	-	-

Ageing schedule of trade receivables

	Outstanding for following periods from due date of payment						Total
	Not Due	< 6 months	6 months to 1 Year	1-2 Years	2-3 Years	More than 3 Year	
As at March 31, 2023							
Undisputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Doubtful	-	-	-	-	-	-	-
Less: Provision	-	-	-	-	-	-	-
Disputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Doubtful	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
As at March 31, 2022							
Undisputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Doubtful	-	-	-	-	-	-	-
Less: Provision	-	-	-	-	-	-	-
Disputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Doubtful	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-



Dvara Research Foundation**Notes to the financial statements for the year ended March 31, 2023**

(All amounts are in INR, in Lakhs, except share data and as stated)

	As at March 31, 2023	As at March 31, 2022
13 Cash and cash equivalents		
Cash and cash equivalents		
Cash on hand	0.01	0.01
Balance with bank		
- In current accounts	-	0.16
- In FCRA accounts	22.62	777.32
- In savings accounts	64.78	61.04
- In deposit accounts (with original maturity of 3 months or less)	395.00	-
	482.41	838.53
Other bank balances		
- balances in current account (restricted balances) (refer note 13.2)	-	-
- other bank deposits due to mature with in 12 months	552.68	-
	1,035.09	838.53
13.1 Details of bank balances/deposits		
Bank balances available on demand / deposits with original maturity of 3 months or less included under 'cash and cash equivalents'	482.41	838.52
Bank deposits due to mature within 12 months of the reporting date included under 'other bank balances'	552.68	-
Bank deposits due to mature after 12 months of the reporting date included under 'other non-current assets'	-	-
	1,035.09	838.52
13.2 Balances in FCRA account		
- In savings accounts	64.78	15.64
- On deposit accounts	947.68	-
- In current accounts	22.62	761.68
14 Other current assets		
Advance to vendor	0.13	1.28
Balances with Government Authorities	7.03	-
Other receivables	5.59	3.41
	12.75	4.69



Dvara Research Foundation**Notes to the financial statements for the year ended March 31, 2023**

(All amounts are in INR, in Lakhs, except share data and as stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
15 Grants		
Foreign grants (refer note 2.6 (A))	595.85	194.82
Local grants (refer note 2.6 (A))	328.24	662.86
Grants towards CSR activities	-	3.00
	924.09	860.68
16 Revenue from services		
Professional services	61.75	18.72
	61.75	18.72
17 Other income		
Interest income from banks on:		
- Deposit accounts	38.57	3.84
- FCRA account	0.96	7.07
- Savings account	2.34	-
Donations	5.00	-
Miscellaneous income	0.06	0.75
	46.93	11.66
18 Employee benefit expenses		
Salaries, wages and bonus	484.02	447.49
Contribution to provident and other funds	12.62	5.81
Expenses related to post-employment defined benefit plans (refer note 22)	15.53	15.28
Staff welfare expenses	16.83	10.36
	529.00	478.94
19 Depreciation and amortisation		
Depreciation of property, plant and equipment (refer note 9)	7.98	5.88
Amortisation of Intangible Assets (refer note 9)	0.15	-
	8.13	5.88
20 Other expenses		
Rent	24.90	60.19
Travelling and conveyance	40.69	7.27
Legal and professional charges (refer note 20A for payments to auditors)	218.50	152.38
Consultancy charges	14.77	35.53
Printing and stationery	0.82	0.88
Conference and training expenses	12.84	1.10
Communication expenses	(1.86)	1.99
Subscription	26.80	16.45
Sponsorship charges	-	5.00
Recruitment Charges	0.99	-
Rates and taxes	2.32	2.99
Website maintenance and internet expenses	1.33	-
Provision for GST Input.	39.18	201.69
Sitting Fees	6.00	8.00
Maintenance charges	0.23	-
Net loss on account of foreign exchange fluctuations	0.59	0.45
License Fee	0.02	-
Miscellaneous expenses	3.61	5.85
	392.63	499.77
20A Payments to auditor (excluding goods and services tax)		
Statutory audit	4.00	4.00
Tax audit	0.50	0.50
Out of pocket expenses	-	-
	4.50	4.50
21 Taxation		

The Company is registered under Section 12A of the Income Tax Act, 1961 and hence is exempt from taxes on income when they are applied for charitable purpose in India.



