



S. Sahoo & Co.

Chartered Accountants

Independent Auditor's Report

To,
The Members of Board
National Skills Foundation of India, Gurugram

Report on the Financial Statements

Opinion

1. We have audited the accompanying financial statements (Pertaining to Foreign Contribution) of **National Skills Foundation of India**, FCRA Registration No.: 172270088 [Registration No. 8712 dated 21.08.2009 Registered under the Trust Act (the "Trust"), which comprise the Balance Sheet as at 31 March 2025, the Income and Expenditure Account, Receipt and Payment Account for the year then ended, and significant accounting policies and notes to the financial statements.
2. 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 Act in the manner so required and comply, in all material respects, with the conditions laid down in the Scheme for the management and administration of the Trust and the rules made thereunder, to the extent relevant and applicable, and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Trust as at 31 March 2025, and its surplus for the year ended on that date.

Basis of Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') 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.

Responsibilities of the management for the Financial Statements

4. The Trust ('management') is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Trust in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Trust 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.

5. In preparing the financial statements, management is responsible for assessing the Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

6. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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.
7. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism 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 including the utilization certificates submitted by the sub-recipients, that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of Trust'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 Trust'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 Trust to cease to continue as a going concern.

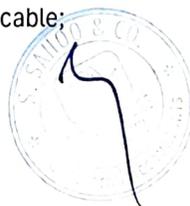
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
8. We communicate with the management regarding, among 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.

Other Matter

9. We have also issued our audit report as per Form No. 10B pursuant to the requirements of section 12A (1) (b) of the Income-tax Act, 1961.

Report on Other Legal and Regulatory Requirements

10. We also report on the following points as under for the year ended 31 March 2025:
- a. Trust has maintained its books of accounts in electronic mode. The books of accounts are updated and maintained by the finance department of the Trust on regular basis. The books of accounts are maintained in Gurugram location. In our opinion and accordingly information provided to us, proper books of accounts are maintained by the Trust and the same is maintained in accordance with the provisions of the Act and the rules made thereunder;
 - b. Receipts and disbursements are properly and correctly shown in the accounts;
 - c. The cash balance, vouchers, bank book etc. are in custody of Chief Executive Officer and the same are in agreement with Books of account on the date of our audit;
 - d. All books, deeds, accounts, vouchers or other documents or records required by us were produced for audit;
 - e. Finance team of the Trust appeared before us and furnished all information required for audit;
 - f. In our opinion and according to the information provided to us, no property or funds of the Trust were applied for any object or purpose other than the object or purpose of the Trust;
 - g. Trust has invested its surplus in fixed deposit of scheduled Bank as defined in Reserve Bank of India Act, 1934 as well as under the provisions of section 11(5) of the Income Tax Act.
 - h. In our opinion and according to the information provided to us, in this year there is no alienation in the immovable property of the Trust wherever applicable;



- i. There is no special matter which we may think fit or necessary to bring to the notice of Board Members or any other user of the financial statement, status of major compliance is as under ;
 - a. Trust has filed its Income Tax Return for the Financial Year 2023-24 on or before the due date prescribed under section 139(1) of the Income Tax Act.
 - b. Trust has filed its Annual FCRA Return for the Financial Year 2023-24 on or before the due date prescribed under the Foreign Contribution Regulation Act 2010.
 - c. Trust is filing quarterly intimation of receipt of foreign contribution received, as per the requirement of the Foreign Contribution Regulation Act 2010.
- j. In our opinion and according to the information provided to us, no cases of irregular, illegal or improper expenditure or failure or omission to recover moneys or other property belonging to the Trust or of loss, or waste of moneys or other property thereof, and whether such expenditure, failure, omission, loss or waste was caused in consequence of breach of trust or misapplication or any other misconduct on the part of the board members or any other person while in the management of the Trust were identified;
- k. In our opinion and according to the information provided to us, no board member has any interest in the investment of the Trust;
- l. In our opinion and according to the information provided to us, no board member is a debtor or creditor of the Trust. Further, Trust only has investment in the form of fixed deposits and bonds of government of India and all fixed deposits/investments are in name of the Trust;
- m. In our opinion and according to the information provided to us, no irregularities were pointed out in the books of accounts of previous year.

