

SORAB S. ENGINEER & CO. (Regd.)
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ARVIND INDIGO FOUNDATION

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **ARVIND INDIGO FOUNDATION** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Income and Expenditure and the Statement of Cash Flows for the year ended on that date and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the deficit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other 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 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

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SORAB S. ENGINEER & CO. (Regd.)

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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. However, as per notification no. G.S.R. 583 (E) Dt. 13th June, 2017, Section 143(3)(i) of the Act is not applicable, and hence we are not 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.
- 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.



SORAB S. ENGINEER & CO. (Regd.)

Report on Other Legal and Regulatory Requirements

1. This report does not contain a statement on the matters specified by the Companies (Auditor's report) Order, 2020 ("The Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said order is not applicable to the Company.
2. As required by Section 143(3) of the Act, based on our audit 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, Income and Expenditure Account and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) This report does not contain a statement with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, since as per notification no. G.S.R. 583 (E) Dt. 13th June, 2017 the same is not applicable.
 - g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any material foreseeable losses on any long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. (1) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall,

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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.

(2) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(3) Based on the audit procedures conducted by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatements.

- v. According to the information and explanations provided to us, the Company has not declared any dividend during the year.
- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **Sorab S. Engineer & Co.**
Chartered Accountants
Firm's Registration No. 110417W



CA. Chokshi Shreyas B.
Partner
Membership No.100892
UDIN:23100892BGQHJU8803
Ahmedabad
Date: April 21, 2023

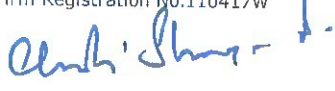
Arvind Indigo Foundation
(A Public Company Limited by Shares under Section 8 of the Companies Act, 2013)

Balance Sheet as at March 31, 2023

Particulars	Notes	Rs. In Lacs	
		As at March 31, 2023	As at March 31, 2022
ASSETS			
I. Non Current Assets			
(a) Capital Work in Progress		1.06	-
(b) Paintings	5	1,302.61	1,302.61
Total non-current assets		1,303.67	1,302.61
II. Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	6	266.59	21.17
(b) Other Current Assets	7	5.43	5.70
Total current assets		272.02	26.87
Total Assets		1,575.69	1,329.48
EQUITY AND LIABILITIES			
I. Equity			
Equity share capital	8	1.00	1.00
Other equity	9	1,574.16	1,327.98
Total equity		1,575.16	1,328.98
II. Current Liability			
(a) Financial liabilities			
(i) Trade payables	10		
a) Total outstanding dues of micro enterprises and small enterprises		-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		0.53	0.50
Total current liabilities		0.53	0.50
Total equity and liabilities		1,575.69	1,329.48
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Sorab S. Engineer & Co.
Chartered Accountants
Firm Registration No.110417W



CA. Chokshi Shreyas B.
Partner
Membership No.100892
Ahmedabad
April 21, 2023

**For and on behalf of the board of directors of
Arvind Indigo Foundation**



Director
Ahmedabad



Director
Ahmedabad

Arvind Indigo Foundation

(A Public Company Limited by Shares under Section 8 of the Companies Act, 2013)

Statement of Income and Expenditure for the year ended March 31, 2023

Particulars	Notes	Rs. In Lacs	
		Year ended March 31, 2023	Year ended March 31, 2022
Income			
Other Income	11	0.92	0.98
Total income (I)		0.92	0.98
Expenses			
Other expenses	12	6.99	3.10
Total expenses (II)		6.99	3.10
Excess of Expenditure over Income before tax (III) = (I-II)			
Tax expense		(6.07)	(2.12)
Current tax		-	-
Total tax expense (IV)		-	-
(Deficit) for the year (V) = (III-IV)		(6.07)	(2.12)
Other comprehensive income (VI)		-	-
Total other comprehensive income for the year, net of tax (VI)		-	-
Total comprehensive income for the year, net of tax (V+VI)		(6.07)	(2.12)
Earning per equity share	17		
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Sorab S. Engineer & Co.
Chartered Accountants
Firm Registration No.110417W