Dvara Research Foundation**Notes to the financial statements for the year ended March 31, 2023**

(All amounts are in INR, in Lakhs, except share data and as stated)

22 Employee benefits: Post- employment benefit plan**A. Defined Contribution Plan**

The Company makes specified monthly contributions towards employee provident fund, National Pension scheme to Government administered fund which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. The amount recognised as an expense towards contribution to provident fund for the year aggregated to INR 12.62 Lakhs (March 31, 2022: INR 5.81 Lakhs)

B. Defined Benefit Plan

The Company's gratuity benefit scheme is a defined plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past services and the fair value of any plan assets are deducted. The Calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

	As at March 31, 2023	As at March 31, 2022
Summary of assets and liabilities as at the year end:		
Fair value of plan assets	-	-
Present value of obligations	24.71	19.46
Liability recognized in the balance sheet	24.71	19.46
Movement in fair value of plan assets		
Fair value of plan assets as at beginning of the year	-	-
Expected return on plan assets	-	-
Actuarial (loss) / gain	-	-
Contributions	-	-
Benefits paid	-	-
Fair value of plan assets as at the end of the year	-	-
Movement in present values of defined benefit obligation		
Present value of obligations as at the beginning of the year	19.46	16.57
Interest cost	1.38	1.09
Current service cost	6.35	5.08
Past service cost	-	-
Benefits paid	(2.42)	(4.90)
Actuarial (gain) / loss on obligation	(0.06)	1.62
Present value of obligations as at the end of the year	24.71	19.46
Reconciliation		
Net liability as the beginning of the year	19.46	16.57
Net expenses in statement of profit and loss	7.67	7.79
Benefits paid	(2.42)	(4.90)
Net liability as the end of the year	24.71	19.46
The Liability in respect of the gratuity plan comprises of the following non-current and current portions:		
Current	1.65	1.35
Non-current	23.06	18.11
	24.71	19.46



Dvara Research Foundation**Notes to the financial statements for the year ended March 31, 2023**

(All amounts are in INR, in Lakhs, except share data and as stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Amounts to be recognized in the statement of profit and loss		
Interest cost	1.38	1.09
Current service cost	6.35	5.08
Past service cost	-	-
Net actuarial (gain) / loss	(0.06)	1.62
Net expenses to be recognized in the statement of profit and loss	7.67	7.79

Principal actuarial assumptions

The following are the principal actuarial assumptions at the reporting date:

	As at March 31, 2023	As at March 31, 2022
Interest Rate (Liabilities)	7.26%	7.36%
Mortality Table	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Attrition rate	PS: 0 to 5 : 3% PS: 5 to 10 : 2% PS: 10 to 15:1% PS: 15 to 40: 0%	PS: 0 to 5 : 3% PS: 5 to 10 : 2% PS: 10 to 15:1% PS: 15 to 40: 0%
Salary Escalation Rate	5.00%	5.00%

Note:-

1. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors. Further, the Management revisits the assumptions such as attrition rate, salary escalation etc., taking into account, the business conditions, various external / internal factors affecting the Company.
2. Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

Five year information

Amounts for the current and previous periods are as follows:

Particulars	As at	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019
Present value of benefit	24.71	19.46	16.57	11.07	7.22
Fair value of plan assets	-	-	-	-	-
Excess of obligation over plan assets	24.71	19.46	16.57	11.07	7.22
(Gain)/Loss on obligation due to change in assumption	0.40	(1.83)	(0.12)	1.61	0.09
Experience (gain)/loss on obligation	(0.46)	3.45	0.27	0.17	(1.30)
Experience adjustment on plan assets (gain) / loss	-	-	-	-	-



Dvara Research Foundation**Notes to the financial statements for the year ended March 31, 2023**

(All amounts are in INR, in Lakhs, except share data and as stated)

C. Compensated Absence

Number of employee	26
Normal retirement	60 years
Maximum accumulation allowed	36 days
Yearly leave credit	12 days

Summary of assets and liabilities as at the year end:

	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets	-	-
Present value of obligations	15.37	7.49
Liability recognized in the balance sheet	15.37	7.49

Movement in fair value of plan assets

Fair value of plan assets as at beginning of the year	-	-
Expected return on plan assets	-	-
Actuarial (loss) / gain	-	-
Contributions	-	-
Benefits paid	-	-
Fair value of plan assets as at the end of the year	-	-

Movement in present values of defined benefit obligation

Present value of obligations as at the beginning of the year	7.49	-
Interest cost	0.53	-
Current service cost	4.26	7.49
Past service cost	-	-
Benefits paid	-	-
Actuarial (gain) / loss on obligation	3.09	-
Present value of obligations as at the end of the year	15.37	7.49

The Liability in respect of the gratuity plan comprises of the following non-current and current portions:

Current	1.17	0.59
Non-current	14.20	6.90
	15.37	7.49

Principal actuarial assumptions

The following are the principal actuarial assumptions at the reporting date:

	As at March 31, 2023	As at March 31, 2022
Interest Rate (Liabilities)	7.26%	7.36%
Mortality Table	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Attrition rate	PS: 0 to 5 : 3% PS: 5 to 10 : 2% PS: 10 to 15:1% PS: 15 to 40: 0%	PS: 0 to 5 : 3% PS: 5 to 10 : 2% PS: 10 to 15:1% PS: 15 to 40: 0%
Salary Escalation Rate	5.00%	5.00%



Dvara Research Foundation**Notes to the financial statements for the year ended March 31, 2023**

(All amounts are in INR, in Lakhs, except share data and as stated)

23 Earnings per share:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Shareholders earnings ((deficit) after tax as per statement of income and expenditure)	62.56	(151.21)
Equity shares at the beginning of the year	10,000	10,000
Total number of equity shares outstanding at the end of the year	10,000	10,000
Weighted average number of equity shares outstanding during the year (basic)	10,000	10,000
Weighted average number of equity shares outstanding during the year (diluted)	10,000	10,000
Face value per share (INR)	10	10
Earnings per share (INR) - Basic and diluted	625.60	(1,512.10)

24 Grants received from foreign and local sources are as follows:

Particulars	Purpose	For the year ended March 31, 2023	For the year ended March 31, 2022
Grants from foreign sources			
Bill and Melinda Gates Foundation	To research the nature and extent of exclusion of poor people from social security schemes in India and identify the root causes and potential solutions.	795.70	814.39
Omidyar Network Services LLC	For household finance research to develop research on household finance in India	-	76.73
New York University	For utilising in connection with the various activities of research initiatives of the foundation in relation to Household finance research and to work on sentinel to understand the COVID in micro finance sector	-	14.49
Australian High Commission	For providing temporary respite by providing food kits to those families having next to negligible income in the COVID times and to empower taxi and autorickshaw drivers from the communities to learn, connect, and grow by imparting knowledge through sessions and seminars	-	8.00
Grants from local sources			
Dvara Trust	For utilising in connection with the various activities of research initiatives of the foundation in relation to its objectives	300.00	412.00
Dvara Holdings	For utilising in connection with the various activities of research initiatives of the foundation in relation to its objectives	-	250.00
Dvara Kshetriya Gramin Financial Services Private limited	For conducting a research study on the impact of debt moratorium on credit behaviour of low income households	5.00	-
WhatsApp Application services Private Limited	For utilising in connection with the various activities of research initiatives of the foundation in relation product flows and scenario mapping for fraud related risks	-	46.00
S M I L E Microfinance Limited	For study on household finance and/or other streams of activity in finance for common benefit.	-	2.00
		1,100.70	1,623.61

25 Fund balances project wise breakup

Particulars	CP Gates	SPODE	WhatsApp	Australian High Commission	S.M.I.L.E Microfinance Limited	Total
Opening balance	704.74	10.94	45.14	3.11	2.00	765.93
Grants received during the year	795.70	-	-	-	-	795.70
Add : Interest earned on the above	38.68	0.31	0.97	-	-	39.96
Less : Amount spent during the year including capital expenditure	627.04	7.69	22.21	3.11	2.00	662.05
Add : Advance paid to Employee/Vendor	3.00	-	-	-	-	3.00
Closing Fund balance	915.08	3.56	23.90	-	-	942.54



