



# MDT & Company

CHARTERED ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

To the members of,  
**NETWEB FOUNDATION**

### **Report on the audit of Financial Statements**

#### **Opinion**

We have audited the Ind AS financial statements of NETWEB FOUNDATION ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Income & Expenditure, Cash Flow Statement and Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("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 31 March 2024 and its deficit, cash flow and changes in equity for the year ended on that date.

#### **Basis for opinion**

We conducted our audit in accordance with the standards on auditing 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 Ind AS financial statements section of our report.

We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the rules there under, 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.

#### **Other information**

The Company's Board of Directors is responsible for the preparation of the other information. The other information obtained at the date of this Audit report is the information included in the Board's Report including Annexure to Board's Report, but does not include the Ind AS financial statements and our auditor's report thereon. Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



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In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed on the other information, we conclude that there is a material misstatement therein, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flow statement of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for





## MDT & Company

our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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. As required by section 143(3) of the Act, we report that:





## MDT & Company

- 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 matters stated in below paragraph (i)(e) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules");
- c) the balance sheet, the statement of income and expenditure, Cash Flow statement and Statement of Changes in Equity 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 specified under Section 133 of the Act;
- e) on the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act;
- f) with respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph (i)(e) below on reporting under Rule 11(g) of the Rules.
- g) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- h) With respect to the matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, we report that the Company has not given any managerial remuneration during the year.
- 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, in our opinion and to the best of our information and according to the explanations given to us:
  - a) We are explained that the Company does not have any pending litigations which would impact its financial position in its financial statements.
  - b) We are explained that the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c) We are explained that there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d) (i) 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 or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall,
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the company or






MDT & Company

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, 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,
  - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures as 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 (d)(i) and (d)(ii) contain any material mis-statement.
- e) Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility and same has operated from 3<sup>rd</sup> October 2023 onwards for all relevant transactions recorded in the said software. Also, there were no transactions recorded for the period from 1<sup>st</sup> April 2023 to 2<sup>nd</sup> October 2023. Further, we have not come across any instance of the audit trail feature being tempered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable with effect from 1st April, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March 2024.

For MDT & Company  
**Chartered Accountants**  
(Firm's Registration Number: 026251N)

  
Mukul Kedia  
(Proprietor)  
Membership No. 517674

UDIN : 24517674 BKANDL1555

Place: Faridabad  
Date: 30<sup>th</sup> April 2024



**Annexure A to the Auditor's report**

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

We have audited the internal financial controls over financial reporting of the Company as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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





### Meaning of Internal Financial Controls over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MDT & Company

**Chartered Accountants**

(Firm's Registration Number: 026251N)

*Mukul*

Mukul Kedia

(Proprietor)

Membership No. 517674



UDIN : 24517674 BKAND L1555

Place: Faridabad

Date: 30<sup>th</sup> April 2024

**Netweb Foundation**  
**(A company licensed under section 8 of the Companies Act, 2013)**  
**CIN U80902HR2022NPL103903**  
**BALANCE SHEET AS AT 31ST MARCH 2024**

(Amount in Thousand)

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
<b>I. ASSETS</b>			
<b>1. Current Assets</b>			
<b>(a) Financial assets</b>			
(i) Cash and Cash Equivalents	2	85.62	599.85
<b>Total Assets</b>		<b>85.62</b>	<b>599.85</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	3	100.00	100.00
(b) Other equity	4	-64.38	-20.15
<b>Total equity (1)</b>		<b>35.62</b>	<b>79.85</b>
<b>Liabilities</b>			
<b>2. Current Liabilities</b>			
<b>(a) Financial liabilities</b>			
(i) Other current Liabilities	5	50.00	520.00
<b>Total current liabilities (2)</b>		<b>50.00</b>	<b>520.00</b>
<b>Total equity and liabilities (1+2)</b>		<b>85.62</b>	<b>599.85</b>

Material Accounting Policies 1  
The accompanying notes form part of the financial statements

As per our report of even date.