CA. Chokshi Shreyas B.
Partner
Membership No.100892
Ahmedabad
April 21, 2023

For and on behalf of the board of directors of
Arvind Indigo Foundation

Director
Ahmedabad

Director
Ahmedabad

Arvind Indigo Foundation

(A Public Company Limited by Shares under Section 8 of the Companies Act, 2013)

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

Particulars	Rs. In Lacs	
	Year ended March 31, 2023	Year ended March 31, 2022
A Operating activities		
Deficit Before taxation	(6.07)	(2.12)
Adjustments to reconcile profit before tax to net cash flows:		
Interest Income	(0.92)	(0.98)
Operating Profit before Working Capital Changes	(6.99)	(3.10)
Working Capital Changes:		
Changes in Trade Payable	0.03	0.50
Changes in Other Current Assets	0.27	(5.70)
Net Changes in Working Capital	0.30	(5.20)
Cash Generated from Operations	(6.69)	(8.30)
Direct Taxes paid (Net of Income Tax refund)	-	-
Net Cash from Operating Activities	(6.69)	(8.30)
B Cash Flow from Investing Activities		
Purchase of PPE/Intangible Assets including CWIP	(1.06)	(1,122.51)
Interest Income	0.92	0.98
Net cash flow from Investing Activities	(0.14)	(1,121.53)
C Cash Flow from Financing Activities		
Corpus Donation Received	-	1,150.00
Earmarked Fund Received including Interest Allocation	252.25	-
Proceeds from issue of Share Capital	-	1.00
Net Cash flow from Financing Activities	252.25	1,151.00
Net Increase/(Decrease) in cash & cash equivalents	245.42	21.17
Cash & Cash equivalent at the beginning of the year	21.17	-
Cash & Cash equivalent at the end of the year	266.59	21.17

Particulars	Rs. In Lacs	
	Year ended March 31, 2023	Year ended March 31, 2022
Cash and cash equivalents comprise of: (Note 7a)		
Cash on Hand	-	-
Balances with Banks	-	-
In Fixed Deposits with original maturity less than 3 months	266.59	21.17
Cash and cash equivalents	266.59	21.17

The accompanying notes are an integral part of the financial statements.

Note:

- 1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

As per our report of even date
For Sorab S. Engineer & Co.
 Chartered Accountants
 Firm Registration No.110417W

CA. Chokshi Shreyas B.
 Partner
 Membership No.100892
 Ahmedabad
 April 21, 2023

For and on behalf of the board of
 directors of
Arvind Indigo Foundation

Director
 Ahmedabad

Director
 Ahmedabad

Statement of changes in Equity for the year ended March 31, 2023

A. Equity share capital

Balance	Rs. In Lacs Note 8
As at April 1, 2021	-
Issue of Equity Share capital	-
As at March 31, 2022	1.00
Issue of Equity Share capital	-
As at March 31, 2023	1.00
B. Other equity	1.00

Attributable to the equity holders

Particulars	Rs. In Lacs		
	Corpus Fund	Earmarked Fund	Retained Earnings
	Note 9	Note 9	Note 9
Balance As at April 1, 2021	-	-	-
Donation received during the year	1,150.00	-	-
Appropriated for Capital Expenditure	-	180.10	-
Capital Fund created during the year	-	(180.10)	-
Deficit for the year	-	180.10	-
Balance as at March 31, 2022	1,150.00	180.10	(2.12)
			(2.12)
			1,327.98
Balance as at April 1, 2022	1,150.00	180.10	(2.12)
Donation received during the year	-	250.00	-
Interest credited during the year (Refer Note 11)	-	2.25	-
Capital Fund created during the year	-	-	-
Deficit for the year	-	-	-
Balance as at March 31, 2023	1,150.00	432.35	(6.07)
			(8.19)
			1,574.16

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Sorab S. Engineer & Co.
Chartered Accountants
Firm Registration No.110417W

Sorab S. Engineer

CA. Chokshi Shreyas B.
Partner
Membership No.1.00892
Ahmedabad
April 21, 2023

For and on behalf of the board of directors of Arvind Foundation

Shreyas B. Chokshi
Director
Ahmedabad

Sorab S. Engineer
Director
Ahmedabad

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Corporate Information

Arvind Indigo Foundation ('the Company'), a not for profit company, within the meaning of Section 8 of the Companies Act, 2013 was incorporated in India on April 8, 2021.