Dvara Research Foundation

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in INR, in Lakhs, except share data and as stated)

26 Related party disclosures**a. Name of the related party and nature of relationship:**

Nature of relationship	Name of the related party
Holding Entity	Dvara Trust
Trustee of Holding entity	Dvara Holdings (Previously known as Dvara Holdings Private Limited, Dvara Trusteeship Services Private Limited)
Entities under common control	Dvara Money Private Limited
Key Managerial Personnel (KMP)	Indradeep Ghosh, Executive Director Bindu Ananth, Director

b. Transactions during the year

	For the year ended March 31, 2023	For the year ended March 31, 2022
Dvara Trust		
Grant received	300.00	412.00
Payment made by us to third parties on behalf of the Dvara Trust	(3.26)	3.26
Payment made to third parties on behalf of the company	0.01	-
Dvara Holdings		
Infrastructure cost	25.43	57.70
Employee sharing cost	31.51	44.26
Reimbursement of expenses	16.12	4.32
Payment made to third parties on behalf of the company	76.21	7.62
Payment made by us to third parties on behalf of Dvara Holdings	0.06	1.00
Grant received	-	250.00
Dvara Money Pvt Ltd		
Professional fee	2.64	-
Indradeep Ghosh		
Salaries and allowances	88.00	87.24
Reimbursements	0.35	-
Bindu Ananth		
Professional fees	1.83	0.76
Sitting fees	2.00	1.80
	As at	As at
c. Balance outstanding at the year end:	March 31, 2023	March 31, 2022
Dvara Trust		
Other receivables	-	3.26
Dvara Holdings		
Trade payables	39.06	18.71

27 Segment reporting

The Company is primarily engaged in the business of providing access to financial services to the under-served population in the country. All activities of the Company revolve around the main business. Further, the Company does not have any separate geographic segments other than India. As such there are no separate reportable segments as per AS-17 "Segment Reporting".

28 Commitments and contingent liabilities

	As at March 31, 2023	As at March 31, 2022
Income tax related matters		
AY 2009-10 - Disallowance of grants disbursed prior to incorporation and staff costs	48.44	48.44
AY 2016-17 - Disallowance of employee benefit expense, rent and legal and professional charges	50.29	50.29
AY 2017-18 - Disallowance of employee benefit expense, rent and legal and professional charges	82.93	82.93
AY 2018-19 - Disallowance of application of income and accumulation of income	184.20	184.20
Total	365.86	365.86

The Company has deposited the following amounts with the concerned authorities against the above demands:

- INR 18.39 lakhs during financial year 2011-12 against the original demand of INR 48.44 lakhs Rs 8.31 lakhs was paid at various other dates
- INR 10.06 lakhs during financial year 2018-19 against the original demand of INR 50.29 lakhs
- INR 16.59 lakhs during financial year 2019-20 against the original demand of INR 82.93 lakhs



Dvara Research Foundation**Notes to the financial statements for the year ended March 31, 2023**

(All amounts are in INR, in Lakhs, except share data and as stated)

29 Earning in foreign currency

	As at March 31, 2023	As at March 31, 2022
Grants received	795.70	913.61

30 Expenditure in foreign currency

	For the year ended March 31, 2023	For the year ended March 31, 2022
Consultancy Charges	1.60	2.68
Legal and professional charges	8.10	3.17
Conference and training expenses	-	0.43
Subscription	9.63	8.87
Software	2.13	-
Total	21.46	15.15

31 Micro and small enterprises:

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2023 has been made in the financial statements based on information received and available with the Company. Further in 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 as at the balance sheet date.

	As at March 31, 2023	As at March 31, 2022
The amounts remaining unpaid to micro and small suppliers as at end of the period / year	-	-
- Principal	-	-
- Interest	-	-
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).	-	-
The amount of payments made to the micro and small suppliers beyond the appointed day during each accounting period / 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 / year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period / year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/ suppliers.