**FOR MDT & CO.**

Chartered Accountants  
(FRN: 026251N)

*Mukul*

**(MUKUL KEDIA)**

Proprietor

M. N. 517674

Place: Faridabad

Date: 30th April 2024



**FOR AND ON BEHALF OF THE BOARD  
NETWEB FOUNDATION**

*Sanjay Lodha*  
**Sanjay Lodha**  
Director  
DIN: 00461913

*Navin Lodha*  
**Navin Lodha**  
Director  
DIN: 00461924





**Netweb Foundation**

**(A company licensed under section 8 of the companies Act,2013)**

**CIN U80902HR2022NPL103903**

**STATEMENT OF INCOME AND EXPENDITURE FOR THE PERIOD ENDED 31ST MARCH 2024**

**(Amount in Thousand)**

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
<b>Revenue</b>			
Revenue from operations	6	1,951.57	2,800.00
<b>Total Income (A)</b>		<b>1,951.57</b>	<b>2,800.00</b>
<b>Expenses</b>			
Donations given	7	1,951.57	2,800.00
Other expenses	8	44.23	20.15
<b>Total Expenses (B)</b>		<b>1,995.80</b>	<b>2,820.15</b>
<b>Surplus (Deficit) for the period (C=A-B)</b>		<b>-44.23</b>	<b>-20.15</b>
<b>Other Comprehensive Income</b>			
- Items that will not be reclassified to statement of profit or loss			-
- Items that will be reclassified to statement of profit or loss			-
<b>Total of other comprehensive income (D)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the period (E=C-D)</b>		<b>-44.23</b>	<b>-20.15</b>

**Material Accounting Policies**

1

The accompanying notes form part of the financial statements

As per our report of even date.

**FOR MDT & CO.**

Chartered Accountants

(FRN: 026251N)



**(MUKUL KEDIA)**

Proprietor

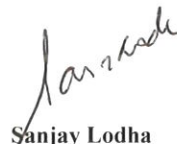
M. N. 517674

Place: Faridabad

Date: 30th April 2024




**FOR AND ON BEHALF OF THE BOARD  
NETWEB FOUNDATION**



**Sanjay Lodha**  
Director

**DIN: 00461913**



**Navin Lodha**  
Director

**DIN: 00461924**



**Netweb Foundation**  
**(A company licensed under section 8 of the companies Act,2013)**  
**CIN U80902HR2022NPL103903**  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2024**

(Amount in Thousand)

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
<b>Cash flow from operating activities</b>			
Surplus (deficit) for the period		(44.23)	(20.15)
<b>Adjustments:</b>			
Increase/(decrease) in Other Liabilities		(470.00)	520.00
<b>Cash generated from operations</b>		<b>(514.23)</b>	<b>499.85</b>
Less : Taxes paid		-	-
<b>Net cash from operating activities</b>	<b>(A)</b>	<b>(514.23)</b>	<b>499.85</b>
<b>Cash flow from investing activities</b>			
Purchase of fixed assets		-	-
<b>Net cash from investing activities</b>	<b>(B)</b>	<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>			
Issue of Share capital		-	100.00
<b>Net cash from/ (used in) financing activities</b>	<b>(C)</b>	<b>-</b>	<b>100.00</b>
<b>Net increase in cash and cash equivalents</b>	<b>(A+B+C)</b>	<b>(514.23)</b>	<b>599.85</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>599.85</b>	<b>-</b>
<b>Cash and cash equivalents at end of the year</b>	<b>2</b>	<b>85.62</b>	<b>599.85</b>

**Material Accounting Policies**

1

The accompanying notes form part of the financial statements

As per our report of even date.

**FOR MDT & CO.**

Chartered Accountants

(FRN: 026251N)

*Mukul*

**(MUKUL KEDIA)**

Proprietor

M. N. 517674

Place: Faridabad

Date: 30th April 2024



**FOR AND ON BEHALF OF THE BOARD  
NETWEB FOUNDATION**

*Sanjay Lodha*

**Sanjay Lodha**

**Director**

**DIN: 00461913**

*Navin Lodha*

**Navin Lodha**

**Director**

**DIN: 00461924**





**Netweb Foundation**  
**(A company licensed under section 8 of the companies Act,2013)**  
**CIN U80902HR2022NPL103903**  
**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2024**

(Amount in Thousand)

**(A) Equity share capital**

As at 31-March-2024				
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
100.00	-	100.00	-	100.00
As at 31-March-2023				
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
-	-	-	100.00	100.00