For: S. Sahoo & Co
Chartered Accountants
ICAI Firm Registration No.: 322952E



CA. (Dr.) Subhajit Sahoo, FCA, LLB
Partner
Membership No.: 057426
UDIN: 25057426BMICBD3112

Place: New Delhi
Date: 17-09-2025

Balance Sheet as at 31st March 2025

Foreign Contribution Projects

(Amount in INR)

Particulars		Note	31 March 2025	31 March 2024
I	Sources of Funds			
1	NPO Funds	3		
(a)	Reserve Funds		27,18,180	-2,65,322
(b)	Corpus Funds		-	-
(c)	Assets Funds		4,80,017	6,40,022
			31,98,196	3,74,701
2	Non-current liabilities			
(a)	Long-term borrowings		-	-
(b)	Other long-term liabilities		-	-
(c)	Long-term provisions		-	-
3	Current liabilities			
(a)	Short-term borrowings		-	-
(b)	Unspent Grant Balance		-	-
(c)	Other current liabilities		-	-
(d)	Short-term provisions	4	3,17,763	11,07,049
			-	-
			3,17,763	11,07,049
	Total		35,15,959	14,81,750
II	Application of Funds			
1	Non-current assets	5		
(a)	Property, Plant and Equipment and Intangible assets		4,80,017	6,40,022
(i)	Property, Plant and Equipment			
(ii)	Intangible assets			
(iii)	Capital work in progress			
(iv)	Intangible asset under development			
(b)	Non-current investments		-	-
(c)	Long Term Loans and Advances		-	-
(d)	Other non-current assets		-	-
			4,80,017	6,40,022
2	Current assets			
(a)	Current investments		-	-
(b)	Inventories		-	-
(c)	Receivables		-	-
(d)	Cash and bank balances		-	-
(e)	Short Term Loans and Advances	6	30,35,943	8,41,727
(f)	Other current assets		-	-
			30,35,943	8,41,727
	Total		35,15,959	14,81,750

Brief about the Entity & Summary of significant accounting policies 1&2
The accompanying notes are an integral part of the financial statements.

For & on behalf :

S. Sahoo & Co

Chartered Accountants

Firm No. 322952E

CA (Dr.) Subhajit Sahoo, FCA, LLB

Partner

MM No. 057426

UDIN: 25057426BMICBD3112

Place: New Delhi

Date: 17-09-2025

For & on behalf :

National Skills Foundation of India

Sanjeev Kumar Asthana

(Chairman)

Nanduri Sai Krishna

(CEO)

Sahtosh Kumar Bhardwaj

(Manager Accounts & Finance)

Income and Expenditure for the year ended on 31st March 25

Foreign Contribution Projects

(Amount in INR)

Particulars	Note	31 March 2025	31 March 2024
I Income			
(a) Donations and Grants	7	1,01,03,482	87,10,716
(b) Other Income	8	2,26,948	2,23,997
II Total		1,03,30,430	89,34,713
III Expenses:			
(a) Expenditure on Objects of Organization-Program Expenses	9	73,38,182	92,00,569
(b) Donations/Contributions Paid- Amount Sub Grant	10	-	-
(c) Establishment Expenses		8,747	6,578
(f) Depreciation and amortization expense	11	-	-
Total		73,46,929	92,07,147
IV Excess of Income over Expenditure before exceptional and extraordinary items (III- IV)		29,83,501	-2,72,434
V Exceptional items		-	-
VI Excess of Income over Expenditure for the year before extraordinary items (V-VI)		29,83,501	-2,72,434
VII Extraordinary Items		-	-
VIII Excess of Income over Expenditure for the year (VII-VIII)		29,83,501	-2,72,434
Appropriations Transfer to funds:			
Transfer to/(from) Project fund:		-	-
Balance transferred to General Fund:		29,83,501	-2,72,434