Pursuant to the enactment of Companies Act, 2013 and Section 135 of the Companies Act, 2013, the Company, as an implementing agency, would carry out Corporate Social Responsibility (CSR) activities as per the policies adopted by Arvind Limited and its group Companies in line with the Schedule VII of the Companies Act, 2013. The Company would primarily focus on CSR activities as well-defined projects or programmes that would include promoting and development of livelihood, rural areas, social infrastructure and other infrastructure that would meet the objectives of inclusion and environmental stability.

The financial statements were authorised for issue in accordance with a resolution of the directors on April 21, 2023.

2. Statement of Compliance and Basis of Preparation

2.1 Basis of Preparation and Presentation and Statement of Compliance

The Financial Statements have been prepared on a historical cost convention on the accrual basis except for the certain financial assets and liabilities measured at fair value, the provisions of the Companies Act, 2013 to the extent notified ("the Act").

Accounting policies were consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standards requires a change in the accounting policy hitherto in use.

The Financial Statements comprising of Balance Sheet, Statement of Income and Expenditure including other comprehensive income, Statement of Changes in Equity and Statement of Cash Flows as at March 31, 2023 have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of amended Division II of schedule III of the Companies Act, 2013 (Ind AS compliant schedule III) as applicable to financial statement.

2.2 Rounding of Amount

The Financials Statement are prepared in Indian Rupees (INR) and all the values are rounded to nearest Lacs as per the requirement of amended Schedule III, except when otherwise indicated. Figures less than Rs. 500 which are required to be shown separately, have been shown actual in brackets.

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3. Summary of Significant Accounting Policies

The following are the significant accounting policies applied by the Company in preparing its financial statements consistently to all the periods presented:

3.1. Operating cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for classification of assets and liabilities as current and non-current.

3.2. Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognised in the period in which the results are known / materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

3.3. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. In addition, the following criteria must also be met before revenue is recognised:

a) Voluntary Contribution:

- i. Contribution received other than for corpus donation are recognised as income in the year of receipt.
- ii. Contribution received as corpus donation are credited to 'Corpus Fund' in Balance Sheet. Such contributions are transferred to Statement of Income and Expenditure as per the direction of the management for carrying out activities of the Company.
- iii. Restricted grants received for which there are stipulations as to use are recognized in the statement of income and expenditure as income in the year of utilization and the unutilized amount is shown as 'Restricted grants' as on balance sheet date. Restricted grants are subject to certain restrictions as set out by the donor and agreed to by the Company when accepting the grant. If income generated from assets pertaining to restricted grants is also subject to the same restrictions as the grant, then the same is also credited to restricted grants and is recognized in the statement of income and expenditure as income in the year of utilization.

b) Interest income is accounted on accrual basis.

W.L.

3.4. Financial instruments – initial recognition and subsequent measurement

a. Financial Assets

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Income and Expenditure.

Subsequent measurement

After initial recognition, financial assets are measured at:

- i) Fair value (either through Other Comprehensive Income or through profit or loss) or,
- ii) Amortised Cost

De-recognition

A financial asset is de-recognised only when:

- i) The Company has transferred the rights to receive cash flows from the financial asset or
- ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

b. Financial Liabilities:

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Income and Expenditure.

De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

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c. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.5. Foreign currency transactions and translations

a. Functional and presentation currency

Items included in financial statements are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Indian rupee (Rs), which is the Company's functional and presentation currency.

b. Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the statement of income and expenditure. Foreign exchange gains and losses are presented in the statement of income and expenditure on a net basis within other income/expenses.

3.6. Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.7. Taxes

The Company is registered under Section 12AA of the Income Tax Act, 1961. Hence, the income of the company is not taxable. In view of this, no provision for Income tax has been considered necessary.

3.8. Property, Plant and Equipment

All the items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes cost related to acquisition of asset and any attributable cost to bring the asset to working conditions for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

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3.9. Paintings

Paintings are measured initially at cost including the transaction cost. Subsequently, the paintings are remeasured at fair value through Profit and Loss.