**(B) Other equity**

Particulars	Other Equity	
	Surplus from Income and Expenditure account	Total
<b>As at April 01, 2022</b>	-	-
Total Comprehensive Income for the year	-20.15	-20.15
Transfer to retained earnings	-	-
<b>As at 31-March-2023</b>	<b>-20.15</b>	<b>-20.15</b>
Total Comprehensive Income for the year	-44.23	-44.23
Transfer to retained earnings	-	-
<b>As at 31-March-2024</b>	<b>-64.38</b>	<b>-64.38</b>

**Material Accounting Policies**

1

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

**FOR MDT & CO.**  
Chartered Accountants  
(FRN: 026251N)

*Mukul*

**(MUKUL KEDIA)**  
Proprietor  
M. N. 517674  
Place: Faridabad  
Date: 30th April 2024



**FOR AND ON BEHALF OF THE BOARD  
NETWEB FOUNDATION**

*Sanjay Lodha*

**Sanjay Lodha**  
Director  
DIN: 00461913

*Navin Lodha*

**Navin Lodha**  
Director  
DIN: 00461924



## **NETWEB FOUNDATION**

**(A company licensed under section 8 of the companies Act,2013)**

**CIN U80902HR2022NPL103903**

Notes to the financial statements for the year ended 31 March 2024

### **1. Summary of material accounting policies**

#### **a. Corporate information**

Netweb Foundation (the company) is a company domiciled in India and incorporated under the provisions of Section 8 of the Companies Act, 2013. It is subsidiary of Netweb Technologies India Limited ('Holding Company') and is incorporated for the purpose of fulfilling CSR obligations of the Holding Company.

#### **b. Basis of preparation and presentation of financial statements**

##### **i) Compliance with IndAS**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013.

##### **ii) Historical cost convention**

The Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities:

(i) Certain financial assets and liabilities that are measured at fair value

iii) The Financial Statements are presented in Indian Rupees ('INR') and all values are rounded to nearest thousands (INR '000) upto two decimal places, except when otherwise indicated.

#### **c. Current versus non-Current Classification**

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 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 or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months

All other assets are classified as non-current.





## **NETWEB FOUNDATION**

**(A company licensed under section 8 of the companies Act,2013)**

**CIN U80902HR2022NPL103903**

Notes to the financial statements for the year ended 31 March 2024

A Liability is 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 settle 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.

The Company classifies all other liabilities as non-current.

### **d. Provision:**

Provision are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

### **e. Tax Expenses**

The Company is incorporated as a 'not for profit company' under section 8 of the Companies Act, 2013 and granted registration under section 12AA of the Income Tax Act, 1961. The Company is prohibited by its objects to carry out any activity on commercial basis and it operates on a non-commercial basis and thereby eligible for tax exemption.

Current tax is measured as the amount expected to be paid to the tax authorities in accordance with the provision of the income tax Act, 1961. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax based used in the computation of taxable surplus, if any.

Deferred tax liabilities and assets, if any, are measured at the tax rates that are expected to apply in the period in which the liability is settled or the assets realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

### **f. Revenue Recognition**

#### **Donation**

Donation/grants are recognized as income upon compliance with the significant condition, if any, and where it is reasonable to expect ultimate collection. Amounts received with a specific direction from donors that such amounts shall form part of the corpus and credited as corpus fund in balance sheet.



## **NETWEB FOUNDATION**

**(A company licensed under section 8 of the companies Act,2013)**

**CIN U80902HR2022NPL103903**

Notes to the financial statements for the year ended 31 March 2024

Endowment funds are created out of donations received for the purpose of the objective of the company. Investment made are specifically earmarked for endowment fund.

**g. Financial instruments**

**(i) Financial assets**

**A. Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

**B. Subsequent measurement**

**a. Financial assets carried at amortized cost (AC)**

A financial asset is measured at amortized cost if it is held within a operation model whose objective is to hold the assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principle and interest on the principle amounts outstanding.

**b. Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset in measured at fair value through other comprehensive income if it held within a operation modal whose objective is achieved by both collection contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely of principle and interest on the principle amount outstanding.

**c. Financial assets at fair value through income and expenditure statement (FVTIE)**

A financial asset which is not classified in any of the above categories is measured at fair valued through statement of income and expenditure.

**d. Impairment of financial assets**

In accordance with IND AS 109, the company uses 'Expected Credit loss' model, for evaluating impairment of financial assets other than those measured at fair value through statement of income and expenditure.

**ii) Financial liabilities**

**A. Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of loans net directly attributable cost. Fees of recurring nature are directly recognized in the statement of income and expenditure as finance cost.