Brief about the Entity & Summary of significant accounting policies 1&2

The accompanying notes are an integral part of the financial statements

For & on behalf :

S. Sahoo & Co

Chartered Accountants

Firm No. 322952E



CA (Dr.) Subhajit Sahoo, FCA, LLB

Partner

MM No. 057426

UDIN: 25057426BMICBD3112

Place: New Delhi

Date: 17-09-2025

For & on behalf :

National Skills Foundation of India


Sanjeev Kumar Asthana,
(Chairman)


Nanduri Sai Krishna
(CEO)


Santosh Kumar Bhardwaj
(Manager Accounts & Finance)

Receipts & Payment Account For The Year Ended 31st March 2025
Foreign Contribution Projects

(Amount in INR)

RECEIPTS	Note	31 March 2025	31 March 2024
Opening Balance :			
Cash and Bank Balances		8,41,727	79,419
Donation & Grants	7	1,01,03,482	87,10,716
Other Income	8	2,26,948	2,23,997
Loan & Advances Received		-	10,34,742
Total		1,11,72,157	1,00,48,874
PAYMENT			
Expenditure on Objects of Organization-Program Expenses	9	73,38,182	92,00,569
Donations/Contributions Paid- Amount Sub Grant	11	-	-
Establishment Expenses		8,747	6,578
Last Year Liability Paid		7,89,286	-
Closing Balance			
Cash and Bank Balances		30,35,943	8,41,727
Total		1,11,72,157	1,00,48,874

Brief about the Entity & Summary of significant accounting policies 1&2
The accompanying notes are an integral part of the financial statements

For & on behalf :
S. Sahoo & Co
Chartered Accountants
Firm No. 322952E




CA (Dr.) Subhajit Sahoo, FCA, LLB
Partner
MM No. 057426
UDIN: 25057426BMICBD3112

Place: New Delhi
Date: 17-09-2025

For & on behalf :
National Skills Foundation of India


Sanjeev Kumar Asthana
(Chairman)


Nanduri Sai Krishna
(CEO)


Santosh Kumar Bhardwaj
(Manager Accounts & Finance)

National Skills Foundation of India

C-507, The Courtyard, Nirvana Country, Sector-50, Gurgaon-122018, Haryana-India

Notes forming part of the Financial Statements for the year ended, 31st March, 2025

		<i>(Amount in INR)</i>	
3 Fund Details		31 March 2025	31 March 2024
A. Unrestricted Funds			
General Fund			
Opening balance		-2,65,322	7,112
Add: Excess of Income Over Expenditure		29,83,501	-2,72,434
		<u>27,18,180</u>	<u>-2,65,322</u>
Total		27,18,180	-2,65,322
B. Assets Funds			
Opening balance		6,40,022	8,53,363
Add: Addition During the Year		-	-
Less: Loss on assets Disposed off		-	-
Less: Depreciation Transferred from Income & Expenditure Account		-1,60,006	-2,13,341
Total		4,80,017	6,40,022

		<i>(Amount in INR)</i>	
4 Other current liabilities		31 March 2025	31 March 2024
(a) Current maturities of finance lease obligations		-	-
(b) Interest accrued but not due on borrowings		-	-
(c) Interest accrued and due on borrowings		-	-
(d) Statutory Liabilities (TDS)		1,79,106	597
(e) Sundry Creditors		22	10,57,169
(f) Inter Branch Advances		1,38,635	49,283
Total		3,17,763	11,07,049



BREAKE FOR FIXED ASSETS NOTE

(Amount in INR)

6 Cash and Bank Balances	31 March 2025	31 March 2024
A Cash and cash equivalents		
(a) On current/saving accounts	-	
Designated Bank Account	6,22,813	1,23,947
Utilization Bank Account	24,13,130	7,17,780
(b) Cash credit account (Debit balance)	-	
(c) Fixed Deposits		
Deposits with original maturity of less than three months	-	
(d) Cheques, drafts on hand	-	
(e) Cash on hand	-	
Total	30,35,943	8,41,727