Gains or losses arising from changes in the fair value of Paintings are included in net profit or loss for the period in which it arises.

3.10. Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

3.11. Provisions and Contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at best estimate of the future expenditure required to settle the present obligation at the balance sheet date and not discounted to its present value due to their short term nature.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

3.12. Grant Expenditure

Grants disbursed to implementing partners are accounted for as expenditure on the basis of utilisation certificates/statements submitted by the implementing partners in accordance with the terms of the agreements signed with respective implementing partners and unutilised overspent amount as per such certificate is shown as amount recoverable/payable from/to implementing partners under loans and advances / trade payables as at balance sheet date.

3.13. Earning Per Share

Basic earnings per share is calculated by dividing:

- the surplus attributable to equity shareholders of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resource.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

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- the surplus attributable to equity shareholders of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resource.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

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- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

3.14. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors assesses the financial performance and position of the Company, and makes strategic decisions. Refer Note 16 for segment information.

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4. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4.1. Estimates and assumption

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

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Arvind Indigo Foundation

(A Public Company Limited by Shares under Section 8 of the Companies Act, 2013)

Notes to the Financial Statements**Note 5 : Paintings**

Particulars	Rs. In Lacs	
	As at	
	March 31, 2023	March 31, 2022
Paintings - Fair value through Profit and Loss:*	1,302.61	1,302.61
Total	1,302.61	1,302.61

*The management has assessed that carrying value of the paintings approximate to their fair value.

The Company has purchased artefacts for setting up Indigo Museum with the primary object of undertaking the research, conserve and preserve the ancient national heritage of Indigo for the future generations involving activities to be carried out relating to protection of national heritage, art and culture. The Museum will showcase the emergence of Indigo, its relevance in India's history and its wide range applications.

- i The purpose of setting up the Indigo Museum are as under: to set up one of its kind Museum in the world that highlights the Indigo story from its glorified past and carries its application in today's contemporary world;
- ii to offer space I platform and engage with talented artists (both National and International) to showcase art forms in various mediums using Indigo dye as the main ingredient;
- iii to research, conserve and preserve the ancient national heritage of indigo for the future generations;
- iv to create a platform for the public in general and Indigo stakeholders, to not only know the mesmerizing indigo story and its historical significance but also to develop its wide-ranging applications;
- v to provide a platform for the new generation of makers, artists, designers and artisans to learn the art of producing ecologically minded clothes while preserving traditional art and craft;
- vi to involve the makers in the implementation from an early phase such that this institution becomes active as a laboratory of ideas and form; and
- vii to provide a platform for promoting awareness, research and academic interest on indigo.

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Arvind Indigo Foundation

(A Public Company Limited by Shares under Section 8 of the Companies Act, 2013)

Notes to the Financial Statements**Note 6 : Financial assets****6 (a) Cash and cash equivalent**

Particulars	Rs. In Lacs	
	As at	
	March 31, 2023	March 31, 2022
Balance with Banks		
In Savings account	266.59	21.17
Total cash and cash equivalents	266.59	21.17

Note 7 : Other current assets

Particulars	Rs. In Lacs	
	As at	
	March 31, 2023	March 31, 2022
(Unsecured, considered good unless otherwise stated)		
Prepaid Expenses	5.43	5.70
Total	5.43	5.70

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Notes to the Financial Statements

Note 8 : Equity share capital

Particulars	March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. In Lacs	No. of shares	Rs. In Lacs
Authorised share capital				
Equity shares of Rs.10/- each	1,00,000	10.00	1,00,000	10.00
Issued and subscribed share capital				
Equity shares of Rs.10/- each	10,000	1.00	10,000	1.00
Subscribed and fully paid up				
Equity shares of Rs.10/- each	10,000	1.00	10,000	1.00
Total	10,000	1.00	10,000	1.00

8.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting year

Particulars	March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. In Lacs	No. of shares	Rs. In Lacs
At the beginning of the year	10,000	1.00	-	-
Add : Shares issued during the year	-	-	10,000	1.00
Outstanding at the end of the year	10,000	1.00	10,000	1.00

8.2. Terms/Rights attached to the equity shares

The Company has one class of shares referred to as equity shares having a par value of Rs. 10 each. Each shareholder is entitled to one vote per share held.