## **NETWEB FOUNDATION**

**(A company licensed under section 8 of the companies Act,2013)**

**CIN U80902HR2022NPL103903**

Notes to the financial statements for the year ended 31 March 2024

### **B. Subsequent measurement:**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables due to the short maturity of these instruments.

### **iii) Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows for the financial assets expire or it transfers the financial asset, and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of a financial liabilities) Is a derecognized form the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.



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**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2024**

(Amount in Thousand)

**Note No. 2 Cash and cash equivalents**

Particulars	As at 31st March 2024	As at 31st March 2023
Balance with banks		
- Current accounts	85.62	599.85
<b>Total Cash and Cash Equivalents</b>	<b>85.62</b>	<b>599.85</b>

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

Particulars	As at 31st March 2024	As at 31st March 2023
On current accounts	85.62	599.85
<b>Total</b>	<b>85.62</b>	<b>599.85</b>

**Note No. 3 Equity Share Capital**

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Authorised :</b>		
10,000 Equity shares of Rs. 10/- par value	100.00	100.00
<b>Total (INR)</b>	<b>100.00</b>	<b>100.00</b>
<b>Issued, Subscribed and paid-up :</b>		
10,000 Equity shares of Rs. 10/- par value	100.00	100.00
<b>Total (INR)</b>	<b>100.00</b>	<b>100.00</b>

**Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period Equity shares.**

Particulars	As at 31st March 2024		As at 31st March 2023	
	No. of Shares	Amount	No. of Shares	Amount
<b>At the beginning of the year</b>	10,000	100.00	-	-
Issued during the year	-	-	10,000	100.00
Redeemed or bought back during the year	-	-	-	-
<b>Outstanding at end of the year</b>	<b>10,000</b>	<b>100.00</b>	<b>10,000</b>	<b>100.00</b>

**b. Right, Preferences and Restriction attached to shares Equity shares**

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The Company is governed by Section 8 of Companies Act, 2013. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the





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**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2024**

(Amount in Thousand)

**c. Details of shareholders held by the Holding Company**

Name of Shareholders	As at 31st March 2024		As at 31st March 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Netweb Technologies India Limited	9,900	99%	9,900	99%
<b>Total</b>	<b>9,900</b>	<b>99%</b>	<b>9,900</b>	<b>99%</b>

**d. Details of shareholders holding more than 5% shares in the company**

Name of Shareholders	As at 31st March 2024		As at 31st March 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Netweb Technologies India Limited	9,900	99%	9,900	99%
<b>Total</b>	<b>9,900</b>	<b>99%</b>	<b>9,900</b>	<b>99%</b>

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**e. Details of shareholding of promoters**

Promoter name	No. of shares	As at 31st March 2024		As at 31st March 2023	
		% of total shares	% change during the year	% of total shares	% change during the year
Netweb Technologies India Limited	9,900	99%	-	99%	-
Navin Lodha	100	1%	-	1%	-
<b>Total</b>	<b>10,000</b>	<b>100%</b>	<b>-</b>	<b>100%</b>	<b>-</b>

**Note No. 4 Other Equity**

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Surplus from Income and Expenditure account</b>		
Opening Balance	-20.15	-
Add: Surplus/ (deficit) for the year	-44.23	-20.15
Less : Deletion during the year	-	-
<b>Closing Balance</b>	<b>-64.38</b>	<b>-20.15</b>
<b>Balance carried to balance sheet</b>	<b>-64.38</b>	<b>-20.15</b>

**Note No. 5 Other Current liabilities**

Particulars	As at 31st March 2024	As at 31st March 2023
Audit Fees Payable	40.00	10.00
Liabilities for expenses payable	10.00	10.00
Advance donations received	-	500.00
<b>Total Current liabilities</b>	<b>50.00</b>	<b>520.00</b>



## **Netweb Foundation**

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### **NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2024**

(Amount in Thousand)

#### **Note No. 6 Revenue from operations**

Particulars	31st March 2024	31st March 2023
Grants or donations received	1,951.57	2,800.00
<b>Total Donations Received</b>	<b>1,951.57</b>	<b>2,800.00</b>

#### **Note No. 7 Donation given**

Particulars	31st March 2024	31st March 2023
Donation given	-	2,800.00
Setting up of MNCUs/ KMCs units under CSR Project	1,951.57	-
<b>Total Donation given</b>	<b>1,951.57</b>	<b>2,800.00</b>

#### **Note No. 8 Other expenses**

Particulars	31st March 2024	31st March 2023
Payment to auditor		
- audit fees	30.00	10.00
Preliminary expense written off	-	10.00
Professional Fees	14.17	-
Bank charges	0.06	0.15
<b>Total Other expenses</b>	<b>44.23</b>	<b>20.15</b>

- 9 The Company is incorporated on 25th May 2022. Therefore the figures for the previous period were from 25th May 2022 to 31st March 2023. However, figures for the current year are from 1st April 2023 to 31st March 2024.