32 Impact of COVID-19 pandemic

The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global financial markets and a slowdown in economic activities. The impact of pandemic on the economy is uncertain and would also be dependent upon future developments including various measures taken by the Government, responses of businesses, consumers etc. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption.

The Company has considered the possible effects that may result from the pandemic on carrying value of property, plant and equipment, receivables, other assets and liabilities. In developing the assumptions relating to possible future uncertainties in global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used available internal and external sources of information and has concluded that no adjustments are required to these financial statements. The Company will continue to monitor the developing scenario for any material changes.

33 Key Financial Ratios

Particulars	UoM	Numerator	Denominator	March 31, 2023	March 31, 2022	Variation in %
Current Ratio	In time	Current assets	Current liabilities	9.72	5.88	65%

* This being a section 8 company, only those ratios which are applicable have been disclosed.

The company being a section 8 company and its operations are basically dependent on the grants received during the year. Also, as per the MOA & AOA of the company there is no dividend payable to any of its shareholders even in the case of liquidation. Hence these ratios are not applicable

Reasons for change in the ratio by more than 25% as compared to the preceding year.

The net current assets are more compared to the previous year i.e. due to fresh substantial grants received during the year and the amount being not yet utilized as at the balance sheet date the ratio is much higher when compared to previous year.



Dvara Research Foundation

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in INR, in Lakhs, except share data and as stated)

34 Restructuring

The Board of Dvara Holdings (formerly known as Dvara Holdings Private Limited (trustee of Dvara Trust)), vide its board meeting dated March 12, 2021, had approved a plan for restructuring of Dvara Trust on a going concern basis with effect from April 1, 2021. Pursuant to the said plan, the Trust had transferred its employees, vendors and other business contracts in earlier years. Subsequently in FY 2023-24, the Trust has transferred its shares in Dvara Money Private Limited on April 4, 2023, Dvara Smartgold Private Limited on April 3, 2023, Dvara E- Registry Private limited on April 11, 2023 and Finreach solutions private Limited on April 6, 2023 to Dvara Research Foundation ("the company") which is the sole beneficiary. The company has further transferred these shares on the respective date of receipt of those shares to Dvara Holdings which is a Section 8 company having similar objects. The management confirms that no adjustments are required to be made to this effect in the financial statements for the year ended March 31, 2023.

35 Leases

Operating leases:

The company has not entered into any non-cancellable operating leases. The company has taken premises on cancellable operating lease and lease payments on such operating lease amount have been charged to Statement of Income and Expenditure Account.

36 Other notes:

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company to holding any benami
- (ii) The Company has reviewed transactions, to the extent of information available, for the purpose of identifying transactions with struck off companies. Based on the above review, there are no transactions with struck off companies in the current financial year.
- (iii) The Company has not traded or invested in crypto currency or virtual currency during the financial year
- (iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with understanding that intermediary shall :
 - (a) 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
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) 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
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funded party (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered, disclosed as income during the year in the tax assessments under the income tax act, 1961 (such as, search or survey or any of the relevant provisions of the Income Tax Act, 1961).
- (vii) The Company has not invested in any companies and therefore reporting on the compliance with number of layers is not applicable.
- (viii) The Company has nothing to report on compliance with approved scheme(s) of arrangements.
- (ix) The Company has not taken any loans and borrowings from lenders.
- (x) The Company is not required to declare any dividend and therefore reporting on compliance under section 123 of the Companies Act 2013 is not applicable.

38 Implementation of the Code on Social Security 2020, which is likely to impact the contributions by the company towards provident fund, gratuity and other related areas has been deferred by the Government. The company intends to do an actuarial valuation towards this liability at the appropriate time and provide for it. Anticipating the code to be enacted in the coming financial year.

37 Prior Period comparatives :

Prior year comparatives have been regrouped/reclassified wherever necessary to conform to current year's presentation.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
ICAI Firm Registration No. 003990S / S200018



S. Rajeshwari
Partner
Membership No: 024105
UDIN No :

Place: Chennai
Date: 26-09-2023



For and on behalf of the Board of Directors of
Dvara Research Foundation
CIN: U67190TN2008NPL068733



Indradeep Ghosh
Director
DIN: 08592589



Samir Amrit Shah
Director
DIN: 00912693