8.3. Number of Shares held by each shareholder holding more than 5% Shares in the company

Name of the Shareholder	March 31, 2023		As at March 31, 2022	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Arvind Limited	10,000	100%	10,000	100%

8.4. Shareholding of Promoters

Promoter Name	% of shareholding					
	March 31, 2023			As at March 31, 2022		
	No. Shares	% of total shares	% change during the year	No. Shares	% of total shares	% change during the year
Arvind Limited	10,000	100.00%	0.00%	10,000	100.00%	100.00%

Note 9 : Other Equity

Particulars	As at	
	March 31, 2023	March 31, 2022
Corpus Fund		
Balance at the beginning of the year	-	-
Donation received during the year	1,150.00	-
Balance at the end of the year	1,150.00	1,150.00
Note 9.1 Reserves & Surplus		
Earmarked Fund		
a. Unutilised Fund		
Balance at the beginning of the year	-	-
Donation received in cash during the year	250.00	-
Donation received in kind during the year	-	-
Add : Interest credited during the year (Refer Note 11)	2.25	180.10
Less: Appropriated for Capital Expenditure	-	-
Balance at the end of the year (a)	252.25	(180.10)
b. Utilised Fund		
Balance at the beginning of the year	-	-
Capital Fund created during the year	180.10	-
Balance at the end of the year (b)	180.10	180.10
Total (a+b)	432.35	180.10
Surplus in Statement of Income and Expenditure		
Balance as per last financial statements	-	-
Less : (Deficit) for the year	(2.12)	-
Balance at the end of the year	(6.07)	(2.12)
Total Other equity	1,574.16	1,327.98

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Notes to the Financial Statements

Note 10 : Current Liability

10(A) Trade payables

Particulars	Rs. In Lacs	
	As at March 31, 2023	March 31, 2022
Current		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues other than micro enterprises and small enterprises	0.53	0.50
Total	0.53	0.50

a Other trade payables are not-interest bearing and are normally settled on 30-90 days terms.

b The Company does not have any dues to suppliers registered under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosures as required under Section 22 of The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 regarding:

- Principal amount and the interest due thereon remaining unpaid to any suppliers as at the end of accounting year;
- Interest paid during the year;
- Amount of payment made to the supplier beyond the appointed day during accounting year;
- Interest due and payable for the period of delay in making payment;
- Interest accrued and unpaid at the end of the accounting year; and
- Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise.

is not required.

Trade Payables ageing schedule:

As at March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of				Rs. In Lacs Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed dues - MSME	0.53	-	-	-	-	0.53
Disputed dues - Others	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-
Total	0.53	-	-	-	-	0.53

As at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of				Rs. In Lacs Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed dues - MSME	0.50	-	-	-	-	0.50
Disputed dues - Others	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-
Total	0.50	-	-	-	-	0.50

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Arvind Indigo Foundation

(A Public Company Limited by Shares under Section 8 of the Companies Act, 2013)

Notes to the Financial Statements**Note 11 : Other Income**

Particulars	Rs. In Lacs	
	Year Ended	
	March 31, 2023	March 31, 2022
Interest income (Net of Rs. 2.25 Lacs transferred to Earmarked Fund, Previous Year Rs. Nil)	0.92	0.98
Total	0.92	0.98

Note 12 : Other expenses

Particulars	Rs. In Lacs	
	Year Ended	
	March 31, 2023	March 31, 2022
Payment to Auditors as : Auditors	0.67	0.50
Legal and Professional Expense	0.27	0.51
Insurance Expense	6.05	2.09
Total	6.99	3.10

Note 13 : Contingent Liabilities

Particulars	Rs. In Lacs	
	Year Ended	
	March 31, 2023	March 31, 2022
Contingent liabilities not provided for	-	-

Note 14 : Capital and Other Commitments

Particulars	Rs. In Lacs	
	Year Ended	
	March 31, 2023	March 31, 2022
Capital Commitments	-	-
Other Commitments	-	-