#### **10. Fair values**

The management assessed that current liabilities, cash and cash equivalent approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

#### **11. Capital Management**

The Board's policy maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the Company.

#### **12. Financial risk management objectives and policies**

The Company's principal financial liabilities comprise of expense payables and other liability . The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include cash and cash equivalent that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.





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**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2024**

(Amount in Thousand)

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market price. Market risk comprise of interest rate risk, currency risk, credit risk and commodity risk.

**(a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is not exposed to interest rate risk since it does not have a floating rate debt .

**Fair value sensitivity analysis for fixed rate instruments :-**

The Company has not disclosed interest rate risks on any fixed rate financial liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would neither affect income or expenditure nor affect

**(b) Foreign currency risk**

The Company is not exposed to foreign exchange risk arising from foreign currency transactions

**(c) Commodity price risk**

The Company is not exposed to commodity price risk

**(d) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

**i) Financial instruments and cash deposits**

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company does not has any exposure to credit risk for the components of the Balance Sheet as at March 31, 2024.

**Liquidity risk**

The Company monitors its risk of a shortage of funds doing a liquidity planning exercise.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of short term borrowing facilities. The Company's treasury function reviews the liquidity position on an ongoing basis. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and surplus cash and cash equivalent on the basis of expected cash flow. The company is not having any trade payable with fixed maturity as on 31st March 2024.

**Excessive risk concentration**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Since Comapny is registered under Section 8 of Companies Act, 2013, hence this risk is not applicable.



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**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2024**  
(Amount in Thousand)

**13. Corporate Social Responsibility obligations of the following companies are being carried out by the foundation.**

a). The foundation has received following amounts with Specific instruction, which have planned to be utilized for the CSR Purpose.

Name of the Company	31st March 2024	31st March 2023
Netweb Technologies India Limited	1,951.57	3,300.00
<b>Total</b>	<b>1,951.57</b>	<b>3,300.00</b>

b). The Company has incurred Rs. 1,951.57 (PY Rs.2,800.00) for CSR purpose during the financial year.

**14. Other Statutory Information**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) The Company did not have any material transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the respective reported financial year.
- (iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the 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
- (iv) The Company has not received any fund from any person(s) or entity(is), 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 Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (v) The company does not have any unrecorded transactions which have been surrendered or disclosed as Income during the year in the tax assessment under the Income Tax Act, 1961.





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**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2024**

(Amount in Thousand)

**15. Related party Disclosure**


**a) Names of Related Parties and related party relationship**

<b>Description of relationship</b>	<b>Name of related parties</b>
<b>Holding Company</b>	Netweb Technologies India Limited
<b>Key managerial personnel</b>	Navin Lodha

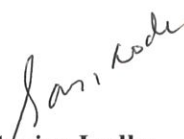
**b) Summary of transactions and outstanding balances with above related parties are as follows**

<b>Particulars</b>	<b>For the period ended 31st March 2024</b>	<b>For the period ended 31st March 2023</b>
<b>Issue of share capital</b>		
Netweb Technologies India Limited	-	99.00
Navin Lodha	-	1.00
<b>Grants or donations received</b>		
Netweb Technologies India Limited	1,951.57	2,800.00
<b>Advance donations received</b>		
Netweb Technologies India Limited	-	500.00

**FOR MDT & CO.**  
Chartered Accountants  
(FRN: 026251N)

  
**(MUKUL KEDIA)**  
Proprietor  
M. N. 517674  
Place: Faridabad  
Date: 30th April 2024

**FOR AND ON BEHALF OF THE BOARD  
NETWEB FOUNDATION**

  
**Sanjay Lodha**  
Director  
DIN: 00461913

  
**Navin Lodha**  
Director  
DIN: 00461924