7 Donations and Grants	31 March 2025	31 March 2024
(a) Grants		
Skill Development	1,01,03,482	83,95,985
Entrepreneurship Development	-	
Incubation	-	3,14,731
(b) Donation		
Total	1,01,03,482	87,10,716

8 Other income	31 March 2025	31 March 2024
(a) Interest on Bank A/c	2,26,948	2,23,997
(b) Interest on Fixed Deposit & Bonds		
(c) Other Income		
Total	2,26,948	2,23,997

9 Charitable Expenses-Program Expenses	31 March 2025	31 March 2024
Relief to Poor		
9.1 Skill Development		
Programme Expenses	61,28,986	82,96,559
Project Running Cost	12,09,196	8,49,371
	<u>73,38,182</u>	<u>91,45,930</u>
9.2 Sustainability		
Programme Expenses	-	54,639
	<u>-</u>	<u>54,639</u>
Total	73,38,182	92,00,569

10 Donations/Contributions Paid-Sub Grant	31 March 2025	31 March 2024
Sub-Granting to Partner	-	
Total	-	



(Amount in INR)

11 Depreciation and amortization expense	31 March 2025	31 March 2024
on tangible assets (Refer note 5)	1,60,006	2,13,341
on intangible assets (Refer note 5)		
Less: Transferred to Assets Fund	-1,60,006	-2,13,341
Total	-	-

7 Donations and Grants	31 March 2025	31 March 2024
(a) Grants		
Skill Development	1,01,03,482	83,95,985
Incubation	-	3,14,731
(b) Donation		
Total	1,01,03,482	87,10,716

8 Other income	31 March 2025	31 March 2024
(a) Interest on Bank A/c	2,26,948	2,23,997
(b) Interest on Fixed Deposit & Bonds	-	-
Total	2,26,948	2,23,997



National Skills Foundation of India

C-507, The Courtyard, Nirvana Country, Sector-50, Gurgaon-122018, Haryana-India

BRIEF ABOUT THE ENTITY & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED ON 31ST MARCH 2025.

1. Brief about the Entity

National Skills Foundation of India (NSFI) is a not-for-profit organization engaged in building sustainable livelihoods through programme implementation, research and evidence building, policy advocacy and incubation of enterprises for scaled impact.

NSFI was incorporated in 2009 under India Trusts Act 1882. Understanding that India's growing youth population was resulting in 'Demographic Dividend', if harnessed it could contribute to the country's economic development; and if unaddressed potentially impact society's socio-economic balance. NSFI was established with a focus on skill building and developing vocational opportunities for India's large but relatively unskilled, semi-skilled workforce, rural youth, farmers, and women entrepreneurs.

During its foundation years NSFI's work involved research and policy advocacy through international partnerships. In its journey of creating development impact, NSFI realized the need for scalable models and evidence-based project designs especially due to the fact that all the projects involved behavioral change impact requirement, which posed a challenge in differentiating perceptions and facts. In this backdrop, since 2013, NSFI started building models on the ground especially with focus on scaling up. Developing scalable models has been the USP of NSFI. Such models included organizational forms such as Agriculture Skill Council of India (ASCI), SkillGreen Global Private Limited and innovative impact models such as 'Fast Track Entrepreneurship Development', 'Green Colleges', 'ShareOn' and 'Global Agri Connect'. These organizations, and innovations have gained traction in the market and in impact development for more than 4 years.



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. **Basis of Accounting:** The Accounting Standards issued by the Institute of Chartered Accountants of India are applicable to non-profit entities, only if any part of the activities of the entity is considered to be commercial, industrial or business in nature.

The financial statements have been prepared under the historical cost convention and on accrual basis except stated otherwise. The accounting policies have been consistently applied by the society except stated otherwise.

2. **Fixed Assets:** Assets are stated at cost of acquisition including taxes, duties and other incidental expenses relating to acquisition and installation.

- a) Assets purchased out of grant received are charged to Income & Expenditure Account under the concerned project expenses head. Simultaneously Asset Fund is created against the value of the Fixed Assets charged to the Income & Expenditure Account.