Arvind Indigo Foundation
(A Public Company Limited by Shares under Section 8 of the Companies Act, 2013)

Notes to the Financial Statements

Note 15 : Related Party Transactions

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the Company are as follows :

a. Name of Related Parties and Nature of Relationship :

Arvind Limited	Holding Company
Arvind Foundation	Fellow Subsidiary Company
Shri Jayesh Kantilal Shah	Director
Shri Jagdish Gananand Dalal	Director

b. Disclosure in respect of Related Party Transactions :

Nature of Transactions	Rs. In Lacs	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Earmarked Fund (Donation) Received		
Arvind Foundation	150.02	1,330.10
Shares Issued during the Year		
Arvind Limited	-	1.00

c. Commitments with related parties

The Company has not provided any commitment to the related party.

Note 16 : Segment Reporting

The Company is domiciled in India. The primary focus of the Company to contribute to the economic benefit to society, social infrastructure (education, healthcare, water and sanitation) and other engagements in research and studies, which is considered to be the only reportable business segment (in accordance with Ind-AS 108). All other activities revolve around the main business. The Company does not have any geographical segment.

Geographical segment

The Company operates as a single segment. The segment revenue is measured in the same way as in the statement of income and expenditure.

Particulars	Rs. In Lacs	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Segment Revenue		
a) In India	-	-
b) Rest of the world	0.92	0.98
Total	0.92	0.98
Carrying Cost of Segment Assets		
a) In India	-	-
b) Rest of the world	1,575.69	1,329.48
Total	1,575.69	1,329.48
Carrying Cost of Segment Non Current Assets@		
a) In India	-	-
b) Rest of the world	1,303.67	1,302.61
Total	1,303.67	1,302.61
@ Excluding Financial Assets and Deferred Tax Assets	1,303.67	1,302.61

Note 17 : Earnings per share

As per the License under Section 8 of the Companies Act, 2013 as granted by the office of the Regional Director, Ministry of Corporate Affairs, Government of India, the income and property of the Company whenever derived, shall be applied solely for the promotion of the objects as set forth in the Memorandum of Association and no portion thereof shall be paid or transferred, directly or indirectly by way of dividend, bonus or otherwise by way of profit to persons who at any time are or have been Members of the Company or to any of them or to any person claiming through any one or more of them. Consequently, disclosure related to earning per share has not been given.

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Notes to the Financial Statements

Note 18 : Fair value measurement

(a) Financial Assets by category:

Particulars	FVTPL	FVOCI	Rs. In Lacs
As at March 31, 2023			Amortised Cost
Paintings	1302.61	-	-
Cash & Bank balance	-	-	266.59
Total Financial Assets	1,302.61	-	266.59
As at March 31, 2022			
Paintings	1302.61	-	-
Cash & Bank balance	-	-	21.17
Total Financial Assets	1,302.61	-	21.17

(b) Financial Liabilities by category:

Particulars	FVOCI	Rs. In Lacs
As at March 31, 2023		Amortised Cost
Trade Payable	-	0.53
Total Financial liabilities	-	0.53
As at March 31, 2022		
Trade Payable	-	0.50
Total Financial liabilities	-	0.50

Note 19 : Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Particulars	As at	Fair value measurement using			Rs. In Lacs
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	
Assets measured at fair value					
Fair value through Profit and Loss					
Paintings	March 31, 2023	1,302.61	-	1,302.61	-
	March 31, 2022	1,302.61	-	1,302.61	-

Fair value hierarchy

Level 1 - Hierarchy includes financial instruments measured using quoted price. The fair value of mutual fund units and trust units is determined using NAV, which represents the repurchase price at which the issuer will redeem the units from investor. Assets measured at fair value

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation technique which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

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

Fair value of financial assets and financial liabilities that are not measured at fair value

The fair values of other receivables, short term loans advances, short-term security deposits, bank deposits, other payables and cash and cash equivalents are equal to their carrying amounts due to the current and short-term nature of such balances. Further the Company considers fair value of non current financial assets measured at amortised cost approximates their carrying value.