- b) In case of Assets created out of own fund is shown under the head Fixed Assets and an amount equivalent to the cost of the asset have been transferred to Asset fund from general fund.

- c) Fixed Assets are shown at Written Down Value (W.D.V) in the Balance Sheet

- d) No revaluation of fixed assets was made during the year.

3. **Depreciation:** Depreciation on the depreciable assets is charged on written down value method as per the rates and manner prescribed under Appendix 1 to the Income Tax Rule 1962.

<u>Item</u>	<u>Rate of Depreciation</u>
Computer Equipment & Accessories	40%
Office & electrical Equipment	15%
Furniture & Fixture	10%
Building	10%
Vehicle	15%

As the total value of the Assets acquired is claimed as utilization during the year of purchase, depreciation on such assets is adjusted against the Assets Fund for disclosure purpose in the Balance Sheet.



4. **Investment:** All the investments were in form of fixed deposit with schedule Banks in compliance with Section 11(5) of the Income Tax Act, 1961 as well as in compliance with the Rule-4 of the FCRR, 2011.
5. **Revenue Recognition:** Restricted project grants were recognized as income on the basis of the project period of grant on prorata basis, whereas unrestricted project grants and Donations were recognized on the basis of receipts.
6. **Bank Interest:** Interest earned including the interest accrued on the amount held under Fixed Deposit is reflected under the Income & Expenditure Account without allocating such interest derived on unutilized donor funds. The interest is accounted under the Receipts & Payment Account as the total interest received during the period from 1.4.2024 to 31.03.2025 in the Fixed Deposit account.
7. **Foreign Contribution:** Foreign Contributions (Foreign Grants/Donation) are accounted for on the basis of the credit advice received from Bank.

3. **NOTES TO ACCOUNTS**

1. Income and expenses are generally disclosed as per budget of the funding/donor agencies.
2. There is no such income which is of a business nature as defined under Section 2(15) of the Income Tax Act,1961
3. The organisation has duly complied with the new provision of FCRA 2010 while finalizing the accounts relating to the foreign funds.
4. All the fixed deposit has been valued at principal amount as reflected in FD Certificates and interest accrued on such deposit (as per interest certificate issued by concerned banks) has been shown separately under other current assets.
5. Previous year figures to the extent possible has been regrouped and rearranged wherever required.
6. **Pending Legal Case/Contingent Liabilities:** It was informed to us by the management that there are no legal cases pending or initiated during the year either by any individual or organization against National Skills Foundation of India.



7. The Organization is registered under :

- a) The Trust Act 18 Vide **Registration No. 8712 dated 21/08/2009** and is also registered under section 12A and 80G of the Income Tax Act 1961. The exemption were valid on the date of signing the Financial Statements.
- b) Under section 12A of The income tax Act 1961 vide registration no. **AABTN3302ME20165 dated 24-09-2021**. The organization has submitted the Income Tax Return for the year 2022-23 before the due date.
- c) Under section 80G of The income tax Act 1961 vide registration no. **AABTN3302MF20213 dated 24-09-2021**. The organization has submitted the Statement of donations for the year 2023-24 in the form of 10BD before the due date.
- d) Foreign Contribution Regulation Act 1976/2010 vide registration no. **172270088 dated 04.05.2016 / Renewed from 01-01-2025 to next five years** with the Ministry of Home Affairs to receive foreign contribution and this is valid till..... The organization has submitted the information through FC-4 Return for the year 2023-24 before the due date.
- e) PAN of the Organization is **AABTN3302M**.
- f) TAN of the Organization is **RTKN02845D**.

For & On behalf of:
S. Sahoo & Co.
Chartered Accountants
FR No. 322952E



CA. Subhjit Sahoo, FCA, LLB
Partner
M. No. 057426

For & On behalf of:
National Skills Foundation of India



Sanjeev Kumar Asthana
(Chairman)



Nanduri Sai Krishna
(CEO)



Santosh Kumar Bhardwaj
(Manager Accounts & Finance)

Place: New Delhi
Date: 01-08-2025