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Arvind Indigo Foundation
(A Public Company Limited by Shares under Section 8 of the Companies Act, 2013)

Notes to the Financial Statements

Note 20 : Financial Risk Management

The Company monitors and manages the financial risks relating to the operations of the Company through internal Management Information System reports which analyse the exposure by degree and magnitude of risks. These risks includes market risk (Interest rate risk, currency risk and other price risk), credit risk and liquidity risk.

(a) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the value of a financial asset. The value of a financial asset may change as a result of changes in the interest rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments.

i) Fair value interest rate risk

Interest rate risk is the risk where the Company is exposed to the risk that the fair value or future cash flows of its financial instruments will fluctuate as a result of a changes in market interest rates.

The Company is not exposed to any interest rate risk.

ii) Foreign currency risk:

The Company does not have any currency exposures in respect of financial assets and financial liabilities as at the balance sheet date that will result in net currency gains or losses in the statement of income and expenditure due to change foreign currency exchange rates.

iii) Price risk:

The Company does not holds investments in equity instruments as at balance sheet date that will results in fair value gains or losses due to change in market reference price of the investments.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The principal sources of liquidity of the Company are cash and cash equivalents and the cash flow that is generated from donations. The Company believes that current cash and cash equivalents and cash flow that is generated from donations is sufficient to meet the requirements. Accordingly, the liquidity risk is perceived to be insignificant.

Note 21 : Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company. The Company has charitable and non-profit objectives. The primary objective of the Company is not to maximise the wealth for the shareholder. However, the Company does aim at analysing working capital management to fulfil the financial obligations and funding requirements. The Company prepares annual budgets and business plans to determine the funding requirements. Funding requirements are primarily fulfilled through grants/donations received by the Company.

Notes to the Financial Statements

Note 22 : Ratio Analysis

Sl No	Particulars	Numerator	Denominator	Year ended		% Variance	Reason for Variance in excess of 2.5%
				March 31, 2023	March 31, 2022		
1	Current Ratio (In times)	Current Assets	Current Liabilities	513.25	53.74	855.06%	Increase in Bank Balances due to
2	Debt-Equity Ratio (%)	Total Debt	Total Equity				Grant Received
3	Debt Service Coverage Ratio (%)	Earnings before Interest, Tax, Depreciation and amortisation	Interest (excluding interest on lease liabilities) + Lease repayments + Principal Repayment of debt				
4	Return on Equity Ratio (%)	Net Profit after Tax	Total Equity				
5	Inventory turnover Ratio (In times)	Revenue from Operations	Average Inventories				
6	Trade Receivables turnover Ratio (In times)	Revenue from Operations	Average Trade Receivables				
7	Trade Payables turnover Ratio (In times)	Purchase of Goods	Average Trade Payables				
8	Net capital turnover Ratio (In times)	Revenue from Operations	Working Capital				
9	Net profit Ratio (%)	Net Profit after Tax	Revenue from Operations				
10	Return on Capital employed (%)	Profit before Interest, Exceptional Items and Tax	Total Capital Employed				
11	Return on investment (%)						

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Arvind Indigo Foundation

(A Public Company Limited by Shares under Section 8 of the Companies Act, 2013)

Notes to the Financial Statements

Note 23 : Other notes

a. During the year ended March 31, 2023 and March 31, 2022, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- i) 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
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

Further, during the year ended March 31, 2023 and March 31, 2022, 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:

- i) 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
- ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

b. The Company has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2023 (Previous year: Nil).

c. No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder during the year ended March 31, 2023 (Previous year: Nil).

d. The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2023 (Previous year: Nil).

e. The Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961) during the year ended March 31, 2023 (Previous year: Nil).

f. The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended March 31, 2023 (Previous year: Nil).

g. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Note 24:

In the opinion of the Board, all assets other than fixed assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated except for reconciliation adjustments in respect of some of the payables and receivables.

Note 25: Events occurring after the reporting period

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of April 21, 2023, there were no subsequent events and transactions to be recognized or reported that are not already disclosed.

Note 26: Regrouped, Recast, Reclassified

Material regroupings: Appropriate adjustments have been made in the statements of assets and liabilities, statement of profit and loss and cash flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financials of the Company as at March 31, 2023.

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